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FOR THE HALF-YEAR ENDING DECEMBER, 1923.

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(R) = REVIEWS OF BOOKS.

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JULY 7, 1923.

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THE MONEY MARKET. FOUR PER CENT.

On Thursday the directors of the Bank of England
raised the official *minimum* rate of discount from 3 to 4
per cent. The movement had not generally been ex-
pected to happen so soon, though the continued decline
in the New York exchange had given plenty of warning,
since it was known that the Bank was anxious to dis-
courage those who were helping this decline by lending

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THE ECONOMIST.

[January 5, 1924.]

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freely to American borrowers. Since there is a good deal of divergence of opinion concerning the extent of the connection, in these days, between rates of interest and rates of exchange, much uncertainty prevailed as to whether the rise of 1 per cent. in the Bank rate would suffice to steady the price of sterling, without being reinforced by a further advance later. Lombard Street was rather puzzled and anxious, and inclined to look forward to uncomfortable times, but in view of the very large amount that had to be borrowed from the Bank over the turn of the half-year, partly owing to the fact that funds normally available for borrowers here had been lent to New York, the Bank seems to be able to justify its action on the ordinary business principle of putting up the price of a commodity that is scarce, quite apart from considerations of exchange. After some discussion the clearing banks raised their deposit rates by 1 per cent., and the discount houses followed *pari passu*. Money had been extremely abundant owing to the big borrowings last week, which had still, after large repayments on Monday, Tuesday, and Wednesday, left the Other securities nearly 16 millions higher; but discount rates had remained firm with October bank bills quoted at 2½ per cent. before the rise in Bank rate, and fully 1 per cent. higher thereafter. Yesterday, when the result of the Treasury bill allotment was known, rates for Bank bills were quoted at 3½ per cent. for three and four months, and 4 per cent. for six months.

	July 6, 1923.	June 29, 1923.	June 22, 1923.	June 15, 1923.	Previous Rate and Date Changed.
Bank Rate	4	3	3	3	3 (Jly. 5, '23)
Banks' Deposit Rate	2	1	1	1	1 (Jly. 5, '23)
Discount/Call	2½	1½	1½	1½	1½ (Jly. 5, '23)
Houses' Notice	2½	1½	1½	1½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	2½	2½	2½	..

The Bank return showed large movements in connection with the turn of the half-year. The note circulation expanded by £1,873,000, leaving the Reserve £1,869,000 lower, in spite of a small increase in the stock of gold. Government and Other securities expanded by £1,360,000 and £15,743,000, and Public and Other deposits by £5,489,000 and £9,712,000. Currency notes outstanding were advanced this week by £2,733,500 to £289,236,400, which includes £1,467,400 for notes called in but not yet cancelled. The fiduciary issue is £238,319,000, or £31,864,800 below the maximum.

THE STOCK MARKETS.

The Stock Exchange entered upon the second half of the year in a chastened mood. The rise in Bank rate was not unexpected, and its immediate effect not unfavourable, but with the early advent of selling orders a mild slump occurred, affecting most gilt-edged stocks. Several recent Colonial and Foreign issues have tended to relapse to a discount, or very small premium. Home Rails have been under the influence of the dockers' strike. Rubber shares have lacked public support, while fairly heavy liquidation has taken place in certain Oil shares. In the Miscellaneous markets textile and tobacco shares have generally resisted the prevailing downward trend. The banking and insurance markets remain heavy. South African mines have been affected by Paris selling, and business generally is dull.

THE COMMODITY MARKETS.

General quietness was again apparent in most directions, demand for both manufactured and raw materials being confined to wants of immediate necessity. Conditions in the South Wales coal market are slowly improving, the volume of business at the lower prevailing prices being slightly better. The immediate outlook for pig-iron is discouraging, and our Sheffield correspondent reports

that a serious position is developing in that district. Business in steel remains very quiet, and lower prices fail to bring in orders of any importance. Weakness developed in tin, but copper prices were steady. Uncertainty continues to be the keynote of the Manchester cotton trade, and business is restricted to immediate needs. Wool values remain high, mainly as a result of Continental support. Price changes were unimportant at the Bermondsey hide and skin auctions, but the undertone was weak. Rubber was rather steadier. Wheat was in demand, but sugar prices were marked down, and the market for tea was inclined to be dull. Trade both in vegetable oils and oil-seeds has continued on quiet lines.

FOREIGN EXCHANGES.

In the foreign exchange market the week has been one of feverish movements in rates, but of little real business. The outstanding feature, apart from the further depreciation of the "reparation currencies," has been the rapid decline of the £ sterling in New York. From \$4.57½ on the 29th the quotation sagged quietly away to as low as \$4.54½ on Thursday. The announcement of the change in Bank rate brought a recovery up to \$4.56, but this was not maintained, and yesterday morning the quotation was \$4.55½. Whether the higher Bank rate will be sufficient to stop the steady drain of sterling to New York is, in view of the discrepancy which still exists between the value of money in the two centres, very doubtful. Forward rates have narrowed slightly from ½ to ¼ cent per month over spot. The German mark, in spite of new restrictions and of a policy which seems to consist for the greater part of ignoring quotations in other centres and fixing an arbitrary rate in Berlin, has again shown many fluctuations, and at one time the quotation reached about 1,000,000 marks. The quotation yesterday morning of 890,000, although higher than at some times during the period, was about the same as the preceding week. Forward marks were quoted nominally at 280,000 marks per month over spot. It is now, however, announced that dealings in futures are forbidden. From 75.20 on the 29th the French franc rose sharply at the beginning of the week to about 78, after which there was a recovery to 76.65 on Wednesday, only to be followed by a further upward movement to 77.70 yesterday morning. The Brussels rate, although, as usual, moving roughly with Paris, shows a tendency to draw away still further, and yesterday stood at 93.60, as compared with 88.25 on the 29th. The lira also has moved upwards rapidly from 103½ to 105½. Among neutral currencies Amsterdam, following the dollar, has gone against us from 11.70½ to 11.60, while Stockholm has also moved from 17.30 to 17.23½. Switzerland, however, has depreciated from 25.28 to 26.35½, and Madrid has moved up sharply from 31.45 to 32.07½, after being on Wednesday as high as 32.17½. Christiania has depreciated further from 27.92½ to 28.47½. Copenhagen on the 4th reached 26.68½, but the announcement that the National Bank had sent a considerable amount of gold to America has caused a recovery to 26.35½. In Central Europe, Vienna remains stabilised at 325,000. Warsaw, although the recent panic regulations have not yet been modified, shows a slight recovery. Prague has moved down from 153½ to 151. Belgrade remains about the same at 420, but Bucharest at 910 shows a new tendency to depreciate, while Budapest continues to move steadily upwards. In the East the rupee, at 1s 4 3/32d, is the same as last week, but the yen, in sympathy with the dollar, has moved against us from 2s 1½d to 2s 1¼d. Dullness in China, and a hold up in the Bombay monsoon, have depressed the silver market, and prices are considerably lower. Hong Kong is ½d cheaper at 2s 2¾d, and Shanghai 1d cheaper at 3s 0¼d. In South America, Buenos Ayres has fallen from 41½d to 41¼d, and Rio from 5¾d to 5½d, while Montevideo is also ½d cheaper at 42¾d, and Valparaiso has depreciated from 34.60 pesos to 34.80 pesos.

NATIONAL ACCOUNTS.

The Revenue statement for the first quarter of the current financial year, printed in full on a later page, shows an excess of expenditure over revenue of approximately £27½ millions, revenue amounting to £187 millions, or £8 millions less than in the same period of last year, and expenditure to £214½ millions, or nearly £9 millions more. This latter increase is due to the inclusion in the figures of the first half-yearly payment under the American debt settlement, the item "interest, &c., on war debt" being £21½ millions higher than it was last year, at £124½ millions. There has been a saving of £12½ millions in the Supply Services, of which £3½ millions is under the fighting services. The decline in revenue is more than accounted for by ordinary miscellaneous receipts, which have dropped from £13½ to £4½ millions. Estate duties fell by £2,801,000, and receipts from the postal services by £1,050,000, while nothing was received from E.P.D., as against £954,000 a year ago. Customs receipts were £980,000 higher, and there were increases of £1,398,000 in stamps, of £1,553,000 in corporation profits tax, and of £2,492,000 in interest on sundry loans. It is too early yet to draw any conclusions from a comparison of the figures with the estimates for the year, but it may be mentioned that expenditure is £10 millions over its quota (owing, of course, to a half-year's American payment), while revenue is £17 millions below it, the first quarter being, as a rule, the lightest in receipts. The following table shows the national income and expenditure during the last week of the quarter:—

EXPENDITURE.	Min. £	REVENUE.	Min. £
Supply Services	11,515	From Revenue	12,050
Interest, &c., on War Debt	4,408	Amount borrowed	4,603
Sundries	636		
Increase in Balances	694		
	16,653		16,653

The week's operations increased the National Debt by £4,603,000, and caused the following changes:—

	Min. £		Min. £
Treasury Bills	5,193	Bank of England Advances ..	4,250
Other Debt	269	Public Department Advances ..	4,960
National War Bonds Repaid ..	925	National Savings Certificates ..	100
	5,487	Sundries	780
			10,093

The floating debt was increased by £4,030,000 to £819,330,500.

FINANCIAL YEAR, 1923-24 (April 1 to June 30, 1923).

	£		£
Total Expenditure ..	214,414,012	Raised by Revenue ..	187,001,745
		Net Borrowings	24,387,714
		Decrease in Balances ..	3,024,553

Total 214,414,012. Total 214,414,012

	£		£
Ordinary Expenditure ..	891,013,600	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,600	Total	818,500,000
		Surplus	1,884,000

The Week in Parliament.—The Report stage of the Finance Bill occupied the greater part of the week in the House of Commons. A feature of the debates was an unavailing attempt by Mr Lloyd George, Mr Austen Chamberlain, and others to delete the clause doing away with the Land Valuation Department. On Wednesday the Prime Minister contributed to the Finance Bill debates an important speech on the debt settlement with the United States. The discussion on the Viceroy's action with regard to the Indian Budget was continued on Thursday. The House of Lords has passed the second readings of the Housing Bill, the Bastardy Bill, the Legitimacy Bill, and the Cotton Industry Bill, and passed the third reading of the Matrimonial Cause Bill and some minor measures, and has debated the project of a Shakespeare National Theatre and a railway in Kenya.

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—British Empire Trust Company, Otham's Press, Lipton, Estates Control, and Ohlssons Cape Breweries. The chairman of the last-named called attention to the speech made at the meeting of the National Bank of South Africa, reported in full in the *Economist* of June 30th.

THE SITUATION IN GERMANY.

ANOTHER week has passed without bringing any signs of an approach to the Ruhr armistice, which must be the preliminary of a reparations discussion, and although the best part of a month has passed since the British Government addressed a plain, straightforward questionnaire to the French Government, M. Poincaré has not yet brought himself to make a plain, straightforward reply. His failure to do so has undoubtedly accelerated the pace at which the once immense store of British sympathy for and patience with France is becoming exhausted. If we read the situation aright, impatience and daily deepening anxiety over the situation, both in the Ruhr and in unoccupied Germany—an anxiety only too clearly reflected in many phases of the economic life of this country—is manifesting itself in a quiet and unobtrusive concentration of most of the leading schools of political thought behind Mr Baldwin in the attitude that he is believed to be adopting in the present diplomatic discussions.

While what has been described as a "silent contest" is going on between London and Paris, the situation in Berlin is rapidly approaching a crisis. The symbol and instrument of the disturbance is the new fall of the mark, which has once again thrown economic values into hopeless confusion. Some comparatively few days ago a traveller changing money in London found on reaching Berlin that the marks received in London had lost half their value on the journey. An English journal costing 2,000 marks on a Monday was priced at 3,000 marks and 4,000 marks respectively on the two following days. Another journal issued for the guidance of American travellers explained in a recent issue that the fare on the taximan's clock must be multiplied 7,000 times, but between printing and publication the information had become out of date, and the paragraph was stamped over by hand that the multiplier had risen to 10,000. A Berlin banker tells that his cook, who complained that she could not possibly live on her wages, refused the offer of double wages, but demanded—a Stock Exchange tip! And that the first thing the countrywoman does when bringing her goods to market is to inquire the price of the dollar. Then there is the case of the man who refused to buy a shirt in a department store on the ground that it was too dear, but did his calculation over again and changed his mind before he reached the door; before he could get back to the counter the telephoned rates for the day had come through and his shirt was up 25 per cent. At the moment the salary paid to Cabinet Ministers of the Reich is equivalent to the lordly sum of £6 a month! Some of the countries of Europe have become almost accustomed to these madhouse economics; to the foreign observer whose pocket-book contains a few pieces of paper that really have some stable value there is indeed much amusement to be got out of it. But beneath the surface the situation is tragic, for with the currency depreciation there has come some physical and much moral depreciation. Corruption is widespread among the formerly almost incorruptible German bureaucracy; stealing—in the train, the factory, and the working-man's home—is rife, begging is prevalent in the streets in marked contrast to pre-war Germany, while the undernourishment and poverty of the middle classes have reached dimensions which must excite pity. Indeed, the annuitant classes only live by speculation, by taking in lodgers, or by selling their possessions, while officers of the highest rank in the old army are to be found doing the humblest clerical labour.

How is it that Germany manages to carry on? It is true that unemployment is much greater than six months ago, and there is much short time. But her economic life continues; her fuel supply is sufficient, and up to now she has been able to buy all the coal she needed in England and pay for it in sterling. Indeed, with the recent slump in the mark the orders to her factories have actually increased, and employment has slightly improved in consequence. We cannot attempt to give a complete answer to this question here, but will merely call attention to some of the features of the situa-

tion. So far as the fuel situation and the means of paying for imported coal are concerned, it must not be forgotten that exports lag behind both orders and production; exports from unoccupied Germany did not at once feel the effect of the Ruhr occupation, and even now have only slightly fallen. The use of the bills resulting from these exports is to some extent regulated by the exchange control system, which, though very incomplete, checks the import of unnecessary goods by private persons. For the moment, indeed, Germany has overbought her coal, and has even tried to slow down deliveries from Great Britain. The miscalculation for which the railways are apparently to blame has carried a heavy penalty, for the coal payments have been the chief factor in hammering the exchange. But credits due to the results of previous trading and the foreign balances of big industrial concerns cannot hold out indefinitely. Already the Government have been selling marks for buying coal, and this will increase and make the situation worse than ever. If the Government intends to carry the conflict into the winter, it is high time to think of rationing industry and the public with food and fuel.

But frankly, Germany does not contemplate continuing the struggle. For, however possible it might be to do so on the basis of Germany's economic position, the Government is too weak and the morale of the people too seriously undermined. The labour situation, in particular, is bad. The sharp rise in prices without corresponding wage increases, short time, and despair of the political situation have combined to produce a dangerous temper—at all events in Berlin, where the fear of disturbances is very freely expressed. In a small way food riots have begun, and strikes are threatened in connection with the demand for wages to be based on an index number. Unless the present slump can be checked, this demand will have to be granted, and this will, of course, increase the speed of deterioration. It will also have another significant effect. Germany's industry has for some time been in a bad way; output per head has been low, and with political and monetary worries to think about, the workman's heart has not been in his work. But industry has been able to sell cheaply on foreign markets for two reasons. The depreciation of the mark means that fixed interest charges have been practically wiped out—this has occurred so completely that continued depreciation will not bring any further appreciable reduction in cost to German factories on this account; the time lag between the rise of mark wages and mark prices means that labour is losing real wages. If this time lag is abolished by making wages rise more automatically the advantage the manufacturer at present gets in a low wages bill will disappear. Indeed, if labour is paid in gold marks the worker is very likely to make a fight for his pre-war gold wages, and this would mean that wages must rise considerably, for at present wages are far less than their pre-war gold equivalent. Hence there is not much prospect of any exceptional increase of exports as a result of the present or any future depreciation of the mark. The situation may be made a little more tolerable for the wage earner, whose complaint is not so much that he cannot buy food as that he cannot afford to pay for other things; but even an index system of wages will not end the demoralisation spread by the suspicion that someone is making undue profits at labour's expense, or the unrest that comes from the disturbance of men's sense of values.

Morale has, in fact, depreciated with the mark. There is a general feeling that Germany is on the verge of political disturbance. So far as one can see there is no real monarchist feeling outside Bavaria; the Communists command no substantial following, and there is no Napoleon on the horizon. The word on people's lips in Berlin is anarchy. There are enough firearms about to make street disturbances, but not enough to threaten any armed enemy or even to resist the existing German army, whose discipline is much better than a year or so ago. The best selling articles of the day are miniature pistols and sporting rifles, with which men can learn the use of firearms, and perhaps martial exercises. But they will not kill, and the plant for making serious weapons has been so thoroughly destroyed that no considerable armament could be produced in Germany within a year even if left free to devote her energies to that end. But any disturbances

that may occur do not seem to public opinion to have any *raison d'être*. There seems to be no alternative Government that could improve the mark except by way of an agreement with France. A large part of Germany is indeed in a mood to follow the present Government in almost any sacrifice that it would be willing to make to France provided it held out some hope of Germany being able to work for her future recovery. What Germany needs is a ray of hope; and it is for this reason that German opinion is undoubtedly prepared to an increasing extent to contemplate a measure of international control similar to that now being exercised in Vienna. It is, for example, not beyond possibility that the power of fixing rates, &c., on German railways on which their value as a guarantee of payment entirely depends might be surrendered. Indeed, it seems clear that no German Government could, in fact, put through the reforms which are clearly necessary for Germany's recovery without foreign pressure. The question of the form of international control in Germany will be a critical question of the near future. But in this connection it is necessary to repeat and underline what we said last week, namely, that all discussion of international control must be abortive unless in some way or another it can be definitely assured that the control would be really international, and would not in effect degenerate into the predominance of one nation in the control exercised over the financial and economic affairs of another.

OUR INDEX NUMBER.—PRICES FALLING.

THE trend of commodity prices confirms the abundant evidence from other sources of the reaction that has overtaken trade and industry. A substantial decline in our Index Number in June brings the total down to within 40 points of the level at which the year opened. The fall in June amounts to 111 points, and makes the total 4301, which is the lowest recorded since the end of December. The highest point of the half-year was reached at the end of April, with a total of 4440, and the widest fluctuation is 176 points. The average for the half-year works out at 4378½, as compared with an average of 4294½ for the whole of 1922, when the widest fluctuation was 207 points, the higher average for the past half-year being attributable to a large extent to events in the Ruhr, which in the early months produced a sudden demand for coal, iron, and steel at a time when supplies were not sufficient to meet it. This may be seen from the figures for the minerals group in the following table, which rose rapidly until the end of March, and are still substantially higher than at the beginning of the year:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	352	618½	464½	553	2568	116.6
" Dec., 1915	897	446	731	711½	848½	3634	165.1
" Dec., 1917	1286½	686	1684½	839½	1348½	5845	265.2
" Nov., 1918	1289	782½	1848½	803	1389½	6212	282.6
" Dec.	1303	782½	1805½	866	1337	6094	277.0
" Dec., 1919	1441½	881½	2442½	1145	1453½	7364	334.7
" Mar., 1920	1508	914	2974½	1246	1709½	8352	379.6
" Dec.	1344	805	1284	1216	1275	5924	269.8
" Dec., 1921	921½	636	1106	762	931½	4357	198.0
" June, 1922	1000½	676½	1135	690	887	4389	199.5
" Sept.	873½	682½	1116	699	818	4189	190.4
" Dec.	861	706	1184½	705	807½	4264	193.8
" Jan., 1923	860	711½	1205½	739	808	4324	196.5
" Feb.	847½	746	1201	797½	810	4402	200.1
" Mar.	824	752	1178½	840	797½	4392	199.6
" Apl.	858	752	1199	834	797	4440	201.8
" May	869½	772½	1166½	818½	785	4412	200.5
" June	815½	773½	1177½	773½	761	4301	195.5

Only two groups are now higher than they were at the beginning of the year, namely, minerals and other food. In the case of the latter the rise has been steady throughout the period, and for this the sharp advance in sugar quotations is very largely responsible. The first and last

groups show about the same proportionate decline on balance, but textiles show only a very slight change.

Changes in June were mostly in a downward direction, and, in most instances, of small dimensions, the extent of the decline in the total being in some measure due to one or two sharp falls, notably in silk, pork, and steam coal. In primary foodstuffs the only exception to a general fall was a slight advance in oats, but there has since been some reaction. The improvement in the weather and generally favourable crop reports are responsible for the lowering of quotations for cereals, and meat prices are also easier, there having been a particularly sharp fall, as already mentioned, in pork. In subsidiary foodstuffs declines in coffee, sugar, and butter were offset by an advance in tea. Textiles, where any changes occurred, were higher, with the exception of silk, which has fallen to the lowest point recorded this year. On the position of raw cotton prices, Messrs Robt. Barbour and Brother, Limited, write as follows in their monthly circular:—

The cost of the raw material acts as a block at every turn, and until this has been materially reduced offers and counter offers are for the most part just time and money wasted. The discount on "futures" reveals the weakness of the cotton position and justifies the lack of confidence in current rates, but if relief is to come speedily it will need all the help it can get from a continuation of the more favourable weather advices which have recently come to hand. The first bureau report published at the beginning of the month gave the condition figure as 71.0, which is slightly worse than the average of 10 years, but better than that of the last three. Its immediate effect was bearish, but a reaction followed which hoisted fully middling to 17.28, actually nearly 1d per lb more than Egyptian, and the highest recorded since November, 1920. At this time of the year the market is particularly sensitive to conditions affecting the growth of the new crop, and fluctuations occur, as a rule, almost from day to day. Such is the case at present, from 17.28 on the 12th inst. 16.18 was quoted a week later, 16.80 on the 25th inst., and 16.67 on the last day of the month. Interest is now largely centred on the second bureau report due early in July, and its publication may give a clearer index in regard to the probable course of events in the near future.

Wool prices remain steady, thanks mainly to Continental support at the auctions. On the manufacturing side, however, business is dull. In the minerals section there has been a further cut in Cleveland pig-iron, owing to a revival of foreign competition, but steel rails and iron bars remain unchanged. Steam coal has again dropped substantially, and the minor metals are all weaker, owing chiefly to the withdrawal of American support. A reference to the tin position will be found in a Note in a later column. In the miscellaneous section changes were downward, with the exception of a slight advance in foreign timber. The month's changes in each commodity's index are shown in the following table, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	82	— 4½	Cotton, A	160	+ 10½	Copper	54	— 1
English	84	— 4½	Cotton, E	112½	+ 2	Minerals	773½	— 45
Flour	78	— 2	Yarn	148	+ 8½			
Barley	67	— 2½	Cloth	134½	+ 7½			
Oats	86	+ 3½	Wool, Eng.	123	..	Baltic timber	103½	+ 2
Potatoes	50	..	Do Aust.	120½	..	Amer. timber	88	..
Rice	109	— 5	Silk	131	— 21½	Leather	62½	— 6
Beef	89½	— 1	Flax	120	..	Petroleum	100	— 8
Mutton	97	— 9	Hemp	47	+ 1	Oils	75½	— 4
Pork	82	— 33	Jute	91	+ 3	Oilseed	80½	— 6½
						Tallow	63½	— 1½
Cereals & meat	815½	— 54	Textiles	1,177½	+ 11	Indigo	87	..
						Crystals	15½	..
Tea	142	+ 9	Pig-iron	121½	— 9½	Rubber	85	..
Coffee	91½	— 3	Steel rails	87½	..			
Sugar, cane	22½	— 3	Iron bars	92	..	Miscellaneous	761	— 24
Sugar, beet	132½	— 24	Coal, steam	150	— 22½			
Butter	68	— 2½	House coal	94	..	Total	4,301	— 111
Tobacco	116½	..	Lead	103	— 6			
			Tin	71½	— 6			
Other foods ..	773½	+ 1						

The changes in June have reduced prices to a level which is 67.7 per cent. above the figure prevailing at the outbreak of war in 1914, as compared with 72 per cent. a month ago, 73.1 per cent. at the end of April, and 66.2 per cent. at the end of last year. The relation of the present level of each of the groups to that recorded at

the end of July, 1914, may be seen from the table below:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec.	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept.	151	194	181	150	148	163.5
Dec.	149	200	193	152	146	166.2
Jan., 1923	149	201	196	159	146	168.6
Feb.	146	211	195	172	146	171.6
Mar.	143	214	191	181	144	171.2
Apl.	148	214	195	180	144	173.1
May	150	220	189	176	142	172.0
June	141	223	191	167	137	167.7

Primary food and miscellaneous commodities are still very substantially lower than the average, which is only as high as it is on account of the high level at which textiles and other food stand. With last month's fall, minerals are now just at the average figure.

STANDARDISATION OF ACCOUNTS AND SECRET RESERVES.

An interesting departure from precedent occurred recently in the speech of the chairman of one of our large industrial concerns. It consisted of a direct reference to secret reserves in the accounts under consideration, and was noteworthy in that it was uttered simultaneously with the publication of the recommendations of the Rubber Shareholders' Association on standardised accounts. The reference was brief, and therefore of less consequence than the departure from the custom of keeping secret reserves hidden from shareholders might lead one to expect. It was interesting, however, in that it introduces us to the term "cellar" reserve. Whether this unique and picturesque term will serve to allay the suspicions which trail its synonyms is a matter of doubt; it is certain, however, that its introduction will not lessen the difficulties which hidden reserves place in the way of progress in the matter of standardisation. It is true that the Rubber Shareholders' memorandum made no reference to secret reserves, but it must be remembered that any such efforts towards standardisation can only be gradual, dealing with special aspects after the acceptance of the principles involved. As a matter of fact, it is unlikely that those particular recommendations will be accepted *ex toto* by rubber companies for some time to come, and it is probable that many companies will never endorse them. Under the circumstances, therefore, it is not surprising that such an obstacle as secret reserves should be avoided in the initial efforts of the idealists. Efforts towards uniformity will undoubtedly be made in other industries, and it is likely that similar disappointment and apathy will be experienced; such temporary set-backs, however, should not deter those to whom the appeals of Sir Josiah Stamp for standardisation have been a real incentive to, and promise of, progressive stewardship.

Statisticians and accountants of note who have led the way in the standardisation movement have not placed on record their proposals with regard to secret reserves. Doubtless they have considered it sufficient to urge uniformity in the grouping or dissection of the aggregate information at present disclosed in balance-sheets. It is obvious, however, that as soon as any recommendations are accepted, even by one trade alone, then the question of the hitherto undisclosed information must be dealt with immediately. If it is ignored, then the results of a preliminary reform will be largely nugatory. From a commercial point of view, there is undoubtedly a lot to be said for secret reserves. They have been the means of

warding off much unnecessary anxiety; they have assisted in the equalisation of dividends and in the support of the stability of those undertakings in which public confidence forms no inconsiderable portion of goodwill. On the other hand, they have many obvious disadvantages. The most serious disadvantage is that they tend to destroy confidence in certified trading results as soon as the shareholders learn by implication or by direct information that they exist. Suspicion is aroused that the steady increase in net profits is not necessarily the actual variation from year to year, but the effect of secret provision for reserves in good years and equally concealed writing back in lean years.

In principle there should be no such item as a secret or cellar reserve. The owners of a business should be entitled to full information regarding the affairs of their own concern. The fact that the proprietors of a limited liability company have sunk their individuality in a corporation capable of suing or being sued as a separate legal *persona* should not affect their rights as a body of shareholders to full knowledge of the conduct of their affairs. The word "should" is used advisedly in view of the decision in *Newton v. B.S.A., Limited*, in which it appeared from the judgment that it was not illegal to withhold certain information as to "internal reserves" from the shareholders, although it was *ultra vires* to attempt to forbid auditors to report on all matters connected with the accounts. The judgment of Buckley J. lays down, in effect, that the shareholders are not entitled to full information if the articles authorise the non-disclosure of certain matters, and that the auditors are not bound to disclose that the position of the company is, in fact, healthier than would appear from the published accounts. It is obvious, then, that the matter of secret reserves is likely to prove one of the most formidable obstacles to the attainment of standardisation. Not only may a shareholder be kept in ignorance of the existence of reserves created by excessive writing off, but he may also be kept unaware of the existence of reserves in the form of assets purchased and charged to profit and loss.

At one time it was a practice to set out a statement on the balance-sheet enumerating assets which were held but excluded from the accounts. This disclosure was a compromise between the orthodox full statement, with its attendant risk of loss of goodwill in lean years, and the other extreme of holding up specific assets from the accounts with the rather more dangerous risk of misapplication or *ultra vires* expenditure. Unfortunately, the compromise fell into disfavour, probably on account of the public discussion which ensued on the raising of a *Times* account in the balance-sheet of the London General Omnibus Co., Limited, and at present it is safe to say that in the majority of cases in which secret reserves do exist they are, in fact, secret.

That a solution of the difficulty is a pre-requisite of standardisation cannot be denied, and it is advanced that a return to the "footnote" disclosure method will at least constitute a step in the right direction. Such a movement is likely to meet with strenuous resistance, but the counter arguments necessary will be more readily accepted than those necessary to induce the inclusion of all assets in the balance-sheet itself. To proceed step by step in the reform is the only method whereby the ideal will be realised.

The effect of the creation of secret reserves on the profit and loss account is, of course, a far more difficult obstacle to overcome than the effect on the balance-sheet. Even though the existence of all the assets be disclosed, the use of trading figures by statisticians will be of no avail unless it is known how and when the secret reserve was provided out of revenue. In the case of excessive writing off, it will be necessary to know the proportions of profit set aside each year. It is too much to hope that the initial reforms, when conceded, will extend beyond the balance-sheet, and apart from the necessity of bearing the matter in mind, it seems useless to speculate on the manner in which this more serious difficulty may eventually be overcome. Until both problems are solved, however, economists cannot hope to proceed in their work on the theories, inductive and deductive, which will emerge from standardised accounting procedure and presentation.

INDUSTRIAL ENGINEERING.

MR HOOVER is reported to have said that "half our trouble in industrial crises runs back to the necessity of squeezing the waste out of industry." The idea is old and familiar: but in America it is being applied in new ways and with a new intensity which perhaps deserve attention. A profession of so-called "industrial engineers" has arisen, whose function it is to translate Mr Hoover's maxim into terms of practice. If an ailing business is suspected of organic, and not merely of functional, defects, these consultants are called in to prescribe a remedy. They squeeze the waste out of industry (if one may be pardoned for remembering the phrase) until the pips squeak; and there is a growing suspicion that their methods can be made to result in a prodigious increase of productivity and in a vast improvement in the general standard of life and efficiency.

In this country we are inclined to be sceptical about anything quite so systematic, especially if we are offered only general principles, like Mr Hoover's, without practical illustrations. But if any sceptic will take the trouble to read the autobiography of Mr Henry Ford*, his lethargy is likely to be rudely disturbed. For many years the world has wondered, with a mixture of perplexity and amusement, to what happy combination of luck and judgment the continued expansion of the Ford motor company could be due. The world is now let into the secret; Mr Ford's astonishing exploit turns out to have been nothing more nor less than an immense feat of industrial engineering.

The book has one central idea—to combat in theory, as Mr Ford has combated in practice, the doctrine which another American writer recently expressed in its crudest form, that "the making of goods is conducted for the making of money.....The motive behind production is the ulterior motive of profit." That, says Mr Ford, is precisely the reason why so much business at present is bad business. "It has been thought that business existed for profit. That is wrong. Business exists for service (p. 270).....The essence of my idea is that waste and greed block the delivery of true service. Both waste and greed are unnecessary (p. 19)."

If Mr Ford were content merely to propound such worthy sentiments in general terms, he might be nothing more than a good moralist, or (as others might prefer to put it) "the world's most notorious crank." But what he actually has done, in his factories and in his book, is first to work out in the minutest detail exactly how his central principle can be applied under modern conditions, and, secondly, to prove that the result may be a triumphant success, whether it is judged by his own standards of service and efficiency or by the accepted arithmetic standard of profits. The methods he uses for transmuting good morals into good business are the methods of industrial engineering, and his case against the existing system is not only that the motive is wrong, but that the means are inefficient even for the attainment of the end in view.

Such, in outline, is the tactical plan of Mr Ford's general assault on things as they are. But tactical plans convey nothing of the excitements of battle, and no summary can do justice to the headlong impetuosity of this brilliant work. The book is not by any means a good book. The style is telegraphic or colloquial, the construction slipshod and haphazard; every page is packed with aphorisms and epigrams which often turn out, on closer examination, to be half truths or irrelevances. But the fact remains that Mr Ford has written—or it may be more correct to say that Mr Ford has made and Mr Crowther has written—a great book. The very faults and absurdities, the dogmatism, the exaggeration, the sunny insolence of outlook, have the subtle attractiveness which belongs to the obvious failings of a masterpiece.

The book is full of economic theory, express or implied, which—like the rest of Mr Ford's doctrine—is

* "My Life and Work." By Henry Ford, in collaboration with Samuel Crowther. Heinemann, 1922. Pp. 289.

always original, usually heretical, and sometimes clearly fallacious. Mr Ford's foibles on the subject of finance and financiers are well known. "I have never been able to understand on what theory the original investment of money can be charged against a business (p. 39)..... I have always insisted on the payment of small dividends.I regard business profits above a small percentage as belonging more to the business than to the stockholders (p. 161)..... Bankers play far too great a part in the conduct of industry. The danger of having bankers in business is that they think solely in terms of money. They think of a factory as making money, not goods (p. 176)..... Lawyers, like bankers, know absolutely nothing about business (p. 224)." All these are foibles, if you will. But there is no denying that the total amount of capital subscribed in cash to the Ford Motor Company was about twenty-eight thousand dollars—"which is the only money that the company has ever received for the capital fund from other than operations (p. 51)." And so with the rest of Mr Ford's paradoxical notions; somehow they very often seem to work. If any of his readers are as modest as himself they may be inclined to agree with another of his conclusions: "I am not prepared to dogmatise on the subject of money and credit. As far as money and credit are concerned, no one as yet knows enough about them to dogmatise (p. 178)."

But Mr Ford's most characteristic achievements have to do not with finance, but with management and factory control. On these subjects he gives facts and figures in great detail, and again manages to make the whole romantic story seem to be the inevitable outcome of a few simple ideas consistently applied. Here, too, conviction and experience have led him to original conclusions. "We do not have piecework (p. 126)..... We do not bother about costs (p. 146)..... The six-dollar day wage is cheaper than the five (p. 147)..... We have found that buying ahead does not pay. It is not worth while to buy for other than immediate needs (p. 143)."

To many readers the most surprising and delightful chapters of this book will be those which have to do with birds and farming, hospitals and prisons and charity, and a host of other subjects treated by the way. They reveal a personality which is almost laughably charming and simple. And what is one to say when one finds a motor millionaire and "industrial engineer" exclaiming that "economy is the rule of half-alive minds. There can be no doubt that it is better than waste; neither can there be any doubt that it is not as good as use. People who pride themselves on their economy take it as a virtue. But what is more pitiable than a poor, pinched mind, spending the rich days and years clutching a few bits of metal? What can be fine about paring the necessities of life to the very quick? Economy is waste. It is waste of the juices of life, the sap of living."

CANADIAN EXPORTS AND SHIPPING RATES

(FROM A CANADIAN CORRESPONDENT.)

IF the Canadian delegates to the forthcoming Imperial Conference do not raise in acute form the question of shipping rates and their effect upon inter-Imperial trade, they will be held to be neglecting their duty by a large body of Canadian public opinion, which is deeply exercised on the subject. The researches of a special committee appointed this session by the Federal House of Commons to investigate agricultural conditions and grievances disclosed convincing proof of the existence of an omnipotent shipping combine which controls the North Atlantic traffic and fixes rates according to its will. The representatives of the companies involved meet every week in New York, and there is a subsidiary meeting each week in Montreal, which has power to make minor adjustments in connection with the St Lawrence route. The shipping companies did not attempt to deny the existence of a rate-fixing combination among them, but vigorously defended the right of the owners of vessels to sell their space for the highest price which can be exacted. "Space

is a commodity; the laws of supply and demand must govern the price," was the view most strenuously expounded.

But the law of supply does not always operate very effectively when the shipping managers get together once a week and fix rates for the next week on the principle of "all that the traffic will bear." The Parliamentary Committee, in its report, drew special attention to two cases. By the orders of the North Atlantic Conference, which claims that it has to meet special rates established by the U.S. Shipping Board, Canadian flour has for some months been penalised, even when shipped from Canadian ports, by a differential of 4 cents per 100 pounds, as against the rate charged American flour, and the most amazing circumstance of all is that the officials of the Canadian Government Mercantile Marine cheerfully obeyed this ukase.

The report of the Committee also showed that when cattle shipments began in the spring the main object of the shipping companies seemed to be to put up the freight rates to a level which would enable them to reap the last cent of advantage from the withdrawal of the British embargo against Canadian cattle. Last winter cattle were shipped from Portland, Maine, to British ports at \$15 per head, and it was proclaimed all over Western Canada that this rate would not be exceeded, and might even be substantially reduced. But soon after the British embargo was removed, and shippers began to inquire for cattle space, the rate jumped to \$20 per head, then to \$22.50, to \$25, and an attempt was made to bring it up to \$27.50. The shipments of cattle are now made from Montreal, which is practically the same distance from Liverpool as Portland, and the rate has now fallen to \$20, which is just twice the highest rate charged in the pre-war years.

In face of these high rates, the cattle shipments from the St Lawrence ports have not to date exceeded 8,000 head, a sad downfall from the enthusiastic predictions of the Minister of Agriculture and his officials, who prophesied that forty or fifty thousand cattle would be shipped from Canada to Britain before midsummer. Authoritative agriculturists declare that many more cattle are available for shipment, and there seems little doubt of the existence of a correlation between the meagreness of the shipments and the manifestation of an intention on the part of the shipowners to demand excessive rates. Now the majority of the lines involved are ultimately controlled in Britain. Here is a trade with great possibilities, in which the farmers of Canada are deeply interested. Its development would strengthen the commercial ties between Canada and Britain, and would give a much needed fillip to Canadian agriculture. The natural assumption would be that every interest involved—transport as well as financial and political—would be eager to help the trade over its early difficulties of revival, and render it every assistance to get on its feet. No attention seems to have been given by the shipping lines to the possibility that high rates might kill the trade in its infancy; all that could be seen was the prospect of picking up a few dollars and swelling dividends. The shipping companies are not alone in this short-sighted view; the space brokerage and insurance agencies have been playing exactly the same game.

Now, if the Canadian cattle trade is left to the mercies of this modern version of the operation of the law of supply and demand, it will struggle along against the perpetual uncertainty of rates, and the perpetual certainty that they will be adjusted from time to time to deflect the legitimate profits of the cattle raisers to the treasuries of the shipping companies. The farmers will gradually cease to cater for it, and turn their eyes once again to the American market, which they know, if it can be reached, will be much more valuable to them. Speaking in the Canadian House of Commons on June 14th, Mr W. C. Good, a leading member of the Progressive party, in discussing the Budget resolution offering a measure of reciprocity to the United States, said:—"If we do not have commercial union with the United States in a reasonable time, I do not think we are likely to be able to maintain the Canadian Confederation. In my judgment, we may have political union instead with the United States. I do not want to see that. I would like to see the experiment of confederation work out, but

I do think that a very large measure of commercial union with the United States, with all that it involves, is an absolute necessity if we are to preserve our political integrity."

If shipping interests are allowed to make the British market valueless to the Canadian farmer, he will soon become desperate to secure access to others, and might reach a frame of mind wherein he would pay any price demanded. Under the conditions which now exist it will be perfectly futile for the forthcoming Imperial Economic Conference to discuss the possibilities of further extension of the preference system; any sacrifices which the British public might be asked to make would enure not to the benefit of the Canadian farmer, but to British shipping companies.

Among the recommendations in the final report of the Special Committee on agricultural conditions are the following:—

(1) That action is desirable to control shipping rings or conferences.

(2) The Canadian representatives who attend the next meeting of the International Institute of Agriculture should be authorised to initiate a thorough discussion of the problem and explore the possibilities of an international system of control.

(3) The problem should be taken up at the forthcoming Imperial Conference, and an effort made to secure concurrent action by the British Government.

(4) The Federal Department of Trade and Commerce at Ottawa should entertain complaints from shippers of unfair or oppressive treatment by ocean carriers, and should hold investigations, either privately or publicly, into such complaints.

(5) A certain number of the ships of the Canadian Government Merchant Marine should be operated in connection with the Canadian National Railway system, and the freight rates on such ships be fixed at a level which will include the operating cost plus a reasonable profit based upon the present value of each ship. It is argued that the ocean service thus given by the State ships would tend to keep rates down to a reasonable basis and serve as a deterrent to the levying of unreasonable rates by other lines, and that the knowledge thus secured by the Government about the actual cost of ocean transportation would help it to determine whether the rates charged by other lines were extortionate.

There is real anger in agrarian circles at the discovery that the Government has permitted the national marine to become a participant in the combine. The said marine, however, is the prize lame duck of the shipping world. In the calendar year 1922 it showed an operating deficit of \$2,384,189, and when interest on capital, depreciation, and other charges were allowed for the total gross loss for the year was \$9,649,478. In 1921 the loss was only a little less, and there is apparently no immediate prospect of any serious improvement in the position. Mr Duff, a Liberal shipowner who claimed that the adventure had cost the country 69 million dollars to date, argued that the Government should at once lay up all the ships and sell them at what they would fetch, but his advice was suspect as not disinterested. The State fleet is now under the management of the directorate of the Canadian National Railways, and they have decided upon a compromise policy. They are offering for immediate sale 27 of the smaller ships, and are keeping the remaining 38, of which eight will be fitted up at once to provide a cattle service between Montreal and Cardiff. The Manitoba *Free Press* and other Western papers are strongly opposing the abandonment of the enterprise. They take the view that the Canadian National Railways need a complementary fleet if they are to have a chance in competition with the C.P.R., which has 440,000 tons of shipping at its disposal. They demand that such vessels as are efficient and can be operated at a profit on a reasonable capitalisation should be retained as a weapon against the North Atlantic shipping combine, and as a safeguard against extortion. But they unite in demanding that the Imperial Economic Conference should make the examination of the shipping situation one of its first tasks.

RUBBER PRODUCING COMPANIES IN 1922.

EVENTS have moved so rapidly in the rubber-growing industry that what happened in 1922 is practically ancient history. An examination of the reports and accounts of a number of companies, however, does make us realise the extent to which the "black year" in the plantation industry affected the finances of these undertakings.

The year 1922 opened for the rubber industry with large

stocks on hand and prices low. Mainly, it is claimed, as a result of legislative control in Ceylon and Malay, supplies have been restricted to such a level as has compelled consumers to pay about double for the material. Briefly put, the statistical story of 1922 is that the production of plantation rubber amounted to about 345,000 tons, with an additional supply of 25,000 tons of wild rubber. The world's consumption was estimated at 375,000 tons, of which America took 75 per cent. This was a total increased consumption of 115,000 tons, of which America was responsible for 100,000 tons.

A more detailed story of the year may be gathered from the accounts of a few representative rubber-growing undertakings, and for this purpose we have selected eleven companies, which include some of the most important concerns in the industry. In our first table we set out the production of rubber during the past three years, together with the price per lb at which crops were sold. Figures for 1914 are also appended:—

Company.	Production.				Price per lb.		
	1914.	1920.	1921.	1922.	1914.	1921.	1922.
Anglo-Malay.....	1,394,382	1,430,807	814,209	1,199,767	2 1/2	0 8/8	0 10/8
Chersonese.....	537,646	553,267	504,891	502,133	2 1/2	1 5	0 9/8
Cons. Malay.....	584,050	1,070,989	842,805	905,362	2 1/2	0 8/8	0 9/8
Golden Hope.....	174,133	461,824	233,446	343,759	2 0/8	0 8/8	0 9/8
Highlands & Lowlands.....	1,137,858	1,533,919	1,215,779	1,171,977	2 2/8	0 11/8	0 11/8
Linggi.....	1,389,290	2,804,217	2,175,728	2,256,547	2 1/2	1 0/8	0 11/8
London Asiatic.....	1,131,430	1,605,830	1,426,257	1,335,145	2 1/8	0 9	0 11/8
Selangor.....	614,199	868,833	656,554	642,000	2 2/8	1 9	1 6
Shellford.....	157,130	360,915	325,525	380,263	2 1/8	0 8/8	1 1/8
Sungei Kapar.....	658,616	905,883	722,467	664,503	2 2/8	0 9	0 10/8
United Serdang.....	1,827,943	3,789,951	2,876,188	2,562,227	2 3/8	0 9/8	0 9/8

It is instructive to make a comparison between the prices obtained for rubber and production costs. For this purpose we set out below the cost of production per lb. over a period of years of a few companies:—

COST OF PRODUCTION per Lb.														
	1913.		1914.		1918.		1919.		1920.		1921.		1922.	
	s	d	s	d	s	d	s	d	s	d	s	d	s	d
Anglo Malay	1	0/38	0	10/45	0	10/25	0	9/21	0	11/07	0	10/78	0	6/27
Consolidated Malay	1	0/61	0	11/93	1	1/17	1	0/70	1	2/69	0	9/24	0	6/72
Golden Hope	1	2/18	0	11/23	1	2/87	0	8/81	1	2/11	0	7/71	0	8/25
Highlands & Lowlands	0	11/53	0	9/29	0	10/83	0	7/52	0	10/95	0	7/20	0	7/38
Linggi	0	7/3	0	9/54	1	2/20	0	11/21	1	0/43	0	9/41	0	7/25
London Asiatic	1	4/76	1	0/83	1	1/64	0	10/12	1	0/14	0	9/33	0	8/47
United Serdang	1	4/56	0	11/84	1	1/88	1	0/86	1	2/22	1	1/97	0	7/45

It may be noticed that, with the help of the companies concerned, we are able to supply in the two above tables statistics which cannot be found in reports. We would again suggest that next year this information might be made available to shareholders in the annual accounts. It is now generally recognised that frank publicity is the best way to keep the confidence of the investor.

The next table shows net trading results over a number of years:—

NET PROFITS after PROVIDING for all EXPENSES.							
	1912.	1913.	1919.	1920.	1921.	1922.	
	£	£	£	£	£	£	£
Anglo-Malay	123,206	104,583	92,048	44,617	Dr 4,161		21,840
Chersonese (F.M.S.)..	20,764	29,081	67,234	29,263	34,207		22,334
Consolidated Malay..	58,265	34,712	39,438	75	Dr 16,500		8,165
Golden Hope	20,318	12,254	15,080	9,872	Dr 4,968		5,074
Highlands & Lowlands.....	136,441	79,079	99,056	37,712	23,187		23,419
Linggi	147,814	89,680	123,607	52,410	17,159		29,099
London Asiatic	86,202	61,274	87,725	35,612	5,761		17,582
Selangor	82,300	50,263	63,661	28,712	36,496		33,821
Shellford	22,104	10,363	15,791	4,986	Dr 4,982		3,758
Sungei Kapar	65,867	42,364	47,700	16,534	2,852		7,288
United Serdang	72,596	112,813	107,726	98,225	Dr 66,607		18,775

After the adverse year experienced in 1921 many companies have taken advantage of better results to add to various reserves. The Anglo-Malay transferred £10,000 to income-tax reserve; Chersonese allocated £3,000 to "Reserve for Development"; Linggi places £20,000 to general reserve and £2,500 to income-tax reserve, while London Asiatic provides £15,972 for reserve purposes. The Selangor Company places £6,000 to taxation reserve and £1,000 to depreciation, out of profits, but other companies apparently allow for depreciation before striking profits. Reserves of the United Serdang benefit by £22,665, £20,000 going to taxation reserve, and the balance to writing off capital increase expenses. Our table somewhat obscures the position of this last com-

pany. In addition to the trading profit of £18,754 recorded above, £24,022 was brought into the accounts, being refund of excess profits duty. Thus including £17,072 brought forward, a total of £59,848 was available for distribution.

Our final table shows the trend of rubber share prices during the past few years. Quotations in July, 1914, are added for comparison:—

Name.	Prices of 1921.		Prices of 1922.		Price July 27, 1914.	Price July 27, 1922.	Price Aug. 16, 1922.	Price June 29, 1923.
	H'gst.	L'wst.	H'gst.	L'wst.				
Anglo-Malay (£1).....	1 1/2	5/2	1 1/2	4/10	4	3 1/2	3 1/2	3 1/2
Chersonese (2).....	3/4	2/4	4/1	2/10	2 1/2	2 1/2	2 1/2	3 1/2
Cons. Malay (2).....	7/4	2/4	5/10	2/1	7/4	2 1/2	2 1/2	5/6
Highlands & Lowlands (£1).....	38/6	21/7	37/6	23/3	1 1/2	1 1/2	1 1/2	1 1/2
Kapar Para (£1).....	48/3	26/3	45/1	28/8	4	1 1/2	1 1/2	2 1/2
Linggi (2).....	40/1	18/3	36/3	18/9	13/1	1 1/2	1 1/2	1 1/2
London Asiatic (2).....	5/3	2/3	4/4	2/6	5/9	2 1/2	2 1/2	4/1
Malacca (£1).....	48/9	27/9	46/3	30/7	3	1 1/2	1 1/2	1 1/2
Rubb'r East of Johore (£1).....	27/6	12/6	28/9	14/1	1 1/2	1 1/2	1 1/2	1 1/2
Serampang (£1).....	19/1	7/6	16/3	3/9	1 1/2	1 1/2	1 1/2	1 1/2
Selangor (2).....	6/6	3/2	6/9	4/1	1 1/2	1 1/2	1 1/2	4/9
Shellford (£1).....	24/8	7/6	18/9	10/7	25/1	13/3	22/1	22/1
Sungei Choh (£1).....	25/1	10/1	20/1	7/6	1 1/2	1 1/2	1 1/2	1 1/2
Sungei Kapar (2).....	6/1	2/1	5/1	2/6	5/4	2/10	4/3	4/3
United Serdang (2).....	5/3	2/1	3/9	2/1	7/1	2/7	3/6	3/6

With reference to the future, in a recent speech Mr H. J. Welch, the chairman of the Rubber Plantations Investment Trust and an authority on the industry, estimated that the demand for rubber in the current year would be not less than "400,000 tons, and will be the highest ever reached. It may considerably exceed even that figure. In this connection I may remind you motor-car registration in America increased in 1922 to the colossal figure of 12 1/2 million, and it is estimated that not less than 3,000,000 new cars will be built this year—an estimate supported by the actual production up to the end of April. The total number of automobiles in use in the rest of the world is probably not far short of 3,000,000, and is steadily increasing. This increase is likely to be accelerated during the next few years, because motor transport is everywhere competing most successfully with horse transport, on the one hand, and railway transport, especially for short hauls, on the other." But he warned his hearers that the rubber industry "is only convalescent, not cured. Whilst the industry depends on Government restriction of part only of the sources of supply, it rests upon an artificial basis, and not upon the more healthy foundation of supply and demand. Our real hope lies in increase of demand, brought about by extension of the present uses and the discovery and development of new uses of our product. Not until, as a result of these, the demand equals the unrestricted supply at a profitable price will the industry rest upon a satisfactory commercial basis, nor will its position be considered sound by those who take the long and broad view of the matter."

AGRICULTURAL PRODUCTION IN ROUMANIA AND HUNGARY.

THE problem of agricultural production in Eastern Europe is one of very considerable interest alike in its bearing on the world's food supply and on the general economic rehabilitation of the Old World. In the quinquennial period 1909 to 1913, Russia alone contributed no less than 22 per cent. of all the wheat and wheat flour which entered into international trade, this being not so very inferior to the exports from Canada and the United States combined (over 4 1/2 million metric tons annually, as against some 4 1/2 million tons); Roumania occupied the fifth place with over 1.4 million tons, a total slightly greater than that of India or Australia. Roumania also came third as a maize-exporting country, with an average of nearly a million tons, the Argentine coming first with nearly 3 million tons, and the United States second with just over one million.

At present Russian exports are negligible in comparison with the pre-war figure, while the new Roumania, which has acquired the rich corn province of Bessarabia from Russia, and a by no means inconsiderable portion of the Banat from Hungary, contributes far less to international trade than did the Old Kingdom. The future of agricultural production in these countries gains still further in importance when it is remembered that the export of grain provides the main source of purchasing power with which the import of manufactured goods from the West is

financed. Reliable statistics as to Russian conditions are not yet available. This makes a detailed consideration of Roumanian production all the more interesting, particularly as the country has undergone an agrarian revolution of very considerable magnitude, involving up to the present the expropriation of over 12 million acres of land, and the creation of small peasant holdings in place of the large estates which formerly played a predominant part in the National economy. Much has been written upon the "Green Revolution," which has swept across Eastern Europe as a consequence of the war, and which is usually regarded as likely to prove fatal to agricultural production. Roumania is probably second only to Russia in the thoroughness with which the peasant has "come to his own," while Hungary remains as an island of vast estates in a green sea of "agrarian reform." Particular interest thus attaches to a comparison of agricultural production in these two countries, especially as Roumania has certainly suffered at least as much as Hungary from the economic dislocation caused by the war. Shortage of seed and of agricultural implements is common to both countries, while the Roumanian contingent of domestic animals was more reduced by the enemy occupation than was the case in Hungary, as the following statistics show:—

	DOMESTIC ANIMALS (000's omitted).					
	Greater Roumania.			Hungary.		
	Last Pre-War Census.	1919.	1920.	1921.	1911.	1920.
Cattle.....	5,647	4,634	4,876	5,721	2,148	2,222
Horses.....	2,254	1,380	1,485	1,687	895	746
Pigs.....	3,406	2,289	2,514	3,132	3,320	3,729
Sheep.....	12,896	7,791	8,690	11,194	2,406	1,817

The figures refer throughout to the areas at present included in Hungary and Roumania respectively. While the Hungarian returns for 1920 compare in the main quite favourably with the last pre-war census, the Roumanian totals give some slight indication of the extent of the loss inflicted by the war on that country. They also show the remarkable recovery which has taken place since 1919.

With a contingent of cattle and horses so much nearer the pre-war level, we might have expected a considerable superiority in the area under cultivation in Hungary, as compared with Roumania. The actual statistics, however, do not substantiate this, as the following table shows:—

	SOWINGS of CEREALS (in Thousands of Acres).				Hungary.			
	Average 1909-13.	1920.	1921.	1922.	Average 1911-15.	1920.	1921.	1922.
Wheat.....	8,739	4,998	6,149	6,547	3,732	2,662	2,695	2,854
Rye.....	1,198	780	807	659	1,679	1,476	1,370	1,340
Barley.....	3,364	3,450	3,878	4,269	1,297	1,266	1,187	1,129
Oats.....	2,129	2,388	3,062	3,295	850	802	806	818
Maize.....	9,551	8,143	8,510	8,411	2,122	2,017	1,975	1,716
Total principal cereals.....	24,981	19,769	22,406	23,181	9,682	8,222	8,033	7,857

By taking the average of the quinquennial period 1911-15 as the basis of comparison for Hungary†, the falling-off in production is slightly less marked than it would have appeared had the same base been taken as in the case of Roumania. This fact, however, only makes the general result the more surprising. After making due allowance for the changes effected in the area of the Old Kingdom of Roumania by the Treaty of Bucharest in 1913, the post-war sowings of the two countries represent the following percentages of the respective pre-war averages:—

	Greater Roumania.			Hungary.		
	1920.	1921.	1922.	1920.	1921.	1922.
Wheat.....	% 54	% 67	% 72	% 71	% 72	% 76
Rye.....	64	66	54	88	82	80
Barley.....	100	110	120	98	91	87
Oats.....	110	141	151	94	94	96
Maize.....	85	88	87	95	95	81
Total principal cereals.....	77	87	90	85	83	81

* The Hungarian law of "Agrarian Reform," so-called, had led to the distribution of less than 200,000 acres by the end of 1922.

† This is the figure given in the "Annuaire Est-Européen" (Budapest), 1922, p. 64.

Over a short period, the area under cultivation provides a safer guide than the crop returns, though the latter also bear out the general conclusions which may be drawn from the above table. The remarkable fact is that if we take the total of the principal cereals—and these represent almost nine-tenths of the cultivated area in both countries—the Roumanian figure has approached more nearly to the pre-war level than has that of Hungary, and this despite the fact that agrarian reform is popularly supposed to have paralysed agriculture in the country. Of course, it would be dangerous to draw any very definite conclusions from the statistics of three abnormal years, and, whatever the ultimate consequences of the reform, there can be little doubt that the change from one régime to another must operate as a disturbing factor. At the same time, it is surprising that the disturbance has not been greater. While Hungary may suffer more from a shortage of fertilisers than Roumania, we have already seen that her contingent of live stock was considerably superior, and a shortage of proper seed and of agricultural implements was certainly no less acute in Roumania after the war than in Hungary. Moreover, the transport system of the former country was much more seriously disturbed as a result of the war than was the case in the latter. In a word, it seems quite possible that the lack of a proper solution of the agrarian question, which is very acute in Hungary, has proved at least as disturbing a factor in the psychology of the rural population as has the actual operation of the reform in Roumania.

The decline in the area down to wheat is more noticeable in Roumania. On the one hand, wheat is not a favourite crop of the peasantry, and on the other the existence of a high export tax on this cereal has greatly favoured the expansion of oats and barley. The falling-off in the area down to rye is noticeable in both countries, but more particularly in Roumania; while the poor acreage of maize in 1922 reflects the failure of that crop in the previous year. On the whole, however, maize, which is the principal food of the Roumanian peasant, has been remarkably constant in that country.

While the changes in land tenure appear to have had much less effect on the acreage under cultivation than has generally been supposed, there will in all probability be much less corn available for export for some years to come. Before the reform, the standard of living of the peasantry had been very low, and a change may well be expected in this respect which will tend to restrict the surplus available for export. On the other hand, there are signs that the number of domestic animals is likely to increase under peasant proprietorship. Thus, while the total production is not likely in the long run to be adversely affected, it appears as though the direction of production will change considerably as a result of the new agrarian legislation.

Notes of the Week.

Labour Unrest.—The principle of collective bargaining on which the smooth working of British industry so largely depends, has once again been called in question. On Monday last an unauthorised strike of dockers began in four ports, and had spread by Tuesday to London. It was declared that this action had been undertaken as a protest against a wage reduction which became operative this month. The wage agreement which holds at present was negotiated 12 months ago, and was subsequently ratified by a delegate meeting. This instrument authorised a reduction of 2s a day in dockers' wages, the first shilling to become effective in October, 1922, and the remainder in June, 1923, if the cost of living had then fallen to 69 points above the pre-war level. The first cut became operative nine months ago, in accordance with the agreement, but as the cost of living last month stood at 70 points above pre-war, the second cut did not then come into effect. This month, however, the cost of living figure had come down to 69 points, and accordingly the employers reduced dockers' wages by 1s a day (that is to say, from 11s to 10s a day). This was expressly warranted by the terms of the agreement; and the action of certain of

the dockers is a direct challenge to the authority of their accredited leaders. Complaints are being made that the official cost of living figure does not correspond to the realities of the case, while in some ports full employment seems to be the exception rather than the rule. At the same time, a strike which, it should in justice be remembered, is only partial even though it involves some 40,000 men, does not appear to be the proper manner to ventilate grievances whether real or supposed. Irresponsible agitators are finding a powerful auxiliary in the heat wave which the country is now enjoying, but it is much to be hoped that common sense will prove stronger than climatic change, and that the men will obey the instruction issued by the National Committee of the Dockers' section of the Transport and General Workers' Union by resuming work on Monday next. In contrast with this deplorable lack of discipline and reason in the dockers' dispute, it seems at present to be probable that the various points at issue in the railway world will be solved by the existing machinery of conciliation. The question of the railway shopmen, who were not included in the national agreement, seems to have advanced a step further towards a reasonable solution by the attitude adopted by the National Union of Railwaymen. On Wednesday last this body carried a proposal that the further reduction of the shopmen's bonus of 6s 6d a week should be referred to the same machinery as exists for the traffic grades. This attitude of "sweet reasonableness" is in marked contrast to the intransigent position recently adopted in certain quarters, and an appeal to a system of conciliation which has fully justified itself in other directions is one not lightly to be set aside. In addition to this rather special question of shopmen's wages, a new issue has arisen as a result of the new proposals made by the railway companies for a reduction in the wages of the conciliation grades. It should be noted that the basic wage rates are not affected by these proposals, which are concerned primarily with such questions as the daily mileage of locomotive men, which allow of extra earnings which the companies consider to be excessive under existing conditions. In accordance with the terms of the Railway Act of 1921, these questions are first being referred to a joint meeting of the companies and the men. As the Act also provides further machinery in the event of this preliminary step failing to achieve the desired end, and as there appears to be a determination on both sides to utilise this constitutional machinery to the utmost, it is not too much to hope that the questions at issue will be settled without strife. The policy adopted by the railwaymen during the last two years saves the country endless expense, and is of great benefit to the railwaymen themselves no less than to the community at large. It is an example of the efficacy of collective bargaining when combined with the discipline necessary to guarantee its enforcement—an example which may be recommended to the attention of the dockers at this present juncture.

Irish Free State Finance.—Our Dublin correspondent writes:—The Irish revenue returns for the first quarter of the financial year, now available, are being scrutinised closely for evidence of the general consequences of the new fiscal and financial system. The obvious basis of comparison is the first quarter of the last financial year, when Ireland was still enjoying the peace which followed from the Truce and the Treaty, and had not yet been made the victim of the irregular campaign against order and property, trade, commerce, and railways. The comparison is unquestionably satisfactory, so far as it goes, both in its bearing upon the recuperative power of Ireland's economic life and in regard to the merits of the new system. Its value is unmistakable at the present moment, when the extent and solidity of Ireland's resources are being widely canvassed in regard to projected national borrowings. Receipts for the first quarter of the current year, omitting balances in the Exchequer on April 1st and certain minor borrowing operations, amount to £7,516,019, against £5,125,918 for last year. Customs receipts have increased from £539,000 to £1,775,000, and Excise receipts have fallen by £425,000. Property income-tax is up from £740,000 to £885,000. Stamps have increased from £82,000 to £124,000, a valuable

indication of improving business. The increase in receipts in respect of land purchase annuities and sundry loans from £140,900 to £947,505 testifies to the admirable firmness of the administration in enforcing contracts with the State. All other items show increases. It must be remembered that Customs, Excise, and income-tax previously were all subject to adjustment to convert revenue as collected into true revenue—there will be no such adjustment in future. At one time these adjustments operated to swell the collected Irish totals; recently they are alleged—the figures were not all made quite clear—to have operated to diminish them. The increase in income-tax receipts is interesting, having regard to the numerous complexities and obscurities of the law and regulations dealing with the subject and with the avoidance of double taxation. Probably, however, the new system has not made itself fully felt in this regard at present, and the increased receipts are not unlikely to be due to collection of arrears. For if the new system is to hit Ireland anywhere, it will be in regard to income-tax and estate, &c., duties. But, making every allowance for unascertained factors, a 50 per cent. increase in the first quarter's revenue is a noteworthy phenomenon upon which the Irish Free State is to be congratulated. On the other side of the account expenditure has increased from £3,531,153 to £8,688,700, an increase due entirely, or almost entirely, to outlay of an emergency or non-recurrent character on army and police work for the prevention of disorder and in payment of compensation awards. The balance in the Exchequer on June 30, 1923, was £228,431. It is believed that the Government has arranged with the banks for financial accommodation, so far as may be required, pending the General Election and a subsequent national loan. The Government has taken the first step towards the formulation of a new fiscal policy for Ireland. It has set up a Fiscal Inquiry Committee, consisting of Professor Smiddy, of Cork, Professor Bastable, of Trinity College, Dublin, and Professor Henry, of Belfast, with two junior academic economist representatives of Trinity College and the National University. The Committee, which has already held some preliminary sittings, is at pains to inform the public that its functions are not the formulation of a national fiscal policy, but rather to ascertain facts and to report on proposals submitted to it. The chairman states that they are engaged in considering the Safeguarding of Industries Act, 1921—borrowed bodily from Great Britain—and are awaiting evidence from individuals in the country who might desire its repeal in part or altogether, and that as soon as they get that evidence they will proceed forthwith to investigate it and report on it.

Russia and the Oil Trade Disagreement.—Whenever the oil trade is concerned in a dispute passions run high, particularly when the dispute concerns Russia. Now that the Soviet Trade Agreement has received another lease of life and the contending oil parties another lease of disagreement, it seems opportune to review the rival positions. The present phase of the dispute is concerned with oil products, not with the oil properties. The flutter at the Genoa Conference, it will be remembered, arose from the former, and a Franco-Belgian syndicate was formed to protect mutual oil interests in Russia. At the time of the Hague Conference, which succeeded Genoa, this syndicate secured the adherence of the Royal Dutch-Shell group to the idea of an International Defence Committee, in which big trusts and little firms alike joined up in one united family of "former oil proprietors in Russia." Members of this committee pledged themselves to do all things in common in negotiation with the Soviet Government, each swearing to do nothing to enrich himself at the expense of the other. But since that date exports of refined oil from the Baku fields have been made in considerable quantities. A firm of "independent" oil merchants in London began to trade, and finally made a contract, in April of this year, for 30,000 tons of kerosene. As dictators of the British oil markets, the Shell group were roused to Napoleonic action, and one of their subsidiaries closed with the Soviet Government for the balance of their exports of this product. Moreover, it demanded the cancellation of the contract with the "independent." The members of the International Defence Committee



accused the Royal Dutch-Shell of bad faith. While this acrimonious dispute was raging the "independent" firm entered into an agreement with the (official) Russian Oil Syndicate for the formation of a mixed company to handle in future years a certain quantity of Russian exports on a commission basis—100,000 tons in the first year, 150,000 tons in the second, and so on. One fancies that this arrangement is more after the Soviet heart, for it gives the official syndicate control of the exports and does not bind it to any firm quantity. There matters stood when Lord Curzon sent the British ultimatum to Moscow. While Lord Curzon and M. Krassin were composing the political differences, the Shell group deemed it wise to compose their own differences with the "independent" firm. An arrangement is said to have been made between the two, which saves the market—for the Shell. The Shell objections to the "independent" contracts with the Soviet were withdrawn. The last act in this complicated drama is said to have been an offer by the Shell for the pipeline between Baku and Batum. The pipeline needs much repair, but even so the Soviet would hardly give virtual control of their exports to a foreign capitalist concern. The Shell Transport and Trading Company and the Royal Dutch in their annual reports deal frankly with the criticisms that have been passed on their Russian behaviour. Literally they are, it appears, correct in saying that the resolutions of the International Defence Committee referred to oil properties, not to oil products. "From the very earliest discussions in regard to co-operation," write the directors of the Royal Dutch, "we have emphatically stated that we reserved to ourselves complete liberty in regard to the purchase of products." But the members of the committee have urged that the Royal Dutch-Shell action has prejudiced the interests of the dispossessed owners, which it had sworn not to do, that if the combine had joined in a general boycott of the Soviet oil exports the Soviet Government would have been compelled "by economic pressure" to restore the oil properties. But is that likely? There could have been no general boycott of Russia without a thorough-going war and blockade. Independent oil merchants, who were not members of the Defence Committee, had long been trading with the Soviet, and could not reasonably be prevented. It is quite possible for Russian oil to find markets in Central Europe, while the restrictions on Roumanian exports continue and the high cost of freight rules out American products. There may conceivably arise economic pressure of a different and better kind. Out of an annual output from the Russian oilfields before the war of about 7-8,000,000 tons, less than 10 per cent. was available for export. The production was approximately 3,853,000 tons in 1920, 4,416,000 tons in 1921, and 5,316,000 tons in 1922, and exports have not reached

5 per cent. of these figures. Stocks of oil have fallen from 400 million poods, with which the Soviet started their operations, to 20-30 million poods (322,000 to 483,000 tons) at the end of 1922, and unless production is speeded up the export of such quantities as 200,000 tons of kerosene would lead quickly to the exhaustion of the refined oil stocks and a serious shortage of exportable oil next year. But without outside help production cannot be quickly speeded up. The drilling operations at Baku of the American Barnsdall Corporation are for the time being suspended, because the corporation failed to obtain the quantity of oil that the Soviet stipulated for in their contract. No quick improvement in production can, therefore, be expected. If the Soviet Government finds itself confronted with a domestic famine of heavy oil and a shortage of refined oil for export—that is the sort of economic pressure that is more likely to bring about the return of oil properties to their former owners.

The Turkish Elections.—As the results of the Turkish elections are progressively published, it becomes clear that the expected overwhelming victory of Mustafa Kemal Pasha's party ("The Defence of Rights") is going to be realised. Anti-Kemalist disturbances are reported from Adana, in Cilicia, in connection with the voting, and these may be due to economic hardship produced by the rigid closing of the new Turco-Syrian frontier, which is known to have been injuring trade on both sides of the line. The distress here, however, can hardly be so great as at Smyrna and Constantinople, in both of which cities the Government candidates appear to be having things their own way, and this must mean that the opposition are carrying out their policy of "wait and see." Possibly there may be deputies elected on Kemal Pasha's coupon who will not prove so complacent towards him when they take their seats, but his most formidable opponents, the surviving leaders of the old Union and Progress party, are likely to remain in retirement until the hero of the Greek War has had time to make the probable mistakes, and incur the inevitable unpopularity of the reconstruction period. The previous Union and Progress Government attracted to itself all the odium of Turkey's disastrous participation in the European War, and thereby provided an admirable foil to Mustafa Kemal when he stepped forward as the saviour of the nation from the crimes and blunders of his predecessors. Until his *beau rôle* has begun to tarnish in turn, they would only be incurring risks without the chance of profit if they openly challenged his position. Hence Kemal Pasha and his friends may be expected not only to return to power, but to stay there for a year or two; and the elections have no direct bearing on the Conference at Lausanne; while, on the contrary, the outcome of Lausanne is bound to have an important effect upon the internal politics of Turkey after the elections. Turkey is desperately in need of constructive economic activities, but it is practically impossible for her to embark upon them without the assistance of foreign capital and technique. If these are not forthcoming (as they will not be, if the signature of peace leaves the foreign investor and *entrepreneur* distrustful and unfriendly), and if the "boom," to which all classes of the Turkish population are looking forward, consequently fails to appear, there will be a wave of disappointment and resentment by which the Government of the day will be shaken, if not overthrown. At present the Turkish nation is demanding both the assertion of national sovereignty over foreign interests in Turkey, and also the intensive economic development of the country to degrees which are hardly compatible when carried to such extremes; and the Turkish Delegation at Lausanne have been faithfully executing the policy of their constituents. But public opinion is inconstant and ungrateful, and Governments have often been punished for translating mistaken national aspirations too successfully into fact. If this fate eventually overtook the Government of Mustafa Kemal, the Unionists might find a new chance, or else Turkey might enter on a period of political and economic revolution, like that through which the Balkan States and the South American Republics have all had to pass after their liberation, and through which China is passing to-day.

Reporting of Transfers of Land.—A correspondent writes:—The discussion in the Commons on Tuesday on Sir Wm. Bull's amendment to the Finance Bill resulted in a confirmation of that amendment. Few, reading Section 27 of the Finance Bill, would realise how much is affected by it, for it reads only as follows:—"As from the commencement of this Act, such parts of section four of the Finance Act, 1910, as are not repealed by Section 57 of the Finance Act, 1920, shall be repealed." The reference to the Finance Act, 1910, C.4, has to do with the "collection and recovery of duty in cases of transfers and leases," in connection with the payment of Increment Duty. That duty was withdrawn, with the other land values duties, but the valuation department was still empowered to get copies of the terms of transfer of any land. The object of Sir Wm. Bull's amendment is to do away with this last obligation, which, of course, involves a slight expense in each transfer for a copy of the terms. Hence the proposal to wipe out what remained of C. 4 of 1910, after Mr Chamberlain's Finance Act of 1920. The amendment would do much more than it seems to do. Apparently Sir Wm. Bull would save £500,000, which reporting transfers imposes annually on landowners in preparing terms of transfer; but he knows as a practitioner that not only the Government departments, but all our public authorities, would thereby lack the guidance now at hand on the price paid and value of land. The Probate Office uses the returns to assess estate duty on land values, and the local and other authorities have a guide to the values of property required for public purposes. This knowledge of values, from actual transactions, as Mr Chamberlain said, the landowning fraternity, through Sir Wm. Bull, would keep from the public, and the motive is patent. The whole matter of valuation periodically, and of registering sales and transfers of land, will surely not be left as this Finance Bill leaves it. It appears that though a periodical valuation cannot be made now, nor in future a record of sales demanded in connection with land, the department, in the decimated state, is to be maintained still.

The China Consortium.—A meeting of the Council of the China Consortium was held in Paris recently, at which Sir Charles Addis, Mr René Thion de la Chaume, Mr Thomas W. Lamont, and Mr Kanji Yano were present, representing the British, French, American, and Japanese groups respectively. A discussion ensued on the proposed consolidation of China's unsecured obligations, and instructions were issued to the Group Representatives at Peking to examine, in consultation with the four Ministers of their respective Governments, the existing floating debt of China, including all loans which are unsecured, or of which the security seems likely to prove inadequate in the near future, with a view to formulating in due course a comprehensive scheme of debt consolidation. The Council had next under consideration the general policy of the Consortium in China. This is now published as a lengthy separate report, and lays down the fundamental principles inspiring the members of the Consortium. It points out that with reference to industrial loans, in which railway loans are included, provided adequate security can be obtained, there seems to be no reason why the further development of railway communication in China, in itself a potent means of political unification, should wait upon the solution of her administrative problem. It is recognised that the consolidation of the floating debt is an essential part of any financial reorganising scheme, and considers that it would be futile to ask the foreign investor, to whom the Consortium stands in the relation of quasi-trustee, to subscribe to a Chinese loan until he is satisfied that its proceeds will be properly expended, and his capital duly returned to him at maturity. It is indisputable that this necessitates some measure of supervision, but "no more control than the minimum actually required to provide the adequate degree of security without which it would be impossible to issue a foreign loan." It is the policy of the Consortium to assist China, so that eventually "the entire control of loan service and expenditure may finally pass into the hands of China herself." The report concludes with an intimation

that the project of a loan secured on the Land Tax has not been and is not now under consideration by the Consortium.

The Bank Dividends.—The half-yearly dividend announcements of the principal banks so far made are with one exception at the same rates as at this time last year, as may be seen from the table below, in which the midsummer dividends for a number of years are shown:—

	Per Cent. per Annum.							
	1916	1917	1918	1919	1920	1921	1922	1923
Bank of Liverpool and Martin's	*16	*16	*16	16	16	16	16	..
Barclays Bank "B" shares....	+17½	+17½	+20	+20	14	14	14	14
Lancashire and Yorkshire	16	16	16	16	16	19	19½	20
Lloyds	18½	18½	18½	18½	16½	16½	16½	16½
London Joint City and Midland	18	18	18	18	18	18	18	18
Lon. Cnty. Westminster & Parr's	18	18	20	20	20	20	20	..
Manchester and County	13½	13½	15	15	15	15	15	..
Manchester & Liverpool District	*17½	*17½	*17½	*17½	18½	18½	18½	..
National Provincial and Union	16	16	16	16	16	16	16	..
Williams, Deacon's	14	14	14	12½	12½	12½	12½	12½
Alexanders Discount.....	10	10	12	13	14	15	15	15
National Discount "A"	10½	10½	11½	12½	12½	12½	12½	10½
Do "B"	..	..	..	..	..	..	..	18
Union Discount.....	13	13	13	14	14	14	15	15

* Final dividend. + On old capital.

(t) Also a special cash bonus of 10s per share, free of tax.

The exception referred to is the Lancashire and Yorkshire Bank, but this is merely a matter of adjustment, it being stated that it is intended this year to pay the dividend in two equal half-yearly amounts, which will make the total distribution for this year at the same rate as for 1922. The National Discount Company has reorganised its capital. There are now "A" shares of £2 10s each, fully paid, and "B" shares of £7 10s each, on which £2 10s has been paid up. The dividends now declared are at 2s 6d on the "A" shares, and 4s 6d on the "B" shares. Last year the interim dividend on the old shares was 6s, the apparent increase in the dividend over that of the corresponding period of 1922 being due to equalisation consequent on the rearrangement of capital.

Co-operative Problems.—The Co-operative movement, which increased its membership by a million people during the war, writes a correspondent, has encountered serious problems since the Armistice. Many new works were started, and fresh farms acquired which, as soon as the slump in trade occurred, proved expensive assets. The co-operative methods of debiting depreciation and interest on capital before totalling departmental gains or losses have affected present profits, although they may ultimately benefit the new generation. The impression is gaining ground in many societies that too heavy a tax is taken from the results of the present in the interests of the future. At the same time, it should not be overlooked that, had this policy not been adopted in the past, the troubles of the present would have been much more intense. The interim accounts of the Co-operative Wholesale Society, now being considered by the movement, show that in the first three months of the present year the sales totalled £15,200,556 (a decrease of £251,726, or 1½ per cent.). The supplies from the society's own productive works were £5,085,818, or practically what they were in the same period a year ago. The slight decline in the sales, however, must be regarded in the light of the fall in the cost of living and of prices. The bulk of the C.W.S. trade is in groceries and provisions, and the volume of goods sold does not reveal a diminished trade. The bulk, which was of foodstuffs, has been much larger than in 1922. There has been an improvement in the textile section, and a great recovery in the boot and shoe trade, the productions of the C.W.S. from January to the end of March including 665,000 pairs. The slump recorded for a couple of years has been slowed down to the point of disappearance—unless the dislocation caused by the strike, which has only just terminated, has given the retail societies an opportunity of filling their stores from the private firms from whom they had ceased to buy. Had the threatened boycott of C.W.S. goods by the members of the National Union of Distributive and

Allied Workers become general in the movement, the results might easily have been fatal to any progress this year. The intervention of the Joint Committee of Trade Unionists and Co-operators came at the right moment to avert such a state of things. The strike, upon the merits of which arbitration is now taking place, has opened up new problems as to the control of industry, which will occasion some thought from the business section of the co-operative world, as well as some restraint on the part of the political section, and those who readily responded to the appeal of the employees on strike for a boycott that was as unconstitutional as it was unco-operative.

American Cotton Crop.—At the beginning of this week the Department of Agriculture of the United States Government published important statistics relating to the cotton crop for 1923-24. The feature of the figures is the large increase in the acreage, the area under cultivation being given as 38,287,000 acres, which is a record, against 34,016,000 acres a year ago. The increase of over 12½ per cent. has exceeded all expectations. With regard to the condition of the crop, the figure is 69.9 per cent. against 71 per cent. a month earlier, and 71.2 per cent. at the same time last year. This statement was about equal to anticipations. On the basis of the above statistics the yield is expected to be about 11,400,000 bales, against 10,200,000 bales for the current season. The reports have resulted in a rather easier tendency in prices, and in trade circles as a whole bearish sentiment prevails, writes our Manchester correspondent. The extent of the crop is now almost entirely dependent upon the weather in the belt during the next couple of months. If the conditions are favourable, especially in view of the big acreage, there is a possibility of the output being much more substantial than indicated a week or two ago. Consumption of American cotton in Lancashire continues very small, and there is no probability of the requirements of users on the Continent increasing until there is a definite settlement of the reparations question. In the United States the mills are not so busy as a month ago. Dealers in manufactured cotton goods in this country and in Eastern markets are not prepared to buy freely at the moment, but there is ground for believing that if a decline of 2d a lb in the price of American cotton could be brought about demand for cloth would revive.

The Position of Tin.—Standard tin closed the half-year at £182 15s, or 10s better than the final value for 1922. This figure, however, was more than £50 per ton below the best of the year, which was reached last March when for a brief period the market was very strong at £234 5s per ton. This week values have fallen to a new low record for 1923, and there is now a considerable bear following in the metal. Considerable interest was displayed in the monthly visible showing. The London Metal Exchange places this at 21,297 tons for the whole world, against 22,187 tons in the previous month, but the leading trade authority gives the world's visible supply of tin as 17,762 tons, as compared with 18,338 tons a month ago and 22,485 tons at this time last year. The Straits shipments for June amounted to 5,280 tons against 5,335 tons in May, total supplies being 8,139 tons against 7,780 tons in the previous month. The monthly deliveries aggregated 8,715 tons, of which 5,410 tons were credited to the United States, against 6,035 tons in May. The decrease of 576 tons in the visible supply is largely due to the fact that some metal was shut out at the close of the month, but on the whole the return is not so bad. The political and industrial situation lends itself to bear manipulation, and during the last few days it has been stated quite freely on the market that standard tin was going to be put down to about £150 per ton. At this time last year the price of standard tin was a little over this figure, and during 1922 the low level of £140 was reached. The falling away in the American deliveries is a very unpleasant factor, and it is obvious that the high average of recent months is not going to be maintained over the rest of the year. During the twelve months ended June 30th last 97,372 tons of tin came into sight for ordinary consumption purposes, and of this quantity America took 46,485 tons direct from the Straits. Of

total deliveries during the same period amounting to 102,095 tons America took no fewer than 66,639 tons, compared with 20,308 tons in the United Kingdom. Seeing that while the United Kingdom deliveries were 3,351 tons less the American taking rose by 21,634 tons, the importance of the United States as a consumer of tin is obvious. The tinplate industry in the United States has quietened down considerably of late, and the same remark may be applied to the Welsh industry, where makers find it difficult to maintain the minimum rate of 23s 1½d per box. Tinplate makers are now working with high-cost tin, and naturally they are watching the position very closely. The market for tin having fallen close on £60 from the highest should react, as statistically and technically the position is sound enough despite the unsold surplus in the East. There are other factors, however, to be considered, and they do much to make the future course of the market unpredictable. Prices would prove attractive to buyers were industrial conditions better, but the bear interests may find their operations aided by extraneous influences. The tin market ought to begin to recover very shortly, but whether there will be another substantial break before the rally starts remains to be seen. The undertone this week has been very sensitive, but on Thursday the feeling was much firmer and the market had a sold-out appearance. The rise in Bank rate, some inquiry for American account, and demand from bears to cover brought about an improvement from the lowest, and sentiment seemed inclined to improve.

Union Bank of Canada.—Our Ottawa correspondent writes:—Rumour has been busy with the condition of the Union Bank of Canada ever since the resignation of the general manager was announced at the beginning of the year. It has now come to a head through an official statement to the shareholders, which announces that \$4,250,000 has been appropriated from reserve to meet losses already incurred or contingent risks. The president in his letter confesses to heavy losses from "certain unauthorised transactions in foreign exchange," which, it is reported, emanated from the London office, but the origin of some other losses and difficulties is known. An alliance formed with the Park-Union Bank of New York to develop foreign business, especially in the Orient, proved disastrous, and has now been abandoned, and there is a very heavy frozen credit of dubious value in connection with a railway enterprise in the Peace River Country. In many quarters there is distinct relief that the situation is not worse, and the Montreal financial world was quite prepared to learn of the Union's impending absorption by another bank. The Progressive members of the House of Commons, however, are very suspicious that the statement is merely a prelude to such a move, and regard it as a strange coincidence that it should have been withheld till the day after the Bank Act got its third reading; they feel that their complaints against the banking system are justified, and have demanded a special adjournment of the House to discuss the situation. This request has been conceded, and the debate will take place shortly. The Press is, on the whole, disposed to hold that the bank's directors have met the issue squarely and courageously and told the worst; the return of a former vice-president, Mr R. T. Riley, one of the ablest and most conservative of the financiers of the West, to the board has strengthened public confidence. The capital of the bank stands at \$8,000,000, and the reserve is left at \$1,250,000. The dividend has been reduced from 10 to 8 per cent. The news had been partially discounted beforehand in the stock markets, the stock having fallen 20 points from its high figure of 140 in the opening week of the year. On the day after the announcement it fell 6½ points more, and closed on the 22nd at 113½, but there was no emphatic pressure to sell, nor has there been any sign of a run on deposits. The Union Bank, which has half a century of prosperous history behind it, was originally an institution centring in the city of Quebec, but it made a strong and successful bid for Western business, and some years ago its headquarters were transferred to Winnipeg. To-day it is stated that only two other banks do a larger business in the Western provinces, and in these regions its absorption would be greatly regretted.

not merely because its management has always been sympathetic to rural needs, but because it would mean the disappearance of the last bank with a Western head office.

National Bank of South Africa.—At the annual meeting of shareholders, at Pretoria, on June 29th, the chairman dealt at considerable length with the difficulties which have recently beset this institution. As a result of further heavy losses the National Bank decided to submit its accounts to the governor of the South African Reserve Bank for his expert official scrutiny. A subsequent letter from Mr Clegg, the governor, approved the steps taken by the directors, and went on to state:—"In these circumstances, I have to say that the Reserve Bank, being satisfied that the business of the National Bank is now being conducted on sound and prudent lines, are prepared to extend to the National Bank all facilities which it may require for meeting its engagements and carrying on its business. I have further to inform you that the Government, who have been made acquainted with the facts of the situation, fully approve this decision of the Reserve Bank, and will be prepared to give them any support which may be required to make it effective." After appropriating the bank's reserve of £1,000,000 and writing £3 off each £10 share, fully-paid, the capital of £2,075,500 will represent a clear surplus of assets over liabilities, and it is not expected that any recurrence of the bank's troubles will be experienced. The chairman's speech, which was printed in full on page 1463 of last week's *Economist*, deals with many South African banking questions in informative fashion, and will repay a careful perusal.

The Distillers' Company.—This company has been able to turn the prevailing conditions of the past year to such good account as to produce a gross profit of £815,100, which exceeds that of 1921-22 by £172,763, and the previous high record of 1919-20 by £145,636. This figure is more than two and a-half times that of 1913-14, as will be seen from the table which follows:—

YEAR ENDED MAY 15th.

	1914.	1919.	1920.	1921.	1922.	1923.
Gross profits ..	£ 310,993	£ 502,379	£ 669,464	£ 597,582	£ 642,337	£ 815,100
Brought forward ..	19,223	65,358	70,435	100,526	108,994	98,770
Income-tax, &c.	330,216	567,737	739,899	698,108	751,331	913,870
Debt interest ..	28,733	140,167	140,862	155,099	157,071	165,331
Reserve & dep.	36,409	27,090	27,090	27,090	27,302	28,132
	100,550	125,000	255,000	105,000	165,000	235,000
Balance	164,524	275,480	316,947	410,919	401,958	484,407
Preference div.	13,499	10,045	11,432	11,521	12,293	12,293
Ordinary div.	130,000	195,000	204,989	290,493	291,667	364,568
	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)
Carried forward ..	21,025	70,435	100,526	108,994	98,770	107,546

The directors are in a position to be generous with the reserve fund, which accordingly receives £200,000 as compared with £150,000 a year ago, while superannuation and provident fund receives £30,000. Ordinary dividend is maintained at 10 per cent. (free of tax), but its payment requires £72,901 more than last year's, the issued ordinary capital having increased by £529,010 to £3,645,680. This adjustment is chiefly due to the acquisition of the Distillers' Finance Corporation, Limited, Belfast, the purchase price being paid partly in ordinary shares to the corporation shareholders, and partly in cash. Another result of the transaction appears in the shape of a bank overdraft for £518,022, which it is now proposed to liquidate. The directors propose to capitalise the reserve fund (amounting to £950,000, all invested in the business) by issuing 1,822,840 6 per cent. preference shares of £1, in the proportion of five to one, to each holder of the company's £10 ordinary shares, 10s per share being paid up from the reserve fund, leaving 10s to be paid by the allottee or his nominees. The existing £10 preference will be placed on a 6 per cent. basis, and both preference and ordinary will be split to a £1 denomination. The most noteworthy change in the balance-sheet occurs in the item of investments, which has increased from £1,096,900 to

£3,227,900, and some information regarding the composition of this large item would be welcome. Stocks of spirits, &c., at £2,046,800, and property and plant together at £1,682,000, show little change, but loans to subsidiary companies, at £948,221, are £263,200 higher. The balance-sheet is summarised elsewhere.

British Dyestuffs.—The accounts of the British Dyestuffs Corporation, Limited, for the year to October 31, 1922, show a net profit of £102,657, after providing £411,382 for depreciation, and taking credit for an undisclosed amount of excess profits duty estimated to be recoverable. In spite of depression among the dye-using industries, this result is a great improvement on that of the previous year, when the necessity of providing £1,444,344 for depreciation of stock values left the company with a net debit on profit and loss account of £803,355. This debit is now reduced to £700,699, which is carried forward. The directors point out that at the date of the report over £2,000,000 was held in cash or easily realisable securities, while the surplus stocks, which were so heavy a millstone round the Corporation's neck in past years, have been liquidated, and stocks on hand written down to current values. Those held by associated concerns are given as £1,870,372 on October 31, 1922, as compared with £2,507,136 a year before. The Corporation's undertakings, it is stated, are now capable of meeting to a very large extent the requirements of colour users in this country. The balance-sheet shows few changes, beyond an increase of £173,456, to £644,496 in sundry debtors. Shares in, and advances to, associated companies figure at £7,829,132, and preliminary expenses remain, as before, £251,552. The associated companies are to be liquidated, and their undertakings transferred to the parent concern.

General Electric Company.—In spite of the three months' lock-out in the engineering industry, and the paralysis of general business during the summer, this company recovered, during the year ended March 31, 1923, most of the ground lost during the previous year, and its net profits rose to £751,486. The improvement is due in the main to a general increase of activity in all departments of the home trade, though it is noteworthy that the overseas branches made no contribution. They were the last to feel the depression, and are showing a similar tendency to lag in the matter of recovery. The results for the past three years are set out in the following table:—

	1920-21.	1921-22.	1922-3.
Net profit	£ 796,149	£ 566,582	£ 751,486
Brought forward	175,668	348,034	217,024
	971,817	914,676	968,510
Debt interest	8,000	182,431	243,775
Depreciation	157,915	161,745	182,031
Pension fund	17,266	15,283	14,219
Preference dividend	229,344	232,594	248,765
Ordinary dividend	211,198	105,599	105,599
	(10 %)	(5 %)	(5 %)
Carried forward	348,034	217,024	174,121

Debt interest and depreciation both take a heavier toll this year than last, and the ordinary dividend is maintained at 5 per cent., to which it was reduced a year ago. Creditors have increased by £113,265, and stand at £1,448,622, while debtors, at £2,853,567, are £202,972 lower. The whole position has become much more liquid, Government securities and cash together totalling £839,595, against £128,165 a year ago. Reserve account stands as before at £707,017. Loose tools, fixtures, and goodwill are valued at nominal amounts, but no reduction has yet been made in the item of £409,403, representing expenses in connection with an issue of mortgage debenture stock in 1921. The balance-sheet is summarised in another column.

Spicers and Pond.—This company of refreshment caterers and hotel proprietors has had another very satisfactory year. Profits for the 12 months ended March 31, 1923, before deduction of debenture interest, directors' fees, &c., were £155,901, an amount exceeding that of the previous year by £10,153, and being, in fact, the highest since

the company was reorganised five years ago. A dividend of 12½ per cent. is to be paid on the ordinary shares, as was the case on the three previous occasions. Profits and their appropriation, since 1918, are given below:—

	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Profit	£ 128,520	£ 151,365	£ 136,072	£ 145,748	£ 155,901
Deb. interest, &c.	26,714	26,419	31,209	41,590	36,126
Net profit	101,806	124,946	104,863	104,158	119,774
Brought forward	..	15,355	15,652	22,531	13,114
	101,806	40,301	120,515	126,689	132,888
Reserve, &c.	35,000	43,000	22,000	22,000	22,000
Directors	2,000	5,000	5,000	5,000	5,000
Dividend	49,451	76,649	70,984	85,575	86,540
	(10 %)	(12½ %)	(12½ %)	(12½ %)	(12½ %)
Carried forward	15,355	15,652	22,531	13,114	19,348

A mortgage of more than £40,000 on the Blackpool Hotel Metropole has been entirely repaid during the year, partly, it would seem, by a sale of investments, which have decreased over the year by £22,000. No further issues of debentures were made during this period, while a further £7,916 were paid off. The directors are following up their policy of building a strong reserve position, this year's appropriation of £20,000 bringing general reserve to £120,000. Amounts representing stocks of wines, spirits, &c., continue to decline, and at £63,175 cannot be said to be unreasonably high. Real property remains by far the most important item among the assets, being valued at over £1,000,000 in a balance-sheet total of £1,600,000.

Union Cold Storage Developments.—The Union Cold Storage Company propose to increase the capital of the company to £8,780,000 by the issue of 3,300,000 further 6 per cent. cumulative preference shares and 700,000 ordinary shares. It is considered that the company should be in a position to ensure on a very large scale the wholesale and retail distribution of meat produced by the company, carried by and stored in the company's refrigerated stores. With this object in view the company has entered into a contract to acquire from the Western United Investment Company, Limited, at the price of £4,000,000 the whole of the ordinary shares in a number of companies controlling more than 2,400 retail shops, depots, and market stalls in this country, amongst which are the British and Argentine Meat Company, Eastmans, Fletchers, Argenta Meat, British Beef, and North Australian Meat Company. Profits of the companies to be acquired, taken as a whole for 1922, were £693,517, while the amount required to pay the dividend on the 6 per cent. preference shares proposed to be issued is "only £198,000, thereby improving the position of the holders of the present 6 per cent. preference shares, the 7 per cent. preference shares, and the 10 per cent. preference shares to the extent of £495,517 per annum."

Denmark in 1922.—In Denmark, according to the report of the Commercial Secretary to the British Legation, just issued by the Overseas Trade Department, 1922 was a year of reconstruction, especially in the banking world; there was another Budget deficit; exports—especially agricultural produce and fish—suffered from the decreased purchasing power of Central Europe, and industry at first from labour troubles, and throughout from the competition of countries with a depreciated exchange. The Landsmandsbank, which did one-third of the whole commercial banking, had to write off capital and accept State aid, and a State guarantee lasting till 1928; its affairs are still under investigation; smaller banks had graver troubles, and several insurance companies—mostly, however, recently established—were wound up. The interest on the National Debt now exceeds the whole of the national expenditure of 20 years ago. But the reconstruction, even of the Landsmandsbank, proved successful and restored confidence, and improvement has begun. The grain harvest was good, though in quantity rather than quality, and the root crops also. Horse breeding declined, owing to a lessened German demand (mainly for reparations); the export of butter, cheese, and eggs increased, still more that of bacon, of which 99½ per cent. went to

Great Britain, as well as much condensed milk and cheese. The Tariff Bill imposing *ad valorem* duties has been dropped, owing to opposition. Labour troubles were checked by the agreement of April, which in most trades has been extended till next spring. Including invisible exports, the trade balance was favourable, and the debt to foreign countries was reduced. But the return of prosperity must depend mainly on conditions in Germany and Russia. The eight hours day is very generally observed in industry, though not enforced by law. Copenhagen is beginning to lose its surplus population, and entailed estates are being cut up into small holdings; but emigration is urgently needed, and fantastic schemes have been mooted of colonies in Madagascar, Central America,

and Northern China. Russia, when reopened, may prove a better field. Five or six Danes have taken over estates in Lithuania at the invitation of its Government. The volume both of imports and exports was higher than in 1921, and the shipping was practically all employed at the end of the year.

Santo Domingo and Her Creditors.—A correspondent writes:—Although the original purpose for which the United States Government installed, in 1905, its temporary administration in Santo Domingo—namely, reconstruction of the finances of that island—has been accomplished, it has been resolved to postpone the evacuation which, according to agreement, would have been brought about

THE MERCANTILE BANK OF INDIA, LTD.

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On Current Accounts interest is allowed at 2 per cent. per annum on daily balances.

THE REVENUE.

I.—An ACCOUNT of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned period of the Year ending March 31, 1924, as compared with the corresponding period of the preceding Year.

	Quarter from April 1 to June 30, 1923, compared with the corresponding Quarter of the preceding Year.			
	Quarter ending June 30, 1923.	Quarter ending June 30, 1922.	Increase.	Decrease.
	£	£	£	£
Customs	32,289,000	31,309,000	980,000	
Excise	36,478,000	36,738,000		260,000
Motor Vehicle Duties	2,141,000	1,703,000	438,000	
Estate, &c., Duties	13,790,000	16,591,000		2,801,000
Stamps	4,840,000	3,442,000	1,398,000	
Land Tax, House Duty, and Mineral Rights Duty	420,000	470,000		50,000
Property and Income Tax	43,048,000	57,433,000		185,000
Super Tax	14,200,000			954,000
Excess Profits Duties, &c.	5,370,000	3,817,000	1,553,000	
Corporation Profits Tax	6,600,000	7,650,000		1,050,000
Postal Service	1,250,000	1,250,000		
Telegraph Service	3,500,000	3,400,000	100,000	
Telephone Service	260,000	220,000	40,000	
Crown Lands	4,425,511	1,933,461	2,492,050	
Interest on Sundry Loans				
Miscellaneous—				
Ordinary Receipts	4,576,613	13,545,736		8,969,123
Special Receipts	13,813,621	14,697,956		884,335
	187,001,745	195,154,153	7,001,050	15,153,458
			Net Decrease, £8,152,408.	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Quarter ending June 30, 1923, as compared with the corresponding period of the preceding Year.

RECEIPTS.	Quarter ending June 30, 1923.		ISSUES.	Quarter ending June 30, 1923.	
	£	£		£	£
Balances in Exchequer on April 1—			Expenditure—		
Bank of England	5,442,665	9,963,424	Permanent Charge of Debt	3,772,103	4,087,129
Bank of Ireland	1,375,502	1,210,106	Interest, &c., on War Debt	124,740,029	103,077,483
	6,818,167	11,173,530	Road Fund	1,440,044	986,000
Revenue, as shown in Account I.	187,001,745	195,154,153	Payments to Local Taxation Accounts, &c.	500,000	850,000
Temporary Advances Repaid—			Payments to Northern Ireland Exchequer ..	946,666	510,000
Bullion	65,000	550,000	Land Settlement	107,227	294,625
Under the Unemployment Insurance Acts, 1921	1,510,000	800,000	Other Consolidated Fund Services	874,943	790,221
Money Raised by Creation of Debt—			Supply Services—		
(a) For Capital Expenditure Issues—			Army, Navy, and Air Force	22,350,000	25,750,000
Under the Telegraph (Money) Acts, 1921 and 1922	1,750,000	1,650,000	Civil Services	49,323,000	57,045,000
Under the Housing Act, 1914	20,000	13,000	Revenue Departments and Post Office ..	10,360,000	12,130,000
(b) Under the Unemployment Insurance Acts, 1921	20,000	1,450,000	Total Expenditure chargeable against Revenue	214,414,012	205,820,458
(c) For other Issues—			Temporary Advances—		
By Treasury Bills	604,321,000	752,676,000	Bullion	5,000	
By National Savings Certificates	12,200,000	27,648,000	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	36,891	84,909
By Treasury Bonds—			Under the Unemployment Insurance Acts, 1921	270,000	1,800,000
5-15 Year, 1925-35		61,543,782	Issues to meet Capital Expenditure—		
5 per Cent., 1927		11,213,700	Under the Telegraph (Money) Acts, 1921 & 1922 ..	1,750,000	1,650,000
4½ per Cent., 1931-35	29,187,571		Under the Housing Act, 1914		15,000
By Other Debt created under the War Loan Acts, 1914 to 1919		11,869	Unemployment Insurance Acts, 1921 —		
			Repayment of Amounts borrowed	1,510,000	650,000
(d) Ways and Means Advances	252,803,500	283,440,500	Redemption of Debt—		
Anglo-Persian Oil Company—			Treasury Bills	616,010,000	874,214,000
Dividends on Shares Acquired		243,012	Principal of National Savings Certificates—		
Repayments—			(a) Repaid by issues under Section 59 (6) of the Finance Act, 1920	800,000	6,450,000
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	42,224	13,768	(b) Repaid otherwise	8,450,000	19,612,188
Do Issues under Section 59 (4) of the Finance Act, 1920		265,460	Principal of Exchequer Bonds paid off	16,854,989	
Interest—			Principal of National War Bonds paid off ..		
Received under Section 59 (5) of the Finance Act, 1920		87,358	Other Debt under the War Loan Acts, 1914 to 1919	268,987	8,325,205
			Ways and Means Advances Repaid	231,730,500	225,904,500
			Anglo-Persian Oil Company—		
			Issued to the National Debt Commissioners ..		243,012
			Old Sinking Fund, 1910-11—		
			Issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656
				1923.	1922.
			Balances in Exchequer—	June 30.	June 30.
			Bank of England	2,019,955	2,055,362
			Bank of Ireland	1,773,659	1,555,842
				3,793,614	3,611,204
	1,095,949,207	1,347,934,132		1,095,949,207	1,347,934,132

MEM.—

Floating Debt outstanding March 31, 1923

809,907,500

Ways and Means Advances outstanding—

Advances by Bank of England

Advances by Public Departments

Treasury Bills outstanding

Total Floating Debt outstanding

Net Increase

* Includes £40,000, the proceeds of which were not carried to the Exchequer within the period of the account.

Treasury, June 30, 1923.

this year. The military Government was replaced last October by a Provisional Dominican Constitutional Government, but this has been found unsatisfactory. Internal dissensions, centreing around the electoral law, are responsible; while growing opposition between the National and the Provincial Governments render the situation extremely disappointing. The position of President Juan Baptista Vicini Borgas has become unsafe, and the Americans hesitate to withdraw from him the support of their troops, who thus remain in actual, and not merely nominal, control. It is not probable that election for the new Congress can be carried on before August next. Then the legislators will sit for 60 days only—the customary period—before resolving themselves into a constitutional assembly for revision of the constitution. From this body later on the permanent Government will be elected, which at the earliest could not be before the summer of next year, and the evacuation of the United States troops has now been scheduled to follow this latter event. British holders of Santo Domingo securities have little for which to thank the American administration of the island, since their vested interests have been consistently and persistently opposed, as, for example, when in 1905 (in fact, concurrently with North American intervention) a *modus vivendi* was arrived at between the United States and Dominican Governments, by which the whole of the 55 per cent. of revenues, which were to have been allotted to the payment of the foreign debt of the Republic, were “pending ratification of the Protocol by the United States Senate,” placed on deposit in an American bank. This procedure naturally prejudiced British bondholders, and they strongly protested against such action. Such was also the case when later, and according to further arrangements (in connection with which British bondholders were again not even consulted), the principal sum fixed as payable by the Republic Government under the International Arbitration Award of 1904, in respect of their claims, was cut down by 10 per cent., and interest thereon only recognised as from 1905. There has been no attempt at any time to extend equitable treatment to this class of Santo Domingo’s creditors, while, on the other hand, the demands of the island’s North American lenders have been satisfied in full. In other respects British interests have suffered, for whereas the trade of the island has developed enormously during recent years, reaching, it is believed, about £16,000,000 for last year, the share of the United Kingdom has amounted to little more than £150,000, in spite of the enterprise of the B.S.P. Company in running a monthly freight service to Samana Bay. Over 84 per cent. of the commerce carried on is claimed by the United States.

Oversea Correspondence.

UNITED STATES.—REORGANISATION OF DENVER AND RIO GRANDE WESTERN RAILROAD—SEIZURE OF FOREIGN SHIPS’ LIQUOR.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 25.

UNDER the plan finally decided upon for reorganising the Denver and Rio Grande Western Railroad, provision is made for terminating the receivership, for the raising of \$10,000,000 cash, the conversion of \$31,114,000 refunding bonds, and \$10,000,000 adjustment bonds, and the creation of equal beneficial interests in the company for the Missouri Pacific and the Western Pacific. The plan, upon which the reorganising managers, Kuhn, Loeb and Co. and the Equitable Trust Company, have been working for more than a year, has been approved by the bondholders’ committee, and also by the directors of the Missouri Pacific and the Western Pacific Railroads. Holders of refunding or adjustment bonds not heretofore deposited under any agreement may participate in the plan, it is announced, by depositing their bonds with the reorganisation managers, or their representatives, on or before August 1, 1923. The more important features of the reorganisation may be summarised as follows:—The \$31,114,000 refunding bonds and \$10,000,000 adjustment

bonds of the Denver and Rio Grande Railroad Company now outstanding are to be exchanged for new general mortgage 5 per cent. bonds, maturing in 1955, and new 6 per cent. cumulative preferred stock at the rate of \$725 of general mortgage bonds and \$400 of preferred stock for each \$1,000 principal amount of refunding bonds with the coupon maturing February 1, 1922, and subsequent coupons, or for each \$1,000 adjustment bond with the coupon of October 1, 1921, and subsequent coupons. The total issue of general mortgage sinking fund bonds will be \$29,807,650, and of preferred stock \$16,445,600. A preferred stockholders’ committee is to be created, whose three members for the first five years are to be designated by the bondholders’ committees; thereafter they will be elected by preferred stockholders. Members of that committee will be entitled to attend meetings of the directors of the railroad and of the Utah Fuel Company.

The financial structure of the Denver and Rio Grande Western, under the proposed reorganisation, will be as follows:—

Out- standing:		Fixed Charges:
\$		\$
81,112,000	Underlying bonds	3,379,740
29,807,650	General mortgage sinking fund bonds	1,490,383
4,500,000	Equipment trust certificates.....	247,500
115,419,650	Total fixed charges	5,117,623
	Annual sinking fund instalment upon general mortgage bonds (payable from earnings; cumulative)	298,076
16,445,600	Preferred stock, dividends 6 % cumulative ..	986,736

Charges contingent upon earnings

300,000 Shares, common stock

The announcement of the foregoing plan, together with an authoritative statement that reorganisation of the Texas and Pacific is likely to be accomplished shortly, encourages the belief that other railroad receiverships will be terminated in the not distant future, especially since railroads generally in this country have, in recent months, enjoyed greater prosperity than for some time past, and the outlook for earnings continues bright.

Instructions recently issued by Secretary of the Treasury Mellon to the Public Health Service regarding medicinal supplies of liquor for foreign vessels serve to clear up some misconceptions and relieve, though only slightly, the situation created by the Prohibition Enforcement Act, or rather by the most unfortunate interpretation that has been placed upon it, with respect to vessels within American territorial waters. Last week the Acting Surgeon-General ruled that dietary (liquor) rations should not be construed as medicinal. Secretary Mellon promptly instructed him, in substance, to advise Public Health Service officers at the various ports that when officers or the proper authorities of any foreign merchant vessels within the territorial waters of the United States apply for the privilege of using liquors for medicinal purposes, and the laws of the country of such vessels prescribe a certain quantity of liquor for such purposes, the said quantity must be allowed by the Public Health officer in charge. Medical officers were directed by Secretary Mellon to familiarise themselves with the laws of the different countries bearing on this subject, especially those relating to medicinal supplies, and to give full consideration to the professional opinions of the ships’ doctors, so as to enable the latter to carry out measures necessary to preserve the health of persons under their care. In determining the

amount of liquor to be permitted on such vessels, American medical officers were instructed to be guided by the sworn statement of the ship's doctor as to the quantity needed for medicinal purposes.

FRANCE.—BUDGET PASSED—IRON AND STEEL PRODUCTION—MEXICAN EAGLE.

(FROM OUR CORRESPONDENT.)

PARIS, July 4.

As the outcome of a series of all-night sittings the Chamber and the Senate succeeded, at 6.30 on Sunday morning, in passing into law the Budget Bill for 1923, and with it, for all practical purposes, that for 1924 also. The net result of the long controversy between the two Houses is that what the Chamber, when it sent the Finance Bill up to the Senate some six months ago, estimated at a deficit of over 3,689 millions, has been transformed, by agreement between the two Houses, into an estimated surplus of 35,467,277f. The exact figures, showing the modifications the Bill has undergone, first by the Senate (as compared with the original estimates of the Finance Commission of that House, as given in this column last week), and subsequently by agreement between the two bodies, are as follows (in francs):—

Estimated	Chamber.	Senate.	Finally.
expenditure ..	23,971,099,877 ..	22,271,271,771 ..	23,402,487,556
Revenue	20,281,832,261 ..	23,037,966,832 ..	23,437,954,833
	3,689,267,616 ..	766,685,061 ..	35,467,207
	Estimated deficit.	Estimated surplus.	

It will be remembered that the two principles on which the Senate based its consideration of the Budget, as received from the Chamber, were a drastic reduction of projected expenditure and an equally large increase in revenue. In its first enthusiasm the Upper House, after carefully going into the credits asked for by each of the Government departments, made total cuts to the amount of 1,700 million francs. As was generally anticipated, several of the departments concerned put up a strong fight against these proposed reductions when the Bill got back to the Chamber, and particularly those interested in military and political measures, such as those connected with the French operations in Syria, for instance. In most of these cases the Chamber, as a body, supported the objections raised by the interested Ministries. In the final analysis the Bill, as now approved, shows that, although the total authorised expenditure is really over 222 millions higher than was projected in M. de Lasteyrie's original estimates early in 1922, it is nevertheless fixed at over 568½ millions lower than the amount approved by the Chamber six months ago. The warning has been given several times during the discussions that two much faith must not be placed on the practical value of these reductions, in view of the probability of Supplementary Credits being asked for during the next few months, and all who know anything of French methods will agree that these warnings will only too probably be justified.

Analysis of the revenue side of this distinctly complicated Budget (as compared with the normal British Finance Bill) discloses the fact that in this direction also there is good ground for scepticism. The theoretical deficit of about 3,000 millions that had still to be met, after allowing for the 568½ millions of reduced expenditure, has been covered as follows:—

Estimated yield from liquidation of war stocks	125,000,000
Repayment by the railway companies of cost of material ceded to them after armistice.....	500,000,000
Appropriation from yield from special tax on war profits	2,000,000,000
To be raised by loan	400,000,000
	Frs. 3,025,000,000

The final balance of the Budget foreshadows a surplus of some 35 millions, but it is evident, from the fact that this surplus is only arrived at after providing for 400 millions to be raised by loan, the absence of a deficit is much more apparent than real. At the same time, the fact remains that, whereas the Chamber proposed to resort to borrowing to the extent of practically 3,700 millions, to make both ends meet, the result of the praiseworthy

efforts of the Upper House has been to reduce this amount to the purely negligible one of only 400 million francs.

The most satisfactory feature of the whole Budget, as most people will admit, is the courageous manner in which the Chamber has refused to render an artificial situation still more artificial by eliminating from current liabilities the interest charges this country has to face in respect of the enormous sums that have had to be borrowed, through Germany's default, for the restoration of the devastated area. The Senate, as is known, dallied for some time with the suggestion that it is unfair to the French taxpayer that he should be called on to pay out of revenue, year by year, the interest charges on the money borrowed on German account, which amounts for the current year to 3,500 million francs, and will progressively amount to a still heavier annual charge in the future, seeing that it is estimated that over 40 milliards will still have to be raised before the restoration work is completed. The crux of the whole French financial situation, as it is regarded here, is that but for this burden which has to be borne through Germany's default, the Budget would be easy to balance, and would even show a handsome surplus on the present basis of taxation.

The statistics that have just been issued by the Comité des Forges, in regard to the French output of iron and steel, come down only to June 1st, and for this reason have to some extent lost their practical value. The figures show that on June 1st there were 99 blast furnaces in operation, as compared with 88 on May 1st, 77 on April 1st, 90 on February 1st, and 116 on January 1st, a fortnight before the Franco-Belgian troops entered the Ruhr. These figures are, of course, for the whole of France. At the same date there were 74 other furnaces available for activity, and 46 undergoing construction or repairs. Of the 66 furnaces working in the East of France, and in Alsace and Lorraine on June 1st (as against 58 on May 1st), "some" were not working full time. Of the 11 furnaces that were restarted during May, 2 were in the East of France, 6 in Alsace and Lorraine, 2 in the North, and 1 in the Midlands. From these details it is to be concluded that out of the total of 116 furnaces that were working on January 1st, before the shortage of coke set in as the result of the occupation of the Ruhr, only 17 are still lying idle. The total production of iron in May was 42,943 tons in advance of the figures for the previous month, but still 119,860 tons behind the output for December, which was the last normal month of production. The output of steel in May, which totalled 388,249 tons, showed an improvement of 33,458 tons, as compared with April, but was still 119,860 tons behind the December figures.

Independent reports concerning the metallurgical industry show that both home and foreign orders are now coming in steadily, although in no great volume. This improvement, however, is regarded as due more to the fact that buyers, who have been holding off for so long owing to the uncertainty of delivery, &c., have now been compelled to come into the market, than to any lasting improvement in conditions. As a matter of fact, quotations have dropped to such an extent that a certain number of firms have preferred to slow down rather than have to quote the present low prices. So far as foreign orders are concerned, there is less to complain of. Foreign buyers, including even Germany, and particularly Great Britain, have latterly been placing substantial numbers of orders in this country, the number of orders from England, especially for partially manufactured products, having latterly shown a satisfactory increase. The large increase in German orders is explained by the belief that buyers on the other side of the Rhine, in view of what is regarded here as the inevitable final collapse of the mark in the near future, are systematically replacing their depreciated paper with products that have an undoubted intrinsic value.

The drop of 50 per cent. in the dividend on Mexican Eagle shares, which have been one of the favourite gambling counters here since the "boom" of 1918-19, has hit the French investing public very hard. Before the war the shares in this company were quoted here at prices ranging from 35 to 50f without finding any very large market. Some four years ago, however, they suddenly soared into the neighbourhood of something like

750f, and it is estimated that over two-thirds of the shares that have been issued by the company since the boom year have been absorbed by French investors. Today these shares are quoted at around 82, having steadily dropped from 148 since the beginning of April only. The loss incurred by French investors is estimated at several milliards of francs, and there are loud outcries in certain quarters against those who are alleged to have been responsible for rendering it possible for such a substantial portion of the national savings to be exported to foreign countries.

GERMANY.—RUHR—FINANCES—INFLATION—BOURSE—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, June 30.

CONDITIONS on the Ruhr are worse, and even threaten to develop into guerilla warfare. In two new speeches the Chancellor has proclaimed that passive resistance will not be abandoned, and the local attitude, both of employers and employed, is the same. The proceedings of the French authorities and courts martial, in cases of alleged retaliation by Germans, are of such a character that it is impossible to judge how far local Germans have really embarked on a campaign of counter terrorism. The soldiery shoot, and are encouraged to shoot, without provocation, and as the courts martial condemn to heavy punishment for mere passivity, for acts which are no offence under any law, and usually without proof that the accused have committed the acts, the increasing number of convictions is no index. It seems, however, that there are regular sabotage organisations, the members being Nationalists of extreme colour, who reason that they will be shot or sent to gaol whether they offend or not. Such a movement cannot be suppressed as long as the military terrorism is directed against victims chosen by the soldiery at random. The expulsions and plundering of private property continue. The Cabinet and most newspapers continue to proclaim that the resistance ought to be kept severely passive, but an increasing part of the public, at any rate outside the occupied areas, sees in active resistance the beginning of a war of liberation.

The financial situation is going rapidly worse—in the sense that an ever smaller proportion of expenditure is covered by revenue. The last report of the Finance Ministry, for June 20th, shows a floating debt of nearly 17 billions, of which more than 2½ billions were accumulated in the last ten days. The movement of the floating debt up to date is:—

	Million Marks.
June 30, 1921	214,200
June 30, 1922	311,570
September 30, 1922	528,370
December 31, 1922	1,822,046
March 31, 1923	8,273,708
April 30, 1923	10,114,668
May 31, 1923	12,901,089
June 20, 1923	16,984,202

The whole debt is 17,048,625 million marks. This liability is, of course, not real debt in the sense of an obligation to repay at any fixed gold value. The whole liability at present gold exchange is about 450,000,000 gold marks. The progressive increase in the total is merely an instructive register of the success with which revenue can be collected without taxation, by way of currency depreciation. The real deficit in the State finances is, of course, expressed in ever bigger paper mark figures even when this real deficit does not increase; but in fact, in times like the present, of rapid currency depreciation, the real deficit does increase, owing to the failure of the nominal revenue to keep pace with the decline in the mark's value for purposes of administrative outlay.

The cause, it must be repeated, is the failure of the Government to take energetic steps for the automatic adjustment of tax yields to currency values. Three years' observation shows it to be beyond doubt that the Budget (at any rate, if cash Reparations were omitted) could easily be balanced if the last-mentioned trouble were overcome. The matter continues to attract public attention. The Finance Minister, Dr Hermes, this week announced that it is impossible to find a factor by means of which nominal

taxes will be made automatically to increase as the mark's value declines. It is very hard to accept this opinion, in view of the fact that the solvency of private industry and agriculture has been maintained in face of precisely the same obstacle. The automatic increase of direct taxation would undoubtedly inflict injustice on individuals, because property values and income do not everywhere increase in proportion to currency depreciation; but the injustice would be less than under the present system, by which the whole deficit is taken at random out of the pockets of those unskilful individuals who do not understand what is going on, while the best-situated classes almost entirely escape direct taxation. In adapting indirect taxes (other than Customs) the Government is also remiss. The Reichswirtschaftsrat has passed one more resolution calling for reform in this matter.

The decision of the Berlin Municipality in favour of an automatic increase of its direct taxes on a price-index basis has been nullified by the rejection of the whole Municipal Budget. The reformed State and Municipal Taxation Law (*Landessteuergesetz*) has passed through the Reichstag. One of the proposed measures—the increase of the Sales Tax from 2 to 2½ per cent., to help the finances of the local governments—was rejected. The Law increases the share of the municipalities in the income-tax yield from two-thirds to three-quarters, and their share of the Sales Tax yield from 5 to 15 per cent.

The weekly increase in Reichsbank circulation exceeded 2 billion marks for the first time in the statement of June 23rd. The increase in Treasury Bill discounts touched nearly 2½ billions. A summary of the inflation movement up to date (Darlehns Notes, which are practically stable at 12,300 millions being omitted) is given:—

	Million Marks.
December 31, 1913	2,593
" " 1914	5,046
" " 1915	6,918
" " 1916	8,055
" " 1917	11,468
" " 1918	22,188
" " 1919	35,698
" " 1920	68,805
" " 1921	113,639
" " 1922	1,280,094
March 31, 1923	5,517,920
April 30 "	6,545,984
May 31 "	8,563,749
June 23 "	13,091,739

Money is plentiful, and the official restrictions on buying exchange continue to lead to high quotations for dollar Treasury bills, which sell considerably above the dollar. Loans issued on a commodity basis are also still being fully subscribed. In view of the fact that the mark circulation has increased since before the war only about 2,000-fold (including coined gold, the pre-war circulation was 6 milliards), while the price level has risen 24,618-fold (official index, June 25th), the plentifulness of money seems to need explanation. A banking authority puts it down to the great increase in speed of circulation. This increase in speed is an outcome of the rapid depreciation, which causes salaries and wages, where possible, to be drawn at short intervals and immediately converted into goods. The now instinctive rush to maintain the real value of one's mark capital and mark earnings leads to strange phenomena; the official whose salary is paid quarterly in advance puts it immediately into stocks, to be held perhaps for only a few days or weeks, in the knowledge that if the mark exchange falls stocks will rise; while business men sell goods for marks only after they have provided for the immediate investment of these marks in other goods. This form of flight from the mark has spread all the more rapidly since the adoption of the exchange restriction policy. It is also the main influence on the Bourse, and has caused some stocks to rise more than would have been the case on a mere mark depreciation basis. The Bourse now has an almost continuous boom, rises of several hundred thousand on one day being common. Federal and State, and in less measure, Municipal loans, have ceased, in the imagination of foreigners and some natives, to be mere paper-mark securities, and there has been frantic buying. As these loans have no value except the number of paper marks they represent, and even then have only the value of the day, the move-

ment is highly erratic. Some loans double their quotations on a day on which other loans, for no known reason, have big declines. State loans, which until lately were neglected, have gone ahead more rapidly than Federal, but the highest quoted municipal loan (Berlin Fours) has reached only 400. The Reichsanleihe A.G. (intervention company), which long had difficulty in maintaining War Loan at 80.75, lately got rid of a great part of its holdings at a higher rate. The chief buyers, it is stated, were Americans. Loan quotations of the 29th were:—

War Loan 5 per cents	325
Fours	8,500
3½ per cents	5,500
Threes	34,000
Colonial Fours	31,000
Forced Loan	90
Prussian 4½ per cents	800
Prussian Fours, Consols	2,000
" Threes	5,300
Baravian Fours	8,000
Hamburg Staats-Rente 3½ per cents	4,100

Banking shares have been active in connection with fusion rumours. The Barmen Bank Verein, which has connections with important banks in Leipzig and Munich, and relations with the Disconto Gesellschaft, has decided to increase its capital from 1 to 1½ milliard marks. Four-fifths of the new shares are taken up by Herr Stinnes, who gets two seats on the Control Board.

Prices are moving rapidly upward. Railway freight rates, as increased 250 per cent. on July 1st, average 21,420-fold those of 1914, against 2,856-fold on January 1st. Postal rates are trebled as from July 1st, but remain extremely low, the home letter rate being only about 1-10th of an English penny, and the foreign rate under ½d. Steel and iron prices are being raised at short intervals. The latest are (in marks per metric ton):—

Hematite pig	3,228,000
Foundry iron, I	3,198,000
" " III	3,195,000
Ingots	3,382,000
Blooms	3,820,000
Billets	4,041,000
Construction forms	4,773,000
Bars	4,800,000
Thick sheets (5 mm. and over)	5,710,000

Employment reports for the beginning of June show, in most industries, slight improvement; in many works employees who had been on short time returned to full work. There is, however, no sign of an industrial boom such as followed earlier mark-exchange declines.

ITALY.—WHOLESALE AND RETAIL INDEX-NUMBERS—DEBATE ON TARIFFS—EXPORTS AND IMPORTS IN 1922 AND FIRST QUARTER OF 1923.

(FROM OUR CORRESPONDENT.)

TURIN, June 24.

THERE is talk at present of a new increase in prices. The widespread impression that there has been an increase is not borne out by the Bachi's index number in the wholesale market, on the usual basis of 1920's prices 100:—

	Nov., 1920.	June, 1921.	Oct., 1921.	May, 1922.	Jan., 1923.	April, 1923.	May, 1923.
Vegetable foods	107.7	97.0	115.8	106.3	109.4	110.6	109.9
Animals	124.1	100.5	128.5	93.9	104.4	113.6	109.7
Chemicals	107.7	63.4	74.6	67.3	69.3	69.6	69.7
Textiles	94.0	45.8	75.6	65.7	80.8	83.0	81.6
Minerals and metals ..	101.4	60.4	64.1	57.5	62.5	65.5	65.0
Building materials ..	112.6	101.6	90.9	78.5	87.5	83.4	83.3
Miscel. vegetables ..	108.7	95.0	114.4	96.4	124.7	128.1	122.4
Miscellaneous	105.2	90.4	94.2	87.9	98.8	93.2	92.0
General index	107.3	81.5	95.9	83.3	92.1	94.2	92.9

The only difference in the figures for this spring is the maintenance of prices at the high level reached in the autumn and winter months; while in past years the months from March to June usually saw lower levels.

Retail prices, which are always slower to move, are as follows (the figures relate to the cost of living in

Turin of a working family of two parents and three sons, on the basis of the first half of 1914 = 100):—

	Food.	Cloth-ing.	House Rent.	Heat & Light.	Miscel-laneous.	General Index.
January, 1920	351	327	100	406	344	318
April, 1921	534	497	110	417	544	470
July, " "	446	411	110	354	537	405
January, 1922	524	454	120	435	591	466
April, " "	470	433	120	378	587	424
January, 1923	499	433	120	423	574	446
February, " "	484	435	120	428	574	438
March, " "	481	437	120	423	574	436
April, " "	488	437	120	394	574	438
May, " "	493	437	120	370	570	440

The characteristic of this year is the same as in the wholesale market: retail prices are not decreasing this spring as they did in past years. Food is dear, a strange thing in the face of a good season, with plenty of vegetables and very good prospects for fruits. The Government has taken various measures to prevent the rise of the cost of living, the most important being the abolition or lowering of various duties on animals, sugar, meats, oils, cheese. Yesterday there was held at Rome a great meeting convened by Signor Rossi, Minister of Trade and Industry, for the purpose of devising remedies against the high cost of living. Chambers of Commerce, municipal councils, and co-operatives gave various opinions on the causes of the rise in retail prices; increases of taxes on consumption (turnover tax), increases of rents of shops after the abolition of the rent restriction act and fixation of rents by arbitration tribunals; increased export of cheese, vegetables and meat; imperfect organisation of transport, and so on. Fortunately, notwithstanding some high words and threats of penalties against speculators and middlemen, no direct action by the Government was advocated. The Fascist Government gives no support to policies of maximum prices, restrictions of exports, or regulation of consumption.

The debate in the House of Deputies about the general customs tariff, although not formally closed with a vote, may be said to have come substantially to end. The protectionists mustered all their forces, and won a great deal of success. But the Government promised that the general tariff, although wanted for purpose of negotiation of the treaties of commerce with foreign countries, ought to be lowered in virtue of the lower treaty duties and the extension of the most favoured nation clause. Perhaps the most important outcome of the debate was a vote taken inviting the Government to abolish all duties on pig-iron and broken iron, and to substitute in their stead a system of premiums on pig-iron production which might be deemed necessary for the defence and independence of the nation. If we consider that the iron industry is at present the chief barrier against the adoption of a more liberal fiscal policy, that the premium system is more apt for measuring the exact sacrifice which the State is making for the support of so costly an industry, we may say that this House vote, if acted upon, is perhaps the most important step taken by the present protectionist majority of the Parliament.

The latest statistics of foreign trade relate to the first quarter of the year (in millions of lire):—

	January.	February.	March.	Whole Quarter
Imports—				
1922	1,315.5	1,056.2	1,310.8	3,682.6
1923	1,059.7	1,571.8	1,495.7	4,127.3
Difference	-255.8	+515.6	+184.9	+444.7
Exports—				
1922	619.9	720.1	716.1	2,056.0
1923	788.8	750.4	886.7	2,425.9
Difference	+168.9	+30.3	+170.6	+369.9
Excess of Imports—				
1922	695.6	336.2	594.7	1,626.6
1923	270.9	821.9	609.0	1,701.4

The interesting fact is that figures are rising in both ways, indicating that trade is increasing. Wholesale prices, not being much different in the two periods, do not exercise a notable influence.

The distribution in 1922 of imports and exports among various classes was as follows (in millions of lire):—

	Imports.	%	Exports.	%	Difference.
Raw materials of in-					
dustry	5,504.8	35.0	1,165.2	12.5	+ 4,339.6
Half-worked materials ..	2,825.7	18.0	2,816.0	30.3	+ 9.7
Finished products	2,394.3	15.2	3,126.7	33.7	- 732.4
Foods	5,003.5	31.8	2,184.9	23.6	+ 2,818.5
	15,728.3	100.0	9,292.8	100.0	+ 6,435.5

We see that what is called the adverse balance of Italian trade is due wholly to the necessity of importing vast quantities of food and of raw materials for the national industry. Raw material imports are likely to increase in the future; and the increase will be a good omen as a proof of better working capacity of our industry. The figures of food imports are not so encouraging. The most important items in food imports were:—Wheat, 3,057; other cereals, 500.5; fish, 422.7; coffee, 305.8; meat, poultry, game, 191.2; cattle, 154.3, million lire. It should be possible to buy more manures and to improve agricultural methods, and, without increasing and even diminishing the planted area, to increase the cereal production. To many people it seems a pity that Italy, with so long a sea coast, should be obliged to buy abroad such a vast quantity of fish (85,477 tons, of a value of 422.7 million lire). It seems that such a lamentable result is due to out-of-date methods of fishing. Public opinion was therefore delighted when it was announced that, following in the steps of the Duke of Abruzzi, who is conducting a great cotton enterprise in Italian Somaliland, the Duke of Udine, of the Blood Royal, intended to start a new experiment on a vast scale in fishing with modern apparatus and fleet. The fleet will fish not only in Italian waters, but also in distant seas.

AUSTRALIA.—PUBLIC FINANCES—COMMONWEALTH AND THE STATES—BANKING RETURNS—CROP PROSPECTS.

(FROM OUR CORRESPONDENT.)

MELBOURNE, May 28.

At the conference of Commonwealth and State Ministers, now sitting in Melbourne, a series of proposals dealing with the financial relations between the Commonwealth and the six State Governments has been brought forward by the former. At present, the Commonwealth pays part of the taxation raised by it to the States on a per capita basis under an arrangement originally made when the only form of Commonwealth taxation was that from Customs and Excise, only a portion of the yield from which was required for Commonwealth purposes. Before the war a graduated land tax was imposed as a party measure by a Commonwealth Labour Government, and during the war the Commonwealth imposed its own income-tax, death duties, and one or two other forms of taxation, so that with the exception of stamps most of the principal forms of taxation are duplicated by the Commonwealth and States. The Commonwealth proposal now is that it should discontinue the per capita payments to the States, leaving each of them to replace the amount by increasing State taxation, and that the Commonwealth in turn should draw the line for its own income-tax at £2,000 per annum, taxing incomes only on the excess over that amount. The number of Commonwealth income-tax payers with incomes over £2,000 is only 1 per cent. of the total number of taxpayers, and while the proposal would relieve the remaining 99 per cent. from the necessity of furnishing income-tax returns to the Commonwealth, it would mean placing 1 per cent. of the taxpayers in an isolated position, convenient for taxation of a penalising character, whenever a Labour Government with a policy of heavy expenditure again acquires power. At the conference the State Premiers were unfavourable to the proposal, partly on the ground that Commonwealth income-tax is not to be completely abolished, and they submitted a counter proposal including the retirement of the Commonwealth from the field of income taxation, the abolition of the present per capita payment by the Com-

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monwealth to the States, and the payment by the States to the Commonwealth of the loss of revenue sustained by the latter, this arrangement to be embodied in a ten years' agreement. To this the Commonwealth Premier, Mr Bruce, replied that the counter proposal had been carefully considered by the Commonwealth, and could not possibly be accepted. The subject, however (notwithstanding Mr Bruce's reply), has continued under discussion.

The States have decided to accept the proposal to apply income-tax to loans issued in future. This, of course, will apply only to loans issued in Australia. Another proposal by the Commonwealth which the States have accepted is that a loan council consisting of the Commonwealth and State Treasurers should be established to determine the order in which the Governments and other public bodies should borrow upon the market within Australia. An estimate prepared by the Commonwealth Treasury of new loans required in 1923-24 by the Commonwealth and States shows a total of £45,000,000. This is all for railways and other works, and does not include the redemption loans that will be necessary to provide for old loans maturing. Detailed estimates for subsequent years are not given, but it is announced that "from the information available it appears the total requirements for the next three years will be approximately the same as for the year 1923-24."

This means that in the next four financial years about £180,000,000 will be required in fresh loan money by the Commonwealth and States, to be raised partly in Australia and partly outside, in addition to the large amount of redemption in prospect. The public debts will consequently increase much more rapidly than the population, and allowance requires to be made for the fact that fresh railways do little beyond earning working expenses in the first few years after construction, the interest becoming a charge on taxation. These questions, however, were outside the scope of discussion at the conference, which dealt simply with the methods to be followed in borrowing.

The quarterly average returns to March 31st of bank liabilities and assets within Australia and New Zealand show that deposits, inclusive of the Commonwealth Bank of Australia (but not excluding the Savings Bank department of that institution), are now at the highest point on record, the grand total being £309,046,557, against the previous record of £308,827,517 in June, 1920, which was followed by a decline to £278,339,076 in December, 1921. The latest increase is mainly the outcome of a good season in Australia, with high prices for merino wool, accompanied by an active demand for accommodation for various purposes, including assistance to production in the country, house-building to meet the requirements of the large town populations, factory extensions, and trading demands following the fresh increase in imports since the middle of 1922. In New Zealand, on the other hand, the decrease in advances which began nearly two years ago has continued. The various Governments have absorbed a considerable amount of fresh money, borrowing in the local money market directly and indirectly at rates varying from 5 to 5½ per cent., free of both State and Commonwealth income tax. Such rates as these largely govern the rates offered by banks for money, the rate for a considerable time past being 5 per cent. for two-year fixed deposits.

Setting aside the Commonwealth Bank of Australia, the following is a comparison of the principal totals of the

ordinary banks with those for the previous quarter and the corresponding period last year:—

	March Quarter, 1922.	December Quarter, 1922.	March Quarter, 1923.
Deposits—	£	£	£
Australia	217,672,828	221,714,510	232,000,840
New Zealand	44,866,839	44,429,434	48,659,637
Total deposits	262,539,667	266,143,944	280,660,477
Advances (inc. Govt. securities)—			
Australia	183,675,755	193,054,338	197,994,984
New Zealand	52,415,359	49,266,016	48,347,815
Total advances	236,091,114	242,320,354	246,342,799
Cash items—			
Coin and bullion (Aust. and N.Z.)	27,557,996	27,686,456	27,287,078
Australian notes	29,604,826	23,565,130	26,353,024
Legal tender notes of other banks (N.Z. only)	1,312,967	539,592	501,218
Total cash	58,475,789	51,791,178	54,141,320

In Australia there has been an increase of £14,328,012 in deposits during the past year, with a practically equivalent increase of £14,319,229 in advances. In New Zealand, however, where deposits have increased by £3,792,798, there has been a reduction of £4,067,544 in advances, making a total reduction of £11,673,593 in two years. Nearly the whole of the increase in deposits in Australia during the past year, as well as a good proportion of that in New Zealand, has been in fixed deposits, the money thus being rendered more available for employment in advances. The total cash held by the banks is smaller than a year ago, owing principally to the contraction of the Australian note issue, and the ratio of cash to liabilities has declined slightly.

The principal figures (within Australia) of the Commonwealth Bank of Australia, not included in the table above, compare as follows:—

	March Quarter, 1922.	December Quarter, 1922.	March Quarter, 1923.
Deposits	£ 22,628,567	£ 27,617,966	£ 28,386,084
Savings bank deposits	36,144,999	38,250,893	38,148,906
Discounts, loans, &c.	15,141,497	13,367,064	13,863,996
Government & municipal securities	34,693,510	35,684,936	36,006,140
Coin and bullion	2,207,552	2,543,798	2,637,705
Australian notes	2,299,336	4,314,547	2,774,221

Stocks of coin and bullion in Australia and New Zealand, including the ordinary banks, £27,287,078, Commonwealth Bank £2,637,705, and reserve against Australian note issue £24,500,000 (approximate average) amount to £54,424,783, against £53,165,548 for the March quarter 1922.

The outlook for the 1923-24 producing season in Australia has been improved by the rainfall lately, which gave a fair start to the wheat crops, though the previous dry weather has definitely lowered prospects for the new wool clip. It is now hoped that June will prove sufficiently wet to carry on the crops for the greater part of the winter months, in which case the outturn would depend on the spring rains. Although the outlook as a whole is still uncertain, the feeling is much more hopeful than at the beginning of May, and since the rainfall started the country demand for goods has improved.

Letters to the Editor.

CREDIT CONTROL AND UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I was amazed to read a letter on the above subject from Mr Charles Edward Pell, which appeared in your issue of the 30th ult. He appears to contemplate with equanimity a perpetual state of inconvertible paper currency which must be depreciated in terms of gold, deranged exchanges, and, in fact, repudiation of our just debts. Mr Pell goes further. He states "what is wanted is stabilisation, not falling prices," and he thinks this and the question of unemployment can easily be

settled by "pursuing a policy of inflation until such time as the million and a-quarter at present unemployed are absorbed, and then stabilising prices at the higher level." One rubs one's eyes to see such statements in cold print. Does Mr Pell think that Germany has settled her unemployment problem, or Russia, or did Austria by means of the printing press? What does he think is the secret, or was the secret, of the success of our foreign trade? Was it not our ability to manufacture and export goods cheaper and better than most of our competitors, and if we stabilise prices at a higher level (assuming that it is possible to do so), how will that help our foreign trade on which in the end the employment of our people mainly depends?

There is no short cut to the full employment of our people, but I venture to state that a sound financial system at home, peace abroad, and sound financial methods there also, will go a long way to bring nearer that most desirable state of affairs. Instead of more inflation of the currency, we desire a gradual contraction until parity of exchange has been re-established with America and other gold standard countries. In your Money Market Review you speculate as to the cause of the renewed fall in the New York exchange on London. Surely it is because of the depreciated state of our currency. We have nearly twice as much currency in circulation to-day compared with pre-war days, and the premium on gold indicates that depreciation exists. Why, then, wonder at the adverse exchange? This surely is the main cause, and until it is removed by contraction of the currency the exchange will remain adverse.—I am, Sir, your obedient servant,

D. M. MASON
(Chairman, Executive Committee, Sound
Currency Association).

July 2nd, 1923.

Books and Publications.

THE SAAR QUESTION.*

THERE is some justification for the view that the treatment of the Saar Valley was the worst blot upon the Treaty of Versailles: if it had been a large instead of a small area, the cynical disregard of all the sentiments of the inhabitants which marked the settlement would have been recognised as being in flagrant conflict with the promises of the Armistice. There is still more justification for the view that the administration of the Saar Valley since 1919 has gravely discredited both the Allies and the League of Nations. The Saar trouble is, indeed, symptomatic of the evils from which Europe is suffering; and a measured, impartial, well-documented study of the question would be a real contribution to the study of contemporary problems.

Mr Osborne has put together in this book a useful collection of documents, including all the reports of the Saar Commission to the League of Nations. But his own narrative (which forms less than half of the book) is so virulently anti-French, that even those readers who are strongly opposed to French policy will be alienated and driven to ask what is to be said on the other side. It is noteworthy that he seems to accept all German statements in the controversy as well-founded, and even incorporates passages from the German Note in his own narrative, without acknowledgment; while he regards all French statements as suspect, and pays no attention to the balancing judgments of Mr Wellington Koo's reports to the League. He interprets the whole policy of France in the light of a supposed fixed determination to dominate Europe by means of a metallurgical supremacy. This may be, and no doubt is, a motive present in the minds of some powerful sections of French opinion. But Mr Osborne uniformly falls into the temptation to which all political writers are prone, of speaking of countries as if they were individuals with fixed and undeviating purposes: he speaks of the designs or the actions of "France" without reminding his readers that there are in France, as in all countries, many different strains of opinion, and that, even when they agree in pursuing the same policy, they often pursue it from quite different motives and for quite different ends. Nor does

* "The Saar Question: A Disease Spot in Europe." By Sidney Osborne. Allen and Unwin. 12s 6d.

he ever give due weight to the dominating fact of the situation in France—the nervousness as to the future, the yearning desire for some guarantee of security, which—since the peacemakers have failed to find any adequate means of satisfying it—has driven the nation back upon the old, futile, self-defeating means of military domination, and enabled the militarist element (which is present in all countries) to get into the saddle.

It is regrettable that a useful piece of work should have been disfigured by virulent partisanship.

THE STABILISATION OF BUSINESS.*

NINE essays on the problems of stabilisation are collected in this volume, to which Mr Herbert Hoover has written an introduction. The contributors are all eminent men, but most of them are professors. They write, however, not for the theorist, but for the man of business, believing that they may help to bring "the science of economics and the practice of business into a closer understanding."

Professor Irving Fisher summarises again his proposals for stabilising the dollar; Professor Seligman writes on the international aspects of stabilisation; and separate chapters deal with the question in its relation to unemployment, transportation, and the distribution of public works.

The book is a very authoritative summary of advanced thinking on the subject, and it has both the merits and defects of advanced thinking. "Thought on business cycles," we are told in the preface, "is advancing from the stage of analysis of the causes and characteristics of cycles to the stage of planning the policies of the control of cycles," and certainly the contributors to this volume have succeeded in giving to their thought a practical turn. But they are pioneers, and most of them are theorists; which means that they have perhaps more than their share of confidence and imagination. Some of their readers may think that the course of business cycles will have to be further analysed and more thoroughly understood before stabilisation can become a practical proposition.

The editing of the book has been uncommonly well done. There is little overlapping of subject matter between the different contributions, and the conclusions arrived at from various points of view are effectively combined so as to confirm one another. The intention to avoid tedious and technical detail may have led, perhaps, to a somewhat summary and dogmatic treatment of the subject; but the book gives as good a conspectus as could now be given of all the problems connected with stabilisation, and gives it in a very readable and intelligible form.

* "The Stabilisation of Business." Edited by Lionel D. Edie. The Macmillan Company. (New York). 1923. 400 pp. 12s net.

REAL PROPERTY LAW.*

THE Law of Property Act, 1922, is lengthy, difficult to understand, and does not take effect till 1925. It is, in the words of Sir Arthur Underhill, Senior Conveyancing Counsel of the Court, "a lawyers' Act, laboriously built up by skilled conveyancers." Little wonder that it reached the Statute book without attracting much notice, even in Parliament. Yet the new law (unless repealed, as Mr Harvey, in the book under notice suggests part of it at least ought to be, will affect middle-class as well as more wealthy folk in their everyday affairs. If Mr Harvey's criticisms are just, the Act will make dealings with property more difficult and expensive, but possibly the new scheme as a whole may work better than Mr Harvey fears.

The declared object of the Act is to simplify land law, and simplify and cheapen sales, mortgages, and other transactions. As is well known, the skilled investigation of the historical chain of title to property each time it changes hands is a cause of expense. The new Act endeavours to remedy matters "by keeping equities, with some few exceptions, off the title, thus making the history of each title a very simple and straightforward account of sales, mortgages, and leases, and putting all settlements and trusts behind a curtain." These are the words of

* "The Law of Property Act, 1922. How Will It Work?" By Eustace J. Harvey, M.A., Solicitor. (London) Sweet and Maxwell, Limited. 1923. 7s 6d net.

INTERNATIONAL BANKING
IN ALL ITS BRANCHES

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Sir Arthur Underhill, who has explained further in a book on the Act that the curtain provisions "place naked equitable interests decently behind a legal curtain." Why equitable interests, that is settlements, trusts, and so on, should be regarded as indecent has not been explained. Nor does it appear why law and equity are emphatically contrasted. The distinction between them is one of form and history rather than of substance and principle, and it is surprising to find a measure, which purports to do away with useless and tedious technicalities, insisting on this distinction. Only absolute fee simples and leaseholds would continue as modes of legal ownership of land, other interests being provided for under trusts.

The Act further proposes to assimilate to some extent the rules of law applying to real property to those governing personal property. It would abolish copyhold tenure of land, and the rules as to descent to the eldest male on an intestacy. Instead of the existing rules for descent of personal property on intestacy it would substitute a new (and rather complicated) code. The changes to be introduced into the law of intestacy were discussed in an article in the *Economist* of April 1, 1922, and objections to them pointed out. These matters, and very many technical points, are closely examined by Mr Harvey in his book, which should certainly receive attention. His treatment of the subject is, however, scarcely suited to the requirements of the non-professional reader, though the subject itself should not be left to lawyers alone. Mr Harvey makes a good point when he refers to the desirability of the economic and social aspects of the matter being adequately investigated.

RAILWAY PROBLEMS IN SPAIN.*

THE Spanish railways are not favourably regarded by visitors from abroad. A few through expresses are very comfortable, but the gradients from the coast to the central plateau are steep, the speeds slow, the routes usually roundabout, and the branches comically primitive in equipment and working. State aid in construction has hampered development; unprofitable lines have been built; kilometeric guarantees have increased distances and working costs; subventions have set up the belief that the capital accounts can be closed and the rates fixed once for all; the leasehold tenure of the lines discourages fresh expenditure; and the combination of many small lines into the three leading systems has caused debenture issues constituting two-thirds of the total capital. Thus the companies cannot raise money for extensions, or to cope with the vastly increased traffic. Recently, indeed, the State has sanctioned increased rates, and advanced money to the companies; it constantly interferes with the management, and tends towards nationalisation, complete or partial—a very doubtful benefit; but the problem is extremely complicated, and the future obscure. Mr Boag, who has himself managed a Spanish railway, discusses the situation at length; he also deals with the history, mentioning the abortive negotiations with George Stevenson, the famous official report of 1844—very sound, though its framers had never seen a railway—the

* "The Railways of Spain." By George L. Boag. (London) The Railway Gazette. 1923. 12s net.

opening in 1848 of the first and very successful line from Barcelona to Mataró, and the progress to the present day. He gives full technical particulars of equipment, working, rates, and welfare work—excellent, but not a bar to strikes; he makes light of the break of gauge at the frontier, which he declares was not motivated by strategic reasons—but they would hardly have been mentioned officially—and of the grandiose project for a through line of standard gauge from the French frontier to Algiers, to provide a fast route for international traffic to Morocco, Dakar, and South America. He concludes that improvement is unlikely, unless increased receipts enable the companies to effect it themselves; and that, as the bulk of through travel is by night, more direct communications between Madrid and the provinces would really be of slight advantage. An interesting chapter deals with the railways of Portugal, where conditions are more satisfactory. The book should interest the railway expert, the student of economics, and the foreign visitor to Spain.

BOOKS RECEIVED.

Local Authority Finance Accounts and Auditing. By J. H. Burton. (London) Gee and Co. (Publishers), Limited. 15s net.

Electricity Supply Accounts. By George Johnson. Third edition. (London) Gee and Co. (Publishers), Limited. 10s 6d net.

Fairs and Exhibitions, 1923. Second Half-year. (Paris) International Chamber of Commerce, 33 Rue Jean-Goujon.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET. ACCOUNT.
July 11. July 12.

THE Stock Exchange cannot boast that the second half of the year has entered its markets with any degree of cheerfulness or of business. Throughout the week, the possibilities of a rise in the Bank rate pressed hardly upon gilt-edged stocks, and continuance of the complications abroad checked enterprise on the part of the speculative division. Evidence remains that there is still plenty of money available for investment. At the same time, the presence of the stag element is obvious from the manner in which the prices of stocks and shares which were rapidly subscribed upon the issue of their prospectuses, tend to break away when the market in them starts. The recently issued New Zealand scrip has dropped to 3 discount, and the India scrip, up to 3 premium a fortnight ago, gave way to 1 discount, while the Austrian sixes, which looked so buoyant at 7 premium, have relapsed to 2½ premium. Various of the commercial companies' shares lately floated are also at a discount. The fact of over-subscription on a prospectus does not by any means guarantee that there will be no discount when a market starts.

Although the immediate effect of the Bank rate rise to 4 per cent. was not unfavourable, sellers soon came into the investment markets. A mild slump occurred, to the accompaniment of fears that the rate may rise to 5 per cent. next Thursday.

The War Loan has been dropping steadily, but the main flatness occurred in Conversion Loan, Funding, Victory, Consols, and the India scrip mentioned above. Several of these have attracted a certain amount of speculation, and quiet pressure on behalf of moneylenders, bankers, and others has been exercised to curtail the accounts open on the bull tack. Colonial Government stocks have weakened sympathetically, and heaviness spread also to Home Railway prior-charge issues.

French bonds suffered acutely from the fresh demoralisation in the franc, and although there was a faint recovery from the lowest, most of the French prices are heavy—Government, municipal, and railway. Depression extended to Brazilian bonds, Chinese, certain of the Scandinavian, and, as already observed, to the Austrian scrip. The Dutch East Indies new loan receded to 1½ discount, and other foreigners are weak.

London Midland and Scottish stock had to be quoted ex dividend in order to admit of dealings in the new stock which came into being through the inclusion of Caledonian stock in the group. The dividend was reckoned at £2 5s 9d net. Home Railway stocks suffered by reason of the unauthorised dockers' strike, which came on top of a threatened stoppage of work by

some of the railway unions. North-Westerns fell back on account of Thursday's train disaster. Grand Trunk Pacific 4 per cent. debenture was one of the mercurial stocks of the week, the price jumping 7-8 points to 50, on rumours that the negotiations with the Dominion Government are proceeding satisfactorily, but going back to 45 as sellers rushed in; Argentine railways, although easier in places, managed to maintain their firmness tolerably well, the falls being modest in extent; in Brazilians, there is little doing.

Rubber shares again sagged for want of public support, and on account of the stagnation in the market for the raw produce. Oil shares have been decidedly flat, owing to a fresh break in the price of Mexican Eagles and fairly heavy liquidation in some of the other previously popular shares. The textile list and tobacco shares, both of which are closely followed by speculative investment interests, resisted the general trend, though a good many of the usually active industrialists have come under the ban of the depression throughout the Stock Exchange, and are lower on balance. Cable stocks and shares gave way sharply, on renewed fears of wireless competition, and Marconis advanced, though the movement was held in check by a certain amount of selling. Newspaper shares are lower; Trust companies' stocks have halted in their long upward stride, the reduction in the dividend on British Steamship deferred causing a little surprise. Shipping issues are no better, and in the insurance market the movements follow the general disposition, without, however, the fall being particularly noticeable. London banking shares are heavier, because of sales that have had to be made in order to provide money required for other purposes—payment of calls on new issues, of the July income-tax instalment, and losses incurred in speculation. The Iron and Steel market is quiet. Nitrates are a little irregular. Electric Light shares hold their substantial gains of the past six months.

The Kaffir market has felt the force of the weakness that developed in Paris, and it is said that operators from that Bourse have been selling bears of South African shares in the London market. The copper favourites fell with the rest. Amongst Rhodesians, Chartered spurred sharply to 14s, on a rumour that the Government is about to come to an immediate settlement with the company. But the rise was soon spent. Tin continues to descend, with the result that tin-mining shares are in the doldrums; and there is so little doing in other mining sections that what changes have occurred are mostly small declines, caused by precautionary action on the part of jobbers not anxious to take more stock at the present time upon their backs.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 181,301,661	..	..	..
ISSUES OF THE WEEK—				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JUNE 30, 1923.				
April 1, 1923, to June 30, 1923, £2,950,000 ..	100,000	..	100,000	..
To the Public—				
The Skoda Works, £1,000,000 8% First Mort. Sterling Debts (red. at par by ann. drwgs. over 25 years), issued at 92½ (July 2) ..	1,000,000	.. 920,000	.. 50,000	.. 870,000
Lima Light, Power, and Tramways Co., £1,500,000 6% First Mort. Debts (red. at par 1924-50, issued at 90% (July 2) ..	1,500,000	.. 1,350,000	.. 75,000	.. 1,275,000
Industrial and General Trust, £213,765 4% Deb. Stock (red. at 102½), issued at 84½ (July 3) ..	813,765	.. 687,631	.. 40,688	.. 646,943
Total offered to public	..	.. 2,957,631	.. 165,688	.. 2,791,943
To Shareholders only—				
Houtpoort, 250,000 Shares, 2s at par, subject to commission of 50%, making price is net 25,000 ..	25,000	.. 12,500	.. 3,125	.. 9,375
Second Scottish Investment Trust, 54,359 Shares, 4s, at 46 per share ..	261,795	.. 326,154	.. 108,718	.. 217,436
Total offered to shareholders only ..	..	.. 338,654	.. 111,843	.. 228,811
Total offered for subscription to date in—				
1923	£184,697,946	..	..	..
1922	456,981,984	..	..	..
1921	129,061,459	..	..	..
1920	239,204,322	..	..	..
1919	394,608,779	..	..	..
1918	737,518,403	..	..	..
1917	1,066,287,423	..	..	..
Total offered for subscription for whole year—				
1922	£573,676,650	..	..	..
1921	388,978,403	..	..	..
1920	367,549,656	..	..	..
1919	1,036,059,951	..	..	..
1918	1,393,381,441	..	..	..
1917	1,318,596,010	..	..	..
1916	585,436,853	..	..	..

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

Government of India Rupee Loan, 1923.—The India Office notify that the total subscriptions to the loan received in India on the opening day (July 4th) exceeded Rs. 16 crores. It has already been announced that the loan, which takes the form of 10-year 5 per cent. bonds (free of Indian income-tax), issued at Rs. 97 per cent. and 5 per cent. (Indian income-tax free) loan 1945-55, issued at Rs. 96 per cent., will be closed not later than July 23rd or earlier without notice when the total subscriptions to the two issues amount to approximately 24 crores.

The Lima Light, Power, and Tramways Company.—Incorporated under the laws of Peru. This is an offer of £1,500,000 6 per cent. first mortgage debentures at £90 per cent. The undertaking was formed in 1910 to take over and work various electric railway, tramway, power, and lighting undertakings. The company has recently obtained from the Government of Peru and the municipality of Lima improvements and extensions of the concessions for the undertakings, and part of the proceeds of the present issue will be applied in repaying £744,360 outstanding 5½ per cent. debentures. The fresh issue will be secured by a trust deed, creating a first charge upon the property and plant. Attractive conversion terms are offered to existing debenture holders, and the investment ranks as a fairly good one amongst Peruvian securities.

Industrial and General Trust, Limited.—Subscribed capital £2,500,000, divided into £1,100,000 4½ per cent. preference stock, £1,100,000 ordinary stock, and 300,000 £1 shares recently issued at 24s per share. This is an issue of £813,765 4 per cent. debenture stock at 84½ per cent. The stock, of which £200,000 has been already applied for and will be allotted in full, ranks *pari passu* with £933,160 of 3½ per cent. debenture stock and £753,075 of 4 per cent. debenture stock at present existing. It is redeemable at the option of the trust at any time at £102. Profits of the trust, after paying debenture interest, for the past three years have been well over £150,000 in each year, while the dividend on the ordinary stock for the same period has been 12 per cent. per annum. The amount required for interest on £2,500,000 debenture stock (less tax at 4s 6d in the £) is £73,884. The prospectus shows that there are total funds of £5,620,574 available as security for debentures. The issue deserved the cordial reception extended to it.

The East Surrey Water Company.—Authorized share or stock capital, £655,000, of which £475,000, including premiums, has been issued. The loan capital issued amounts to £202,768. It is now proposed to raise, by the issue of 10,000 ordinary shares, £120,000, these being offered for sale by tender at the minimum price of £11 10s per £10 share. The shares will be entitled to a dividend not exceeding 7 per cent., and will rank *pari passu* with an existing issue of 22,215 ordinary (B) shares. Maximum dividends have been paid on the ordinary shares for the past 23 years, excepting for the year 1920-21. The amount required to pay full dividends on the existing ordinary capital is £20,851, while the net amount available for dividends on the ordinary shares for the year ended March 25 last was £33,544. Thus a comfortable margin is revealed, and the yield at the minimum price of issue, namely, £6 1s 9d per cent., is certainly reasonable.

Albert E. Beed and Co., Limited (Paper Manufacturers).—The capital consists of 300,000 6½ per cent. cumulative preference shares of £1 each, of which 240,000 have been issued, and 225,000 £1 ordinary shares, all of which have been issued. There is a 6 per cent. first mortgage debenture stock "secured by a trust deed in favour of the Bank of Liverpool and Martins, Liverpool." It is redeemable by a cumulative sinking fund of 1 per cent., beginning on July 1, 1927, and operating in purchases below par, or drawings at par, exclusive of accrued interest. Any stock not previously redeemed will be paid off at par on July 1, 1966. The company reserves the right to pay off the whole or any part of the stock at six months' notice as follows:—At any time between July 1, 1923, and June 30, 1928, at 105 per cent.; at any time between July 1, 1928, and June 30, 1933, at 102½; on or after July 1, 1933, at par. The interest is payable half-yearly on January 1 and July 1. The company has sold this stock at the price of 95½ per cent., less a brokerage of ½ per cent. These details are taken from a Press announcement made to comply with Stock Exchange regulations.

C. and F. Sudbury (1922), Limited.—Authorized capital £240,000, divided into 140,000 7½ per cent. cumulative preference and 100,000 ordinary shares of £1 each. Of these,

110,000 preference and the whole of the ordinary shares are issued and fully paid. The company has also issued £160,000 of 7 per cent. first mortgage debentures. This is a Nottingham undertaking, and these and other details are given in the Press to comply with Stock Exchange regulations.

The Bainham Waterworks Company, Limited.—Authorized capital £48,000, of which £24,000 has been issued. Loan capital for £6,275 has been issued. This is an offer for sale by tender of £12,000 £1 per cent. preference shares at the minimum price of par. The net revenue will be, "in the opinion of the directors," £2,250 for the current year. The interest on existing debenture stock amounts to £251 and on preference shares to £960, leaving a margin of £1,039 for ordinary shareholders if the estimate of revenue proves correct.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Price Latest Week.	Rise or Fall.
War 3½% 1925-28 ..	96½	96½	..
Loans 5½% 1925-45 ..	98½	98½	..
4½% 1929-42 ..	100½	100½	..
Funding Loan 4% ..	92½	92½	..
Victory Bonds 4% ..	93½	93½	..
Conversion Loan 3½% ..	80½	80½	..
Consols 2½% ..	58½	58½	..
Irish Land Stock 2½% ..	60½	60½	..
Local Loans 3% ..	67½	67½	..
Aust. 6% 1931-41 ..	106½	106½	..
Canada 4½% 1920-25 ..	101½	101½	..
India 3½% Stock ..	70½	70½	..
Do 7% 1926-31 ..	120½	120½	..
Do 5½% 1932 ..	102½	102½	..
Do 4½% ..	90½	90½	..
N.S.W. 5½% 1922-32 ..	101½	101½	..
Nigeria 6% 1949-73 ..	114½	114½	..
U. of S.A. 6% 1930-40 ..	106½	106½	..
Victoria 5½% 1924-34 ..	101½	101½	..
W. Aust. 6% 1930-40 ..	104½	104½	..

Banks.

	Price Last Week.	Price Latest Week.	Rise or Fall.
Barclays B (£1, f.p.d.) ..	213½	213½	..
Chartered Bk of India ..	194½	194½	..
Lloyds (£5 with £1 paid) ..	33½	33½	..
London Joint City & Midland (£12 with £2½ paid) ..	81½	81½	..
Nat. Bank of Egypt (£10) ..	22½	22½	..
Nat. Bank of S. Africa (£10) ..	61½	61½	..
Nat. Prov. & Union of England (£20, with £4 paid) ..	111½	111½	..
Standard of S. Africa (£20, with £5 paid) ..	111½	111½	..
Westminster Bank (£20, with £5 paid) ..	181½	181½	..

Colonial and Foreign Railways.

	Price Last Week.	Price Latest Week.	Rise or Fall.
Antofagasta Cons ..	84½	82½	-2
B.A. and Pacific ..	84½	82½	-2
B.A. & Southern ..	87	84	-3
Buenos Ayres West ..	82½	80	-2½
Canadian Pacific ..	163	157	-6
Central Argentine ..	74½	72	-2½
Leopoldina ..	30	27	-3
Mexican Railway ..	113	111	-2
Do 1st Pref. ..	35	35	..
Do 2nd Pref. ..	23	23	..
San Paulo ..	139	138	-1
United Havana ..	75½	73½	-2

Foreign Government Securities.

	Price Last Week.	Price Latest Week.	Rise or Fall.
Argentine 5%, 1886-7 ..	101	99½	-1½
Belgian 3% ..	67	67	..
Brazil 5% Fund., 1914 ..	73	71	-2
Chilian 4½% 1895 ..	86	86	..
Do 7½% ..	107½	102½	-5
Chinese 5%, 1912 ..	72	72	..
Egyptian 4% ..	71½	71	-½
French 5% ..	27½	25½	-2
Do 4% ..	21½	20½	-1
Greek 4%, 1884 ..	47½	43½	-4
Japanese 4½% ..	102	103	+1
Do 4½% 1910 ..	73	69½	-3½
Mexican Cons., 1899 ..	61	60½	-½
Peruvian Corp. Pref. ..	28½	27	-1½
P.L.M. 6% ..	89½	84	-5½
Portuguese (New) ..	31½	30½	-1
Russian 5%, 1906 ..	8	5½	-2½
Spanish 4% ..	71½	70½	-1
Seine (Dept.) 7% ..	100½	95½	-5
Siamese 7% ..	108	108	..

Telegraphs.

	Price Last Week.	Price Latest Week.	Rise or Fall.
Anglo-American "A" ..	23½	23½	..
Marconi Wireless ..	2½	2½	..
Marconi Canada ..	7½	7½	..
Marconi Marine ..	13½	13½	..

British Railways.

	Price Last Week.	Price Latest Week.	Rise or Fall.
Great Western, Ord. ..	113½	111½	-2
Do Def. ..	85½	85	-½
London & North-Eastern ..	88	86½	-1½
Do Def. Ord. ..	33½	32	-1½
London, Mid., and Scottish, Ord. ..	110½	104½	-6
Metropolitan ..	71½	65½	-6
Metropolitan District ..	52½	49½	-3
Southern, Ord. "A" ..	373	333	-40
Do Ord. "B" ..	123	114	-9
Do Pref. Ord. ..	87½	86	-1½
Do Def. Ord. ..	372	368	-4
Underground Electric (10) ..	218	21	-197
Do "A" (10) ..	75	43	-32
Do Inc. Bds. (£100) ..	96½	94½	-2

American Railroads.

	Price Last Week.	Price Latest Week.	Rise or Fall.
Chesapeake & Ohio ..	63	64	+1
Do ..	12	12	..
Do 4% 1st Pref. ..	20	20	..
Southern ..	36	35	-1
Do Non-conv. Pref. 70 ..	70	70	..

Miscellaneous.

	Price Last Week.	Price Latest Week.	Rise or Fall.
Aerated Bread (£1) ..	13	13	..
Amal. Cottons (£1) ..	13	13	..
Anglo Persian Oil (£1) ..	3½	3½	..
Armstrong (Sit. W.G.) ..	13	13	..
Ass. Phos. Cement (£1) ..	13	13	..
Barker, John (£1) ..	24½	24½	..
B'ham Small Arms (£1) ..	7½	7½	..
Brazil Traction (£100) ..	51½	48½	-3
British-American Tobacco (£1) ..	5½	4½	-1
Burmah Oil (£1) ..	41½	41½	..
Cosin (J. and P.) (£1) ..	3½	3½	..
Courtaulds (£1) ..	34½	34½	..
Cunard (£1) ..	13	13	..
Dorman, Long (£1) ..	13	13	..
Dunlop Rubber (£1) ..	13	13	..
Fine Cotton Spinners (£1) ..	23	23	..
Forestal Land (£1) ..	13	13	..
Furness, Withy (£1) ..	13	13	..
Highlands and Lowlands Rubber (£1) ..	13	13	..
Hudson's Bay (£1) ..	52	52	..
Imperial Tobacco (£1) ..	34½	34½	..
Linggi Plantations (£1) ..	13	13	..
Lipton (£1) ..	13	13	..
Lever Bros 7% Cmp (£1) ..	13	13	..
Do 8% Cmp (£1) ..	13	13	..
Do 20% Cmp (£1) ..	13	13	..
Lister (£1) ..	13	13	..
Lobitos Oilfields (£1) ..	13	13	..
Lyons (J. & Co.) (£1) ..	44½	44½	..
Magadi Soda (£1 Ord.) ..	13	13	..
Mexican Eagle (£10) ..	13	13	..
Pekin (2) ..	13	13	..
Rubber Plantations Investment (£1) ..	13	13	..
Shell Transport (£1) ..	31½	31½	..
Smithfield & Argentine Meat (£1) ..	13	13	..
United Dairies (£1) ..	13	13	..
United Serdang (2) ..	13	13	..
United Tobacco (£1) ..	24½	24½	..
Vallambrosa (2) ..	13	13	..
Vickers (£1) ..	13	13	..
Watney Def. Stk. ..	175½	162½	-13

Mines.

Brakpan (£1) ..	3	3	..	Knights	4	4	..
Broken Hill Prop. (8) ..	13	13	..	Modderfontein (10) ..	4	4	..
Chartered (£1) ..	13	13	..	Modderfont. ("B") (5) ..	1 1/2	1 1/2	..
Cons. Gold Fields (£1) ..	13	13	..	Modderfont. Deep (5) ..	2 1/2	2 1/2	..
Crown Mines (10) ..	13	13	..	Premier Reef (2/6) ..	6 1/2	6 1/2	..
De Beers Del. (10) ..	13	13	..	Rand Mines (5/1) ..	23	23	..
East and West Prop. (£1) ..	5 1/2	5 1/2	..	Selukwe	2 1/2	2 1/2	..
Gaduid (£1) ..	5 1/2	5 1/2	..	Rio Tinto (£5) ..	36 1/2	33 1/2	-2 1/2
Gov. Gold Areas (£1) ..	5 1/2	5 1/2	..	Spring Mines (£1) ..	2 1/2	2 1/2	..

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

COMPANY MEETINGS, &c.

THE BRITISH EMPIRE TRUST COMPANY, LIMITED.

COMPANY'S POSITION "STRONG AND SATISFACTORY."

The twenty-second annual meeting of the British Empire Trust Company, Limited, was held, on the 2nd instant, at the Liverpool street Hotel, London, Mr J. Davidson (deputy-chairman and managing director) presiding.

The secretary (Mr H. M. Cox) having read the notice convening the meeting and the report of the auditors,

Mr Davidson apologised for the absence of the chairman, Mr R. M. Horne-Payne. In the course of Mr Horne-Payne's address, which was read to the meeting, he said that the statement of affairs showed the company to be in a very strong and satisfactory position. The revenue was substantially higher at £113,821, and after providing for all expenses and outgoings, including income-tax and corporation profits tax, the net income was £84,062, which, with the amount brought forward from last year, left a total of £134,515 available for distribution. After providing for dividends of 8 per cent. on the employees' profit participating shares, 5 per cent. on the preferred ordinary shares and 7 per cent. on the deferred ordinary shares there remained a balance of £94,849, or a sum equal to 12½ per cent. of the entire capital of the company, or, put in another way, a sum sufficient to pay for three and a-half years the present rates of dividends on the preferred and deferred ordinary shares. The directors might have recommended increased dividends on the preferred and deferred ordinary shares, but they came to the conclusion that their first duty to the shareholders was to keep the company in an absolutely unassailable position. A considerable amount of the profits of the past two years had been derived from appreciation of investments, which might not, and almost certainly would not, in future years be repeated on so large a scale. The company was now acting as trustees for £67,000,000, and if the revenue from this source was to be maintained and increased the company must be maintained in such a strong position that it would continue to be accepted without question as trustee, and have its undertaking regarded as unquestionable, as was the case at the present time. He was not able to make any promises as to increased dividends, but his own personal feeling was that, if the surplus reached £100,000, and there were reasonable prospects of this figure being maintained and increased year by year, the directors would be justified in recommending an increased distribution.

WEST GLOUCESTERSHIRE GENERATING STATION.

The most important financial business undertaken during the year was the finance of the establishment of an electrical power generating station and distribution system in West Gloucestershire. The area to be supplied with light and power was one mapped out by the Electricity Commissioners as suitable for the operation of a central power station, and covered some 300 square miles, and included the Forest of Dean coalfield. It also covered the Stroud Valley industrial district. The construction of this power station was commenced only in January last. The construction of the station itself is now practically complete, and the main distribution system is expected to be completed before the end of the present year. The enterprise would meet the growing requirements for light and power of a large industrial and residential area, and he was confident would prove a financial success.

BRITISH COLUMBIA ELECTRIC RAILWAY.

The protracted negotiations which the British Columbia Electric Railway had had with the city of Vancouver regarding the right to charge a 6 cent fare had been satisfactorily concluded, an agreement having been entered into fixing the fare in the city of Vancouver at 6 cents for a period of three years from November 8, 1922. The relations between the company and the authorities in Victoria and Vancouver had never been more cordial, and the company looked forward with confidence to a prolonged period of peace and prosperity. As the result of the above settlement the company was able, on January 1 last, to reduce its charges for domestic lighting from 6 cents to 5 cents per unit. Since the beginning of January to the end of May the company's revenue showed increases of \$126,973.

MONTEREY RAILWAY, LIGHT AND POWER COMPANY.

Since its reorganisation the Monterey Railway, Light and Power Company had been able to pay regularly the interest on its 5 per cent. "A" first mortgage debenture stock. It had not yet been found possible for the company to arrive at a settlement with the

Government of the State of Nuevo Leon in respect of the moneys due to the company under the State guarantee in connection with the water and sewage concessions. When a settlement of this matter was effected and political conditions throughout Mexico improved, the company should again make satisfactory progress.

CANADIAN WESTERN LUMBER COMPANY.

Under the able management of Mr McCormack the position of the Canadian Western Lumber Company was now stronger than at any previous time in its history. The arrears of interest on the 5 per cent. first mortgage debenture stock had been reduced to 9 per cent., and it would not be a surprise if this year's operations resulted in the complete repayment of the arrears of the interest on the first mortgage debenture stock. The sales of lumber from the beginning of January to the end of May showed an increase of 6,344,722 feet.

The continuation of the general industrial depression during 1922, together with a small reduction in fares, affected to some extent the gross earnings of the Winnipeg Electric Railway, but economies had been made in working expenses, with the result that the net earnings of the company for the year were well maintained.

CALGARY GAS COMPANY.

Regarding the position of the Canadian Western Natural Gas, Light, Heat and Power Company, Limited, the Public Utilities Commission ordered a rehearing of the case regarding the rates to be charged by the company, and requiring the Calgary Gas Company to show cause why the order of the Commission of November 30, 1921, should not be revoked. During the rehearing of the case a voluntary agreement was entered into between the City of Calgary and the company, and was executed on November 30, 1922. This agreement recognised the right of the gas company to charge 48 cents per 1,000 feet until November 1, 1923, after which date it provided for a periodical revision of the price to be charged on a basis mutually agreeable to the city and the company.

Our latest advices are that the city of Calgary have stated that they will do nothing to hinder the gas company in its efforts to obtain an adequate supply of gas, and the company is at the present time engaged on the drilling of two new wells. It is hoped that from these two wells and the drilling of a third well, which is in contemplation, the company will secure a satisfactory additional supply of gas. In this connection the Public Utilities Commission have fixed October 1st next as the date on which supplies must be augmented, and have intimated that if the supplies are not augmented by that date the question of supply and price of gas to the city of Calgary will be reviewed by the board.

We can only hope that the company will be successful in its efforts to increase its gas supplies, and that it will be left in peace to continue to sell gas at the very reasonable price now being charged.

He then moved the adoption of the report and accounts.

Brigadier-General E. F. O. Gascoigne, C.M.G., D.S.O., seconded the resolution, and, after the chairman had replied to some questions put by Mr C. H. Wilkinson, it was carried unanimously.

The retiring directors, Mr R. M. Horne-Payne and Sir William Mackenzie, were re-elected. Viscount Stopford was elected to fill the vacancy caused by the resignation of Mr Norman Scott-Russell.

The auditors were re-appointed, and a vote of thanks to the chairman and directors concluded the proceedings.

ODHAMS PRESS, LIMITED.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The third annual general meeting of Odhams Press, Limited, was held, on the 3rd inst., at the Hotel Cecil, Strand, London. Lt.-Col. W. Grant Morden, J.P., M.P. (chairman of the company), presided.

The secretary (Mr A. C. Duncan, A.C.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report, said that one of the main problems of increasing importance throughout the Great War was that of propaganda—namely, the publishing of news calculated to inspire our own people and to depress the enemy. Foremost amongst those in the public eye in that respect were the late Lord Northcliffe and Mr Bottomley, the founder of *John Bull*, and its editor until the end of 1921. The company was formed in 1920 to amalgamate the old-established printing business of Odhams, Limited, with *John Bull*, and it was deemed essential to the welfare of that paper that its editor and founder, Mr Bottomley, should be retained. When, subsequently, Mr Bottomley was held responsible for the losses of thousands of people through his bond clubs, which caused many of his warmest supporters to become the bitterest opponents of everything connected with his name, that naturally had a serious effect upon *John Bull*, and the problem

before the directors had been to save and rehabilitate the journal, which was one of the most important profit-earning assets of the company. Steps had been taken to convert the paper from a personal one to an impersonal one, while continuing its policy of outspoken and independent criticism, and the paper had numbered during the past year amongst its contributors some of the greatest men in the country, including the Right Hon. H. H. Asquith, M.P., Field-Marshal Earl Haig, Right Hon. Earl Birkenhead, Right Hon. Sir W. Joynson-Hicks, Bart., M.P., the Right Hon. J. R. Clynes, M.P., the Lord Bishop of Birmingham, Right Hon. Sir Frederick Milner, Bart., Right Hon. Sir L. Worthington Evans, Bart., M.P., Right Hon. Lord Lambourne, Admiral Sir Percy Scott, Bart., and the Rev. R. J. Campbell.

"JOHN BULL" INCREASED SALES.

It had also been necessary to devise a far-reaching scheme whereby the new attractive features of *John Bull* had been made known throughout the country and its sales pressed home. That had been a very costly matter. But the success hoped for had been attained, and to-day the net sales were well over 800,000 copies per week, and the paper occupied the gratifying position of having the largest circulation of any twopenny weekly periodical in the world. The board had thus restored to the company a most valuable asset, and they had every reason to believe that the future would justify the expenditure. Of other sections of the business an encouraging story could be told and at least as good prospects foreshadowed.

The machines in the printing department were busier than they had been for some years past; a ten-years' contract had been secured for printing the *People*, and contracts for ten other publications had been secured. During the year additional depots had been opened in Manchester, Leeds, Bristol, Birmingham, Cardiff, Liverpool, and Newcastle for the better distribution of the journals published by the company. The Borough Bill Posting section of the business had been considerably developed. Special attention had been paid to illuminated signs, and the company held the key positions suitable for electric advertising. The purchase of the share capital of Messrs Dean and Son, owners of "Debrett's Peerage" and of the well-famed toy books, was made at the end of 1921, and he could report that all indications pointed to a satisfactory year for that branch. The earnings of the *Sporting Life* continued to be satisfactory.

ISSUE OF DEBENTURES.

Owing to the exceptional expenditure to which he had referred, it had been found essential to obtain more working capital, and the directors had arranged with the Investment Registry to take up an issue of £250,000 of debentures. A valuation of the company's leasehold premises, plant, machinery, &c., obtained in connection with that issue resulted in the sum of £456,316, which was especially satisfactory as showing that the company had always made ample reservation against depreciation. As to the adequacy of the capital provided, Messrs Dickson, Wilson, Tubbs and Co. reported that they considered the company to be a well-organised and live concern, and that it should now be sufficiently provided with working capital.

Further, after an inspection of the works by representatives of the Investment Registry, their managing director had written that the representatives had all been very favourably impressed with what they had seen. In fact, one, who happened to be an expert organiser, had said that he had never seen a better organised business either in this country or in America. With a view to further economy, the board had decided to reduce the number of directors to nine, two of whom would be nominated by the Investment Registry, the fees to the remaining directors being considerably reduced. For that purpose it would be necessary to make certain alterations in the articles of association, and they would be

submitted to the shareholders at the termination of the other business of the meeting. The year had been one of exceptional difficulty to everyone actively interested in the business of the company, but the directors felt that they had now overcome the difficulties through which the company had passed, and that there was every indication of the business reaching the profit-earning position which it had formerly enjoyed, when they could look forward to the resumption of the payment of dividends.

The deputy-chairman seconded the resolution, and, after some discussion, it was carried.

LIPTON, LIMITED.

RECORD TRADING—IMPROVED EXPORT BUSINESS.

The annual general meeting of the above company was held, on the 2nd instant, at Winchester House, Old Broad street, London, Sir Thomas J. Lipton, Bart., K.C.V.O. (chairman), presiding.

The secretary (Mr S. B. Sledmere) having read the notice convening the meeting and the auditors' report,

Mr H. L. Peters (deputy chairman) explained the variations in the accounts, after which the Chairman said: You have had the figures in the accounts explained to you, and I feel sure that the results, showing an increased volume of trade and a satisfactory increase in net profits, will commend themselves to your satisfaction. Last year our trade in the United Kingdom was larger than in any previous year, and again we record an increased tonnage in our turnover.

There have been further falls in values during the year, as was also the case during that preceding. These had their effect upon the large stocks it is necessary for us to carry in our stores and branches, and our profits have been reduced accordingly. The consequent benefits of the reductions in the selling price have been given to our customers, and we have thereby contributed to lower costs of living, so helpful in these days of enforced economy, restricted earnings, and heavy taxation.

CHRISTMAS GIFTS TO UNEMPLOYED.

Although it may be said that there has more recently been some improvement in general trade, the past year has witnessed a very large amount of unemployment, and in view of the fact that a considerable proportion of our trade is done with the working classes, we decided to make a gift at Christmas to some of the unemployed, particularly those whose cases were most necessitous. We sent out over 125,000 parcels containing various kinds of nourishing foods, and these were distributed throughout Great Britain and Ireland. Having the necessary authority under the constitution of the company to do this, we felt sure we were acting in accordance with the wishes and with the approval of the shareholders. From the very large number of expressions of appreciation and thanks that were received, we are certain that the distribution of these gifts added very considerably to the popularity of the company. Judging by results, and quite apart from the fact that the scheme won such widespread approval from the general public and helped to increase our goodwill, I feel in my heart that we did right in making this distribution at the time we did to the unemployed.

Working expenses have been lighter, particularly railway freights. It is true that some further reductions in rates are shortly to come into operation, but further reductions in this direction are highly necessary to enable the prices of food to be brought down to a still lower level. Following our usual policy of selling at the lowest possible prices, our rate of profit has been very small, and had we not been able to reduce our expenses of distribution we could not have placed such satisfactory results before you. We

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

have opened a further number of branches, and propose to continue that policy of development, but building costs still call for cautious proceeding in this direction. Our various factories have again demonstrated their extreme utility in supplying goods of our own manufacture, which command an increasing and gratifying popularity from their excellent quality and reasonable prices, showing considerable savings to the purchaser.

EXPORT TRADE IMPROVED.

Our export trade has shown a decided improvement in both turnover and profit. The steady decline in the rates of Continental exchanges has adversely affected our business in France and Belgium, but better results have been shown in our Indian business. The tea and rubber estates in Ceylon have shown very satisfactory results. In times like these, when economy is imperative and money must be made to go further, we have every reason to congratulate ourselves on the ever-increasing number of our customers. This public support is in itself a good sign that as we get nearer to a more settled state of trade our prospects will be better still. Once again it gives me much happiness to speak of the splendid support we have received from our staff at home and abroad. We recommend the payment of a dividend of 12½ per cent. for the year, leaving a balance of £38,639 to be carried forward, subject to corporation profits tax. The reduction in the corporation profits tax announced in the last Budget is a step in the right direction, and it is to be hoped that next year will see the total abolition of what has always been an unfair burden on limited liability trading companies.

Mr H. L. Peters seconded the motions for the adoption of the report and accounts and as to allocation of profits, which were carried unanimously.

Mr H. L. Peters was re-elected a director, and Messrs Turquand, Youngs and Co., auditors, were reappointed.

The proceedings terminated with a hearty vote of thanks to the chairman, directors, and staff both at home and abroad.

OHLSSON'S CAPE BREWERIES, LIMITED.

IMPROVED RESULTS—DIVIDENDS RESUMED.

The ordinary general meeting of Ohlsson's Cape Breweries, Limited, was held, on the 5th instant, at the Great Eastern Hotel, London, Mr Gerald Buxton (the chairman) presiding.

The secretary (Miss M. Pulleyn) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts to March 31 last, said that at the meeting a year ago the directors stated that they hoped the accounts for the year now under review would benefit in various ways, especially by economies which had been effected as a result of the change of management in South Africa, and by the lower cost of materials. He thought shareholders would agree that the past year's results had proved the correctness of this forecast. It gave the directors great satisfaction to find that this was so, and that they were able to resume the payment of dividends. The recovery in general business in South Africa, as elsewhere, had been much slower than had been hoped for. The chairman of the National Bank of South Africa, in his speech last week, gave a very full account of the difficulties with which the whole Dominion had been struggling, and shareholders would understand that the brewing business naturally suffered from any general depression involving unemployment and lack of wages. It was, therefore, very satisfactory to report that, although the company's trade had not increased—in fact, it had declined—the result was very much better. According to the latest Government returns in South Africa, covering the whole of the beer trade, there was a reduction in the Excise collected of over 20 per cent. during the nine months ended December 3 last—three-quarters of the year covered by the accounts now submitted. In these circumstances it was particularly satisfactory that the profit had amounted to £92,000, as against £42,000 for the previous year.

With regard to the beer duty at the Cape, which had been increased by 150 per cent. on that prevailing before the war, there had been no reduction, and he did not know that they could look for any. They were in the unfortunate position, as beer producers, of competing with local wine, the producers of which had considerable influence in the matter of excise taxes. They, as a matter of fact, paid no excise at all, whereas the brewers had to pay an excise of 30s per barrel, which was a great handicap as between their product and the local wine. There seemed to be indications of an improvement in trade in South Africa, and, as the beers produced by this company were of excellent quality, Ohlsson's Cape Breweries were well situated to take full advantage of an improved demand when it arose.

Sir Charles R. Hunter, Bart., seconded the motion, which was carried unanimously, and a dividend of 5 per cent., less tax, on the ordinary shares was declared.

ESTATES CONTROL, LIMITED.

A NEW SCHEME FOR HOSPITALS.

The nineteenth annual meeting of Estates Control, Limited, was held on the 5th instant, the chairman, Sir George Lawson Johnston, presiding.

The Chairman, in moving the adoption of the report and accounts, said: In glancing through the balance-sheet the only considerable alteration that you will notice is that on the closing date the cash at bank and on short loan was £83,980, as against £43,841 on the previous November 30th. The shareholders have every reason to be satisfied with the accounts on the whole, though some portion of our investments is unremunerative at present.

It is a rare thing to-day to find a land and cattle company that is showing a satisfactory profit. In the case of the Argentine Estates of Bovril, Limited, though its land is worth much more than the amount of its debentures, it did not earn a profit last year, and I should be surprised if it earns enough to pay its debenture interest this year. That will have to be met out of other resources of the company.

Sir George also referred to the remarks which he had made at the previous year's meeting on the question of the combined appeal for the voluntary hospitals of London. To-day he wished to mention a matter which he felt sure would be of interest to many voluntary hospitals throughout the country. An association had been formed under the name of the British Charities Association, with a view to running competitions and securing any profits therefrom for the benefit of hospitals and other charities. The first of these would be a prize scheme in which there would be a first prize of £12,000, and in all £30,000 worth of prizes. The prizes were to be guaranteed by Bovril, Limited, who would also pay the cost of an extensive publicity campaign to put forward the scheme in the Press and on the hoardings.

Tickets would be supplied absolutely free to recognised voluntary hospitals on condition that they were issued only to those who gave not less than 5s to the hospital.

"Which are the Best Bovril Posters?" would be the subject of the competition, and as these Bovril posters had attracted public attention for over a quarter of a century, there would be considerable interest evoked in deciding the order of their popularity.

The report and accounts were adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from July 9-July 14 were opened on July 6, 1923, and the total amount applied for was £39,185,000. Tenders for Monday to Friday bills at £99 is rod, about 50 per cent., and above in full, and for Saturday bills at £99 2s 1d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £27,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
May 25, 1923.	£ 40,000,000	£ 64,851,000	£ s d 1 19 3 87	95 6 d 7 6
June 1, 1923.	40,000,000	55,410,000	1 17 5 68	nil
June 8, 1923.	40,000,000	56,115,000	1 19 9 92	95 6 d 7 6
June 15, 1923.	35,000,000	48,785,000	2 0 7 7	nil
June 22, 1923.	45,000,000	51,855,000	2 2 1 13	nil
June 29, 1923.	40,000,000	49,445,000	2 5 4 82	nil
July 6, 1923.	30,000,000	39,185,000	3 10 2 02	nil

Tenders will be received on July 13, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Bank of England.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Mar. 23, 1922.	£ 300,351	£ 14,255	£ 5,000	£ 28,500	£ 19,450	15.9	£ 261,479	£ 177
June 28, 1922.	295,374	13,338	5,000	28,500	19,650	16.3	254,312	250
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 20, 1923.	286,458	12,275	7,000	27,000	22,450	17.3	242,033	200
Sept. 27, 1923.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
July 4, 1923.	289,237	12,165	7,000	27,000	22,450	17.4	244,795	161

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £31,555,200, for 1922 at £30,988,400, and for 1923 at £27,183,800.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	June 30, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	15	15	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Bonds	16	13	13	13	13	13	13	13	13
4½% National War Bonds	2,091	2,047	2,040	1,996	1,953	2,071	2,071	2,071	2,071
4½% Funding Loan	649	1,509	1,476	1,413	1,201	971	971	956	956
4½% Victory Bonds	...	...	...	...	...	...	...	...	...
3½% Conversion Loan	...	...	...	...	...	...	...	...	...
5½% Treasury Bonds	...	...	...	...	...	...	...	...	...
5½% Treasury Bonds	...	...	...	...	...	...	...	...	...
Do by tender 5½%	...	...	...	...	...	...	...	...	...
Do by tender 4½%	...	...	...	...	...	...	...	...	...
Do 4½, 1931-33	15	961	1,107	1,107	1,121	878	719	616	604
Treasury Bills	20	392	323	319	289	185	150	150	150
Exchange Bonds	...	138	267	274	285	342	350	354	355
Natnl. Savings Certs.	...	23	...	...	...	...	...	...	...
War Expnd. Certs.	...	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
Other Debt	...	51	51	51	...	...	...	...	...
American Loan	1	...	...	...	...	...	...	...	...
Temporary Advances	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,685
Other Capital Liabilities	57	49	46	47	49	67	67	68	69
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,754

POSITION OF THE FLOATING DEBT.

	June 30, '22.	Mar. 31, '23.	June 30, '23.
Temporary Advances Outstanding	£ 4,250,000	£ 4,250,000	£ 4,250,000
Advances by Bank of England	164,837,500	193,897,500	210,720,500
Advances by Public Deposits	766,525,000	616,045,000	604,566,000
Treasury Bills outstanding	...	...	...
Total Floating Debt	965,562,500	809,912,500	819,332,500

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

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

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

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £7,663,254
CLAIMS PAID £30,500,000

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

Head Office: 36-44, MOORGATE, LONDON, E.C.2.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, July 4, 1923.

	£	Government debt	£ 11,015,100
Notes issued	145,546,970	Other securities	8,734,900
		Gold coin and bullion	125,796,970
	145,546,970		145,546,970

BANKING DEPARTMENT.

	£	Government securities	£ 44,333,731
Proprietors' capital ..	14,553,000	Other securities	96,425,366
Reserve	19,457,755	Notes	18,570,240
Public deposits	123,784,779	Gold and silver coin ..	1,827,495
Other deposits	14,893		
Seven-day & other bills ..	161,156,832		161,156,832

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

	Amount, July 4, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	£ 3,346,405	+ 33,131	+ 41,506
Public deposits	19,457,755	+ 5,488,522	+ 4,534,838
Other deposits	123,784,779	+ 9,712,289	+ 6,608,788
Government securities ..	44,333,731	+ 1,360,000	+ 23,654,189
Other securities	96,425,366	+ 15,743,405	+ 20,605,788
Notes	18,570,240	+ 1,869,565	+ 1,988,087
Gold and silver coin	1,827,495	+ 1,873,455	+ 2,453,590
Do (foreign)	126,976,730	+ 3,890	+ 834,497
Gold coin and bullion	127,824,465	+ 3,890	+ 834,497
% of reserve to liabilities ..	14½%	3½%	3½%

Date.	Coin and Bullion.	Circulation (excluding Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.	£	£	£	£	£	%
May 30	127,524,330	124,550,495	119,182,735	114,223,307	22,723,835	19 5
June 6	127,527,177	124,391,435	123,724,054	118,627,523	22,885,742	18 1
June 13	127,534,466	124,100,105	119,794,278	114,427,397	23,184,361	19 1
June 20	127,538,151	123,740,640	122,236,868	116,535,526	23,547,511	19 1
June 27	127,620,575	125,103,575	128,011,723	123,655,692	22,267,500	17 4
July 4	127,624,465	126,976,730	143,242,534	140,759,097	20,397,735	14 4

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.	£	£	£	£
January 1 to May 30	13,947,934	652,033	1,187,807	15,787,774
June 6	703,838	32,754	61,119	797,711
June 13	546,536	27,765	50,830	625,111
June 20	626,555	30,552	56,666	713,773
June 27	541,517	27,676	47,819	617,012
July 4	730,554	35,138	54,696	820,388
Total to date 1923	17,096,434	805,828	1,458,937	19,361,199
Do 1922	17,744,443	826,578	1,462,841	20,033,862
Increase or decrease in 1923 ..	= 648,009	= 20,750	= 3,904	= 672,663
	= 3.6 %	= 2.5 %	= 0.3 %	= 3.3 %
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,459
Total for year 1921	30,268,214	1,660,165	3,002,179	34,930,558
Increase or decrease in 1922 ..	+ 2,512,421	= 85,505	= 198,014	+ 2,795,940
	= 8.3 %	= 5.1 %	= 6.5 %	= 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to June 30.	£	£	£
BIRMINGHAM	57,172,300	60,314,700	+ 3,142,400
BRISTOL	38,588,000	30,574,000	- 8,014,000
DUBLIN	166,812,700	161,717,800	- 5,094,900
LIVERPOOL	28,679,800	29,319,200	+ 639,400
LEEDS	28,272,000	27,221,000	- 1,051,000
MANCHESTER	20,887,800	20,140,600	- 747,200
LIVERPOOL	220,080,600	231,373,000	+ 11,292,400
MANCHESTER	381,782,200	387,391,500	+ 5,609,300
NEWCASTLE-ON-TYNE	49,008,400	52,636,000	+ 3,627,600
NOTTINGHAM	17,239,200	16,424,700	- 814,500
SHEFFIELD	24,012,700	29,613,500	+ 5,600,800

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Denmark, Egypt, and Esthonia appeared in the *Economist* of June 9; Bulgaria in June 16; Canada in June 23; Roumania, Poland and Lithuania in June 30.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	June 29, 1923.	June 22, 1923.	June 15, 1923.	June 8, 1923.
RESOURCES.				
Total gold reserve	3,110,740	3,129,020	3,139,280	3,020,870
Legal tender notes and silver reserve	91,740	85,970	87,350	127,550
Legal tender notes and silver	774,969	731,100	707,870	668,100
Bills discounted for member banks	204,230	205,720	218,620	154,060
Bills bought in open market	134,980	121,530	158,100	556,6

NATIONAL BANK OF GREECE.—In drachmæ (000's omitted).

Assets.	May 15, 1923.	April 30, 1923.	April 14, 1923.	Mar. 31, 1923.	May 15, 1922.
Gold and balances abroad	1,505,543	1,511,798	1,454,408	1,496,153	1,373,759
Government loans and securities	4,097,248	4,096,330	4,047,164	3,947,101	2,871,858
Discounts and loans	1,764,572	1,561,732	1,379,888	1,415,912	806,336
LIABILITIES.					
Notes in circulation	4,115,159	3,966,063	3,800,475	3,711,043	1,407,324
Government deposits	189,042	216,419	250,364	287,043	1,486,302
Private sight deposits	1,278,109	1,213,908	1,175,242	1,142,324	781,473
Private deposits at fixed dates	1,021,975	1,023,929	1,025,365	1,025,111	1,010,057

BANK OF JAPAN.—In yen (000's omitted).

Assets.	June 2, 1923.	May 26, 1923.	May 19, 1923.	May 12, 1923.	June 3, 1922.	Position May 31, 1914.
Cash and bullion	1,092,907	1,091,264	1,091,217	1,088,348	1,274,818	21,320
Discounts	190,890	123,694	98,408	110,912	94,741	41,740
Advances	228,133	213,918	210,623	213,874	135,098	70,540
LIABILITIES.						
Notes	1,208,549	1,107,032	1,054,099	1,066,757	1,174,468	362,270
Govt. deposits	887,940	864,441	878,903	886,890	770,648	87,340
Other deposits	47,926	40,029	34,625	34,472	59,865	11,440

IMPERIAL BANK OF GERMANY.—In marks (000's omitted).

Assets.	June 23, 1923.	June 15, 1923.	June 7, 1923.	June 23, 1922.	Position May 31, 1914.
Gold and bullion	119,543,062	117,581,125	117,576,130	1,003,860	1,635,160
Treasury notes	2,385,872,410	2,159,674,685	2,194,992,886	11,550,689	943,460
Bills discounted	18,811,931,542	15,460,705,369	13,067,564,072	171,785,995	60,780
LIABILITIES.					
Notes in circulation	13,091,738,881	10,905,091,898	9,309,565,583	157,935,228	2,013,860
Deposits	7,414,433,587	6,141,782,000	5,643,060,212	29,490,168	842,340

† This total now includes token coin at face value.

RUSSIAN STATE BANK.—Note-Issuing Department.
(In chervonetz—000's omitted.)

Assets.	July 1, 1923.	June 16, 1923.	June 1, 1923.
Gold in coin and bullion	5,022	4,518	3,920
Silver in bullion	292	316	316
Foreign bank notes	438	433	427
Drafts in sterling (less 10%)	2,310	1,905	1,618
Bills (less 10% discount)	2,700	2,700	2,664
Securities covering advances on goods (less 10%)	9,600	8,650	8,000
LIABILITIES.			
Bank notes	1,161	1,280	1,003
Balance to which notes may still be issued			

(Note: 1 chervonetz = 10 gold roubles.)

BANK OF ITALY.—In lire (000's omitted).

Assets.	June 10, 1923.	May 31, 1923.	May 20, 1923.	May 10, 1923.	Position May 31, 1914.
Total cash	1,445,170	1,485,545	1,471,259	1,364,192	1,221,875
Inland bills	4,834,911	4,819,914	4,691,717	4,689,210	418,400
Foreign bills	13,562	13,760	13,516	13,555	81,300
Advances to the Treasury	5,832,127	5,832,494	5,832,535	6,058,477	6,044,818
Other advances	1,704,721	1,884,698	1,713,998	1,925,946	79,175
Securities	407,103	407,228	406,823	406,808	805,700
LIABILITIES.					
Note circulation	12,161,889	12,185,890	12,054,034	12,411,136	13,360,765
Deposits & drafts	1,442,927	1,548,860	1,381,869	1,397,778	1,778,908

NETHERLANDS BANK.—In florins (000's omitted).

Assets.	July 2, 1923.	June 25, 1923.	June 18, 1923.	June 11, 1923.	July 3, 1922.	Position May 31, 1914.
Gold	581,792	581,791	581,791	581,791	605,955	163,092
Silver	10,436	10,436	10,436	10,436	9,819	7,499
Depts. & advances	381,046	363,738	326,158	332,284	424,112	153,504
LIABILITIES.						
Notes in circulation	963,030	912,133	918,770	927,640	103,352	516,533
Deposits	29,299	53,158	19,445	18,462	48,513	33,750

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	June 30, 1923.	June 23, 1923.	June 15, 1923.	June 7, 1923.	June 30, 1922.	Position May 31, 1914.
Gold	524,484	524,272	537,007	536,645	530,882	171,176
Silver	102,017	102,332	102,644	102,789	116,865	18,360
Darlehens-Kassen	29,942	30,584	30,715	29,269	13,146	
Assets & advances	291,172	280,977	255,114	265,332	290,392	103,000
LIABILITIES.						
Notes in circulation	893,671	827,976	833,269	854,197	789,083	375,925
Deposits	114,614	155,109	150,645	127,916	198,591	33,750

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	June 30, 1923.	June 23, 1923.	June 16, 1923.	June 9, 1923.	July 1, 1922.	May 24, 1921.
Gold	273,057	273,067	273,127	273,171	273,985	104,918
Balance abt. and foreign bills	40,794	35,999	36,739	40,504	79,035	112,172
Swedish and for. Gov. securities	151,129	152,249	152,787	147,996	72,465	32,465
Discount and loans	343,418	322,249	335,982	333,993	439,162	112,688
LIABILITIES.						
Notes in circulation	586,211	530,508	527,126	528,832	594,183	226,555
Deposits at notice	183,405	202,977	215,776	216,557	235,282	369,660

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	June 28, 1923.	June 21, 1923.	June 14, 1923.	June 7, 1923.	June 29, 1922.	Position May 24, 1914.
Coin (gold & silver and bullion)	348,576	348,127	347,884	348,328	328,130	322,650
Securities	778,991	751,311	739,382	734,488	494,358	697,600
LIABILITIES.						
Notes in circulation	6,718,838	6,669,300	6,726,643	6,722,291	6,228,202	594,150
Current accounts	520,301	552,058	404,260	409,076	818,496	112,126

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	June 23, 1923.	June 15, 1923.	June 7, 1923.	June 23, 1922.	May 31, 1922.
Gold	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	2,249,809,671	2,006,010,412	1,805,350,591	1,682,009,457	1,682,009,457
Bills discounted	815,158,380	846,650,397	889,256,590	875,108,989	875,108,989
Treasury bills	2,547,211,870	2,547,211,870	2,547,211,870	2,547,211,870	2,547,211,870
Other assets	920,089,413	1,017,398,347	1,098,124,796	1,240,863,480	
LIABILITIES.					
Notes in circulation	5,017,633,816	5,014,155,474	4,860,726,692	4,837,042,081	
Deposits	379,825,581	370,824,587	366,565,791	343,339,384	
Other liabilities	624,094,566	721,261,211	801,929,018	943,875,503	

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	June 23, 1923.	June 15, 1923.	June 7, 1923.	May 31, 1923.	June 23, 1922.
Gold coin and bullion, bills	22,926	22,942	22,950	23,004	13,253
Silver coin, &c.	595	595	595	596	595
Bills, warrants, drafts, &c.	107,681,542	100,179,943	94,312,702	93,395,653	25,041,425
LIABILITIES.					
Notes in circulation	138,661,842	129,000,472	122,116,096	113,285,461	32,903,967
Deposits	13,232,762	11,503,484	8,969,384	10,608,862	3,508,278

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	June 22, 1923.	June 15, 1923.	June 7, 1923.	June 22, 1922.	Position May 31, 1914.
Coin and bullion—Gold	147,289	147,289	147,289	147,292	44,224
Balance abroad and foreign bills	20,722	20,157	15,860	40,224	28,533
Norwegian & Foreign Government securities	9,404	9,404	9,401	9,835	8,816
Discounts and loans	485,439	487,888	505,422	435,626	76,911
LIABILITIES.					
Notes in circulation	398,328	398,411	398,249	364,089	113,484
Deposits at notice	133,764	137,842	151,009	149,585	7,188

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

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	June 8, 1923.	June 1, 1923.	May 25, 1923.	May 18, 1923.	May 11, 1923.	June 9, 1922.
Govt. securities	8,114	7,907	7,952	8,096	8,353	8,021
Other securities	1,238	1,238	1,238	1,238	1,238	1,282
Loans	17,486	18,223	18,637	19,215	20,187	16,279
Cash credits	28,528	28,760	28,809	29,796	29,809	26,603
Inland bills	6,415	6,457	6,830	6,833	7,724	5,203
Foreign bills	27,36	27,36	27,36	27,36	27,36	27,36
Dead stock	2,491	2,493	2,503	2,491	2,491	2,491
Sundries	70,81	70,06	57,61	56,51	56,51	62,40
Balance with other banks	62,96	46,78	20,00	23,44	71,05	4,91
Cash	19,810	19,814	17,657	16,150	14,179	21,467
LIABILITIES.						
Subscribed capital	11,250	11,250	11,250	11,250	11,250	11,243
Capital paid up	5,625	5,625	5,625	5,625	5,625	5,623
Reserve	4,225	4,225	4,225	4,225	4,225	4,018
Public deposits	8,424	10,961	10,375	10,449	11,146	14,894
Other deposits	56,671	63,721	62,742	60,919	60,886	55,859
Loans against securities				2,000	2,000	47,22
Loans from Govt.	1,827	1,762	1,667	1,589	1,541	1,501
The above includes—						
Deposits in London	614	511	345	356	659	64
Advances in London	255	254	245	241	235	360
Cash, &c., at other banks in London	413	305	126	149	466	28

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	June 23, 1923.	June 15, 1923.	June 8, 1923.	June 23, 1922.	Position May 31, 1914.
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	685,988	716,636	752,512	126,311	90,379
Finnish and Foreign Government securities	571,436	571,436	571,436	743,802	21,826
Discounts and loans	778,642	725,985	708,821	832,317	105,151
LIABILITIES.					
Notes in circulation	1,420,170	1,434,549	1,446,951	1,367,940	123,941
Deposits at notice	424,473	399,381	395,319	132,940	21,225

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Feb. 14, 1923.	Feb. 7, 1923.	Jan. 30, 1923.	Jan. 24, 1923.	Feb. 15, 1922.
Coin and bullion	27,076	27,011	27,021	26,948	27,220
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	88,607	82,925	79,058	76,012	4,835
Discounts	171,360	170,616	167,450	164,017	136,254
Government loans	934,889	919,289	919,289	904,289	620,101
LIABILITIES.					
Notes in circulation	1,091,907	1,099,414	1,089,503	1,073,811	735,960
Deposits	54,071	50,163	57,460	63,884	52,317

BANK OF LATVIA.—In gold francs (000's omitted).

	June 27, 1923.	June 13, 1923.	June 6, 1923.	May 30, 1923.	May 23, 1923.	Nov. 1, 1922.
ASSETS.						
Total cash.....	11,103	11,442	10,930	9,439	7,315	1,330
Gold and precious metals.....	15,751	15,203	15,200	14,063	14,089	99
Of which held abroad.....	3,696	748	748	748	748	
Foreign banks.....	51,779	50,839	51,042	50,423	48,709	19,449
Discounts and loans.....	18,200	17,700	17,475	17,543	17,368	9,312
LIABILITIES.						
Note circulation.....	23,000	23,000	23,000	23,000	22,280	
Capital paid up.....	10,858	10,856	10,856	10,856	10,858	6,695
Government deposits.....	29,398	28,035	26,956	26,927	25,868	5,993
Other deposits.....	37,968	39,399	29,210	25,334	22,532	14,311

Messrs. Samuel Montagu and Co. write as follows on July 4th:—

GOLD.

Supplies of gold this week are plentiful, but as the demand from India is very small, the bulk is likely to go to the United States.

SILVER.

Continental sales upon a singularly inactive market carried prices on the 2nd inst. to the comparatively low figures of 30½d and 30½d for cash and two months' delivery respectively. China had been doing very little in this market, and the check in the Bombay monsoon has held up Indian orders. The better news, however, that refreshing rains had fallen in Bombay led to some bear covering from that quarter yesterday, and a recovery of ½d in the quotations ensued. To-day, however, owing to pressure of sales on China account, this advance was lost. The offtake from Bombay is reported as 100 bars a day, and the stock as considerably under a thousand bars. In these circumstances some demand for shipment before long would not be an unnatural outcome. No fresh Indian currency returns have come to hand. The stock in Shanghai on the 30th ultimo consisted of about 25,300,000 ounces in sycee and 33,000,000 dollars, as compared with about 24,800,000 ounces in sycee, 32,000,000 dollars, and 290 silver bars on the 23rd ultimo. The Shanghai exchange is quoted at 3s 0½d the tael. Statistics for the month of June are appended:—

	BAR SILVER—Per Ounce Standard.		BAR GOLD.	
	Cash.	2 Months' Delivery.	Per Ounce.	Per Ounce.
Highest price.....	32½	31½	89 11	89 11
Lowest ".....	31½	30½	89 0	89 0
Average ".....	31½	31½	89 3 4	89 3 4

The silver quotations to-day for cash and forward delivery are each ½d below those fixed a week ago.

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce.		Date.	Silver. Cash.
		Cash.	Forward.		
June 30..	89 11	31½	30½	July 13, 1917	41
July 2..	90 0	30½	30½	12, 1918	48½
3..	90 2	31½	30½	11, 1919	53½
4..	90 4	30½	30½	9, 1920	52½
5..	90 7	31½	30½	8, 1921	36½
6..	90 5	31½	31	7, 1922	36

NOTICES.

Arising out of the retirement of Sir John Purcell, K.C.B., chairman, owing to advancing years, the following changes in the directorate of the National Bank, Limited, will take effect from July 1, 1923:—Mr J. B. Meers, C.B., deputy-chairman, has been elected chairman of the bank. Sir Thomas H. Grattan Esmonde, Bart., has been elected deputy-chairman of the bank, in addition to retaining his chairmanship of the Irish board. The Right Hon. Lord MacDonnell of Swinford, G.C.S.I., K.C.V.O., has been elected deputy-chairman of the London board. To fill the vacancy created by the retirement of Sir John Purcell, Mr M. J. Cooke, secretary, has been elected to a seat on the board, and has been appointed a general manager of the bank.

Mr Norman L. C. Mather has been appointed managing director of the National City Company, Limited, of Canada.

Mr John Constant Gibson, C.B.E., formerly of Buenos Aires, has been elected to a seat on the board of the London and Brazilian Bank, Limited.

The Commercial Banking Company of Sydney, Limited, announce that a branch has been opened at Mount Lacombe, in Queensland.

Lloyds Bank, Limited, announce that branches of the bank are now open at 2 Shield street, Shieldfield, Newcastle-upon-Tyne, under the management of Mr. J. A. Houston, of the Grey street branch; at 82 Cricklewood Broadway, N.W. 2, under the management of Mr W. H. Nichols; and sub-branches at Front street, Embleton, under the management of Mr R. Wilkie, of the Alnwick branch, and 53 High street, Harrow-on-the-hill, under the management of Mr H. S. Gill, of the Harrow branch.

The National Provincial and Union Bank of England, Limited, announce that a daily agency to the Barry Docks branch is now open at 13 Vere street, Cadoxton.

The London Joint City and Midland Bank announces the opening of new offices at 59 Vere street, Cadoxton, near Barry, and Le Long Frie, St Peter-in-the-Wood, Guernsey. The sub-branches at Hallgate and King street, Cottingham, East Yorks, have been amalgamated, and the combined businesses will be carried on at 112 King street. The office at 1 Bronwmn street, Trawsfynydd, Merioneth, has been converted into a full branch.

The Chartered Bank of India, Australia, and China announce that an agency of the bank was opened at Samarang (Java) on 2nd instant.

We are informed that Mr F. Ashford Eve, the district manager of the Liverpool and Manchester area of Barclays Bank, Limited, has been appointed joint manager of branches for the Union Bank of Manchester, Limited, with Mr William Roston, with whom he has collaborated for some time past. Mr Eve will continue to act as district manager for Barclays Bank, Limited.

Barclays Bank, Limited announce that their office at 530 High road, Ilford (known as Goodmayes branch), has been converted into a full branch; manager, Mr A. W. Hare. They have opened new sub-branches at Victoria road, St Aubin's, Jersey, under the management of Mr W. M. Cooke; at 24 Otley road, Headingley, Leeds, under the control of Mr H. B. Frank (who is also manager of Leeds branch); and at Chapel House, Croesgoch, Pembro, under the management of Fishguard branch. The office at Llanybyther, Carmarthenshire, has been converted into a full branch; manager, Mr E. Lloyd Jones.

The Chartered Bank of India, Australia, and China announce that Mr Colin Frederick Campbell, chairman of Messrs Forbes, Forbes, Campbell, and Co., Limited, has been elected a director of the bank, to fill the vacancy caused by the death of Sir Duncan Carmichael.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS.—Estimated gross production of crude oil for the month of June was 63,478 barrels, equal to approximately 9,000 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 10,000 tons.

LOBITOS OILFIELDS, LIMITED.—The production for June is cabled as 10,060 tons.

STEAUA ROMANA (BRITISH), LIMITED, are advised that the approximate fields' gross production of the Steaua Romana Company (Bucharest) for the month of June was 18,010 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, June 27, 1923, amounted to 1,490 tons. Cable received July 2nd regarding new well: "Stopped June 28th due to choking by sand; produced average 80 tons daily, June 25th-June 28th."



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CONSTANTINOPLE: Rue Voivoda, Galata, etc., etc.
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PETROGRAD: 60, Prospekt, 25 Oktabri.
KHARKOV: 24 Rimarskaya.
TIFLIS: 38 Rustaveli Prospekt.

ANALYSIS OF BALANCE-SHEETS.**DISTILLERS' COMPANY, LIMITED.**

May 15, 1923.			
LIABILITIES.	Compared with May 15, 1922.	ASSETS.	Compared with May 15, 1922.
Amount.	£	Amount.	£
Ord. shares	3,645,680 .. + 529,010	Land & buildings ..	1,195,000 .. — 30,000
Prof. shares	326,620 .. —	Plant	487,000 .. — 22,090
Reserve fund	950,000 .. + 200,000	Investments	3,227,876 .. + 2,130,974
Fire insce. fund	150,000 .. + 5,000	Sundry debtors	576,903 .. — 122,467
Superannuation	140,829 .. + 29,271	Stocks	2,046,793 .. — 139,938
Deb. stocks	820,000 .. —	Cash	54,632 .. + 29,719
Loans from sub-sidiary cos. ..	1,067,693 .. + 769,750	Bills receivable	107,519 .. — 43,513
Sundry creditors	561,979 .. — 20,221	Loans to sub-sidiary cos. ..	948,221 .. + 263,182
Crrige on spirits	130,665 .. — 17,755		
Bank overdraft	518,022 .. + 518,022		
Profit and loss	332,456 .. — 52,880		
Total	8,643,944 .. + 2,065,957	Total	8,643,944 .. + 2,065,957

GENERAL ELECTRIC COMPANY, LIMITED.

March 31, 1923.			
LIABILITIES.	Compared with Mar. 31, 1922.	ASSETS.	Compared with Mar. 31, 1922.
Amount.	£	Amount.	£
Ord. shares	2,111,975 .. —	Freehold land & buildings	3,183,130 .. + 13,975
Prof. shares	3,600,000 .. + 271,319	Plant, &c.	981,555 .. — 18,068
7% deb. stock	3,465,000 .. — 35,000	Premium on purchase of Fraser and Chalmers	110,000 .. —
Sundry creditors	1,448,622 .. + 113,265	Loose plant, goodwill, &c. ..	3 .. —
Reserve	707,017 .. —	Sundry debtors	2,853,567 .. — 202,972
Profit and loss	279,720 .. — 42,903	Expenses of deb. issue	409,404 .. —
		Stock in trade	1,865,131 .. — 330,643
		Trade investments	1,379,949 .. + 132,960
		Govt. securities	539,210 .. + 539,210
		Cash	300,385 .. + 172,219
Total	11,612,334 .. + 306,681	Total	11,612,334 .. + 306,681

SPIERS AND POND.

March 31, 1923.			
LIABILITIES.	Compared with Mar. 31, 1922.	ASSETS.	Compared with Mar. 31, 1922.
Amount.	£	Amount.	£
Ord. shares	692,823 .. —	Properties	1,017,375 .. + 3,781
Deb. stock	480,589 .. — 7,710	Plant	256,981 .. — 8,802
Deb. redemption account	30,863 .. + 9,113	Wines, &c.	63,176 .. — 17,082
Mort. on Black-pool property ..	— 40,958	Sundry debtors	50,131 .. — 1,646
Sundry creditors ..	106,472 .. — 11,182	Investments	138,650 .. — 22,303
Suspense account ..	92,997 .. —	Cash	76,743 .. + 11,213
General reserve ..	100,000 .. + 20,000		
Taxation reserve ..	— 10,000		
Uncl. interest, &c. ..	1,033 .. — 299		
Profit and loss	98,273 .. + 6,197		
Total	1,603,056 .. — 34,839	Total	1,603,056 .. — 34,839

BRITISH DYESTUFFS CORPORATION, LIMITED.

October 31, 1922.			
LIABILITIES.	Compared with Oct. 31, 1921.	ASSETS.	Compared with Oct. 31, 1921.
Amount.	£	Amount.	£
Prof. shares	4,117,117 .. + 713	Shares in asso-ciated cos.	1,547,408 .. + 96,363
Prof. ord. shares ..	4,085,794 .. + 713	Advances to asso-ciated cos.	6,281,724 .. — 258,093
Deferred shares ..	994,190 .. + 685	Cash	214,756 .. + 25,927
Sundry creditors ..	422,436 .. — 59,318	Freehold offices ..	59,265 .. — 3,917
Reserve for re-search ..	100,000 .. —	Sundry debtors ..	644,496 .. + 173,456
		Bills receivable ..	19,637 .. + 11,715
		Preliminary ex-penses	251,552 .. —
		Profit and loss	700,699 .. — 102,656
Total	9,719,537 .. — 57,207	Total	9,719,537 .. — 57,207

THE P. AND O. BANKING CORPORATION, LIMITED.

March 31, 1923.			
LIABILITIES.	Compared with Mar. 31, 1922.	ASSETS.	Compared with Mar. 31, 1922.
Amount.	£	Amount.	£
£10 shares, fully-paid	2,594,160 .. + 25,000	Cash, bullion, money at call and short notice ..	4,892,647 .. + 1,973,851
Reserve fund	115,000 .. —	Remittances, &c., in transit	1,089,164 .. + 295,888
Current deposit and other accts.	10,360,705 .. + 4,043,775	Bills discounted	4,582,669 .. + 870,505
Loans against security	8,148,904 .. + 5,473,904	Investments	1,593,408 .. + 729,545
Acceptances, endorsements, &c.	950,896 .. — 57,631	Loans receivable against security ..	6,304,440 .. + 6,304,440
Liability bills receivable for collection ..	126,488 .. + 15,056	Advances	2,850,141 .. — 640,617
Profit and loss balance	128,431 .. + 14,513	Premises and furniture	34,731 .. + 23,680
		Acceptances, &c., contra	950,896 .. — 57,631
		Bills for collection, contra	126,488 .. + 14,513
Total	22,424,585 .. + 9,514,618	Total	22,424,585 .. + 9,514,618

MARCONI INTERNATIONAL MARINE COMMUNICATION.

December 31, 1922.			
LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
Capital	1,192,726 .. —	Plant, &c.	908,499 .. + 67,200
5% 1st mkt. debts ..	58,020 .. — 1,260	Licences & rights in assoc. cos.	249,859 .. + 17,979
General reserve ..	208,014 .. —	Sundry debtors ..	38,000 .. — 17,908
Reserve for abso-lutance of plant ..	45,915 .. — 11,339	Cash	547,856 .. + 211,568
Sundry creditors ..	355,890 .. + 25,318	Investments	—
Profit and loss	190,671 .. + 105,712		
Total	2,051,236 .. + 118,431	Total	2,051,236 .. + 118,431

MINING OUTPUT STATISTICS FOR JUNE, 1923.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.	£	£
Gold.							
Balaghat	4,000	3,950	2,771	230	3,001	36,086	..
Cam and Motor ..	15,500	..	..	..	8,037	..	..
Champion Reef	9,518	14,999	3,240	676	3,876	..	..
Menzie's Cons.	1,440	..	..	..	..	2,848	..
Mysore	15,750	34,674	8,424	1,630	10,054	..	..
Nundydroog	10,144	11,583	4,884	573	5,457	..	..
Ooregum	14,500	1,200	9,092	115	9,207	..	..
Rezende	6,200	864	..	..	3,122	(a) 14,237	6,380
St. I. Navajo	..	..	..	..	..	40,000	..
Wa hi Grand Junction ..	6,820	..	1,932	(gold)	3,716	(silver)	..

(a) Including premium.

	Output.	Other Notes in Return.
Tin.	Tons.	
Deebook Dredging	29	
Gopeng Cons.	653	Est. value, £6,420; est. cost, £1,860.
Idris	10	Value, £1,155; cost, £770.
Jantar	32	..
Keffi Cons.	30	Shipped 27 tons.
Kinta	30	Value £3,150.
Kramat Pulai	..	Profit (including tribute), £1,423.
Lahat	27	Value, £3,230; cost, £2,567.
Malayan	1203	Value, £12,977; cost, £8,189.
Pari	4	Value, £450; cost, £262.
Pengkalan	30	Est. value, £3,360; est. costs, £1,355.
Rambutan	16	Est. value, £1,660; est. costs, £820.
Rayfield	42	Shipp'd 42 tons.
Kopp	101	..
Siamese	72	..
Southern Perak	233	Est. value, £2,683; est. cost, £1,866.
Sungei Resi	48	Est. value, £3,437; est. cost, £3,072.
Tekka	34	Est. value, £3,385; est. cost, £1,385.
Tekka-Taiping	80	Est. value, £9,055 est. costs, £2,965.
Tongkah Harbour	89	..
Tronoh	57	Value, £6,109; cost, £3,826.
Yarde Kerri	3	..
Coal.		
Clydesdale	27,238	Coalbrook; 20,957 Blackhill.
Dundee	44,685	..
East Kent	50 6	Week ended June 30th.
Middleburg Steam ..	27,487	..
Natal Navigation	41,508	..
Northern Natal	26,655	..
South African	64,174	..
Twefontein United ..	86,303	..
Vereeniging	50,492	Brick works, £6,289.
Vryheid	27,403	..
Wankie	31,108	Coke sales, 13,422 tons.
Miscellaneous.		
New Vaal River	..	Diamonds registered 909 carats, valued at £6,956.
Rhodesia Broken Hill	880	Lead.
Transvaal Silver	..	33,024 ozs fine silver.

BRITISH AUSTRALIAN BROKEN HILL.—For the fortnight ending June 30, 1923:—7,139 tons crude ore produced 1,180 tons lead concentrates, containing 743 tons lead and 31,860 ozs silver; also 1,025 tons zinc concentrates, assaying 7.0 per cent. lead, 8.5 ozs silver per ton, and 46 per cent. zinc; 190 tons carbonates raised.

BROKEN HILL SOUTH.—For the four weeks ended June 30th:—15,960 tons of crude ore and 9,590 tons of dump slime were treated, and produced 4,811 tons of lead concentrates, assaying 5.5 per cent. lead and 24 ozs silver per ton; also 2,540 tons of zinc concentrates, assaying 44 per cent. zinc.

MOUNT LYELL.—During the four-weekly period ended June 27th there were smelted Mount Lyell ore 980 tons, North Lyell ore (direct to smelters) 733 tons, concentrates 2,521 tons. The converters produced 416 tons blister copper, containing 412 tons copper, 9,056 ozs silver and 160 ozs gold. The mill treated 8,814 tons of ore and produced 2,918 tons of concentrates.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended June 29, 1923.	Miles Open.	Week Ended July 1, 1923.			Aggregate 26 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,679	286,000	355,000	641,000	6,146,000	9,388,000	15,534,000
London & North-Eastern	6,661	547,000	712,000	1,259,000	10,485,000	19,950,000	30,435,000
Do same period 1922	6,657	542,000	763,000	1,305,000	11,625,000	19,633,000	31,258,000
London, Mid., & Scottish	6,962	734,000	902,000	1,636,000	15,120,000	24,300,000	39,450,000
Southern.....	2,115	176,200	114,800	291,000	7,729,400	3,049,500	10,778,900
Midland & S.W. Junc.	63	3,515	1,874	5,389	30,183	34,960	65,143
Metropolitan (c).....	79½	32,455	3,552	36,007	841,929	95,860	937,789
Underground E.R. (c).....	..	..	..	247,157	11,377	..	149,049
..	..	..	..	43,682	..	..	1,032,418
Lon. & Sub. Group (c).....	..	..	..	1,224	..	..	99,743
Belfast & Co. Down (b).....	80	6,656	1,262	7,918	124,056	31,615	155,671
Dublin and S. East (b).....	160	6,690	2,798	9,488	133,711	94,039	227,750
Midland Gt. West. (b).....	538	11,995	16,307	28,302	240,189	399,107	639,296

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Gross Receipts for Week.	Total Gross Receipts.
				1923.	1923.
				+ or -	+ or -

INDIAN.

			Rs.	Rs.	Rs.	Rs.
Assam Bengal.....	9 weeks	June 2	1,049	2,233,537	25,571	20,03,610
Barrt. Lt. Ry.....	10 weeks	9	118	26,500	6,400	3,45,600
Bengal & N. Western	9 weeks	2	67	6,71,720	35,071	60,23,790
Bombay, Bar. & C.O.L.	13 weeks	2	2,727	15,12,000	24,000	1,35,05,000
Burma.....	9 weeks	30	2,994	20,81,000	3,10,000	3,11,38,000
Delhi, Umballa & Kalka	12 weeks	23	339	6,77,589	42,561	67,56,638
East Indian.....	13 weeks	30	2,856	30,87,000	10,000	4,27,97,000
G. Indian Peninsula	12 weeks	23	3,164	25,13,900	33,000	3,46,55,000
Madras & S. Mah. r.	9 weeks	2	3,028	14,50,000	59,280	1,38,00,000
Rohilk' & Kumaon	9 weeks	2	259	70,321	495	5,77,280
Do Lucknow-Breilly	9 weeks	2	313	72,725	12,216	7,34,025
South Indian.....	10 weeks	9	1,890	10,29,917	12,489	96,96,585

CANADIAN.

			\$	\$	\$	\$
Canadian National.....	23 weeks	June 21	22,680	4,690,331	317,387	10,86,64,901
Canadian Pacific.....	26 weeks	30	13,539	4,682,000	548,000	80,119,000

ARGENTINE (a).

			\$	\$	\$	\$
Argentine N.E.	52 weeks	June 30	752	3,000	8,100	563,600
Argentine Trans.....	50 weeks	16	111	2,351	791	168,955
B. A. and Pacific.....	52 weeks	30	3,317	153,000	46,000	8,671,000
B. A. Gt. Southern.....	52 weeks	30	3,948	163,000	10,000	9,586,000
B. Western.....	52 weeks	30	1,882	73,000	11,000	3,648,000
Central Argentine.....	52 weeks	30	3,305	240,000	68,000	10,652,000
Cordoba Central.....	52 weeks	30	1,205	76,100	17,600	3,066,000
Entre Rios.....	52 weeks	30	729	13,600	2,100	1,025,800

BRAZILIAN (b).

			\$	\$	\$	\$
Gt. West. of Brasil.....	26 weeks	June 30	1,005	5,800	2,500	267,400
Leopoldina.....	26 weeks	30	1,831	30,926	4,082	593,859
San Paulo.....	26 weeks	July 1	1,534	26,711	289	683,162

CHILE AND PERU.

			\$	\$	\$	\$
Antofagasta.....	26 weeks	July 1	838	40,655	16,675	904,160
Nitrato (4-monthly)	26 weeks	June 30	366	31,079	13,411	397,107

CUBAN.

			\$	\$	\$	\$
Havana Central.....	52 weeks	June 30	1,210	11,085	2,700	584,458
United of Havana.....	52 weeks	30	1,210	57,980	14,163	3,731,390

URUGUAYAN.

			\$	\$	\$	\$
Central Uruguay.....	52 weeks	June 30	273	24,812	5,377	1,373,160
C. Urug. (East Ext.).....	52 weeks	30	311	7,491	3,359	308,611
C. Urug. (North Ext.).....	52 weeks	30	185	3,439	1,349	160,012
C. Urug. (West Ext.).....	52 weeks	30	211	3,194	1,237	138,032

OTHER OVERSEAS.

			\$	\$	\$	\$
Alcoy and Gandia.....	26 weeks	June 30	33	34,000	6,000	580,800
Egyptian Delta.....	9 weeks	10	675	1,626	1,626	45,026
Gt. Southern of Spain	25 weeks	23	104	41,636	20,835	2,687,239
Mexican Railway.....	25 weeks	21	103	248,600	31,400	7,054,800
New Cape Central.....	23 weeks	9	205	2,128	216	63,200
Paraguay Central.....	52 weeks	30	274	3,360	3,160	109,570
Salvador.....	52 weeks	30	100	2,356	339	192,950

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	26 weeks	July 1	329	279,228	+ 5,229	2,213,459	+ 47,003
Burnley Corporation	1 week	June 30	12	43,001	152	..	..
Calcutta Tramways...	26 weeks	30	354	1,119,295	+ 11,167	..	787
Chatham & District...	24 weeks	14	15	1,558	226	35,539	2,431
Egyptian Markets ...	25 weeks	21	..	1,594	235	15,388	6,896
Glasgow Corporation	4 weeks	30	106	444,482	441	192,983	1,275
Isle of Thanet	39 weeks	27	..	1,555	3	27,736	1,558
Lancashire United	26 weeks	26	39	42,889	28	73,538	5,328
Liverpool Corporation	13 weeks	30	124	227,731	1,501	356,207	30,319
J.C.C. Tramways	14 weeks	July 4	163	288,157	+ 7,717	1,205,014	89,556
Madras Elect. (2 wks)	2 weeks	June 30	..	252,412	+ 6,687	6,20,161	+ 33,757
Pernambuco Trams...	24 weeks	17	..	43,595	+ 483	89,529	+ 5,133

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked * or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Lat'at Year.	Pre-vious Year.
Railways.					
Bengal-Nagpur	3%*	..	..	..	..
Central London	2%*	..	..	..	..
City and South London	2%*	..	..	..	..
Cleveland, Cincinnati, &c.	1%	July 20	..	..	..
Illinois Central	13%	Sept. 1	Quarterly	..	..
London Electric	2%*	..	..	..	..
London General Omnibus	4½%*	..	Tax free	..	..
Metropolitan District	18%	..	..	..	..
Underground Elec. (inc. Bonds) ..	3%*	..	Tax free	..	..
Banks.					
Alexanders Discount Company	15%*	..	..	..	..
Barclays, "A"	10%*	Aug. 1	Subject to tax	..	..
Do "B" and "C"	14%*	Aug. 1	Subject to tax	..	..
Bank of British West Africa	3%†	..	Less tax	5	6
Equitable	17/4p.*	July 28	..	..	..
National Discount, "A"	2/6 p.s.	July 16	Less tax 4/9 in £	..	..
Do "B"	4/6 p.s.	July 16	Less tax 4/9 in £	..	..
Lancashire and Yorkshire	20 p.s.*	..	Subject to tax	..	..
London Joint City & Midland	18%*	July 14	Less tax	..	..
P. and O. Banking Corporation	..	..	Less tax	5½	5½
Union Bank of Australia	15†	..	Tax free	15	15
Union Discount	15%*	July 21	Less tax	..	..
Williams, Deacons, "A"	1½%*	July 16	Less tax	..	..
Do "B"	12½%*	July 16	Less tax	..	..
Insurance.					
Reinsurance Corporation	..	..	..	5	..
Life Assurance of Scotland	£12/6p.s.	Nov. 11	Less tax	..	..
Tea and Rubber.					
Anglo-Ceylon and General	10%†	..	Less tax	15	15
Attache Khat Tea	15%†	..	Less tax	20	10
Bidder Rubber	..	..	Less tax (5/ in £)	10	nil
Bowland Tea	..	July 17	Less tax	2/ p.s.	..
Caledonian (Ceylon), Cunn. Pref. ..	18%*	..	3 yrs. to June 30, 1923	..	..
Ceylon Upcountry Tea	10%*	July 17	..	..	1923
Dejoo Tea	5%†	(£ & bonus)	2½% Less tax	12½	..
Emerald Rubber	..	..	Less tax	17½	10
Java Investment, Loan, &c.	..	..	Less tax	6	5
Makum (Assam) Tea	20%†	..	..	30	15
Manchester North Borneo	5%*	July 10	..	..	..
Medini Rubber	..	..	Less tax	7½	6
Scottish Tea and Rubber	..	..	Less tax	10	6
Siam Rubber	..	..	..	12½	nil
Tremelby Rubber	..	..	Less tax	3½	nil
Upper Assam Tea	..	..	Less tax	25	12½
Wanarajah Tea	15%*	..	..	..	..
Mining.					
Amalgamated Zinc	1/ p.s.	Aug. 2	Less tax 4/6 in £	..	..
Broken Hill South	1/6 p.s.	Aug. 10	..	..	..
Dundee Coal	2½%*	..	..	..	..
Johannesburg Estate	2½%*	Sept. 1	..	10	5
Kinta Tin	..	..	..	..	..
Kramat Pulai	1/ p.s.*	July 18	Less tax 4/6 in £	..	..
Other Companies.					
Aeolian Co., Prof.	7½	July 1	Less tax	..	..
Assets Company	3%*	..	Less tax	..	..
Associated Newspapers, Defd.	2/ p.s.*	July 10	Less tax	..	..
Australian Estates and Mortgage ..	..	..	..	6	5
Bell Telephone of Canada	2%*	July 14	..	..	..
Brisbane Elec. Trans. Invest.	4/ p.s.	..	Tax free	8	10
British Oxygen	1/9 p.s.*	..	Tax free	12½	10
Briti. S. A. Explosives	..	..	Less tax	8	10
British Steamship Invest., Defd.	10%†	(£ & bonus)	2% Less tax	12	15
Bradbury, Greatorex, and Co.	6%*	..	..	..	..
Burgis and Colbourne	..	..	..	10	10
Butterley Co.	4 p.s.† & bonus	1/ p.s.)	Tax free	2½ p.s.	1/8 p.s.
Cardinal Investment Trust	3%*	July 31	Less tax	..	..
Claymore Shipping	..	..	Less tax	2½	..
Distillers' Company	6%†	..	Tax free	10	10
Dominion Steel Corp., Pref.	14%*	Aug. 1	..	..	..
Dominion Tar and Chemical	2½%*	..	Tax free	..	..
Dundee Shipping	6%†	..	Less tax	10	10
East India Coal	7½%*	..	Less tax	..	..
"Edinburgh Evening News"	25%†	..	Tax free	..	..
Edmundson's Electricity	..	..	..	7	nil
E. Robins and Sons	7½%*	£ & bonus	2½% Less tax	10	..
Fletcher Hardware	9 p.s.*	..	..	..	..
Fore Street Warehouse	5	July 31	Less tax	..	..
Foreign and Colonial Invest.	..	..	..	..	..
ment, Def.	5*	July 31	..	..	..
General Electric Company	..	..	..	5	5
Harris and Sheldon	6 p.s.*	..	Less tax	..	..
Hoare and Co.	2½%*	..	..	5	5
International Tea Co.'s Stores.	2½%*	..	..	18	16
John Crossley and Sons	1/ p.s.*	Aug. 1	Less tax	..	..
Lister and Co.	5%*	July 20	Less tax	..	..
Lloyd and Yorath	5*	..	..	..	..
Lovellgoy Iron and Coal	..	..	Less tax	3/ p.s.	2/ p.s.
Lovell and Christmas	14%*	(£ & bonu)	4%†	14	14
Marconi International Marine	7½%†	..	..	12½	10
McIntyre, Hogg, Marsh	7½%*	Aug. 14	Less tax	..	..
Mond Nickel	7½%†	..	Tax free	10	7½
Morgan's Brewery	..	July 12	Less tax	..	..
Murrayfield Real Estate	..	..	Less tax 4/11 in £	5	..
New Transvaal Chemical	..	..	..	15	15
Oregon Mortgage	12†	(£ & bonus)	4% Less tax	14	14
Pacific Gas and Electric	1½ p.s.	July 16	Quarterly	..	..
Redeemable Securities Invest.	6%*	..	..	..	..
River Plate & Gen. Inv., Defd.	10%*	Aug. 1	Less tax	..	..
S. and S. Henry	4%*	..	..	6	5
Scottish Canadian Mort.	..	..	Less tax	12½	12½
Spiers and Pond	7½%†	..	Less tax	..	..
Steel Company of Canada	14%*	Aug. 1	Less tax	..	..
Steel Developments	5*	..	Quarterly	..	..
St James' and Pall Mall Electric ..	10%*	Aug. 2	Tax free	..	..
Stoll Picture Theatre	10%*	..	..	..	..
Stoutford and Co., Limited	4%*	July 16	Less tax	..	..
Telegraph Confection, &c.	6/ p.s.*	..	Tax free	..	..
Tinsley Park Colliery	7½%*	..	Tax free	..	..
Trustees Corporation	7½%*	..	Less tax	7	7
United Shoe Machinery	80-50 p.s.	July 12	..	..	..
Walker and Homfrays	79 p.s.	..	Tax free	..	..
Welsbach Light Co.	5%*	(£ & bonus)	2½% Less tax	..	..
W. J. Bush and Co.	5%†	..	..	8	..

administration charges, \$185,840; interest and charges on secured gold notes and other loans, \$535,152; provision for general amortisation, \$300,000—\$1,020,992, making net revenue \$6,851,968, against \$3,237,681; dividends on preference shares at 6 per cent. per annum, \$600,000; two quarterly dividends on ordinary shares of 1 per cent. each, \$2,131,511; making surplus for the year, \$4,120,457, against \$2,637,681 in preceding year. The following comparative statement shows the total gross and net earnings of the subsidiary companies in Brazil, the fixed charges and expenses of the subsidiary companies and of this company, and the resulting net revenue of this company for the past four years:—

	Year ended December 31.			
	1919.	1920.	1921.	1922.
Gross earnings from operation in Brazil	Milreis. 13,073,982	Milreis. 13,905,832	Milreis. 170,867,353	Milreis. 197,749,105
Net earnings from operation in Brazil	58,423,485	69,990,657	95,105,553	124,505,563
Average value of milreis for exchange on New York based on remittances	26.80	20.41	12.51	13.09
Above net earnings in dollars	15,655,477	14,286,039	11,898,523	16,299,229
Miscellaneous revenue	86,160	458,576	270,150	118,022
Total revenue of subsidiaries	15,741,637	14,744,615	12,168,673	16,417,251

As will be seen from the above statement, the total gross earnings of the subsidiary companies in Brazil were 197,749,105 milreis, being an increase as compared with the corresponding earnings of the previous year of 26,881,752 milreis, or 15.73 per cent. The net earnings from operation were 124,505,563 milreis, being an increase of 29,400,010 milreis, or 30.91 per cent.

BRITISH OXYGEN CO.—The report just issued shows an improvement on the preceding year, the net profit having advanced from £76,849 to £131,801, while the ordinary dividend has been raised from 10 per cent., free of income-tax, to 12½ per cent., free of income-tax. The reserve fund is fortified by the placing of £25,378 to its credit, bringing it up to £150,000. The directors attribute the better results partly to the new and improved large plants which are now installed in most of the company's factories, and to a continued increase in the demand for oxygen. The directors point out that the year's profits have been earned on a considerably reduced selling price for oxygen. They attribute the increase in demand mainly to the extensive use of the gas for ship-breaking and the development of other metal-cutting applications. The meeting will be held at Great Eastern Hotel, Liverpool street, on Thursday, July 12th, at noon.

HOARE AND CO., LIMITED.—The report for the year ending April 18, 1923, states that certain contingencies provided for in past years not having arisen, the sum of £30,146 became available from the contingencies reserve, and has been dealt with as follows:—£10,000 put to the credit of the superannuation fund, which has been placed on a definite basis by a trust deed, in conformity with Section 32 of the Finance Act, 1921, and the balance of £20,146 transferred to the credit of profit and loss account. After making provision for depreciation of properties, plant and machinery, bad and doubtful debts, and all outgoings, including Corporation Profits Tax, the profit for the year amounts to £219,438. Interest on debenture stocks, mortgages, and deposits amounts to £33,107, leaving a net profit of £186,331. The amount brought forward from last year's account is £4,987, and, after providing for the interim dividend paid on January 26, 1923, there remains a balance in the appropriation account of £172,554, which the directors recommend shall be dealt with as follows:—Final dividend, 2½ per cent. (making 5 per cent. for the year), £18,813; to reserve fund, £20,000; balance, £133,741—£172,554. The directors have resolved that the surplus available profits for the participation certificate holders are £128,595, which will redeem at par the whole of the participation certificates other than those held by the company, leaving to be carried forward to next account £5,146. The meeting will be held at Red Lion Brewery, St Katherine's Way, E. 1, on July 12th, at 12.30 p.m.

INTERNATIONAL TEA CO.'S STORES.—This company has just issued its report to April 21, 1923, and is able to show a satisfactory year's working. The trading profit has increased from £329,613 to £396,983. The ordinary dividend has been raised from 16 per cent. to 18 per cent., and the net profit at £336,718 compares with £280,020. Last year £40,000 was put to reserve, but in the latest report £100,000 is set aside, which brings the reserve account up to £284,906. The sum of £118,218, subject to corporation profits tax, is carried forward. The meeting will be held at Winchester House, Old Broad street, on July 12th, at noon.

LOVELL AND CHRISTMAS.—The report for the year ended June 16, 1923, shows a net profit of £102,919 as compared with £121,190 in preceding year. The ordinary dividend and bonus is unchanged at 14 per cent. for the year. The sum of £103,125 is carried forward, as against £95,643 brought into the accounts. A sum of £53,000, being capital profit realised by the sale of investments, has been added to reserves, thus increasing total reserves to £330,365. The meeting will be held at Manchester Hotel, Aldersgate street, on July 12th, at half-past three.

MARCONI INTERNATIONAL MARINE COMMUNICATION.—The accounts for the year ended December 31, 1922, show a net profit of £171,848, arrived at after writing off approximately £8,000 in respect of bad and doubtful debts. After bringing in £18,822 from the accounts of the previous year, a sum of £190,670 is dealt with as follows:—Interim dividend of 5 per cent. for the year ending December 31, 1922, £59,636; proposed final dividend of 7½ per cent. for the same period, £89,454; balance to be carried forward, subject to excess profits duty for the years 1916 to 1920, inclusive, less amounts paid on account, £41,580. The report states that the increase in the year's profits is due in part to

additional business consequent upon the return of ships to commission after the period of great depression in the shipping trade, which necessitated the laying up of a large number of ships in 1921, and also to economies which have been effected throughout the organisation in the methods of working and control. During the year debentures of a par value of £1,260 were redeemed.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have been more favourable to growing crops though more rain would be welcome. The condition of winter wheat is satisfactory, the plant now being in full ear, and with a spell of sunshine harvesting may not be so late as at one time anticipated. Hay making has made good progress, but the yields vary considerably. While hay is expected to be a rather light crop, clovers and sanfoin appear abundant. A rather quiet and featureless condition of affairs prevailed at market, and following an easy period, prices recovered slightly on firmer forward offerings. Sellers are by no means pressing, in view of labour difficulties at the docks. No. 1 Northern Manitoba quoted 49s 6d, No. 2 mixed Durum 46s, Rosafe 62½ lbs 47s 6d, choice white Karachi 47s 6d, and red ditto 46s 9d, all per 496 lbs ex ship terms. The cargo section remained quiet, but prices are a shade better with rather more inquiry for La Plata descriptions. Rosafe 62½ lbs July sold at 43s 4½d to 43s 9d, ditto afloat 43s 7½d per 480 lbs. Maize cargoes firmly held. Plate steamers afloat sold 34s 6d, and July shipment 34s 6d, while No. 6 Yellow South African October-November sold at 33s 3d per 480 lbs. Barley dull, and a cargo of Dan-Bess-Kustendji afloat sold at about 25s per 400 lbs, c.f. and i. terms. Crop reports from the chief exporting countries remain for the most part favourable, while floating supplies to Europe are on a reduced scale, though arrivals in this country have been fairly liberal of late. Flour in moderate request and prices steady. London standard straight run quoted at 40s, patents 42s to 43s, town households 38s per sack, delivered in metropolitan area. All English straights sparingly offered at 35s to 36s per sack delivered at London stations. Imported quiet. Manitoba export patents range from 35s to 38s 6d, Minneapolis good patents 38s, and Australian 36s to 37s, all per 280 lbs, ex store terms. Millers' offals firm. Broad bran quoted 6s 6d-6s 9d, ordinary ditto 5s 6d, middlings 8s, bags included ex mill, light oats 5s 3d, powdered oat husks 5s 3d, feed oatmeal 7s 9d, ground oats 13s 3d, all per cwt, free on rail. Barley, English, quiet at 7s 6d-ros 6d as to sample, with good malting grades quoted 8s 6d-11s per 112 lbs, free on rail. Imported weak. Californian quoted 42s-44s, Australian chevalier 38s-46s, New Zealand 33s-45s, as to sample, all landed, per 48 lbs. Persian ex ship 24s 9d, Danubian landed 29s, Plate ditto 27s, No. 4 Canadian Western ex ship 25s 6d, American malting, 48 lbs, ditto 25s 3d, all per 400 lbs. Maize

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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefe. Amount.	Ordinary Amount.				
Banks.										
Bank of British West Africa	Mar. 31	£ 34,116	£ 100,574	£ 134,690	£	£	£	£	£	£
P. and O. Banking Corporation	Mar. 31	14,043	139,388	153,431	..	113,251	5½	40,000	105,935	6
Breweries.										
Distillers' Company	May 15	98,770	620,637	719,407	12,293	364,568	10½	235,000	457,964	10½
E. Robins and Son	April 30	5,614	13,505	19,119	1,763	4,500	10	6,500	6,203	7½
Hoare and Co.	April 18	4,987	186,379	191,366	..	128,596	Certs. 5	20,000	119,456	5
Electric Lighting and Power.										
Cordoba Light	Mar. 31	5,702	73,291	78,993	34,955	..	..	38,213	5,824	..
Edmundsons' Electricity	Mar. 31	15,512	52,103	67,615	28,000	16,800	7	..	22,815	..
Financial, Land, &c.										
Australian Estates and Mortgage	Dec. 31	6,750	93,463	100,213	..	56,660	6	35,000	8,553	5
Canada Land and Irrigation	Dec. 31	Dr 61,766	Dr 53,614	Dr 115,380	..	..	..	Dr 115,380	..	..
Java Investment Loan & Agency	Mar. 31	15,675	17,777	33,452	..	17,264	6	..	16,188	..
Murrayfield Real Estate	May 31	2,954	1,797	4,751	..	1,131	5	..	3,620	..
Trustees Corporation	May 31	51,800	69,426	121,226	17,817	27,715	7	25,000	50,694	7
Hotels, Restaurants, &c.										
Spies and Pond	Mar. 31	13,114	114,775	127,889	..	86,540	12½	22,000	19,349	12½
Rubber, &c.										
Coconut Plantations of Perak	Mar. 31	10,686	21,251	31,937	..	20,300	3½	2,938	8,699	2½
Emerald Rubber and Coconut	Jan. 31	17,886	31,980	49,866	..	29,264	17½	2,000	19,602	10
Northern Tjiliwoeng	Dec. 31	Dr 12,217	Dr 2,314	Dr 14,531	..	..	..	Dr 14,531	..	..
Sialang	Jan. 31	33,105	89,590	122,695	..	37,500	12½	..	35,195	..
Tjiliwoeng Plantations	Dec. 31	6,886	828	6,058	6,000	..	..	..	58	..
Shipping.										
Claymore	Mar. 31*	1,090	24,843	25,933	..	5,625	2½	20,000	308	..
Shops and Stores.										
International Tea Co.'s Stores	April 21	88,000	336,718	424,718	53,500	153,000	18	100,000	118,218	16
Tea.										
Attaree Khat	Dec. 31	1,880	28,626	30,506	..	17,298	20	11,000	2,208	10
Doloo	Dec. 31	1,683	25,184	26,867	1,033	8,850	20	16,200	784	..
Jalinga	Dec. 31	Dr 844	7,412	6,568	..	1,767	10	4,200	601	..
Makum (Assam)	Dec. 31	973	22,104	23,077	..	15,000	30	7,000	1,077	15
Malebar	Dec. 31	Dr 939	975	36	..	..	..	..	36	..
Telegraphs, &c.										
Marconi International Marine	Dec. 31	18,822	171,848	190,671	..	149,091	12½	..	41,580	10
Textiles.										
British Dyestuffs Corporation	Oct. 31	Dr 803,356	102,657	Dr 700,699	..	..	..	Dr 700,699	Dr 1,006,660	..
Patons and Baldwins	Apr. 30	68,075	668,543	736,618	66,641	239,893	15½	340,000	90,084	12½
Other Companies.										
British Oxygen	Mar. 31	115,569	131,801	247,370	..	57,590	12½	25,379	164,401	10½
Burgis and Colbourne	May 2	4,888	7,496	12,384	3,300	3,000	10	1,000	5,084	10
General Electric	Mar. 31	217,024	507,711	724,735	248,765	105,599	5	196,250	174,121	5
John Swan and Sons	April 30	11,833	12,466	24,299	..	5,208	10½	10,273	9,818	10½
Lovell and Christmas	June 16	95,643	102,919	198,562	22,687	66,250	14	6,500	103,125	14
New Transvaal Chemical	Je 30, 22	6,254	76,406	82,660	24,000	37,500	15	10,570	10,590	..
North Glamorgan Wagon	Mar. 31	4,745	3,069	7,814	..	1,250	12½	500	3,022	12½
Welsbach Light	Mar. 31	18,412	26,397	44,809	..	19,344	7½	7,520	17,945	5
William Asquith (1920)	Mar. 31	Dr 21,755	21,404	Dr 351	..	..	..	2,500	Dr 2,551	..

* Half-yearly. † Tax free.

steady. Plate, new, ex ship 37s 6d, landed 40s per 480 lbs. Oats, English, steady at 8s-10s 4d per 112 lbs, free on rail, as to sample. Imported moves off quietly. Plate, f.a.q., ex ship 22s 6d, landed 23s 6d, No. 1 Canadian feed landed 26s 9d, No. 2 ditto 26s 3d, No. 2 Canadian Western 28s, No. 3 ditto 27s, New Zealand "A" grade 38s 6d, "B" grade 37s 6d, all landed, per 320 lbs. Oatmeal grade 38s 6d, and tendency easier. London made, all cuts, 18s, in less demand, and tendency easier. 18s, flaked oats 18s 6d ex mill. rolled oats, also whole groats, 18s, flaked oats 18s 6d ex mill. Ordinary Scottish oatmeal 19s 6d-20s 6d, and American, all cuts, 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to June 30	Cwts. 117,946	Cwts. 63,640	Cwts. 37,613	Cwts. 25,723
42 weeks to June 30	16,642,389	15,626,844	12,069,231	10,731,831
Average price of English wheat per cwt.	s d 10 11	s d 12 1½	s d 20 11½	s d 19 6

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
June 23	Cwts. 128,396	Cwts. 24,105	Cwts. 13,216	s d 10 11	s d 8 5	s d 10 9
June 30	117,946	16,662	10,486	10 11	8 7	10 9
1919	98,584	4,921	8,814	17 1	17 5	17 7
1920	28,221	2,957	7,162	19 6	26 8	23 4
1921	37,611	9,675	12,452	20 11	11 8	13 10
1922	63,669	6,614	6,727	12 3	11 8	11 9

IRON, STEEL, AND COAL.

Our Glasgow correspondent writes:—Hope for the future is brightened in the announcement by Sir Glynn West that Glasgow will participate in big Newfoundland orders (involving an expenditure of four millions) just concluded, and in the extensive undertakings in steel and iron to be proceeded with immediately at Singapore. In raw iron and hematite purchases in the last

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EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

few days have been promised, conditional on prices being reduced; and as Midland quotations have been lowered by 2s 6d a ton, a corresponding cut may be made here. Meantime boiler plates stand at £13 a ton, ship plates at £10 5s, and sections at £10. Black sheets continue to meet with a fair inquiry at a ton. Steel tubes are being run off in fair quantity, and there is promise of an increased outlet for rivets, wire ropes (indeed, all wire productions), and bars. As has been indicated, no change for the better is to be discerned in Clyde shipbuilding, and the official figures of June's output read very poorly. Only two steamers of 5,000 tons were booked in the course of last month, while the launches combined totalled 13 boats of 8,512 tons, comparing with 16 vessels of 34,906 tons in June of 1922. For the half-year (January to June, both inclusive) the launching record of the Clyde consisted of 58 vessels of 145,657 tons; six months, 1922, of 62 vessels of 167,493 tons; and corresponding period 1921, of 118 vessels of 235,800 tons. In 1913, the record year, the figures were 127 vessels of 348,476 tons respectively, representing a falling off now of 69 vessels and of 202,819 tons. The coal market is still slow of movement, and prices are maintained with difficulty, at round about last week's level. Industrial consumption poor, reflective of the general trade conditions.

Our Middlesbrough correspondent's report, dated July 5th, is as follows:—Pig-iron: Although the immediate outlook for pig-iron is discouraging, there are still a fair number of inquiries coming forward, but actual business is slow. There is no doubt that orders are being held up in the hope of further reductions in price. Cleveland No. 3 G.M.B. is 110s, and East Coast hematite mixed numbers are about the same figure. Manufactured Iron and Steel: Business in steel remains very quiet, and even lower prices fail to bring out orders of any importance. Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £10. Iron ore: No change. Buyers seem quite indifferent, and will not look beyond immediate requirements, which appear to be satisfied. Best Rubio is nominally 24s per ton.

Our Sheffield correspondent writes:—A serious position is developing in the pig-iron trade. For a long period sales have not equalled production, and the result is accumulations of stock at most of the furnaces. As demand is still dwindling, the stoppage of a number of blast furnaces shortly is extremely probable. The experiences of makers of crude open-hearth steel are similar, and already production is being curtailed. Sales of billets have been negligible for two months. As French production of steel is being curtailed for want of fuel and other difficulties, a lessening of foreign competition in billets in this country is hoped for, otherwise numerous steel furnaces in this and other districts will have to be put out of commission. The coal market continues to lose strength, and owing to the falling demand some pits have gone on short time. Shipments are considerably below a month ago, and specifications from the iron and steel trades have decreased. House coal is particularly quiet. Coke is a firm market. Best South Yorkshire hards are still quoted at 22s, and best Blyths at 26s and 27s.

Our Cardiff correspondent writes:—The conditions on the South Wales coal market this week have undergone very little change. Prices have been more or less maintained at the reduced levels to which they fell last week, but the volume of business at these prices has been greater, and the undertone is distinctly firm. The situation in the coalfield has been improved by the advance in wages. Current approximate quotations are as follows:—Best Admiralties, 31s to 32s 6d; second Admiralties, 29s to 31s; best dries, 30s to 31s; black veins, 29s 6d to 30s 6d; Western Valleys, 28s 6d to 29s 6d; Eastern Valleys, 27s to 28s; best bunker smalls, 22s 6d to 25s; ordinary cargo smalls, 19s to 21s; anthracite big vein, large, 50s to 55s; machine made cobbles, 62s 6d to 65s; French nut, 60s to 62s 6d; stove nuts, 55s to 56s; rubbly culm, 18s to 18s 6d; coke for export, 50s to 60s; inland blast furnace coke at ovens, 40s to 45s; patent fuel, 35s to 37s; pitwood, ex ship, 30s to 32s 6d. In the iron and steel trade production is well maintained, but there has been a slight abatement in the demand and prices are consequently a shade easier.

THE COTTON TRADE.

MANCHESTER, July 5.

An uncertain feeling continues to prevail throughout the market, and there are no indications of any real increase in the turnover. Bearish sentiment prevails with regard to prices, and in the circumstances, buyers are disposed to purchase sparingly. There has been an improvement in the amount of cloth inquiry for India, but only scattered sales have taken place, most of the bids being unworkable. Restricted operations have occurred for China, there being more activity in fancies than staple makes. Trade for the Near East remains slow, but a little more demand has been mentioned for some of the South American outlets. The conditions in the home trade remain unsatisfactory. The annual

holidays which are now taking place in weaving districts are being extended. Prices in American yarns have favoured buyers, and demand can only be described as sluggish. A quieter tone continues to show itself in Egyptian spinnings. Only odd lots have been sold in export yarns.

(I.) Comparative Statement of the Cotton Trade.

	Price, July 5, 1923.	Previous Weeks in 1923.				
		Price, June 28.	Price, June 21.	Price, June 14.	Price, June 7.	Price, May 31.
Raw Cotton—Fully Mid. American .. per lb	15.75	16.49	16.49	16.89	16.11	16.02
— Sakellaridis Fully Good Fair Egyptian .. per lb	15.90	16.30	16.15	16.10	16.40	16.40
Yarns—32's twist .. per lb	23.3	24.3	24.3	24.3	24.3	23.3
— 40's twist .. per lb	23.3	24.3	24.3	24.3	24.3	23.3
— 50's twist (Egyptian) .. per lb	28.3	29.3	29.3	29.3	29.3	28.3
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	33.6	34.3	34.3	34.9	33.9	33.3
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	36.9	37.6	37.6	38.0	37.0	36.6
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	18.9	19.0	19.0	19.3	18.9	18.6
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs ..	17.3	17.6	17.6	17.9	17.3	17.0

(II.) Compared with Previous Year.

	Price, July 5, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	15.75	13.77	8.12	26.87	21.60	22.77
— Sakellaridis Fully Good Fair Egyptian .. per lb	15.90	20.25	16.00	62.00	27.09	29.40
Yarns—32's twist .. per lb	23.3	20.3	17.3	54	41.3	50
— 40's twist .. per lb	23.3	20	16.3	50	40	49.3
— 50's twist (Egyptian) .. per lb	28.3	30.3	31	96	55.3	62.3
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	33.6	33.6	32.0	89.6	57.0	62.0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	36.9	32.0	31.6	82.6	56.6	60.0
32-in. ditto, 38 yds, 18 by 18, 10 lbs ..	18.9	19.0	19.0	49.0	34.0	36.9
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs ..	17.3	18.0	16.9	42.6	30.9	30.9

LIVERPOOL OFFICIAL QUOTATIONS - June 29, 1923.

Description,	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island ..	d	d	d	d	d	d	d	d	d	d	d	d
Florida do ..	..	..	..	..	..	..	..	..	..	..	..	..
Georgia do ..	..	..	..	..	..	..	..	..	..	..	..	..
American ..	15.75	15.77	16.27	16.52	16.77	17.32	11.78	12.63	13.53	5.00	6.25	8.25
Brasilia ..	Mid	M	F	G	F	Gd	M	F	Gd	M	F	Gd
Pernam ..	..	..	..	..	..	..	..	..	..	..	..	..
Parahyba, Rio Grande, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..
Maceio, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..
Mossoro, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..
Ceara ..	..	..	..	..	..	..	..	..	..	..	..	..
Maranhão, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..
São Paulo ..	..	..	..	..	..	..	..	..	..	..	..	..
Egyptian ..	Fr.	G	F	Gd	Fne	Fr.	G	F	Gd	Fr.	G	F
Upper ..	..	..	..	..	..	..	..	..	..	..	..	..
Sakellaridis ..	..	..	..	..	..	..	..	..	..	..	..	..
Brown ..	..	..	..	..	..	..	..	..	..	..	..	..
Peruvian ..	MF	Fr.	G	F	Gd	Fne	MF	Fr.	G	F	Gd	Fne
Rough ..	..	..	..	..	..	..	..	..	..	..	..	..
Moderately Rough ..	..	..	..	..	..	..	..	..	..	..	..	..
Smooth ..	..	..	..	..	..	..	..	..	..	..	..	..
Tanzania ..	..	..	..	..	..	..	..	..	..	..	..	..
Mitida ..	..	..	..	..	..	..	..	..	..	..	..	..
West Indian, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..
Do ..	..	..	..	..	..	..	..	..	..	..	..	..
African, East, &c. ..	11.20	12.20	13.70	14.70	15.70	16.70	10.50	12.25	14.25	5.25	7.25	9.25
Do ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Surtee ..	G	F	Gd	F	Gd	Fne	G	F	Gd	F	Gd	Fne
Machine Ginned Broach ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bhowanagar ..	9.30	9.90	10.30	10.80	11.30	11.80	10.60	11.00	11.80	6.55	6.80	7.30
Machine Ginned Comra. No. 1 ..	9.40	9.90	10.40	10.90	11.40	11.90	9.60	10.00	10.80	4.59	5.09	5.84
Machine Ginned Comra. No. 2 ..	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Khandeish ..	9.40	9.90	10.40	10.90	11.40	11.90	9.10	9.60	10.40	3.90	4.40	5.15
Machine Ginned Comptah ..	11.70	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bengal ..	8.15	8.55	8.95	9.35	9.75	10.15	8.00	8.40	9.20	3.65	4.15	4.90
Machine Ginned Solinde ..	8.05	8.45	8.85	9.25	9.65	10.05	7.90	8.30	9.10	3.53	4.03	4.78
Tinavelly ..	13.30	13.70	14.10	..	..	..	12.30	12.70	..	7.55	7.80	..
Madras, Western ..	11.05	11.45	11.85	12.25	..	..	10.05	10.45	..	6.20	6.45	..
Madras, Northern ..	..	..	..	..	..	..	..	..	..	..	..	..
M.G. Coconada, Red ..	Fr.	11.85	..	..	..	..	10.30	..	..	6.20	..	..
Jina, Smyrna, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

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

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

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

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

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—It is evident from the way in which colonial wool is selling in London and from the good demand for home-grown wool at the country fairs, that the majority of people have confidence in the future of wool values. Of course, the main support in London is coming from the Continent, but the fact remains that prices are being kept on a level that is quite out of reach in consuming centres here. There is no doubt that the entire textile industry of this country is suffering severely from the trouble on the Continent, and it does not seem possible that there can be much improvement until conditions become more settled in Germany. Meanwhile, British producers are experiencing difficulty in keeping machinery running, and they are having to face the keenest competition from goods made on the Continent. Yarn prices are nominally unchanged, but spinners are in need of orders, and new business is unremunerative as a rule.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Real concern is felt among Continental wool buyers respecting the movement of the exchanges, and the increasing gravity of the political situation is not without its effect upon all sections of buyers. In view of the value of the mark and franc being so low, it would not have been surprising if there had been a distinct decline in wool values, and if prices held up to the finish on the present level it will be one of the greatest accomplishments of recent times in the wool market. Continental buyers undoubtedly continue to be the keenest and largest operators in merinos, while the activity of Yorkshire in cross-breeds is significant of much. On several occasions this week good scoured merino Queensland wools have sold up to 56d, one or two special lots fetching 1d more. The bulk of the Queensland scoureds are realising well over 50d for the top lines of combing, and good grease combing is selling on a clean basis of around 53d. This price is above what home trade topmakers can afford to pay, for 11d per lb must be added to the clean cost to cover conversion charges. It is impossible to make 5s 4d for warp 64's in Bradford. Any weight of average 64's can be bought at 4s 11d, but the cost is around 5s 2d. Nevertheless, wool sells freely, and the sales are making excellent progress. The way in which the big daily offerings of cross-breeds are absorbed, purchases being about evenly distributed between the home and Continental trades, is indicative of no little confidence in this class of raw material. Some very good little lots of good to super grease merinos are being catalogued, chiefly on importers' account, but the frequent withdrawals indicate that the original cost was fully equal to the present London level. Many of these speculators' lots were excessively limited, and this is an aspect of the sales which buyers do not appreciate.

VEGETABLE OILS AND OILSEEDS.

Trade both in vegetable oils and oilseeds has continued on quiet lines, and the volume of business in either department is small. Some attention is being paid to Indian linseed, but Argentine seed is lifeless. Meanwhile, prices are quite steady, and about at the level of a few days ago. Up to the end of June the shipments of linseed this year had been from Argentina 868,600 tons and from India 197,400 tons—together, 1,066,000 tons, leaving an estimated balance of 402,000 tons to be exported over the second half of the year; and in present circumstances it looks as if this would be sufficient to meet all likely requirements. Of the total shipped in the past half-year, America took 445,000 tons, against only 206,000 tons a year ago; the United Kingdom 284,450 tons, and the Continent 322,525 tons.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Changes were unimportant at the Bermondsey hide and skin auctions on Thursday, the tone, however, being weak. Best ox sold from 6½d to 8½d, two classes dropping ½d as against last week's prices. Seconds made from 5½d to 7d, one class showing a slight advance of ½d. Cows, best, sold from 6½d to 6¾d, and best calf from 4½d to 11½d. The 17 to 24 lbs class did not sell, and the 8 lbs selection at 11½d showed a slight advance on last figures. Lambs sold from 2s 1d to 6s 6d each, pelts making from 3s to 5s 6d each.

The shoe trade is quieter, as the dull summer has badly

affected the retailers' business. A spell of fine weather would, however, effect a good deal in the way of clearing out summer shoes, even now.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, July 6.

General quietness was again apparent in most directions, demand for both manufactured and raw materials being confined to wants of immediate necessity. With regard to refined sugar, prices on spot were marked down 1s 6d for all British whites, with yellow crystals 1s. Imported descriptions also declined in sympathy. Business was on a moderate scale.

SUGAR.—Of British refined, Tate and Lyle's cubes quoted 62s 6d to 63s 6d; crushed, 60s 6d; granulated, fine and coarse grain, 59s 7½d; No. 1, 59s 4½d; No. 2, also London, 59s 1½d; ditto, second half, August, 59s; September, 57s 9d; October, 56s 3d; and November-December, 53s 6d. Yellow crystals, spot, 54s 7½d. American granulated, spot, 58s; white Java, spot, sold, 56s; May-June, 25s 3d; June-July, 24s to 24s 6d; July-August, 23s 9d to 24s, c.f. and i., London. Continental parcels for shipment mostly nominal, as very few definite offers are received. Terminal market unsettled. August sold, 27s to 26s 3d and 27s 9d; December, 23s 6d to 22s 9d and 23s. Cuban stocks stand at 590,200 tons, against 844,000 same time last year. Liquid glucose, spot, 30s 6d.

COFFEE.—Spot market shows no material alteration, but trade is of a quiet character. Only a moderate assortment was brought forward in public sale this week. Future delivery market idle.

COCOA.—With no revival in demand, the market during the week proved idle, and quotations in most cases nominal. Accra F/F quality, July-August, 31s f.o.b. terms; October-December, 32s 5d f.o.b.

TEA.—About 20,800 packages Indian were brought to auction this week, and while good to fine qualities were readily competed for at full recent rates, medium and common met a quieter market, and rates tended against sellers. Ceylon auctions totalled 20,700 packages. Medium and common teas sold quietly at ½d to ¾d per lb decline, but all the finer invoices realised steady figures. Samples of new season's China are fairly satisfactory, and Keemun were sought after at 1s 5d to 1s 8d per lb. Java and Sumatra quiet, and prices against sellers for medium and lower kinds. Really fine parcels steady.

RICE.—Quiet and featureless. Two Stars, spot, 13s 6d to 13s 9d for new crop. Spanish, spot, 21s 6d to 21s 9d; forward, 21s. Japanese peas, spot, 25s 6d.

SPICE.—Pepper continues very quiet, and values barely maintained. Fair black Singapore quoted 4½d; June-August, 4d. White Singapore, spot, 5½d. Muntok, spot, 6½d; ditto, May-July, 6d; August-October, 6½d. Zanzibar cloves steady. Fair spot, 1s 1½d; May-July, buyers, 1s 1½d; August-October sold, 1s 2½d. Tapioca dull, unaltered on spot. Flake, July-September, Havre, sellers, 25s 6d. Sago flour, afloat, sellers, 12s 3d; August-October quoted 12s 4½d. Desiccated coconut quiet. Spot, fine cut, 41s; medium, 41s; halves, in the river, landed terms, 40s; do, June-July, 38s (d; July-August sold, 38s; August-September, sellers, 38s; buyers, 37s 9d cwt. Ginger dull unaltered.

JUTE.—Market presented quiet features, but sellers required steady prices. First grade, June-July, Continent, quoted £26; August-September at £26 10s; September-October, £26 s. Hessians slow, unaltered.

HEMP.—Manila quiet, and values barely supported. J grade, June-August and July-September quoted £31; K and L, £28 5s; M, £27 5s ton.

SHELLAC.—Quiet. T.N., spot, 270s; August, 227s 6d; October, 220s cwt. Total shipments from Calcutta for last month 45,545 cwts of which 13,743 were to the U.K. and 26,770 to U.S.A.

COPRA.—About steady, but trade proceeded quietly. F.M.S. Straits, April-June, Rotterdam, quoted, £27 10s; May-July, sold, £26 15s to £26 16s 3d; June-August, £26 11s 3d. Ceylon, June-July, value, £29; Java, ditto, £27; Dutch E.I., ditto, £26 16s 3d; Cebu, £26 7s 6d; South Sea, £25 17s 6d. Palm kernels, June-August, Liverpool, sold, £18 10s ton.

RUBBER.—Steadier, on renewed covering orders, but easier since, and standard plantation, spot, also July delivery, sold, 14d to 13½d;

GIRARD TRUST COMPANY

PHILADELPHIA, PENNSYLVANIA.



Equipped to perform all kinds of fiduciary service—under appointment by courts, corporations and individuals.

August, 14½d to 14½d and 14d; September, 14½d to 14½d, 14½d and 14½d; October-December, 14½d to 14½d, 14½d and 14½d; January-March, 15½d to 15½d, 15s and 15½d. To New York, standard sheet, August-September, buyers, 14d; September-October, sold, 14½d to 14½d lb, c.f. and i. terms. Wild sorts steady, quiet.

OILS.—Lined irregular with a fair business in force. Spot, net, naked, quoted 43s 6d; July, 41s 6d; July-August, 41s; September-December, 38s 9d. Rape quiet. Crude, spot, 40s; refined, 43s. Cotton firm. Crude Egyptian, spot, 39s; common edible, 44s 6d; deodorised (in barrels), 43s. China-wood quiet. Hankow, spot (barrels), 108s; July-August, 93s. Coconut easier. Ceylon, spot, 45s 6d; July-August, 43s; Cochin, ditto, quoted 47s. Soya quiet. Oriental, barrels, July-August, 37s 9d. Japan fish nominal. July-August, cases, 29s. Cod firm. English, spot, 36s 3d. Groundnuts quiet. English, crushed, naked, spot, 47s; deodorised, barrels, 54s. Turpentine easier. American, spot, 80s; July-December, 71s 3d. Rosin quiet. American, grade B, 13s; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; WG, 17s 6d; WW, 18s 9d. per cwt. French nominal. Petroleum steady. American standard, white, spot, 1s; and water white, 1s 1d per gallon. Castor-oil steady. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical 61s per cwt.

OILSEEDS.—Linseed firm, with a good demand for Indian description. Bold Bombay, afloat, £21 5s; small Bombay, ditto, £20 7s 6d; Calcutta, afloat, sold, £20 17s 6d to £21; June-July, £20 12s 6d to £20 15s; August-September, £20 10s. Plate, July-August, £19 7s 6d. Rapeseed easier. Toria, July-August, £16 10s; real bold Ferozepore, ditto, £15 10s; Jamba, £12 5s. Cottonseed dull. Egyptian black, July, £12; and white, £11 5s, to Hull. Bombay, July, £9 12s 6d. Gingly seed quiet. Large Bombay, May-June, Continent, sellers, £23 5s. Chinese, ditto, £23 15s, Continent. Ground-nuts dull. Coromandel, machine-dried, June-July, quoted £22. Chinese decorated, f.a.q., July-August, £22 10s. Nigerian, ditto, £22 10s. Soya beans steady. Manchurian, June-July, £12 2s 6d. Castorseed firmer. Bombay, June-July, £20 15s paid per ton.

METALS.—Tin: On pressing offers from the East at lower rates the London market developed marked weakness, and sellers were well in evidence, though offers were fairly well absorbed. Standard cash sold at £176 15s to £177, and three months £180 to £180 10s to £178. Sales in the East were reported on the basis of £184, c.i.f. Prices subsequently displayed slight irregularity, while again easier on balance. By the middle of the week standard, cash, sold at £176 2s 6d, and three months £177 10s to £176 15s to £177 7s 6d. Further sales occurred in the East at £181, c.i.f. At Thursday's meeting rates moved in an upward direction. Standard, cash, sold at £176 to £177 10s, and three months £177 to £178 15s. On the following day values were firmer though irregular, closing, however, below the best points. Standard, c.i.f., sold at £178 to

£178 12s 6d to £177 15s, and three months £179 to £179 10s to £178 15s to £179. English ingots, £178 15s to £179. Copper was actively dealt in during the week and prices steady, while subject to slight fluctuations. Cash opening at £64 16s 3d; and three months £64, while subsequently done at £64 15s and £65 7s 6d respectively. A rather firmer tone governed the market on Thursday, though business proved of smaller extent. Standard, cash, sold at £65 2s 6d to £65; and three months £65 10s to £65 12s 6d. At the final session the tendency was barely steady. Standard, cash, sold at £64 12s 6d to £64 15s, and three months £65 7s 6d to £65 5s to £65 10s. Electrodes, £72 to £72 10s; best selected, £68 to £69 10s; strong sheets, £98; wire bars, £72 10s per ton. Lead easier at £23 15s to £23 5s, as to position. Spelter lower at £28 to £28 12s 6d, according to position. Aluminium, home, £115; export, £120. Antimony, ordinary brands, £30 to £32.

TALLOW.—Messrs Colchesters and Woolner write on July 4, 1923, as follows:—The tallow market was steady during the week, and prices are fully maintained to-day. About 6,000 packages recently arrived from New Zealand are delayed in the steamers. The stock in London on June 30th, as returned by the wharves, amounted to 20,016 packages, showing an increase during the month of 3,483 packages. At auction to-day 834 casks tallow were offered and 302 were sold. Quotations are:—Australian mutton: Fine, 42s 6d; good to fair, 41s 6d to 41s; dull to dark, 38s to 36s 3d; hard, 42s. Australian beef: Fine, 42s; good to fair, 41s to 38s 6d; dull to dark, 37s to 35s 9d; sweet, 42s. Present shipment from Australasia nominal. Present shipment from South America, 39s to 39s 6d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 1½d; melted stuff, 28s 6d per cwt. Quotations are:—Town, 35s, net cash, naked, ex works. Country: Frail casks, 35s; home melted, shipping casks, net, f.o.b., good coloured, 38s 6d; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzine, 34s; melted stuff, 34s, f.o.b.

METROPOLITAN CATTLE.—JULY 5.			
British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	s
Beasts—Herefords	7	8	s
Shorthorns	7	6	..
Devons	..	..	nominal
Norfolks	7	6	..
Scottish	8	0	to 8 4
Irish	7	2	..
Fat Cows	4	9	to 5 2
Beasts—Heavy Bulls	8	d	s
Canadian	7	0	to 4 6
Sheep—Downs	9	6	to 11 4
Ewes	6	8	..
Crossbred	9	0	to 11 0
Scottish	11	0	to 12 0
Lamb—Downs	11	4	to 12 0

LONDON POTATO MARKETS.—JULY 5.			
	s	d	s
English (new)	8	6	to 11 0
New Jerseys	9	0	..
Cherbourg	8	d	s
St Malo	9	0	to 9 6

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.				LONDON, FRIDAY.				LONDON, FRIDAY.				LONDON, FRIDAY.				LONDON, FRIDAY.				LONDON, FRIDAY.				LONDON, FRIDAY.			
0000A—Duty, British grown				23-44 foreign 23s cwt.				Trinidad, per cwt.				Grenada				Guaymas				Bahia, finest				COFFEE—British grown			
E. India 25-44 foreign 25s cwt.				Do good to fine				Costa Rica, ord. to mid				Good to fine				Central American, gd. ord. to mid				Columbian, ordinary				Do gd. ord. to low mid			
Do mid. to fine				OREMICALS—				Acid, citric				Nitr.				Oxalic, net				Tartaric, English				Foreign			
Alum lump, per ton				Do ground				Ammonia, carb.				Muriate, White				Sulphate				Arsenic, lump				Ashe, pot.			
Pearl do				Bleaching pwr.				Borax, gran.				Do crystals				Do powder				Cream Tartar				32% powder			
Calcium chloride				Iodine, dry				Nitrate of Soda				Potash—				Chlorate				Perchlorate				Do Foreign			
Sulphate				Sal-Acetic				Sal-Ammoniac				Soda Ash				Alkali				Canstic				Sugar of lead			
Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc				Sulphur Flour				Do Roll			
Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar				Ceylon				FMS Singapore			
FMS Straits				COCHINEAL				DRUGS—				Alces, fine				Cape, good to fine				Balsam Peru				Capivi			
Camphor				Japan, refined				Cardamom				Canthrid				Castor oil				Gum Benjun				Olibanum			
Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia				Aniseed				Peppermint			
Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger				Gambler, block				Outch, ord.			
DIETWOODS—				Brazil				Do ground				Ammonia, carb.				Muriate, White				Sulphate				Arsenic, lump			
Ashe, pot.				Pearl do				Bleaching pwr.				Borax, gran.				Do crystals				Do powder				Cream Tartar			
32% powder				Calcium chloride				Iodine, dry				Nitrate of Soda				Potash—				Chlorate				Perchlorate			
Do Foreign				Sulphate				Sal-Acetic				Sal-Ammoniac				Soda Ash				Alkali				Canstic			
Sugar of lead				Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc				Sulphur Flour			
Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar				Ceylon			
FMS Singapore				FMS Straits				COCHINEAL				DRUGS—				Alces, fine				Cape, good to fine				Balsam Peru			
Capivi				Camphor				Japan, refined				Cardamom				Canthrid				Castor oil				Gum Benjun			
Olibanum				Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia				Aniseed			
Peppermint				Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger				Gambler, block			
Outch, ord.				DIETWOODS—				Brazil				Do ground				Ammonia, carb.				Muriate, White				Sulphate			
Arsenic, lump				Ashe, pot.				Pearl do				Bleaching pwr.				Borax, gran.				Do crystals				Do powder			
Cream Tartar				32% powder				Calcium chloride				Iodine, dry				Nitrate of Soda				Potash—				Chlorate			
Perchlorate				Do Foreign				Sulphate				Sal-Acetic				Sal-Ammoniac				Soda Ash				Alkali			
Canstic				Sugar of lead				Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc			
Sulphur Flour				Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar			
Ceylon				FMS Singapore				FMS Straits				COCHINEAL				DRUGS—				Alces, fine				Cape, good to fine			
Balsam Peru				Capivi				Camphor				Japan, refined				Cardamom				Canthrid				Castor oil			
Gum Benjun				Olibanum				Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia			
Aniseed				Peppermint				Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger			
Gambler, block				Outch, ord.				DIETWOODS—				Brazil				Do ground				Ammonia, carb.				Muriate, White			
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Sugar of lead				Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc				Sulphur Flour			
Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar				Ceylon			
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Canstic				Sugar of lead				Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc			
Sulphur Flour				Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar			
Ceylon				FMS Singapore				FMS Straits				COCHINEAL				DRUGS—				Alces, fine				Cape, good to fine			
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Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar				Ceylon				FMS Singapore			
FMS Straits				COCHINEAL				DRUGS—				Alces, fine				Cape, good to fine				Balsam Peru				Capivi			
Camphor				Japan, refined				Cardamom				Canthrid				Castor oil				Gum Benjun				Olibanum			
Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia				Aniseed				Peppermint			
Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger				Gambler, block				Outch, ord.			
DIETWOODS—				Brazil				Do ground				Ammonia, carb.				Muriate, White				Sulphate				Arsenic, lump			
Ashe, pot.				Pearl do				Bleaching pwr.				Borax, gran.				Do crystals				Do powder				Cream Tartar			
32% powder				Calcium chloride				Iodine, dry				Nitrate of Soda				Potash—				Chlorate				Perchlorate			
Do Foreign				Sulphate				Sal-Acetic				Sal-Ammoniac				Soda Ash				Alkali				Canstic			
Sugar of lead				Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc				Sulphur Flour			
Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar				Ceylon			
FMS Singapore				FMS Straits				COCHINEAL				DRUGS—				Alces, fine				Cape, good to fine				Balsam Peru			
Capivi				Camphor				Japan, refined				Cardamom				Canthrid				Castor oil				Gum Benjun			
Olibanum				Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia				Aniseed			
Peppermint				Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger				Gambler, block			
Outch, ord.				DIETWOODS—				Brazil				Do ground				Ammonia, carb.				Muriate, White				Sulphate			
Arsenic, lump				Ashe, pot.				Pearl do				Bleaching pwr.				Borax, gran.				Do crystals				Do powder			
Cream Tartar				32% powder				Calcium chloride				Iodine, dry				Nitrate of Soda				Potash—				Chlorate			
Perchlorate				Do Foreign				Sulphate				Sal-Acetic				Sal-Ammoniac				Soda Ash				Alkali			
Canstic				Sugar of lead				Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc			
Sulphur Flour				Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar			
Ceylon				FMS Singapore				FMS Straits				COCHINEAL				DRUGS—				Alces, fine				Cape, good to fine			
Balsam Peru				Capivi				Camphor				Japan, refined				Cardamom				Canthrid				Castor oil			
Gum Benjun				Olibanum				Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia			
Aniseed				Peppermint				Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger			
Gambler, block				Outch, ord.				DIETWOODS—				Brazil				Do ground				Ammonia, carb.				Muriate, White			
Sulphate				Sal-Acetic				Sal-Ammoniac				Soda Ash				Alkali				Canstic				Sugar of lead			
Sulphate Quinine				English Brands				Foreign				Sulphate Copper				Zinc				Sulphur Flour				Do Roll			
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Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar				Ceylon			
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Olibanum				Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia				Aniseed			
Peppermint				Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger				Gambler, block			
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Arsenic, lump				Ashe, pot.				Pearl do				Bleaching pwr.				Borax, gran.				Do crystals				Do powder			
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Sulphur Flour				Do Roll				Vermillion, Chinese				English				H.G.H. 21				OOPEA—per ton				Malabar			
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Aniseed				Peppermint				Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger			
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Opium				Ipecacuanha				Salap.				Musk				Oil, Camellia				Aniseed				Peppermint			
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Peppermint				Rhubarb				DYE STUFFS, &c.				Wool, China				Turmeric				Madras, finger				Gambler, block			
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Balsam Peru				Capivi				Camphor				Japan, refined				Cardamom				Canthrid				Castor oil			
Gum Benjun				Olibanum				Opium				Ipecacuanha				Salap.											

return looks as if the market's freedom may have been secured by a little official borrowing. Fine three-months' Bank bills were taken yesterday at $3\frac{1}{2}$ per cent.

	July 13, 1923.	July 6, 1923.	June 29, 1923.	June 22, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	3%	3%	3 (Jly. 5, '23)
Banks Deposit Rate	2	2	1	1	1 (Jly. 5, '23)
Discount (Call)	2	2	1	1	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{1}{2}$	$3\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	..

The Bank return showed a decrease of £567,000 in the note circulation, and a roughly corresponding increase in the Reserve. Other securities had declined, through repayments by the market, by no less than £26½ millions, while Government securities showed an increase of £2½ millions. Owing, however, to a decrease of £7½ millions in the Public deposits, the net decline in the Private deposits only amounted to £15½ millions, leaving them at the fairly comfortable total of £108 millions. Currency notes outstanding were increased this week by £918,400 to £290,154,800, which includes £1,465,400 for notes called in but not yet cancelled. The fiduciary issue is £239,239,400, or £30,944,400 below the maximum.

THE STOCK MARKETS.

Stock Exchange markets have been somewhat brighter, a further dip in prices having been followed by a sharp rally extending over most sections. British Government stocks, after unusually wide fluctuations, have recovered much lost ground, but Colonials and some Home Railway prior-charge stocks have remained heavy. The Home Railway market generally, however, benefited from the existence of a fair-sized bear account at the carry-over, and from the improvement in the labour situation. In the Foreign section, Brazilian rails shared in the advance common to Brazilian issues. Rubbers were quiet, but oil shares advanced after the settlement. Textile markets were favourably influenced by the good report of the English Sewing Cotton Company. Little change has occurred in the Kaffir market, but copper and diamond shares have shown signs of improvement.

THE COMMODITY MARKETS.

The political situation is having a bad effect on commodity markets, although possibly some languidness in dealings is on account of the weather. A general quietness is noticeable on the Cardiff coal market, and prices remain at low levels with an absence of demand. In the Sheffield district a heavy drop is reported in demands for industrial fuel, but our Glasgow correspondent mentions that purchases of coal for "France, Belgium, Italy, and Germany are on a large scale." The demand for pig-iron continues quiet, and business for export is poor; it is stated that French pig-iron, owing to the exchange position, can be sold abroad at prices with which our makers cannot compete. Inquiries in most sections of the Manchester cotton trade are fairly extensive, but business is still slow in developing, on account of hesitation to pay current values. Jute prices in London displayed increased weakness. Conditions on the Continent continue to dominate the wool trade, and general stagnation is reported in Bradford. Further weakness developed in wheat. Sugar remained steady, however; there was little demand for raw refining descriptions. The tea sales aroused competition, but the rice market was devoid of feature. Dealings in rubber proceeded quietly. Tin and copper both improved. The tone of the Bermondsey hide market has been firmer, though price changes are not important.

FOREIGN EXCHANGES.

In the foreign exchange market dealings have again been restricted, with erratic movements in rates. Towards the middle of the week business became even quieter, as there was a general tendency to hold off until Mr Baldwin's statement of policy on Thursday evening. Up to now the various exchange centres would not seem to have had sufficient time fully to digest the meaning of his pronouncement, and the reaction on the market has been small. During the week the Paris rate has been particularly uncertain in its movement. From a closing rate of 78.30 on the 6th, it moved up to just below 79. After a slight recovery on Monday, it moved sharply down to just below 77 on Tuesday. On Thursday it was up again to about 77.60, but yesterday morning, after Mr Baldwin's speech, moved up again to 78.40. Brussels, which at one time was actually above 97, was 94.45, as compared with 95.80 a week ago, a slight improvement as compared with the Paris rate. In Paris the forward quotation is 3 centimes per month above spot; in Brussels it is 3 centimes per month below. As compared with 905,000 on the 6th, the Berlin rate went up to 1,300,000 on Monday. After that there was a slight recovery, with a marked fall to about 800,000 on Thursday in anticipation of the Baldwin speech, but yesterday morning there was another reaction to 1,000,000, when it was clear that the British policy offered no immediate relief to Germany. Forward marks are quoted nominally at 250,000 marks per month above spot. It goes without saying that at the present fantastic rates no business of importance is being done in German currency. The satisfactory feature of the week has been a decided recovery in sterling, the natural reaction against the recent sharp fall having led gradually to a rate of not far short of \$4.60 in the middle of the week. After this there was a slight reaction, but yesterday morning the pound was again quoted at \$4.59, and seemed inclined to be firm. At the same time it would be rash to expect any decided further improvement at present. Forward rates are about the same at $\frac{1}{16}$ cents per month above spot. The lira, which moved up in sympathy with the franc to as high as 108½ on Saturday last, has since recovered, with some fluctuations, to 106½ yesterday morning, a slightly better rate than seven days ago. Following and even exceeding the movement of the dollar, the Dutch rate moved up very sharply on Tuesday, and although it has reacted slightly since then and at 11.72½ yesterday morning was about 9 cents above last week's rate. Switzerland has moved from 26.55½ to 26.33½, and Madrid, after being lower, is 31.88½ as compared with 32.02½ a week ago. In Scandinavia, Christiania, at 28.12½, shows a slight recovery, but Stockholm has moved in our favour from 17.25½ to 17.32½, and Copenhagen from 26.20 to 26.22½, while Helsingfors is up from 165½ to 167. In Central Europe, Vienna at 320,000 has been moved slightly against us, and it will be interesting to see whether this is an accidental fluctuation or is part of a policy of gradual increase in the value of the krone. Warsaw is quoted at 570,000; business still is badly restricted by the present exchange regulations, but it would now appear that they are speedily to be modified. Prague has reacted again from 150 to 153. Bucharest at 880 shows a decided recovery from the 910 quoted last week. Constantinople, after being brought down a little on the news of agreement at Lausanne, has reacted again to about its old level. In the East, the rupee at 1s 4½d is slightly cheaper than last week, and the yen also has reacted slightly from 2s 1 21-32d to 2s 1 1-8d. In the silver market Chinese buying brought up prices at first, but at higher levels there was considerable selling from the same quarter and little support from India, in spite of satisfactory monsoon reports, so that prices reacted to last week's levels. Hong Kong has moved from 2s 3d to 2s 2½d, and Shanghai from 3s 0½d to 3s 0½d. In South America, Rio has remained very steady, falling only from 5½d to 5½d. Buenos Ayres, however, has moved down from 4½d to 40½d, while Monte Video has declined still more sharply from 42½d to 41½d, and Valparaiso has also depreciated from 34.80 to 35.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 7th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	7000	From Revenue	11,768
Interest, &c., on War Debt	4,395		
Sundries	4875		
Increase in Balances	1087		
Reduction of debt	211		
	11,768		11,768

Revenue for the week amounted to £11,767,705, as compared with £18,892,614 during the eight days ended July 8, 1922. The yield from Property and Income-tax was £4,143,000 and Super-tax £800,000, against a combined revenue of £8,388,000 last year. Revenue from Interest on Sundry Loans was reduced from £1,400,260 to £578,684. Customs yielded £2,203,000 against £2,920,000, and Excise £1,217,000 against £1,539,000. The week's operations reduced the National Debt by £211,088, and caused the following changes:—

	Min. £		Min. £
Treasury Bills	254	Public Department Advances	2,780
Bank of England Advances	3,250	National Savings Certificates	200
		Sundries	313
	3,504		3,293

The floating debt was reduced by £705,000 to £818,625,500.

FINANCIAL YEAR, 1923-24 (April 1 to July 7, 1923).

	£		£
Total Expenditure ..	225,883,726	Raised by Revenue ..	198,769,450
		Net Borrowings	24,176,626
		Decrease in Balances	2,937,650
Total	225,883,726	Total	225,883,726
ESTIMATES for YEAR 1923-24.			
	£		£
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

The Week in Parliament.—Thursday's statements on Reparations policy in the Lords by Lord Curzon and in the Commons by Mr Baldwin, were the most important episodes in the Parliamentary week. The Commons have debated the Rent Restriction Bill, passed the report stage of the Housing Bill and the third reading of the Agricultural Rates Bill, and devoted Thursday to the Home Office Vote. Apart from Lord Curzon's Reparations statement and Lord Grey's comments thereon, the features of the week in the Lords have been a statement by the Duke of Devonshire on a Rhodesian settlement and a debate on naval and air defence and expenditure.

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—Bank of British West Africa, National Bank of New Zealand, P. and O. Banking Corporation, Australian Estates and Mortgage, General Electric, Howard and Bullough, Union Cold Storage, International Tea Stores, Spiers and Pond, W. J. Bush and Co., Brakpan Mines, Springs Mines, and Maleber Tea.

Among the features of the speeches were the references by the chairman of the National Bank of New Zealand to the growing importance of the dairying industry in the Dominion and by the chairman of the Bank of British West Africa to trade improvement in that country. The chairman of the Australian Estate and Mortgage Company dealt with the effects of the Queensland Land Act Amendment Act (1920).

INSURANCE SUPPLEMENT.

With this number our readers will find a supplement reviewing the progress and prospects of insurance. The topics dealt with include the recent experience of life offices, the increase of business, mortality, the condition of funds, valuation results and bonuses; the results of fire insurance in the past year; the situation created by the Government Bill dealing with Accident Insurance; and the sombre results recorded in the latest reports from the marine insurance world. The Supplement is not a record of company results, but a general survey of the insurance problems of the day.

REPARATIONS AND BRITISH POLICY.

THE official statement made on Thursday by Lord Curzon in the House of Lords and by the Prime Minister in the House of Commons shows that whatever criticisms may be made on their attitude towards the present crisis they cannot be convicted of undue precipitancy. The statement does, indeed, carry the problem a little step further forward. We have ourselves urged that the Government should not take hasty decisions, but that time should be allowed for events to drive their lesson home, particularly in France. We cannot, however, find anything in the present statement which could not have been said a fortnight ago. The message is couched in friendly terms to France. It recalls our common interest with the Allies, reiterates our determination that Germany should pay to the extent of her capacity, but emphasises the reservation that to ignore the limits of Germany's capacity will produce failure. We are told that the French and Belgian Governments have assured Great Britain "that our sole object in occupying the Ruhr is to secure reparations." But the Government evidently have their doubts of this assurance, for the next sentence reads, "If this be so the difference between us is one of method rather than aim." This doubt is clearly entertained elsewhere, for the Paris correspondent of the *Times*, who has shown himself to be in close touch with the fluctuations of French opinion, stated yesterday that "by reason of repeated declarations, and the strong push of events, the French have made up their minds that they are installed in the Ruhr for a long time to come." The Government declaration goes on to say that Germany is fast approaching economic chaos, which may be succeeded by social and industrial ruin, and this is reacting on all the countries of Europe, including Great Britain. Mr Baldwin might have added that the reaction affects not Europe only, but every continent of the world. The statement emphasises the need for a settlement which may bring to an end the unstable conditions of occupation by one country of the territory of another in time of peace. It recognises that the three questions of payment of reparations, the settlement of inter-allied debts, and the security of a pacified Europe, are linked together. It indicates that Germany cannot be expected to send offer after offer without any reply, and that the proposals in the last note contain the germs of a possible settlement and should not be treated with indifference. Since France and Belgium are unable to take any fresh initiative in the matter, Great Britain, therefore, proposes to draft a reply herself and to submit it to her Allies, and presumably also to the United States, before it is despatched. On the whole this statement is to be commended, in that it restores the diplomatic initiative to Great Britain, who before long should be able to place before the world a reasonable solution of this baffling problem.

Whether the effort will be crowned with success depends on the terms of the Note now being drafted. We would, however, emphasise the fact, admitted in the Government declaration itself, that time is short, the sands are running out, and Germany may at any moment lapse into a condition which would render any satisfactory settlement impossible. We stated last week that the slump in the mark is both the symbol and the instrument of economic deterioration. The fall goes merrily forward, but for some time past its downward rush has been checked by the action of the Reichsbank. There has been no pretence in Berlin that this action could in any sense stabilise the mark; its only object was to break the fall and thus prevent economic conditions from becoming quite intolerable. With this object in view, the Reichsbank has not only rationed all applications for foreign exchange on a very strict scale, but at the end of last week was spending its gold at the rate of 10 million gold marks a day. This would use up the whole of the remaining gold reserve in about 60 days. The bank would certainly not pursue this policy to the last gold piece, and it was expected that it would abandon

its efforts soon after the middle of the present month. When this happens, there is nothing to prevent the mark slumping with redoubled speed unless the Government can by direct action check imports—action which the Treaty of Versailles makes practically impossible. It is felt that if these gloomy expectations are fulfilled, the impossibility of adjusting wages and prices, together with actual insufficiency of currency, will combine with general hopelessness and demoralisation, to cause food riots, cessation of production, and social disturbances dictated not by any belief in communism or other theories, but by revolt against intolerable conditions of life. Even if the principle of an index wage were introduced to-morrow into the organised trades, it would not cure the unrest which permeates the great mass of the population. There is no real political opposition to the Government, for no one in any party envies Dr Cuno his impossible task, for, as we have previously said, the spectre which is haunting Germany is not revolution, but anarchy and chaos; and if this comes it means famine. For these reasons Great Britain must act at once, and with vigour, if the reply which it is drafting is to produce an understanding in time.

What the note will contain we cannot pretend to forecast. It will be all to the good, though it will not solve the problem, if a Commission should lay down some figure of Germany's capacity to pay. We do not pretend that this estimating task is a simple one. The very fact that the value of gold, on which alone it is practicable to make the estimation, may change in value very much during the next two decades, makes the estimate a matter of guesswork. But at all events such an estimate would, to use a Stock Exchange phrase, squeeze out the water from the nominal capital debt which Germany owes to the Allies. We are, however, of opinion that the success of the note will depend not so much on what it says about the total reparations to be paid as on the question of control. We have already expressed our opinion that Germany to-day is in such a serious economic plight that international control is imperative if she is to be restored to a condition in which she can resume her normal economic activities and pay any reparations at all. The organisation of this control is going to be a task of very great difficulty, but Germany is undoubtedly prepared to accept the inevitable in her own interests. In this connection our only object lesson is the course of events in Austria, which at this moment is worthy of the closest study. We deal with some of the lessons of this experiment below (p. 48). The main and primary point is that if control is to be acceptable to Germany it must be neither French nor Allied, but international, and it is in order to afford the justification for international control that so much stress is laid in Germany to-day upon an international loan—even though it be a small one—as part of a settlement of the reparations question. It is hardly necessary to add that no note that we might draft would be acceptable to France unless at the same time we made it clear to her whether or not, and if so to what extent, we are prepared to make concessions in the division of reparations among the Allies, and the extent to which we would recognise the principle of priority for repairing the devastated areas.

We have said that the tone of the British statement is friendly to France. It is important that our late Allies should not mistake this tone. Great Britain has too strong a memory of the war and of the objects for which it was fought to do less than justice to France. At the same time it would be idle to close one's eyes to the fact that the sympathy and affection which were so apparent in the relations of the two countries a few years ago have been silently but certainly disappearing. This change in opinion is most marked in certain northern districts, whose markets have been ruined by the direct or indirect effects of French policy, but the change is not by any means simply the result of a narrow self-interest. It is well-nigh universal. Even those who, like Lord Grey, have the strongest sympathy with France, feel, as he has felt, that "the drift of affairs in the last few months has been acutely and peculiarly distressing." This general change of sentiment is nourished on the conviction that the breakdown of economic and social life which now appears so imminent in Germany is, after all, the real goal at which France has been aiming. In the opinion

of Great Britain, such a breakdown, involving, as it would, an incalculable set-back to economic recovery in other parts of Europe, would be a world disaster. To look at the prospect from another point of view, the phase of Germany in ruins would not be permanent. From the ruins would undoubtedly grow a more powerful Germany, free from obligations to the Allies of the late war, with a growing population hardened by the struggle against adversity. Such a Germany would present an infinitely greater menace to France than that which she recently escaped. There is yet time for France to show to the world an example of high-mindedness, forethought, and generosity, the only qualities by the display of which Europe can be brought back to harmony and peace. But if, on the other hand, she attempts to obtain security by the weakening of social order in Europe and the political break-up of Germany, her victory will rapidly turn to dust and ashes.

BANK RATE POLICY AND PRICES.

THE action of the Bank in raising the Bank rate last week has given rise to considerable criticism and controversy, the case of the critics being that in order to secure the advantage of maintaining the dollar exchange—a benefit in appearance rather than reality—the Bank has embarked upon a policy which will prejudice employment and hinder trade at a critical moment. Before, however, we can decide whether this line of criticism has substance or not, we must first decide whether the action of the Bank is to be regarded as a part of a deliberate policy aimed at securing, at all costs, a return of the dollar exchange to par, a policy to be pursued whatever other disadvantages may accrue, or, alternatively, whether we regard last week's action as a relatively minor event in which the Bank took advantage of current conditions to give this assistance to the dollar exchange in circumstances which enabled action to be taken without serious effects. In the light of all the circumstances, we incline to the second belief. Up to the early spring of this year it will be remembered that the dollar exchange showed signs of steadily approaching par, but from about March onwards opposing influences began to make themselves increasingly felt. With the boom in trade, money rates in America began to rise and investments yielded a better return than in Europe. As, therefore, the pound approached par, capital both for permanent and for temporary investment moved rapidly across the Atlantic, and so tended to raise the value of the dollar. As the year has gone on, other influences tending to depress the pound have come into operation, of which the most important are the political situation in Europe, the anticipation of the normal seasonal fall in connection with the financing of American crops, and the payment of interest on Britain's debt to America. The effect of these influences has been seen in the steady set-back in the sterling dollar exchange. Now, whatever may be urged against the forcing back of sterling to pre-war parity with the dollar, it cannot be denied that there are serious disadvantages in a fall in the exchange. There is no doubt that the high level of the British pound and the comparative stability it has enjoyed for months past has been a factor in bringing business to London; it has given confidence to values quoted in sterling, and has brought orders to Great Britain because of that indefinable influence which can only be described as international prestige, and has lowered prices of raw materials and of food imports. A fall in the exchange would, on the other hand, raise very much the cost of our autumn purchases of corn and cotton. These are important and substantial considerations, and may quite properly govern bank policy as long as they do not involve a more serious set-back to employment and the means of livelihood in the country.

It may, indeed, be doubted whether the action of the Bank will, in fact, have much effect upon the exchange. It is true that a slight improvement has already set in, but this would be fully accounted for by the renewed upward movement of prices in the United States. If the

sterling exchange is going to vary between 4.70 and 4.50, in a comparatively short time a difference of 1 per cent. in the rate of interest will weigh very little against the much larger amount of exchange profit or loss which would follow a transfer of funds from one country to the other. Nevertheless, so far as it goes, the action of the Bank will tend to maintain the exchange.

The Bank action has, however, had an immediate effect in liquidating what now appears to have been an unduly inflated amount of speculation on the Stock Exchange, and the effect was immediate. Though prices have since recovered a little, the episode shows that very large sums of money have been used for speculative buying of stocks and shares of all kinds. Again, those responsible for our financial policy have felt considerable anxiety in regard to the floating of new issues and the unhealthy extent to which staggering operations have been going on in the case of second-class issues. The raising of the Bank rate will check the attractiveness of London for these forms of speculation, and will at the same time limit the possibility of persons creating a market in them. Thus a small effect on the dollar exchange and a definite check to speculation are the positive results of the Bank action.

It may be asserted with almost equal assurance that it will not seriously prejudice the trade situation. It is sometimes assumed by those who argue to the contrary that the raising of the rate will raise loans to commercial firms. Substantially this will not be the case. Advances to industry are usually made at $\frac{1}{2}$ per cent. above Bank rate, but with a fixed minimum, and we doubt whether this minimum is as low as 4 per cent. in more than, say, 10 per cent. of advances. For a very large number the minimum is $4\frac{1}{2}$ per cent., so that the rate payable will not affect the charge for advances. It is suggested that in some indefinable way the raising of the rate will restrict the ability of the banks to make such advances, and it has been suggested, in fact, that in recent months our monetary policy has involved a shortage of floating money for industry; but this, again, is not the case. The advances of the joint-stock banks have been increasing latterly, but they are still a smaller proportion of their assets than before the war. We are satisfied that if the banks could see suitable openings for the use of money they would gladly advance these sums to industry rather than invest them at low rates of interest in Treasury bills. The limit of the employment of capital in business has been, and remains, a lack of suitable and profitable opening, and not a lack of funds.

But while we think that the action of the Bank will have satisfactory results and will not interfere with trade, nevertheless it is important that we should not lightly dismiss the issues that will be raised if the present action is regarded as the first step in a monetary policy aimed at restoring at all costs the pre-war parity of the exchange. The day before Bank rate was raised the question of price policy was discussed in the House of Commons, and the Prime Minister gave expression to what we believe to be the sound view—namely, that we should aim at stability of prices rather than at deflation or inflation, and that this policy should take precedence over other considerations. If this view is accepted it means that if America goes in for a policy of checking her present high level of prices and deflating them, the pound for some time to come cannot get back to par; for at present levels American prices are not relatively as high above pre-war prices as British prices are, and in the long run this difference in price level governs the exchange. We do not doubt that, if not this year, at all events in the long run, America's hoard of gold will get into use, and raise her level of prices to a figure at which our exchange will be back at par. But in the meantime she may for her own purposes check or even lower her own price movements. If she does this she will in fact be causing arbitrary changes in the value of gold, and she can do so by virtue of her position as the only country with a true gold standard. For us to follow such changes in the effort to keep a steady exchange, even though it involves a handicap to business and a lowering of prices here, is very much open to criticism.

The objections to a falling level of prices are so obvious that we need not dwell upon them. We hold no brief for inflation; but the stimulating effect on business of an upward movement has been constantly illustrated in Europe;

and even in the abnormal and disjointed conditions which obtain in Germany to-day each big upward movement of prices acts as a momentary tonic to the diseased body of German economic life. Examples of the difficulties created by the opposite phenomenon are equally definite in their lesson. But fortunately we may also note that under conditions of stability real economic recovery can be accomplished, as witness the experience of this country during the last twelve months and of Austria during the last six. In both cases, with a steady price level, there has been an absorption into employment, improvement in public finance, growth of public confidence, and better health in the body politic.

This conclusion is, however, not universally recognised. This week at the miners' conference at Folkestone the president, Mr Herbert Smith, spoke almost with longing of the conditions which obtained before the war, and might obtain again if prices were reduced to a pre-war basis; wages in many areas have fallen to a mere 20 per cent. above pre-war standard; if prices would follow suit all would be well in the mining industry. But such a view overlooks all the difficulties. A fall from the present level to pre-war prices would be much more difficult even than the great drop which occurred in 1921—since wages and incomes generally in 1920 had by no means risen to the peak of prices, whereas to-day the bulk of payments are on the present basis of prices. To lower prices to a pre-war level would make our Budget position impossible. By lowering the yield of taxation without reducing debt and other fixed charges would cause a prolonged setback to an already difficult trade situation by eliminating all hope of profit for some time to come and checking incentive to fresh enterprise, and would enormously increase the burden of all fixed charges upon property and business. The maintenance and improvement of employment in Great Britain is of paramount importance. Industry could not possibly face another fall of prices on the scale of two years ago.

But while the force of these arguments is generally admitted, it is not always realised that a policy of stability may require some modification of accepted currency policy. A greatly increased volume of trade will require a greater turnover of money. We do not doubt the ability of the banks to supply this; but it may be doubted whether the actual circulation of notes which has fallen automatically with dwindling trade is adequate for the purpose. We doubt if this question has been fully considered. The present discussion will have done good if it shows the need of reconsidering once more the principles to be pursued in the next few years.

INDUSTRIAL PROFITS.

Our quarterly statistics of the profits of industrial companies show that 425 concerns, whose reports were published in the three months ended June 30th last, earned net profits of just under £39 millions, as compared with less than £32 millions earned by the same undertakings in their previous financial year, an increase of £7 millions, or 22.1 per cent. These reports refer very largely to the financial years ended December 31st last or March 31st, although in some cases the periods covered are earlier or later. The figures, therefore, cannot be taken as an index to the earnings of industry up to June 30th, but rather in the year ended December 31st. The table below, which gives the results of our four last quarterly analyses, shows that during the past twelve months 1,358 companies have disclosed net profits of £115½ millions, representing an increase of over 16 per cent. on the profits of the previous financial year of each company:—

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

	Number of Companies.	Reports published in		Increase.		Decrease.	
		1921-22.	1922-23.				
1922.		£	£	£	%	£	%
Third quarter	209	15,853,920	12,120,153	3,733,767	23.5	..	..
Fourth quarter	319	23,310,452	24,228,719	918,267	3.9	..	..
1923.							
First quarter	405	28,489,993	40,276,870	11,786,877	41.4	..	..
Second quarter	425	31,874,787	38,945,778	7,070,991	22.1	..	..
	1,358	99,529,152	115,571,520	16,042,368	16.1	..	..

Too much weight should not be attached to the changes here shown without reference to the history of preceding quarters with which they are compared. Further, the big fall in commodity prices, which occurred in the second half of the year 1920, involved a heavy writing down of stock-in-trade, which seriously affected profits. Consequently, although the profits disclosed in the latter half of 1921 and the first part of 1922 showed substantial declines, much of this was due to stock depreciation, and it may be assumed that much of the increase shown in the reports of the past two quarters is due to the absence of any such necessity, although it does not follow that there has not been a considerable improvement in the profits on trading operations. In the table below we show the quarterly increases and decreases in net profits since the beginning of 1918:—

	1918.	1919.	1920.	1921.	1922.	1923.
First quarter	-10	+104	+269	+35	-434	+414
Second quarter	-58	-51	+378	-84	-337	+221
Third quarter	+123	-34	+419	-424	-235	..
Fourth quarter	+47	+105	+271	-529	+39	..

From these figures it would appear that the worst period of the trade depression, from the profit-earning point of view, was the twelve months April, 1921, to March, 1922.

In the next table we classify the profits disclosed during the past twelve months into 20 groups of companies, showing how they compare with those earned in the preceding financial year:—

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

	Number of Companies.	Reports Published in Year Ended June 30.		Increase.	Decrease.
		1922.	1923.		
Breweries	89	7,498,045	8,381,068	11.8	..
Canals, docks, &c.	5	276,143	466,024	68.6	..
Electric lighting, &c.	35	2,051,908	2,990,487	45.5	..
Gas	48	2,174,800	3,600,885	65.7	..
Hotels, restaurants, &c.	29	1,207,220	1,520,406	25.9	..
Iron, coal, and steel	101	13,303,149	10,040,476	..	24.5
Land, mortgage, &c.	72	2,735,841	3,855,862	40.9	..
Motor and cycle	27	Dr 18,111,294	Dr 308,508	..	..
Nitrate	20	604,421	271,504	..	332,917
Oil	12	15,493,373	12,877,151	..	2,616,222
Rubber, &c.	259	473,379	1,652,401	249.1	..
Shipping	25	5,593,446	5,308,210	..	285,236
Shops and stores	53	5,174,434	5,831,496	12.7	..
Tea	69	1,506,760	3,072,610	103.9	..
Telegraph, &c.	20	3,614,515	4,346,447	20.2	..
Textiles	42	4,812,000	12,164,107	152.7	..
Tramways	27	1,456,106	1,723,403	18.4	..
Trust companies	74	3,651,744	4,050,973	10.9	..
Waterworks	24	444,276	648,357	44.6	..
Miscellaneous	327	29,268,886	33,278,361	13.7	..
	1,358	99,529,152	115,571,520	16.1	..

An outstanding feature of the table is the recovery shown by rubber companies. In our article a year ago, however, the profits of 260 rubber companies were shown to have dropped from £4,221,200 to £437,250, and the recovery to £1,652,400 in the profits of 259 companies shown above, although very welcome, by no means makes good the decline of the previous year. The recovery in the textile group practically restores the profit figure to that of two years ago. The increase in the tea group follows one of over 250 per cent. twelve months ago. The state of the motor and cycle group shows some improvement, but two years ago 27 companies showed net profits of £2,172,400. The electric lighting and power companies show a very substantial increase in profits, which follows an advance of 2½ per cent. twelve months ago. The iron, coal, and steel group again shows a substantial decline; the profits of 98 companies twelve months ago showed a drop from £18,426,600 to £11,933,500. The decreases shown twelve months ago in the nitrate, oil, and shipping groups were respectively 63.8, 9.5, and 23.4 per cent.

In the next table we show the method of distribution of profits in each of the past four quarters:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
1922.	£	£	£	£
Third quarter	12,120,153	10,010,136	827	Dr 1,218,057
Fourth quarter	24,228,719	15,698,160	64.9	3,810,507
1923.	£	£	£	£
First quarter	40,276,870	21,934,234	54.4	8,841,562
Second quarter	39,945,778	25,038,627	64.3	6,162,466
	115,571,520	72,681,157	63.0	25,283,885

This table makes a satisfactory showing when compared with that published 12 months ago, when 80.3 per cent. of profits went to ordinary shareholders and 27.5 per cent. to preference shareholders, the balance being made good by withdrawing £6½ millions, equal to 7.8 per cent. of profits, from reserves, &c. For the past year the method of distribution has been more normal, though the proportion of profits reserved or added to the balances carried forward is still much below the pre-war average. In the 12 months ended June 30, 1914, ordinary shareholders had 56 per cent. of net profits, preference shareholders 16.9 per cent., and 27.1 per cent. went to reserves, &c.

We next show the method of distribution adopted by each of the groups:—

	Net Profits.	Ordinary Dividend.	Pref. Dividend.	To Reserve, &c.
Breweries	8,381,068	4,946,643	58.9	1,343,234
Canals, docks, &c.	466,024	212,216	45.6	242,759
Electric lighting, &c.	2,990,487	830,725	27.8	585,579
Gas	3,600,885	2,413,853	66.9	360,054
Hotels, restaurants, &c.	1,520,406	639,537	42.0	391,564
Iron, coal, and steel	10,040,476	6,834,776	68.0	3,260,217
Land, mortgage, &c.	3,855,862	2,250,266	58.0	890,733
Motor and cycle	Dr 308,508	391,232	..	Dr 1,004,601
Nitrate	271,504	615,021	226.5	3,000
Oil	12,877,151	9,189,226	71.4	1,619,677
Rubber, &c.	1,652,401	1,542,725	93.4	22,178
Shipping	5,308,210	3,167,771	59.8	1,244,303
Shops and stores	5,831,496	3,671,937	63.0	1,258,087
Tea	3,072,610	1,725,738	56.2	289,387
Telegraph, &c.	4,346,447	2,420,642	55.9	262,865
Textiles	12,164,107	7,273,686	59.8	1,624,792
Tramways	1,723,403	639,113	37.0	579,708
Trust companies	4,050,973	2,380,712	58.8	1,141,258
Waterworks	648,357	419,162	64.7	86,953
Miscellaneous	33,278,361	21,075,804	63.3	9,403,716
	115,571,520	72,681,157	63.0	25,283,885

From the point of view of conservative distribution the electric lighting group makes by far the best showing, having placed more than half of the net profits to reserve. Only two other groups reserve more than 30 per cent., while the iron, coal, and steel group makes a slight net reduction in reserves and balances carried forward. The rubber group has treated ordinary shareholders very generously, and left the balance-sheets to take care of themselves.

Turning to the question of earnings on capital, we show in the following table the ratio to total ordinary and preference capital of net profits and of amounts reserved in each of the past four quarters:—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1922.	£	£	£
Third quarter	205,481,600	12,120,153	5.9
Fourth quarter	268,105,000	24,228,719	9.1
1923.	£	£	£
First quarter	406,793,000	40,276,870	9.9
Second quarter	396,675,400	38,945,778	9.8
	1,277,055,000	115,571,520	9.1

The ratio of net profits to capital at 9.1 per cent. compares with 6.8 per cent. 12 months ago, 13.2 per cent. in July, 1921, and 14.6 per cent. in July, 1920. The average rates paid on the three classes of capital quarter by quarter since the beginning of 1920 are set out in the next table:—

AVERAGE RATES PAID.

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.
1st quarter	4.25	4.43	4.70	4.61	5.1	5.0	5.3	5.7	11.2	10.3	8.5	9.2
2nd quarter	4.40	4.61	5.00	5.08	5.0	5.0	5.0	5.4	13.7	12.6	8.8	9.9
3rd quarter	4.12	4.45	5.21	..	4.9	5.0	4.5	..	14.2	9.7	7.6	..
4th quarter	4.43	4.83	..	..	5.3	5.1	5.6	..	11.6	7.6	8.6	..

The average rate of debenture interest in the past five quarters has been appreciably higher than it was two years ago, but this is largely accounted for by the fact that short-term notes, of which large quantities have been issued since the war, are included under this heading. The average rate of ordinary dividend for the last quarter is the highest paid since the corresponding quarter of 1921.

In the final table we show the average rates paid by each of the groups during the past 12 months:—

	Debt Capital.	Average Rate of Interest.	Preference Capital.	Average Rate of Dividend.	Ordinary Capital.	Average Rate of Dividend.	Year Ago.
Breweries	33,601,983	4.1	23,899,463	5.6	36,451,890	13.6	12.8
Canals, docks, &c.	1,486,459	3.5	5,154,810	4.7	6,328,520	3.4	1.9
Electric lighting, &c.	14,467,432	5.1	10,807,522	5.4	11,486,139	7.2	5.7
Gas	13,380,919	4.1	9,072,884	4.0	45,021,239	5.4	4.7
Hotels, restaurants, &c.	6,880,488	4.8	8,551,794	4.6	10,402,230	6.7	8.8
Iron, coal, and steel	45,833,257	5.8	63,367,637	5.1	140,033,666	4.9	7.1
Land, mortgage, &c.	21,314,149	4.2	19,977,158	4.5	32,586,649	6.9	8.2
Motor and cycle	4,547,446	6.4	10,998,648	1.0	18,045,880	2.2	2.8
Nitrate	220,980	5.2	65,000	4.6	6,004,163	10.2	12.5
Oil	6,248,449	5.1	28,684,187	5.7	41,205,838	22.2	24.0
Rubber, &c.	1,853,806	7.3	1,322,068	1.7	43,167,888	3.6	2.1
Shipping	25,393,260	5.4	21,010,150	5.9	38,022,667	8.3	9.1
Shops and stores	9,688,112	5.0	27,631,821	6.6	33,261,783	11.1	8.3
Tea	1,223,831	5.7	5,006,799	5.8	8,980,309	19.2	9.3
Telegraphs, &c.	4,416,425	4.2	6,036,848	4.4	27,227,215	8.9	8.4
Textiles	11,051,746	4.5	29,365,437	5.4	54,815,740	13.3	10.2
Tramways	23,833,979	4.7	12,519,142	4.6	15,780,934	4.1	3.7
Trust companies	34,672,114	4.2	26,942,160	4.3	39,504,296	6.1	6.1
Waterworks	3,733,078	3.3	3,199,430	2.7	6,115,286	6.8	5.7
Miscellaneous	53,569,816	5.5	154,039,090	6.1	193,661,658	10.9	9.8
	317,837,779	4.9	468,952,028	5.4	808,102,996	9.0	8.6

The canal and water companies still pay the lowest rates on debenture capital, while the rubber companies pay the highest, with the motor companies not far behind. Seven groups show declines in the average rate of ordinary dividend, the most conspicuous being the drop 7.1 to 4.9 per cent. in the iron, coal, and steel group. The tea group is prominent with an increase in the average rate of ordinary dividend from 9.3 to 19.2 per cent.

BRAZIL AND BRAZILIAN INVESTMENTS.

THIS week, for the first time within a couple of decades, Brazil has been able to publish a three-monthly balance-sheet—January to March—which shows Federal revenue meeting expenditure. This led to a slight rally in the value of the milreis. The Stock Exchange cautiously advanced a few Brazilian quotations, but the faint doubt felt in regard to Brazil's ability to continue cash payments of her interest finds reflection in the fact that Brazilian Government bonds stand upon a level of prices at which the yield on the money comes to about 8 per cent. The "old" 5 per cent. Funding Loan is quoted at 82½ ex coupon, giving a return of 6 per cent. on the money, but the 1914 Funding Bonds, which also are 5 per cents., can be bought at about 70½, and pay fully 7 per cent., while the various 4 per cent. loans stand at prices that range from 41 to 49, giving 10 per cent. to 8 per cent. on the capital invested at to-day's prices. The specially-secured 7½ per cent. Brazilian coffee bonds command 110. Coupon payments on all the loans are regularly met at the due dates. In the case of ten Brazilian Government issues, resumption of the sinking fund has been definitely suspended until 1927. The prices at which all these bonds stand are evidence of the further doubt regarding the ability of Brazil to recommence the sinking fund arrangements which should come into force in four years' time.

Brazilian bonds are widely spread over many circles of British investors, but the loans are also popular in France, and some of the issues claim occasional attention from the United States. Hence they possess that international character which operates to the advantage, or the disadvantage, of market prices, according to fluctuating sets of conditions in several different countries. The older-fashioned British investor, and probably the Frenchman, too, set much store by the general identification of the Rothschilds with the finances of Brazil. The American financier and merchant buy or sell Brazilian bonds as these transactions suit trade requirements in the United States. And Brazil, to a far greater degree than the neighbouring Argentine Republic, is dependent, for the condition of her credit, upon a rate of exchange that, for weeks past, had been moving steadily against her, to the detriment of her external trade and the ever-increasing perplexity of the Brazilian bondholders.

The milreis at the present time has fallen to a record low level, a fact which is due, of course, to a variety of causes, traceable in many cases to the aftermath of war. Brazil depends largely upon coffee and rubber for the maintenance of her prosperity. Germany used to be one of Brazil's most profitable customers for coffee, but Germany has no cash with which to pay for more than a minimum amount of coffee nowadays. Para rubber has been ousted from its pride of place by the plantation produce of the Middle East, which can be grown and handled more cheaply, and which, for most practical purposes, is as good as the Brazilian rubber. Handicapped by the restrictions that now confine her two main props of revenue, Brazil has turned a wise attention to other means for balancing her Budgets, and, so far, these have proved successful in enabling the country to meet her obligations with regularity and punctuality.

Those who follow with any close attention the trend of affairs in Brazil are aware of a gradual change which seems to be taking place in the internal economy of the country, and which may, in course of time, go far to rehabilitate its credit. It is a change which infers that Brazil is becoming more and more a self-supporting country. Brazil appears to be growing less dependent upon the outside world, and to be following the United States' example of a self-contained land. With her vast area and enormous natural resources Brazil must always be on the look-out for opportunities to develop her overseas, as well as overland, trades. Steady progress towards a policy of self-support—and the present disposition of Brazilian affairs suggests, moreover, that this is the Government's aim—can hardly fail to be an important factor in the outlook. It must weigh in the minds of Brazilian bondholders who maintain their faith in Brazil's ultimate capacity for regaining that position in the confidence of the investor which was shaken by the war, and by what has since occurred to the rate of exchange by reason of post-war problems.

Brazilian railway stocks fall mostly into the category of speculative investments. The companies are doing well in the matter of traffics, but the exchange question tells heavily against them. To take earnings in currency, and to pay dividends in British money, is an expensive business in these days for any Brazilian undertaking. Leopoldina paid 2½ per cent. for 1919 on its ordinary stock, and nothing since. The present price of 27 is within a slender fraction of the lowest touched this year. The stock rose to 36½ a few weeks back, and to 41½ last year, on hopes that were raised of a possible dividend on the ordinary. The 5½ per cent. preference, which received their full dividend last month, stand at 6½ and pay 8½ per cent. on the money. The rise to 7½ earlier this year was encouraged by the establishment of the long doubtful point as to whether these shares were cumulative or not, the matter having been decided in favour of the former. The San Paulo (Brazilian) Railway paid 7½ per cent. for last year, so that at the present price of 138 the yield is nearly 5½ per cent. on the money, while the company's 5 per cent. non-cumulative preference at 87½ returns 5½ per cent., and is regarded as a sound stock. Within the last ten days, the Sorocabana Railway has published a lengthy scheme under which the company's 4½ per cent. first debenture-holders are asked to change the status of these bonds into an income security. The Brazil Railway Company presses for the adoption of this scheme, the real reason for which lies in the depreciation of the milreis. Sorocabana bondholders are not likely to look very kindly upon the proposal, but the outlook may lead them to consider that acquiescence is another word for making the best of a bad job. The Brazil Railway's own shares stand at a nominal price of 155 for the 100 dollar shares, and the company's first mortgage 60-year Gold Bonds are quoted about 20.

Of the Brazilian municipal bonds, Rio de Janeiro Fives at 66, and the 5 per cent. Gold bonds, guaranteed by the Brazilian Government at 82, each have their own particular following of supporters, the latter bonds being considered a good corporation stock of their class. The Municipality of Para 5 per cent. Gold bonds receive no interest, and these, together with the 6 per cent. Treasury bills of 1919, are all quoted in the neighbourhood of 40 to 70 shillings for the £100 bonds. A very different type of security, Rio de Janeiro Tramway Light and Power 5

per cent. first mortgage gold bonds command 92½xd., and San Paulo Tramway 5 per cent. first mortgage debentures stand at 96, both being well covered, and enjoying the favour of those to whom payment of coupons in American or Canadian currency is an advantage. The Brazilian industrial issues appeal more particularly to those investors who make a study of the local conditions surrounding each undertaking, while in its mines, Brazil possesses too limited a number of paying concerns to render the country an encouraging field for the speculative interest. The student of financial economics will find an alluring field of theory presented by Brazil's predilection for valorisation schemes. To the more practical mind of the investor, it may be that these excursions do not always commend themselves as inevitably beneficial to the country which adopts them.

THE SWISS FRANC.

(BY A CORRESPONDENT.)

At the beginning of 1922 the Swiss franc was the most expensive of all units of money in the world market. In May, 1922, however, the dollar took its place; in October of the same year it was overtaken by the florin, and in March, 1923, the pound left it behind. The latter event drew the attention of a larger public to this downward movement of the Swiss exchange, and since then people have begun to look at it somewhat distrustfully. They do not know whether they should see in its depreciation merely one of those temporary fluctuations to which all currencies are liable, and which simply reflect the ever-changing tide of the economic life of a country, or whether they should not take the weakening of the Swiss exchange as indicative of more serious and more lasting evils.

In the first place it must be stated that, if the Swiss franc has given way, as compared with the pound and the florin, it is not only because its own position has weakened, but also because theirs has improved. While the British and Dutch exchanges advanced, as compared with the Swiss exchange, they also steadily improved their relation to the dollar. It must be admitted, however, that other factors are also responsible for the fall of Swiss currency below the gold parity.

Most Swiss experts agree that the chief cause of this decline is to be sought in the emigration of Swiss capital, which is taking place in a hitherto quite unwonted degree. The exodus of money set in last autumn as a consequence of the capital levy which then threatened the Swiss investor. It still continues, though the Capital Levy Bill has long been rejected, and thus constitutes for the time being the most important source of the present eager demand for foreign bills in Switzerland.

What are the reasons for the present emigration of Swiss capital on such a large scale? It is not symptomatic of anything wrong in Switzerland's balance of payment, for while the present period of change has perhaps not been without lasting effect on this balance, it has rather diminished its volume than displaced its equilibrium in a sense unfavourable to Switzerland. The trade balance, in fact, has for the last year been passive, though the average excess of imports was only about 358 million francs for the period from 1914 to 1922, as compared with the much higher average of 588 million francs for the previous period from 1909-1913. There is sufficient evidence that Switzerland is able, and will continue to be able, to meet the usual excess of her imports over her exports without any great difficulty. Thus the present outflow of capital must be regarded as something apart from the factors which habitually go to the making of the Swiss balance of payment. Its causes are indeed more direct. Swiss capital finds at home a rate of interest which compares very unfavourably with that to be had elsewhere. It moves, therefore, to those countries where the rate is more remunerative, and where the exchange seems to be on the safe side. Even were the holders willing to leave their capital in Switzerland, the opportunities for new investment there are rare, and thus an exodus of capital is practically inevitable. Besides, taxation in Switzerland is so very high that it is only

equalled in severity by that in Great Britain, and this, too, is no small stimulus for the sending of money out of the country.

Not all the money that comes from Switzerland, however, is really Swiss money, for in the hands of Swiss banks there were substantial deposits owned by Germans. In order to effect payment of 47.6 million gold marks in April of this year and another 58 million gold marks in May, Germany liquidated some of her deposits abroad. The liquidation of such deposits as had been placed by her in Switzerland was not without a weakening effect upon the Swiss exchange, especially in relation to Great Britain and America.

The trade returns of the Swiss Customs Department show, for the first three months of the present year, a marked increase in the imports of raw materials of every description. This is indicative of the slight improvement in industry and trade which set in at the turn of the year. As the Swiss manufacturers have not yet abandoned the good pre-war habit of paying cash, their increased demand for raw materials reacts immediately on the market for foreign bills in the country.

There is very little controversy in Switzerland as far as these explanations are concerned. A difference of opinion, however, is to be found as to the effect of the present amount of currency in circulation in its relation to the exchange value of the Swiss franc. Those who do not approve of the present level of notes in circulation, however, overlook one essential fact; that is, that not all the notes which are reported by the Swiss National Bank as being in circulation are really in circulation. A very considerable proportion is hoarded, and thus do not at present exercise any influence on the internal purchasing power of the franc at all. There are supposed to be as many as 300-350 million francs of the note currency of the Swiss National Bank, which stands at 854 million francs, out of active circulation. Of this total of 300-350 million francs, 130-150 million francs represent the amount of Swiss bank notes estimated to be held abroad. Until recently, the Swiss franc has been and is still being used for the settlement of business transactions in Southern Germany and Austria. It will continue to fulfil this function; but the dollar on the one side, and the stabilised kronen on the other, will gradually make its use superfluous. It is probable that the reflux of such Swiss notes as are held abroad will then tend to diminish the purchasing power of the franc in Switzerland, unless appropriate steps to prevent this are taken in time. For the present situation, however, the nominal extent of the note issue cannot be considered as a contributory factor in the present fall of the Swiss franc, and in support of this opinion it may be pointed out that the gold in the possession of the Swiss National Bank covers alone more than 60 per cent. of its present note issue.

The fall of the Swiss currency is, as we have seen, chiefly due to the marked export of Swiss capital. This movement, which has its source in the low rate of interest in Switzerland, and in the lack of opportunities for new investments, will automatically come to an end as soon as its present surplus has disappeared—and this may be soon. The fact that the Swiss franc is below parity in its relation to the United States, Great Britain, and Holland is having a marked effect on Swiss industry. In 1920 more than 33 per cent., in 1921 27 per cent., in 1922 over 21 per cent. of Swiss imports, especially food-stuffs and raw materials, came from these countries. Owing to the long and severe crisis and to heavy taxation Swiss industry and trade have already been sorely tried, and the fall of the Swiss franc may retard their recovery from these years of stress.

SOME LESSONS OF THE AUSTRIAN EXPERIMENT IN RECONSTRUCTION.—I.

BERLIN is a city of despair, Vienna is a city on which hope has dawned. Even the least observant traveller going from one to the other could not fail to be struck by the contrast between them. It is true that in Berlin one will see crowds of pleasure-seekers, and the restaurants and amusement resorts full of well-dressed folk with money to

spend, the shops well stocked and the transport and movement of a great capital unabated. But beneath the surface there is anxiety and depression. One cannot converse for two minutes without raising the one absorbing problem of the imminent breakdown of economic and social order, and faces at once become serious with the haunting fear of what an unknown future may have in store. In Vienna, on the other hand, the Austrians have before them the prospect of a settled existence, and though their path may yet be difficult, there is confidence that they are now well on the road to conditions of life at once tolerable and stable. The problem of Austria is, of course, a small one compared with that of Germany; but it presents so many of the same features in miniature that the experience may have valuable lessons to teach which should help in solving the larger and more complex question.

We will start with the financial situation, not because it is the most important—for it is, after all, only a means to an end—but because it is the side from which the problem has, in fact, been approached, while the technical issues involved are of the utmost practical importance. Austria to-day presents the paradox of a country which in the grip of a stringent financial control is yet printing notes and putting them into circulation at a very rapid rate. The explanation is simple. The currency is inadequate at present price levels, while forces are operating to make the crown appreciate, and these can only be met by the issue of money. But while the facts are readily explained, the decision as to what policy should be adopted is far from self-evident.

For the first four months of this year the payments due by Austria to foreign countries greatly exceeded those due to her; but as confidence in the Austrian situation was gradually restored, the circulating capital of the country, which had been exported to the extent, according to one estimate, of about two-thirds of the total, began to return. Surrounding nations came to look upon Austria as a place where values were stable, and foreign capital began to flow into the country. Hence, in May, and to a greater extent in June, the foreign payments being made to Austria have begun to exceed the payments which Austria is making abroad. In ordinary circumstances this would involve a rise in the exchange value of the Austrian crown. But to allow this to happen would be to abandon the idea of stabilisation. Up to the present, therefore, the difficulty has been met by the printing press, which has been turning out at a very rapid pace not inconvertible crown notes, but crown notes issued against gold or foreign currency. Hence the total circulation of notes rose in April and May from 347 million gold crowns to 376 million gold crowns. This increased internal circulation of money has been a necessary condition of the returning prosperity of the country. The volume of trade has been increasing, stocks and shares rising, at first slowly and then with the dimensions of an enormous boom, and finally commodity prices have begun to move upward.

The problem of how much circulation to allow in Austria—an island of sound finance in a sea of fluctuating currencies—is a very difficult matter. Before the war the currency in circulation in what is now the present Austria is estimated to have amounted to one thousand million gold crowns. Twelve months ago the value of the paper circulation had depreciated to such an extent that it only amounted to sixty million gold crowns. With the steady improvement which has taken place since last September the internal circulation has increased in value to nearly 380 million gold crowns. How much more currency can Austria absorb without producing once again the evils of inflation? The pre-war basis is not a safe guide, for crowns were used as savings and were hoarded, the rapidity of circulation was slow, and the turnover of trade per head was greater than it is to-day. These differences are so difficult to measure that one cannot say that there is any figure that represents a safe internal circulation for Austria under present conditions. Undoubtedly, as confidence revives the amount of circulation can increase, for people will accumulate gold as in olden days. But the question is whether the rise of prices which has already begun is a sign that the saturation point is being reached. If this were so, a steady increase in prices might prejudice

Austria's industrial recovery, making her costs of production high, and turning the physical balance of trade against her. Her foreign payments account would balance, but she would be paying for her imports by the influx of capital and not by exports. Her financial position would be strong, but her industrial position would be seriously undermined. In such circumstances there are those who urge that the object of the financial control should be not to maintain the foreign exchange at a fixed ratio, but to maintain internal prices at a steady level, and to allow the crown to rise in value so long as internal prices do not show any sign of falling. Thus the two alternative policies of stabilising the exchange and stabilising prices are for the moment at issue. Our view, however, is quite clear that in present circumstances the stabilisation of the exchange is the imperative necessity. If the exchange were allowed to rise there is no doubt that the present influx of capital into Austria would be enormously increased, for every speculator on the Continent would think that the Austrian crown was the one currency in Europe that was certain to improve, and this opinion itself would make the crown appreciate at a rate that would at once get completely out of control. It is only by giving the impression that the crown will and can be firmly held that the forces of speculation can be enlisted to help maintain this stability.

This policy may lead to a period of rising prices in Austria. Cost of living will reach a high level, and this, in turn, will make exports more difficult. It is quite clear that if the flood of capital exceeded all bounds the policy would, in the end, break down through the blow to Austrian production and the rise in unemployment. But at present there are no signs of this, and as long as it is in any way possible to do so, it is important to prevent the crown becoming an object of speculation again.

It may be added parenthetically that in present circumstances it is quite impossible for the Government to bring home to Austria the money that has recently been subscribed for her, and it must therefore be placed on deposit at low rates of interest in London and in New York. The sums involved are considerable, as the following table shows:—

AUSTRIAN LOAN.

Market.	Nominal Total (Millions)	Rate of Interest.	Issue Price.	Effective Total (Millions).	Effective Total* in \$ (Millions).
London	£14.0	6	80	£11.2	51.66
New York	\$25.0	7	90	\$22.5	22.50
Stockholm	Kr.13.1	6	80	Kr.10.5	2.78
Amsterdam	Fl.3.0	6	80	Fl.2.4	0.94
Brussels	B.F.25.0	6	80	B.F.20.0	1.08
Zurich	S.F.25.0	6	80	S.F.20.0	3.59
Vienna	\$13.0	7	93	\$12.1	12.09
Paris	F.F.150.0	6½	93	F.F.139.5	8.83
Rome	L.200.0	6½	93	L.186.0	8.62
Prague†	Kr.60.0 (gold)	?	?	Kr.60 (gold)	12.16
Total	..	..	..	..	124.25

* Calculated on basis of rates ruling at New York on June 15, 1923.
† This is a funding operation and not a public issue.

The control of Dr Zimmerman nominally comes to an end at the end of 1924, but the Austrians themselves do not pretend they will be in a position to take over the responsibility for running their own affairs so soon as this. Moreover, the creditors of Austria would not look with complacency on a return to the old state of things, and would certainly feel that if the League of Nations washed its hands of Austria the moment the Budget was balanced, it would have raised money in the markets of London and New York on false pretences. As a matter of fact, this limit of the period of control, though not discussed at the time the loans were floated, is quite clearly laid down in the protocols. Under the scheme, Dr Zimmerman holds at his own account, not merely the money lent in London, New York, and elsewhere, but also the money from Customs duties and the tobacco monopoly. From the two latter items he deducts, or will deduct, whatever may be necessary to pay interest on the loan, and returns the rest to the Austrian Exchequer. The expenditure of the Austrian Government requires, of course, during the next eighteen months not merely the

whole of this balance, but the proceeds of the loans which Dr Zimmerman holds at his disposal, and he therefore has the effective power of the purse. Since the Government has surrendered the right to issue notes it cannot meet its weekly bill for State services, railway expenses, &c., if Dr Zimmerman withholds supplies. This will be entirely altered when the budget balances, and there is no reason to doubt that this will happen before 1925. Dr Zimmerman or his representative will still receive the proceeds of the Customs duty and the proceeds of the tobacco monopoly, and the greater part of this will be used for the service of the loan. There will remain a balance which will represent quite a small proportion of the Austrian Budget, and any determined Government could easily make itself independent of the receipts from these particular sources. In other words, the League would retain a small but very slight financial hold over the Government. There is a feeling in Vienna that to abandon control so soon would be a mistake in the interests both of the country and of the creditors of Austria, who will continue to have a very real interest in the continuation of sound finance. It is one thing, however, to insist upon particular forms of taxation and economy as a condition of financial assistance; it is quite another matter to claim a similar authority over a national parliament in the interests of creditors whose money has already been spent. In any case the League of Nations will have to reconsider the whole position very carefully not later than the spring of next year.

Notes of the Week.

Approaching Peace with Turkey.—During the small hours of the morning of July 12th, the diplomatists at Lausanne (putting as much pressure into their last spurt as if it had been their seventh instead of their 157th day on the track of peace) were reported to have reached agreement on the three points still at issue, namely, the Ottoman Public Debt, the Foreign Concessions, and the date of the evacuation of Constantinople and the Straits by the Allied naval and military forces. In regard to the debt, which was the most difficult question of the three, the Allies have finally contented themselves, as was expected, with saving their faces. All reference to the debt, as being a private business transaction, is to be omitted from the treaty, in respect not only of arrangements for the future, but of the confirmation of the past. The bondholders were anxious that the treaty should incorporate the Decree of Mouharrem, the unilateral act by which the Ottoman Government regulated its relations with its creditors more than 40 years ago. This claim was naturally resisted by the Turks, on the ground that there was no reason why the interests of private individuals should be gratuitously increased in value in a treaty between Governments. Having gained their point, the Turkish Government will start separate negotiations with the bondholders as soon as the political treaty is signed; but if they wish to reap advantage from their diplomatic triumph, they will not press the bondholders so hard as to discourage other foreign interests from investing in Turkey in the future; for if they overstep the mark now, the need for foreign capital will force them to draw back sooner or later with a loss of countenance which can be avoided by present moderation. The Allied Governments, on their side, have reserved their right to make a formal declaration of their views on the debt (on the understanding that Turkey is not bound to accept them); and they have intimated that they may reopen the whole financial question if in their opinion the bondholders are too badly treated. No doubt this course is open to them, but it would hardly please or benefit the majority of their constituents. Indeed, Turkey and the Allies have a common interest in finding a reasonable compromise over the debt, and in not pushing the issue to extremes. As regards concessions, it is satisfactory to note that an agreement has been reached between the authorities at Angora and the Aidin Railway Company, one of the most considerable British concerns in Turkey. Light is thrown on this by a letter from Mr Parker, the company's representative, written at Angora and published

in the *Times* last Thursday. In this important instance, at least, the Turks have evidently shown themselves neither unpractical nor unaccommodating, and apparently they also welcome the establishment of British control over the ex-German Anatolian Railway, which was recently effected by a British purchase of shares held in Switzerland. The rehabilitation of her existing railway system will benefit Turkey more than the projects for new constructions, at present in dispute between French and American concessionaires; and if it is carried out by British enterprise, it will be a practical means of improving Anglo-Turkish relations. Incidentally it will help the British community at Smyrna, who have been so hard hit by the fire, and by the subsequent evacuation of British subjects from the city, for they had placed a large part of their savings in the Aidin Railway, which, before the Armistice, was one of the safest investments in the world. Thus, at last, a genuine settlement of the issues between Turkey and the Allies seems a real likelihood, although a new hitch over the concessions question, reported in yesterday's newspapers, warns us that it is not yet an accomplished fact, and that there will be no certainty until the treaty has actually been signed. Angora is reported to be less optimistic than the Turkish delegation at Lausanne, and on the points provisionally agreed to by the delegation, Angora has the last word. The omens, however, are favourable, and even if the negotiations between Turkey and the Allies should miscarry once more, it is satisfactory to remember that peace has at any rate been established between Turkey and Greece; for, if fighting has to go on, it is better that it should be conducted with francs and sterling between gentlemen in black coats than with blood and iron between Greek and Turkish conscripts.

The Half-Year's Overseas Trade.—We do not propose to examine in any detail the overseas trade returns for the half-year, which have been issued this week, because for comparative purposes they are at present useless. For the past three months the figures have included the import and export trade of Great Britain and Northern Ireland with the Irish Free State, while the trade of the Irish Free State with the rest of the world has been excluded. So far we are without any exact guide as to the effect of these changes upon the figures—a defect which, we trust, the Board of Trade will endeavour to remedy as quickly as possible, for it is a serious matter that no reliable data should be available as to what is the real trend of our overseas trade. On the face of it the month of June looks very disappointing, for, while imports were similar in value to those of May, exports fell by over £9 millions. We append for what they are worth (which, for the reasons given above, is very little) a summary of the June and six months' value figures:—

MONTH OF JUNE.				
	1922.	1923.	Increase or Decrease in June, 1923.	
	£	£	£	%
Imports	84,276,901	89,307,683	+ 5,030,782	+ 6.0
British exports	52,145,951	62,883,559	+ 10,737,608	+ 20.5
Re-exports	8,720,209	10,954,932	+ 2,234,723	+ 25.5
Total exports	60,866,160	73,838,491	+ 12,972,333	+ 21.4
Excess of imports over total exports	23,410,741	15,469,192	- 7,941,549	- 34.0
SIX MONTHS ENDED JUNE 30.				
	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	487,183,421	538,777,822	+ 51,594,401	+ 10.6
British exports	351,761,805	382,679,027	+ 30,917,222	+ 8.8
Re-exports	55,671,520	63,863,784	+ 8,192,264	+ 14.7
Total exports	407,433,325	446,542,811	+ 39,109,486	+ 9.6
Excess of imports over total exports	79,750,096	92,235,011	+ 12,484,915	+ 15.7

In the past six months coal exports were 39.8 million tons, against 27.2 million tons in the corresponding period of 1922; iron and steel exports 2,215,642 tons, against 1,539,938—both important advances, even in face of any effect which the Irish complication may have had on the figures. Cotton piece-goods exports were 2,106 million

square yards, against 1,850 million square yards; but, on the other hand, cotton yarn exports fell from 96 million to 61 million lbs. Imports of bullion and specie in the six months were £29.4 millions, and exports £33.7 millions. The six months' figure for tonnage of vessels clearing with cargoes was 34.9 million tons, compared with 26.9 millions in the first six months of 1922. Here the increase is a true one, because Irish Free State clearings are included. Separate shipping statistics for the Irish Free State are also included, and we hope that the Board of Trade will in future issues find some means of providing data to show the effect of the separation of the Free State not only upon shipping figures, but also upon imports and exports.

The League and the Greek Refugees.—More than a million refugees have moved into Greece since the débâcle of September last, and of these more than 80 per cent. are destitute. The problem of their maintenance engaged the attention of the Council of the League of Nations last April, and Colonel Procter, the Deputy High Commissioner for Refugees, was asked to make a report on the subject. This has now appeared, and has at once led to a marked improvement in Greek exchange. In this document a loan of £10 million sterling is regarded as an absolute minimum, in view of the fact that the initial expenditure must necessarily be considerable. Of the 860,000 destitute refugees, nearly half a million are agriculturalists, while the preliminary distribution of such large numbers of people has, perhaps naturally, not always been accomplished in a manner calculated to facilitate their permanent absorption in the economic life of the country. The report envisages the creation of a special commission, three of whose members, including the president, would be appointed by the League of Nations and two by the Greek Government. This commission would have entire control over the expenditure of all funds obtained from the process of the loan, and would be able to veto all nominations to positions in the administration of these undertakings. The settlement of the agriculturalists alone is expected to necessitate the expenditure of nearly £6 million sterling, while reimbursements made by the newly settled peasantry are to have priority over all State taxation. In this way it is claimed that the reimbursement would be effected at a minimum rate of 10 per cent. per annum of the advance. It is stated further that there is no shortage of land for the production of cereals, and that a considerable improvement in the trade position of the country would be brought about by reducing the amount of corn which has at present to be imported. The settlement of urban workers would apparently be less expensive, while considerable sums would be necessary in the form of grants in aid to the aged, to children, and to invalids. Greece is described as an agricultural country with a very low proportion of land cultivated per head of the population. The burden of her million refugees comes at a time when the large Public Debt of the country and a depreciated currency bear heavily on the national economy. On the other hand, the foreign trade position is not as bad as might be expected, while industrial development is proceeding favourably. The restoration of peace should lead to considerable progress in agricultural production, which has suffered enormously from ten years of almost continuous warfare. It must be pointed out, however, that a £10 million loan is not a philanthropic undertaking, and it seems wildly improbable that anything approaching this sum would be forthcoming without some very definite and specific guarantees on the part of the chief Governments. It is not enough that the League should bless a new issue, and unless something more tangible than a benediction is in sight, the advisability of publishing this report seems to us to be open to question. The need is pressing, but nothing can be gained by raising false hopes.

The Quarter's Shipbuilding.—Lloyd's Register Shipbuilding Returns for the quarter ended June 30 show a decrease of about 154,000 tons, as compared with the previous quarter, in the tonnage under construction in Great Britain and Ireland, viz.:—1,337,759 tons; and the de-

crease as compared with 12 months ago reaches about 582,000 tons. The total includes 130,000 tons on which work has been suspended for some time. Deducting this amount in order to enable a comparison to be made with figures for normal times, the tonnage actually under construction in Great Britain and Ireland now amounts to 1,208,000 tons. The average tonnage under construction during the 12 months immediately preceding the war was 1,890,000 tons, i.e., 682,000 tons more than the present figures. As compared with the figures for the quarter ended March 31, 1923, there has been a slight increase in the tonnage launched, but a considerable decrease in the tonnage commenced in Great Britain and Ireland during the past quarter; the latter tonnage amounting only to 16 per cent. of the work in hand at the beginning of the quarter. The total merchant tonnage building in other countries is 1,206,097 tons, but this includes about 132,000 tons upon which work has been suspended, leaving about 1,074,000 tons actually under construction; the latter figure is 146,000 tons less than at the end of March, 1923. The figures for the leading countries abroad are:—Germany and Danzig, 352,405 tons; France, 170,866 tons; Italy, 141,543 tons; United States, 133,660 tons; and Holland, 99,821 tons. The tonnage of vessels launched in the world during the quarter under review amounted to 570,412 tons, of which 239,373 tons was launched in Great Britain and Ireland, 160,065 tons in Germany and Danzig, 53,333 tons in the United States, and 117,641 tons in other countries. The tonnage commenced in the world during the same period amounted to 314,375 tons, of which 241,283 tons was commenced in Great Britain and Ireland; these totals, however, do not include vessels commenced in Germany during the quarter, such information being not yet available. The total world tonnage actually under construction is 2,282,000 tons, which is 1,164,000 tons below the highest pre-war record reached on June 30, 1913, viz.:—3,446,558 tons.

The Half-Year's Coal Output.—The production of coal from the mines of Great Britain for the week ended June 30th last was 5,400,700 tons, and this brings the total for the half-year up to 140,791,000 tons, which compares as follows with the three preceding half-years:—

	Tons.		Tons.
July-Dec., 1921	109,879,000	July-Dec., 1922	132,096,000
Jan.-June, 1922	119,754,000	Jan.-June, 1913	140,791,000

In only four of the 26 weeks has the output been below five million tons, and each of these was affected by holidays. The weekly average for the half-year is 5,415,000 tons, which compares with a weekly average of 5,530,000 tons in 1913, and just over five million tons in 1912.

Crop Prospects.—According to the monthly report of the Ministry of Agriculture and Fisheries, there was much less sunshine than usual during June, and in most districts very little rain. For the greater part of the month the weather was cold, but in the last week or ten days summer-like conditions prevailed. Crops look healthier than a month ago, and are generally improving, though backward and needing rain. Hay-making was proceeding at the end of June. Though short in the straw, wheat generally looks well, and is a satisfactory plant. The crop has been late in coming into ear. Barley varies considerably. Winter barley is strong and promising, but spring crops, except where sown early, are frequently thin and weak. Winter oats have also done well, and have come into ear nicely, whilst spring oats are in much the same condition as barley. In some districts, especially in the North, many fields of oats are very thin owing to damage by grub and wireworm. It is anticipated that the yield of wheat will be nearly up to average, but oats and barley are expected to give under average crops, barley, which is the least promising, being estimated at from 5 to 8 per cent. under average. Prospects for the cereal crops generally are poorest in the West Midland and Eastern Counties. Main crop potatoes have come up regularly as a rule, and have a healthy appearance. The crop is very backward, however, and in many cases was only just through the ground at the end of June. On heavy land in the Holland part of Lincolnshire the main crop is doing badly. Throughout the country under average yields are

expected, and present indications are for a yield per acre about 5 per cent. less than the average of the last ten years. Hay-making was in progress in most parts of the country at the end of June. In the North and in the later districts generally a start had only just been made, but in the South a good proportion of the seeds hay had been saved in good condition. Very little meadow hay had been cut, and the crops were improving with the warmer weather. It is estimated that over the country as a whole seeds hay will yield about 29½ cwts per acre and meadow hay 20 cwts per acre, or about 1½ cwts above average in the case of seeds, and nearly 1 cwt below average in the case of meadows, but these yields may be appreciably increased if good second cuts are obtained. In the best cultivated gardens hops are fairly strong, but in others they are weak. The crop is backward generally, but has grown better during the last ten days of June. In all districts only very light yields seem possible. The frosts and cold winds have caused a very heavy fall of apples, and only half an average crop is anticipated. Pears are practically a failure everywhere, and plums will give very poor yields, barely a quarter of an average crop being expected. In the principal districts the cherry crop will be about 25 per cent. under average. Strawberries are rather under average, and in the late districts the crop is backward. Gooseberries are about average, and the crop has been cleared in early districts. Raspberries and currants are suffering from want of rain, and black currants will probably be only half an average crop, red currants being more promising. With hay-making and turnip-hoeing in progress, more temporary workers are now being employed, but the supply is adequate in practically all districts, and there is some unemployment, especially in a few parts of the Eastern Counties.

Basic Prices for Cotton Yarns.—Our Manchester correspondent writes:—Two or three months ago the Federation of Master Cotton Spinners' Associations held an inquiry as to the desirability of publishing for the guidance of spinners basic prices for yarns made from American cotton. Eventually a scheme was arranged, and the members were recommended from the beginning of June not to sell below the figures published. It may be said that these official quotations have been from 1½d to 2d a lb above market prices. During the last week or two the question of maintaining the scheme has been discussed, and the committee, therefore, decided to take a ballot of the members on the question. The result was announced on Tuesday last, and showed that over 83 per cent. of the members were in favour, and nearly 9 per cent. against, whilst from over 8 per cent. no reply had been received. The committee discussed these figures very thoroughly, and then adopted a resolution by 22 votes against 18 that the members of the Federation producing American yarns be advised to adhere to the prices posted from time to time. In trade circles there has been much comment upon the voting of the members of the committee. It is no use disguising the fact that the basic prices are not being obtained by spinners, and in many quarters the opinion has been expressed that it would have been far better if the Masters' Federation had realised the failure of the scheme and abandoned it.

German Coal-Oil Amalgamations.—German oil concerns having lost their pre-war holdings in the Russian, Galician and Roumanian oilfields, have naturally been forced to turn more to the development of their domestic oil resources. With the surrender of Alsace-Lorraine, the only "free" oil production left to Germany is the insignificant output of the wells in Hanover. The distillation of oil from coal and lignite (brown coal) has therefore assumed even greater importance than before the war, particularly for the chief German oil companies—the Deutsche Erdöl A.G. (D.E.A.) and the A.G. fuer Petroleum Industrie (A.P.I.), which have suffered most. The D.E.A. led the way by acquiring lignite mines in Saxony, and has lately obtained control, by an exchange of shares, of the Graf Bismarck Coal Mining Company, which in normal "unoccupied" times produces 2½ million tons of coal per annum. This latter company possesses coal very suitable for the

extraction of oil, and has already been successfully working a process of distillation. The D.E.A. will now control 2 per cent. of the German pit coal production, and 5 per cent. of the lignite. Such command of both technical skill and raw material may lead to striking developments in the field of German coal-oil production. This is by no means all. There is good ground for believing that an amalgamation of the D.E.A. and A.P.I. is being promoted by Hugo Stinnes. Some years ago a fusion of these two concerns was attempted, but broke down on the basic question of the price of shares to be exchanged. Stinnes may be more successful. His oil interests are already considerable, and embrace the Olea Mineraloelwerke, which has a refinery at Frankfurt, and the Riebeckische Montanwerke, which has a share interest in the Rütger chemical works controlled by the A.P.I. The immediate move of Stinnes is said to have been the acquisition of a block of shares in the A.P.I. (which, by the way, has been paying its directors' fees in petrol). An important feature of the Stinnes' oil group is its control of a process for the hydrogenation of brown coal, which, if brought to commercial results, would revolutionise the coal-oil industry. The importance of this hydrogenation question can hardly be exaggerated, and it may well be that the D.E.A. may be anxious to participate in the experiments. If the D.E.A. and the A.P.I. and the Stinnes companies are brought together, a very formidable domestic oil trust will have been created. But Stinnes has greater plans than domestic, for he is actively extending his participation in foreign oil resources. Already he is heavily interested in the Argentine fields (as is the D.E.A.), and is seeking to secure the oil monopoly in Czecho-Slovakia which the Standard Oil lately held, and perhaps unwisely dropped. What is more important, Stinnes has entered into negotiation for the purchase of an estate in central north Texas, the largest single undeveloped oil-bearing property that is being offered in America. With foreign reserves of this extensive kind, not to mention command of tank steamships, the Stinnes "General German Petroleum Trust" (if he pulls it through) may become an international force in the oil industry.

More Bank Dividends.—A further batch of interim dividend announcements has been issued by the banks, which we have added to those given in our last issue:—

	Per Cent. per Annum.									
	1916	1917	1918	1919	1920	1921	1922	1923		
Bank of Liverpool and Martin's	*16	*16	*16	16	16	16	16	16		
Barclays Bank "B" shares...	†17½	†17½	†20	†20	14	14	14	14		
Lancashire and Yorkshire	16	16	16	16	16	19	19½	20		
Lloyds	18½	18½	18½	18½	16½	16½	16½	16½		
London Joint City and Midland	18	18	18	18	18	18	18	18		
Manchester and County	13½	13½	15	15	15	15	15	16½		
Manchester & Liverpool District	†17½	†17½	†17½	†17½	18½	18½	18½	18½		
National Provincial and Union	16	16	16	16	16	16	16	16		
Westminster	18	18	20	20	20	20	20	20		
Williams, Deacon's "A"	14	14	14	12½	12½	12½	12½	13½		
Do "B"	..	..	..	..	..	..	12½	12½		
Alexanders Discount.....	10	10	12	13	14	15	15	15		
National Discount "A".....	10½	10½	11½	12½	12½	12½	12½	10		
Do "B"	..	..	..	..	..	..	..	..		
Union Discount.....	13	13	13	14	14	14	15	15		

* Final dividend. † On old capital.
(t) Also a special cash bonus of 10s per share, free of tax.

We regret that in last week's table we gave the dividend of Williams Deacon's Bank as unchanged at 12½ per cent. per annum, whereas it should have been 13½ per cent. per annum, as against 12½ per cent. per annum on the "A" shares, with the dividend on the "B" shares unchanged at 12½ per cent. per annum. Apart from this increase, and alterations by two of the northern banks, the previous rates have been repeated. The Lancashire and Yorkshire and the Manchester and County make slight additions to the rate, but these are made with a view to equalising the two half-yearly distributions. The past half-year, to judge from the course of money rates, has not been a particularly profitable one from a banking point of view, but the further appreciation in the market value of securities has, no doubt, helped considerably.

The Rally in Copper.—Copper this week has led a good recovery in the non-ferrous group of metals, writes a market correspondent, and both standard and electrolytic have advanced rather sharply. The news from America has been more cheerful, with reports of a broadening demand for export and also on United States domestic account, and this has resulted in an upward adjustment in values. Preliminary figures indicate that the exports for June will approximate 28,000 to 30,000 tons, and the news is confirmed that the Copper Export Association has now cleared out all its surplus holdings. Second-hand copper, which had such a depressing influence upon the American market during the recent decline, is now very hard to find, and shipment terms to European ports are much stiffer than they were, indicating that the position of the metal is much healthier than it was last month. The talk of cutting down production is premature, and whilst there is nothing in the position that is likely to encourage developments in mining and smelting operations beyond present limits, the fact that the surplus stocks and the big supply of scrap metal have been worked down to practically nothing will count in the near future. Certain mergers are under discussion in the States, and this may have an effect on sentiment later on in the year. On this side the market is in firm hands. Warrants are not over plentiful, and some of the copper acquired recently on cheap terms may be shipped to the United States. The U.K. stocks at 27,776 tons include 23,000 tons of rough copper, and statistically the position must be regarded as very healthy. Cable makers have been buying this week, fair lines of wire-bars having been done at £72 5s, c.i.f., Liverpool, for arrival next month, and there has since been a further rise in both bars and electrolytic. A lot depends on the developments in the European political position, but market opinion is strongly in favour of better prices for copper, and certainly any movement in favour of a settlement of the Ruhr question would bring along more business from users both here and on the Continent where stocks are very small.

Government Agreement with the Chartered Company.—

Subject to the sanction of Parliament on the one hand and the shareholders of the Chartered Company on the other, an agreement between the company and the British Government has at last been reached. The terms of this provisional agreement are set out in a White Paper (Cmd. 1914), issued yesterday. The most important points may be summarised as follows:—On October 1, 1923, the date on which Responsible Government is to be established in South Rhodesia, the British Government will pay to the company £3,750,000. Further, the Government will waive their claim against the company for reimbursement of advances made in connection with the war. The company will accept the payment "as including a full discharge of its claims, under the terms of the judgment of the Judicial Committee of the Privy Council, in respect of the administrative deficits incurred by the company in Southern Rhodesia up to the termination of its administration." The company hands over to the Crown public works, buildings, and administrative assets in Southern Rhodesia, and withdraws its Petition of Right, now pending, while—an important point—the Crown "recognises the company as the owner of the mineral rights throughout Southern Rhodesia, subject to the provisions of the law in force in the territory." But the new Southern Rhodesian Government will have possession of all the unalienated lands in their territory. Chartered shares strengthened when the correspondence, setting out this agreement, was published, and we imagine that the shareholders will, at the meeting called for July 24th, accept their directors' advice and endorse the settlement. The last letter in the White Paper contains an offer by the elected members of the Legislative Council of Southern Rhodesia to pay over considerable sums (well over £2,000,000) to the British Government in return for benefits which the country will receive under the new régime. Generally speaking, the agreement looks like one of those rare things—a satisfactory compromise.

Holland in 1922.—The Report of the Commercial Secretary to the British Legation at the Hague, just issued by the Overseas Trade Department, shows the depth of the depression last year in Dutch finance and trade. Bankruptcies numbered 3,403, against 2,264 in 1921; banking troubles were very grave; margarine and chemical companies reduced their dividends, the Royal Dutch Lloyd its fleet. The State Railways showed a deficit of 33 million guilders. Agriculture suffered from high wages and the continuance of high rents, averaging 100 florins per hectare, or about 64s per acre, above the pre-war level; from the decreased demand for garden produce in Central Europe, the partial closure of the American bulb market, adverse weather conditions, and a poor flax crop. Trade, industry, and fishing were hampered by the decreased purchasing power and the fluctuations in the currency of "the hinterland," but Government attempts to check the competition of countries with a depreciated currency were frustrated by business opposition, and the volume of transit trade through the ports was less. Industry was also hampered by high wages, labour troubles, and short hours, and the extension of the working week from 45 hours to 48 proved inadequate. Unemployment in the skilled trades increased latterly, but no figures for casual labour were available. The Budget deficit for 1922 showed a deficit on ordinary expenditure of 52 million guilders; for 1923 this deficit would reach 52.7 millions, of which 10 millions would be made up from the sinking fund; extraordinary and "crisis" expenditure were likely to decrease, but borrowing for ordinary expenditure would be necessitated by "social" legislation, and, as tax revenue is determined largely by the profits of past years, the full effect of the depression has still to be felt. House property was depressed by the lessened demand for large houses, owing to the high cost of living and to taxation; the unsubsidised construction of small houses was facilitated by the lower cost of material and changes in the building regulations. The purchase of supplies in Great Britain tended to increase, owing to the fall in prices and the greater certainty of delivery and of stability in price.

Bolivian Finance.—The political troubles of this Republic in the earlier part of the year, writes a correspondent, when the action of the Opposition in calling on the President, Dr Saavedra, to resign caused serious rioting in La Paz, have apparently had little adverse effect upon the actual economic progress of the country. How far this condition will become affected by the general elections remains to be seen; but financial circles seem to entertain little fear of any violent change in the present much-improved trading position. Larger tin exports and renewed interest in rubber cultivation, taken together with a slowly but surely opening-up of the interior by new railway construction, might help the country to take its place eventually among the more prosperous nations of South America. But this cannot be expected until the financial situation, which still shows signs of great instability, can be adjusted. The actual income and expenditures for the current financial year are unknown. The estimates submitted by the Finance Ministry are admittedly unreliable, and, indeed, form but the merest guesswork. The 1923-24 budget displays a calculated revenue of 23,854,705 bolivianos and expenditures of 40,015,022 bolivianos, or a deficit of 16,160,317 bolivianos. Towards the reduction of this adverse balance will be applied the sum of 12,000,000 bolivianos received from the latest loan issued in the United States. No less than 13,000,000 bolivianos out of the total national revenues of 24,000,000 bolivianos are now required for the service of the foreign debt, another 3,000,000 for the internal debt, and 5,000,000 for the service of Customs house warrants—thus leaving the Treasury with barely 3,000,000 bolivianos to meet ordinary expenditure. The general trend of Bolivian finances may be gleaned from the fact that there have been substantial budgetary deficits since 1917—and even earlier—the heaviest, however, having been that for 1920, exceeding 21,000,000 bolivianos. In that year national expenditures reached the unparalleled figure of 49,470,475

bolivianos, while revenues were but 27,786,770. The highest revenues recorded were those for 1918, when close upon 30,000,000 bolivianos were enjoyed.

The Salvador Debt Settlement.—After protracted negotiations frequently interrupted, a settlement has been effected between the Salvador Government and the American financial syndicate which has come to its aid, and a meeting of the holders of the two Sterling Loans is called for Thursday next, July 19th, to consider the terms offered them. In 1921, both these loans having gone into default, the American syndicate offered a new loan of \$6,000,000 in "A" bonds, secured as a first charge on the Customs revenue, while the Sterling Loans were to be converted into "B" bonds, forming a second charge, and "C" bonds were to be issued to the Salvador Railway for arrears of subsidy, and to certain other creditors, and were to rank as a third charge on the Customs revenue. The stringent control of the Customs originally demanded by the American syndicate was resented in Salvador, but has been somewhat mitigated in the terms now offered. These differ from those of December, 1921, as follows:— (1) The "A" bonds are to be for \$6,000,000, instead of \$5,000,000, the interest (8 per cent.) and sinking fund (about 4 per cent.) being as before. (2) The total issue of "B" bonds is to be £1,050,000 instead of £1,010,000. (3) Arrears of interest are to be paid in "A" bonds instead of in cash; details will be given at the meeting. (4) The loan is secured on 70 per cent. of the gross Customs revenue instead of on the whole. (5) The remittances for its service are to be made to a fiscal agent of the Salvador Government in New York, and the American Collector of Customs appointed by the syndicate can only intervene after 30 days' default. Nothing is now needed to complete the settlement, except the assent of the holders of the Sterling Loans.

Ebbw Vale.—The accounts of this company for the twelve months ended March 31, 1923, reveal a certain amount of recovery from the acute depression of the previous year. This improvement would probably have been more conspicuous but for labour troubles. The Prince of Wales Colliery was idle for ten months during wage agreement discussions, whilst the remaining collieries in the group were at a standstill for seven weeks following the issue of the "Galloway" award. A net profit of £52,673 was earned, as compared with a loss of £327,560 in 1921-22, but no dividend is being paid on any class of the company's shares. Profits and their allocation in recent times, and in the pre-war year, have been as follow:—

YEAR ENDED MARCH 31.

	1914.	1921.	1922.	1923.
Gross profits	£ 166,873	£ 633,248	£ 49,501	£ 426,117
Brought forward	11,692	16,301	6,690	16,458
General expenses, interest, &c.	178,565	649,549	56,191	442,575
	33,340	233,859	377,061	373,444
Balance	145,225	415,690	Dr 320,870	69,131
Preference dividend	20,530	84,000	84,000	..
Ordinary dividend	59,580	125,000	..	..
(5 %)	(5 %)	(5 %)	..	..
Reserve, &c.	53,116	200,000	421,328*	..
Carried forward	11,999	6,690	16,458	69,131

* Withdrawn from reserves.

The company has grown considerably since 1914, and loan and debenture interest charges have lately become rather a heavy burden, averaging nearly £365,000 during the last two years. The coal side of the business benefited by the American demand of last autumn, but the iron and steel departments, after six months of intermittent activity, came to a standstill in September in consequence of a strike of coke oven workers. The wages bill at £1,310,083 was much the same as for 1921-22, but less than one-third of its amount in 1920-21. The balance-sheet shows mortgage debentures and 8 per cent. seven-year notes to a total of £3,928,300, against an issued capital of £3,700,000, while £1,583,179 is owing to

sundry creditors. This last amount, however, includes £202,364 "reserves for special purposes, including provision for taxation." On the other hand, the company's various reserves total £1,650,348, and £594,432 is due from sundry debtors. Shares and debentures, at cost, in associated concerns are valued at £2,803,491. With the advent of prosperous times the directors will probably aim at producing a more liquid financial position.

Kaffir Yields and Lives.—Our mining correspondent writes:—Some months ago reference was made in these columns to the fanciful nature of certain calculations put forward in a circular with reference to Witwatersrand gold mining companies. The same criticism cannot be levelled at a sheet headed "Mining Investments," just issued by an important Stock Exchange firm. It shows, in respect of ten of the more solid undertakings, their issued capital and claim area, the quantity and value of the ore reserves and their net value, the latter being calculated on the basis of gold at 85s per oz, and working costs at the average of the first quarter of the year, with allowance for taxation and sundry expenses, also for the redemption of outstanding debentures where there are such. Then follow the dividends for the past 2½ years, and the yield on the price of the shares at the end of June on the basis of last two half-yearly dividends, after allowing 5 per cent. for redemption of capital. Finally, there is the approximate life of the mine, and the amount required annually for redemption of the capital. Appended is a condensation of the tabulation, one company, the Robinson Deep, whose position was dealt with in a recent issue, being omitted:—

Company.	Ore Reserves.		Approximate Life.	Price of Share, End June.	Gross Yield.	For Redemption per Annum.
	Net Value.	Percentage of Market Value.				
Brakpan	£ 1,255,300	41	Years. 20	3	104	s d 1 10
City Deep	1,509,800	37	25	23	124	1 1
Crown Mines (10s)	1,813,200	37	25	23	98	1 1
Geduld Proprietary	2,215,700	63	35	34	53	0 8
Government Areas	8,244,900	51	25	53	82	2 4
Modder Deep (5s)	4,336,700	97	15	22	93	2 1
New Modder (10s)	7,148,100	64	17	4	82	3 1
Springs Mines	1,807,100	56	35	28	104	0 6
Van Ryn Deep	2,058,800	51	17	38	124	2 7

The foregoing figures present some interesting contrasts which must, in the main, be left to speak for themselves. It may, however, be pointed out that the exceptionally low yield afforded by the Geduld arises from the circumstance that the reduction plant has so far been altogether incommensurate with the size of the property. The capacity of the mill has lately been increased from about 45,000 to 65,000 tons per month, and a further expansion would seem probable sooner or later. At the annual meetings of the Brakpan and Springs companies the chairman, to correct erroneous reports in circulation, announced that on the basis of existing conditions the proportion of the profits payable to the South African Government, under the leasing schemes, would work out at 15 per cent. and 20 per cent. respectively. In the light of this information the dividends may be calculated as 35 per cent. in the case of the Brakpan, and 27½ per cent. for the Springs. The output of the Brakpan will probably be increased if developments continue good, while later in the year the Springs will be putting through 60,000 tons per month, in place of the present tonnage of about 50,000. Of the earnings of the Government Areas, slightly more than one-half is taken by the Union Government under the profit-sharing scale, the terms being such as to make for steadiness. It may be useful to point out that the dividends of all these Kaffir companies are paid free of Dominion tax, while, thanks to the relief allowed, United Kingdom income-tax is only deducted at one-half of the standard rate. A note of warning is perhaps called for in regard to the "life" estimates. These assume the continuation of certain factors, and in especial the quantity of payable ore obtainable per claim. If—as in the recent striking example of the Modder "B"—a serious falling off should occur in the quantity of payable ore opened up, the "life" calculation becomes more or less invalidated.

Transvaal Gold Output.—The output of fine gold from the Transvaal mines for the month of June last amounted to 755,309 ounces, a decrease of 31,255 ounces on the figure for the preceding month, but an improvement of 79,612 ounces as compared with June, 1922. During the first six months of 1923, 4,516,549 fine ounces have been obtained. The following table shows the monthly production over a number of years:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
January ..	Fine Ozs. 782,634	714,182	676,059	670,503	651,593	639,728	764,469
February ..	781,321	659,759	636,728	625,330	558,137	..	704,970
March ..	781,094	696,281	712,379	707,036	671,123	..	761,586
April ..	742,778	717,000	694,944	686,979	681,382	511,338	743,651
May ..	779,385	741,317	724,995	699,041	687,776	629,786	786,564
June ..	759,724	727,696	702,379	715,957	678,490	675,697	755,309
Total (6 months) ..	4,632,936	4,256,235	4,147,484	4,104,846	3,928,501	2,456,549	4,516,549
July	757,839	736,199	725,497	736,099	689,565	730,635	..
August ..	756,658	740,210	706,669	702,083	711,526	752,490	..
September ..	738,431	708,206	698,558	682,175	691,026	747,089	..
October ..	751,290	679,764	723,722	662,472	707,825	778,159	..
November ..	722,839	658,701	677,970	633,757	704,236	764,476	..
December ..	722,419	641,245	650,191	632,215	681,847	790,712	..
Total (12 months) ..	9,018,084	8,418,292	8,330,091	8,153,625	8,114,516	7,020,111	..

It will be observed that one must go back as far as 1917 to find an instance of greater output in the first six months of any year. Production in 1923 has been nearly twice as large as that of the corresponding period in 1922, but the latter was much below normal owing to the incidence of industrial and political disturbances on the Rand during the early part of the year. The output for May, 1923, was the largest during any individual month since March, 1917. The number of natives employed at the end of each month since November last by members of the Witwatersrand Native Labour Association and contractors is given below:—

	Nov., 1922.	Dec., 1922.	Jan., 1923.	Feb., 1923.	Mar., 1923.	April, 1923.	May, 1923.	June, 1923.
Gold mines	173,173	176,834	181,985	182,983	181,473	178,337	175,591	170,865
Coal mines	11,089	11,001	14,664	14,717	14,710	15,040	15,176	15,598
Diamond	1,237	1,253	1,222	1,227	1,273	1,860	2,668	3,063
	185,499	189,088	197,871	198,927	197,456	195,237	193,435	189,526

The figures reached their maximum at the end of February, and have since declined steadily, month by month, the total at the end of June being 9,401, or nearly 5 per cent. less than that of four months ago.

Oversea Correspondence.

UNITED STATES.—COMMERCE COMMISSION AND COAL DISTRIBUTION—GOVERNMENT'S FISCAL YEAR—FEDERAL RESERVE BRANCHES FOR CUBA.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 2.

Two extraordinary orders, just issued by the Inter-State Commerce Commission, are the subject of widespread comment and criticism. One relates to the allocation of coal cars; the other is a denial of the application made by the Virginian Railway to build a short stretch of track to some coal mines in process of development, the Commission's reason for such refusal being that there are already too many coal mines in this country. The ruling concerning distribution of coal cars abolishes the practice of assigning cars for railway fuel. In other words, it forbids railroads, after September 1st, to allot any extra cars to soft coal mines which produce railroad fuel, or to show any preference in the matter of car supply to mines which possess their own cars. The new order, resulting from an investigation which the Commission had been conducting since the early part of 1921, upholds contentions made at various hearings by representatives of commercial mine operators, soft coal producers' associations, and the United Mine Workers of America; it abrogates rules and regulations prescribed by the Commission itself several years ago, and directs the discontinuance of a long-established practice despite vigorous protests from the carriers. The ruling applies to all railroads throughout the country, but its effect will be felt most by the big systems, such as the New York Central, Pennsylvania,

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Baltimore, and Ohio, the Chicago Great Western, the Southern Railway, and numerous others which use assigned cars for railway fuel at mines reached by their own or other lines. The Commerce Commission claims, in support of its action, that the practice of assigning cars for railway fuel serves to diminish the supply of cars placed at commercial mines during periods of shortage. Although the extent of such diminution is in dispute, mine operators, according to the Commission's findings, consider the practice a serious matter, owing to its direct effect in limiting production, and to the indirect effects upon their costs and labour supply. Railroad managements, on the other hand, minimise the result, and even claim compensating advantages to commercial mines because of the practice. Four members filed separate opinions strongly dissenting from the decision concurred in by the other seven Commissioners. They declare that "a railroad must have an adequate supply of fuel in order to supply the people with adequate transportation," adding that in effect, though not in intent, the findings of the majority "subordinate the needs and interests of all others to those of the coal industry."

The Virginian Railway Company's application for permission to construct an extension—only about a mile long—of its lines in West Virginia to serve new coal mines which the Pocahontas Coal Company proposed to open, was denied by the Inter-State Commerce Commission on the ground that future public convenience and necessity did not require such a development. Other reasons given were that, at various times after July, 1922, the railway company had been unable to provide all the cars needed by mines in operation and dependent upon it. Therefore, the Commission contended, the building of the branch and the opening of additional mines would not result in better service to the public; on the contrary, it was claimed, the development would tend to reduce production and transportation of coal, since the car supply would be made "more inadequate because of the necessity of placing cars at the new mines." The Commission fails to state that the car shortage on the Virginian Railway last year

occurred during the coal strike, when its traffic was greatly increased because the coal mines which it serves were kept in operation. Furthermore, the assumption that the company would not be able to furnish sufficient cars for the new mines does not appear to be well founded, because for a number of years the Virginian Railway expenditures for equipment have averaged about \$2,500,000 annually. The real reason for the Commission's action in this case is found in its statement that "there are at present more (coal) mines in the country than are consistent with the most efficient use of carriers' equipment, and their aggregate capacity exceeds greatly the country's demands." That opinion coincides with views held by administration authorities, who are endeavouring to stabilise the soft coal industry. Although the Commerce Commission contends that the law authorises it to take such action, the ruling in the Virginian Railway case is regarded as a radical departure in railway regulation and an unusual exercise of power. In many quarters it is felt that the Commission, in what appears to be an effort to regulate the coal industry, has gone far beyond its statutory function of regulating inter-State transportation.

In a statement covering the Government's operations for the fiscal year ended June 30, 1923, the Treasury Department shows that total ordinary receipts for the year amounted to \$4,007,135,480, while expenditures chargeable against such receipts aggregated \$3,697,478,020, leaving a surplus of receipts amounting to \$309,657,460. Sinking fund and other debt retirements accounted for \$402,850,491 of the total expenditures, which means that the public debt was reduced by that amount during the year out of the ordinary Budget; a further reduction of \$210,823,851 was accomplished out of the surplus, so that there was a total decrease of \$613,674,342 in the public debt, which now stands at \$22,349,707,365. The balance in the general fund of the United States Treasury at the end of the fiscal year is given as \$370,939,121, as against \$272,105,512 on June 30, 1922, representing an increase of \$98,833,608. Customs receipts were much larger than in any previous fiscal year in the history of the Government, totalling \$561,928,866; the previous high record was \$356,443,387 for the year ending June 30, 1922. Income and profits tax receipts were unexpectedly large, totalling \$1,678,607,428, as against the estimate of \$1,500,000,000 submitted in the Budget last December. Miscellaneous internal revenue receipts produced \$945,865,332. During the year approximately \$4,500,000,000 of debt matured and was either retired or refunded, thus completing the Treasury programme for refunding the \$7,500,000,000 of short-dated debt maturing within about two years, which was outstanding when the present Administration took office. Since the refunding programme was announced on April 30, 1921, the Treasury Department says that about \$4,070,000,000 of Victory notes have been retired, Treasury certificates of indebtedness have been reduced from \$2,820,000,000 to approximately \$1,030,000,000, and war savings securities have been reduced from \$713,000,000 to some \$90,000,000; new Treasury savings certificates to the extent of about \$245,000,000 and, roughly, \$4,100,000,000 of Treasury notes maturing on various quarterly tax payment dates during the years 1924 to 1927 have been issued and are now outstanding. During the present fiscal year public debt maturities will approximate \$1,390,000,000, including about \$1,030,000,000 of Treasury certificates of indebtedness falling due June 15, 1924, and some \$50,000,000 of War Savings Certificates of the 1919 series which mature January 1, 1924. There are also outstanding about \$95,000,000 of 4½ per cent. Victory notes, which matured or were called for redemption during the past fiscal year, and in the neighbourhood of \$30,000,000 War Savings Certificates of the 1918 series, which became due January 1, 1923; those obligations are being presented for redemption daily, and the amounts outstanding are steadily being reduced.

The controversy that has been in progress for many months over the question of establishing branches of the Federal Reserve system in Cuba has finally been settled by the Federal Reserve Board in Washington, which has granted permission to the Boston and Atlanta Federal

Reserve Banks to open agencies on the island. There was very keen competition between those institutions, each desiring to secure the Cuban field. This development is meeting with considerable criticism in banking circles here, because it is taken as further evidence of the competitive policy pursued by certain Federal Reserve banks, which, it is claimed, were created to function solely as reserve institutions. By far the greater portion of Cuba's export trade to this country is handled at New York, according to local bankers; they fail to understand, therefore, why either the Boston or Atlanta Federal Reserve Banks should encroach on the Cuban field by seeking to open agencies there. Much of the criticism is apparently due to apprehension that the new branches may engage in transactions in competition with individual banks now operating on the island. The establishment of these agencies in Cuba is an entirely new venture. That it is regarded more or less as an experiment is evident from the fact that the Federal Reserve Board has "reserved the right to terminate the agencies at any time if it deems such action advisable."

FRANCE.—BUDGET IN SENATE—PRICE MOVEMENTS —IRON AND STEEL—INCREASED COAL PRODUCTION.

(FROM OUR CORRESPONDENT.)

PARIS, July 11.

THE Senate on Tuesday disposed in a single sitting of the Budget of Recoverable Expenditure for 1923, which provides for a total expenditure of 14,000,000,000. Of this sum, 13,000,000,000 represents the amount to be expended during the current year on reconstitution of the devastated area and on pensions arising out of the war, and 1,000,000,000 the cost of the army of occupation in German territory. The speech of M. Henry Bérenger, the *rapporteur* of the Budget, showed that up to that time the French investor had lent to the State 110 milliards, which had been expended on pensions and on the restoration of the devastated area, and that another 80 milliards would have to be found to meet requirements still unsatisfied under these two heads. So far Germany had paid to France a total of only 1,800 million gold marks, partly in cash and partly in kind, which had been more than absorbed in meeting the cost of the army of occupation, on which Germany still owed a further sum of 61 millions. While Germany had not paid a farthing of the amount due in respect of French claims for pensions and Reparations, she had reconstituted, at a cost of milliards of gold marks, a large part of the mercantile fleet taken from her by Great Britain, and to replace her lost colonies she had carried out a kind of colonisation of the whole world. M. Bérenger warned the Senate that the most critical moment of the Reparations controversy had arrived. France had occupied the Ruhr, he said, in order to assure the payment of the 26 milliards of "A" and "B" bonds created under the agreement of May 5, 1921. The 82 milliards of "C" bonds should be utilised for a compensatory settlement of the inter-Allied debts.

The well-known economist, M. Raphael Georges Lévy, the special reporter for the Budget for the Liberated Regions, informed the Senate that so far 40 per cent. of the value of the buildings in the devastated regions had been restored, but this, unfortunately, was not the same thing as 40 per cent. of the buildings that had been destroyed. In spite of the difficulties of making economies in this direction the Finance Commission of the Senate had recommended reductions of expenditure amounting to 58,000,000, in addition to the reductions that had been effected by the Minister himself, who had suppressed 10,000 officials last year and arranged to suppress another 4,000 during the present year. Eventually the Budget was approved by 274 votes to six.

The French Government index figures for wholesale

prices at the end of June, as compared with those of the previous month (base, 100 for the period 1901-1910), are as follows:—

	End May (corrected).	End June (provisional).
General index figure (45 categories)	469.9	471.1
Foodstuffs (ensemble of 20 categories)	444.8	450.2
Vegetable foods (8 categories)	372.9	414.8
Animal foods (8 categories)	482.3	472.5
Sugar, coffee, cocoa (4 categories)	513.8	476.4
Raw materials (ensemble of 25 categories) ..	489.9	489.7
Minerals and metals (7 categories)	452.3	440.1
Textiles (6 categories)	628.0	637.0
Various (12 categories)	442.8	445.0

The increased figures for foodstuffs, it should be pointed out, are largely due to the replacement of old potatoes by those from the 1923 crop. Had the price of potatoes remained the same during June as in May the index figure for foodstuffs in June would have been only 390.7 (instead of 450.2), the figure for foodstuffs in general only 440.6 (instead of 450.2), and the general index figure 467.8 (instead of 471.1). The continued rise of textile prices is to be explained by the steady drop in the value of the franc. Retail prices of foodstuffs in Paris continue on the upward grade. The index figure for 13 categories of foodstuffs at the end of June is returned as 3562 (or 231 per cent. above that of 1914), as compared with 3496 (or 225 per cent. above that of 1914) at the end of May. The figure for the whole of France shows a rise in retail prices at the end of May to 3387, as compared with 3320 at the end of February, the trend towards a higher cost of foodstuffs being common to the east, south-east, midland and western regions of France, as well as Alsace-Lorraine. In the north of France, however, the figure for the end of May is returned as 3491, as compared with 3506 at the end of February.

The returns published by the French Customs Department for the first five months of the year show that French imports of pig iron substantially increased during May, and that the imports of both iron and steel were continuously in advance of those of the corresponding period of last year. Exports of iron during the first five months of 1923 were 236,000 tons (as compared with 178,000 tons during the corresponding period of 1922), and of steel 608,000 tons (against 807,000 tons in 1922). These figures show a net falling off in the combined exports of iron and steel during the five months of, in round figures, 50,000 tons. The effect of the occupation of the Ruhr is perhaps most strikingly shown (for the moment, at any rate) by the fact that the exports of iron during May amounted only to 21,000 tons, as compared with 35,000 tons in May, 1922, while those of steel were 141,000 tons, as against 167,000 in the corresponding month of last year. At the same time, it must not be overlooked that the French iron and steel industry was occupied down to the end of April in carrying out orders placed prior to January last, before the rise in prices. Since then, partly owing to the disturbance and uncertainty set up by the occupation of the Ruhr, orders have fallen off enormously, and there is every reason to believe that the figures for June and July will disclose a still further drop in production. The opinion prevails generally, however, that the worst is now over, and that, in view of the large number of foreign orders that have been placed here during the past two or three weeks, for delivery in August, September, October, and November, according to specification, the future may be looked forward to with confidence. The renewed fall in the franc has largely stimulated foreign purchases in this market, particularly by Great Britain, while it is reported that a number of interesting orders have been placed by both North and South American buyers. A good deal of nervousness is shown over the rumour that the new Italian tariff, which is now under discussion, may include articles imposing on French metallurgical products duties almost if not quite as heavy as those placed on similar products of German origin. The French Minister of Commerce is being urgently requested to take action on this point while there is yet time.

The output of the French collieries during May amounted to 3,129,000 tons, a figure only once exceeded since the war began (in January last, and then only slightly). For the first time the amount of combustible available (including both imported supplies and those pro-

duced in France) exceeded 5,000,000 tons. There is therefore obviously no ground for the fears that have been entertained as to a possible shortage in the near future. The deficit in available supplies that occurred as the outcome of the occupation of the Ruhr has now been met, to a large extent, by the increased output of the French collieries. Imports of British coal, which dropped to 1,500,000 tons in April, rose again to 1,700,000 tons in May, or to approximately the same figure as in March. Last year, a monthly average of 1,200,000 tons of imported coal was regarded as exceptionally serious. The effect of this increase in imports of foreign coal has obviously had a direct bearing on the recent further fall of the franc. At the same time, although quotations for French coal have on the whole remained steady, in spite of the general trend towards higher prices in other countries, the price of Belgian coal, which forms an important proportion of the quantity needed to meet French requirements, has risen substantially. This explains why, in spite of the large supplies now available, comparatively speaking, and of the fact that we are now in the height of summer, combustible prices have risen considerably. The prospects now are that there will be no shortage of coal in the near future, but that prices will rule high. Heavy contracts have recently been concluded with British firms for deliveries in July and August, at prices ranging from 5s to 10s a ton below those current in May, but still appreciably higher when calculated on the present basis of the franc.

GERMANY.—FINANCES—CURRENCY—BOURSE— PRICES—TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, July 10.

THE finances and currency of the Republic are rapidly reaching a condition which until lately was considered peculiar to Soviet-Russia. The difference between German and Russian conditions is mainly one of time, not of kind or degree, because phenomena which a year, or at most two years, ago were regarded as specifically Bolshevik are already repeated here. Even the particular measures of renovation which were tried in Russia side by side with a general aggravation are tried in Germany, also a year or two later in date, and they have the same slight effect. Against the "Tchervontsi" are the dollar Treasury bills; against wages in kind, an attempt to establish index wages, in principle the same. The Russian anti-speculation measures which really had the demagogic aim of diverting public attention from the real evils are also being tried here; but, being late in everything, Germany is still intent on them at a time when Russia has largely abandoned them. The main difference between Russian and German State finance is superficial. Germany professes to adhere to "bourgeois" methods. She avoids the scandal of formal debt repudiation by recognising an ever-smaller proportion of her debt—the present proportion being about 1-50,000th of her pre-war debt, and an incalculable but also ever-smaller proportion of the paper mark debts contracted since 1914. Also while Russia brazenly balanced her budgets by issuing State notes, Germany retains outwardly the correct method of notes issued against Government debt.

The last German Ministry of Finance reports suggest that Germany might advantageously perfect the likeness to Russia by abolishing the mechanism of incurring debt, and by resorting to issue of State notes instead. By doing this she would probably not increase, but rather materially diminish, the burden imposed by the currency depreciation on the mark-interest classes. This conclusion is inevitable from an examination of the last reports. As was stated last week, the floating debt (nearly all consisting of discounted Treasury bills) increased by over four billion marks in the first 20 days of June. In the next ten days this debt increased by nine billions. This particular decade report may be considered abnormal, because the increase was only partly due to the price-rise, and was partly due to the quarterly advance salary payments, a system by means of which the officials, who are at best insufficiently paid, are enabled to survive at the cost of those persons into whose hands the mark salaries go and remain during the next three months. The reports

of the preceding decades must be considered normal, because they contain no such exceptional expenditure. In the third decade of May, receipts were 283,558 millions and expenditure 1,646,077 millions; first decade of June, receipts 226,578 millions, expenditure 1,795,432 millions; second decade, receipts 280,653 millions, expenditure 2,794,112 millions. From covering nearly a fifth of expenditure receipts came to cover about a tenth. These reports are called "normal," because with the present exchange and price movements, which show no sign of ceasing, and with the present taxation system, a continuation of the decline of the ratio of receipts to expenditure is inevitable.

Hope that the mark exchange depreciation will cease while the above conditions prevail is not felt in any quarter. The Government since May 8th issued no less than nine separate prohibitions or regulations; but the net result of the Reichstag inquiry was to show that the Government nullified its mark support plans by providing large classes with money to invest in exchange. Although international bearing of the mark has not of late occurred on the great scale of 1921 and 1922, it is plain that the weekly reports of inflation have their effect abroad. Immediately after the two last Reichsbank reports the mark in New York was quoted far below Berlin; yesterday, in fact, it was quoted at around 280,000 to the dollar, although the Berlin rate was 180,000. This was apparently on the basis of the Reichsbank report for June 30th showing 4,199,322 millions addition to circulation, 5,440,028 millions to Treasury bill discounts, and 1,000,415 millions to private bills. The supply of exchange is insufficient, and it was yesterday severely rationed, although the Reichsbank raised 40 million gold marks-worth of foreign high-exchange currencies on the security of its deposits abroad. The free gold reserve, as a result, has now fallen to 716,912,000 gold marks.

The note-issue limits of the Bavarian Bank and Saxon banks have been raised to 150 milliard marks each, and for the Württemberg and Baden banks to 52 milliard each. The Reichsbank is now printing 1,000,000 mark notes. Money is tighter, apparently for technical reasons connected with the limitation of exchange dealings to the Berlin official quotation, which has had the effect of concentrating such dealings in Berlin. The annual reports of the big banks for 1922 are now appearing. The Disconto Bank reports gross profits of 12,123,042,337 marks, net 4,789,363,982 marks, dividend 250 per cent., against 20 per cent. in 1921, requiring 1,525 millions, while 2 milliards have been placed to the special reserve. The bank's clearings totalled 14 billions. The Darmstadt and National Bank reports net profits of 2,954,342,318 marks, of which 1,546,774,420 marks are placed to reserve and 1,200 millions paid in dividends at rate of 200 per cent. The General Electricity Company has decided to increase its capital from 1,400 to 1,700 million marks, the new shares to be held by a banking syndicate. This company is the highest capitalised in Germany. The Rhenish Steel Company has decided to raise its capital from 200 to 360 million marks, and the Deutsche Erdoel Company from 260 to 450 million marks. The stock boom last week continued. Yesterday began with reactions, but closed firm. The *Frankfurter Zeitung's* Bourse index shows for dividend payers on June 6th 23,200,950 against 17,801,700 a week earlier, and 376,685 on January 5, 1923. Since January, 1922, the home stocks on this index have risen 848-fold, home loans 53-fold, and foreign loans 1,529-fold. The dollar exchange has risen 912-fold, so that stocks have nearly caught up—in fact, if allowance is made for capital increases, have probably more than caught up. Last year stock prices kept far behind the currency depreciation, but in the first half of this year they rose 2.7-fold more than the dollar exchange. The *Frankfurter Zeitung* points out rightly that it is no longer true that paper-mark gains from bull speculations in the chronic boom are unreal. That was so as long as stocks moved more slowly than the gold or price index; but of late very large real gains have been made, the loser being, as usual, the outside mark interests. Quotations of bonds yesterday were:—War Loan, 270; Fours, 7,500; 3½ per cents., 5,000; Threes, 37,000; Colonial Fours, 87,900; Savings and Premium, 1,700; Prussian Threes, 4,350; Berlin Fours (1919), 400.

No agreement has been come to on the subject of a fixed real or index wage. The Government has taken to issuing a weekly cost-of-living index. For July 4th it shows (basis 1 in 1914) 16,180 against 11,785 a week earlier, and 9,272 on June 20th, so that the cost of living nearly doubled in a fortnight. For commodity prices June showed, with exception of January, the biggest rise on record. The *Frankfurter Zeitung's* index (basis 1 in 1914) for July 1st shows 39,898 against 14,980 on June 1st and 2,054 on January 1st. The gold index, reckoned by the dollar exchange, was 39,924 on July 1st, against 18,155 on June 1st, so that gold prices have nearly caught up, and are practically the same as in 1914, but are still well below world-market level. The index for textiles is 61,841, or roughly 50 per cent. over the gold price of 1914. The prices of all commodities still move rapidly upward. Ruhr standard coal (Fettfoerderkohle) has been increased from 528,000 marks to 835,000 marks per metric ton, which is 69,000-fold the 1914 price, pig-iron (hematite) to 3,499,000 marks, ingots 4,437,000 marks, bars 6,300,000 marks, sheets (5 mm. and over) 7,098,000 marks.

The Prussian Trade Ministry's monthly report shows an increase in activity in most industries. Bankruptcies in the first half of 1923 numbered 180, against 676 in the first half of 1922. Most Prussian crops, with the exception, chiefly, of potatoes and sugar-beet, are reported to have improved their conditions in June, and are, on the whole, better than in July, 1921, and much better than in July, 1922. The May trade report (defective owing to absence of reports from occupied territory) shows the following returns (metric tons):—

	Imports		Exports	
	May.	April.	May.	April.
Total	4,013,100 ..	6,396,100 ..	929,900 ..	1,028,800
Thereof—				
Food	266,900 ..	330,900 ..	96,100 ..	100,100
Raw & half-finished materials	3,630,300 ..	5,950,800 ..	525,400 ..	600,000
Manufactured goods	112,200 ..	108,500 ..	308,300 ..	328,700

Coal imports were only 2,500,000 tons, against 4,500,000 tons in April; ore imports also dropped. Exports of iron products fell heavily, export of scrap iron doubled. The exports of yarn and cloth increased.

AUSTRIA.—POLITICAL POSITION—STATE FINANCES—FOREIGN CAPITAL—INDUSTRIAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

VIENNA, July 1.

ALTHOUGH the Parliamentary elections will take place only in the autumn, the preparations for the electoral campaign are in full swing by all parties. The contest between the Christian Socialists and the Social Democrats will probably be very fierce, and heated agitation has already set in on both sides. The Social Democrats reproach the Government for not having obtained better terms of the floating of the League of Nations' loan, and accuse it of encouraging a reactionist movement; to their sorrow they realise that the new army, which until recently was completely under the influence of the Socialists, is gradually beginning to sever itself from them. In general, however, the Social pacification in this country has made great progress; the majority of the population is tired of politics, and willing to work. At the beginning of this year great masses of the people thought the financial and political breakdown of the country was only a

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question of time, but confidence in the future of the country has now become an established conviction. The Commercial Treaty with France has just been signed, and is judged much more favourably than the Treaty with Italy. Many people here are of the opinion that the bad result of the recent negotiations for commercial treaties was caused by the insufficiency of the present Austrian tariff system, and propose creating a new system with high protective duties, both on industrial and agricultural products. Since the Government, however, is afraid that the question of these high duties could unfavourably influence the approaching elections, it is probable that the revision of the tariff system will be postponed until the winter.

The success of the League of Nations' loan abroad, and the result of the subscriptions expected in Austria, will enable the Treasury to carry on for at least two years. Although the main difficulty in rearranging the Budget—the deficit on the State railways—has not yet been removed, the report made by the English expert, Sir William Acworth, raises the hope that a businesslike management of the railways under a general manager endowed with full power to act, will realise important economies. The reduction of the number of State employees is making but slow progress, because it is very difficult to find new positions for the dismissed officials in private enterprises. Up to the end of May, 36,255 had been dismissed, a total which Commissioner General Dr Zimmerman stated to be insufficient. It is also of great importance to the State finances that a way be found of eliminating the "Index Law." The officials, supported by the Social Democrat Party, are in favour of maintaining it in order to accommodate automatically the salaries and wages to the increase in the cost of living.

When the Austrian National Bank was founded last year, the subscribers of shares were allowed to pay part of their subscription in Austrian Treasury Bonds instead of foreign money. The gold reserve of the National Bank had, therefore, an outstanding balance of 86.7 milliard kronen. These Treasury Bonds have now been exchanged by the Treasury against foreign bills and foreign money; the gold reserve now covers nearly 36 per cent. of the whole banknote circulation, while the Bank Law requires a proportion of only 20 per cent.

The stabilisation of the krone and the improvement in social conditions have, to a great extent, attracted foreign capital to Austria during the last two months, the leading banks especially succeeded in getting the foreign capitalists of Western Europe interested in their concerns. In this respect the most important item is the agreement concluded by the "Union Européenne Industrielle et Financière" of Paris (which is intimately connected with Schneider-Creuzot) with the Niederösterreichische Eskompte-Gesellschaft, one of the leading banks of Vienna, for the promotion and financing of industrial enterprises in Austria and the Balkans. The programme of the newly allied companies is an ambitious one. They intend to finance the construction of new water-power plants for the municipality of Vienna and the electrification of the Vienna City Railway, while they also contemplate the construction of new docks and harbours on the Danube near Vienna. The interest taken by foreign capitalists in Austrian enterprises has caused a boom in various securities on the Stock Exchange. In spite of numerous new issues, a number of bank and industrial shares show an increase of over 100 per cent. during recent months. Money has become much cheaper during the last two weeks; whilst it was scarce at 2 per cent. per week last month, it is offered at ¾ or 1 per cent. at present.

Industrial production has shown no improvement during the last month. Owing to German and Czechoslovakian competition, sales are going very slowly, and the large accumulated stocks forced the producers and dealers to lower their prices. In consequence of these conditions and of the stabilisation of the currency, the post-war custom of selling only against cash is gradually being replaced by the previous method of granting credits. The cost of living index figure for the month of June rose by only 1 per cent., so that the gradual increase in the cost of living has almost come to a standstill. Still, the prices which for nearly all commodities have reached, and even exceeded, the world market price, are high. As a result of this, the

number of foreigners visiting Austria this summer are few in comparison with last year, and also Austrians prefer going abroad, as living in Italy and Switzerland is not more expensive than in this country. The sharp distinction between the people who profited by post-war conditions and the depreciation of the currency, and those who have been impoverished by this development, is more accentuated than ever.

The foreign exchanges have shown only very little fluctuation during the past month. The Austrian banks are dealing at present mainly in exchange transactions at the Berlin market. On June 1st the rate of exchange was 327,700 kronen to the £; on June 30th it was 323,500 kronen to the £.

ROUMANIA.—COMMERCIAL DEBTS—SALE OF ENEMY PROPERTY—REPARATIONS—PETROLEUM PRICES—TAX RECEIPTS.

BUCHAREST, June 19.

BASED substantially along the lines of the agreement for the deferred settlement of Roumanian commercial debts arranged with British creditors several weeks ago, a Bill was approved by the Senate on May 29th, providing that the liquidation of debts contracted in "strong" currencies prior to January 1, 1922, can be effected by annual payments extending over a minimum period of 12 years, and a maximum of 20 years; the debtors desiring to secure the benefits accorded by this law being obliged to deposit a guarantee of 30 per cent. of the total debt—such guarantee to be in lei, or lei securities, and to be calculated at the average rate of exchange for the year 1922. A previous Bill, passed on May 14th, had provided for a "term of grace" of three months, during which time action could not be taken in the courts for the collection of commercial debts.

The Bill of May 29th states that it is immediately operative only as to English creditors, and that it does not become operative as to other creditors until the expiration of the three months' "term of grace" provided for by the Bill of May 14th, the hope being expressed that during this time arrangements along the lines of the British agreement will be concluded with other creditors.

Representatives of Czech, French, Italian, and Swiss, among other European, creditors, have recently expressed themselves as being strongly opposed to the new law, i.e., the application of the terms of the British agreement to their creditors, and several of them have intimated that they would much prefer an immediate cash settlement, even if it were necessary to write off as a loss a portion of the indebtedness.

Another important Bill passed the Senate on June 7th, providing for the liquidation of all former enemy properties seized by Roumania during the war, the proceeds to be applied on account of Roumania's claims for war reparations and damages, and to be reported in full to the Reparations Commission. These claims are considerable, and include an item of more than two billion lei for currency issued by the Germans during their occupation and since redeemed by Roumania.

The Director-General of Railroads recently announced that Roumania had received from Germany, on account of Reparations, a credit of 32,900,000 gold marks, which credit is being used for the purchase of 110 passenger cars, 20 locomotives, and other railway equipment. He also announced that Roumania expects to receive from Germany 260 passenger cars in exchange for 1,250 flat cars which Germany owes.

A new petroleum régime came into effect on June 12th, providing for a substantial increase (of almost 100 per cent.), in the maximum price schedule for finished products sold internally. One of the great handicaps under which Roumanian petroleum companies have been compelled to operate during recent years has been the necessity of furnishing an increasing percentage (it is now over 60 per cent.) of their refinery output to the domestic market at maximum prices fixed by the Government, that were absurdly low compared with world-market prices. The new prices (with motor spirit at Lei 6.00 and kerosene at Lei 3.00 per kilogram), while still much below world-market prices, have nevertheless afforded considerable

satisfaction to the oil companies, which are now reasonably sure of a sufficient margin of profit, so that they can with safety extend their operations to as yet unproven fields. Although the production of crude has been increasing fairly steadily during the last two years—it is now up to 135,000 tons per month, against a monthly average before the war of about 150,000 tons—more than 50 per cent. of it is obtained from the Moreni field, and the impression among prominent oil people here is that the oil sands in this field are steadily thinning out, and that a declining production must be expected.

The following table shows the custom house receipts for the fiscal year, which closed on March 31, 1923, in comparison with the previous year:—

	Import Taxes.	Export Taxes.	Miscellaneous.	Total.
	Lei.	Lei.	Lei.	Lei.
1921-22.....	1,009,971,527	461,623,337	29,136,285	1,500,731,149
1922-23.....	1,251,996,190	2,251,587,167	312,585,955	3,816,169,312
Increase	242,024,663	1,789,963,830	283,449,670	2,315,438,163

The large increase in export taxes, which are now mostly payable in foreign currencies, is due not only to exchange depreciation, but also to the greatly increased rates in force during 1922-23, as compared with the previous year.

Letters to the Editor.

CREDIT CONTROL AND UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr D. M. Mason would have been far less surprised at the contents of my last letter had he paid some attention to the connection between unemployment and prices. Both economists and business men are now gradually perceiving that the cause of recurrent trade slumps is the periodical collapse of prices caused by a contraction of credit which compels buyers to cease from buying, and which, in the past, has generally been due to our unscientific currency system based on gold. To cure unemployment it is necessary to remove the cause, and the only way to avoid periodical contractions of credit is to stabilise prices. So long as we fail to do this we are bound to get periodical slumps. It is true that the causes of unemployment are many, but that part of the unemployment problem which is due to periodical slumps is so overwhelmingly predominant that if it were successfully dealt with the small portion remaining would present no difficulty. Neither Germany nor Russia can permanently deal with unemployment until they stabilise prices; but Germany had practically no unemployment until the occupation of the Ruhr, and her various trades were booming; while Russia's industrial disorganisation is due to political follies for which stabilisation is no remedy. I entirely agree with Mr Mason as to the desirability of a "sound financial system at home," but my conception of a sound system is one which will stabilise both prices and industry, whereas what Mr Mason calls, with unconscious humour, a "sound" system is one which guarantees us vast irregularities in prices and a disastrous trade slump about once in every ten years.

The raising of the Bank rate to 4 per cent., in order to steady the American exchange, at a time when index numbers are falling, also raises the question as to whether our trade is to be sacrificed to the exchanges or whether the exchanges exist for the sake of our trade. The most obvious explanation of the continued fall in the exchange with America is to be found in our heavy payments on account of the debt to that country. We must obviously pay the debt in goods, and in order to do that we must produce and export the largest possible quantity of goods. An adverse exchange puts a premium upon exports and so stimulates production. If we are to pay our debts we are bound to have an adverse exchange. But the policy of raising the Bank rate seems designed to remove the stimulus to export, and will certainly discourage production. For the only way in which it can affect the American exchange is by causing a fall of

prices in this country, and that will have a disastrous effect upon trade and production here.

The justification put forward for this policy would probably be that the adverse exchange will necessitate heavier payments by the British Government on account of the debt, and that this will lead to increased taxation. Yet the gold values to be paid to America will not be altered to the least degree. The increase will be purely nominal, and will merely mean a change in the number of pieces of paper by which the debt is represented. But the depression of trade here resulting from the increased Bank rate will mean a loss of hundreds of millions of pounds through lessened production and a proportionate loss of revenue, which will mean increased taxation. It will also bring disaster to the fortunes of some hundreds of thousands of workers. A more egregious example of sacrificing the substance to the shadow could hardly be imagined. And, curiously enough, when the disastrous results of this policy begin to make themselves apparent, we shall probably be told that it all follows from the collapse of the German mark or the exhaustion of Central Europe, or some other of those Mad Hatter explanations always so plentiful when folly brings its inevitable consequences.—Faithfully yours,

CHARLES EDWARD PELL.

21 Westbourne avenue, Acton, W. 3, July 8th, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr D. M. Mason asks if it was not our ability to manufacture and export goods "cheaper" than most of our competitors that was our strong position in the past, and he further asks if we stabilise prices at a higher level how will that help our foreign trade on which in the end the employment of our people mainly depends. His statements raise some very serious problems, and it might be very helpful in solving them if Mr Mason, from his point of view, would explain the following questions to which his letter gives rise:—

(1) When the word "cheap" is used, does that mean an abundance of goods in general, as against scarcity of goods in general? Or does it mean that there may even be a great scarcity of goods, but if the Government curtails the currency, thereby causing fewer notes to go round, each note will command a greater number of goods in general?

(2) If this process goes on, i.e., contracting the currency, irrespective of an increased or decreased volume of goods, when at the same time our competitors and our customers are expanding their currency, what will the effect be on employment in this country?

(3) When we speak of helping our foreign trade, what do we really mean? Are we better off by having comparatively large exports in relation to small imports, or in having comparatively large imports in relation to small exports? Are we better off by having increased unemployment and a large volume of exchangeable goods, or are we better off by having a small volume of imports and our men fully employed manufacturing and exporting a large volume of goods in return for that small volume of imports? What do we really want? Do we want full employment for our workmen, irrespective of whether they get a large or small quantity of goods in return for their labour? Will not the tendency be that our workmen will get a smaller return (in goods) for their labour under the process of a contracting currency, and a larger return under an expanding currency? Will not true capital get a smaller return under a contracting currency, and a larger return under an expanding currency? What in Mr Mason's policy is to be the determining reason for contracting the currency artificially?

(4) If we have twice as much currency in circulation to-day compared with pre-war days, is not that too little when we remember the amazingly large debt we contracted at mid-war prices?

(5) Is not an adverse exchange with America a corollary of what actually happened? Our debts with that country were contracted when prices were nearly at, and at, their apex. This being so, are we better off with an adverse exchange, or with an exchange at par, brought about by deliberately contracting the currency? Are we better off by having an exchange at par with America, or an exchange even at its lowest point, with 1919 prices?

ruling? If we can only get a par exchange with America by contracting our currency, does that not mean that our workers (mental and manual) will have to work, at least, nearly twice as many hours per day than they need, and in addition, will it not cause a strain on our machinery in producing nearly twice as many articles of commerce than we need if we let the economic factor run its normal course and we do not interfere with it by artificially forcing a return to pre-war prices? Inflation is bad, but is not deflation worse?

These, and many others, are the questions raised in Mr Mason's letter, and if he can show how his theory will overcome them it will help to remove many of the miseries from which humanity is suffering at present.—Yours faithfully,

JAS. S. MCCONECHY.

44 Spring gardens, Manchester, July 9th, 1923.

Books and Publications.

MODERN CAPITALISM AND ITS ALTERNATIVES.*

THIS is the latest volume of that admirable little series of economic handbooks written under the general editorship of Mr J. M. Keynes by writers of the Cambridge School. The title rather leads us to expect that we are concerned with the question of Government control of industry; in point of fact, however, the book deals with the organisation of the industrial system. What is the structure of the economic organisation by which the forces of nature are exploited, and our wants in some measure supplied, and in what directions is this organisation being modified at the present time or capable of modification in the reasonably near future? These are the two main questions which the author discusses, his chief object being to throw light on the more comprehensive question, "How, if at all, can we ensure that the men and women engaged in industry shall not become mere instruments of production or mere passive receptacles of its fruits, but shall retain, in their relation to the economic circumstances of their life, the character of self-directing human beings?" He has at the back of his mind "a picture of Man, eager to enjoy and to beget, lodged precariously on the surface of a finite planet, and arguing distractedly with blind forces the eternal question of his daily bread."

The most indignant critic of the existing order need not fear to find Mr Robertson unsympathetic or unaware of the grave deficiencies of our present economic system. At the same time he warns the reformer "to beware lest," in endeavouring to change the existing organisation, "he overlook the achievements and impair prematurely the operation of that delicate mechanism of price and profit, faith and expectation, which is at present our only substitute—imperfect makeshift though it be—for the routine orders and operation orders of a single all-directing intelligence."

Perhaps the most interesting chapters are those in which the author discusses the advantages and limitations of the various directions in which it has been proposed or attempted to modify the existing capitalist system. He deals in turn with consumers' co-operation; collectivism and quasi-collectivist arrangements; communism; various kinds of workers' control over industry, including productive co-operation, syndicalism and Sovietism and guild socialism; and lastly, various kinds of joint control over industry. It is in this last direction, and particularly in the development of Whitleyism and the evolution of a parliament of industry that he seems especially to look for advance.

Mr Robertson has produced a masterly little work enabling the reader to obtain something of a bird's eye view of the whole subject, and the book cannot be too strongly recommended to all who wish to realise both the strength and weakness of the present economic system. The author has a luminous style, which (aided by chapter headings from "Alice in Wonderland" and "Through the Looking Glass") makes the book eminently alive and readable.

* "The Control of Industry." By D. H. Robertson, M.A. (London) Nisbet and Co., Limited. 5s.

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SOCIAL PHILOSOPHY.*

THIS is a fourth and revised edition of a work on sociology and its history, which first appeared many years ago, and attracted a good deal of attention. It is a mine of learning and research on many aspects of the subject. The central feature of the author's sociological teaching lies in the problem of Authority, to which he gives special attention. He has apparently veered in the direction of regarding authority as having in some degree a biological significance, and has been particularly impressed by the fact that Bolshevism, which set out to destroy authority, has required the authority of a Lenin to establish its system of State capitalism. In general, Dr Stein remains an optimist, despite the war and all the hardships which have arisen from it. He is convinced that Western civilisation will recover and rise to higher levels. It is of interest to note that this edition is dedicated to Lord d'Abernon, while an earlier edition was dedicated to Herbert Spencer. The book is in the form of lectures, having been based originally on lectures delivered by the author at Zürich and Berne, in which latter university he was professor of philosophy.

* "Die Soziale Frage im Lichte der Philosophie." By Dr Ludwig Stein. (Stuttgart) Verlag von Ferdinand Erbe. 592 pp.

LABOUR CONDITIONS IN BOMBAY.*

THE Government of Bombay Labour Office is responsible for two reports, which make an exceedingly valuable contribution to our knowledge of industrial conditions in Bombay city. The two should be read together, as they are largely complementary. The "Working Class Budgets" contains a mass of interesting data, which helps us to form a very accurate impression of social conditions in a modern Indian town. The outstanding fact, of course, is the poverty of the mass of the people, and from this follow the many evils mentioned in the report. Thus we find that 97 per cent. of the working-class families live in single rooms, with the inevitable result—a high infant mortality and a general debility of the people. We find in 1921 that the infant mortality for families occupying one room was 828.5 per thousand, while for those occupying four rooms it fell to 133.3. It is safer to be born by the roadside—evidently a common event in Bombay—for the mortality is only 484.8! This, of course, largely accounts for the excessive death rate in Bombay.

As one would expect, considerably more than half the income of the people is spent on food, but this diminishes as the income rises. Some very interesting comparisons are made with other countries. The workers are mostly vegetarian, and among the lower-paid groups expenditure on milk and ghi (clarified butter) is negligible. Barely 6 per cent. of the total monthly income is spent on meat. Further, it is pointed out that the consumption of cereals is just equal to the maximum allowed by the Famine Code, but less than that prescribed in the Bombay Jail Manual. Perhaps that accounts for the fact that Indian prisoners often look much fatter than their free brethren. But a careful study of these figures will explain why the general physique in Bombay is so bad.

One could go on citing examples, but the above will suffice for the present purpose. The report reveals a state of affairs which it is difficult to imagine had one not seen Bombay and its "chawls." The moral is obvious, though the problems involved in creating a better state of affairs are almost insoluble. But the Government and employers will need to take a much greater interest in the welfare of the worker if the introduction of Western methods is to be a blessing and not a curse to India.

The Report on Wages and Hours of Labour in the

* "Report on Working-Class Budgets." (Bombay.) "Report on Wages and Hours of Labour." (Bombay.)

Broken Hill Prop. (8)	1 3/4	3	Knights	4 1/2	8 1/2	+	3/4
Chartered (8)	1 1/2	1 1/2	Modderfontein (10)	4	4 1/2	+	3/4
Cons. Gold Fields (£1)	1 1/2	1 1/2	Modderfont. ("B") (5)	1 1/2	1 1/2		
Crown Mines (10)	1 1/2	1 1/2	Modderfont. Deep (5)	1 1/2	1 1/2		
De Beers D. (4)	1 1/2	1 1/2	Premier Def. (2/5)	6 1/2	6 1/2		
East Rand Prop. (£1)	1 1/2	1 1/2	Robins. (5)	2 1/2	2 1/2		
Geduld (£1)	3 1/2	3 1/2	Selukwe	3 1/2	3 1/2		
Gov. Gold Areas (£1)	5 1/2	5 1/2	Rio Tinto (25)	3 1/2	3 1/2	+	1
			Spring Mines (£1)	2 1/2	2 1/2		

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1) ..	1 1/2	1 1/2	—
Amal. Cotions (£1) ..	3 1/2	3 1/2	—
Anglo Persian Oil (£1) ..	3 1/2	3 1/2	—
Armstrong (Sir W.G.) ..	3 1/2	3 1/2	—
and Co. (£1) ..	3 1/2	3 1/2	—
Ass. Pind. Cement (£1) ..	1 1/2	1 1/2	—
Barker, John (£1) ..	2 1/2	2 1/2	—
B'ham Small Arms (£1) ..	2 1/2	2 1/2	—
Brazil Traction (\$100) ..	48 1/2	50	+1 1/2
British-American Tobacco (£1) ..	4 1/2	4 1/2	—
Burmah Oil (£1) ..	4 1/2	4 1/2	—
Coats (J. and P.) (£1) ..	3 1/2	3 1/2	—
Courtaulds (£1) ..	3 1/2	3 1/2	—
Cunard (£1) ..	3 1/2	3 1/2	—
Dorman, Long (£1) ..	3 1/2	3 1/2	—
Dunlop Rubber (£1) ..	3 1/2	3 1/2	—
Fine Cotton Spinners (£1) ..	2 1/2	2 1/2	—
Forestal Land (£1) ..	1 1/2	1 1/2	—
Furness, Withy (£1) ..	1 1/2	1 1/2	—
Highlands and Lowlands Rubber (£1) ..	1 1/2	1 1/2	—
Hudson's Bay (£1) ..	5 1/2	5 1/2	—

MINING OUTPUT STATISTICS FOR JUNE, 1923.

	Tons Crushed.		Gold Recovered.			
	Mill.	Cyande Works.	Mill.	Cyande Works.	Total.	Value. Profit.
Gold.						
Abbotiakoona ..	7,750	..	..	..	..	(a) 15,331
Akoko Main Reef ..	254	306	277	40	310	1,059
Ashanti ..	7,005	..	..	..	6,781	(a) 28,808
Associated ..	4,463	..	..	..	..	5,792
Associated N. Blocks ..	..	..	..	..	..	..
Iron Duke ..	529	..	..	..	..	1,493
Blackwater ..	3,698	..	..	..	..	b) 7,190
El Oro ..	34,600	..	..	..	..	\$164,952
Globe and Phoenix ..	6,293	..	..	..	6,027	(e) 10,519
Golden Horseshoe ..	7,332	..	..	..	4,702	(d) 20,016
Ivanhoe ..	13,686	..	..	..	5,866	..
Oriental Cons. ..	6,070	3,663	..	..	..	\$100,000
Prestea ..	6,506	..	..	..	..	(a) 10,641
South Kaiguli ..	7,590	..	..	..	3,814	(c) 17,069
Taqaah and Abosso ..	18,500	..	..	..	..	\$71,000
Tomboy ..	1,550	..	..	..	..	4,922
Transvaal and Rhodesian ..	..	..	..	..	..	..

(a) Par. (b) 87s 6d per oz. (c) 89s 6d per oz. (d) 84s 11 1/2d per oz. (e) 84s per oz.

	Output.	Other Notes in Return.
Copper.		
Poderosa ..	450	Metric tons, assaying 27 per cent copper.
Tanganyika ..	4,810	..
Tin.		
Aramayo ..	198	Silver 109,000 ozs
Bisichi ..	40	Est. value, \$1,400.
Chenderiang ..	13	..
Filani ..	13	..
Ipoh ..	504	..
Jos ..	133	..
Kamunting ..	58	Est. value, \$5,985.
Kaduna Prosp. ..	93	..
Kaduna Synd. ..	15	..
Lower Bisichi ..	73	..
Mongu ..	35	..
Mongu ..	3	Despatched 12 tons.
Nigerian Cons. ..	10	..
N. Nigeria (Bauchi) ..	70	Black tin, 23 tons alluvial.
Pahang Cons. ..	203	..
Premier Hydraulic ..	8	..
Renong ..	534	Despatched 3 tons.
Sukuba ..	2	..
Coal.		
Chinese Engineering ..	86,435	Week ended June 30th.
Miscellaneous.		
Akim ..	..	Diamonds, 1,276 carats; gold, 152 ozs.
Keeley Silver ..	..	119,320 ozs.

ELABORATE ZINC.—Production during four-weekly period ended June 27th: zinc, 3,204 tons; silver-lead product for shipment to Port Pirie for realisation, containing lead 575 tons, silver 80,000 ounces.

SAN FRANCISCO.—June.—Ore treated, 6,578 tons; lead concentrates produced, 1,420 tons; zinc concentrates, 1,280 tons. Estimated net smelter return on lead \$71,210, U.S. currency; estimated net smelter return on zinc, \$29,705; total net smelter return, \$100,915. Operating expenses, \$43,210. Estimated operating profit, \$57,705. Capital expenditure (including development), \$21,835.

ZINC CORPORATION.—June.—Mining department—Lead concentrator treated 15,583 tons of ore, producing 3,385 tons of lead concentrates, assaying 64 per cent. lead and 5,430 tons of zinc middlings.

OIL OUTPUTS.

THE BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—A cablegram has been received from Burma reporting that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of June amounted to 58,129 barrels.

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

COMPANY MEETINGS, &c.

NATIONAL BANK OF NEW ZEALAND, LIMITED.
INCREASED RESOURCES PROFITABLY EMPLOYED.

The fifty-first ordinary general meeting of the National Bank of New Zealand, Limited, was held, on the 9th instant, at 17 Moorgate, London, the Hon. William Pember Reeves (chairman of the bank) presiding.

The secretary and London manager (Mr Arthur Willis) having read the notice convening the meeting and the report of the auditors,

The Chairman said that the paid-up capital was £1,250,000, and the reserve fund, by the addition of £10,000 now recommended, would be increased to £1,260,000. The profit for the year, after paying the bonus to the staff of £13,600, was £229,000, an increase of £16,000. Including the carry forward, it amounted to £371,000, an increase of £41,000 over last year's figures. They proposed to pay the same rate of dividend and bonus as in the previous year, 14 per cent., free of tax, and that on an increased paid-up capital of £1,250,000. He was pleased to say that they had been able to employ their larger resources profitably. They had again placed a substantial sum to premises account, and had allotted £22,600 to the pension and gratuity funds. They were carrying forward £145,567.

IMPROVED CONDITIONS IN NEW ZEALAND.

The general manager, writing a year ago, had spoken of 1921 as a year of extreme difficulty for New Zealand. The Dominion had been faced with financial stringency, depressed values for products, unemployment, and heavy trading losses, but he had added that 1922 had opened with a better feeling. All reasonable hopes for 1922 had been fulfilled, so that the year could be reviewed with a sense of real satisfaction. In the United Kingdom the year had been described as one in which the economic life of the nation had been at a very low ebb—a year of trade stagnation and much unemployment. In Australia the position had been different, and in New Zealand the improvement could be spoken of almost without qualification. There had been a favourable season; the overseas trade left a substantial balance in favour of the Dominion, and increased revenue and decreased expenditure had enabled the Prime Minister not only to balance his Budget, but to show a surplus. The growth of the dairying business had been remarkable. It was now the principal source of income for farmers, and New Zealand aimed at becoming the largest supplier of dairy produce to the United Kingdom. There was a good outlook for wool, all the indications being in favour of good prices for some time to come. Dairy produce, wool, and frozen meat made up 90 per cent. of the exports, and, with all three at remunerative prices, it could readily be understood that farmers as a whole had had a favourable year.

ASSISTANCE FOR FARMERS.

The complaint that bankers were not giving adequate financial assistance to farmers had been heard frequently. The land credit banks, or agricultural banks, had been persistently advocated as the remedy, but it was impossible to find in New Zealand the class of rent-racked, usury-ridden peasantry for whose especial benefit the Raiffeisen and Schultze banks had been formed in Europe. Since complaints on behalf of farmers were made against the trading banks in New Zealand, he would state the position. Their advances to farmers represented 31 per cent. of the total number to their clients, whilst in amount they came to 37 per cent. Even those figures did not include advances to farmers' co-operative companies, stock and station firms, &c., advances which were used by them to finance farmers and pastoralists. Dairy companies banking with this bank received their supplies from 18,620 shareholders, of whom only a percentage were the bank's own customers. He ventured to think that the fact that 37 per cent. of their advances were to men on the land would convince the unbiassed that the bank was not neglecting them. Most of what agricultural bank advocates contended for was already available to them through the State Advances to Settlers Department, the invested capital of which was now £21,000,000, a sum which the Prime Minister had just stated would be increased by some £2,000,000. The latest statistics showed that the advances by the State Department averaged £413. It was true that there was not enough capital available for mortgages on farm lands, but the bank had nothing to do with that. Long-term mortgages were not, and never had been, banking business.

Comparing the position of New Zealand with that of other

countries, he said, in conclusion, that New Zealand had her troubles, but she had an honest Treasury, trading classes who were trustworthy, farmers who increased production, and workmen who were at work. Her people could point to industrial peace, improving trade and prices, and a general measure of well-being in which all classes shared with, at any rate, an approach to equity.

Mr Henry F. Freshwater seconded the resolution, which was carried unanimously.

The formal business having been transacted, a cordial vote of thanks to the directors, general manager, and officers of the bank in London and New Zealand terminated the proceedings.

BANK OF BRITISH WEST AFRICA, LIMITED.

SIGNS OF IMPROVED TRADE.

The twenty-ninth annual general meeting of the shareholders of the Bank of British West Africa, Limited, was held, on the 12th instant, at the offices, 37, Gracechurch street, London, the Right Hon. the Earl of Selborne, K.G., G.C.M.G. (chairman of the company), presiding.

The secretary (Mr G. B. Bennett) having read the notice convening the meeting and the report of the auditors,

The Chairman said that last year he dwelt on the effects of the great commercial and industrial crisis through which the world had been passing, and he asked shareholders to agree to a reduced dividend of 6 per cent. He asked them now to agree to a still further reduction to 5 per cent., which was all that the directors felt they could prudently recommend in view of the continued stagnation of business last year, and the slowness of recovery of the world's trade.

The grievous depression of trade, of which he spoke last year, had prevailed through the period covered by the report and accounts now presented in all the countries in which their bank operated, though less so in West Africa than elsewhere. That was the reason why they had not been able to present more favourable results or to recommend a higher dividend. But in that period values had at last found their proper level, and there were signs, though not great signs, of an improvement of trade in West Africa. Last year he said that the recovery of trade de-

pended on a great variety of considerations, among others on the exercise of rigid economy by His Majesty's Government in Great Britain and in the colonies, and on the reasonableness of employer and employee. He was glad to be able to say that those conditions had been largely fulfilled, and, in addition, he would mention the settlement of accounts between Great Britain and the United States of America.

THE ACCOUNTS.

Turning to the accounts, on the liabilities side of the balance-sheet, the capital and reserve remained the same as a year ago, but the current and deposit accounts again showed an increase. Another item indicative of the prevailing conditions was that of bills for collection, which stood at £876,000, or almost £1,000,000 less than in the previous year. That clearly indicated the falling off in their customers' trade.

On the assets side their cash holding of £1,488,000 represented 25.54 per cent. of their current and deposit accounts, as compared with an average of 31 per cent. over the previous ten years. But if their holdings in Treasury bills were regarded as cash their percentage this year was raised to over 30 per cent. As 90 per cent. of their investments were in British Government securities, and those represented a further 18 per cent. of the bank's liabilities to the public, shareholders would agree that a very liquid position was disclosed.

Their loans, advances, and other accounts, at £2,028,000, showed a decrease of £373,000, as compared with the 1922 accounts. Their net profit for the year was £100,574, as against £105,935 in 1922. All those features shareholders would have seen reproduced in the balance-sheets of other banks, and were sure signs of bad trade.

He could not doubt that there was much trade in store for British West Africa when the older civilisations in Europe had composed their differences and begun again to consume the products of the tropics on their former scale. There was nothing amiss with Africa; the fault to-day lay in Europe. He moved the adoption of the report and accounts.

The deputy-chairman (Mr R. Hugh Tennant) seconded the motion, and it was unanimously agreed to.

A final dividend of 3 per cent. for the year ended March 31st last, making, with the interim dividend paid in December, 1922, 5 per cent. for the year, less income-tax, was then declared, and the retiring directors and auditors were re-elected.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

P. AND O. BANKING CORPORATION, LIMITED.
BANK'S STRONG FINANCIAL POSITION.
CHAIRMAN'S CONFIDENCE IN INDIA'S FUTURE.

The third ordinary meeting of the shareholders of the P. and O. Banking Corporation, Limited, was held, on the 13th instant, at 122 Leadenhall street, London, the Right Hon. Lord Inchcape, G.C.M.G., K.C.S.I., K.C.I.E., chairman of the company, presiding.

The secretary (Mr. H. J. Rolt) having read the notice convening the meeting and the report of the auditors,

The Chairman said he would like, in the first place, to refer to the loss the bank had sustained in the death of two of its directors, Sir Richard Vassar Smith and Sir Duncan Carmichael, both valued colleagues, who had taken a deep interest in the bank's concerns. The former had been succeeded by Lord Selborne, a director of Lloyds Bank, of which Sir Richard was chairman.

EXPANSION OF THE BANK'S BUSINESS.

The total figures of the balance-sheet, all items of which showed expansion, had risen from £13,000,000 to £22,500,000, a gratifying feature being the rise in current deposit and other accounts to £10,000,000 from £6,316,000 a year ago. Their cash position was very strong indeed, and nobody would cavil at the large liquid balances of nearly £5,000,000, representing about 50 per cent. of their demand liabilities, which they had thought it necessary, even at the expense of profits, to retain in these uncertain days. The meeting would be glad to note that the item "Bills discounted" had increased to over £4,500,000, and included such liquid assets as £2,630,000 in British and Indian Government Treasury Bills.

EFFECTS OF TRADE DEPRESSION.

The bank's securities, save for the permanent investment in the Allahabad Bank, were all British or Indian Government securities. The decrease in advances to customers to £2,850,000 from £3,490,758 a year ago, reflected the depression in trade. Money rates had been low, and, having opened, in the first three years of the bank's existence, eight branches in the East, they had had to carry a load of new development which, apart from the heavy initial outlay involved, could not at once yield its quota of profit.

VALUATION OF RUPEE ASSETS AND LIABILITIES.

He had, he said, been asked by one or two of the shareholders to make some reference to the rate of 2s which they had adopted for the valuation of their current rupee assets and liabilities. Some conventional valuation had to be adopted for the purpose of bringing to account their assets and liabilities in Eastern currencies, and it was immaterial what this conventional rate was so long as it was not applied to any assets and liabilities which were affected by exchange.

So far as rupees were concerned, they adopted the 2s rate because at the time the bank came into existence that was the official rate, and they had maintained it because it was still the official rate. But this rate was not the rate at which they had converted their profit and loss items which had been brought to account at the rate ruling at the close of their financial year. So also had the rupee securities been valued at the rate prevailing on March 31st, as the auditors' report made clear. In fact, all items in the balance-sheet affected by exchange had been valued at the rate current on March 31st, and the funds remitted towards the purchase of their premises in Bombay had been valued at the rate at which they were remitted, which was below 1s 4d.

Their permanent investment in the Allahabad Bank stood at the purchase price, and this had been remitted to India at about 1s 5d per rupee. Despite financial trouble in India, the Allahabad Bank had held its own, and both as to staff and the advantages of having an affiliated bank with branches all over India, the P. and O. Bank had proved it a valuable connection, the value of which was likely to increase.

DIVIDEND MAINTAINED.

The profit on the year's working, £139,388, added to £14,042 brought forward, gave £153,430, from which they proposed to pay the same dividend as last year, 5½ per cent., less tax, but as by reason of Colonial relief the effective rate for tax deduction was reduced to 4s 1½d, this would cost £14,000 more than last year, leaving them in a position to place £25,000 to reserve (bringing that fund up to £115,000) and to carry forward £15,179.

NEW PREMISES AND THE STAFF.

The near completion of their new premises in London, already partly occupied, would provide comfortable housing for their managers and staff, and ample accommodation for the public. At their various branches abroad they had secured efficient managers and a good staff. They would, he was sure, join him in acknowledging that the results now reported reflected credit on the managers and staff at home and abroad.

The board's policy was one of prudence. They intended to go cautiously, avoiding risks as far as possible, gradually working up what they hoped would be a sound and lucrative business and building up reserves, a course which he felt would have the support of their shareholders.

INDIA AND EUROPE.

The Continent of Europe, his lordship continued, was, before the war, India's best customer, and until things were settled there—as they hoped, by the influence of the Prime Minister and His Majesty's Government, they might soon be—the trade of India, of this country, and of the world generally, would not revive.

In his humble judgment this country would gain far more by a settled Europe than by anything in the way of reparations she was likely to get from Germany.

THE GOVERNMENT OF INDIA.

He had spent some months in India recently, and came away with no misgivings as to that country's position. Very considerable economies had been or were in course of being effected in the expenditure, and the budget for the current year would balance, which had not been the case for the previous five years. The credit of India had been restored, and he was not without hope that, barring some failure of the monsoon, the days of deficits were past. Lord Reading, the Viceroy, with the aid of Lord Rawlinson, the Commander-in-Chief, was ruling India with a firm hand; steps had been taken which, so far as one could see, would secure the country from any serious attack by frontier tribes, and at the same time would admit of material reduction in military expenditure.

There were laudable aspirations on the part of the educated classes in India for a greater share in the Government of the country, and though these might be met in the course of time, he felt perfectly certain that nothing would ever be allowed to interfere with the supremacy of the British Raj in India. He had, he concluded, no fear as to the future of Britain's great Dependency.

The chairman concluded by moving that the directors' report and statement of accounts should be received and adopted.

Mr A. K. Wright, K.C.B., D.L., seconded the resolution, and it was carried unanimously.

The dividend of 5½ per cent., less tax, was formally declared, the retiring directors were re-elected, and the retiring auditors re-appointed.

The proceedings terminated with a hearty vote of thanks to the chairman.

AUSTRALIAN ESTATES AND MORTGAGE COMPANY, LIMITED.

QUEENSLAND LAND ACT—CHAIRMAN'S CRITICISMS.

The annual ordinary general meeting of the Australian Estates and Mortgage Company, Limited, was held, on the 10th instant, at the Cannon street Hotel, London, Mr Andrew Williamson, chairman of the company, presiding.

The secretary (Mr L. E. Pickin) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: The gross profit for the year amounts to £352,615, an increase of £98,474. Current expenses came to £172,510, an increase of £77,969, leaving a net profit, before charging debenture interest, of £180,105, or an increase of £20,505. The heavy increase in expenses is almost entirely due to Colonial and English income-tax. After charging debenture interest and carrying £35,000 to reserve account (against £20,000 last year), the directors recommend a dividend of 6 per cent. for the year, which will leave £8,553 to be carried forward. Under all the circumstances, we have reason to consider the results as very satisfactory.

WEATHER CONDITIONS.

Weather conditions were very different from those of the previous year. In 1921 the rains were abundant and well distributed, whereas in 1922 the season over practically the whole of our properties was very unfavourable, the total rainfall having been quite insufficient, and badly distributed over the year.

The season during 1922, so far as the Western half of Queensland is concerned, was drought-stricken to a marked degree. Shortage of rain was also the outstanding feature of the year in the Southern, Eastern, and Northern parts of the State, excepting over small areas and the coastal regions in the extreme North. In fact, generally, drought conditions may be said to have prevailed, but, unlike the more Western areas, in these parts partial relief was experienced at intervals.

In New South Wales the rainfall registered during the year was extremely deficient in many parts, whilst in others it was the lowest on record.

These drought conditions resulted in a lighter wool clip, amounting to 13,875 bales, against 15,304 bales in 1921. Livestock was

slow of sale, and prices were poor, especially for cattle, which were throughout the year at an unprofitable level. During the greater part of the year the market for sheep was inactive. It was more advantageous to withhold sheep from sale other than those of advanced age and inferior quality. The low levels ruling in London for frozen beef adversely affected our revenue from stock sales, the comparatively few cattle sold realising very low prices.

Following on the temporary and healthy reaction in December, 1921, the market for wool was very firm throughout the year. With the exception of the months of March and June and November-December, each series of the London auctions showed a rise in values amounting, in the course of the year, in the case of merinos to from 25 per cent. up to 50 per cent., and in the case of crossbreds from 35 per cent. up to 60 per cent. The gratifying outcome of the working for the year is the more satisfactory because our accounts in 1922 did not benefit from any receipts from the British-Australasian Wool Realisation Association.

PROSPECTS.

The amount of wool that is estimated to have been consumed last year is very striking. The astonishing ease with which the large surplus stocks which then weighed on the market have been absorbed has exceeded all expectation.

We had much cause for anxiety during the early months of the present year. This anxiety has been, to a great extent, relieved by welcome rains during the last six weeks, from which all our properties have benefited. This year's lambing, however, must be disappointing. More rain is still wanted even now on several of our properties, and later on during the Australian spring (September-November) we hope for seasonable falls. All immediate anxiety has been removed, so far as our pastoral interests are concerned. We hope to have a fair clip, though it will be less in quantity than last year, and the extraordinarily strong statistical position of wool justifies the expectation of excellent prices, which should be reflected in good prices for sheep. The outlook for the cattle industry is still gloomy in the extreme.

QUEENSLAND.

I referred last year in detail to the damage which we and other holders of pastoral leases from the Crown in Queensland have sustained through the action of the Government of that State in passing the Land Act Amendment Act (1920). A contract with the pastoralists, entered into by the State of Queensland with the definite object of securing to the pastoralists a reasonable protection for the expenditure of large sums of money in stocking up and improving very large areas of country, which was then desired in the general interests of the community, has been set aside by the Government of that State without the other party to the contract being consulted, or any compensation of any kind being provided for the money expended in reliance upon it. If it had been put to the pastoralists that the exigencies of the Government, or the permanent well-being of the State, necessitated a modification of the contract, the lease-holders would have been perfectly willing to enter into negotiations with the Government, and to meet the requirements of the case in a fair and reasonable spirit. A modification of the contract in exchange for equitable compensation could thus doubtless have been arranged, without the good name or credit of the State being adversely affected. Unfortunately, what might have been done equitably by negotiation was carried through by an Act of Parliament, which, without any compensation, ignored the contract made by the State with its pastoral lessees. Our company has already sustained loss to the extent of nearly £30,000 through this.

I still hope that a wise statesmanship will yet find a way by which, without its sovereign rights being in any way affected, Queensland may remove all legitimate grounds of protest from the pastoral lessees.

We all want to see Queensland prosperous and trusted, with money flowing freely in for the steady and effectual development of its vast natural resources. The Queensland Government must have the same wish, and it is in their power, as it is to their interest, by an attitude of conciliation, and by a fair and equitable measure of adjustment, to dispel the cloud at present resting on the State, and to gain back for it the high credit it formerly enjoyed.

The wool industry is so all-important an interest not only to Queensland, but to the whole of Australia, that the aim of her statesmen should be to do everything in their power to encourage and foster an industry which can only be worked to the best advantage, both as to quantity and quality of production, when carried on upon a large scale, and with ample capital. With all the encouragement that Government could give in the way of security of tenure and confidence in obtaining absolutely fair treatment, there still must ever remain for this industry many serious risks inseparable from the climate and conditions of Australia. Having regard to the vast extent of land suitable for pastoral occupation and the very limited population, so far, of

Australia, this industry can well be carried on upon a large scale for many years to come, without prejudice to the closer settlement of the country, the immense importance of which is fully recognised; indeed, it fits in perfectly with the present stage of development of that great country, and every wise Government would seek to safeguard, and not to undermine, so great an Australian asset.

The reports and accounts were adopted unanimously.

GENERAL ELECTRIC COMPANY, LIMITED.
CONTINUED PROSPERITY—RESEARCH ACTIVITIES.

The annual general meeting of the General Electric Company, Limited, was held, on the 12th instant, at Magnet House, Kingsway, London, Mr Hugo Hirst, chairman and managing director, presiding.

The secretary (Mr Leslie C. Gamage) having read the notice convening the meeting and the report of the auditors,

The Chairman said that if the opinion of the Press with regard to the report was indicative of the feelings of the shareholders, the management of the company had every reason to be pleased with the past year's results. They were more than pleased bearing in mind the unsatisfactory conditions prevailing during the first four or five months of the year. But considering their determined efforts, they were entitled to hope for more, and the present balance-sheet threw out great hopes in this direction. The profit from the trading account, at £637,224, exceeded that of the previous year by £167,670. Remembering the absolute paralysis of trade during the first quarter of the year, and seeing that the company had already done so much better this year during the same period, it was reasonable to hope that a further advance might be made in this figure. The income from investments was £113,273, and the available balance amounted to about £968,000, as compared with £914,000. These better results, however, were not yet sufficient, as there were increased charges to be met. An additional £61,744 was required to meet a full year's debenture stock interest, as against only eight months' interest a year ago, and depreciation absorbed £20,000 more. There was also a slightly higher charge of about £15,000 for preference share dividend. During the year the small unissued balance of both "A" and "B" preference shares, being too small for a public issue, had been disposed of *en bloc* to a financial house, the price paid being par plus dividend accrued to date.

ORDINARY DIVIDEND.

By the declaration of a 5 per cent. dividend on the ordinary shares, the carry forward was reduced by £40,000, and he hoped and believed they might be able to add to this next year. In making this statement, he hoped he would not be accused of too much optimism; he did not anticipate a boom nor immediate bursting prosperity. He believed the company was sailing into calmer waters, though there might be some nasty squalls before they got there. Sundry debtors were less by £200,000. This did not indicate smaller business, but smaller values. He estimated an all-round drop in prices of at least 20 per cent., and in order to do the same amount of business, a greater volume of work had passed through their factories and selling organisations. The same picture was reflected in the country and overseas branches. This factor also affected stock-in-trade and work in progress, and to some extent accounted for the increase in liquid cash resources, which, apart from the proceeds of the preference issue, had risen by some £500,000. The reserve fund amounted to £707,000, and there were also other reserves—he referred particularly to loose plants, tools, &c., fixtures and installations, and goodwill and patents, which items figured at £1 each. The very considerable amount spent on the two former items could be judged by a study of the depreciation accounts and generous allocation from revenue, but the goodwill of the General Electric Company could not be calculated in figures. If the company desired to be independent and hold its own against its great competitors in other parts of the world, it had to develop assets other than those which could now be expressed in £ s. d. He referred to the intensive culture and improvement of the human element in their organisation.

RESEARCH LABORATORY OPENED.

They had to get hold of the knowledge of the principles underlying their specific processes and the precise way in which they must be applied in manufacturing. These required continuous study and discovery, and for that reason the directors had committed themselves to the establishment of an important research laboratory, which was opened in the early spring. It was started mainly for the purpose of the better understanding and production of the company's own materials, for the improvement in the manufacture of their goods, and for the education of the staff. For the purpose of testing the numerous applications of electricity for different industries, the company had, apart from research, put development departments by the side of their factories. It was

due to these institutions and the strenuous efforts and skill of their designers and engineers that, in spite of the short time since they entered the field of heavy engineering, they could now claim that they occupied a premier position, not only in the manufacture of lamps and other supply articles, but also of the largest plant, be it turbo generators, compressors, turbo blowers, gas-cleaning, conveying, or mining plant. It would not be difficult to mention some instances of work which was the biggest of its kind ever undertaken in this country. With such preparations for the future, great success and prosperity should be assured. He would have no hesitation in prophesying this as a certainty were there not a heavy cloud hanging over them at the present moment, which might thwart their best and most earnest endeavours. But for that dark cloud, his optimism as regarded the future of the General Electric Company and of the country would have been as of old—bright, definite, and undiluted.

The report and accounts were unanimously adopted.

HOWARD AND BULLOUGH, LIMITED.

"LARGEST RESULTS OF ANY YEAR'S WORKING."

The twenty-ninth annual ordinary general meeting of the shareholders of Howard and Bullough, Limited, was held at Globe Works, Accrington, on Tuesday, July 10, 1923, at 12 o'clock noon. The chairman of the company, Sir George Bullough, Bart., presided.

The reports of the directors and auditors, and balance-sheet were taken as read.

In moving the adoption of the reports and accounts, the Chairman said: The balance-sheet before us reveals the largest results of any year's working we have yet experienced. It is in a great measure accounted for by our having been engaged during an uninterrupted year upon many orders secured at a period when price levels were higher than now. For some time past the disturbed state of the world's affairs and the depression in the cotton trade have curtailed the markets for new business. Keen competition for the restricted business offering has inevitably led to a general lowering of price levels.

ALLOCATIONS.

The recommendations of your directors regarding the appropriations to reserves and the sum proposed to be carried forward to next account will therefore, if adopted, place us in a strong position to meet eventualities.

An addition of £200,000 to the reserve fund will raise that fund to £500,000; of this sum your directors propose to capitalise one-half by the creation and the distribution of 250,000 new £1 ordinary shares to the registered holders of ordinary shares in the proportion of one new share for every four now held.

To the dividend reserve an addition of £100,000 is recommended, and in carrying forward the balance of £166,261 to the next account due consideration has been given to the increased requirements for taxation.

I now move that the reports of the directors and auditors as presented in the balance-sheet be allowed and passed.

Mr W. Livesey, of Southport, seconded, and the resolution was carried.

Mr R. W. Bugler, of Haslingden, moved that a dividend be paid for the half-year ending May 31, 1923, at the rate of 6 per cent. per annum, less income-tax, on the preference shares, and a fourth quarterly dividend of 2½ per cent., less income-tax, on the ordinary shares, making, with the interim dividends already paid, 10 per cent. for the year on the ordinary shares.

Mr J. T. Hoyle, of Bacup, seconded, and the resolution was agreed to.

BONUS.

Mr H. Ross, of Accrington, in moving that a bonus for the year ending May 31, 1923, at the rate of 2s per share, free of income-tax, be paid on the ordinary shares, complimented the directors and staff on the successful year's work.

Mr M. Livesey, of Accrington, seconded, and the resolution was unanimously carried.

Mr R. Mellor, of Stockport, said he had very great pleasure in moving the re-election of Mr James Bancroft, M.B.E., and Mr George Boothway, as directors of the company.

Mr F. J. Fletcher, of Oswaldtwistle, seconded, and the resolution was agreed to.

Mr Boothway expressed thanks on behalf of Mr Bancroft (who was absent on business) and himself for their re-election.

Mr J. Drake, of Altham, proposed the re-election of Messrs John Adamson, Son and Co., of Manchester, as auditors of the company, on the same terms as before.

Mr A. Hindle, of Accrington, seconded, and it was approved.

Mr J. T. Hoyle, of Bacup, proposed a vote of thanks to the chairman and co-directors, and to the staff and workers for their services.

Mr T. Howard, of Accrington, seconded.
Sir George Bullough, Bart., suitably responded, and the meeting then terminated.

BRACKPAN MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

SATISFACTORY RESULTS—BRIGHT PROSPECTS.

The twentieth ordinary general meeting of shareholders was held in Johannesburg on Friday, June 8, 1923.

The Chairman, Mr F. R. Lynch, in moving the adoption of the report and accounts, said:—

A few days ago an extraordinary general meeting of shareholders was held for the purpose of considering a proposal to increase the capital of the company from £850,000 to £1,020,000 by the creation of 170,000 new shares, which will rank for the dividend to be declared as at June 30th. The proposal was unanimously approved.

No change took place in your company's property holdings during 1922, but since the close of the year the Schapenrust Claims royalty has been commuted, and part of the proceeds of the new shares will be used for that purpose.

The main features of the work for the second half of 1922 were the increased tonnage crushed, the improvement in the revenue per ton milled, and the working profit on the basis of the standard value of gold, whilst there was a very considerable reduction in working costs and a heavy fall in the amount of revenue received from premium on gold.

Owing principally to the higher percentage of payable footage developed, the result of the recalculation of the reserve at the end of the year showed a small increase of 26,050 tons, while the stope width was increased by 1.87 inches and the value was decreased by .38 of a dwt.

The development figures for the first quarter of this year, which were given in the report issued to shareholders in April last, are even better than those for last year. The tonnage milled for the quarter was slightly below the average of the second half of last year, but this was due to a loss of approximately 10,000 tons through a breakdown of the winding engine at the No. 2 Shaft, and to the small number of working days in the month of February.

The working profit for the year was £370,240, plus £69,596 premium on gold and £3,610 sundry revenue, making a total of £443,446. After deducting from this amount £68,964 for strike expenses, £8,497 for expenses in connection with the purchase of ex-enemy shares, and £2,549 for donations, there remains an amount of £363,436 to be added to the balance of £44,467 standing to the credit of the appropriation account, making an available total of £407,903. This sum has been dealt with as follows:—

Appropriated for Union Government and Provincial taxation	37,148
Government participation in profits under mineral lease	45,329
Depreciation of stores and materials	14,000
Funds appropriated for capital expenditure	100,000
Dividend No. 21 of 20 per cent.	170,000
leaving a balance of £41,426 to be carried forward to the 1923 accounts.	

Turning now to the balance-sheet, the only item which calls for explanation on the liability side is £10,654 standing to the credit of "development suspense account." The fixed charge to working costs of 5s per ton milled was not fully expended during the year, and the unused balance was, therefore, carried forward to 1923, and will be applied as a set-off against the current year's expenditure on development. On the assets side, it will be noticed that the item "stores and materials in excess of standard stock" shows a considerable reduction. At the end of 1921 the account stood at £56,183, of which £44,024 was for general stores and £12,159 for construction stock. At the end of 1922 the amount invested in general stores (apart from the standard stock of £27,000) had been reduced to £3,989, and the construction stock figure stood at £6,461.

The results of this year's operations at Brakpan Mines have been more than satisfactory. Shareholders may, therefore, look forward with confidence to the distribution of good dividends.

The report and accounts were unanimously adopted.

SPRINGS MINES, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

INCREASED EFFICIENCY—GOOD PROSPECTS FOR CURRENT YEAR

The fourteenth ordinary general meeting of shareholders was held in Johannesburg on Friday, June 8, 1923.

The Chairman (Mr F. R. Lynch), in moving the adoption of the report and accounts, said:—

During the period under review 424,090 tons were milled, of which 279,000 tons were dealt with during the second half of the year. The working profit was £347,117, which, together with 59,541 derived from the clean up of the obsolete precipitation plant, made a total of £406,658. The amount received by way of premium on gold was £54,127, a reduction of £161,000 compared with the corresponding figure for 1921. The average grade milled was better by about 9d per ton at 38s 0.17d, and cost

were reduced from 29s 8.36d to 24s 2.36d, the resultant working profit being 13s 9.81d per ton milled as compared with 7s 6.14d for 1921. For the second half of the year, when operations were practically normal, the value of the ore crushed improved to 39s 4.12d, working costs were reduced to 22s 11.26d, and the working profit rose to 16s 4.86d per ton milled.

Your general manager, in commenting on the reduction of costs, states that since the resumption of operations there has been a considerable increase in efficiency, which he attributes to the restoration of managerial authority and the reorganisation of work, which resulted in the elimination of a number of redundant men.

The working expenditure and revenue account shows that the working profit for the year amounted to £406,658, which includes £54,126 premium on gold, and £59,541 from the clean up of the obsolete plant. After providing for the strike expenses, £73,823, expenditure in connection with the purchase of ex-enemy shares £9,319, and sundry items amounting to £8,015, a balance of £315,777 was carried to the appropriation account, and, together with the balance of £73,430 brought forward from 1921, made a total sum of £389,207 available. This was dealt with as follows:—Appropriated for Union Government and provincial taxation, £39,031; Government participation in profits under the mineral lease, £14,448; appropriation for reorganisation of plant and equipment, £76,714; dividend No. 7 of 15 per cent., £213,110; leaving an unappropriated balance of £45,904 to be carried forward.

The report for the quarter ended March 31st was issued towards the end of April, and those of you who have read it will have noticed that the tonnage milled during the three months was 151,200 tons, or an average of over 50,000 tons a month, notwithstanding that in the short month of February only 47,000 tons were treated. The yield was 39s 7.1d and working costs 22s 6.9d per ton milled, the resultant working profit being £131,203.

Generally speaking, I may say that the results of operations during the past five months have been very satisfactory, and give promise of a successful year. The increase in the capacity of the plant to 60,000 tons per month, which will be completed by the end of October, will mark the practical termination of our present programme of capital expenditure. From that date onwards we may look forward to steady and regular returns from a plant more commensurate with the size of our mining area. It is only then that the true value of our property will be apparent, and shareholders will be rewarded in increased dividends for their enterprise and patience.

During the past few weeks several shareholders have asked me if there is any truth in a statement sent to them, purporting to show, *inter alia*, that the amount payable by us to the Government under the mineral lease agreement for the year 1923 would be equivalent to 30 per cent. of our profits, in addition to the ordinary taxation common to all gold mining companies. I have told those gentlemen who approached me that the figure of 30 per cent. is quite inaccurate.

The report and accounts were unanimously adopted.

W. J. BUSH AND COMPANY, LIMITED.

GREAT IMPROVEMENT DESPITE ADVERSE FACTORS.

The 26th annual general meeting of W. J. Bush and Co., Limited, was held, on the 9th instant, at the Institute of Chartered Accountants, Moorgate-place, London, Mr James Mortimer Bush (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The past year has shown no great revival in trade activity, and several of the Continental markets have remained practically closed to us on account of depreciated currencies. The cold and wet summer also lessened the demand for many of our products. In spite of these adverse factors, the figures present an agreeable comparison with those of the previous year. The improvement is due mainly to the fact that the depreciation in the value of our stocks which took place in 1921 was not continued into the period under review. Reductions in expenses also contributed to the result shown. We have not attempted to economise by reductions in wages. The standard wage of a workman in a fine chemical factory in Germany is about 2½d per hour, and that of a qualified works chemist £4 per month. We pay about six or seven times these rates. We cannot claim any superiority over the Germans as regards efficiency. We have, however, increased the efficiency of several of our processes of manufacture, and it is in this direction that we must look for the maintenance of our future prosperity.

After prolonged and tedious negotiations it was with a sense of relief that we came to a settlement with the authorities in respect to our claim for a refund of excess profits duty and the adjustment of income and corporation profits taxes. During the year we reduced our bank loan £36,000. Our subsidiary company in the

United States became on a profit-earning basis again during the past year. Our Canadian company also made a moderate profit.

After the adjustment of excess profits duty, corporation profits tax, and income-tax, we have an amount brought forward of £2,658, to which is to be added a net profit for the year of £41,788. After making provision for dividends on the preference shares and an interim dividend of 3 per cent. paid on the ordinary shares, there remains a balance of £30,696, subject to corporation profits tax for 1922. We recommend the payment of a final dividend of 5 per cent. on the ordinary shares, which, with the interim dividend already paid, will make 8 per cent. for the year. This will absorb £12,500, leaving a balance to carry forward of £18,196. The report and accounts were adopted.

MALEBER TEA ESTATES, LIMITED.

CONDITION OF ESTATES "ENTIRELY SATISFACTORY."

The annual ordinary general meeting of the Maleber Tea Estates, Limited, was held, on the 10th instant, at the offices, 5, Fenchurch street, London.

Mr W. Hilliers, chairman of the company, presided, and, in moving the adoption of the report, said:—Gentlemen,—So far as the conditions obtaining on the estate—by which I mean upkeep, state of gardens, crop, &c.—are concerned, they can be described as entirely satisfactory. As you know, in the preceding years the general cultivation had to be curtailed to the strictly necessary work, but now that the market conditions and prospects are brighter, more liberal upkeep was allowed, and it is satisfactory to note that the bushes have responded well to the more generous treatment. I think it is only fair to mention that credit is due to the manager and visiting agent for their part in the work. As you also know, in some of the preceding years the estates have suffered from attacks of blight, but fortunately, anyhow at present, there is little, if any, trouble in that direction to report.

Had prices throughout the year been good, and had the Java teas profited by such favourable conditions as was the case with Indians and Ceylons, the result for the year would have been satisfactory, but, unfortunately, Java-grown teas have to labour under the great disadvantage of a preferential tariff in this country and in some of the Colonies, and cannot realise any such high prices as Indian and Ceylon teas, which benefit by the preferential tariff. However, the rates at which a substantial portion of the current crop has already been sold, and the favourable prospects, indicate a much better result for the current year. This has induced the directors to distribute an interim dividend on account of 1923 of 5 per cent., and the dividend warrants will be posted to-morrow. It is hoped that when the accounts for the current year are closed a further satisfactory distribution will be possible. These are all the remarks that I have to make. Before I put the resolution I shall be glad to answer any questions.

Sir Edward Rosling seconded the resolution.

The Chairman, in reply to questions, said that no tea had been sold forward beyond the current year. The matter of recoverable taxation was still unsettled.

The resolution was carried unanimously, and the retiring directors and auditors having been re-elected, the proceedings terminated with a vote of thanks to the manager and staff in Java.

INTERNATIONAL TEA COMPANY'S STORES, LIMITED.

RESULTS OF A PROSPEROUS YEAR.

The twenty-eighth annual meeting of the International Tea Company's Stores, Limited, was held, on the 12th instant, at Winchester House, London, Mr G. A. Tonge (governing director and chairman) presiding.

The secretary (Mr E. Davies) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I think we may be all well satisfied with the result of our past year's trading. The profit, as you will have seen, is £396,983 1s 6d, and this, with the amount of £88,000 brought forward from the last account, leaves us with nearly half a million sterling to deal with. We are depreciating our fixtures and fittings by £30,000 and placing £100,000 to reserve account. After providing for the preference and interim dividends, the final one I am asking you to declare will absorb £34,000, which will bring our ordinary dividend up to 18 per cent. for the year, and leave £118,217 to carry forward to the next account. I do not think there is much in the balance-sheet I need comment on. Our freeholds have increased owing to the natural expansion of our business—an expansion which I hope and believe will continue—and I would tell you, as I have told you before, that the bulk of these freeholds are worth a great deal more than they stand at in the balance-sheet—I daresay double, some of them. The fittings, fixtures, plant, machinery, &c., also are slightly higher, and, of course, this is for the same reason. Debtors, £270,180, is an ordinary trade asset, and no doubt has been all

discharged before now, and, of course, the same applies to the creditors on the other side of the sheet. As to the future, I can only tell you, as I have often told you before, that, with proper management, our progress must trend upwards. It is a great business, and, if looked after, will become greater. Before moving the adoption of the report I wish to tender to the entire staff our united thanks for their loyalty and energy in discharging their various duties. I now beg to move the adoption of the report and balance-sheet.

Mr G. Collier (vice-chairman) seconded the resolution.

Mr J. Galloway said that he would like to congratulate the directors on the satisfactory result of the past year's trading, all the more so when they considered what anxious times the company had been going through. The splendid result was a grand testimony to the ability of the management.

The resolution was carried unanimously. The formal business having been transacted, a cordial vote of thanks to the chairman terminated the proceedings.

UNION COLD STORAGE COMPANY, LIMITED. ISSUE OF NEW CAPITAL SANCTIONED.

Separate class meetings of the holders of the 10 per cent. cumulative "A" preference shares, the 7 per cent. cumulative preference shares, the 6 per cent. cumulative preference shares, and an extraordinary general meeting of the Union Cold Storage Company, Limited, were held, on the 12th instant, at Winchester House, London, to consider proposals to increase the capital of the company.

Mr Roger P. Sing, who presided, said that, in addition to increasing the ordinary share capital of the company to £1,000,000, they were asking the shareholders to authorise the issue of a further 3,300,000 of the company's £1 6 per cent. cumulative preference shares, which the directors considered to be in the best interests of all classes of shareholders. The money was required to carry out the natural development of their great industry, which at the present juncture took the form of acquiring the whole of the ordinary share capital of well-established companies concerned with the distribution of food products. The purchase was made at a figure which he firmly believed to be distinctly below the intrinsic value of the assets acquired, and their balance-sheet would thus be strengthened. The income-earning capacity of the new assets, as proved by experience, was much greater than the additional amount which would in future be required to meet the preference share dividends. The relative position of each class of shareholder was thus improved. The accounts for the year ended December 31, 1922, were not yet ready, but he was able to state that when they were issued it would seem that the company had accumulated a depreciation reserve of over £1,827,000, and other reserves amounting to £200,000, the total reserves amounting to over £2,027,000.

The resolutions submitted were carried unanimously at the different meetings, and the Chairman announced that he had pleasure in informing them that arrangements had been made to issue the new capital next week. The prospectus would be in the hands of all shareholders by the morning of Tuesday, July 17th, and the lists would open for subscription at the company's various banks on that date. Applications from share and debenture holders of the company and from the company's customers would receive preferential consideration. He added that the issue price of the 6 per cent. cumulative preference shares would be 20s 6d.

SPIERS AND POND, LIMITED. RECORD OF STEADY PROGRESS.

The thirty-ninth ordinary general meeting of Spiers and Pond, Limited, was held, on the 11th instant, at the Hotel Cecil, Strand, London, Sir J. S. Harwood Banner, M.P. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said: I think the board are justified in saying that in the five years since we carried through the reorganisation in 1918 the record has been one of steady progress. Profit on trading for the past year is £136,700, as compared with £119,700 a year ago. We propose to pay a final dividend of 7½ per cent., making 12½ per cent. for the year.

Our hotels, almost without exception, have done excellently well, and, as we are taking pains to see that they are in every way efficiently maintained and kept in every respect in the front rank, we see no reason why they should not continue to prosper. It is almost invidious to mention any particular property, but I cannot refrain from saying how pleased the directors have been at the uniformly satisfactory results which we have had from the Hotel Metropole at Blackpool, from Bailey's Hotel, London, and from the Empire Hotel, Bath.

The Bushey Hall Hotel has well maintained its position, and particularly for the golfer and his wife, or for the tennis enthu-

siast, it would be most difficult to find a more delightful spot anywhere in the neighbourhood of the Metropolis. Apart from the magnificent golf course which adjoins the hotel, we have six first-class grass tennis courts, and two hard courts, which are kept in perfect condition. Those of our shareholders who have not yet visited this hotel ought to make an effort to do so.

Then there is the Valley of Rocks Hotel at Lynton, situated in one of the most delightful positions the mind of man can conceive, and well worth the few hours' journey from London, which, incidentally, we will make as comfortable as possible if you will travel in the admirably equipped dining cars which we run on the South-Western Railway. Lynton is a particularly delightful spot in the spring or early autumn, and one which we should like to see our shareholders and the general public patronising more and more. The Victoria Hotel at Manchester, while a different type, perhaps, to our other properties, has once more done a really fine and profitable business.

Mr James Davenport seconded the motion, which, after some congratulatory remarks from shareholders, was carried unanimously.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Total Receipts into the Exchequer from	Receipts	Receipts	Receipts
	Apl. 1, 1923, to July 7, 1923.	Apl. 1, 1922, to July 8, 1922.	Week Ended July 7, 1923.	Week Ended July 8, 1922.
Balances in Exchequer on 1st April:—				
Bank of England....	5,442,665	9,963,424	..	..
Bank of Ireland....	1,375,502	1,210,106	..	..
REVENUE.	6,818,167	11,173,530	..	..
Customs.....	34,492,000	34,229,000	2,203,000	2,920,000
Excise.....	37,695,000	38,277,000	1,217,300	1,539,000
Motor Vehicle Duties.....	2,377,000	1,883,000	236,000	180,000
Stamps, &c., Duties.....	14,920,000	18,131,000	1,130,000	1,540,000
Land Tax, House Duty & Mineral Rights Duty.....	4,960,000	3,792,000	120,000	350,000
Property & Income Tax.....	47,191,000	65,821,000	4,143,000	8,388,000
Super Tax.....	15,000,000	954,000	800,000	..
Excess Profits Duties, &c., Corporation Profits Tax.....	5,700,000	4,147,000	330,000	330,000
Post Office.....	12,350,000	13,300,000	1,000,000	1,000,000
Crown Lands.....	260,000	280,000	..	..
Interest on Sundry Loans.....	5,004,196	3,333,721	578,684	1,400,260
Miscellaneous.....	4,576,634	13,692,090	21	146,354
Special Receipts.....	13,813,621	15,776,956	..	1,079,000
Revenue.....	198,769,450	214,046,767	11,767,705	18,892,614
Total, Inc. Balance.....	205,587,617	225,220,297	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	65,000	650,000	..	100,000
Under the Unemployment Insurance Act, 1921.....	1,750,000	1,330,000	240,000	530,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1921 and 1922.....	1,750,000	1,650,000	..	..
Under the Housing Act, 1914.....	..	13,000	..	..
(b) Under the Unemployment Insurance Act, 1921.....	270,000	1,450,000	..	..
(c) For other issues: By Treasury Bills for Supply.....	655,662,000	837,062,000	51,341,000	84,386,000
By National Savings Certificates By Treasury Bonds—	13,100,000	28,398,000	900,000	750,000
5-15 year, 1925-35.....	..	61,543,782	..	..
5% 1927.....	..	14,160,300	..	2,946,600
4% 1932.....	29,167,571	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	11,869	..	..
(d) Ways and Means Advances.....	258,553,500	300,690,500	5,750,000	17,250,000
Anglo-Persian Oil Company—Dividends on Shares acquired.....	..	243,012	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	115,136	19,018	72,912	5,250
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	265,460	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	87,358	..	..
Total.....	1,166,020,824	1,472,794,596	70,071,617	124,860,464

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Issues	Issues	Issues
	Apl. 1, 1923, to July 7, 1923.	Apl. 1, 1922, to July 8, 1922.	Week Ended July 7, 1923.	Week Ended July 8, 1922.
EXPENDITURE.				
Permanent Charge of Debt.....	6,106,715	6,413,286	2,334,612	2,326,157
Interest, &c., on War Debt.....	126,800,131	104,707,405	2,060,102	1,629,922
Road Fund.....	1,440,044	986,000	..	..
Payments to Local Taxation Authorities, &c.....	503,000	850,000	..	..
Payments to Northern Ireland Exchequer.....	1,021,666	518,000	75,000	8,000
Land Settlement.....	107,227	356,740	..	62,115
Other Consolidated Fund Services.....	874,943	790,221	..	..
Supply Services.....	89,033,000	105,754,342	7,000,000	10,829,342
Expenditure.....	225,883,726	220,375,994	11,468,714	14,855,539

	Total Issues out of the Exchequer to meet Payments from	Issues	Issues	Issues
	Apl. 1, 1923, to July 7, 1923.	Apl. 1, 1922, to July 8, 1922.	Week Ended July 7, 1923.	Week Ended July 8, 1922.
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924.....	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921.....	270,000	1,600,000	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922.....	1,750,000	1,650,000	..	..
Under the Housing Act, 1914.....	..	13,000	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	1,510,000	650,000	..	..
Redemption of Debt—				
Treasury Bills.....	667,605,000	942,124,000	51,595,000	67,910,000
Principal of National Savings Certificates—				
(a) Repaid by Issues under Section 59 (6) of the Finance Act, 1920.....	800,000	7,550,000	..	1,100,000
(b) Repaid otherwise.....	9,150,000	..	700,000	..
Principal of Exchequer Bonds paid off.....	..	19,612,188	..	..
Principal of National War Bonds paid off.....	16,854,989	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	268,987	8,325,205	..	..
Ways and Means Advances Repaid.....	237,950,500	266,769,500	6,220,000	40,865,000
Anglo-Persian Oil Company—Issued to the National Debt Commission.....	..	243,012	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	55,656	..	..
Balances in Exchequer—				
Bank of England.....	1,162,140,307	1,469,053,464	69,984,714	124,730,536
Bank of Ireland.....	1,980,513	2,027,068	39,442	28,294
Total.....	1,980,513	1,714,064	126,345	158,222
Treasury, July 9, 1923.	3,880,517	3,741,134	86,903	129,928

NATIONAL DEBT.—(Million £.)

	Aug. 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	July 7, 1923.
Funded Debt.....	588	318	315	315	315	315	314	314	314
Term Annuities.....	30	22	20	19	18	15	15	15	15
4% War Stock.....	63	63	63	63	63	63	63	63	63
4½% War Stock.....	16	13	13	13	13	13	13	13	13
4½% War Stock.....	2,091	2,047	2,040	1,996	1,953	2,071	2,071	2,071	2,071
National War Bonds.....	649	1,509	1,476	1,413	1,201	971	971	958	958
4% Funding Loan.....	..	409	409	405	401	401	400	400	400
4% Victory Bonds.....	..	360	357	348	335	335	335	335	335
4% Conversion Loan.....	..	..	..	..	366	690	687	686	686
24-year Treasury Bonds.....	..	..	..	..	24	24	24	24	24
5% Treasury Bonds.....	..	..	..	..	381	166	166	166	166
Do by tender 5%.....	..	..	..	..	8	69	69	69	69
Do by tender 4½%.....	..	..	..	..	84	108	108	108	108
Do 4% 1931-33.....	..	..	..	..	2	31	31	31	31
Treasury Bills.....	15	961	1,107	1,107	1,121	878	719	616	604
Exchequer Bonds.....	20	324	313	289	185	150	150	150	150
Nat'l. Savings Certs.....	..	83	267	274	285	342	350	354	355
War Expend. Certs.....	..	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
Other Debt.....	..	51	51	51	51	728	728	728	728
American Loan.....	..	1	204	243	205	154	147	128	125
Temporary Advances.....	654	5,872	8,033	7,429	7,574	7,656	7,662	7,685	7,685
Other Capital Liabilities.....	57	49	46	47	49	67	68	68	69
Total Liabilities.....	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,754

POSITION OF THE FLOATING DEBT.

	July 8, '22.	Mar. 31, '23.	July 7, '23.	July 7, '23.
Temporary Advances Outstanding—				
Advances by Bank of England.....	4,750,000	..	1,000,000	3,250,000
Advances by Public Debt Office.....	175,472,500	193,897,500	213,500,500	2,780,000
Treasury Bills outstanding.....	777,020,000	616,045,000	604,125,000	235,000
Total Floating Debt.....	958,242,500	809,942,500	818,625,500	705,000

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from July 16-July 21 were opened on July 13, 1923, and the total amount applied for was £42,315,000. Tenders for Monday to Friday bills at 99 4s 4d, about 98 per cent., and above in full, and for Saturday bills at 99 4s 7d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
June 1, 1923.	£ 40,000,000	£ 55,410,000	£ s d 1 17 5-68	£ s d nil
June 8.....	40,000,000	58,115,000	1 19 9-94	95 6 7-6
June 15.....	35,000,000	48,785,000	2 0 7-7	nil
June 22.....	45,000,000	51,855,000	2 2 1-13	nil
June 29.....	40,000,000	49,445,000	2 5 4-82	nil
July 6.....	30,000,000	39,185,000	3 10 2-02	nil
July 13.....	30,000,000	42,315,000	3 1 0-93	nil

Tenders will be received on July 20, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1922.								
Mar. 29.....	£ 300,351	£ 14,255	£ 6,000	£ 28,500	£ 19,450	15-9	£ 261,479	£ 177
June 28.....	295,374	13,338	6,000	28,500	19,650	16-3	254,312	250
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16-6	246,456	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15-9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17-3	242,446	183
July 4.....	289,237	12,169	7,000	27,000	22,450	17-4	244,795	161
July 11.....	290,155	12,263	7,000	27,000	22,450	17-4	245,856	112

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL
INSURANCE COMPANY, LIMITED
ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Ino. or Dec.
Aggregate Totals to July 7.			
BIRMINGHAM	60,431,800	63,878,100	+ 3,446,300
BRISTOL	40,159,000	31,888,000	- 8,271,000
DUBLIN	169,784,200	169,692,700	- 91,500
LIVERPOOL	30,047,700	30,408,500	+ 360,800
LEEDS	29,502,900	28,504,100	- 998,800
MANCHESTER	21,930,300	21,183,900	- 746,400
NOTTINGHAM	247,476,200	240,446,100	- 7,030,100
NEWCASTLE-ON-TYNE	400,058,300	405,572,300	+ 5,514,000
Sheffield	15,137,400	17,158,500	+ 2,021,100
Other resources	25,149,300	31,486,900	+ 6,337,600

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Egypt and Esthonia appeared in the Economist of June 9; Canada, in June 23; Roumania, in June 30; Latvia, Russia, and Greece, in July 7.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	July 6, 1923.	June 29, 1923.	June 22, 1923.	July 7, 1923.
Resources.				
Total gold reserve	3,087,700	3,110,740	3,129,020	3,020,680
Legal tender notes and silver reserve	79,200	91,740	85,970	113,250
Bills discounted for member banks	929,840	774,950	731,100	498,870
Bills bought in open market	138,910	204,230	205,720	155,070
Government obligations owned	94,700	134,980	121,530	550,510
All other resources	65,460	64,860	64,710	65,340
LIABILITIES.				
Government deposits	14,660	43,950	20,760	36,680
Other deposits	1,959,590	1,892,650	1,900,550	1,848,030
Federal Reserve Notes in actual circulation	2,282,050	2,226,950	2,222,350	2,194,320
F.R.B. Notes in actual circulation	1,520	1,750	1,490	68,150
All other liabilities	16,480	19,440	18,840	20,000
Capital and surplus	327,950	327,800	327,790	320,620
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined	74.4%	76.9%	77.7%	76.8%

BANK OF FRANCE.—In francs (000's omitted).

	July 12, 1923.	July 5, 1923.	June 28, 1923.	July 13, 1923.	Position May 28, 1924.
Assets.					
Gold coin and bullion	5,537,784	5,537,744	5,537,704	5,529,572	3,730,626
Of which held abroad	1,864,345	1,864,345	1,864,345	1,948,367	..
Silver coin and bullion	293,518	293,428	293,101	285,138	632,650
Discounts and advances	4,493,437	5,104,029	4,563,996	4,357,987	2,347,776
Advances to the State	23,600,000	23,900,000	23,100,000	..	..
LIABILITIES.					
Notes	37,400,059	37,661,951	36,689,303	36,501,518	5,811,875
Government deposits	25,747	18,612	20,165	47,238	183,700
Private deposits	2,049,592	2,553,715	2,137,925	2,197,410	845,560

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	July 16, 1923.	June 9, 1923.	June 2, 1923.	May 26, 1923.	May 19, 1923.
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	2	2	2	2	2
Notes in circulation	9,692	9,843	9,931	9,652	9,603
Bankers' deposits	5,432	5,510	5,598	5,590	5,357
Other deposits	3	3	3	1	2
Assets.					
Gold coin and bullion	533	533	533	533	503
Gold certificates	10,091	10,091	10,089	10,089	10,069
Subsidiary coin	125	125	125	125	125
Bills discounted (domestic)	1,863	2,040	2,105	2,251	2,515
Do (foreign)	585	635	749	508	625
Loans and advances to the Government	2,000	2,000	2,000	2,200	1,200
Other loans and advances	1,000	1,000	1,000	1,000	1,000
Investments	9	9	8	8	8
Ratio of cash resources to liabilities to public	71%	70%	69.1%	68.7%	71.4%

BANK OF SPAIN.—In pesetas (000's omitted).

	July 7, 1923.	June 30, 1923.	June 23, 1923.	June 16, 1923.	Position May 31, 1924.
Assets.					
Gold	2,525,764	2,525,775	2,525,788	2,523,129	521,775
Silver	664,339	668,393	666,649	664,369	728,600
Loans and discounts	2,067,222	2,069,800	2,063,610	2,044,062	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation	4,140,210	4,073,955	4,077,402	4,113,763	4,197,626
Deposits	980,223	947,309	921.53	943,957	901,550

BANK OF JAPAN.—In yen (000's omitted).

	June 9, 1923.	June 2, 1923.	May 26, 1923.	May 19, 1923.	June 10, 1923.	Position June 30, 1924.
Assets.						
Cash and bullion	1,096,320	1,092,907	1,091,254	1,091,217	1,279,159	1,211,380
Discounts	156,846	190,890	123,694	98,408	78,095	41,740
Advances	191,262	208,133	214,918	210,623	129,547	70,540
LIABILITIES.						
Notes	1,184,521	1,208,549	1,107,032	1,054,099	1,164,757	362,270
Govt. deposits	850,697	887,940	864,441	878,903	724,531	87,340
Other deposits	40,726	47,926	40,039	34,625	49,352	11,440

IMPERIAL BANK OF GERMANY.—In marks (000's omitted).

	June 30, 1923.	June 23, 1923.	June 16, 1923.	June 9, 1923.	Position May 31, 1924.
Assets.					
Gold and bullion	119,902,712	119,543,062	117,581,125	117,581,125	1,635,160
Treasury notes	2,866,836,761	2,385,872,401	2,159,674,685	14,605,085	943,460
Bills discounted	25,252,375,935	18,811,931,542	15,460,705,369	190,877,495	60,780
LIABILITIES.					
Notes in circulation	17,291,061,350	13,091,738,851	10,905,091,898	169,211,792	2,013,860
Deposits	9,962,716,666	7,414,435,847	6,141,782,000	37,173,741	842,340

BANK OF ITALY.—In lire (000's omitted).

	June 20, 1923.	June 10, 1923.	May 31, 1923.	May 20, 1923.	June 20, 1923.	Position May 31, 1924.
Assets.						
Total cash	1,462,297	1,445,170	1,465,545	1,471,859	1,372,156	1,231,875
Inland bills	5,014,404	4,834,911	4,819,916	4,691,717	4,389,591	418,000
Foreign bills	13,530	13,562	13,670	13,546	9,858	81,300
Advances to the Treasury	5,834,879	5,832,127	5,832,494	5,832,535	6,002,182	..
Other advances	1,763,137	1,704,721	1,864,698	1,713,998	2,760,894	79,175
Securities	408,912	407,103	407,228	406,823	533,658	205,700
LIABILITIES.						
Notes in circulation	12,297,414	12,161,889	12,185,899	12,054,034	13,505,440	1,556,925
Deposits & drafts	1,550,371	1,442,927	1,548,860	1,381,869	2,043,644	193,975

NETHERLANDS BANK.—In florins (000's omitted).

	July 9, 1923.	July 2, 1923.	June 25, 1923.	June 18, 1923.	July 10, 1923.	Position May 30, 1924.
Assets.						
Gold	581,792	581,792	581,791	581,791	605,955	163,094
Silver	10,439	10,535	10,538	10,198	7,607	8,436
Discounts & advances	364,299	381,046	363,738	326,158	429,860	163,504
Notes in circulation	953,434	963,030	912,133	918,770	1,002,116	318,632
Deposits	38,357	29,299	53,158	19,445	59,081	6,016

SWISS NATIONAL BANK.—In francs (000's omitted).

	July 7, 1923.	June 30, 1923.	June 23, 1923.	June 16, 1923.	July 7, 1923.	Position May 31, 1924.
Assets.						
Gold	524,659	524,484	524,272	537,007	526,484	171,175
Silver	102,347	102,017	102,332	102,644	116,865	18,350
Discounts & advances	28,943	29,942	30,524	30,715	13,174	..
Notes in circulation	251,201	291,172	280,977	255,114	304,731	103,000
LIABILITIES.						
Notes in circulation	865,852	893,671	827,976	833,269	760,711	775,926
Deposits	82,463	114,614	155,109	150,645	233,735	33,750

BANK OF SWEDEN.—In kronor (000's omitted).

	July 7, 1923.	June 30, 1923.	June 23, 1923.	June 16, 1923.	July 7, 1923.	Position May 24, 1924.
Assets.						
Gold	273,025	273,057	273,067	273,127	273,975	104,918
Balance abrd. and foreign bills	29,686	40,794	35,999	36,739	78,717	112,172
Govt. securities	147,287	151,129	152,249	152,787	72,463	32,465
Discount and loan	332,296	343,418	322,249	335,982	426,076	112,669
LIABILITIES.						
Notes in circulation	547,990	586,211	530,508	527,126	546,634	226,556
Deposits at notice	184,21	183,405	202,977	215,776	243,674	369,660

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

	July 5, 1923.	June 28, 1923.	June 21, 1923.	June 14, 1923.	July 6, 1923.	Position May 28, 1924.
Assets.						
Coin (gold & silver and bullion)	348,272	348,576	348,127	347,884	328,036	322,650
Securities	777,009	778,991	751,311	739,328	..	697,600
LIABILITIES.						
Notes in circulation	6,794,041	6,718,838	6,669,300	6,726,643	6,252,731	6,341,150
Current accounts	440,564	520,301	552,058	404,260	753,825	112,126

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

	June 30, 1923.	June 23, 1923.	June 16, 1923.	June 7, 1923.	June 30, 1923.
Assets.					
Gold	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	2,532,315,689	2,249,809,671	2,006,010,112	1,805,350,599	1,805,350,599
Bills discounted	730,131,686	815,151,380	846,650,327	889,256,590	889,256,590
Treasury bills	2,547,211,870	2,547,211,870	2,547,211,870	2,547,211,870	2,547,211,870
Other assets	937,686,449	920,089,413	1,017,398,347	1,098,121,796	1,098,121,796
LIABILITIES.					
Notes in circulation	5,432,619,312	5,017,633,816	5,014,355,474	4,860,726,692	4,860,726,692
Deposits	362,237,268	579,625,646	370,824,587	366,565,791	366,565,791
Other liabilities	641,576,199	624,094,566	721,261,211	801,929,018	801,929,018

HUNGARIAN BANK.—In krone (000's omitted).

	June 30, 1923.	June 23, 1923.	June 16, 1923.	June 7, 1923.	June 30, 1923.
Assets.					
Gold coin and bullion, bills	22,773	22,926	22,942	22,950	13,357
Foreign coin, &c.	595	595	595	595	593
Bills, warrants, drafts, &c.	120,608,042	107,681,542	100,179,943	94,312,702	25,444,863
Loans	2,469,562	3,299,578	3,298,530	2,967,635	1,555,000
LIABILITIES.					
Notes in circulation	154,936,057	138,661,842	129,000,472	122,116,096	33,599,554
Deposits	12,741,551	13,232,762	11,503,484	8,969,384	3,740,568

NATIONAL BANK OF DENMARK.—In kroner (000's omitted).

	June 30, 1923.	May 31, 1923.	April 30, 1923.	Mar. 31, 1923.	June 30, 1923.	Position May 31, 1924.
ASSETS.						
Coin and bullion	228,194	228,213	228,225	228,237	228,310	76,644
Loans & discounts	399,235	375,185	408,016	409,785	398,400	88,470
Debtors abroad . .	14,242	5,745	4,760	1,732	23,459	94,102
Securities	7,545	11,142	11,185	11,347	14,014	11,988
LIABILITIES.						
Circulation	482,301	456,277	476,215	469,633	441,940	157,266
Deposits	41,767	48,471	56,469	66,082	119,028	6,696

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	July 18, 1922 .. 4	Madrid	Mar. 23, 1923 .. 6
Athens	Jan. 14, 1923 .. 7½	Paris	Mar. 11, 1923 .. 5
Berlin	Apr. 23, 1923 .. 18	Rome	May 28, 1923 .. 4½
Brussels	Sept. 4, 1920 .. 6½	Rome	July 11, 1922 .. 5½
Bucharest	July 5, 1923 .. 18	Soňa	June 14, 1919 .. 5½
Budapest	June 28, 1923 .. 4	Stockholm	July 1, 1922 .. 4½
Calcutta	May 1, 1923 .. 6	Swiss Bank	
Christiansia	May 1, 1923 .. 6	places	Aug. 17, 1922 .. 3
Copenhagen	May 1, 1923 .. 6	Tokio	Nov. 18, 1919 .. 8
Helsingfors	Oct. 16, 1922 .. 8	Vienna	Sept. 2, 1922 .. 9
Lisbon	May 1, 1923 .. 8	Warsaw	Feb., 1923 .. 12
New York Federal Reserve	Feb. 21, 1923 .. 4½	Irish	July 5, 1923 .. 5

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

July 13, 1923.	June 27, 1923.	July 5, 1923.	July 12, 1923.
Call money	4½	5	5
Time money (90 days' mixed coll.)	4	5	5
Bank acceptances:—			
Members—eligible, 90 days	3½	4½	4½
Non-mem.—eligible, 90 days	3½	4½	4½
Ineligible, 90 days	3½	4½	4½
Commercial accept., 90 days	4	5	5

Par Level.	July 13, 1923.	June 27, 1923.	July 5, 1923.	July 13, 1923.
London—				
80 days	4487	45719	4537	45518
Cable	44437	45988	45531	45887
Cheques	44412	45919	4557	45868
Paris—				
Cheques	1930	8225	613	587
Cent for 1 franc	1930	780	522	493
Switzerland ..	1930	1916	178	17285
Cent for 1 franc	1930	4545	4445	432
Berlin	2333	02225	00014	00014
Cent for 1 mark	1930	1563	1466	1427
Madrid	40195	3885	3919	3924
Cent for 1 peseta	2157	1772	1718	1752
Amsterdam ..	2680	1648	165	1604
Cent for 1 guilder	2589	265	2647	2645
Copenhagen ..	1930	285	318	285
Cent for 1 krona	100	9893	9743	
Christiansia ..	4985	4775	489	4875
Athens	5790	5285	52	52
Cent for 1 drachma	7775	7035	6975	70
Tokyo	2890	3089	3070	3083
Cent for 1 yen	10365	123	12500	1265
Hong Kong ..	3242	1345	1110	1105
Shanghai	2060	12875	1330	1310
Cent for 1 sh. Hong				
Calcutta				
Cent for 1 rupee				
Buenos Aires ..				
Cent for 1 peso				
Rio de Janeiro ..				
Cent for 1 milreis				
Valparaiso				
Cent for 1 peso				

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires	1000	Sight London	July 7	1505
Venezuela	2545	"	July 11	2415
Colombia (Bogota) ..	100	"	July 10	9800
Nicaragua	49655	"	June 18	480
San Salvador	973	"	July 7	950
Guatemala	9023	"	July 7	285
Costa Rica	1045	"	Mar. 10	2185
Bolivia	1920	"	May 19	15½

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From July 13, 1923.	From July 11, 1923.
	Buying.	Selling.
T.T.	1½ prem.	1½ dis.
Demand	1½	1½
30 days	1½	1½
60 days	1½	1½
90 days	2	2
120 days	2	2

* No premium allowed on amounts under £100.

(a) No discount allowed on sales of T.T.s. or demand drafts under £100.

† Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.	Australia and New Zealand on London.
	Buying.	Selling.
T.T.	100½	100½
Sight	100½	100½
Cable	100½	100½
On demand	98	98
30 days	97½	97½
60 days	97	97
90 days	96½	96½
120 days	96	96

INDIAN TREASURY BILLS.

	March 31, 1923.	July 7, 1923.
Outstanding with public	21,63,45,000	10,31,25,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,28,45,000	59,96,25,000

India Office, July 11, 1923.

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a statistical summary of applications and allotments for India Council bills and transfers in London on Tuesday, July 10, 1923:—

	Rate.	Applications.	Allotments.		Allotments.	Average Rate.
Bills	1/4½	1,00,000	32,000	%		
Def. T.T. ..	1/4½	85,00,000	26,98,000	31.7		
Imm. T.T. ..	1/4½	105,00,000	nil			
	1/4½	145,00,000	12,70,000	31.7		
		2,00,000	32,000			
		377,00,000	40,00,000			

Next week 40 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended July 11, 1923.

Imported into the United Kingdom.	Exported from the United Kingdom.
From—	To—
British West Africa	Netherlands
British South Africa	United States
	Egypt
	British India
	Straits Settlements
	Other countries
Total declared value of imports	Total declared value of exports

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on June 30, 1923:—

In India	Nil
In England—	
Cash at the Bank of England	£ 1,526
British Government securities—	
Value as on March 31, 1923	8,469,863
British Government securities since purchased (cost price)	31,734,599
	40,205,981

SIDNEY TURNER, Accountant-General.

India Office, July 11, 1923.

Messrs Samuel Montagu and Co. write, on July 11th, as follows:—

GOLD.

The demand from the Indian bazaars continues to be moderate, and the bulk of the available supplies will be set to America.

SILVER.

The latest news as to the monsoon seems good. Rainfall was nearly general in lower Burma and Koukan. In the United Provinces and Punjab crops were good, and normal results were to be expected. The reappearance of the Bombay monsoon has fixed values firmly of textiles, &c. Notwithstanding this good news as to the Indian monsoon, the market has not been robust, and purchases from that quarter have been on a small scale. The tendency has been to prolong Indian bear sales as they fall due. China has figured as both a buyer and a seller on several days. The Continent has sold moderately, and America has kept more in touch with the market here as a seller. On the whole the prospects do not command much confidence, though the bear account open here may cause unexpected stringency in the event of sudden attempts to cover short positions. Owing to pressure of sales to-day on an unwilling market a sharp drop took place at 1s 4d, but at the fall buyers pondered.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	June 15, 1923.	June 22, 1923.	June 30, 1923.
Notes in circulation	17,152	17,238	17,361
Silver coin and bullion in India	8,385	8,471	8,595
Silver coin and bullion out of India			
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India			
Securities (Indian Government)	5,750	5,750	5,750
Securities (British Government)	585	585	584

The silver coinage during the week ending the 30th amounted to three lacs of rupees. The stock in Shanghai

the 7th inst. consisted of about 25,800,000 ounces in sycee, 32,500,000 dollars, and 420 silver bars, as compared with about 25,300,000 ounces in sycee, and 33,000,000 dollars on the 30th ult. The Shanghai exchange is quoted at 3s 0½ the tael.

GOLD AND SILVER PRICES.

1923.	Gold.	Silver—Per Ounce.	Date.	Silver.
	Per Ounce.	Cash. Forward.		Cash.
July 7.	90 5	31½	July 20, 1917	39½
9.	90 4	31½	19, 1918	48½
10.	90 2	31½	17, 1919	54½
11.	89 11	30½	16, 1920	52½
12.	89 10	30½	15, 1921	37½
13.	89 9	30½	14, 1922	35½

NOTICES.

The directors of Lloyds Bank, Limited, announce that the Right Hon. Sir Robert Horne, G.B.E., M.P., has been elected to a seat on the board. They also announce that a sub-branch of the bank is now open at The Square, Westbourne, Sussex, under the management of Mr E. P. Hallett, of the Emsworth branch.

We understand that Mr J. Arthur Kenrick, of Berrow Court, Edgbaston, has, owing to increasing years, resigned the seat on the board of Lloyds Bank, Limited, which he has occupied for more than 46 years. The directors have passed a resolution expressing their great appreciation of the most valuable services which he has rendered to the bank during the whole of that time.

The London Joint City and Midland Bank announces the opening of new offices at 128 Uxbridge road, West Ealing, W. 13; in Main street, Roos, near Hull; and in Wakefield road, Fitzwilliam, Yorkshire.

Barclays Bank, Limited, announce that they have opened a new branch at 28 New Oxford street, W.C. 1 (to be known as British Museum branch), under the management of Mr A. Cullingworth, and a new sub-branch at Hollywood, St Albans road, Garston, near Watford, under the management of Mr W. Massey, also manager of 1, The Parade, Watford, branch.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Last Year.	Pre-vious.
Railways.					
Costa Rica	6%†	(bonus 2%)	Less tax	12	12
Dobruja-Rail	6%†	..	Less tax 2/9 in £	15	14
Egyptian Delta, Pref.	7½%†	..	Tax free	10	10
Pondicheri	£1/5/0	July 20	..	..	..
Shanghai, Nanking, Sub. Certs. ..	..	..	..	..	..
Banks.					
Bank of Liverpool and Martins..	16%*	..	Subject to tax	..	..
Bank of Roumania	8	..	Less tax	6/	p.s.
Belfast Discount Company	300%	..	Less tax	..	..
Deutsche	200%	..	..	..	..
Dresdner	200%	..	..	..	..
Hongkong and Shanghai	£200 s.	Aug. 7	Subject to tax	..	..
Imperial Bank of India	15	..	Tax free	..	..
Landed Banking and Loan	4%*	(& bonus 3¼%)	Less tax	..	..
Lloyds Bank	16%*	July 28	Less tax	..	..
Manchester and County	84%*	..	Less tax	..	..
Manchester & Liverpool District ..	18%*	Aug. 1	Subject to tax	..	..
Munster and Leinster	20	..	Less tax	..	..
National of Australasia	..	..	..	10	10
National Provincial and Union ..	16%*	July 26	Less tax	..	..
Provincial of Ireland	10½	..	Tax free	..	..
Transvaal Commercial	..	..	..	6	..
Union of Australia	15†	July 25	Tax free	15	15
Union of Manchester	20*	..	Less tax	..	..
Westminster (£20)	10%*	Aug. 1	Less tax	..	..
Do (£1)	6½%*	Aug. 1	Less tax	..	..
Insurance.					
Scottish Automobile & General ..	10%*	Aug. 1	Less tax	..	..
Tea and Rubber.					
Anglo-Ceylon and General	10%†	..	..	15	15
British North Borneo	5%*	..	Less tax	4	nil
Castlefield (Klang) Rubber	5%*	July 18	Less tax	..	..
Chandapore Tea	..	..	Less tax	7½	..
Doloo Tea	10%†	..	Less tax	20	10
Imperial Tea	12½%†	..	Less tax	15	nil
Jalapa Tea	7½%†	..	Less tax	10	..
Lankat Rubber	..	..	..	5	nil
Manchester North Borneo	..	..	..	20	nil
Mount Austin Rubber	..	..	Less tax	5	20
North Hummock Rubber	..	..	Less tax	3½	nil
United Planters' (Ceylon)	20%†	..	Less tax	25	17½
Mining.					
Anglo-Afric Gold and Tin	5%*	..	..	..	..
Aramayo de Bolivia	10%*	bonus	..	35	..
Do	5%*	..	..	..	..
Idris Hydraulic Tin	1/6 p.s.*	July 25	Less tax	..	..
Siamese Tin	10%*	July 26	Less tax 4/7½ in £	..	..
Other Companies.					
African Produce	10%*	July 17	Less tax	..	..
Andrew Whyte and Sons	7½%*	..	Tax free	10	..
Anglo-American Telegraph	15%*	Aug. 1	Less tax	..	..
Ardwick Picture Theatre	3¾%	..	Less tax	..	..
Australian Agricultural	3/6 p.s.	..	Tax free	6/6 p.s.	5/6 p.s.
Belgravia Dairy	8†	..	..	..	..
Brentford Gas, Cons. "A"	6%*	Sept. 1	Less tax	..	..
Do Cons. "B"	6½	Sept. 1	Less tax	..	..
Bristol Gas	5%*	Aug. 3	Less tax	..	..
British Investment Trust, Def. ..	14%*	Aug. 1	Less tax 4/7½	..	..
Borough (Spinning)	4/10 p.s.	..	..	..	..
Brooks, Bond, and Co.	10	(& bonus 1 p.s.)	..	15	15
Canada Cement	12½	July 16	Less tax	..	..
Canadian Explosives Cum. Prfd. ..	12½	July 16	..	10	10
Cape Asbestos	1/3 p.s.	Aug. 2	Less tax	..	..
Courtaulds, Limited	1/3 p.s.	Aug. 2	Tax free	..	..
Charles Kinloch and Co.	6	Aug. 15	Less tax	nil	5
Commercial Gas Co.	12½%*	July 5	Quarterly	20	15
Electrical Utilities Corp. Prfd. ..	12½%*	(& bonus 5%)	..	..	..
English Sewing Cotton	10*	July 31	Less tax 4/9 per £	..	..
Foster, Porter, and Co.	1 p.s.*	Aug. 1	Less tax 4/763 per £	..	..
George Outram and Co.	8/3 p.s.	Sept. 1	(& stock divid. 5%)	4	..
Gillette Safety Razor	..	..	..	..	..
Girls' Public Day School Trust ..	6/1 p.s.†	..	..	..	..
Glasgow Corn Exchange	20	..	Less tax	..	..
Glasgow Royal Exchange	2½%	..	..	5	6
Greenwood and Bailey	5%*	..	..	..	..
Hamilton Provident and Loan ..	..	..	..	..	..
Holbeach (Lincs) Gas	..	..	..	3½	..
Hope (Spinning)	1½ p.s.	..	..	8	8
Hotel York, Cum. Pref.	6%*	July 16	Less tax for 1919	..	..
Hovis	6½%†	..	..	10	nil
Illingworth, Morris	12½%*	July 31	..	6	6
Investment Corp. of Canada	12½%*	..	..	..	..
John Knight, Cum. Prfd.	14%*	..	..	..	..
L. & J. Weber and Phillips	14%*	..	..	..	..
London Electric Wire	14%*	..	Less tax	..	..
Manchester Bonding Warehouse ..	2/6 p.s.*	..	..	..	..
Manchester Commercial Bldgs. ..	1/6 p.s.*	..	..	..	..
Mercantile Invest. & Gen. Trust ..	4%*	Aug. 1	..	..	..
Metropolitan Electric Supply	6*	Aug. 10	..	..	..
Michael Nairn and Greenwich ..	5%*	July 18	..	..	..
Mond Nickel	..	..	Tax free	10	7½
Mutual Tontine Chambers	4%*	Aug. 15	Less tax	..	..
Northern Corporation	4%*	Aug. 1	..	..	..
North Glamorgan Wagon	10%*	..	Less tax	12½	12½
Oregon Mortgage	12†	(& bonus 4%)	Less tax	14	14
Pawsons and Leafs	5*	July 31	..	..	..
Peel River Land and Mineral	5%*	July 24	Tax free	..	..
Penman's	2%*	Aug. 15	..	..	..
Richard Lunt	7½*	..	Less tax	..	..
Royton (Spinning)	5/1 p.s.	..	..	..	..
Scarborough and Whitby Brew-eries, Pref.	6%*	Aug. 2	Less tax (arrears to Sep30,	1915)	..
Scottish American Investment ..	7%*	Aug. 1	Less tax	..	..
Scottish American Mortgage	..	..	Less tax	12	12
Scottish Canadian Mortgage	6%*	..	Less tax	..	..
Second Industrial Trust	6†	..	Less tax	5	5
Shanghai Waterworks	10/1 p.s.*	July 31	Less tax	..	..
S. S. Instone and Co., Pig. Pref. ..	7	July 24	Less tax (for 2 mon ths)	..	..
South African Breweries	1/3 p.s.*	..	Tax free	11½	11½
S. P. Austin	6†	..	Tax free	10	10
St John's Milling	6	July 31	Less tax 4/7 in £	..	..
St Just Steamship	14%*	..	Tax free	..	..
St Maurice Paper	14%*	..	Quarterly	..	..
Stoll Picture Theatre (Kingsway) ..	10*	..	Less tax	..	..
Stroud Brewery	10*	July 12	Tax free	..	..
Thomas Tilling	7½%*	July 31	Less tax 4/7½ in £	..	..
Tilbury Contracting & Dredging ..	..	..	..	17½	12½
United Theatres	..	..	..	10	..
U.S. Mort. of Scotland, Deid. ..	7½%†	..	Less tax	12	10
W. and T. Averis	10%†	..	Less tax	15	15
Wembley Park Estate	..	..	..	12½	10
William Griffiths and Co.	9 p.s.	..	..	..	..
Williamsons	7%†	(& bonus 2½%)	Less tax	15	12½
York Gas	2%*	..	Less tax	..	..

Boor's PURE DRUG COMPANY, LIMITED.—The directors have declared an interim dividend of 9 per cent. (less tax) on the new ordinary shares with respect to the quarter ended June 30, 1923. Dividend warrants will be posted August 15th to shareholders registered on the books of the company on July 31st.

EBBW VALE STEEL, IRON, AND COAL COMPANY, LIMITED. announce that they are unable to recommend a dividend on the 7 per cent. cumulative preference shares or on the ordinary shares of the company in respect of the financial year ended March 31st last.

ANALYSIS OF BALANCE-SHEETS.

THE MOND NICKEL COMPANY, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with April 30, 1922.	Amount.	Compared with April 30, 1922.
7% cum. pref.	500,000 ..	Properties in Canada	1,600,793 .. + 4,049
7% non-cum. pref.	2,000,000 ..	Properties in U.K.	1,096,860 .. + 49,248
Ordinary shares	900,000 ..	Suspense account	149,109 ..
5% deb. stock	375,000 ..	Shares in associated cos. at cost ..	9,554 .. + 40,107
Interest accrued	9,375 ..	Investments	648,760 .. + 148,747
6% deb. & interest	1,300,000 ..	Stocks	1,532,633 .. + 149,139
8% deb. stock	1,300,000 ..	Commission, &c., new issue	55,690 ..
Interest accrued	52,000 ..	Sundry debtors	717,922 .. + 46,713
Sundry creditors	784,613 .. + 83,988	Cash	185,289 .. + 25,448
Unclaimed, divs., & deb. interest	649 .. - 307		
Reserve	345,000 .. - 55,000		
Special depreciation reserve	400,000 ..		
Profit and loss	220,268 .. + 49,885		
Total	6,886,905 .. + 77,566	Total	6,886,905 .. + 77,566

BARCLAYS BANK, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1922.	Amount.	Compared with June 30, 1922.
Current, deposits & other accounts	295,905,730 .. - 25,261,488	Cash	38,174,524 .. - 6,491,329
Acceptances	7,599,416 .. + 1,652,423	Money at call and notice	22,136,525 .. + 1,537,107
Capital paid up	15,592,372 ..	Balances with British banks, &c.	8,297,352 .. - 18,547
Reserve	8,250,000 ..	Bills discounted	34,406,566 .. - 10,660,208
		Investments	63,831,680 .. - 14,526,151
		Shares in allied banks	7,701,275 .. - 315,094
		Advances	134,117,457 .. + 4,891,697
		Acceptances	7,599,416 .. + 1,652,423
		Bank premises	5,082,723 .. + 321,637
Total	327,147,518 .. - 23,609,065	Total	327,147,518 .. - 23,609,065

EBBW VALE STEEL, IRON, AND COAL COMPANY, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1922.	Amount.	Compared with Mar. 31, 1922.
Ord. shares	2,500,000 ..	Property	7,071,608 .. + 159,095
7% cum. pref.	1,200,000 ..	Investments	2,803,155 .. + 459
6% deb. loan	928,300 .. - 1,700	Stocks	456,672 .. - 325,807
8% seven-year notes	3,000,000 ..	Sundry debtors	594,432 .. - 265,797
Premium on shares account	321,329 ..	Cash	3,090 .. - 639
Capital reserve	1,350,348 ..	Profit and loss	320,870 ..
General reserve	300,000 .. - 100,000		
Sundry creditors	1,583,179 .. - 397,498		
Special reserve	2,312 ..		
Profit and loss	69,131 .. + 69,131		
Total	10,930,958 .. - 753,508	Total	10,930,958 .. - 753,508

BANK OF LIVERPOOL AND MARTIN, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1922.	Amount.	Compared with June 30, 1922.
£20 shares, £2½ paid	2,348,890 ..	Cash balances	6,702,048 .. - 1,279,101
Reserve fund	1,500,000 .. + 100,000	Money at call or notice	4,927,396 .. - 271,722
Current, deposits, & other accounts	63,934,397 .. - 5,064,801	Loans on stocks	349,275 ..
Bank's acceptances	1,376,143 .. - 540,039	Investments	9,884,431 .. - 3,500,093
Endorsements, &c.	2,474,838 .. + 2,474,838	Bills of exchange	3,462,201 .. - 1,517,164
		Loans and advances to customers, &c.	38,992,503 .. + 1,902,865
		Customers' liability for bank acc. pances	1,376,143 .. - 540,039
		Bank premises	1,498,308 .. + 49,689
		Endorsements, &c.	2,474,838 .. + 2,474,838
Total	71,634,268 .. - 3,030,002	Total	71,634,268 .. - 3,030,002

WESTMINSTER BANK, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1922.	Amount.	Compared with June 30, 1922.
Paid-up capital	9,003,718 ..	Cash	34,940,005 .. - 4,737,378
Reserve	9,003,718 ..	Money at call & notice	23,755,847 .. - 3,511,781
Current, deposits, & other accounts, including balance profit and loss	266,190,165 .. - 33,322,799	Bills discounted	65,064,267 .. - 17,527,794
Acceptances	11,182,913 .. + 673,659	Advances	97,254,304 .. - 7,160,507
Endorsements	11,182,913 .. + 673,659	Investments	56,207,074 .. - 381,009
Note issue in Isle of Man	13,176 .. - 1,162	Shares in allied banks	2,991,505 .. + 143
Total	295,393,690 .. - 32,650,302	Total	295,393,690 .. - 32,650,302

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1922.	Amount.	Compared with June 30, 1922.
Capital paid up	9,309,416 ..	Cash	35,382,382 .. - 1,755,257
Reserve	9,000,000 .. + 121,959	Money at call and notice	16,044,381 .. - 4,126,033
Bills, &c.	7,306,798 .. + 3,393,802	Investments	53,720,393 .. - 5,068,510
Deposits, &c.	258,563,384 .. - 10,833,187	Discounts, &c.	167,505,528 .. + 123,105
		Bank premises	4,220,116 .. + 115,467
		Acceptances	7,306,298 .. + 3,393,802
Total	284,179,098 .. - 7,317,426	Total	284,179,098 .. - 7,317,426

ILLINGWORTH, MORRIS, AND COMPANY.

LIABILITIES.		ASSETS.	
Amount.	Compared with May 31, 1922.	Amount.	Compared with May 31, 1922.
Ord. shares	933,719 .. + 6,580	Inv. in subsidiary companies	2,388,143 .. + 642,841
Prof. shares	500,000 .. + 290,000	Office furniture	65 ..
Forfeited shares	2,533 ..	Debtors and loans	2,317 .. - 42,561
8% seven-yr. notes	333,244 .. - 273,756	Due from sub. cos.	19,203 ..
6% deb. stock	547,770 .. + 547,770	Cash	22,727 .. + 13,906
Premium account	22,477 ..	Disc. on deb. issue	57,500 .. + 11,429
Sundry creditors	38,212 .. + 30,91	Do on note issue	11,429 ..
Unclaimed divs.	940 .. - 258		
Profit and loss balance	114,333 .. + 61,203		
Total	2,470,751 .. + 641,054	Total	2,470,751 .. + 641,054

Reports and Notices.

The offices of the Agent-General for Nova Scotia have been moved to the corner of Charles street and St James' square, known as 33 St James' square, London, S.W. 1.

Messrs. C. D. Hoblyn and King desire that the name of their firm should not be confused with the firm of Hodding and King, whose failure is announced.

Messrs. Price, Waterhouse, and Co. announce that Sir Arthur Lowes Dickinson, who for many years was the senior partner of their firm in America, and has for the last 10 years been a partner in London, has retired from practice and from membership of their firm.

The appointment of Mr H. S. Gayford as general manager of the Northern Assurance Company (following the death of Mr John Robertson, joint general manager, on May 22nd) was only announced a month ago, and it is with very deep regret the directors now communicate the news of the death of Mr Gayford, on the night of the 11th instant, from an attack of pneumonia, after an illness of only a few days. Mr Gayford was only 54 years of age.

GOVERNMENT STOCKS, &c.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Finance Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek Debt from January 14 to May 31, 1923, compared with those from January 14 to June 13, 1922:—

	Monopolies, Tobacco, Stamps, Stamp Paper, Naxos Emery.	Piræus Customs.
Gross receipts, May, 1923	Drachmæ. 9,017,064.90	Drachmæ. 11,804,425.10
Do do 1922	5,590,569.35	15,229,561.65
Estimated receipts for five months (Law of Control)	1923-11,012,351.67	1923-4,078,223.77
	1922-12,041,666.67	1922-4,458,333.33
Actual receipts for 1923, five months	35,890,345.50	105,733,845.70
Actual receipts for 1922, five months	32,516,229.25	51,179,776.15

NOTE.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper, and Naxos Emery, 49 1-5 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the external gold loans of 1881 to 1893. Owing to the change in the Greek calendar from old to new style, both the estimated and actual receipts in the above statement are for 13 days less in 1923 than in 1922. As regards receipts subject to the system of plus-values, all increases in duties and prices are excluded therefrom in the above table. Minimum receipts have, however, been fixed in order to guarantee the plus-values against eventual diminution in the consumption.

CITY OF RIGA 4½ PER CENT. LOAN.—Messrs Lazard B others and Co., Limited, announce, with reference to their recent circular, that no meeting of the bondholders will be held for the present. This decision has been arrived at in view of the fact that the replies received from the bondholders express approval of the steps taken on their behalf, and that only a very small proportion indicated a desire for a meeting.

RAILWAYS.

COSTA RICA RAILWAY.—The 38th report and accounts to June 30, 1923, shows that after payment of fixed charges, &c., there is an available balance of £50,996, as against £39,804 in the previous report and accounts. The ordinary dividend is again 1½ per cent., less income-tax. After payment of dividend, £19,496 goes forward, subject to corporation profits tax, if any, for two years. The report

states that the appeal which the company lodged in October, 1921, against any assessment for corporation profits tax being made upon the company still remains in abeyance, but the Commissioners have intimated that it will probably be heard during the present month. The board is to be commended upon furnishing a list of the railway's investments, which amount to £160,701, as shown in the report. On June 30, 1921, all investments were written down to market values, and those which remain still bear those values in the company's books. Purchases since made are at cost price. The general agent reports that the Northern Railway Company has maintained this company's property in good order. The meeting will be held on July 18th at Winchester House, London, at noon.

DELHI, UMBALLA, KALKA RAILWAY.—The following interesting statement given in the report shows the results of working for the past five periods:—

	Year, September, 1919.	Year, September, 1920.	Half-Year, March, 1921.	Year, March, 1922.	Year, March, 1923.
Gross earnings (including the Jind-Panipat Railway) ..	Rs. 47,78,665	Rs. 53,70,806	Rs. 25,98,597	Rs. 48,59,647	Rs. 56,16,157
Company's share of net earnings, converted at 1s 4d exchange	£157,679	£177,222	£85,909	£160,493	£185,140
Gain by exchange ..	£14	£14	£7	£14	£15
Dividends & bonus ..	£14	£14	£7	£14	£15

The net earnings are, under the company's contract, 52 per cent. of the gross earnings. The ordinary dividend with bonus is 15 per cent. for the year, against 14 per cent. for the preceding year. The sum of £20,286 is carried forward. The meeting will be held at 237 Gresham House, Old Broad street, on July 17th, at noon.

BANKS.

IMPERIAL BANK OF INDIA.—The net profit for half-year, June 30 1923, amounts to Rs. 76,01,100; brought forward from December 31, 1922, Rs. 10,56,600; making total, Rs. 86,57,700. The governors have declared dividend of 16 per cent. per annum, free of income-tax, absorbing Rs. 45,00,000; transferred to reserve fund, Rs. 12,50,000; transferred to pension fund, Rs. 5,00,000; transferred to premises account, Rs. 5,00,000; carried forward, Rs. 19,07,700.

NATIONAL BANK OF AUSTRALASIA, LIMITED.—The reports and accounts for year ended March 31, 1923, shows an improvement on the preceding report as a net profit of £442,178 is revealed as compared with £350,168. Adding £68,743 brought in, there is an available balance of £510,920. The ordinary dividend remains unchanged at 10 per cent., but it should be explained that it absorbed £272,500 against £203,050 in preceding year. The sum of £117,097 goes to reserve fund, while £40,000 goes to reduction of bank premises, and £81,324 is carried forward. The report adds that owing to the expansion of the bank's business the directors consider it advisable to increase the paid-up capital by £500,000. The remaining 16,500 £8 paid-up to £5 and also 41,750 £10 shares fully paid are to be issued.

UNION BANK OF AUSTRALASIA.—The report and accounts for the year ended February 28, 1923, exhibits a net profit of £639,712, as compared with £536,261 in the preceding year. The dividend is unchanged at 15 per cent., free of income-tax, for the year. The dividend will absorb £450,000. The sum of £89,720 is carried forward, against £86,818 brought into the accounts. The reserve is strengthened by £100,000, which makes it now stand at £3,350,000. Since the last meeting a branch of the bank has been opened at Bruthen in Gippsland, Victoria. Circulation stands in the balance-sheet at £562,081. Deposits are at £31,390,819, while the balance-sheet amount to £3,707,570. Investments amount to £2,200,000, all in British Government securities. Specie on hand and cash balances amount to £64,987,141. Money at call stands at £1,060,000. Balance of remittances, &c., amount to £5,759,791. Bills discounted, &c., stand at £26,350,356. The meeting will be held at 70 Cornhill on July 23rd, at 1 o'clock.

MISCELLANEOUS.

APOLIINARIS AND JOHANNIS. The accounts to March 31, 1923, show a profit (after providing £12,750 for interest on deferred debenture interest certificates) of £39,727, as compared with £15,158 in the previous twelve months. After deducting this from the debit balance of £233,185 brought forward, inclusive of the year's liability for debenture interest, £34,000, a reduced debit balance of £193,458 remains. Since the closing of the accounts a reconstruction scheme has been approved, under which there will remain 5 per cent. debenture stock, £680,000; liability on 5 per cent. deferred debenture interest certificates, £238,000; and £1 ordinary shares, £952,000. The total annual charge will amount to £51,680.

ARGENTINE NAVIGATION COMPANY.—The loss for the year ended December 31, 1922, was £16,303. This, added to the debit of £648,948 brought forward from the previous year, gives a total debit balance of £665,252, which the board recommend be carried forward. The depressed state of trade in South America, and the high scale of working expenses, are responsible for the loss sustained. The last dividend on the cumulative preference shares was paid in June, 1920.

BRITISH CYANIDES.—The directors' report for the year ended April 30th last shows a profit of £17,204, which, with the amount brought forward, makes a total of £17,607. This compares with a total profit last year, including the amount brought in, of £3,342. After the payment of the dividends on the preference shares for the year there remains a sum of £14,847, as compared with £492 for the year 1922, which the directors recommend should be carried forward. The report states that the profits realised were almost entirely earned during the last few months of the period under review. The Tat Bank Works, which, owing to the sudden slump in trade during the previous year had been closed down, were

reopened in February last, and the operations at this factory will be further extended during the coming year with, the directors believe, very satisfactory results. The balance-sheet shows, apart from loans to subsidiary companies, that stocks of materials, boats, tank-wagons, &c., amount to £52,267; sundry debtors, £30,421, as against creditors £27,379; cash in hand and at bankers, £9,850, as against £4,880 last year; whilst the bankers' overdraft has been reduced from £47,402 to £30,001.

ENGLISH SEWING COTTON COMPANY, LIMITED.—The directors report that the accounts for the year ended March 31, 1923, result as follows:—After providing for depreciation, debenture interest, income and corporation profits taxes, directors' fees, law charges, and auditors' fees the net profit for the year is the sum of £652,798, against £348,161 for 1921-22, to which has to be added the balance from last year, £196,514, against £198,353, making £849,312. This amount the directors propose should be dealt with as follows:—

—Payment of preference dividend 5 per cent. for the year ended March 31, 1923 (of which 2½ per cent. was paid on September 30, 1922, and 2½ per cent. on March 31, 1923), £50,000; payment of a final dividend of 12½ per cent. on the issued ordinary shares (making with the interim dividend of 2½ per cent. already paid) 15 per cent. for the year, £300,000; bonus on issued ordinary shares of 5 per cent., or 1s per share, £100,000 (this makes 20 per cent. for the year against 15 per cent. for preceding year); reserve account, £100,000; reserve for equalisation of dividends, £100,000; pension fund for employees, £11,997; balance carried forward, £187,405.

HOVIS, LIMITED.—The company, in commemoration of its twenty-fifth anniversary, has included with its report a very attractive illustrated booklet, descriptive of some thirteen of its mills and other establishments. The report covers the last three financial years, in which profits (before striking debenture interest, £2,400) amounting to £42,385, £49,092, and £54,106 were earned. The preference shares received dividends of £9,000 each year, while distributions on the ordinary were £15,391, £22,371, and £23,520, being at the rate of 7 per cent. for the year ended March 31, 1921, and 8 per cent. for the two succeeding years. Reserves received £10,000 in 1921, £26,944 in 1922, and £14,698 in 1923, and £14,877 was carried forward as at March 31, 1923. A distribution of £28,000 from the company's reserves was made during the past year. The directors do not recommend a further distribution at the moment, owing to the serious condition in the white flour trade. The year, however, has been a good one, results of other branches are good, and the sales of Hovis flour during the past year have exceeded all previous records.

ILLINGWORTH, MORRIS, AND CO., LIMITED.—The balance-sheet and report for the year ended May 31, 1923, shows gross revenue of £159,171, as against £87,975 for the year ending May 31, 1922. Interest on the 8 per cent. seven-year notes (since redeemed) and on the debentures and management expenses absorb £59,655, leaving £99,515 to be carried to the balance-sheet, as against £42,296 for the year ending May 31, 1922. This, with the balance brought in at May 31, 1922, gives a total available of £152,644. An interim dividend of 3½ per cent. was paid last November, and a final dividend at the rate of 6½ per cent., making 10 per cent. for the year, is now recommended. At May 31st the final instalments were not yet payable on the recently issued first mortgage debenture stock, and £453,160 was still owing. The £600,000 seven-year notes, the balance unredeemed and discount thereon stands at £333,244. Cash at bankers and in hand is £22,726, as against £8,820 at May 31, 1922. Investments at cost stand at £2,388,142. In the course of the year the company acquired the whole of the share capital of G. H. Leather, Limited, the business of John Robertshaw and Co., and the whole of the share capital of the Globe Worst Company. No profits from John Robertshaw and Co. or dividends from the Globe Worst Company are brought into this account. The purchase of G. H. Leather, Limited, included the profits amounting to £25,000 for the year ending March 17, 1923, the whole of which has been placed to the capital reserve. During the greater part of the financial year the woollen trade is stated to have been in a satisfactory position, but to have been adversely affected latterly by the Continental situation. During the year £1,000,000 of 6 per cent. debenture stock was issued, primarily to redeem the notes and to provide part of the purchase money of G. H. Leather, Limited, and J. Robertshaw and Co., and to furnish further working capital. 200,000 further preference shares have also been issued at par to provide for the purchase money of the new investments. Meeting at the Cannon street Hotel on Tuesday, July 17, 1923, at 3 o'clock.

INVESTMENT CORPORATION OF CANADA, LIMITED.—Revenue for year to April 30, 1923, after paying management expenses and debenture interest, £29,273 (against £44,145). The directors have increased the reserve fund by £10,000 against £5,000, of which £7,640 is discount on redemption of debenture stock, and placed £5,000 to contingency fund, against depreciation of real estate (the same). They recommend dividend on the ordinary stock of 6 per cent. for the year (the same), leaving £6,166 to be carried forward, against £12,489 brought in, both subject to corporation profits tax. Meeting, Winchester House, July 27th, at 2.30 p.m.

MOND NICKEL COMPANY.—The report for the year to April 30th last shows a profit of £292,385, after payment of directors' fees, as compared with £225,414 in the preceding twelve months. After bringing in £37,883 from the last account, £330,268 is available, out of which interim dividends amounting to £110,000 were paid in March, 1923. The directors propose to pay a final dividend on the preference capital at 7 per cent. per annum, absorbing £87,500, and a final dividend of £67,500 on the ordinary capital, making 10 per cent. for the year, free of tax. A balance of £65,268 will be carried forward. Last year the ordinary shares obtained a dividend of 7½ per cent., free of tax. The report states: "The demand for nickel improved during the year, and sales have been satisfactory. As a result, production has been increased. The market prices for nickel and

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended July 6, 1923.	(c) Week ended July 7, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 27 Weeks 1923.	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,679	295,000	354,000	627,000	6,439,000	9,722,000	16,161,000		
London & North-Eastern	6,661	592,000	655,000	1,247,000	11,007,000	20,550,000	31,557,000		
Do same period 1922	6,657	536,000	720,000	1,256,000	12,616,000	20,550,000	31,557,000		
London, Mid., & Scottish	6,962	704,000	839,000	1,543,000	15,824,000	25,169,000	40,993,000		
Southern	2,115	383,400	107,700	491,100	8,112,800	15,157,200	23,270,000		
Midland & S.W. Junc.	63	1,399	1,427	2,826	31,582	36,387	67,969		
Metropolitan (e.r.)	793	32,257	3,711	35,968	874,186	99,571	973,757		
Underground (e.r.)	..	..	..	252,086	..	..	252,086		
London & Sub. Group (c.)	..	..	..	44,914	..	..	44,914		
Belfast & Co. Down (b)	80	7,376	1,213	8,589	131,432	32,828	164,260		
Dublin and B. East. (b)	160	4,952	3,074	8,026	11,326	141,963	153,289		
Midland Gt. West. (b)	538	11,666	13,680	25,346	251,855	412,787	664,642		

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Percent Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
INDIAN.					
Assam Bengal	10 weeks	June 9	1,043	Rs. 2,12,257 + 1,972	22,15,867 - 14,950
Barni Lk. Ry.	11 weeks	June 16	118	24,800	3,70,400
Bengal & N. Western	10 weeks	June 9	67	6,82,510 + 16,286	67,06,100 - 43,561
Bombay, Bar. & C.L.	10 weeks	June 9	2,727	14,37,000 - 49,000	14,94,000 + 3,98,673
Burma	10 weeks	June 9	2,994	20,21,000 + 19,000	3,31,59,000 + 1,80,000
Calcutta & N. Eastern	10 weeks	June 9	1,342	6,65,555 + 13,613	74,22,191 - 2,21,337
Delhi, Umballa & Kalka	13 weeks	June 30	339	1,00,000	17,588
East Indian	14 weeks	June 7	2,856	29,86,000 - 1,51,000	4,57,83,000 + 31,22,000
G. Indian Peninsula	13 weeks	June 30	3,164	26,10,100 + 2,02,200	3,71,86,529 - 11,14,453
Madras & S. Eastern	10 weeks	June 9	3,028	14,00,000 - 1,15,023	1,67,88,104 - 89,749
North Indian	10 weeks	June 9	859	6,59,900 - 4,128	8,04,257 - 23,077
South Indian	10 weeks	June 9	1,890	10,29,917 - 12,489	96,98,585 - 1,00,150

CANADIAN.

Canadian National ..	27 weeks	July 7	22,680	4,808,628 + 301,507	12,247,912 + 14,551,141
Canadian Pacific ..	27 weeks	June 30	13,539	3,411,000 + 243,000	83,530,000 + 4,067,000

ARGENTINE (a).

Argentine N.E.	52 weeks	June 30	758	£ 3,000 - 8,100	563,600 + 4,900
Argentine Trans.	52 weeks	June 30	111	3,429 + 2,922	174,597 + 58,512
B. A. and Pacific	1 week	July 7	3,317	142,000 + 27,000	142,000 + 27,000
B. A. Gt. Southern	1 week	July 7	3,348	172,000 + 31,000	172,000 + 31,000
B. Western	1 week	July 7	1,882	75,000 + 10,000	75,000 + 10,000
Central Argentine ..	1 week	July 7	3,305	215,000 + 34,000	215,000 + 34,000
Cordoba Central	1 week	July 7	1,205	72,500 + 5,500	72,500 + 5,500
Entre Rios	52 weeks	June 30	729	13,600 - 2,100	1,025,800 + 56,300

BRAZILIAN (b).

Gt. West. of Brazil ..	27 weeks	July 7	1,005	6,300 - 3,100	273,700 - 83,700
Leopoldina	27 weeks	July 7	1,831	28,971 - 901	62,830 - 74,017
San Paulo	27 weeks	July 8	1,534	35,736 + 9,063	718,838 - 31,795

CHILE AND PERU.

Antofagasta	27 weeks	July 8	838	4,361,500 + 12,940	940,320 + 425,040
Nitrato (3-monthly) ..	28 weeks	June 30	366	31,079 + 13,411	397,107 + 235,053

CUBAN.

Havana Central	1 week	July 7	1,210	11,754 + 2,835	11,754 + 2,835
United of Havana ..	1 week	July 7	1,210	57,596 + 9,543	57,596 + 9,543

URUGUAYAN.

Central Uruguay	1 week	July 7	273	22,587 + 1,838	22,587 + 1,838
O. Urug. (East Ext.) ..	1 week	July 7	311	4,846 + 603	4,846 + 603
O. Urug. (North Ext.) ..	1 week	July 7	185	2,308 + 641	2,308 + 641
O. Urug. (West Ext.) ..	1 week	July 7	311	1,461 - 210	1,461 - 210

OTHER OVERSEAS.

Alcoy and Gandia ..	27 weeks	July 7	33	21,000	601,800 + 56,000
Egyptian Delta	10 weeks	June 20	675	6,351 - 1,631	51,377 - 12,970
Gt. Southern of Spain	26 weeks	June 30	104	Pe 37,191 - 13,403	2,724,430 + 662,341
Maritime Railway ..	1 week	July 4	403	£ 110,890	14,360
New Cape Central ..	24 weeks	June 16	205	2,395 - 432	65,595 + 988
Paraguay Central ..	52 weeks	June 30	274	3,360 + 3,160	108,570 - 58,350
Salvador	1 week	July 10	100	2,255 - 2,137	2,255 - 2,137

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Percent Mileage.	Receipts for Week.	Total Receipts.
				1923. + or -	1923. + or -
Anglo-Argentine	27 weeks	July 8	32	£84,791 - 1,289	2,298,180 + 45,714
Burnley Corporation ..	1 week	July 7	139	£3,158	146
Calcutta Tramways ..	27 weeks	July 7	354	Rs 122,286 + 8,112	7,325
Chatham & District ..	26 weeks	June 28	15	£1,681 - 53	38,717 - 2,742
Egyptian Markets	26 weeks	June 28	28	£1,360 - 298	52,748 + 6,538
Glasgow Corporation ..	5 weeks	July 7	106	£43,213 + 2,060	236,196 + 310
Isle of Thanet	40 weeks	July 4	4	£1,803 + 122	29,329 - 1,436
Leamington United ..	27 weeks	July 3	39	£2,924 - 54	76,254 + 5,389
Liverpool Corporation ..	14 weeks	July 7	124	£29,174 - 1,375	385,331 - 31,744
L.O.C. Tramways	15 weeks	July 11	163	£88,617 - 5,200	1,293,773 - 89,514
Madras Elect. (2 wks) ..	26 weeks	June 30	163	Rs 52,412 + 6,687	6,20,161 + 33,757
Pernambuco Trams	27 weeks	July 8	..	£3,420 + 796	100,360 + 7,384

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1922.	1923.	1923.	Increase or Decrease.	1923.	Increase or Decrease
Jan.	235,827	235,678	\$ 500,816,521	+ 10,581,364	\$ 93,279,686	+ 35,012,890
Feb.	235,625	235,399	444,891,872	+ 44,746,431	70,387,622	- 6,242,712
Mar.	234,986	235,424	533,553,199	+ 59,806,190	117,117,122	+ 3,419,324
April....	235,839	234,970	521,387,412	+ 105,578,442	118,627,158	+ 38,240,343

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Percent Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -

INDIAN.

Southern Punjab	6 mths	Mar. 31	717	Rs 11,64,223 + 2,98,682	Rs 57,01,243 + 10,23,444
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CANADIAN.

Canadian National	5 mths	May 31	31	Gross \$21,085,875 + 360,200	94,488,597 + 129,32,303
Canadian Pacific	5 mths	May 31	31	Gross \$14,356,000 + 692,000	65,902,000 + 3,417,000
Temiscouata	1 mth	May 31	31	Gross \$1,998,000 - 346,000	7,144,000 - 308,000

BRAZILIAN.

Brazil Gt. Stbrn.	4 mths	May 31	52	Ms 61,750 + 14,510	310,250 + 103,500
State of Bahia ..	2 mths	June 30	52	Ms 2,946 + 589	4,915 + 776

CHILE AND PERU.

Peruvian Corp.	12 mths	June 30	1,056	\$ 1,337,200 + 50,800	15,551,965 + 88,789
Taital	12 mths	June 30	172	\$ 280,768 + 9,758	210,858 + 97,748

URUGUAYAN.

Midland Uruguay ..	12 mths	June 30	319	£ 14,894 + 1,860	197,997 + 28,269
N.W. Uruguay	11 mths	May 31	113	£ 6,382 + 998	70,944 + 701
Uruguay North	12 mths	June 30	73	£ 2,340 + 380	29,690 + 4,837

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay ..	9 mths	Mar. 31	Gross	\$148,073 + 8,228	1,481,070 + 181,801
Bahia and Mashonaland	1 mth	April 30	810	99,555 + 7,842	17,507 + 10,163
Bilbao	6 mths	June 30	15	2,718 + 2,425	72,057 + 14,707
Bolivar	6 mths	June 30	136	9,500 + 1,461	215,922 + 7,676
Bolivia	10 mths	Apr. 30	189	22,779 + 393	74,750 + 25,000
Dorado Extension ..	5 mths	May 31	70	19,750 + 7,750	46,500 + 22,500
Dorado Rope, Ex. ..	5 mths	May 31	45	10,300 + 3,800	168,570 + 28,818
International of Central America	4 mths	April 30	Gross	86,636 + 2,966	340,048 + 14,707
La Guaira & Car.	5 mths	May 31	232	12,360 + 4,060	57,600 + 8,130
Mexican Railway ..	5 mths	May 31	Gross	\$124,900 - 12,100	6,227,300 - 39,000
Mid. of W. Aust. ..	11 mths	Apr. 30	Net	\$255,400 - 40,900	1,286,500 - 89,800
Nasajo Ocarah	4 mths	Apr. 30	31	\$10,199 + 103	134,405 + 14,086
Puerto Obello, &c.	5 mths	May 31	35	12,819 + 1,150	50,314 + 8,945
Rhodessa Rail'ry ..	1 mth	Apr. 30	1,397	132,257 + 1,268	25,000 + 3,000
Samana & San'to	6 mths	June 30	..	9,690 - 4,244	48,780 - 8,570
Santa Fe Prov.	1 mth	May 31	..	133,408 - 829	..
Zafra and Huella ..	5 mths	May 31	112	9,573 - 2,222	54,125 - 5,933

TRAMWAY & OTHER RECEIPTS.

Barcelona Trac. ropts. Inptas.	5 mths	May 31	Gross	Pe 410,204 + 447,131	22,047,150 + 3,149,643
Brazilian Trac. receipts, in mil.	5 mths	May 31	Gross	Pe 260,093 + 640,713	11,892,780 + 293,942
Briabane Electric Bth. Columbia ..	12 mths	Dec. 31	Gross	20,990,000 + 4,897,000	96,593,000 + 20,944,000
Burmah Electric Trways. & Lghg.	11 mths	May 31	Gross	12,706,000 + 2,511,000	97,820,000 + 11,604,000
Cape Elec. Trams ..	1 mth	June 30	Gross	£50,575 + 3,075	597,845 + 31,100
Carthage and Herrerias Trms.	6 mths	June 30	Gross	£858,965 + 31,264	9,544,173 + 124,630
Cities Service Co.	Year	May 31	Gross	£221,071 + 16,688	2,824,812 + 233,597
Cordoba Light & Elec. Sup. of Vico.	2 mths	June 30	Net	Rs 66,301 + 4,478	.. + 44,593
Havana Electric Light & Power ..	8 weeks	20	Gross	£28,684 + 2,366	56,914 + 5,903
Light & Power ..	4 mths	Apr. 30	Gross	£4,573 + 1,244	10,717 + 1,615
International Light & Power ..	11 mths	May 31	Gross	£11,144,983 + 40,551	4,414,262 + 42,636
Kalgoolie Elec. Trways.	3 mths	Mar. 31	Gross	£599,445 + 62,045	5,320,399 + 138,430
Keystone Tele.	5 mths	May 31	Gross	£21,184 + 100	233,490 - 1,012
La Guaira Harbr. La Plata Electric ..	1 mth	June 30	Gross	£5,139 - 971	69,194 + 2,832
Lima Light & Power ..	6 mths	June 30	Gross	£2,307 + ..	6,514 - ..
Manila Electric Light & Power ..	3 mths	Mar. 31	Gross	£148,500 + 12,626	729,363 + 40,556
Manila Electric Railroad, &c.	5 mths	May 31	Gross	£65,724 + 13,447	318,896 + 45,631
Para Electric	7 mths	June 30	Net	£27,410 + 111	42,798 + 5,499
Puebla Tram. &c. Rangoon Electric ..	1 mth	May 31	Net	£20,817 + 715	62,086 + 15,194
Shanghai Electric United Electric T. of Montevideo ..	6 mths	June 30	Gross	£274,381 + 1,163	1,457,471 + 5,641
Vera Cruz	5 mths	May 31	Net	£114,004 + 9,686	645,166 + 28,676
Victoria Falls & Transvaal Pwr.	1 mth	May 31	Gross	£25,213 + 932	171,832 + 10,038
Winnipeg Electric ..	4 mths	Apr. 30	Gross	£10,564 - 396	67,468 + 4,811
			Net	Rs 3,445,150 + 21,850	13,443,175 + 58,629
			Gross	Rs 2,345,150 - 28,900	7,548,400 + 18,671
			Net	£195,845 + 16,583	1,118,597 + 30,875
			Gross	£50,946 + 6,648	34,527 + 62,775
			Net	£38,700 - 16,000	175,100 - 90,000
			Net	£234,803	..
			Gross	£929,915 + 2,035	2,341,671 + 42,341

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended June 30.		Six Months Ended June 30.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	8,685,852	8,587,222	51,284,535	46,891,290
B. Feeding stuffs for animals	382,561	398,000	2,494,437	2,955,336
C. Meat	9,120,249	9,387,664	51,033,297	59,672,985
D. Animals, living, for food	271,533	1,385,215	1,035,668	4,143,822
E. Other food and drink, non-dutiable	11,859,927	13,428,214	69,624,026	75,558,349
F. " " dutiable	7,985,774	10,190,573	49,013,355	57,315,807
G. Tobacco	1,608,828	709,569	9,779,462	8,214,441
Total, Class I.	39,914,724	44,086,457	234,264,780	254,752,030
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	..	1,026	20	3,190
B. Other non-metallic mining and quarry products and the like	442,907	516,890	2,477,860	2,793,802
C. Iron ore and scrap	364,794	809,332	2,245,522	4,308,694
D. Non-ferrous metalliferous ores and scrap	761,953	1,348,802	3,154,233	6,249,299
E. Wood and timber	3,074,494	4,459,775	12,365,083	16,522,379
F. Raw cotton and cotton waste	7,279,124	2,448,795	38,954,390	36,618,738
G. Wool, raw and waste, and woollen rags	5,704,243	5,297,065	36,024,744	34,690,437
H. Silk, raw, knubs and noils	130,777	107,737	1,015,523	825,001
I. Other textile materials	1,108,322	681,514	4,820,011	5,955,356
J. Oil seeds, nuts, oils, fats, resins & gums	3,613,945	4,076,915	19,000,373	23,789,731
K. Hides and skins, undressed	903,559	1,139,901	7,161,876	8,315,589
L. Paper-making materials	768,480	1,418,644	3,836,861	4,908,708
M. Rubber	470,965	678,794	3,559,307	5,200,206
N. Miscellaneous raw materials and articles mainly unmanufactured	618,323	667,037	4,268,533	4,909,922
Total, Class II.	25,241,886	23,652,027	138,884,142	155,091,052
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	2,543	2,484	13,475	8,097
B. Earthenware, glass, abrasives, &c.	560,061	676,282	3,404,138	3,583,228
C. Iron and steel and manufactures thereof	736,350	1,157,897	5,102,325	6,710,693
D. Non-ferrous metals and manufactures thereof	1,155,351	1,928,222	8,350,814	12,477,308
E. Cutlery, hardware, implements, and instruments	475,267	614,265	3,126,109	3,582,734
F. Electrical goods and apparatus	89,784	179,527	615,140	1,105,593
G. Machinery	664,747	839,797	4,017,125	4,843,418
H. Manufactures of wood and timber	390,463	407,376	1,983,160	2,249,659
I. Cotton yarns and manufactures	521,179	721,641	3,353,553	4,359,421
J. Woollen and worsted yarns and manufactures	771,793	1,046,206	4,305,255	5,492,236
K. Silk and silk manufactures	1,675,277	1,623,604	10,706,261	9,892,762
L. Manufactures of other textile materials	883,892	1,176,394	5,096,443	6,658,937
M. Apparel	1,164,195	1,313,611	6,899,010	8,294,963
N. Chemicals, drugs, dyes, & colours	878,489	933,234	5,354,136	6,863,136
O. Oils, fats, and resins, manufactured	3,635,619	3,236,793	21,828,789	17,826,944
P. Leather and manufactures thereof	1,093,022	996,238	5,357,978	6,028,864
Q. Paper and cardboard	1,012,996	1,261,916	5,340,362	6,182,836
R. Vehicles (including locomotives, ships, and aircraft)	524,293	635,729	3,406,581	4,462,986
S. Rubber manufactures	529,687	363,336	3,002,489	2,616,109
T. Miscellaneous articles, mainly or wholly manufactured	2,091,717	2,064,830	11,356,395	13,142,703
Total, Class III.	18,856,724	21,179,382	112,619,538	126,582,717
IV.—Animals, not for food	18,924	215,882	143,696	515,742
—Parcel post, non-dutiable articles	244,643	173,935	1,271,265	1,836,281
Total	84,276,901	89,307,683	487,183,421	538,777,872

IRON, STEEL, AND COAL.

Our Glasgow correspondent writes:—In the last day or two a leading maker has sold a respectable lot of a Scotch special brand at 112s a ton for No. 1, while the common rate for No. 1 foundry is 111s 6d f.o.b. Glasgow, and 110s f.o.b. for No. 3; and East Coast hematite is called 111s 6d f.o.b. Middlesbrough. There were several sellers at these figures on Wednesday, yet no buyers were in evidence. No new shipbuilding orders have been reported, and the sales of steel proceeding are about the lightest on record. Of course, consumers at the moment are working up yard stocks, carrying over as small supplies as possible. For such work as is passing—mainly still in machinery—some expensive plant is being constructed, and fair quantities of material are being absorbed. All over quotations reflect little alteration on the week. Crown bars continue to command £12 a ton; ship plates, £10 5s; sections, £10; hoops, £12 10s; ditto channels, £10; joists, £10 5s; black sheets, £12 10s; and galvanised sheets, £18 12s—all delivered f.o.b. Glasgow. Wire rope makers exceptionally advise the booking of several good export lines, and so do tube-makers (for foreign markets), bolt, nut, rivet, and nail makers. There is also a decent trade being transacted in light steel sections for house building, and there is large room for expansion in this branch in Scotland. Demand for coal is easier generally; but purchases for France, Belgium, Italy, and Germany are on a large scale, negotiations for supplies extending on to the end of the year.

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM

(Value F.O.B.).

	Month Ended June 30.		Six Months Ended June 30.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	294,065	496,807	1,652,078	2,030,003
B. Feeding stuffs for animals	125,674	177,750	960,360	905,736
C. Meat	66,039	125,986	499,797	628,115
D. Animals living, for food	1,861	36,701	11,644	68,895
E. and F. Other food and drink	2,048,701	2,532,412	12,102,520	13,133,413
G. Tobacco	507,711	570,379	2,758,633	3,127,070
Total, Class I.	3,044,051	3,940,035	17,985,032	19,888,230
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,391,946	8,950,779	30,847,763	50,415,430
B. Other non-metallic mining and quarry products and the like	154,704	180,517	801,932	913,643
C. Iron ore and scrap	44,240	37,118	319,232	291,043
D. Non-ferrous metalliferous ores and scrap	382,848	131,372	3,433,671	1,321,175
E. Wood and timber	30,098	42,003	163,861	204,025
F. Raw cotton and cotton waste	61,691	109,277	461,693	946,726
G. Wool, raw and waste, and woollen rags	676,814	861,452	3,584,544	5,245,112
H. Silk, raw, knubs and noils	9,344	3,308	37,793	61,077
I. Other textile materials	81,255	51,535	479,003	291,828
J. Oil seeds, nuts, oils, fats, resins, and gums	479,629	582,831	2,885,644	3,036,148
K. Hides and skins, undressed	38,643	180,605	928,675	1,426,936
L. Paper-making materials	83,982	134,285	562,215	843,102
M. Rubber	5,948	5,737	52,424	67,509
N. Miscellaneous raw materials and articles mainly unmanufactured	179,922	268,762	1,612,351	2,639,283
Total, Class II.	7,671,334	11,539,581	46,170,801	67,703,037
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	385,294	763,543	2,219,414	3,822,445
B. Earthenware, glass, abrasives, &c.	879,734	1,056,202	5,560,587	5,633,859
C. Iron and steel and manufactures thereof	4,272,723	6,825,366	30,359,149	37,049,056
D. Non-ferrous metals and manufactures thereof	857,577	1,173,218	5,739,286	7,278,942
E. Cutlery, hardware, implements, and instruments	504,602	615,889	3,121,534	3,481,686
F. Electrical goods and apparatus	519,911	651,915	3,707,175	4,146,632
G. Machinery	2,321,972	3,467,521	25,973,685	24,022,809
H. Manufactures of wood and timber	104,540	183,881	631,697	800,464
I. Cotton yarns and manufactures	14,061,232	13,534,150	90,427,363	89,404,868
J. Woollen and worsted yarns and manufactures	4,917,256	5,272,534	28,453,812	30,618,438
K. Silk and silk manufactures	189,224	170,115	1,114,751	903,550
L. Manufactures of other textile materials	1,923,952	2,047,096	11,094,959	11,890,103
M. Apparel	1,600,458	2,148,663	10,066,558	11,789,623
N. Chemicals, drugs, dyes, & colours	1,785,111	2,385,072	10,415,558	13,120,508
O. Oils, fats, & resins, manufactured	4,814,332	648,496	2,896,041	3,451,345
P. Leather and manufactures thereof	343,867	477,156	2,423,730	2,809,575
Q. Paper and cardboard	553,253	717,791	2,984,314	4,213,697
R. Vehicles (including locomotives, ships, and aircraft)	2,279,966	1,451,611	28,620,632	17,955,725
S. Rubber manufactures	420,737	453,034	2,598,688	2,697,699
T. Miscellaneous articles, mainly or wholly manufactured	2,152,558	2,490,516	13,139,765	14,559,382
Total, Class III.	40,555,339	46,533,769	281,548,698	289,650,806
IV.—Animals, not for food	121,559	119,286	775,682	501,464
V.—Parcel Post	753,668	750,888	5,281,592	4,935,490
Total	52,145,951	62,883,559	351,761,805	382,679,027

Our Middlesbrough correspondent's report, dated July 12th, is as follows:—Pig-iron: The demand for pig-iron continues to be very quiet, and business, more particularly for export, is very poor. French pig-iron, owing to the exchange position, can be sold abroad at prices which our makers cannot compete with. The hematite market is flat. Some furnaces on the Tyne and on the West Coast are closing down, as they cannot avoid working at a loss. No. 3 Cleveland G.M.B. is quoted 109s, and East Coast mixed numbers hematite can be bought at 10s 6d per ton. Manufactured iron and steel: Business in steel is still quiet, and is likely to remain so until the boilermakers' strike is settled. Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £10. Iron ore: The iron ore trade is without life. No forward demand and very little inquiry for prompt. The sellers' nominal price of best rubio is 24s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—There has been a further sharp decline of business in open-hearth steel this week, and there is practically no sale for billets. The position is much the same in the pig-iron and scrap markets. As most of the contracts are completed, makers have had no alternative to reducing their output, and furnaces are going out of commission in a way that causes serious concern. The situation would have been much worse but for the policy of one or two large firms who are making for stock in anticipation of the collapse of competition from the Continent. An increase this week of 400 in the number of locally unemployed men reflects the downward movement of trade. Work in the railway steel departments is being maintained at a fairly high level, notwithstanding the absence of contracts for the building of

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privately-owned wagons. Most of the engineering branches are extremely quiet. Agricultural engineers have no export business on hand worth speaking about. Shipbuilding is furnishing only meagre business to Sheffield in tool steel, files, and small tools. Colonial and South American trade is picking up as regards saws, and certain descriptions of hand tools. The cutlery trade is very bad, and the demand for electro-plated goods moderate. Limited sales and severe competition have brought about an easing of prices of most of Sheffield's finished products, with the result that it is difficult to operate at a profit. A heavy drop is reported in the demand for industrial fuels following a falling off in exports, and pits are going on short time. Prices, while not quotably lower, show a sagging tendency, and may be reduced to some extent shortly. Local quotations at pits are:—Best South Yorkshire hard, 21s; Derbyshire ditto, 20s; small nuts, 18s; rough slacks, 12s; best Blyth steam, 26s to 27s 6d (f.o.b.); Tyne steams, 25s (f.o.b.); blast furnace coke, 30s at ovens.

Our Cardiff correspondent writes:—There has been very little change this week in the position on the Cardiff coal market. Prices have remained practically stationary at the recently reduced levels, but there is no great activity in the demand, although as the result of business placed during the week the stems of the majority of the collieries are much fuller than they have been for the past two or three weeks. The increase in the miners' wages as from July 1st has added at least 1s per ton to the labour cost of production, but it is feared that the actual increase will be greater in consequence of lower outputs, and this higher cost of production is one of the strongest factors which has contributed to the firmness of quotations this week.

The approximate current quotations are as follows:—Best Admiralties, 30s to 32s 6d; second Admiralties, 29s to 30s; best drys, 30s to 31s; black veins, 29s to 30s; Western Valleys, 28s to 29s; Eastern Valleys, 27s to 28s; best small steams, 22s to 25s; ordinary cargo smalls, 19s to 21s 6d; anthracite big vein, large, 50s to 57s 6d; machine-made dibbles, 62s 6d to 65s; French nuts and stove nuts, 62s 6d to 65s; rubbly culm, 15s 9d to 16s; coke for export, 45s to 55s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 34s to 36s; pitwood, ex ship, 30s to 32s 6d. In the tinplate trade the position is unchanged.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—July 6, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	M ed.	Good Med.	Fine.
	d	d	d	d	d	d	d	d	d	d	d	
Sea Island	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Florida do.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Georgia do.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
American	Ord	G O L M	LM	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	
Brazilian:	1457	1487	1537	1562	1587	1642	1220	1305	1390	574	689	
Pernam	Mid M	F	Fr. G F	Gd. Fne			MF	Fr. Gd.		MF	Fr. Gd.	
Parahyba, Rio Grande, &c.	1437	1502	1582				1110	1290		564	814	
Macelo, &c.	1437	1502	1582				1110	1290		564	814	
Mossoro, &c.	1437	1502	1582				1110	1290		564	814	
Ceara	1437	1502	1582				1110	1290		564	814	
Maranhao, &c.	1437	1502	1582				1110	1290		564	814	
Sao Paulo	1427	1462	1512				1165	1265				
Egyptian:	Fr. G. F	for Gd. Fne				Fr. G F	Gd.					
Upper	1525	1600	1620	1640	1665	1450	1525	1650		850	1150	
Sakellariadis	1465	1555	1575	1715	1840	1700	1925	2225				
Brown	1525	1600	1640	1685	1755	1500	1625	1825		850	1250	
Peruvian:	MF	Fr. G F	Gd. Fne			MF	Fr.					
Rough	1500	1600	1650	1750		1275	1400		1450		1100	
Moderately Rough	1592	1567	1617	1667	1717	1285	1460	1610		614	1039	
Smooth	1592	1567	1617	1667	1717	1310	1460	1660				
Tangia	1550	1600	1650	1700		1200	1550					
Mitafi	1475	1575	1650			1300						
West Indian, &c.	1900	2200	2500	2600		2300	2900					
Do Sea Island	1050	1150	1300	1400	1500	1075	1250	1450	550	750	950	
African, East, &c.	Mid FM	GM	FM	FM		Mid FM						
Do West	1454	1462	1472	1554	nm	1185	1260					
Machine Ginned Surtee	G F	for Gd. F	Gd. F	Gd. F	Gd. F	for Gd. F	for Gd. F	for Gd. F	for Gd. F	for Gd. F	for Gd. F	
Machine Ginned Broad	1150	1190	1230	1270	1310	1085	1125	1205	680	705	755	
Machine Ginned Bhownuggar	905	955	1005	1055	1105	975	1025	1105	484	530	609	
Machine Ginned Omra. No. 1	915	965	1015	1065	1115	985	1035	1115	490	540	615	
Machine Ginned Omra. No. 2	915	965	1015	1065	1115	985	1035	1115	490	540	615	
Machine Ginned Khandeish	1145	1185				935	985	1065	415	465	540	
Machine Ginned Comptah.	815	855	935	975	1015	825	865	945	390	440	515	
Machine Ginned Bengal.	805	845	935	975	1005	815	855	935	378	428	503	
Machine Ginned Soinde	1305	1345	1435			1255	1295		780	805		
Tinnivelly	1080	1120	1160	1200		1030	1070		645	670		
Madras, Western	1185					1075			620			
Madras, Northern	1160					1055			645			
M. G. Coconada, Red	Fr. 1160											
China, Suyrna, &c.												

AUCTION OF B.A.W.R.A. WOOL AT HULL.

Owing to labour troubles at the ports, the Committee of London Wool Brokers announce that by instructions of the British Australian Wool Realisation Association, Limited, the public sale advertised to take place at Hull on the 27th instant has been postponed. The trade will be duly advised of the date on which this auction will ultimately be held.

COLONIAL WOOL.
(FROM A CORRESPONDENT.)

The London sales were abruptly suspended last Monday, owing to the dockers' strike. The casual workers in the up-town warehouses decided to throw in their lot with the dock labourers. It has been decided that the auctions shall be resumed next Tuesday if the men are back at work, which at the time of writing looks likely.

The attitude of the home trade has been very contradictory. Importers whose wools have been reoffered freely have been wanting to sell on a clean basis of something like 4d more than the prices at which they were wanting to buy.

Scoured merinos have continued to sell remarkably well, and importers, as well as those selling on growers' account, cannot complain. Some magnificent prices have also been paid for crossbreds, particularly those from New Zealand. Up to 26½d has been paid in the grease, the prices working out at about 4½d for 58's, 36d for good 56's, and 3½d for ordinary wools. Most of the fine half-breds have gone to the Continent. Slip crossbreds have sold almost on a level with last series, good half-bred lambs still making excellent figures. Considering the quantity of this class of staple catalogued, good half-bred lambs at 25d to 26d cannot be despised. Good 56's slipped lambs are selling around 24d, superior 50's 20d to 21d, 48's-50's 18d, 48's 16½d to 17½d, and good 46's 14d to 14½d, while short clothing slipes, suitable for blanket purposes, have made around 12d.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Although alterations were not important at Bermondsey hide market on Thursday, the tone of the market was firmer, and bears out the hint given in this report recently that bottom price of hides has been reached for the time being. Best ox sold from 7d to 8½d, three classes advancing an ½d above last prices. Seconds sold from 5d to 7d, one selection only advancing ½d. Cows, best, were firm from 6½d to 6½d, whilst best calf made from 5½ to 11d. Supplies of hides are small in the provincial markets, and tanners fairly eager to obtain supplies. The demand for imported S.A. hides has fallen away of late, and values are in course of readjustment. Argentines have been sold at round about 7½d c.i.f., the Continent and United States being buyers. Sales of Leibig hides include Fray Bentos at 8½d, and Colon cows at 6½d. Saladeros are quiet, Livramentos being sold on a basis of 7½d. The demand for dry hides is quiet, with prices here and there a shade easier. The Chicago position is called as steady, with best packers still offering at 14 cents.

VEGETABLE OILS AND OILSEEDS.

Only a small business has been done in linseed oil, mainly on account of the home trade, and values are, on balance, about unchanged. The export demand shows no sign of improvement. Cotton oils have been more or less neglected, and crude Egyptian, on some pressure to sell, has further declined, edible descriptions also being slightly easier. Crude soy oil continues to meet with competition from Oriental, which has been selling at 60s per ton below English. Palm kernel oil is in firm demand and somewhat lower. In the oilseed section crushers have bought to a fair extent Calcutta linseed, both to London and Hull, in near positions, but little has been done in Plate linseed, which is inclined lower. Egyptian cottonseed, in the absence of demand, has further declined, Sakellarisidis offering around £11 2s 6d for July shipments.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, July 13.

The quiet tone prevailing in the various markets, both with regard to raw and manufactured goods, became more accentuated during the week, resulting in trade in most directions partaking of retail proportions. Of sugar, refined goods were taken to a fair extent on the spot at steady prices, while with regard to raw refining descriptions, recent y three steamer cargoes of Cuban, basis 96 per cent., reached the U.K., but were redirected to America, which would point to British refiners being in possession of ample supplies. Rice market fails to show any improvement, Burma grain remaining a negligible quantity, as near continental inquiries count for little, while home demand runs upon the finer descriptions of Spanish, Italian, and Carolina. All kinds of fibres witnessed but limited trading. Regarding jute, the India Government's first forecast, and which does not include Nepal and Cooch-Behar, amounted to 2,297,520 acres, against a revised estimate last year of 1,800,000. Shells, M.-o'-P.—A moderate quantity auctioned met with but slow support, but prices for the part disposed of marked no essential alteration.

SUGAR.—Refined goods sold steadily on spot, and British makes were again largely favoured. Messrs Tate and Lyle's cubes, 6½s 6d to 6½s 6d; granulated, fine and coarse grain, 8s 7½d; No. 1, 5s 8½d; No. 2, also London, 5s 8½d; second half August, 5s 8½d; September, 5s 8½d; October, 5s 8½d; November-December, 5s. Yellow crystals, spot, 5s 7½d. American granulated, spot, 5s; white Java, spot,

5s 9d to 5s; May-June, steamer, 2s 6d; June-July, 2s; July-August, 2s 6d, c.f. and i., London. Continental parcels for shipment more or less nominal, with an absence of definite offers. Raw refining kinds dull. Cuban, basis 96 per cent., July, quoted 2s 4s, c.f. and i., U.K. Terminal market, after being firmer, became unsettled and weaker. August, sold, 2s 8d to 2s 9d, 2s 7d, and 2s 6d; December, 2s 9d to 2s 10d, 2s 9d, and 2s 8d; March, 2s 6d to 2s 7d and 2s 5d. Cuban stocks total 582,300 tons, against 778,800 last year.

COFFEE.—Spot market generally quiet, chief demand being for the better qualities of East India, and these realised full rates. Other kinds without material change. Futures remain quite nominal.

TEA.—Only 11,500 packages Indian were offered, and while all the finer sorts aroused good competition at recent rates, inferior sold quietly at barely steady values. 24,270 packages Ceylon offered experienced a firm market for all qualities, and some of the finer realised slightly more money than obtained last week. Java and Sumatra met with steady support.

RICE.—Market quiet and featureless. Two stars, new crop, spot, 1s 6d to 1s 9d. No. 1 garden Siam, double bags, July-August, 1s 9d. Broken kinds dull of sale. Rangoon beans, spot, 1s 6d. Japanese peas, spot, 2s 6d; September-October, sold, 2s 6d.

COCOA remains very dull. Accra, July-August, sold, 30s, 29s 9d, and new crop, October-December, 31s 6d, f.o.b. terms.

SPICE.—There was no new feature to note with regard to pepper, business being reduced to a minimum at prices showing no alteration. Zanzibar cloves steady. Fair, on spot, 1s 1½d; May-July, 1s 1½d, and August-October, 1s 1½d per lb. Tapioca slow of sale, at previous level of prices. Sago flour, June-August, 12s 6d. Desiccated coconut quiet. Fine cut, spot, 39s 9d; medium, 40s 3d; halves, 40s; ditto, June-July, 37s 6d; July-August value, 37s per cwt.

JUTE.—A quiet tone again governed this market, very few orders being received from spinners, and, with Calcutta acceptance of cable bids, prices in the London centre displayed increased weakness. First grade, June-July, Continent, quoted £26; August-September, sold, £26; September-October, £26 per ton. Hessians and twills dull of sale, with prices tending downward.

HEMP.—Manila quietly dealt in, and prices barely steady. J grade, August-October, sold, £31 15s to £31 5s; K and L, sellers, £28; M, £27 ton.

SHELLAC quiet. T.N., spot, 260s; August, 232s 6d; October, 232s 6d cwt.

COPRA.—A moderate demand prevailed, but the market is still unsettled and weak, as abstention on the part of American interests in the matter of purchasing F.M.S., Cebu, and F.M. manila results in large quantities of such copra being offered in the London market. F.M.S. Straits, May-July, Rotterdam, quoted, £26 15s; June-August, sold, £26 2s 6d to £26 6s 3d; August-October, £26 2s 6d to £26 5s; October-December, £26 5s. Ceylon, June-July, quoted £28 2s 6d; Java, ditto, £26 17s 6d; Dutch East Indies ditto, £26 15s; Cebu, June-July, £26; South Sea, £25 10s; F.M. manila, £25; mixed, excluding Padang, £25 10s. Palm kernels, July-September, Liverpool, £18 7s 6d ton.

RUBBER.—Only quiet trading again ensued, and no new feature crept into the general situation. Standard plantation crepe and sheet, spot, also July delivery, sold, 13½d; August, 14d; September, 14½d; October-December, 14½d; and January-March, 15d to 14½d and 15d. To New York, standard sheet, August-September, sold, 13½d; September-October, buyers, 14d per lb. c.f. and i. terms. Fine hard Para, spot, 14½d; soft fine, 14d; and Caucho ball, 13½d per lb.

EGG PRODUCTS.—Business is quite retail, and quotations nominally the same as hitherto.

FRUIT.—Dried: The market for currants remained in a quiet state, and in some cases prices were barely maintained. Pyrgos quarter-cases sold, 55s 6d; half-bags, 54s 6d; Gulph, 58s to 60s; Vostizza, 65s to 70s; Australian, 69s to 71s. Sultanias were again dealt in quietly. Smyrna, good, 80s to 82s; fine, 88s to 90s; choice, 95s to 100s; Californian, 65s to 64s for new. Valencia raisins quietly steady. Half-boxes quoted 33s to 34s; quarters, 40s to 45s; Cape, good, 45s; fair, 38s. Dates steady. Hallowee, 18s to 20s; Siar, 18s. Evaporated fruits commanded fair attention, and a firm tone governed proceedings. Cape apricots quoted 85s to 90s; undergrades, 70s to 75s; Australian ditto, 85s to 105s. Californian pears, choice, 60s to 65s; extras, 70s to 75s; ditto apple-rings, 50s to 52s; Canadian, 46s; Australian peaches, 55s to 75s; Californian plums, 40-50, quoted 75s to 76s; 70-80, 58s; 80-90, 55s per cwt.

CANNED GOODS.—General trade in sardines moved quietly, but prices remained without appreciable alteration with main attention directed towards best packs. Lobster in steady request, and halves, sold, 165s, with sustained inquiries chiefly for Pinks, there was quite a good volume of business and firmness characterised the market. 1 lb flat reds, labelled, 55s to 58s; ditto tall, 40s 6d to 41s; 1 lb flat

ALEXANDERS DISCOUNT Co., Ltd.,
24, LOMBARD STREET, E.C.3.

Telephones: 1382 & 225 Avenue. Telegrams: "Alexanders, Thread-London."

CAPITAL AUTHORISED £1,250,000 CAPITAL PAID UP £800,000
CAPITAL SUBSCRIBED £1,100,000 RESERVE FUND £400,000

Approved Mercantile Bills discounted. Money received on deposit at call and short notices at current market rates; for longer periods on specially agreed terms. The Company deals in British Treasury Bills of any maturity.

Pink, 25s to 26s; ditto tall, 25s per case. Canned fruits were held for fully steady rates. Singapore pines 1½ lbs, on spot, quoted 5s 10½d; Californian apricots, 8s to 11s; peaches, 8s to 12s; pears, 12s to 14s 6d per dozen tins. Tomatoes dull of sale, and easier prices had to be accepted in order to facilitate business. Meats steady, with a moderate demand.

OILS.—Linseed irregular with a moderate business in force. Spot, net, naked, quoted 43s 6d; July, 41s 6d; August, 41s; September-December, 38s 9d. Rape quiet. Crude, spot, 39s 6d; refined, 42s 6d. Cotton quiet. Crude Egyptian, spot, 38s 6d; common edible, 44s; deodorised (in barrels), 48s. China-wood quiet. Hankow, spot (barrels), 106s; July-August, 93s. Coconut quiet. Ceylon, spot, 45s; July-August, 42s; Cochin, ditto, quoted 47s. Soya quiet. Oriental, barrels, July-August, 37s 6d. Japan fish nominal. Cod quiet. English, spot, 35s. Groundnuts quiet. English, crushed, naked, spot, 42s; deodorised, barrels, 52s. Turpentine easier. American, spot, 78s; July-December, 71s 6d. Rosin quiet. American, grade B, 13s; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; WG, 17s 6d; WW, 18s 9d, per cwt. French nominal. Petroleum steady. American standard, white, spot, 1s; and water white, 1s 1d per gallon. Castor-oil firmly held. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical 61s per cwt.

OILSEEDS.—Linseed quiet to London, but a fair business done with outports. Bold Bombay, afloat, £21 10s; small Bombay, ditto, £20 17s 6d; Calcutta, afloat, £20 15s; June-July, sold, £20 10s to £20 12s 6d; August-September, £20 10s. Plate, June-July, sold, £19 5s; and July-August, £19. Rapeseed easier. Toria, July-August, £16 7s 6d; real bold Ferozepore, ditto, £15 10s; Jamba, £12 5s. Cottonseed dull. Egyptian black, July, £11 17s 6d; and white, £11 2s 6d, to Hull. Bombay, July, £9 12s 6d. Gingly seed quiet. Large Bombay, May-June, Continent, sellers, £23 5s. Chinese, ditto, £23 15s, Continent. Ground-nuts dull. Coromandel, machine-dried, June-July, quoted £22. Chinese deodorated, f.a.q., July-August, £22 10s. Nigerian, ditto, £22 10s. Soya beans steady. Manchurian, June-July, £12 2s 6d. Castorseed quiet. Bombay, July-August, £20 12s 6d per ton.

METALS.—Tin: Market opened with a firmer tone in sympathy with higher Eastern cables, although top points were not maintained. Business was on a fair scale, including standard cash at £181 5s, and three months £180 10s to £182 15s and £182 12s 6d. In the East business was reported on the basis of £183, c.i.f. Slight irregularity since prevailed, with a weaker tone in evidence. Standard cash sold at £180 10s, and three months £182 2s 6d. Eastern cables reported further business at £186 15s to £184 10s, c.i.f. At Thursday's session a firmer tone prevailed, standard cash sold at £181 10s to £183 5s, and three months £182 10s to £184 5s to £184. Values were easier on the following day, with sales of fair extent. Standard cash sold at £182 5s down to £180 17s 6d, and three months,

£184 to £181 17s 6d to £182. English ingots, £181 5s to £181 10s. Copper steadier, owing to higher American advices and a good demand for near dates. Standard cash quoted at £65 2s 6d, with business, July, at £65, and three months, £65 11s 3d to £65 15s. The firm tone continued, with a fair business at slightly higher rates. On Wednesday, standard cash sold at £65 10s, and three months, £66 7s 6d. Prices were fully steady on the following day with sales of fair extent. Standard cash sold at £66 to £66 2s 6d, and three months, £66 15s to £66 17s 6d. At the final market the tone proved easier. Standard cash sold at £65 12s 6d, and three months, £66 15s to £66 5s. Electrodes, £73 to £73 10s; best selected, £68 10s to £70; strong sheets, £100, and wire bars, £73 10s per ton. Lead steady at £24 5s to £23 15s, as to position. Spelter dealer at £28 15s to £29, according to position. Aluminium: Home, £115; export, £120. Antimony: Ordinary brands, £30 to £32. Quicksilver, spot, £10 5s to £10 10s per bottle.

TALLOW.—Messrs Colchesters and Woolner write on July 11th, as follows:—The tallow market was quiet during the week, and prices are barely maintained to-day. Business is restricted through supplies not becoming available, and difficulties in shipping curtailing the demand. At auction to-day 885 casks tallow were offered and 316 were sold. Quotations are:—Australian mutton: Fine, 42s 6d; good to fair, 41s 6d to 41s; dull to dark, 38s to 36s 3d; hard, 42s. Australian beef: Fine, 42s; good to fair, 41s to 38s 6d; dull to dark, 37s to 35s 9d; sweet, 42s. Present shipment from Australasia nominal. Present shipment from South America, 39s to 38s 6d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 14d; melted stuff, 28s 6d per cwt. Quotations are:—Town, 35s, net cash, naked, ex works. Country: Frail casks, 35s; home melted, shipping casks, net, f.o.b., good coloured, 38s 6d; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzine, 34s; melted stuff, 34s, f.o.b.

METROPOLITAN CATTLE.—JULY 12.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Herefords	8 4	Beasts—Heavy Bulls	8 4
Shortfords	6 8 to 7 2	Canadian	4 0 to 4 6
Devons	6 6 to 7 2	Sheep—Downs	10 10
Norfolks	7 2	Ewes	6 8
Scottish	nominal	Crossbred	10 0
Irish	6 8	Scottish	11 8 to 12 0
Fat Cows	4 9 to 5 2	Lamb—Downs	12 6

LONDON POTATO MARKETS.—JULY 12.

Per Cwt.		Per Cwt.	
English (new)	8 0 to 11 0	St Malo	7 6 to 8 0
New Jersey	8 0 to 8 6		

Commercial Times.—Weekly Price Current.

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

DRUGS—		INDIA RUBBER—lb-s		PROVISIONS—		SPICES—Pepper, lb-s	
Alum, fine E.L.P. cwt	158 0	Para, fine, hard spot	2 12 0	Butter—per cwt	148 0	Singapore, fair white	6 0 0
Cape, good to fine	40 0 0	Plantation crepe	1 12 0	Irish creamery	148 0	Black Singapore	8 4 0
Balsam Peru . . . per lb	8 0 0			Do factory	120 0	White Slam	8 4 0
Capsicum . . . per lb	1 6 0			Austrian	120 0	Pimento	8 4 0
Cinnamon . . . per lb	1 6 0			Argentine	133 0 143 0	Onnamon—1st sort	8 11 0
Japan, refined	3 0 0	INDIGO—per lb—		Dutch	144 148 0	Do 2nd	8 11 0
Caranomon, Ceylon	2 0 0	Bengal, good red vio-	6 0 7 0	New Zealand	166 0	Do 3rd	8 11 0
Low China paper	6 0 0	let to fine	5 0 0 0	Do do	158 0	Onam	8 11 0
Castor-oil . . . per cwt	85 0 0	Mad. ord. vio. to good	5 0 0 0	Beacon, engn.—Irish	102 118 0	Cloves—Zanzibar	41 14 1 1/2
Gum Benin, Sum. cwt	6 0 0	Madras, dry leaf, good	3 6 0 0	Danish	59 108 0	Peanut	3 5 0
Olibanum, drops	10 0 0	Do low to ord	1 8 3 0	American	22 23 0	Ambony	1 7 0
Opium, India	10 0 0	Arpah, g'd. mid. to g'd.	4 0 0 0	Ginger—per cwt	24 83 0	Cochin, small rough	80 0 0
Ipecacuanha	60 100 0	Do mid to fine	4 0 0 0	Hams—Irian	nom	Do wormy	75 0 0
Japan	7 6 0 0	Do good to fine	5 0 0 0	Canadian	116 120 0	Japan	70 0 0
Musk pod, China	85 0 0	Do fine	5 0 0 0	American	35 116 0	Jamaica, ord to good	170 0 0
Oil . . . per lb	0 0 6 3	Do 1st	1 2 0 0	Do do	22 118 0	Mace	1 6 2 2
Aniseed	2 2 3 0	Do 2nd	1 2 0 0	American boxes, 60lb	6 6 4 9	Nutmegs, good to fine	1 14 1 1/2
Peppermint, H.G.H. fn	22 6 25 0	Do 14/16	1 5 2 8	Pork—per 8 lbs	5 8 6 2	Small to medium	8 11 0
Rhbrd., China, fr. to 24	4 6 5 0	Do 17/16	1 9 3 0	Beef—Frozen per 8 lb	nom	Onilines—per cwt	85 8 90 0
		Do 17/16	1 9 3 0	Cheese—Ct—Canadian	83 84 0	TALLOW—per cwt	6 0 0
		Do 17/16	1 9 3 0	New Zealand	64 86 0	Good mutton	41 0 0
		Do 17/16	1 9 3 0	Eng. Cheddars	95 114 0	Beef	41 0 0
		Do 17/16	1 9 3 0	Ohehire	85 114 0	TAPIOCA—per lb—	1 14 1 1/2
		Do 17/16	1 9 3 0	Do do	46 114 0	R. I. Flake, fair, spot	8 58 0 0
		Do 17/16	1 9 3 0	Kaga, pr 189—English	11 0 13 0	Medium Pearl	1 14 1 1/2
		Do 17/16	1 9 3 0	Irish	10 6 11 6	Seed	29 0 0
		Do 17/16	1 9 3 0	FLOUR—88 lbs		TRA—duty 6d, British	29 0 0
		Do 17/16	1 9 3 0	Eng. straight ex mill 39		Foreign 6d	29 0 0
		Do 17/16	1 9 3 0	RIOR—per cwt. c.l.f.		Indian and Ceylon	4 4 1 1/2
		Do 17/16	1 9 3 0	Rangoon No. 2	12 9 0 0	Pekoe	1 44 1 1/2
		Do 17/16	1 9 3 0	Broken 18	11 3 0 0	Broken Pekoe	1 44 1 1/2
		Do 17/16	1 9 3 0	ROBIN—per ton—		Orange Pekoe	1 44 1 1/2
		Do 17/16	1 9 3 0	American	13/0 18/5 0	Broken Orange	1 5 1 1/2
		Do 17/16	1 9 3 0	French	nom	Pekoe Souchong	1 44 1 1/2
		Do 17/16	1 9 3 0	SAGO—Pearl, per cwt	25 6 27 6	TIMBER—ex. yd—	1 44 1 1/2
		Do 17/16	1 9 3 0	SHELLAC—per cwt—	4 4 4 4	Swedish, 30 ft. Plstd.	29 0 0
		Do 17/16	1 9 3 0	Orange, first marks	323 6 340 6	Do 2x7	22 10 0
		Do 17/16	1 9 3 0	Second, fair to fine	290 310 0	Can'tn Spruce Dis.	20 0 0
		Do 17/16	1 9 3 0	Tin Orange	265 265 0	Picholine, per load	8 15 0
		Do 17/16	1 9 3 0	Glass, 1st	32 32 0	Rio Deals, per std.	32 0 0
		Do 17/16	1 9 3 0	Button—PURE	335 0 0	Teak, per load	20 0 0
		Do 17/16	1 9 3 0	Blocky (Tin)	230 240 0	H'duras Mahg. logs, c.f.	18 0 0
		Do 17/16	1 9 3 0	SILK—per lb.		African	8 6 0
		Do 17/16	1 9 3 0	China—Blue Elephant	22 6 0 0	American Oak Bds.	8 6 0
		Do 17/16	1 9 3 0	Canton	31 32 6	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Tush	12 13 0	English Oak Planks	8 6 0
		Do 17/16	1 9 3 0	Be-resled	12 13 0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Japan	34 36 0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Italn.—Raw, fr. Milan	36 39 0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	SHELLS—M. O. P. per cwt—		Do Ash	8 6 0
		Do 17/16	1 9 3 0	Manilla, bold	210/0 13/5 0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Macassar	15/0 0/0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Bayal	10/0 0/0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	W. Australian	8/0 0/0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Bombay	5/10 6/10 0	Do Ash	8 6 0
		Do 17/16	1 9 3 0	SUGAR—per cwt 25s 8d.		Do Ash	8 6 0
		Do 17/16	1 9 3 0	per cent. polvarisation.	4 4 4 4	Do Ash	8 6 0
		Do 17/16	1 9 3 0	B.W. I. muscovado.	nom	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Crushed	nom	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Java c.l.f. white, June	24/6	Do Ash	8 6 0
		Do 17/16	1 9 3 0	RAFFIN—London—		Do Ash	8 6 0
		Do 17/16	1 9 3 0	Yellow Crystall	53 71 8	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Cubes	61 62 6	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Crushed	59 6 8	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Granulated	58 58 7	Do Ash	8 6 0
		Do 17/16	1 9 3 0	White No. 2	58 58 7	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Castor	58 58 7	Do Ash	8 6 0
		Do 17/16	1 9 3 0	Pieces	48 48 6	Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
		Do 17/16	1 9 3 0			Do Ash	8 6 0
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Banks. &c.**HONG KONG AND SHANGHAI BANKING CORPORATION.**

CAPITAL ALL PAID UP ... \$20,000,000
 SILVER RESERVE ... \$24,500,000
 STERLING RESERVE held in London ... \$4,500,000
 RESERVE LIABILITY OF PROPRIETORS ... \$20,000,000

Head Office—HONG KONG.
 Chief Manager—Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENTS:
 Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Daini), Foochow, Haiphong, Hankow, Harbin, Hongkong (Shanghai), Ipoh, Johore, Kobe (Higo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Suipei, Tientsin, Tsingtao, Vladivostok, Yokohama.

COMMITTEE IN LONDON:
 Sir CHARLES ADDIS, K.C.M.G., Chairman.
 Hon. Cecil Baring, C. A. Campbell, David Landale, Sir George Sutherland, A. M. Townsend, C. F. Whigham.

MANAGERS IN LONDON:
 Sir George Macdonogh, K.C.B., K.C.M.G.,
 Sub-Manager, E. W. Townsend.
 Accountant, A. Monour.

9, GRACECHURCH STREET, LONDON, E.C.3.

COMMONWEALTH BANK OF AUSTRALIA

Guaranteed by the Australian Government.)

Sir DENISON MILLER, K.C.M.G., Governor.
 JAMES KELL, Deputy-Governor.

Branches and Agencies throughout Australasia.

Banking and Exchange Business of every description transacted. Bankers to the Government of the Commonwealth of Australia, the Government of the State of Queensland, the Government of the State of South Australia, the Government of the State of Tasmania.

3,212 Savings Bank Branches and Agencies at Post Offices in Australia. At 31st December, 1922.

Savings Bank Balances ... \$28,484,117
 General Bank Balances ... \$30,438,877
 Note Issue Department ... \$1,871,432
 Other items ... \$4,534,281

London Office: 36-41 NEW BROAD ST., E.C.

C. A. B. CAMPION, London Manager.
 Also at Australia House, Strand, W.C.

THE ROYAL BANK OF CANADA

Established 1869.

Paid-up Capital and Reserve ... \$40,800,000
 Total Resources ... \$471,000,000

Head Office: MONTREAL.
 SIR HERBERT S. HOLT, President.
 E. L. PEASE, Vice-President & Managing Director.
 C. E. NEILL, General Manager.

LONDON OFFICE:
 BANK BUILDINGS, PRINCES STREET, E.C.2.

I. R. WHITLEY, Manager. J. MACKIE, Joint Manager.
 700 Branches in Canada and Newfoundland; Cuba, Porto Rico, Dominican Republic, Haiti, Costa Rica, Venezuela and Colombia; British West Indies, French West Indies; British Honduras, British Guiana, Buenos Aires, Argentina, Montevideo, Uruguay; Rio de Janeiro, Santos and Sao Paulo, Brazil, Spain, Barcelona; New York Agency, 68, William Street.

FRENCH AUXILIARY:
 THE ROYAL BANK OF CANADA (FRANCE).
 PARIS, 28, Rue du Quatre-Septembre.

THE YOKOHAMA SPECIE BANK, LTD.

(Registered in Japan.)

Established 1880.
 Capital Subscribed & Fully Paid ... Yen 100,000,000
 Reserve Fund ... 69,000,000

Head Office ... YOKOHAMA.

Branches at:
 Batavia, Bombay, Buenos Ayres, Calcutta, Chang-chun, Dairen (Daini), Fengtien (Mukden), Hamburg, Hankow, Harbin, Honolulu, Hong-Kong, Kai Yuan, Kobe, London, Los Angeles, Lyons, Manila, Nagasaki, Nagoya, Newchwang, New York, Osaka, Peking, Rangoon, Rio de Janeiro, Saigon, San Francisco, Seattle, Shanghai, Shimonoseki, Singapore, Sourabaya, Sydney, Tientsin, Tokyo, Tsinanfu, Tsingtau, Vladivostok.

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 7 Bishopsgate, E.C.2

K. YANO, Manager.

BANCO DE CHILE.

London Agency—

94 GRACECHURCH STREET, E.C.

Chilian Dollars.
 Paid-up Capital ... 100,000,000
 Reserve Fund ... 58,000,000
 Reserve Liability of Shareholders ... 100,000,000
 Reserve Fund in Gold of 184. = £1,000,000 13,333,333

Head Offices: Santiago and Valparaiso.

Branches in all parts of Chile.

The London Agency transacts every class of Banking Business with Chile. Current accounts also opened and deposits received.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.

Established 1825.

Affiliated with Lloyds Bank, Limited.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.
 RESERVE FUND ... £1,200,000.

HEAD OFFICE—EDINBURGH.

WILLIAM CARNEGIE, General Manager. GEORGE A. HUNTER, Secretary.

LONDON OFFICE—37 Nicholas Lane, Lombard Street, E.C.4.
 THOMAS COCKBURN RIDDELL, Manager. DUGALD SMITH DEANS, Assistant Manager.

Branches in all the principal cities and places in Scotland.

Every description of Banking Business transacted.

There is a specially equipped Foreign Department at the principal Glasgow Office.

BANK OF NEW ZEALAND.

Bankers to the New Zealand Government.

Authorised Capital ... £6,154,988

Paid up Capital—Ordinary Shares ... £2,250,000

Do. Preference Shares issued to N.Z. Govt. 1,125,000

Do. Four per cent. Guaranteed Stock ... 529,988

Reserved and Undivided Profits ... 2,105,818

£6,010,806

London Office: 1 Queen Victoria Street, E.C.4.

Issues Drafts and Letters of Credit, makes Telegraphic Transfers, Negotiates and Collects Bills of Exchange.

ROBERT MILL, Manager.

NEDERLANDSCH-INDISCHE ESCOMPTO MAATSCHAPPIJ

Established 1857

Capital ... Fls. 50,000,000.-

Issued and fully paid up ... Fls. 47,000,000.-

Reserves ... Fls. 12,000,000.-

Head Office: BATAVIA (Java)

Branches in the Dutch East Indies:

Bandoeng Menado Sourabaya

Cheribon Padang Simpat

Djocjarta Palembang Tegal

Macassar Samarang Weltevreden

Medan Sourabaya

Branches in Europe: Amsterdam, The Hague.

Banking business of every description transacted, especially with the Dutch East Indies.

BANK OF NEW SOUTH WALES

Established 1817.

LONDON OFFICE—29 Threadneedle-street, E.C.2

Paid-up Capital ... £5,864,380

Reserve Fund ... 8,800,000

Reserve Liability of Proprietors ... 5,864,380

£15,528,760

Aggregate Assets to 30th Sept., 1922 £78,125,747 14 0

The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji and Papua.

Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange, Arranges

Wool and other Produce Credits, Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian Banking Business.

J. S. CAMPBELL, Manager.

THE BANK OF AUSTRALASIA

(Incorporated by Royal Charter, 1835).

Head Office: (temporary address)
 18 LEADENHALL STREET, E.C.3.

Paid-up Capital ... £4,000,000

Reserve Fund ... £3,525,000

Reserve Liability of Proprietors ... £4,000,000

Under the Charter ... £4,000,000

Letters of Credit and Drafts are issued and banking business of every description is transacted through the numerous branches of the bank throughout Australia and New Zealand.

Deposits for fixed periods received.

London Office: 7 Bishopsgate, E.C.2

K. YANO, Manager.

CRÉDIT SUISSE

Established 1856.

Capital and Reserves ... France 130,000,000

Head Office: ZURICH, SWITZERLAND.

Basle, Berne, Frauenfeld, Geneva, Glaris, Kreuzlingen, Lausanne, Lugano, Lucerne, Neuchâtel, St. Gall.

General Banking Business.

THE RUSSO-ASIATIC BANK.

Incorporated by Russian Government Decree.

Capital, Authorised ... Rbls. 65,000,000

Subscribed ... Rbls. 55,000,000

(Subscribed by the Chinese Government) Kouping Taels 8,500,000

Reserve Funds ... Rbls. 28,961,423

" Kouping Taels 1,767,033

HEAD OFFICE AT PETERSBURG.

Branches at all the principal towns in Russia, Manchuria, Siberia, Central Asia, and China, also at Paris, Hongkong and Yokohama.

Interest (paid quarterly) allowed on Fixed Deposit and on Current Accounts, at rates to be learned on application.

Banking business transacted of every description.

CHANTREY INCHBALD, London Manager.

64 Old Broad Street, London, E.C.2.

THE BANK OF ADELAIDE.

(Incorporated by Act of Parliament, 1865.)

Authorised Capital ... £2,000,000

Subscribed Capital ... 875,000

Paid-up Capital ... £475,000

Reserve Fund ... 720,000

£1,195,000

Reserve Liability of Shareholders ... 875,000

£2,470,000

Head Office: ADELAIDE, SOUTH AUSTRALIA.

Sydney Office: 105, PITT STREET.

Melbourne Office: 267, COLLINS STREET.

Perth (W.A.) Office: SURREY CHAMBERS, ST. GEORGE'S TERRACE.

Bills on Australasia purchased or collected.

Drafts issued and Remittances cashed.

Deposits received for fixed periods at rates to be ascertained on application.

LONDON OFFICE—11 LEADENHALL ST., E.C.3

PERCY ARNOLD, O.B.E., Manager.

THE MAURITIUS COMMERCIAL BANK,

PORT LOUIS, MAURITIUS.

(Incorporated by Royal Charter and continued under Local Authority.)

ESTABLISHED 1838.

Capital ... Rs. 2,000,000

Reserve Fund ... 1,680,000

Undivided Profits ... 1,780,612

London Agents—LLOYDS BANK LTD., 20 King

William Street, E.C.4.

Paris ... LLOYDS and NATIONAL PROVINCIAL

FOREIGN BANK LTD.

Agents in India—NATIONAL BANK OF INDIA LTD.

Agents in South Africa and New York—THE

STANDARD BANK OF SOUTH AFRICA LTD.

Also agencies in the Straits Settlements, Japan,

Australia, Madagascar, Reunion.

Telegraphic Address, "E G O."

JULY 21, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVII

SATURDAY, JULY 21, 1923.

No 4,169

ALLIANCE

ASSURANCE COMPANY, LIMITED.

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2

ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCILD, President

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full Information respecting
 ESTATE DUTY

and
 CHILDREN'S EDUCATIONAL

POLICIES

issued by the Company may

be obtained on application

from the Head Office or any

of the Offices or Agencies

of the Company.

O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway.

Founded by 50 Norwegian and Foreign Banks and amalgamated with the Christiania Banking Houses.

Tho. Joh. Heftye & Søn

(Established 1769).

and

Sev. Chr. Andersen.

(Established 1845).

Transacts all kinds of Banking business.

Correspondents in all Norwegian places of any importance.

CREDITO ITALIANO.

Capital Fully Paid ... Lire 300,000,000

Reserve ... Lire 100,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers { D. A. HORNER.

F. N. SCHILLER.

Transacts a general Foreign Banking Business, having correspondents in all Countries, and is specially prepared to grant facilities for the development of trade between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italo credit, Cannon, London."

Telephone: 7802-7803 City.

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high rate at which the week's batch of Treasury bills was allotted.

	July 20, 1923.	July 13, 1923.	July 6, 1923.	June 29, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	3%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	1	1 (Jly. 5, '23)
Discount/Call	2	2	2	1	1 (Jly. 5, '23)
Houses (Notice	2½	2½	2½	1½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	2½	2½

The Bank return showed an increase of £14,000 in the stock of gold, a decrease of £623,000 in the note circulation, and a consequent increase of £637,000 in the Reserve. Government and Other securities rose by £690,000 and £1,880,000, while Public deposits declined by half-a-million; and so the Private deposits were more than 3½ millions higher. Currency notes outstanding were reduced this week by £844,300 to £289,310,500, which includes £1,463,200 for notes called in but not yet cancelled. The fiduciary issue is £238,397,300, or £31,786,500 below the maximum.

The monthly statement of average weekly balances for June of the London clearing banks, set out in detail on a later page, shows a considerable expansion in deposits, and the total for the nine English banks is almost up to the February figure, as may be seen from the following table:—

	Dec., 1922.	Feb., 1923.	March, 1923.	April, 1923.	May, 1923.	June, 1923.
Capital and reserves	116.0	116.2	116.2	116.2	116.2	116.3
Acceptances	72.8	76.8	79.9	78.0	77.5	73.8
Deposits (incl. undivided profits, &c.)	1,684.7	1,643.9	1,596.4	1,606.0	1,608.5	1,637.7
Total Liabilities	1,873.5	1,836.9	1,792.5	1,800.2	1,802.2	1,827.8
Coin, notes, balance at bank, and cheques in course of collection	253.0	234.5	232.3	240.0	234.6	240.7
Money at call	106.0	103.0	104.4	110.5	108.8	115.3
Investments	384.5	373.4	357.4	351.3	349.4	355.5
Discounts	298.3	286.4	250.4	249.5	262.3	270.8
Loans and advances	732.7	736.5	741.6	744.4	743.0	746.9
Cover for accept., premises, &c.	99.0	103.1	106.4	104.5	101.1	100.6
Total assets	1,873.5	1,836.9	1,792.5	1,800.2	1,802.2	1,827.8

There are increases in each item on the assets side, the most pronounced being in discounts, cash and money at call. Acceptances, with a drop of nearly £4 millions, are at the lowest point since December. We refer to the half-yearly statements in a leading article.

THE STOCK MARKETS.

The principal feature of the stock markets this week has been the recovery in gilt-edged stocks, and in other directions the recent "shake-out" has imparted a healthier tone. Home Railway prior charge securities have strengthened in price, but the ordinary stocks are still languid owing to lack of interest on the part of the public. French bonds have recovered from the lowest level, and Brazilians continue to harden. Grand Trunk Pacific debentures fell heavily on the statement by the Canadian Government denying any legal liability towards the holders, and Argentine Rails have declined with the drop in the exchange. Industrials have been irregular, with one or two good features; the dockers' strike has had singularly little effect. Interest in the mining markets has centred upon Chartered, Kaffirs being quite idle.

THE COMMODITY MARKETS.

The commodity markets have been unusually quiet, and dealings have been restricted to those of immediate necessity. The volume of coal exports has increased and is again normal, but there is a scarcity of new orders, and present prices are difficult to maintain. With the holidays in Glasgow and slow general demand for pig-iron, prices continue to droop. Nominally the price of Cleveland G.M.B. No. 3 is 105s per ton, but less would be accepted. The steel works are growing short of orders, but no definite improvement can be expected until the boiler-makers' dispute is settled. Tin and copper are dull. The Manchester cotton trade shows no tendency to expand;

a fair amount of business has been done in small lots, but buyers apparently are only satisfying immediate needs. The jute market is dull. It is stated that owing to labour difficulties the remainder of the July London wool sales have been abandoned; it is thought that wool values will be higher in September, when sales will be resumed. Rubber has been in moderate request, but some uneasiness has been noticeable. The hide market position is fairly good, and there is an improvement in the demand for sole leather; upper leathers are selling better, and the export section of the shoe trade is doing well. Linseed oil is steady, with a tendency to improve in value.

FOREIGN EXCHANGES.

The oppression and uncertainty of the reparations problem still weighs down the foreign exchange market, and business, as before, has been restricted and irregular. The demoralisation of the mark continues. After a slight recovery on Saturday last, the rate has moved up again, steadily at first, but with a rush on Thursday, when the closing rate was 1,455,000 marks, and yesterday morning, when 1,850,000 was quoted. The policy of the Reichsbank of concentrating in itself the supply of foreign currency and selling limited amounts at rates arbitrarily fixed below those ruling in other centres has, of course, failed. The climax of this folly was reached on Thursday, when, after a holiday on the previous day, applications were received for 20,000,000,000 marks worth of foreign currency, and the Reichsbank was only able to offer fulfilment of ¼ per cent. of the orders. The further rapid depreciation is due in part to this exposure of financial chaos, in part to the renewed belief in the possibility of co-operation between the British and French Governments. This latter influence has produced a marked recovery in the Paris rate, which, after reaching over 79 early in the week, closed on Thursday at 77.50, although yesterday morning it had reacted again to 78. A satisfactory return of the Bank of France showed that the Government had repaid a considerable part of the advance made over the turn of the half-year, and the note circulation was also sharply reduced. The Belgian rate, which closed on Tuesday at 95.65, stood yesterday morning at 94.85, as compared with 94.20 a week ago. In Paris the forward quotation remains the same at 3c per month above spot; in Brussels it has widened from 3c to 6.9c per month below. The lira, from 107.45 a week ago, has shown a better tendency, although at 106.50 yesterday morning there was some reaction from the figure of 106.06 the day before. The dollar, which recovered on Saturday last to \$4.60¾, fell back again, and has not been able to get above yesterday morning's figure of \$4.59¾, as compared with \$4.59½ on the 13th. With the difference in money rates which still exists, and with the autumn pressure still unsatisfied, it is wise not to expect an improvement. On the other hand, apart from unforeseen political events, any further important fall is improbable. At about ½ per cent. per month above spot forward rates are slightly narrower than for the preceding week. Amsterdam, moving from 11.71½ to 11.70½, has gone against us more rapidly than the dollar. Switzerland has also moved sharply, from 26.55 to 25.90, while Spain has also recovered, from 32.12 to 32.05. In Central Europe, Vienna is steady once more at 325,000, after being slightly lower. Warsaw, where the recently introduced impossible exchange restrictions are still in force, is up to 650,000. It is reported, however, that free dealings are again soon to be permitted. Budapest has moved up sharply, Prague remains steady, as also does Bucharest, on a new level of about 880. In Northern Europe, Stockholm has moved against us, from 17.33 to 17.29, but Christiania has depreciated from 28.22 to 28.31, and Copenhagen from 26.27 to 26.30. Helsingfors remains steady at 166½. In the East the rupee is unchanged at 1s 4½d, while Yokohama is ½d cheaper at 2s 1½d. The silver market has been particularly dull, with prices hardly changed, and India, in spite of favourable monsoon

reports, still shows reluctance to buy. Hong Kong is unchanged at 2s 2½d, Shanghai 1d cheaper at 3s. In South America, Buenos Ayres has dropped from 40½d to 40d, Rio is unchanged at 51½d, and Monte Video ½d cheaper at 41½d. Valparaiso has also depreciated from 35.40 to 36.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 14th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	9,711	From Revenue	16,874
Interest, &c., on War Debt	515	Taken from Exchequer Balances	317
Sundries	950		
Reduction of debt	6,915		
	17,191		17,191

The total revenue at over £16½ millions compares with £18½ in corresponding period a year ago. This comparatively slight decline is entirely accounted for by the drop of £2½ millions from Special Receipts. Property and Income-tax yielded £7½ millions, and Super-tax £650,000. This shows little variation on the combined total a year ago. Customs yielded £2,455,000, and Excise £1,409,000, both items showing little change as compared with the corresponding period. The week's operations reduced the National Debt by £6,915,000, and caused the following changes:—

	Min. £		Min. £
Treasury Bills	— 6,675	Bank of England Advances ..	+ 1,000
Public Department Advances ..	— 1,450	National Savings Certificates ..	+ 300
Sundries	— 990		
	— 8,215		+ 1,300

The floating debt was reduced by £7,080,000 to £811,545,500.

FINANCIAL YEAR, 1923-24 (April 1 to July 14, 1923).

	£		£
Total Expenditure ..	236,159,765	Raised by Revenue ..	215,643,450
		Net Borrowings.....	17,261,626
		Decrease in Balances	3,254,689
Total	236,159,765	Total	236,159,765
ESTIMATES for		YEAR 1923-24.	
	£		£
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

The Week in Parliament.—The resumed debate on the capitalist system occupied the House of Commons on Monday. For the rest of the week the features were debates on the East India Loans Bill; on the trade position, which was discussed on the Board of Trade vote; and on naval policy and expenditure in connection with the Singapore dock, the latter question being raised on the Admiralty vote. The House of Lords read a second time the Agricultural Rates Bill, the Intoxicating Liquors Bill, and discussed, among other topics, food production, and the Royal Assent was given to a large number of minor measures.

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—Bank of New South Wales, Bank of Roumania, Distillers Company, Ebbw Vale Steel Iron and Coal Company, Apollinaris and Johannis, Anglo-Ceylon and General Estates, Sialang Rubber Company, Mond Nickel Company, Hovis, and Illingworth, Morris, and Co. Among the features of the speeches were the remarks of the chairman of the Bank of New South Wales on the prospects of Australian trade, and of the chairman of the Bank of Roumania on the financial position of that country. The chairman of the Distillers' Company spoke strongly on the spirit duty. The speech to the Ebbw Vale Company was largely concerned with the labour position, and the chairman of the Mond Nickel Company reported an increase in the use of nickel for coinage.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world.

REPARATIONS AND BRITISH POLICY.

A WEEK ago we urged the need of haste in dealing with the reparation crisis, and suggested that the slump in the mark which was being mitigated but not controlled by the action of the Reichsbank would probably enter upon a new and more critical phase before the end of this month, and that this movement would involve still more acute social and economic difficulties. The proceedings upon the Berlin Bourse on Thursday confirm these fears. The Reichsbank has now been made the sole official source through which foreign currency can be obtained, and demands all over Germany must be made through the Reichsbank. In the scramble to escape from the mark these demands amounted in a single day to 20 billion marks, or say 20 million pounds at a million marks to the £. The representative of the Reichsbank pointed out the folly of these demands, which amounted to more than the whole swollen circulation of Germany, and as the rule is that applications for foreign drafts must be covered by German marks, the applications were obviously more than the whole of the Berlin banks together could have covered. An appeal from the Reichsbank to moderate the demands only resulted in a small fraction being deducted, and in the end the Reichsbank only satisfied the demands to the extent of ¼ of 1 per cent., a very small consolation to those who are trying to convert everything they possess into foreign currency. The Reichsbank has apparently shot its bolt, and it is difficult to see what can now retard the downward plunge of the mark sufficiently to enable wages and salaries to make at all events some show of keeping pace with it.

An attempt has been made in some quarters to minimise or even to deny altogether the harmful effect which the present situation is producing upon the world's trade. An analysis, however, of the situation in various British centres, as well as of the reports from various countries which we summarise this week in our monthly supplement, admits of only one conclusion. It is true that the volume of production here is much larger than a year ago, and the figures of trade in June—swollen, it should be observed, by the statistics of our trade with the Irish Free State—compare quite favourably with last year, and indeed with the figures for the beginning of 1923. But British exports reflect not the conditions of the moment, but those of some weeks or months ago, and the true test of the situation is the rate at which orders are being booked, and it is in this respect that the present trade position is so unsatisfactory. The Ruhr occupation gave to certain industries here an undoubted fillip, but since the end of April the trend, except in one or two cases, has been downward. Our index number of wholesale commodity prices turned two months ago. The West Riding of Yorkshire, which had previously been doing very well, reports slackening trade, and above all Lancashire, which for two years has been living in hopes of a revival of its Far Eastern markets, sees its hopes being indefinitely postponed. Two regions which might both contribute to a restoration of a normal trade in Great Britain are India and South America, but in both cases stagnation continues for want of a European market.

While we have little to add to the comments we have already made in connection with the tactics to be adopted in the forthcoming British Note, we observe with gratification that there is a slightly more hopeful tone on the diplomatic issue. Our observations in Germany lead us to believe that the German Government would accept almost any arrangement which would open the road to negotiation; but it is not the task of Great Britain to call upon Germany to make unconditional surrender in respect of a policy from which our Government has deliberately dissented. On the other hand, if, as seems to be the case, France intends to modify her occupation if passive resistance is no longer countenanced from Berlin, there are surely many diplomatic devices by which this result could be achieved without a third party's interference. The Note itself may, indeed, do something to make this result easier by recognising the need of foreign control in Germany, and sug-

gesting the transformation of the Ruhr occupation by two interested Powers into a control not merely of the Ruhr, but of the whole assets of Germany, by a really representative international body. This would produce much more tangible and practical pledges for the payment of Reparations, and would lift from the shoulders of France and Belgium the task of fulfilment. We do not believe that the question of a long moratorium or the assessment of the total amount that Germany can pay will prove definite stumbling blocks in the way of a settlement.

On the last point, however, we venture to repeat once more that in the end the acceptability or otherwise (from the French point of view) of any scheme which our Government may propose will depend on how we arrange the sharing of Reparations between ourselves and France, and on the policy adopted in regard to inter-Allied debts. The latter question will presumably not figure at all in the Note to Germany, but, as every Conference has shown since the Armistice, it is a matter which must be settled before progress can be made. There is a current of opinion which holds that our differences with France have reached such a point that we should demand payment of our debts and, by threatening to embarrass France's financial position, drive her into agreement with us. We believe such tactics would be entirely futile, and that the only proper line on this question is to make it easier for France to write down her Reparation claim by taking a liberal attitude on the debt question. It is sometimes suggested that if the present effort fails, and all prospect of France obtaining Reparations fades into mist, the franc will collapse under the weight of France's budgetary burden, and that only when this has happened will the French Government be willing to negotiate on the basis of reality. It is possible that this will be the final outcome. But it would be the height of folly to take for granted that any such slump will, in fact, occur. Least of all can the Government afford to base its policy on this assumption. The economic situation of France is radically different from that of Germany. For example, latest forecasts indicate that the French harvest together with supplies from Algeria will be sufficient to cover France's wheat requirements without any importation this year. France is not consuming as much as she is producing, and is putting her surplus into increased capital and into loans with which the Government is repairing the devastated areas. It is quite conceivable that the French franc may continue merely with its sagging tendency for months or even years to come, so long as the French peasant does not lose confidence. It is only a catastrophic fall in the franc which would produce serious political reactions. But, on the other hand, it is impossible that France should regard with any degree of complacency the future of her finances should the present eleventh-hour chance of a sane Reparations agreement be allowed to pass.

CAPITALISM AND PUBLICITY.

In the palmy days of German Imperialism it was claimed as a triumph for the Teutonic mind that in the Reichstag alone among the Parliaments of the world members spoke and thought in terms of that elusively universal concept, a Weltanschauung. With the advent of the Labour-Socialists, however, the British House of Commons seems to be following suit, and on Monday last many hours of valuable Parliamentary time were wasted in discussing the alleged break-down of capitalism and the alleged "inevitableness" of Socialistic "gradualness." To indulge in generalities of this kind seems to us to be the prerogative of the debating society rather than of the Mother of Parliaments, and in pre-war Germany the tendency to vagueness and universality was to be explained and excused solely by reason of the impotence of the Reichstag itself.

Even the desire to obtain a division on the question of Socialism, which was the chief reason for giving up another day to the subject, was not a sufficient reason for the waste of Parliamentary time; for the division was on strict party lines, and if the critics of Socialism expected to drive a wedge into

the Labour ranks and bring those Labour members who are not really Socialists out into the open, they signally failed. We will not weary our readers with an account of the argument and counter-argument called forth by the motion of Mr Snowden, which declared, amongst other things, "that legislative efforts should be directed to the gradual suppression of the capitalist system by an industrial and social order based on the public ownership and democratic control of the instruments of production and distribution." For our part, however, we cannot accept the theory that capitalism is doomed because the present system has certain very serious defects; for it would be hard indeed to imagine any system which would be utterly perfect. Nor are we in the least unaware of the immense progress that has still to be made before the existing instruments of production can be said to be used to their full advantage, or the system of distribution can be certified as satisfying the instincts of equity or good sense. Sir John Simon did well to make it clear that the least important part of his case was his trenchant and destructive analysis of the phantasy of a Socialist Utopia, and that the really important task of the immediate future is to work out a practical and satisfying policy of industrial evolution. A complete Socialist policy is peculiarly unsuited to a country like Great Britain, whose existence rests upon foreign trade, initiative, and the ability to meet and by adaptation to overcome competition from whatever quarter it may appear. At the same time, great changes will have to be initiated in the next decade if private enterprise is to be accepted wholeheartedly as the basis of our national life by the mass of the working population of the country. No reform is more urgent, and no reform could have a more beneficent effect, than the expansion of economic knowledge and the tearing down of the veil of secrecy which to-day hampers the free and proper working of the supreme safeguard of the public under private enterprise, namely, competition. Inadequate publicity, and the public ignorance resulting from it, are the chief causes of that suspicion which poisons the relations between capital and labour, and which makes very difficult any intelligent handling of monetary policy in the interests of stability, and the avoidance of ignorant speculation.

Of all the economic evils to which we are subject, the insecurity of the worker is perhaps the worst. But it is hopeless to diagnose and prescribe remedies for trade fluctuations without knowledge. In this connection some remarks made recently by Sir Eric Geddes, the President of the Federation of British Industries, at Bradford, merit careful attention. In his opinion, the principal cause of these movements is to be sought in the "lack of accurate knowledge as to what the world can consume." The solution of one of the most fundamental questions which have to be dealt with in order that the machinery of production and distribution may run smoothly appears, according to this view, to depend very largely upon "the collation and collection of information by the great trade and industrial organisations, to enable their members to forecast more accurately what the demand will be and what production will be."

As Sir Eric pointed out, American knowledge of consumption and production is far ahead of ours. In addition to information which is collected privately for the principal banks and business houses by special business experts, whose opinion is constantly sought and acted upon, the Department of Commerce at Washington publishes a monthly "Survey of Current Business," which to the British business man would be a veritable revelation. This publication contains, amongst other things, remarkably full statistics of the production of practically all the important commodities of the country, whereas Great Britain has no production statistics except for coal, iron, and ships. The American statistics, which may be described as a monthly census of production, show for the woollen, cotton, and silk trades, production, proportion of idle plant, consumption of material, prices and stocks. Similar information is given for the iron and steel, copper, coal, petroleum, paper, rubber, automobile, glass, lumber, building material, hides and leather, chemical, and other industries. The state of the food trades is shown by the movement and stocks of grain,

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THE BANKING HALF-YEAR.

THE English joint-stock banks do not issue profit statements at this period of the year, and the only guide as to the results of their operations during the past half-year is afforded by the interim dividend announcements which have been tabulated in previous issues. These show practically no changes, and in no case has any reduction been made, a fact which leads to the assumption that net profits have not fallen to any appreciable extent, and that any decline which may have occurred in profits on ordinary banking business, including provision for bad debts, presumably still a large item, has been made good by profits realised from the rise in the market value of securities, which, as will be seen from figures below, have been sold in considerable volume. The average level of money rates has been well below that prevailing in the first half of last year, but the bulk of a bank's revenue is derived from interest on loans, and as the rates of interest on the latter, although fluctuating with Bank rate, are not allowed to go below a certain minimum—generally $4\frac{1}{2}$ per cent. or more—the 3 per cent. Bank rate of the past half-year, which compares with an average of $\pounds 4$ 7s for the first half of 1922, has not entailed much loss; for while the average rate of loan interest cannot have fallen by more than a few shillings, the fall in the average rate paid on deposits must have been much larger. For although a certain volume of deposits, especially in the provinces, is at a fixed rate, the bulk earn interest at a rate which fluctuates with Bank rate. The volume of advances, as will be seen below, was considerably higher at the end of last month than at the same date of 1922, but the monthly figures of average weekly balances were higher in the first six months of 1922 than they have been during the past half-year.

Turning to the actual figures of the half-yearly balance-sheets, we append a comparison of the aggregate figures of the "big five" banks, with those of December 31 and June 30, 1922 :—

(Million £'s.)

	June 30, 1923.	Compared with Dec. 31, 1922.	Compared with June 30, 1922.
	£	£	£
Paid-up capital	59.2	—	—
Reserves	47.0	— 0.1	— 0.1
Acceptances and endorsements	64.5	— 0.2	+ 19.0
Deposits (including undivided profits)	1,504.2	— 33.1	— 96.0
Total	1,674.9	— 33.4	— 77.1
Cash, notes, balances at bank, and cheques in course of collection	230.0	— 22.7	— 12.5
Ratio to deposits	15.2 %	+ 1.2 %	+ 0.2 %
Money at call and at short notice	101.7	+ 13.5	+ 1.4
Investments	324.8	— 25.6	— 52.2
Discounts	245.5	— 23.5	— 62.6
Loans and advances	684.2	+ 24.0	+ 28.3
Premises and sundries (including cover for acceptances)	88.7	+ 0.9	+ 20.5

production of flour, cattle movements, and production of animal products, while sugar is traced through production, stocks, transport, refinery, and wholesale and retail prices. But what is still more significant is the series of statistics relating to wholesale and retail trade. Large stores forward to the Department monthly statements of their turnover for purposes of publication, and in this manner a useful barometer is afforded for the measurement of the purchasing power in the hands of the actual consumer. The figures of sales by two large mail order houses—Sears, Roebuck, and Montgomery Ward, as well as those for a dozen chain stores, are given individually. It would add a zest to competition in this country if the *Board of Trade Journal* published every month the turnover of, say, Harrod's, Selfridge's, and Debenhams'. Other tables relate to the most important towns and regions of the country, and are not merely summaries for the whole Republic. In addition, moreover, particulars are given wherever possible of commodity stocks at the end of each month, which throw some light on an important aspect of the trade cycle that has not as yet received the attention it deserves.

It must, of course, be admitted that the careful compilation of statistics of this type is of quite recent origin, and that some years must necessarily pass before their influence will make itself felt to the full. At the same time, every increase in our knowledge of business fluctuations—and it is really surprising how little is as yet known of this most fundamental question—should help towards the regularisation of production. Publicity is not, of course, a universal panacea for all the ills to which the flesh is heir, nor would it provide a popular election cry. But it is clear that investigations of the type we have described should prove of much greater value than abstract discussions of general principles. As we have already suggested, however, it is not enough that these statistics of production and consumption should be collected and interpreted. In the world of to-day the community as a whole, no less than the various sections of labour more directly interested, takes a lively interest in the remuneration of the different agents of production and the relationship between the selling price of commodities and their cost of production. In this direction, too, therefore, there is need for more light; and the example of the coal industry, which now draws up statements of production and costs agreed by the masters and the representatives of the men, is a precedent which might well be followed in the other industries. Nothing is gained by secretiveness in this respect. In fact, it is widely felt that when particulars are refused there must be something to conceal. This in turn results in an atmosphere which cannot but be profoundly disturbing to industrial peace, and which is often fatal to the economic efficiency of the country in consequence. When the need for greater publicity in these respects is widely realised, we think it will be found that many of the defects of the present system are not really inherent in the system itself, but rather capable of definite adjustment in the light of a fuller knowledge.

The decline in deposits this year has been much less pronounced than in the second half of last year. The monthly figures of all the clearing banks showed a substantial fall in July, August, and September of last year, but this was followed by an upward movement until January. In February and March there were two further substantial declines, but there has since been some recovery in the total, which for June amounts to £1,638 millions, as against £1,685 millions for December. Acceptances show a substantial increase as compared with this time last year, but there is practically no change on the six months. Changes on the credit side of the balance-sheet are of more interest; of the increase in loans and advances in the twelve months, the bulk has occurred since the beginning of this year, while money at call, which dropped by £12 millions in the second half of last year, has increased by a slightly larger amount since the turn of the year. These changes in the past half-year have been effected by a continuance of the reduction both in investments and in bills discounted (including Treasury Bills), which was a feature of the latter half of 1922, and by a substantial reduction in the cash item. The ratio of the latter to deposit liabilities, it will be observed, has thereby been reduced by over one per cent., though it is slightly better than it was at this time last year.

While these figures are useful as showing general tendencies, a comparison of the individual balance-sheets shows a remarkable divergence in the changes in the different items. We have therefore tabulated the increases or decreases shown in the main items of the latest balance-sheets of the five banks, in comparison with the figures for December 31st last:—

COMPARISON with DECEMBER 31, 1922.
Million £'s.

June 30, 1913.	Barclays.	Lloyds.	London Joint City and Mid.	National Prov. and Union.	Westminster.
Deposits	— 7.3	+ 3.7	— 8.0	— 5.4	— 16.1
Acceptances..	+ 1.9	— 3.4	+ 0.6	— 0.6	+ 1.3
Cash, &c....	— 7.1	— 0.5	— 1.3	— 6.2	— 7.6
Money at call	+ 2.1	+ 1.8	+ 3.5	+ 2.1	+ 4.0
Investments..	— 1.1	— 6.2	— 17.5	— 1.6	+ 0.8
Discounts ..	— 9.2	— 6.5	— 0.8	— 2.8	— 4.2
Advances	+ 7.7	+ 14.6	+ 7.8	+ 3.0	— 9.1

The only changes which are common to each balance-sheet are the reductions in cash and in discounts. The figures of Lloyds, however, are affected by the amalgamation with Cox and Co., which took effect in February. From the last published balance-sheet of the latter it might be assumed that the amalgamation was responsible for an increase of approximately £12 millions in deposits, and of £5 millions in loans and advances, and of something over £3 millions in cash and money at call; and if these reductions are made, Lloyds' figures come more into line with those of the other banks. The Westminster records not only a decline in deposits, which is much larger than the average, but is also the only bank whose advances have fallen, and that, moreover, by a substantial amount. This may be partly a result of the bank's extensive foreign connections. The drop shown in the aggregate for acceptances is entirely due to the figures of Lloyds, but this bank showed an exceptional increase of £8 millions in this item in the second half of 1922, and the present amount of £12 millions is some £5 millions higher than at this time last year. Another feature of the figures is the very large reduction in the investments of the London Joint City and Midland, accompanied by a relatively trifling decline in bills discounted. The fact that this bank's total investments are the smallest of the five banks, while its total assets are the largest, is significant, and seems to indicate some doubt in the minds of the directors as to the future level of gilt-edged security prices. We welcome the innovation made by Lloyds Bank in separating short-term British Government securities from other British Government securities, and trust that this good example will soon be followed by the other banks.

Considerably more uniformity is displayed in the balance-

sheets of the five principal provincial banks, for which we have compiled a similar table:—

COMPARISON with DECEMBER 31, 1922.
Million £'s.

June 30, 1923.	Bank of Liverpool and Martins.	Lancashire and Yorkshire.	Manchester and County.	Manchester and Liverpool.	Williams Deacon's.
Deposits ..	— 4.7	— 2.0	— 1.5	— 3.1	— 3.1
Acceptances..	— 3.4	— 0.3	— 0.2	— 1.3	— 0.1
Cash, &c. ..	— 2.2	— 0.2	— 1.3	— 0.7	— 1.0
Money at call	— 1.1	— 0.8	— 0.3	— 1.6	— 0.5
Investments..	— 2.6	— 0.8	+ 0.5	— 0.9	— 1.1
Discounts ..	— 1.0	— 1.2	— 0.5	— 0.9	— 1.1
Advances ..	+ 2.2	+ 0.3	+ 0.1	+ 0.1	+ 0.7

There is here a very definite decline in acceptances, while the increase in advances is relatively small. Taking the figures as a whole, the half-year's changes do not afford very much ground for optimism in regard to an expansion in trade. In the second half of last year the volume of acceptances increased heavily, but since the end of the year, in spite of the fillip given to some branches of overseas trade by the Ruhr occupation, there has been a decline in this item in the aggregate, while the expansion in advances, though large in the case of three of the banks, has not yet assumed the proportions which one would associate with real trade activity. Moreover, in the case of the provincial banks, the increase is very small, and it would be interesting to know how much of the increase shown by the London banks is a result of genuine trade accommodation. In the final table we compare the ratios of the advances of the big five banks to their deposit liabilities at the end of each of the past three half-years, and at the middle of 1914:—

RATIO of ADVANCES to DEPOSIT LIABILITIES.

	June 30, 1914.	June 30, 1922.	Dec. 31, 1922.	June 30, 1923.
Barclays	45.0	40.1	41.7	45.4
Lloyds	52.7	36.1	37.1	41.1
L. Joint City & Midland	56.9	48.0	51.2	54.6
National Provincial...	45.0*	45.1	46.1	48.4
Westminster	48.1	35.0	38.0	36.5
Total	50.7	41.0	43.0	45.4

* Union of London and Smiths.

For the sake of comparison we have given the figures of the Union of London and Smiths Bank in the first column, because the discounts and advances of the National Provincial were not separated. As compared with this time last year there is an increase in each case, but for the Westminster the ratio has declined since December. From these figures it would appear that there is room for expansion in loans and advances in the case of at least two of the banks, when the need arises.

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

DURING the past quarter spinners and manufacturers in Lancashire have continued to experience an unsatisfactory state of affairs. Now and again rather more business has been done, but no buying movement has been of long duration, and it has not been possible for producers to secure sufficient orders to enable them to present a stiffer front to customers and demand remunerative prices. It may be said that in the finer end of the industry, that is to say, Egyptian yarns, and cloths produced from Egyptian yarns, conditions are healthier than at the beginning of the year. The depression is most acute amongst makers of plain cloths and common qualities of yarn. Cases of financial difficulties continue to be reported, and it is feared that failures have not come to an end, but in certain quarters the financial stringency is not so severe as a little time ago, and numerous firms have fewer accounts outstanding.

During the past three months important developments have occurred relating to raw cotton supplies. More is

now known as to the prospects for the American crop for 1923-24. During the early part of June the climatic conditions in the growing area were unfavourable, the plants being adversely affected by heavy rains and low temperatures. During the past month, however, there has been a welcome improvement, and the growth is now making good progress. At the beginning of July the Government published a condition report, which was about equal to expectations. The forecast of the acreage, however, was a surprise, being over 38,000,000 acres, which is a record, against 34,000,000 acres a year ago. On the basis of the statistics published, the Agricultural Bureau estimate the probable yield at 11,400,000 bales, against about 10,200,000 bales for 1922-23. The outlook continues healthy, and there is a tendency to increase estimates of the output. With regard to prices, the quotation for Fully Middling, on the spot in Liverpool on March 29th, was 14.90d. By April 10th the price had risen to 16.34d, but on the 16th the quotation was 15.46d. Wide fluctuations continued to take place, and after 15.36d being posted on May 1st, the price on May 8th was 14.19d. By the 31st there had been an advance to 16.02d, and the figure on June 12th was 17.28d. There was a drop to 16.18d on June 19th, and 16.67d was registered on June 29th. On Wednesday last the quotation was 15.71d. The statistical position of American cotton is rather serious. The world's visible supply is less than 1,000,000 bales, against 2,284,000 bales a year ago, and 4,240,000 bales two years ago. With regard to the crop in Egypt, an increase in the acreage of about 10 per cent. is likely. During the last few weeks the news relating to the growth has been very encouraging, and there is every probability of a large output. The quotation for Fully Good Fair Sakellaridis Egyptian cotton on the spot in Liverpool on March 29th was 17.40d. Not much change occurred during April, but on May 8th the figure was 15.40d. There was an upward movement in June to 16.50d on the 11th, but 16.20d was registered on June 29th and 15.65d on Wednesday last.

Manufacturers of piece goods continue to struggle against adverse conditions. Some producers of fine fancy styles have rather more work to go on with than three months ago, but in ordinary qualities of cloth makers cannot obtain any relief. It is estimated that over 40 per cent. of the looms in Lancashire are stopped owing to the absence of orders. Up to quite recently the home trade demand was checked by the unsatisfactory weather, but during the past fortnight there has been a distinct improvement in the turnover in light summer materials. With regard to export demand, the general inquiry has been fairly extensive, but in most instances the prices offering have had to be refused. It has been almost impossible for leading customers to pay current rates for lots of quantity. The monsoon season in India began rather badly, but a recovery has now been experienced. There has been increased activity in light fabrics such as dhooties, and some substantial contracts have been arranged for Calcutta and Bombay. In grey shirtings there has not been any flow of orders, and producers are doing very badly. Recently a better turnover has been reported in printed and dyed sorts. A welcome improvement has shown itself in the demand for China. This has been partly due to the boycott of Japanese goods, and there has been a rush in Shanghai and Hong Kong for European styles. Buying of an encouraging character has taken place in grey and white shirtings and sheetings, and considerable activity has also prevailed in fancies of various kinds. Operations during the quarter for the Near Eastern outlets have been unimportant, but owing to the better political news from Turkey there are hopes of a trade revival before very long. Shippers to South America have not given much support. Fine goods have attracted a fair amount of attention for the United States, but now and again instances have been mentioned of contracts being cancelled as a result of buyers being overbought.

The following is a comparative table of shipments of

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PARIS OFFICE
3 & 5, PLACE VENDOME
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cotton cloth from the United Kingdom, the figures being for the six months ended June in each year:—

	Yards.	£
1913	3,582,788,800	48,756,738
1920	2,396,798,000	153,347,097
1921	1,211,021,700	75,104,452
1922	1,850,860,000	67,391,014
1923	2,106,868,600	70,098,846

Compared with last year we are exporting on a larger scale to Bengal, Bombay, the United States, the Argentine Republic, and Chile, but the takings are smaller for China, Germany, Switzerland, Australia and Belgium.

Spinners of American yarns continue in a wretched position. For three months no relief whatever has been obtained. Curtailment of production on an organised scale continues, and the committee of the Masters' Federation has recommended the members to restrict output by 50 per cent. up to the end of August. Owing to the holidays, which are now taking place, the output of the factories is very limited. The demand from users continues poor. Now and again a few more orders have been placed in medium counts, but the requirements of customers are easily satisfied. In order to assist spinners, the Masters' Federation has put into operation a basic prices scheme. The official quotations, however, are above market rates, and it has been quite impossible to establish the minimum prices. The scheme is being continued, but the movement can only be described as a failure. In yarns made from Egyptian cotton, the undercurrent of demand has kept up fairly well, and most of the mills in Bolton and district remain busy. Fine combed numbers, however, are more favourably situated than coarse carded counts. Operations in yarns suitable for shipment abroad have been irregular. The bulk of the buying has been for India, chiefly in the higher counts. Trade with European countries has not developed, and no improvement is anticipated until the political situation is more promising.

An analysis of the June stocktaking announcements of 95 Lancashire spinning concerns shows that 66 companies have not been able to make any dividend distribution to shareholders. These 95 companies have a total paid-up ordinary share capital of £11,053,607.

The following is a comparative table of yarn shipments from the United Kingdom, the figures being given for the six months in each year:—

	Lbs.	£
1913	106,409,000	7,512,062
1920	78,614,700	23,912,824
1921	50,638,100	10,301,588
1922	106,309,100	14,242,341
1923	70,225,700	10,170,024

During the quarter a satisfactory arrangement has been come to between the employers and the operatives on the wages question. The fresh agreement which was reached at the end of May provides for no change in list rates before January 25, 1924. After that date the employers will be at liberty to take whatever action they think fit on giving one month's notice, but the trade unions cannot make any application for a general advance in wages before September 25, 1924.

Much uncertainty exists at the moment in the Man-

chester market as to the probable course of prices during the next few months. A great deal depends upon the weather experienced in the American cotton belt. On the whole, there are indications of the yarn and cloth requirements of buyers becoming more urgent, and the undercurrent of inquiry is healthier than a little time ago. The chief obstacle to a revival of trade is relatively high prices, and it must not be forgotten that cloth is two and a-half to three times dearer than in pre-war days. The unsettled political situation throughout Europe is also a very unfavourable factor, and many people believe that no real improvement in export trade will take place until more peaceful conditions exist on the Continent. In some quarters there are indications of buyers having adopted a short policy, and should there be a turn in prices some people may be caught. It is reasonable to anticipate some improvement in industrial conditions this autumn.

THE PROFITS OF LONDON STORES.

It is often thought that the large shopping emporiums of our West End depend for their existence on luxury buying. This is really not so, and it is another significant feature of the complexities of our modern life to find that although trade depressions naturally leave their mark on these shopping centres, in the main, support is derived from people in all walks of life without particular regard to any distinct class.

In the tables below we set out the figures for 15 companies with large shops or stores in London, showing how they fared during 1922. These undertakings may be considered to be fairly representative of the industry. In our first table we show the net profits of these companies over a period of years:—

NET PROFITS.

Company.	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Army and Navy.....	£192,739	£241,366	£251,009	£335,521	£246,047	£14,348	£133,582
Civil Service Supply...	44,911	55,722	54,434	70,807	57,707	48,320	51,761
D. H. Evans.....	69,923	69,318	94,465	169,281	134,729	115,183	126,974
Dickins and Jones.....	60,406	66,105	100,198	126,252	105,779	69,574	86,163
Frederick Gorrings.....	33,222	49,992	43,144	61,947	49,331	48,359	57,464
Harrod's.....	295,181	282,293	352,042	583,635	536,042	200,268	484,120
Jay's.....	40,857	15,917	33,870	94,229	21,659	Dr20856	10,940
John Barker.....	63,907	85,284	103,772	263,867	291,509	306,103	331,885
Liberty and Co.....	61,534	61,619	99,047	129,154	118,515	30,105	41,482
Maple and Co.....	206,930	285,401	463,159	473,038	447,195	95,834	175,415
Mappin and Webb.....	54,250	46,780	66,975	86,982	105,689	79,427	17,340
Selfridge and Co.....	112,396	240,832	305,695	355,735	358,821	326,722	304,655
Spencer, Turner.....	37,194	55,675	74,578	107,396	60,856	7,289	67,831
Thomas Wallis.....	23,118	33,241	58,762	77,769	47,931	22,374	30,578
William Whiteley.....	70,633	77,745	155,562	263,566	269,989	152,431	204,295
	£1,368,102	£1,667,290	£2,257,511	£3,199,249	£2,851,929	£1,495,281	£2,104,485

From the comparatively poor results of last year a substantial progress is recorded, aggregate profits rising from £1,495,281 to £2,134,485. But although many of these undertakings are able to show better results, complaint is made in many quarters not only of the fall in prices, but of losses sustained through adverse foreign exchanges. Two companies in particular, namely, Maple and Co. and Mappin and Webb, the latter company, having extensive interests in France, Italy, Brazil, and Argentina, have been affected by adverse exchange movements.

The next table shows the appropriation of profits for 1922:—

	Net Profit.	Reserve, Depreciation, &c.	Prof. Div.	Ordinary Dividend.	Carried Forward.
Army and Navy.....	£133,582	£8,500	..	£123,000	15 + 2,083
Civil Service Supply.....	51,761	14,500	..	49,540	14 + 2,280
D. H. Evans.....	126,974	18,997	12,000	54,035	18 + 23,942
Dickins and Jones.....	86,163	..	12,500	24,500	7 + 2,482
Frederick Gorrings.....	57,464	11,479	14,000	30,000	15 + 1,994
Harrod's.....	484,120	..	300,000	153,200	8 + 26,550
Jay's.....	10,940	..	10,312	..	.. + 741
John Barker.....	331,885	60,000	10,175	209,000	20 + 52,710
Liberty and Co.....	41,482	20,000	6,000	20,000	20 + 483
Maple and Co.....	275,415	..	60,000	180,000	10 + 35,415
Mappin and Webb.....	17,340	..	122,125	7,375	24 + 12,160
Selfridge and Co.....	304,655	71,000	184,615	50,000	10 + 960
Spencer, Turner, & Boldero	67,831	4,550	10,800	36,521	8 + 15,962
Thos. Wallis.....	30,578	1,000	9,000	20,000	10 + 578
Wm. Whiteley.....	204,295	24,000	20,250	90,000	20 + 56,748

+ 6 months dividend.

Unfortunately, there is a tendency in some cases to maintain rates of distribution at the expense of any substantial strengthening of reserves. The appropriation account of Dickins and Jones provides us with an interesting field for speculation. In the above table we have shown no figures under allocation to reserves. According to the appropriation account, £20,000 was carried to the general reserve, but a debit item appears of "Interest on bankers' loan, £51,047." This is reduced by a transfer "from reserve for future development" of £24,365, so that on balance reserves are worse off. Jay's no longer show a deficit. Last year a gross profit of £23,466 was secured, but income-tax, corporation profits tax, and directors' fees reduced these promising figures to £10,940. Mappin and Webb's distribution has been curtailed this year, only an interim dividend of 2½ per cent. having been paid on the ordinary shares, which is in striking contrast to the 10 per cent. of a year ago. Selfridge's dividends are free of tax. Whiteleys, in particular, show remarkable progress, the dividend of 14 per cent. on its ordinary capital increasing to 20, and absorbing £90,000, as against £68,108 a year ago; moreover, the amount carried forward at £260,582 is £56,748 higher.

Amongst trading companies, our London store undertakings offer more information in their balance-sheets than is vouchsafed by companies in many other industries. Assets are well set out, while liabilities are given in considerable detail. The Army and Navy Co-operative and Civil Service Supply stands out prominently in this connection. In America the big stores give a very valuable index to the trend of trade by publishing figures of monthly gross sales. We would suggest to directors that this is a practice which might be followed in this country. In these days, when everyone is seeking for straws to show the course of the trade wind, such figures should prove invaluable.

Probably the most interesting item in the balance-sheets of these stores is "stocks," the figures of which we have extracted from accounts for the last two years, and now show them, with total assets for comparison:—

Company.	1921.		1922.	
	Total Assets.	Stocks.	Total Assets.	Stocks.
Army and Navy.....	£759,715	£421,216	£782,176	£363,345
Civil Service Supply.....	2,586,600	933,733	2,623,167	740,063
D. H. Evans.....	1,078,331	187,910	1,117,425	182,639
Dickins and Jones.....	1,793,423	137,640	1,974,581	145,352
Frederick Gorrings.....	612,106	121,237	628,043	122,852
Harrod's.....	8,925,992	1,229,983	8,777,514	1,091,252
Jay's.....	619,786	602,153	602,153	87,827
John Barker.....	3,715,407	669,891	3,608,898	698,793
Liberty and Co.....	971,160	357,233	935,859	286,383
Maple and Co.....	5,158,988	1,764,648	5,061,477	1,628,974
Mappin and Webb.....	2,078,970	588,259	1,929,888	501,729
Selfridge and Co.....	4,483,723	593,617	4,519,625	521,982
Spencer, Turner.....	894,666	207,335	910,420	213,355
Thomas Wallis.....	736,955	176,065	706,979	162,136
William Whiteley.....	3,294,998	394,104	3,200,498	365,845

It will be observed that the general fall in values during the year under review, which has given so much concern to directors, is fully reflected in these figures, and only in two instances are stocks actually higher. It is a significant feature of the drapery trade to find that stocks occupy such a small ratio to total assets. Thus D. H. Evans show stocks of £182,639, against total assets of £1,117,425; while Dickins and Jones' figures are more remarkable—stocks amounting to £145,352 out of assets of £1,974,581. Furniture and other stores invariably appear to be compelled to sink more money in stocks. The banking departments are still retained by some stores. Harrod's show deposits of £921,763, as against £1,078,357 a year ago, but Whiteley's banking department shows a growth of deposits from £495,239 to £532,966.

Our final table shows dividends together with share quotations and yields obtainable from representative shares in this group:—

Company.	Amount of Share.	Dividends for Past Six Years.						Price End June, 1922.	Price July 16, 1923.	Present Yield.
		1917.	1918.	1919.	1920.	1921.	1922.			
Army and Navy.....	10/6	333/8	350/8	350/8	35	10	15	(b) 1 1/2	1 1/2	6 13 3
D. H. Evans.....	1	12 1/2	15	20	20	17 1/2	18	2 1/2	2 1/2	8 9 6
Dickins & Jones.....	5	5	6	7	7	7	7	3 1/2	4 1/2	6 13 3
Frederick Gorrings.....	1	9	9	15	15	15	15	1 1/2	1 1/2	9 4 6
Harrod's.....	1	15	17 1/2	20	17 1/2	5	8	1 1/2	1 1/2	4 9 6
Jay's.....	1	2 1/2	6	17 1/2	10	Nil	Nil	2 1/2	2 1/2	Nil
John Barker.....	1	10	11	20	20	20	20	2 1/2	2 1/2	8 4 0
Liberty and Co.....	10	20	20	20	20	20	20	4 1/2	4 1/2	16 0 0
Maple and Co.....	1	13 1/2	15	20	17 1/2	7 1/2	10	1 1/2	1 1/2	6 13 3
Mappin & Webb.....	1	nil	10	15	15	10	2 1/2	1 1/2	1 1/2	3 3 9
Selfridge and Co.....	1	7	7	10	10	10	10	1 1/2	1 1/2	10 1 0
Spencer, Turner.....	1	10 1/2	12	14	11	6	8	1 1/2	1 1/2	6 14 9
Thomas Wallis.....	1	10	13	16 1/2	14	10	10	1 1/2	1 1/2	7 5 6
Wm. Whiteley.....	1	6	8	14	14	14	20	1 1/2	2 1/2	7 8 9

* Yield on 5% cum. pref. + 6% cum. pref. † Paid on 1s shares.
(a) Free of tax. (b) End of April, 1922.

It is evident that the accounts of these undertakings have been considered by the investing public to be of a fairly satisfactory nature, prices showing substantial improvements in most cases. At the same time, the rather wide variations in the yields obtainable perhaps indicate that some of the companies at least may have difficulty in maintaining the higher dividends.

SOME LESSONS OF THE AUSTRIAN EXPERIMENT IN RECONSTRUCTION.—II.

THE most notable activity in Austria at the moment is the Stock Exchange boom, to which we referred last week. The basis of the movement is simple. Shares in Austria have, as elsewhere in inflationist countries, risen very much indeed, but they have not risen to the same extent that the exchange depreciates. The plant and labour is there, so that the physical means of production are intact. People therefore argue that since the crown is now stabilised, all values, including not merely wages and prices, but property also, will gradually revert to a world basis. In other words, they will rise to the extent of the depreciation of the crown, plus the depreciation in the world value of gold. Thus if gold prices are taken as 50 per cent. above those of 1913, bricks and mortar in Austria should be worth in the long run 50 per cent. more gold crowns than in 1913. On such a basis the stocks and shares quoted in Austria at the beginning of this year were only a fraction of their "normal" value. The recognition of this fact has led to the boom now in progress. The means by which the boom has been carried out is the Austrian and foreign capital which has been returning to the country, and has been taken to the bank of issue in the form of foreign currency credits and exchanged for Austrian crown notes. All such arguments as to the value of securities may, however, easily be pressed too far. The value of plant is not a physical fact, but a result of economic conjuncture. Actually, Austria's industrial plant is in a backward and depreciated condition as a result of the war and the economic débâcle since the Armistice. Economically, the earning capacity of this plant is very uncertain, because of the break-up of the Austro-Hungarian Empire, the high tariffs of Austria's neighbours, and the uncertainty as to whether she can find markets farther afield in Asia Minor, the Balkans, &c. The commercial future of Vienna can be regarded with confidence. The industrial future of the country is less certain. The prudent investor would not, therefore, regard the present value of Austria's stocks and shares as being equivalent to pre-war value, but would allow a substantial discount. At the moment, however, values are being fixed on a much more short-sighted view. If money continues to pour into Austria, it will come in the hope of finding profitable employment, and the Stock Exchange is the only outlet for it.

Before passing from the financial side of the Austrian experiment, a word may be said on the issue price of the loans, the details of which we gave last week. Criticism has been made in Great Britain that the terms were too favourable to the lenders, and that the backing of the chief Governments of Europe should have made it possible to issue a loan on something much more like gilt-edged

terms. This criticism, however, quite misjudges the position. In the first place, it was never expected that Great Britain would be called upon to furnish so much as £14 millions. Just before the loan came out India had applied to the London market for £20 millions and had received ten from the public. Earlier in the year Roumania, offering the proceeds of an export tax as security, and relying on the fact that she has vast natural resources, asked for £1½ millions and received £600,000. When the Austrian loan was first discussed it was hoped that America might put up as much as Great Britain, and that Holland, Spain, and Switzerland would help substantially. The figures that we gave last week show that one after another of these expectations failed. If the loan had not succeeded in Great Britain, it would have failed altogether, and if the Austrian experiment had not succeeded under conditions in which there are fewer political difficulties than in any other possible case that might arise in Central Europe, it was certain that there could be no hope of international co-operation for the financial reconstruction in Europe that would have any hope of success. For the last two years the financial community of Great Britain had been strongly impressed with the imperative necessity of making a success of reconstruction efforts in Europe. It was in this atmosphere that it was agreed to make up in the London market the deficits in the share of other countries. But it was by no means certain what view the money market would take of a composite guarantee. The investor knew that the fraction of his interest, guaranteed by Great Britain, was safe; but what would his reaction be to a guarantee of part of his interest by Czecho-Slovakia, part by Italy, and part by France? In the event it has been shown that the loan could be floated on much better terms than Czecho-Slovakia, a State with a much more assured economic future, was able to secure. But this may perhaps be accounted for by the knowledge that Austria is for a time, at all events, to be under the control of a supervisor, to be appointed by the Council of the League of Nations. It is difficult to say to what extent the assurance of good financial behaviour, as compared with the joint guarantee, is responsible for the price of Austrian credit, and on the whole we must suspend judgment as to whether this particular device is or is not satisfactory in such schemes. With these doubts in mind, it was imperative that the terms must be such as to make the loan succeed. The Governor of the Bank had in his favour the instinct of the whole financial community, as well as the enthusiasm of a very large body of political opinion in Great Britain which was anxious that the League of Nations should make a success of this great constructive effort. The very large number of applications for a minimum of £100 is proof of this wide-spread interest. The loan was attractive, and the investor also knew that he was supporting British public policy.

When we turn to the internal condition of Austria, the first thing that strikes us is the enormous social importance of a stabilised currency. Up to the middle of last year Austria was suffering from the demoralisation which a depreciating currency brings with it. Among the working people there was a general feeling that they were being exploited, that the wealthy were evading taxation, that their own wages became worthless almost as soon as they were received, that saving was useless, and that money must be immediately turned into goods. People of frugal habits endeavoured to purchase durable goods, while others spent all they had on food and drink.

It is difficult to say how much of this demoralisation was due to the after effects of the war and how much to the actual depreciation of the currency. The combined result, however, was that in the industrial districts work fell off and discipline completely disappeared. In one centre in Austria, where iron ore is produced and converted into steel, we are informed not only that drunkenness was rife, and that even the school children got completely out of hand, but that the workpeople openly flouted the authority of the management, while thieving from the works was of almost daily occurrence. Thus when a motor from an overhead crane in the works was stolen—a feat obviously requiring a considerable amount of team work on the part of expert mechanics—the police of the district, who shared their headquarters with the local trade union,

and were largely recruited from the ranks of the socialists, took no steps to trace the culprits, and the workers' organisation entirely refused to allow any investigation to be made in the works. Moreover, in the last two years the workers' organisation kept certain of the supervising engineers out of the works for months at a time, and it was not unknown for recourse to be had to physical violence in the offices of the company during wage negotiations. With the stabilisation of the crown, and the advent of unemployment, however, all this changed. The Utopian hopes held out by Socialist governments had been falsified in actual practice, and the fear of unemployment began to operate to produce an increased output among those left at work. The sense of discipline returned, and with renewed faith in the value of money the natural instinct to save and to obtain security against economic variations reasserted itself. In January of this year unemployment reached its maximum, but with the invasion of the Ruhr and the transfer of many orders to Austria, the position improved to such an extent that these particular works are now fully employed. But work is being carried on under something like pre-war conditions of output, discipline, and morale.

In Vienna itself public hygiene, which began to improve through the efforts of the American Relief Administration, has gone steadily ahead under the new reform scheme. The diseases consequent on underfeeding have disappeared, tuberculosis is no longer the menace it was only a short time ago, while infant mortality is falling steadily. All these symptoms are having their effect upon the personal efforts of the population. The Catholic organisations are very strong in Vienna; boy and girl scout movements and gymnastic clubs are flourishing, and social life generally is proceeding on more healthy lines.

The housing question, on the other hand, seems to be as far off a solution as ever. The refusal to allow an increase in rents in Vienna, as in Berlin, means that masses of people are living rent free, while the owners have in reality had their property confiscated. Apart altogether from the effect on the former house-owning classes, who, of course, are quite unable to do any repairs, the wages level has become adjusted on a basis which allows nothing whatever for rent, and in such circumstances the building of new houses is quite impossible. It is very difficult to see what the solution of this particular question will be.

The position of the middle classes still remains very difficult. The incomes even of professional people are quite inadequate to maintain their pre-war standard of living, while pensioners and those dependent on interest-bearing securities are extremely badly off. Such questions will take years to correct themselves, but they do not substantially alter the fact that for every class of the community there is to be found a new spirit of hope.

Notes of the Week.

Turkish Peace at Last.—In the small hours of Tuesday morning the parties at Lausanne again arrived at an agreement, as they had done (and subsequently undone) a few days before. This might seem to augur that the Conference would resolve itself into one of those division sums which, after throwing up a long and varied array of figures, end at last upon a recurring decimal. To agree at 1.30 a.m. every third day, with time to recuperate and disagree in the interval, is a process which might very well go on for ever; but happily we are assured that there was a profound difference between the two nocturnal achievements. The first agreement was in principle, the second in detail, or, in other words, the Allies have given way, as they were expected to do, on the private economic issues which had been the remaining obstacle to a settlement. Things usually return to their origins in the end, and so the Lausanne Conference—after the Armenians had long been abandoned and forgotten, and the Greeks and Turks of Western Anatolia ruined and evicted—came back to those economic relationships with which the contact between the Western Powers and Turkey originally began. The really important event of the last days seems to have been a victory of the American over the British point of view regarding the British-owned "Turkish

Petroleum Company's" concession. Sir Horace Rumbolt followed General Pellé's precedent in the case of the bondholders of the Ottoman Debt, and contented himself with a declaration that the British Government would hold the Turkish Government responsible for what were the Turkish Government's obligations in the British Government's opinion. But he said nothing about sanctions, and prudently declined Ismet Pasha's proposals to submit the validity of this concession to arbitration—a step which might "open a door" through which many imposing foreign interests in Turkey would vanish away. The British delegate and the American observer then politely reminded each other of their respective Governments' disagreement regarding oil, and soon afterwards the handshakings and congratulations began. Thus the Turks have won the economic as well as the military and political battle, but it is too early yet to see what the effects of their victory will be. Foreign enterprises in Turkey have differed greatly in character, and the credit of the Turkish Government will turn on its treatment of those whose titles are beyond dispute, and which have put solid work into the development of the country. In this connection, the agreement concluded at Angora with the representative of the Aidin Railway is a good stroke of business from the Turkish point of view. Meanwhile, the better understanding between Turkey and Greece, or at any rate between Ismet Pasha and M. Venizelos, which began to manifest itself as soon as the Allies' economic interests came into the foreground, is making satisfactory progress. M. Venizelos has taken effective steps to remove possible causes of future friction over the status of the Ecumenical Patriarchate, while Ismet Pasha, on his side, has secured amnesties for Turkish subjects of Greek nationality recently convicted in Turkish courts of crimes committed during the Greek military occupation. All who desire peace in the Near East will applaud any break in the chain of reprisals which stretches back beyond the memory of man. It needs force of character to break with such a deeply-rooted Near Eastern tradition, but if the bitter memories are given a chance to fade, the relations between the peoples may be transformed, and the West may be shocked to find "Oriental Diplomacy" most incorrectly presenting a united front. Now that the contest of wills is over, both parties must look at the facts as they are. The West must admit that it has lost its old omnipotence in Turkey, and the Turks that they have not gained complete independence of the West.

Irish Affairs.—Our Dublin correspondent writes:—Some secrets are well kept in Dublin. Not a ripple in the public Press has marked the entente between the Government and the Irish banks and the arrangements made to enable the former comfortably and honourably to pay its way until the pending election and the subsequent national loan take place. The fact of the arrangement and certain of the attendant circumstances upon which it would be indiscreet to enlarge are a convincing answer to the somewhat malicious innuendoes at the expense of the Free State credit by which partisan rancour, not from one quarter alone, seeks to vent its spleen upon the new political system it hates. Meantime, business is looking up in spite of labour troubles. These are, as is their way everywhere, sufficiently embarrassing, but are scarcely likely to endure in an acute form. They are in part due to post-war unsettlement, warring factions amongst labour leaders, bad housing, and high cost of living. The Government is pushing through its full programme of legislation, including the very comprehensive scheme of Land Purchase and its Emergency Powers Bill. Its firmness of purpose is making many friends for it in unexpected quarters. If it has made mistakes, it is realised that they are relatively small and unimportant when viewed in relation to its crowded record of achievement in matters legislative, executive, and administrative under circumstances of most extreme difficulty. A sign of the times, and a direct result of Ireland's fiscal independence, is the migration to Ireland of certain businesses previously trading with her from a distance. Thus Messrs Player and Messrs Wills are both starting, or about to start, factories for the manufacture locally of their characteristic products as consumed by the Irish public. The Irish business of the Anglo-American

Oil Company is to be managed by a subsidiary company registered in Dublin. Recently, also, Vickers, Ireland, was registered—another member of the subsidiary group through which the multifarious activities of the parent Vickers' enterprise are carried on. The two latter cases are, of course, little, if anything, more than agencies, though in the latter instance, at least, it might easily ripen into a great deal more. All of them, however, tend to increase the fund of profits assessable to income-tax in Ireland. Reports from the country state that the people are thronging to the local courts, and that there is in many districts what might almost be described as a rush to pay debts. The Fiscal Committee's labours will be the occasion of the opening stage of the battle which will rage over the Free-trade versus Protection controversy as it will appear in Ireland. The public has not thought about it much in the past, but believes generally that British Free-trade, viz., the repeal of the Corn Laws, hit Ireland very hard. It knows that most countries are more or less Protectionist—and had heard something of alleged scientific tariffs in the United States and in Germany as directly tending to national development. There have been many more or less vague hankerings after a full-blooded scheme of Protection as a royal road to Irish prosperity, and the various interests have not been slow to seek to exploit them for their own benefit. The Fiscal Committee's labours will serve to promote reflection, and to ripen thought. Its pronouncements, when they come, will help to clear the air. Ireland's case is not the case either of the United States or of Germany. The predominating industry of Ireland is agriculture, and the great bulk of her exports consist of agricultural produce (inclusive of live stock). The farmers may not prove anxious to be taxed upon all their non-agricultural articles of consumption. Again, it has yet to be realised that under ordinary conditions the bulk, if not all, of an import duty is paid by the importing country. The effect, too, of import duties on the cost of living—the indirect effect as well as the direct—has yet to be studied. It is not unlikely that the Committee, when reporting, will make such matters clear, and will indicate that the promotion and development of Irish industries on self-supporting lines had best be sought by providing facilities as to education, technical training, information, credit and transit, and such like matters rather than by either bounties or import duties.

Indian Borrowings and Spending.—When the committee stage of the East India Loans Bill came before the House of Commons on Tuesday, Sir R. Hutchinson moved an amendment to the effect that at least 75 per cent. of the proceeds of Indian loans raised in London should be expended in Great Britain. This amendment was negatived without a division, but the discussion was remarkable for the support accorded to the amendment by Mr Austen Chamberlain and Mr Lloyd George. In spite of this distinguished support, Earl Winterton, on behalf of the Government, easily killed the proposal, his two decisive points being, first, that India was at present spending no less than 95 per cent. of her London loans in direct purchases in this country, and, secondly, that the principle had been accepted that India should be left free to purchase in the best market. The Chairman ruled out of order a general discussion on the wider question of imposing restrictions of this sort upon overseas borrowings in London. This, perhaps, was a pity, because such a discussion would have shown up in clearer light the folly of Sir R. Hutchinson's proposal, which, if carried, would, as Mr Lloyd George admitted, have had to be applied impartially not only to India, but to all overseas borrowers. But in spite of Mr Hope's ruling, the discussion did succeed in making a few excursions into the general field. Mr Wise pointed out that, whether the proceeds of a foreign loan were spent directly here or abroad, the benefit to British trade accrued just the same in the long run. The following was his principal example:—"Supposing Norway gets a loan here for £3,000,000 to buy coffee in Brazil. Norway floats the loan here..... Norway buys the coffee from Brazil, but the money does not leave this country. The actual position is that Norway gets the coffee from Brazil to her country. The £3,000,000 is transferred from the credit of Norway to

the credit of Brazil. Brazil orders machinery in this country, and the £3,000,000 leaves this country not as cash, but as goods." That is a rather crude and compressed statement of the "triangular trade" argument; but it suffices as a reminder that, in the long run, loans overseas floated in London must be used to stimulate British trade. But if Mr Lloyd George distrusts the triangular trade argument, it is surprising to find that he scents no danger in imposing what would be in essence a protectionist restriction upon the free activities of the greatest international money market in the world. It would be protectionist in effect, because, as Sir Frederick Banbury stated, it would remove the element of competition. Sir R. Hutchinson's policy might imperil London's premier position as international lender, and in so far as it did so, would damage instead of assisting British trade. It would not have appeared necessary that such simple home-truths should be stated, either in the House of Commons or in the *Economist*, if it had not been shown to the amazement of the City that two ex-Chancellors of the Exchequer have as yet failed to comprehend them.

Employment in June.—The official statistics of unemployment for June show a slight improvement, the percentage unemployed among members of trade unions from which returns are received by the Ministry of Labour being 11.1 per cent., as against 11.3 at the end of May and 15.7 per cent. at the end of June of last year. In the majority of industries employment was still slack, but it was good in coal mining, tinplate and steel sheet and carpet industries, and fairly good in tailoring, paper, coach-building, and certain sections of the metal trades. The table below shows the trade union percentage of unemployed for a number of years:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	..
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	..
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	..
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

The percentage unemployed among workpeople insured under the Insurance Acts in Great Britain and Northern Ireland was 11.0 per cent. at June 25th, the same percentage as at May 21st, which compared with 13.1 per cent. at the end of June, 1922. These figures include a due proportion of claimants to benefit in respect of systematic short time, previously not included. The total number of workpeople registered at the unemployment exchanges as unemployed at June 25th in Great Britain and Northern Ireland was approximately 1,226,000, as against 1,261,000 at May 28th.

Cost of Living.—The Ministry of Labour's calculations of the cost of living of a working-class family show that in June there was no change in comparison with May, the average percentage increase as compared with July, 1914, for all items included in the statistics remaining at 69 per cent. :—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
	%	%	%	%	%	%
January 1st..	85.90	120	125	165	92	78
February ..	90	120	130	151	88	77
March ..	90	115	130	141	86	76
April ..	90.95	110	132	133	82	74
May ..	95.100	105	141	128	81	70
June ..	100	105	150	119	80	69
July ..	100.105	105.110	152	119	84	69
August ..	110	115	155	122	81	..
September ..	110	115	161	120	79	..
October ..	115.120	120	164	110	78	..
November ..	120.125	125	176	103	80	..
December ..	120	125	169	99	80	..

For food alone the average increase was 62 per cent., as against 60 per cent. at the end of May. Potatoes and eggs were dearer at the end of June, but there were slight falls in sugar, cheese, butter, and some descriptions of meat.

The Sea Carriage Bill.—The Select Committee to which, as mentioned in the *Economist* of June 2nd, the Sea Carriage Bill was referred, has now reported in favour of the measure. Assuming that the Bill completes its remaining stages in the Lords before the adjournment, the probability is that it will be dealt with in the Commons during the autumn. The great majority of commercial men are, as the Committee found after hearing a number of representative witnesses, strongly in favour of the proposals. There will be a few amendments on points of detail in the clauses of the Bill itself, but the Rules for international application, which are in the Schedule, will stand substantially unaltered. The passage of the measure into law will, it is suggested, "put an end to a controversy which has existed between shippers and shipowners for many years," and may also lead to the adoption by the legislatures of other countries of the agreement embodied in the Rules. The legal objections of Lord Justice Scrutton and Mr Mackinnon, K.C. (both of whom gave evidence before the Committee), were considered not to outweigh the advantages to be gained by giving statutory force to the Rules. The legal criticism, Sir Norman Hill pointed out in his evidence before the Committee, ignored the broad policy upon which the Rules are based. That policy, as he explained, "is founded on the assumption that overseas commerce as a whole will be promoted and facilitated by making all bills of lading a better security to their holders. And it is to be made effective by attaching to all bills of lading, in all trades, certain uniform, minimum, inalienable rights as against all classes of shipowners." This policy, as Sir Norman went on to remark, will place the bill of lading on a footing somewhat similar to that occupied by the bill of exchange. This, Lord Sterndale's Select Committee is satisfied, is what is desired by shippers, shipowners, bankers, and underwriters, and the Bill may be regarded as having now passed the crucial point in its progress through Parliament.

Treaty with Czecho-slovakia.—On July 14th Lord Curzon and Dr Benes (Foreign Minister of Czecho-slovakia) signed a Treaty of Commerce which will come provisionally into force on September 1st next, pending the exchange of formal ratifications. The full text of the treaty is published in this week's *Board of Trade Journal*. The main purpose of the treaty is to establish most-favoured-nation treatment as between Great Britain and the Czecho-slovak Republic, and to place British traders and companies in Czecho-slovakia in a position at least as favourable as may be enjoyed by those of any other foreign country. The gist of the treaty is contained in Article I., which runs as follows:—"The subjects or citizens of each of the contracting parties and goods the growth, produce, or manufacture of the territories of the two contracting parties, and the vessels of each of the two contracting parties, shall enjoy unconditionally in the territories of the other treatment at least as favourable in all respects as that accorded to the subjects or citizens and the produce of the soil and industry and the vessels of the most-favoured foreign country. This treatment shall be accorded in all matters of commerce and navigation, both as regards importation, exportation, and transit, and in general in all that concerns Customs duties and formalities and commercial operations; the establishment of the subjects or citizens of each of the contracting parties in the territories of the other; the exercise of commerce, industries and professions, the payment of taxes, and the treatment of commercial travellers and their samples." Though the terms of the treaty are not immediately applicable to India, the self-governing Dominions, or British colonies and mandated territories, nevertheless most-favoured-nation treatment is assured to them provided that they accord similar treatment to Czecho-slovakia. An important provision in Article II. of the treaty lays down that so long as the present import

licensing system continues in Czecho-slovakia, British goods will be admitted to an annual amount to be agreed upon. In pursuance of this article, a list of goods and quantities is appended to the treaty, setting forth the quota admissible annually as soon as the treaty comes into force. In connection with this treaty, attention may be drawn to a Report on the trade of Czecho-slovakia, by H.M. Acting Commercial Secretary, which has just been issued by the Stationery Office. Mr Elliott, in that Report, referred to the negotiations for a treaty, and pointed out that a good many of the present difficulties in the way of British trade with the republic would be removed by it.

The Mark as a Standard of Value.—The recent collapse of the mark exchange has made German currency practically worthless as a standard of value. Hitherto, of course, depreciation enabled debtors and mortgagees to repay their obligations at trivial expense; but it has become apparent recently that whatever the position as to past indebtedness may be, there is no prospect of raising fresh capital on the basis of depreciating paper. Accordingly, as far back as the end of December last an issue of "rye bonds" was made, and the precedent thus set has spread to other commodities. A schedule recently prepared for the *Frankfurter Zeitung* gives particulars of thirteen loans issued since that time in denominations other than the official German currency. Two of these were based on gold marks, and one on the dollar, while the rest are in terms of commodities as various as rye, coal, lignite, and potash manure salt. The bonds are in respect of metric tons or centals of the commodity in question, and subscriptions to these issues is made at the current price of the commodity. The interest is payable in units of the same commodity, or rather in money according to the prices then ruling for the commodity. Thus towards the middle of May of this year, subscribers to the *Erste Preussische Kaliwert Anleihe* bought bonds for 100 kg. of potash manure salt at the price then ruling of 22,900 marks. The annual interest is 5 kg. on each bond, which may well amount to a paper mark value greater than the cash subscription. This principle has recently been extended to mortgage loans in East Prussia, where farmers are in great need of capital, but quite unable to obtain mortgages in marks. Accordingly, rye has been adopted as the standard, on the grounds that it forms the basis of the people's food, that it must be acquired at a reasonable price, whatever that may mean, and that it is grown all over the Empire. These new loans may indeed "go like hot cakes," for it seems impossible in present-day Germany to raise capital on any other basis. While readers of the "Wealth of Nations" will be amused at the resurrection of a theory that a few years ago seemed definitely relegated to a dim and distant past, this new development is a most disquieting symptom of the economic collapse of Germany. The mark as a standard of value has already been displaced by "sound" foreign currencies or by commodities. This latter expedient seems to be about as unsatisfactory a system as could well have been devised, and may indeed lead to a new form of gambling in commodity values. Possibly, however, this innovation should be regarded as the first step towards capital issues in terms of the general index number of commodity prices, which would certainly prove a better basis than the price of a commodity such as rye, which is much influenced by the world production of cereals. Meanwhile, however, the position of the mark as legal tender is seriously threatened by a decision of the Darmstadt Court in April last that the repayment of a mortgage in paper marks might be refused on grounds of equity. By further development of these tendencies, the "flight from the mark" will acquire a new meaning, disastrous to the world, but fascinating, no doubt, to the pessimistic student of pathological economics.

Bank Notes and the Price Index in Soviet Russia.—A correspondent writes:—Since the introduction of the new bank notes, based on gold, six months ago, the Russian State Bank's loans to industry have been made exclusively in the new currency, and a comparison of the exchange rate for bank notes during this period with the price in-

dices of the main groups of commodities, gives some idea of the relative ease or stringency of credit conditions. The figures in the following table represent millions, except where otherwise stated:—

	1922. Dec. 1.	Feb. 1.	April 1.	June 1	June 1 in % of Dec. 1.
Bank notes rate in Soviet					
Rbls. per Chervonetz	117	212	302	580	495.7
General goods index (wholes'le)	12.3	20.4	31.8	62.9	512.6
Industrial goods	14.3	26.8	45.4	96.2	672.8
Food commodities (prepared) ..	19.8	33.9	58.9	125.1	632.0
Metals	9.5	16.1	32.8	86.1	905.0
Manufactured textiles	20.9	39.8	66.2	156.2	748.0
Leather goods	12.8	20.1	35.7	68.7	535.0
Chemical goods	9.2	15.6	22.2	47.3	512.3
Agricultural produce	10.7	15.9	22.8	41.8	391.1

It will be seen from the above table that, taking the whole period under review, the bank note rate and the general goods index of the State Planning Commission increased in an almost identical degree, although more or less considerable divergences between them appear if individual months are taken. In December, for example, the bank note rate rose faster than the index; in February the index caught up and passed the rate, which again took place in June, following a sharp rise in the bank note rate in April, far outstripping the rise in prices. It will be seen that the index of prices for agricultural commodities lags far behind the rate for bank notes, the latter being equivalent to 139 per cent. of the agricultural products index in June, as against 105 per cent. in December last. In the case of industrial commodities, however, the opposite tendency is observable, the rate for bank notes in June being 60.3 per cent. of the index for industrial commodities, as against 81.8 per cent. in December. In the case, therefore, of loans advanced by the State Bank, the relative movement of prices favoured the products of industry. It must, however, be noted that the crisis which occurred in April, as a result of which the bank note rate rose almost 30 per cent. in the first fortnight of the month—from 300 to 390 million to the chervonetz—whereas the State Planning Commission's general commodity index rose only 6.9 per cent. in the same period, threatened with ruin those clients of the State Bank whose loans fell due for repayment at the time. This crisis has given rise to the widely held opinion that no industrial concern can afford to borrow from the State Bank in present conditions. It is, however, maintained by the Bank officials that such crises are exceptional, that the Bank showed great forbearance to its clients during this time of stress, which soon passed away when, during May and June, the price indices for manufactured goods overtook the bank note rate and went ahead of it. Apart from the effects of the April crisis, the exceptionally favourable credit conditions granted by the Bank to its clients before the introduction of the new currency—conditions which involved the Bank in considerable loss in respect of loans paid back in Soviet roubles which had greatly depreciated during the period of the loan—may be regarded as one of the causes of discontent with the Bank's present policy of issuing loans in chervonetz repayable in Soviet roubles at the rate of exchange for chervonetz on the day of repayment.

Sweden in 1922.—In Sweden, according to the Report of the Commercial Secretary of the British Legation at Stockholm, just issued by the Overseas Trade Department, 1922 was a year of deflation, retrenchment, and a readjustment to altered economic conditions which was both courageous and successful. The stocks of imported goods purchased at high prices during the boom of 1920 were finally cleared off, though at heavy sacrifices; the retail price index fell during the year 45 per cent., as against 35 per cent. in the United States and 20 per cent. in Great Britain; the Budget balanced at a little less than £41 millions, or £11 millions less than in 1921; and the actual deficit for the year was reduced to 35 million kronor, or less than £2 millions. Swedish banks are involved with industry in a greater degree than in most countries, and to an extent detrimental to industrial self-reliance; but the 18 largest banks wrote off depreciations amounting to 530 million kronor, or about £29,444,000.

The value of exports for the year was 1,152,400,000 kronor, of imports 1,164,400,000 kronor, an import surplus of only 12 million kronor, against 1,161,400 kronor in 1921; and the staple industrial exports—timber, pulp, and paper—were valued at 612 million kronor, or 53 per cent. of the total. Many industrial and business undertakings were reconstructed; the deposits in the Post Office savings banks increased by more than 18 per cent. to 118,579,199 kronor. Issues of securities since 1914 have mostly found purchasers at home, and large amounts of State, municipal, and industrial bonds have been repurchased from abroad. The export of iron ore has suffered, chiefly from the lessened German demand; but in 1922 it exceeded 88 per cent. of the pre-war average, and the vast deposits in Lapland will be made more accessible by the completion of the railway to Lake Venern, which will be rendered accessible to large seagoing vessels by the new Trollhättan canal. Large deposits of copper and pyrites recently discovered will be important in the future. The Spitsbergen colliery, in which the State is a partner, is being worked at a loss. The development of hydro-electric power and of railway electrification are making progress, and efforts are being made to standardise the products of industry. Shipping recovered rapidly during the year. Agriculture and labour problems give cause for anxiety, but the country is clearly emerging rapidly from the post-war depression. On a very small scale, commercial and financial relations and seaborne traffic are being resumed with Russia. The decline of German competition gives great opportunities for British trade—notably in motor-cars and motor-cycles, sports requisites, cinema films, and gramophones—but great stress is laid on the absolute necessity for personal knowledge on the part of exporters of the country and of popular tastes. And German traders are actively preparing for the time when the stabilisation of German currency conditions will help them to recover their former predominance.

New Issue Effects.—A Stock Exchange correspondent writes:—Every stag, like every dog, has his day, and in his applications for shares he must take the tide at the flood or he will lose his money. The highest tide in the stags' fortunes of late was the issue of the Austrian loan, in which applicants for modest amounts received considerate treatment, and were able to secure a premium of five points or more within a couple of days of receiving their allotment letters. This was reminiscent of the striking success which followed the issue of the P.L.M. Railway scrip, upon which a premium of five points was promptly established as soon as the market opened. Such incidents offer an irresistible temptation to the man of small means, who thinks that by putting up five or ten pounds per cent. application money he will be able to secure a bank note or two without being asked to provide more cash, and for no other pains than that involved in the filling-up of an application form. The Austrian Sixes came in the middle of a flood of new issues, of which the earlier stocks were, as a rule, advanced to a premium within a very short time of the allotments being circulated. The successors to the Austrian scrip, however, were not so fortunate. Though issues were over-subscribed and subscription lists closed in advance of the advertised dates for so doing, the result from the point of view of the stags proved disappointing in a number of cases, of which the Tokyo Electric 6 per cent. debenture, offered at 94, is a fair example. The price opened at 15s premium; within an hour was down to practically its issue price, fell further to 2 discount, and then, the stags being apparently shaken out, recovered to its present level of 7s 6d premium. Judged by the prospectus, the stock looked a good investment, and likely to advance upon any investment demand. But it has come to be recognised that the more attractive-looking an issue may be, so much the greater are the chances of the price falling to a discount as soon as the market opens. The anomaly is superficial only, because, as things are to-day, a very wide circle of small speculators is on the insistent look-out for opportunities to snatch a few pounds profit through applying for new issues. The more temptingly the latter are offered, the more likelihood is there of the stock being heavily over-subscribed by people who have neither the money for, nor the intention of keeping it, and who clamour to get out

immediately a market is made. They cannot afford, in many instances, to put up the money due even upon allotment. The consequence is that for a few days the market is swamped with small selling orders, which are not offset by such buying as is pretty certain to be attracted as soon as the stock becomes better known. This present-day tendency with new issues is becoming so generally recognised that the genuine investor is disposed to refrain from sending in his own application, preferring to await a probable rush of stag-selling after the allotment, and to take his chance of picking up the stock at a lower price than that at which the company offered it. The same principle applies, of course, in days when the demand for new issues is sluggish, and when underwriters are being left with their obligations on account of the public's refusal to take up new stock. It was not so very long ago that gilt-edged issues, though offered never so cheaply, failed to be wholly taken by the public, which observed that chances favoured the obtaining of the same stock at a discount from underwriters who had been left with it, and who were able to sell below the issue price by reason of the commission which they were paid for their underwriting contracts. The investor who is attracted by a new prospectus, and who thinks that the stock or shares which it offers can be regarded as cheap, will probably disregard the possibility of market fluctuations at the commencement of dealings. He will apply for the stock direct, although frequent experience in having his cheque returned, or receiving some trifling allotment that is of little use for his purpose, tends to make him exasperated, and to declare he will waste no more time in applying for issues to which the stag is so irresistibly drawn. But, if he elects to wait until the allotments are made, with a view to buying the new scrip at a discount, it might be usefully suggested that he should leave an order with his broker to buy at whatever discount he thinks is reasonable, for it still happens in cases of good stock, moderately priced, that the security will remain below the issue price only for such time as may be required to clear out the stags by the process of rapid exhaustion.

The Chartered Agreement.—The publication last week in the form of a White Paper (Cmd. 1914), of the agreement reached between the British Government and the British South Africa Company, to which reference was made in our last issue, has been followed by the issue to shareholders of an "interim report of the directors," to be presented to an extraordinary general meeting to be held at the Cannon street Hotel on July 24th. The directors say in this report, which consists mostly of the correspondence between the Colonial Office and the company, the effect of the settlement, briefly, is that the company will surrender its rights under the Privy Council judgment relating to Southern Rhodesia and under the Cave award, and will surrender its buildings and assets used for administrative purposes, and its land and monopoly rights other than mineral rights under its concessions in Northern Rhodesia; but that, in addition to the receipt of a payment of £3½ millions from the British Government, the company will retain a half interest for forty years in the net proceeds of the disposal of land in North-Western Rhodesia; that it will receive the Crown's recognition of its mineral rights throughout Rhodesia, and a considerable measure of protection for its railway interests; and that the Crown will waive its whole claim against the company in respect of extraordinary military expenditure incurred during the war. Subject to the foregoing, the company will retain the whole of its commercial rights and assets, no further question will be raised as to any liability of the company in respect of land appropriated for the purpose of its own commercial undertakings or granted to other parties, and the company will be relieved of the duty of carrying on the administration of Northern as well as of Southern Rhodesia. Consequently, no further liquidation or proceedings before the Judicial Committee of the Privy Council will be required. The directors recommend shareholders to accept the terms of settlement.

English Sewing Cotton.—The profits earned by this combine in the year ended March 31, 1923, were surprisingly large, net earnings rising from £348,161

to £652,798, and being now within £80,000 of those of 1919-20, the "record" year. Unfortunately, such an experience is not typical of the cotton trade as a whole. The ordinary shareholders receive an extra 5 per cent. in dividends, and £200,000 is placed to reserves, this being the first time reserves have received any contribution since 1920. Two years ago £200,000 was withdrawn from stock contingencies reserve:—

	1913-14.	1917-18	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Trading profits	£ 376,365	£ 503,854	£ 598,106	£ 794,136	£ 254,242	£ 414,915	£ 725,328
Dep. and deb. int.	65,843	65,396	64,363	64,012	64,497	66,754	72,530
Net profit	310,522	438,458	533,742	730,124	189,745	348,161	652,798
Brought forward	100,079	177,358	191,416	193,563	358,608	198,353	196,514
Amount available	410,601	616,416	725,158	923,687	548,353	546,514	849,312
Preference dividend ..	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Ordinary dividend	130,000	200,000	250,000	300,000	300,000	300,000	400,000
(13 %)	(13 %)	(20 %)	(25 %)	(32 %)	(15 %)	(15 %)	(20 %)
Reserves, &c.	125,000	175,000	231,595	415,307	158,608	196,514	211,507
Carried forward	105,601	191,416	193,563	158,608	198,353	196,514	187,405

* Includes £200,000 transferred from stock contingencies reserve.

The improved position seems to be the result not of any marked amelioration of the trade position, but of the absence of a further fall in stock values. The balance-sheet item of stock-in-trade, at cost or market value, at £822,846 shows only a slight decline from last year's figure of £879,850, whilst two years ago it stood at £1,324,696. Reserves, with this year's allocation, will stand at £850,000. Sundry creditors at £393,291 show little change, but the American Thread Company and other subsidiaries, which a year ago were owed £27,173 by the parent company, are this year debtors for £79,362. Property, plant, and investments in subsidiaries are put together in one item of £3,266,906, but the presence of investments in British Government securities to the tune of £1,038,911 makes the position a fairly liquid one. The balance-sheet is analysed on the usual page.

Furness, Withy, and Co.—The accounts of Furness, Withy, and Co., Limited, for the year ended April 30, 1923, show a further substantial decline, thus reflecting the serious depression in the shipping industry, and the directors state that they "have had to rely mainly for our profits upon other branches of the company's business and dividends on investments." As will be seen from the summary table below, profits have now fallen below the figures for the three years preceding the war:—

	Total Profit.	Depreciation.	Reserve, &c.	Dividends.	Ord. Rate.
	£	£	£	£	%
1908-9	267,075	114,897	..	166,361	5
1909-10	332,992	145,417	..	183,302	5
1910-11	440,732	179,603	50,000	220,620	7½
1911-12	653,207	240,000	125,000	270,620	10
1912-13	756,141	350,000	125,000	270,620	10
1913-14	620,928	350,000	..	270,620	10
1914-15	653,548	350,000	15,000	268,431	10
1915-16	1,386,960	350,000	300,000	463,125	20
1916-17	*787,564	350,000	200,000	456,250	20
1917-18	645,077	200,000	..	456,250	20
1918-19	747,661	..	300,000	452,500	20
1919-20	1,004,821	500,000	..	452,500	10
1920-21	782,944	300,000	..	452,500	10
1921-22	655,207	..	200,000	452,500	10
1922-23	552,511	200,000	..	356,250	7½

* After payment of two years' Excess Profits Duty.

After transferring £200,000 to depreciation, instead of to reserve as was done a year ago, the ordinary dividend is reduced from 10 to 7½ per cent., free of income-tax, and £202,300, or nearly £4,000 less, is carried forward. A year ago the balance-sheet showed signs of compression, an item of £500,000 in National War Bonds being thrown into one of the three items on the assets side. This retrograde step, we are glad to see, has been followed by a very substantial advance in the right direction, and one which is doubly welcome in the report of a shipping company. For shipping companies have of late years been by far the worst offenders in the matter of their accounts, and have developed a tendency to publish balance-sheets which for any practical purpose, so far as we are aware, are worthless. Furness, Withy, and Co. have now subdivided one item which appeared in the 1921-22 accounts as £8,647,405 out of total assets of just over £12 millions,

and included the fleet, all kinds of investments, and premises into three separate items. The fleet and investments in associated companies are given together at £4,399,200, other investments at £3,596,500, and premises and property at £228,400. As compared with last year, debtors have increased by £873,200, but cash and bills are down by £702,600.

Tanganyika Concessions.—Our Mining correspondent writes:—The accounts now issued cover the eighteen months to December 31st last, and as during that period the revenue has been negligible, there is a deficit of nearly £60,000. The holdings are higher by £342,000 at close upon £4,000,000, due to the subscription for further shares in the Union Minière du Haut Katanga, the company's largest individual interest. It was in this connection that the Tanganyika some twelve months ago made an emission of £750,000 ten per cent. preference shares, for five years convertible into ordinary at 22s. apiece. The first interest payment is due this month, and will be provided with the assistance of the dividend of 35¢ per share declared by the Union Minière Company in respect of 1922. The amount receivable may be calculated as equivalent roughly to £65,000 at current rate of exchange. As already indicated in our columns, the Katanga undertaking is expanding its operations, and, incidentally, its capitalisation. The balance-sheet indicates that there are now outstanding 60,000,000 of debentures, 50,000,000 of preference shares, and 26,000,000 of ordinary shares, besides 260,000 "dividend shares without designation of value," but ranking equally with the ordinary. Further capital is to be subscribed by Belgian interests as required; the balance-sheet shows that the need is now, seeing that apart from a large amount locked up in stocks and securities, the company at date had only 153,900 cash in hand, against liabilities to the tune of 123,045,900. With regard to the physical operations of the Union Minière, the information supplied indicates that the output of copper continues steadily to expand; for the first half of the current year it totals 24,500 tons, in contrast with 43,360 tons for the whole of 1922, and 30,460 tons in respect of the preceding year. No information is given as to the working costs, but a little investigation suggests that they may be placed at about £50 per ton. The ore reserves are now set out on a different basis from that formerly employed; they figure at over 68,000,000 tons, estimated to contain 4,500,000 tons copper. Of this quantity, some 700,000 tons are contained in 3,900,000 tons of ore. It would seem that attention has lately been directed chiefly to the more promising areas; indeed, it is announced that a large deposit of high-grade ore suitable for direct smelting has been located by drilling at Rushai. Leaching tests having given satisfactory results, a large plant is to be installed. An eventual output of 100,000 tons of copper annually is aimed at. The recovery of tin proceeds on a moderate scale. Cobalt and radium are being produced, the former locally, the latter at Oolen (Province of Antwerp). The Benguela Railway, in which the Tanganyika Company holds some 2,700,000 shares, is in course of extension, and when the line reaches the Congo border the transport facilities of the mineral area will be greatly improved; meantime, commerce and industry will benefit in the districts passed through. Last year's earnings scored a marked expansion. Copper and gold areas have been located by the Congo Divide Syndicate, and more prospectors have been sent out. Altogether, the enterprise would appear to have a big future; but when the holders of the ordinary shares in the Tanganyika Concessions will receive a dividend is another story. The Zambesia Exploring Company, which is interested in some of the same undertakings as the Tanganyika, and has for a number of years past confined itself to co-operating with that company, during the past 18 months increased its credit balance by £17,600 to £50,300.

Compagnie Aramayo.—The accounts for 1922 of this Bolivian mining enterprise show a marked improvement in the profits, the total of 4,537,500 comparing with 1,847,850 in the preceding year. The directors intimate

that this result has been attained "notwithstanding the very unsatisfactory condition of trade generally and the small improvement in the price of the company's products." It has consequently to be inferred that there must have been a large expansion in the output, or a marked reduction in costs, or both. Doubtless further particulars will be given at the annual meeting; but some of them, at any rate, might with advantage be embodied in the report. With the assistance of a draft upon the carry forward a bonus of 10 per cent. is to be paid, making 35 per cent. in all for 1922; at the same time a third interim dividend of 5 per cent. on account of the current year will be disbursed. On the basis of last year's returns the shares (at 3½) give the by no means excessive yield of 10 per cent. The recovery in the Bolivian dollar has permitted the withdrawal of part of the provision made under the heading of exchange account.

Canadian National Railways.—The Board of the Canadian National Railways are to be congratulated upon publishing for the first time particulars, in their latest monthly statement for May, 1923, of gross and net receipts. The gross earnings amounted to \$21,830,532, an increase of \$2,723,862 as compared with May, 1922. Operating expenses were \$19,746,308, an increase of \$1,718,135. The net earnings at \$2,084,223 show an increase of \$1,005,727. The net earnings for the first five months of 1923 are \$696,386, against a deficit of \$2,551,295 in the first five months of 1922. There is, thus, an increase in net earnings of \$3,247,681 in the first five months of the present year. The present mileage of the Canadian National Railways is 22,680.

Oversea Correspondence.

UNITED STATES.—COMMODITY PRICES—ANTHRACITE MINERS' DEMANDS—COAL COMMISSION'S REPORT—SILVER EXPORT ASSOCIATION SUGGESTED.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 9.

WHILE commodity prices continued to decline in June as in the three preceding months, the downward trend was more pronounced and general than in any month since the great deflation of 1920 and 1921. The percentage of decrease in June was the heaviest reported since May, 1921, and all but one of the groups of commodities used for statistical purposes declined last month. Bradstreet's commodity price index number as of July 1st was \$13.0895, representing a decrease of 2.2 per cent. from June 1st, and of 6 per cent. from March 1st of this year, but it was 8.1 per cent. above July 1st of last year, and 23.2 per cent. higher than that of June 1, 1921, when commodity prices were close to their lowest levels. As compared with February 1, 1920, the July 1st number was 37.2 per cent. lower, but it was 50.2 per cent. above that of August 1, 1914. Of the thirteen groups of commodities figuring in the compilation, twelve declined, the most conspicuous reaction being in provisions, especially meats and hog products, pig-iron and non-ferrous metals like copper, lead and tin, textiles, hides and leather, live stock, oils, and miscellaneous products. On July 1st only eight products were higher than at the beginning of June, while 47 were lower, and 51 remained unchanged. As compared with a year ago, 64 commodities showed advances, 34 declines, and eight were unchanged.

Representatives of anthracite coal miners have submitted to the operators several amendments to the present agreement, which expires August 31st, as a condition to its renewal. The more important demands of the miners include a 20 per cent. increase in wages, abolition of the 12-hour day, recognition of the "closed shop" throughout union fields, and the introduction of the "check off" system. Officials of the miners' union have stated that, while their proposals have not been presented as an ultimatum, strong efforts will be made to induce the operators to grant the principal

demands as outlined above. Present wages in the hard coal industry range from \$4.20 to a maximum of about \$5.60 a day; the miners contend that their wages are much below those paid for similar work in other industries, and that they are therefore entitled to an increase, especially in view of the fact that there is a greater hazard in mining than in most other occupations. In support of their demand for full recognition of their union by anthracite operators, the hard coal miners point out that such recognition has already been given throughout the bituminous industry.

While anthracite miners and operators are holding joint conferences for the purpose of drafting a new agreement covering wages and other matters to replace the present contract, the United States Coal Commission has announced its conclusions after an eight months' investigation of conditions in the anthracite coal industry of this country. Although the report of its findings, just published, is described as only preliminary, the document contains more than 30,000 words. It deals entirely with the anthracite situation. The final report, to be made later, will cover both branches of the industry. Among the more important recommendations made by the Commission are those providing for Government regulation of the anthracite coal industry, and authorising the President to take over the mines, transportation, distribution, and marketing of hard coal in any national emergency that might be caused by strikes or the suspension of mining operations. The Commission expresses the opinion that anthracite coal is a limited natural monopoly, one-third of the deposits of which have already been exhausted, but the segregation of coal mines from railroads is so recent that the Commission is unable to say whether or not the natural monopoly of anthracite will be in restraint of trade. It takes the view, however, that such a monopoly, held by a relatively small number of individuals, estates, and companies, and supplying a necessity for millions of people, "cannot continue to be treated as if it were not affected by a public interest." The fundamental fact in the anthracite coal problem is that, heretofore, these limited and exhaustible natural deposits have been in absolute private possession of their legal owners to be developed or withheld at will, to be leased for such royalties as could be expected, to be transported and distributed at such rates and in such manner as a double-headed railroad and coal combination might find advantageous from the point of view of private profits. The Commission does not advocate abolition of existing property rights. It is opposed to Government ownership and operation of the mines. On the other hand, it insists that the secrets of the anthracite industry, its affairs and management should no longer be withheld from the public. In order to determine the effects of this natural monopoly upon consumers, the Commission recommends full publicity through annual reports submitted to some Government agency on forms prescribed by the latter. The Commission declares that the coal industry can be regulated federally, as are national banks and interstate railroads, without abandoning the efficient and economic principle of individual responsibility which goes with private ownership and management. In recommending that the President be empowered to deal with situations like that created by last year's coal strikes, the Commission says: "The President of the United States should be authorised by act of Congress to declare that a national emergency exists, whenever, through failure of operators and miners in the anthracite industry to agree upon the terms of employment, or for any other reason there is a suspension of mining operations, seriously interrupting the normal supply of anthracite fuel in inter-state commerce, to take over the operation of the mines," as well as the transportation, distribution, and marketing of the product, "with full power to determine the wages to be paid to mine workers, the prices at which the coal shall be sold, and, subject to court review, the compensation to be paid to land and mine owners." The report deals extensively with the rise in prices of anthracite to consumers, the increased cost of mining and distribution, living conditions among miners' families, wages and labour conditions in the hard coal industry.

Plans to form a silver export association, similar to the Copper Export Association, have been suggested by

Francis H. Brownell, vice-president of the American Smelting and Refining Company, to relieve the depression in the silver market caused by the discontinuance of silver purchases by the United States Mint under the Pittman Act at the fixed price of \$1 per ounce. Briefly outlined, the plan as proposed in a tentative way contemplates the bringing together of some of the largest silver producers, whose mines furnish about 70 per cent. of the world's output, and eventually other American producers would enter the association until approximately 90 per cent. of the world's silver production facilities would be controlled by the organisation. At the outset, the association would be capitalised at \$5,000,000 or \$10,000,000, with authority to increase the amount from time to time for exploitation purposes. The association, under the plan suggested, would not only interest itself in the sale of silver for coinage purposes, but would also seek to bring about a larger use of silver commercially. The organisation's income would be derived from a charge of 1 or 2 cents an ounce on silver mined, which would amount to \$1,750,000 or \$350,000,000 a year on the basis of current production. "One of the most important purposes" of such an association, Mr Brownell says in a statement recently issued, "should be to help restore the former use of silver as money, and to encourage its continuance by those still using it. The friendly co-operation of the chief financial interests of England and of the United States," he adds, "and the friendly attitude of each of those Governments must be obtained. The whole plan and purpose of the association should be to work along lines of co-operation, and without arousing antagonism, trade rivalries and political animosity."

FRANCE.—TREASURY DIFFICULTIES—PUBLIC DEBT—EXTERNAL OBLIGATIONS.

(FROM OUR CORRESPONDENT.)

PARIS, July 18.

CRITICS of the French Government have often complained of the difficulty that is experienced in ascertaining definite and detailed information as to the exact position of the national finances, and regret is from time to time expressed that no effort is made in this country to make public from week to week—or even from month to month—any statement corresponding to the clear statement published weekly by the British Government and every month by the Government of the United States. As matters stand at present, all who are interested in matters of this kind are compelled to rely upon the occasional statements made by the Treasury, or, which is more often the case, on the annual Budget statement, or else upon purely fortuitous and quite special declarations that are from time to time to be come across in Parliamentary papers or in official statements that seldom deal with more than one limited aspect of the national finances.

One reason for this, of course, is that in France there is no national system of bookkeeping, so far as the public accounts are concerned, as we understand the term in England. The French Treasury to-day, as complaints have often confirmed, is still suffering, like other departments of the French Government, from the fact that Napoleon, when he swept away, in reorganising the nation, a vast amount of the machinery that had done duty for centuries under the *ancien régime*, carefully—or perhaps unintentionally, and for lack of time to attend to the matter—conserved a great amount of old, *démodé* and entirely worn-out governmental mechanism that to-day is found to be absolutely a handicap in carrying on the work of the nation. This was admitted, indirectly, by the present Finance Minister, M. de Lasteyrie, some months ago, when he pointed out, in emphasising the necessity for an entire reorganisation of the Ministry of Finance, that it is to-day labouring under the difficulty of having to carry on the work of meeting the necessities of a Budget of well over 20 milliards with an organisation that was created to deal with an expenditure of a mere fraction of that sum. The drastic and complete reform and reorganisation of the French Ministry of Finance has long

been one of the most crying needs of the country, which all parties in this country admit to be necessary, but which—for reasons that are fairly obvious—it has so far been found impossible to take in hand.

In the absence of any other data, it is satisfactory to note that one of the most complete statements of the French public debt that has hitherto been available is to be found in a very interesting report that was recently drawn up by M. Louis Dausset on behalf of the Senate Finance Commission, in regard to the Finance Minister's Budget proposals for 1923, supplemented by the general report drawn up for the same Commission by M. Henry Bérenger. The figures set forth in these two documents may be summarised as follows:—

CAPITAL ACCOUNT OF THE FRENCH PUBLIC DEBT ON APRIL 30, 1923.

I.—FLOATING DEBT.	
	Francs.
Ordinary Treasury Bonds	2,364,732,000
National Defence Bonds	53,229,285,000
Bonds issued in Japan	51,600,000
Bonds handed over to British Treasury	14,993,930,000
Bonds handed over to Bank of England	1,387,100,000
Special funds belonging to general treasuries ..	365,625,000
Private current accounts at French Treasury ..	491,971,000
Other deposit accounts at Treasury	3,869,376,000
Short term credits in Spain	119,109,000
Do do Argentina	92,353,000
Do do Holland	114,565,000
Do do Uruguay	80,400,000
	77,159,746,000

II.—SHORT TERM DEBT.	
	Francs.
Ten-year National Defence Obligations	290,024,000
Five-year do	15,800,000
Six-year do	410,053,000
Obligations handed to Sinistrés (sexennial) ..	925,000,000
Ten-year Obligations handed over in payment of War Losses (Law of February 28, 1923)	10,024,000
Ten-year Obligations handed over to Banques d'Alsace-Lorraine	270,000,000
Two-year Treasury Bonds	3,054,700,000
Three to Five-year Treasury Bonds	8,232,124,000
Three, Six, and Ten-year Treasury Bonds	10,082,582,000
Loan of \$100,000,000 in United States, 1920 ..	466,376,000
Do \$100,000,000 do 1921	449,652,000
Loans to Lyons, Bordeaux, and Marseilles by United States	210,235,000
Advances by the United States Treasury	15,195,038,000
Obligations handed over to United States Treasury against war stocks sold to France	2,110,026,000
Loan issued in Japan	258,000,000
	41,979,634,000

* Provisional figures, which will be corrected later, when the final results of the issue of three, six, and ten-year bonds are known.

III.—PERPETUAL AND LONG TERM DEBT.	
	Francs.
5% Rentes, 1915 and 1916	19,452,682,000
4% do, 1917	9,070,989,000
4% do, 1918	21,064,960,000
6% do, 1920 (redeemable)	11,554,359,000
6% do, 1920	26,873,040,000
Commission on Obligations of State Railways ..	1,289,350,000
Credit National Bonds and Obligations	21,977,950,000
3% Rentes	19,740,455,000
Do (redeemable)	2,890,055,000
3½% Rentes (redeemable)	14,301,000
Capital of Annuities paid by State	7,707,990,000
Capital corresponding to Annuities Scrip handed to Sinistrés (Law of July 21, 1920)	6,754,955,000
	148,391,076,000

* The total amount of 5 per cent. Redeemable, 1920, Rentes borne on the records of the Treasury on April 30, 1923, amounted to 15,894,280,000 francs. Of this total, however, 4,339,921,000 francs was the property of the Treasury itself, which had either bought them in, for sinking fund purposes, on the Bourse, or had accepted them in payment of the special tax on war profits, or in exchange for new 6 per cent. 1920 Rentes. These four milliards odd will be extinguished only at the same time as the series to which they belong, but they are deducted from the total set forth in the table in order to show the real total of the public debt.

IV.—ADVANCES FROM BANKS.	
	Francs.
Bank of France	22,500,000,000

It should be pointed out that the amounts due to foreign nations are set forth on the basis of the franc at par. The figures set forth above, therefore (subject to the very material increase which would be necessitated if the franc were taken at the present exchange rates) represent the capital value of the French public debt on April 30, 1923, as 290,030,456,000, of which total 254,502,072,000 represents internal debt, and 35,528,384,000 represents the amount due to foreign nations.

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The proportions of the various categories of public debt represented by that owing to foreign countries are shown as follows:—

	Internal Debt.	Foreign Debt.	% of Foreign Debt.
	Francs.	Francs.	
Floating debt	60,320,689,000	16,839,057,000	21.8
Short term debt	23,290,307,000	18,689,327,000	44.5
Perpetual or long term debt ..	148,391,076,000	nil	..
Advances from banks	22,500,000,000	nil	..
Total	254,502,072,000	35,528,384,000	12.3

The total foreign debt owing by France is shown as follows (the amounts in this case also being set forth on the basis of the franc at par):—

	Floating Debt.	Short Term Debt.	Total.
	Francs.	Francs.	Francs.
United States	18,431,327,000	18,431,327,000	
Great Britain	16,381,030,000	16,381,030,000	
Japan	51,600,000	258,000,000	305,600,000
Spain	119,109,000	nil	119,109,000
Holland	114,565,000	nil	114,565,000
Argentina	92,353,000	nil	92,353,000
Uruguay	80,400,000	nil	80,400,000
	16,839,057,000	18,689,327,000	35,528,384,000

The fallacy of the above figures, of course, as M. René Thérý points out in *L'Economiste Européen*, is that, whereas the money in question was borrowed when the franc was not more than between 20 per cent. to 30 per cent. below par, the sum of something in the neighbourhood of 105,000,000,000 would now be required, at the present rates of exchange, to pay off the debt France owes to her foreign creditors.

GERMANY.—FINANCES—"VALORISATION"—EXCHANGE AND BOURSE—SHIPPING.

(FROM OUR CORRESPONDENT.)

BERLIN, July 14.

MR BALDWIN's statement of British policy in the Reparations and Ruhr questions was well taken here, but not much hope is felt as to a speedy settlement. It is assumed that the last German offer of guarantees will form a part of the British proposals which are to be submitted to the other Reparations Powers, but it is naturally expected that the proposals will go considerably farther than Germany's, and that, in particular, some kind of more advanced financial control than was accepted by Germany last year will be insisted on. In view, however, of the German belief that France and Belgium will accept no plan which involves immediate or speedy Ruhr evacuation, the real question of interest here is what will be British policy in the event of an agreement with France not being attained. As long as the Cuno Cabinet's declared intention of making a Reparations settlement dependent upon a Ruhr settlement is adhered to, German policy necessarily remains passive, for it is certain that German measures so far have had the effect of only stiffening French determination, and that throws the whole question of a settlement into English hands. The effect of this attitude upon German financial policy is not good. The Government, though it does not formally declare so, acts, or rather delays action in this vital matter as if nothing whatever

counted as long as the great international question is not settled. The policy is very like that pursued by belligerents during the War—win the war at all costs, meantime ignore everything else, which policy, as Germany later discovered in the matter of war finance, is reasonable only if one really wins.

No attempt will be made to grapple with the State-financial question until the Reichstag reassembles. The attitude of expert Germans to this unnecessary delay is very curious, if in a way reasonable. The next few months, it is admitted, will see a further collapse of taxation, enormous deficits, an enormous accumulation of debt, and enormous further inflation. It is estimated that at a minimum the note circulation must increase by 10 billion marks per month, probably much more. The inexperienced German who does not understand the nature of these transactions is healthily frightened, newspapers, for instance, printing each new record of debt accumulation or circulation increase with notes of exclamation. The expert German, however, often declares that it matters nothing; the debt is not real, or if it is real it is decreasing, not increasing; the inflation is not real, because it implies no liability by anyone; and if three months hence the debt has increased fifty-fold and the inflation forty-fold, nothing will have happened that represents real deterioration; it will be just as easy to scale down, denominate, and, in fact repudiate with figures running into hundreds of billions as into tens of billions; the Budget will have been quite as effectively balanced with notes as with taxes; and as for the social process at cost of which this is done, that process has been going on for years, the nation has adapted itself, and so on. Probably were there a prospect of full financial reform and currency stabilisation, experts would not talk in this way, but there is no such prospect, therefore a little more or less—and every additional billion really means less, not more—matters little. The Government long ago ceased talking of the possibility of a sudden crash as the outcome of State-financial or currency conditions, and as there is to be no crash, and as the present system, if not satisfactory, is extremely easy to work, reform can remain over for a few months, or better, until the Reparations question is settled.

This is the way in which expert Germans talk in private. In public there is still praiseworthy zeal for sound finance and stable currency, and projects come from every official quarter. The Reichswirtschaftsrat, which consists entirely of experts, this week passed unanimously a resolution containing a whole programme of reform, mainly by means of the now favourite "valorisation," or automatic adaptation of all paper mark claims to the currency on a gold or some other index basis. The Reichswirtschaftsrat's programme practically proclaims for universal gold calculation, though it sometimes speaks of internal "currency depreciation," meaning the rise in paper mark prices. The resolution declares that income-tax advance payments should be fully adapted to the depreciation; that tax assessments should be "valorised" (expressed in gold, or on a price basis) on the assessment date, and increased according to the currency fall between assessment and payment dates; that taxes on consumption should be assessed as percentages of sale prices; that credits by the State should be calculated in gold and bear gold interest; and that railway, post, stamp duty, and other charges should be "valorised." The Ruhr struggle should be financed by supplements to existing taxes, and by raising a "valorised" loan, i.e., subscribable in paper marks, to be credited and repaid on a gold-calculation basis. The Reichsbank should cease giving pure paper credits, and should "valorise" them in gold, should discount bills on this basis, accept paper mark deposits on a gold basis, and give its guarantee for a funded "wertbeständig" loan (presumably also on a gold basis). Finally, universal gold calculation in trade and in money is recommended, and is declared to be necessary before wages on a gold basis can be paid. "Universal and avowed" introduction of gold calculation is, in fact, recommended.

This plan, of course, is only an extension of what is taking place already, officially and privately, and sometimes in violation of the law. The Prussian Diet last week considered a Bill providing for adaptation of taxes to the currency depreciation by Ministerial order. Export duties will henceforth be assessed in gold, and paid in paper

marks equal in value to the gold assessment. It is not likely that the Reichswirtschaftsrat's comprehensive programme will be put through by one legislative act. Apart from technical difficulties, the objection of principle is still raised that such a measure would accept indefinite currency depreciation as inevitable, but this objection is not quite reasonable, because it is certain that the Budget (Reparations apart) could be very easily balanced were the State as permanent creditor saved from the chronic loss of taxes, and stoppage of inflation together with the international effect of restored finances ought to prevent any further mark exchange drop. At present one may almost say that no taxes at all are coming in; despite the rapid fall in the mark's value, and despite the fact that the nominal yield of some taxes (e.g., Customs) does rise in accord with the mark's fall, the whole nominal revenue has of late actually fallen off, and its gold value has fallen off to a fraction.

The reports for 1922 of the Deutsche and Dresdner Banks show the same inflation of all figures as the reports summarised last week of the Disconto and Darmstadter. The Deutsche Bank reports gross profits of 23,679 million marks, against 1,159 millions in 1921, net 5,949 millions, against 278 millions, dividend 300 per cent., against 24 per cent. The bank adds 3,000 millions to reserve. Present capital and reserve total 6,050 millions, of which 800 millions are capital. The Dresdner Bank's gross profits were 12,223 millions, against 831 millions, net 2,621 millions, against 207 millions, dividend 200 per cent., against 16 per cent. Capital and reserve total 970.5 millions, of which 550 millions are capital. Capital of all seven chief banks (four "D" banks, Commerz und Private, Berliner Handelsges., and Mitteldeutsche, the National Bank being now amalgamated with the Darmstadter) was increased in 1922 by 1.4 per cent., reserves by 3.6 per cent. The clearings of some of the banks are not reported; where reported they vary between 7.4 and 9.5 fold those of 1921, the Deutsche Bank's, the largest, being 19,383 milliards.

Money is getting tighter. The banks refuse to advance money for purchase of securities, and only unwillingly grant commercial credits; but the disproportionate rise in stock quotations, taken with the great Bourse activity, has put a strain on the market. The Bourse is, on the whole, very firm, though it opened dull on the last day of the week.

Shipping in Hamburg now seems to be permanently above pre-war records. Arrivals in June totalled 1,313,270 net tons, departures 1,403,817 tons; first six months of 1923 arrivals 7,517,312 tons, against 6,927,560 tons in the same half of 1913, departures 7,662,650 tons, against 7,063,147 tons. The Prussian law of this year restricting (in practice forbidding) purchase of real property by foreigners has been declared by the Berlin Landgericht II. to be invalid, in so far as it applies to citizens of countries signatory to the Peace Treaty, and in some points invalid when applied to other nationals. The whole law, as German jurists long ago pointed out, is forbidden by the Federal Constitution.

NORWAY.—STATE FINANCE—GREENLAND—BANKING—BUDGET.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, July 10.

THE Storting has sanctioned the raising of a loan of 250 million kroner, and left the details of the transaction in the hands of the Government. The sum borrowed will chiefly be used for repayment of floating debt. A project has been put forward to make the loan to some extent a lottery loan, but as there is in the country a rather strong feeling against lotteries, that project seems to have small chances. About 18 years ago a fund of 40 million kroner was established which was to remain untouched, and only held for very great emergencies of the State. The sum was placed in some of the then very safest public bonds. In process of time the value of these bonds has greatly deteriorated, the consequence of which is that the 40 millions has now dwindled down to rather less than 24 million kroner. Under these circumstances, the Government propose, and the Financial Committee recommend to the Storting,

ing, to realise the fund and revoke the Act establishing it as a special fund. No doubt the Storting will resolve accordingly.

Some difference of opinion has lately taken place between Denmark and Norway as to certain relations of Greenland to these two countries. Greenland, as may be remembered, for hundreds of years was considered as belonging to Norway, but in 1814 came to Denmark, when the union between that country and Norway was dissolved. The proprietorship of Greenland is of importance in regard to the fisheries, and it is on that score that the differences have arisen. A Select Committee of the Storting has reported, very lucidly, on the question, on the basis of which the Government, with the sanction of the Storting, have invited Denmark to a conference on the question. No doubt the invitation, made in the most friendly manner, will be accepted in a similar spirit, and as the two peoples are, and certainly reciprocally wish to remain, on friendly terms, nothing but good could result from such a conference.

At the turn of the half-year the position of the Bank of Norway was rather strained. But already the position is easier, the circulation having during the first week of the second half-year been reduced by more than three millions, and the account for loans and discounts during the same period has been reduced by five millions. The business world is looking forward to a lowering of the discount rate (now 6 per cent. since May 2nd), though, especially in view of the recent raising of the English rate, any such hope may for the present be falsified.

The unrest that has taken place among the public with regard to the safety of the banks since the difficulties experienced in the early spring by some minor banks, and two of the large ones, has gradually subsided. Rumours and talks which have left the other big banks alone have, however, been busy with one of the very biggest—Den Norske Handelsbank. The face value of its shares, Kr.200, at one time rose to much over Kr.400, but were recently sold at Kr.112.50. The board have now issued a circular to the shareholders setting forth the position of the bank, which, according to this statement, is very healthy. There can hardly be any doubt that the position of the bank will be much strengthened by this straightforward statement, signed by a number of highly-respected and well-known men.

The State Budget—that is to say, the ordinary Budget—has now been fixed by the Budget Committee at a gross total of 499 million kroner. The extraordinary Budget, to be covered by the above-mentioned loan, is well above 50 millions. These figures represent very large reductions as compared with preceding years.

CANADA.—PROROGATION OF PARLIAMENT—C.N.R. CONSTRUCTION PROGRAMME—THE RAILWAY SITUATION.—FINANCE—UNION BANK—CROP REPORTS.

(FROM OUR CORRESPONDENT.)

OTTAWA, July 2.

PARLIAMENT was prorogued on June 30th, to the general relief of the country, as its performances had been singularly uninspiring and unprofitable. The supineness of the Ministry in face of pressure of members for railways and public works in their constituencies and the incapacity or unwillingness of Parliament to check dangerous extravagance were abundantly demonstrated in the closing fortnight of the session, when there were tabled supplementary estimates totalling nearly 15 million dollars and a programme of new construction for the Canadian National Railways which called for an expenditure of almost 28 millions, spread over three years. Many of the supplementary estimates appeared to be planned to further political ends, like the winning of impending by-elections. The general impression is that Mr Fielding, knowing his official life is nearing an end, has simply thrown up his hands and allowed Liberal members to raid the Treasury at their sweet will. The Progressives, who were pledged to drastic economies, had been placated by liberal promises of branch railways in the West, and offered no adequate resistance to this plundering. Luckily the Conservative majority in

the Senate, emboldened by the victory of their party in Ontario, came to the rescue of the country and killed the Bill sanctioning the new C.N.R. programme. At a time when the country is overwhelmed with its railway burden, and the C.P.R. is spending practically nothing on new construction, it was difficult even for the Government to defend.

Sir Henry Thornton, the president of the C.N.R., has since his arrival rather captivated the imagination of the Canadian people by his energetic industry and by the boldness of some of his moves, and his political gifts win admiration in a country where these are highly appraised. His consolidation of the Grand Trunk with the rest of the C.N.R. system was promptly accomplished, and in the last six months he has undoubtedly managed to infuse a new spirit into the management of the State railways. Shippers report that on many routes where the two lines compete the C.N.R. is actually giving a quicker and more efficient service than the C.P.R.; the traffic returns since January 1st seem to bear out this contention, for while the C.P.R. gross traffic returns show a very meagre gain the C.N.R. increase has been averaging 14 or 15 per cent. per month. But the extra operating expenses of the C.N.R. seem to have eaten up most of the increase, and it is doubtful if the end of the current year will see any diminution of the appalling deficit. There is, moreover, a fear that Sir H. Thornton's bold imagination is inimical to any idea of economical management; it is stated in Montreal that the overhead expenses of the headquarters of the consolidated system will easily exceed the joint parallel charges of the old system. Mr Fielding admitted on June 28th, before the Senate killed the C.N.R. programme, that the demands of the railways on the Treasury for the current year were about 116 million dollars. On this basis Sir Henry Drayton, the ex-Finance Minister, calculated without contradiction that the total expenditure of the Federal Government for the current year would reach 548 million dollars, which is at least 150 million dollars beyond the most optimistic estimates of the revenue. The Senate in its final debate took a very serious view of the situation. Sir Edward Kemp declared that taxation had paralysed industry, and that the Government did not understand the meaning of the word economy; Senator Turritt, a Progressive, said that in his long political career the estimates had never been so glaringly political in character, and that unless a halt was called bankruptcy was inevitable. There is a growing consensus of opinion among intelligent people that Canada has known no more feeble and incompetent Government than the King Ministry, and its position is bound to grow steadily more humiliating. Lacking a clear majority in the Commons, and outvoted in the Senate, it has only been able this session to pass one major measure, the revised Bank Act, and while the Redistribution Bill has been jettisoned, a number of other measures have been slaughtered by the Senate amid general approbation. Perhaps its best Bill has been the measure placing the control of freight rates on the inland waterways under the control of the Board of Grain Commissioners, which is reinforced by another Bill giving the Cabinet power to suspend the Canadian coastal laws.

The Government secured power in the closing days of the session to establish by Order-in-Council an embargo upon the export of all pulpwood, whether cut upon crown or private lands. The measure, while supported by the Conservatives, was strongly opposed by a number of Liberal members from Quebec, who argued that settlers in the new regions often maintained themselves during their pioneer struggles by cutting and selling pulpwood, and that if they were left to the mercy of a ring of local mills they would soon find prices lowered. Against this it was contended that the increasing number of Canadian mills provides a constantly expanding market for pulpwood at home. But the most powerful argument was that of conservation, for the rate of the depletion of Canadian forests is gradually creating a situation where reforestation on a vast scale by the State will be necessary if the supply of raw material for the lumber and pulp and paper mills is to be maintained. However, it seems probable that the Government will exercise great caution before they put the embargo in force, and they

intend to appoint a Royal Commission to examine the forestry situation. What is feared in many quarters is that if this embargo, which is bound to hurt American paper mills and incidentally American newspapers, is put on, there will immediately commence in the United States a vigorous campaign for an embargo on anthracite coal. It was threatened last winter with considerable excuse, but was averted by the efforts of Mr Hoover. It would suit certain coal-mining interests in Canada, but would cause enormous inconvenience and possibly hardship in Ontario and Quebec.

A gleam of comfort, however, comes from a gratifying increase in the customs and excise revenues, which for June are \$10,701,205, as compared with \$7,009,929 for June, 1922. For the first quarter of the current year the parallel figures are \$73,273,080 and \$58,953,971. The main source of increase is in the excise taxes, which are up 11½ millions in the quarter, and the chief factor in it is the change in the method of levying the sales tax, which, however, while it may add to the revenues, cannot fail to increase the cost of living once its full effects are felt.

On June 24th Mr Forke, the Progressive Leader, raised the question of the position of the Union Bank, but the only result was to give Mr Fielding an opportunity of giving a certificate of character to the bank, and commending the courageous action of his directorate. He also admitted that the difficulties of the bank had been made known to him some time previously. The bank's stock, which steadily weakened after the disclosures, has been moving upward lately, and is now at 113.

The *Manitoba Free Press* has now published its third crop report, and its general tone is as optimistic as that of its predecessors. Replies received from 285 points in the prairie provinces indicate that in the past fortnight the grain crop has made rapid progress, and that abundant rains have fallen in practically every district of the prairies to guarantee sufficient moisture. Severe hailstorms have occurred in some places, but the accruing damage has been local and on a small scale. The rains have also served to check plagues of grasshoppers and cutworms, which threatened to afflict certain localities, and they are now unlikely to do much harm.

The stock markets have been reflecting the continued weakness of the New York market, and many issues have touched their lowest levels for the year. Both wholesale and retail trade is moderately good, and the sale of seasonable summer goods, which was held back by the continued wet weather, is now making up for arrears. But many businesses report that although their turnovers are satisfactory, the results are disappointing. The good crop reports have produced a decline in grain prices in Winnipeg, which alarms the farmers.

ARGENTINA.—PUBLIC FINANCE—THE B.A. LOAN—FRESH BORROWING—MONEY RATES—PRICES.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, June 21.

ARGENTINA'S astonishing natural vitality and productivity are responsible for the generally accepted belief in local commercial circles that the apparatus of Government is more or less a luxury, which the nation can well afford but need not take seriously. Hence the wide gap between the business world and the politicians, not only in national but also in provincial and municipal matters. The course of events is, nevertheless, forcing public opinion to realise that with the finances of the nation, the province of Buenos Aires, and the Federal capital, all more or less dependent upon large loans in the present and increased revenues in the future for their post-war adjustment, a better understanding and a bridging of the gap must be found without delay. In the Chamber of Deputies the expenditure authorised by the Budget and Finance Committee has received sanction. Discussion of the additional duties and taxes which are to balance the extra two hundred million dollars paper to be spent in 1923 is only beginning, which means that unless extraordinary measures are taken the sanction of external borrowing and internal consolidation of the floating debt must be postponed *sine die*. How far the trifling filip to exchange given by the recent £2,500,000 London loan has helped to clear the air may

best be gathered from the statement that when the present month-end liabilities of the Government for debt service are met, and past advances repaid—allusion is made to the £500,000 lent by the bankers to meet April coupons—there is scarce £200,000 in hand. Half the year has gone by, affairs are no whit further advanced in the matter of consolidation of the floating debt than they were in January, and, nevertheless, new Government projects include an outlay of some thirty million dollars on modernising the fleet and renewing army equipment, more particularly the artillery, more railway extensions, which will call for three hundred millions, and a small trifle of twenty millions wherewith to install distilling plant for the treatment of Argentine oil. None of these things has yet been treated in Congress, and they are here mentioned rather as evidence of the trend of official thought than as likely to be put into active execution in the near future.

Meanwhile, the uncertainty prevailing with respect to the customs charges, combined with the growing doubt as to whether the Government will be able to put its plans for debt consolidation into such shape as may meet with Congressional approval, is handicapping all import business. Indeed, it is not too much to affirm that though exporters are apparently profiting by the depreciation in Argentine exchange, a profit which they share to some extent with the producer, they also are affected in a general sense by the present position. As *La Prensa* recently showed in a leading article entitled "The State of the Nation's Credit," it is incorrect to consider that the actual issue of the £2,500,000 Port Works Bonds so speedily taken up in London at the beginning of June was made at 86½, the net yield from an Argentine standpoint being but 78½. Indeed, this journal, which is locally known for its sound financial views, goes further, saying that if one includes in the calculation the fact of gold being at a premium, and that Argentina, though receiving notes, binds herself to repay in gold thirty years hence, the rate of issue is but 72½ by the time one has taken into account the 5½ months of the first coupon, the 2 per cent. tax collected by the British Government, the 4 per cent. commission and charges, and a 7 per cent. difference between paper and gold. Fanciful though the last item may be, it nevertheless may affect the final settlement, and the rather ingenuous outburst of the heckled Minister of Finance who, when tackled on this point, said: "God alone knows how our dollar will stand in relation to the pound sterling thirty years from now," did not cause a favourable impression either within the Chamber or in private financial circles. *La Prensa* affirms that the Minister seems to think that his sole presence suffices to restore the public credit. He has not taken into serious consideration the need for reducing expenditure, suspending public works, and refraining from new enterprises until such time as the consolidation of the floating debt is fully assured.

Creation of further debt wherewith to redeem earlier commitments, plus something for immediate needs, is the outstanding feature of the recently sanctioned Municipal Public Works loan. \$167,000,000 Argentine paper, or its equivalent in sterling, gold dollars, or U.S. dollars, will be sought on an issue, by series, of bonds of the Municipal Debt at a rate not below 94 per cent. issue price, with 6½ per cent. maximum interest and 1 per cent. cumulative amortisation. Municipal Works classed as of primary importance, and payable out of the first series, which is to be for \$100,000,000 Argentine paper, or its equivalents aforementioned, would take forty million dollars, and the balance goes to redemptions; as for the subsequent series—and the works remaining to be completed—they would be issued when the Municipal Council saw fit to do so. The yield promises to be attractive to investors, and if it be true that the United States bankers are already interested there is nothing more to say. Municipal works in Buenos Aires have not been conspicuously cheap in the past, but the total municipal debt of the city is to-day under \$150,000,000 Argentine paper, and the revenues of the city are steadily increasing, so from a financial standpoint no great objection can be raised. It will be ratepayers' business to see that the money is profitably spent, once it has been obtained.

Borrowing is indeed the theme of the moment, and the

position of the National Mortgage Bank, now lent up to the hilt and applying for leave to issue a further five hundred million dollars paper in Cédulas, has during the past month engaged considerable attention. Constituted as these popular bonds are by first mortgage on producing properties, with their interest and amortisation also carrying the guarantee of the National Government, their sale on behalf of would-be borrowers who, on favourable despatch of their application, are handed Cédulas to the nominal value of the advance authorised, has been an easy matter for several years past, and is now effected at or near par, the interest being 6 per cent. and the amortisation 1 per cent. per annum, cumulative. If, however, authority is given to the bank to extend operations until half as much again has been added to the Cédulas on the market—for the present limit is a thousand million—how will this affect the plans for debt consolidation? Nobody can give more than a speculative answer to this question, and meanwhile two views are to the fore, one of which holds that it is the duty of the Government, i.e., Congress, to sanction the extension in order that the influx of foreign mortgage concerns may be discouraged, and the interest payable on such forms of accommodation remain in the country.

Meanwhile, the local money market shows little alteration as regards rates for loanable capital. Short-date obligations of the Government are renewed at 4 per cent., but 6 to 7 per cent. is obtainable by banks for first-class single name advances, though as low as 4½ for commercial paper with unquestionable endorsements is recorded. Exchange has been variable throughout the month. Sterling rose to 42½ at the mid-month, while the U.S. rate fell to 122. The loan negotiated in London having taken the Government off the market for end-June remittances explains the slight recovery of the Argentine dollar, but already this flash in the pan has expired, and sterling closes (June 21st) at 42d cable remittances and 123.90 U.S. Continental currencies have, however, declined a trifle, French francs being 12.97, Belgians 15, and lire 17.75. Unless news of an important foreign loan definitely closed in London and/or New York is near, further depreciation of the Argentine dollar expressed in sterling and U.S. may be looked for. There is much money still to be remitted, and but little export paper likely to come on offer until September-October brings the first wool bills into the market. Cereal quotations show falling prices for wheat, spot quotations for 80 kilo export grain in Buenos Aires being \$11.40 Argentine paper with \$11.55 for July-October deliveries quoted in the Futures market. Maize is unchanged from last month at \$11.45 spot, and linseed, after considerable speculation, closes a shade higher on the month at \$21.65. The improvement in freights has not been maintained, the market lacking animation, and latest fixtures being in the neighbourhood of 21s from Bahia Blanca to U.K./Cont., and perhaps 22s 6d from San Lorenzo (up river). Little general cargo is offering, and berth rates have fallen all round, a partial cargo of 5,000 tons, Rosario to Dunkirk, having been taken at 19s.

JAPAN.—RUSSIAN TRADE—SAGHALIEN—RELATIONS WITH THE SOVIET.

(FROM OUR CORRESPONDENT.)

TOKYO, June 10.

JAPAN'S failure so far to reach an understanding with the Soviet Government at Moscow is regarded in commercial circles as a great blow to trade between the two countries. As the principal industries of Siberia are agricultural, they have not been permanently injured by the Bolshevik revolution, and consequently Siberia can supply Japan with these products, while Japan can export much-needed manufactures to Russia. Japan's pre-war trade with Russia did not amount to more than 6,000,000 yen in annual value, Germany then taking the greater part in Russia's trade; but in the first year of the war Japan's trade with Russia jumped to 10,000,000 yen in annual value, and the following year to no less than 78,000,000 yen, and in 1916 to as much as 117,000,000 yen; while American trade with Russia for the same

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period rose from \$40,000,000 to \$300,000,000, as a result of the war demand and the cessation of German trade. Now that America has practically withdrawn from trade with Russia, the field is open to Japan, if only satisfactory relations can be established between the two Governments. At present Japan's trade with Russia does not total more than 14,000,000 yen, the figure for 1921.

In the old days Japan's chief exports to Russia included copper, bronze, zinc, leather goods, medicine, woollen and cotton textiles. Since the revolution the main items of export from Japan to Russia have been cotton textiles, woollen cloth, medicine, shoes, knit goods, liquors, and paper. Japan can also send rice, sugar, tobacco, and porcelain. From Russia, Japan wants timber, fish, ores, hides, and agricultural produce. There are, however, various other items of great economic interest. Between Harbin and Vladivostok, along the line of the Chinese Eastern Railway, Japan has opened up flour mills, saw mills, bean oil presses, brick kilns, electrical and engineering enterprises, involving in all not less than 25,000,000 yen in capital; while the output annually from paddy-fields exploited is equal to about 15,000,000 yen. All these interests will decline if the present relations between Japan and Russia prevail. From the Japanese concessions in Siberia, timber to the annual value of 6,000,000 yen is imported; and Japan's fishing concessions in Russian waters have to be protected, these having an annual value of about 50,000,000 yen.

The question of Saghalien, also, is one of immense importance to the Japanese. From the beginning of Japanese history this valuable island was regarded as part of the Japanese archipelago, but through Russian threats and trickery Japan was finally deprived of it. Half of it was regained at the Portsmouth Conference at the close of the Russo-Japanese War, but Japan will never be content until she has the whole. After the massacre of 700 Japanese at Nikolaievsk in 1918, Japan occupied the northern half of the island, still holds it, and will continue to do so until the Soviet agrees to provide redress for the massacre. Japan would like to buy the northern half of the island, but the Soviet is obstinate not only in refusing this, but in declining to accept responsibility for the debt of 300,000,000 yen contracted in Japan by the former Imperial régime of Russia. Saghalien has valuable deposits of coal and petroleum, as well as extensive timber limits and furs. Japanese mining companies have already spent over 3,000,000 yen in prospecting there, while the Imperial Government has spent no less in subsidies for developing the resources of the island.

Such are some of the considerations that render Japan's relations with Russia of paramount importance to her at the present time. It is probable that Japan will insist on protecting her interests in Russia, no matter what attitude the Soviet authorities may assume. The demands of Japan to which the Soviet has not yet agreed are as follows:—(1) That northern Saghalien shall be sold to Japan, or concessions in that territory be given to a Russo-Japanese syndicate; (2) that the question of Russia's foreign debt shall be divorced from the question of recognition of the Soviet, and left to international agreement; (3) that Russia shall indemnify Japan for the Nikolaievsk massacre; (4) that Japan shall be left to name the date for evacuation of Saghalien; (5) that ratification of the Russo-Japanese treaty shall be a sufficient recognition of the Soviet, without any formal declaration.

Letters to the Editor.

CREDIT CONTROL AND UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I agree with Mr Mason that "a sound financial system at home" is required, also that when this has been secured it will not only find full employment for our home population, but will gradually lead to peace abroad. The sound financial system advocated by Mr Mason is, however, one of further currency contraction "until parity of exchange has been re-established with America and other gold standard countries." If the full employment of our people is to be postponed until this result is achieved, the position is indeed deplorable.

It is now over two and a-half years ago—shortly after the recommendations of the Cunliffe Commission, which Mr Mason so heartily supports, came into operation—that the Chancellor of the Exchequer elect, addressing the shareholders of the London Joint City and Midland Bank, stated:—

"The declared policy of monetary deflation is a public warning to the trader that he must be prepared to lose on every contract for the future delivery of goods. Owing to the general fall in prices, the market price of the goods when he gets them will be lower than at the time when his contract was made. A policy of gradual monetary deflation, but deflation so guarded as not to interfere with production, is a policy impossible of execution."

This policy has been in force for nearly three years, and has been pursued, not only by reducing the volume of currency notes in circulation, but also by the paying off of Treasury bills held by the banks, and so reducing their deposits. The result of such policy may raise the exchange value of the British pound in relation to the United States dollar, but this result is only brought about by increasing the value of the pound in terms of goods, in other words, by "forcing traders to lose on every contract for future delivery." A policy of deflation not only restricts production, but also brings about a decreased demand for the product.

No one desires, or even suggests, that a policy similar to that adopted by Germany, or Russia, or Austria should be pursued in Britain, nor can I see any reason for the suggestion that this was put forward by Mr Pell. It must be conceded, however, that the policy of deflation has gone at least far enough, that it has ushered in a period of trade stagnation, an unemployed problem which threatens to be permanent, and an agricultural depression of severe magnitude. The continuance of such policy must make matters worse, its abandonment can only be serious to one section of the community—the banking and financial interests so ably championed by Mr Mason—and even these will not suffer unduly.

No credit control can possibly be effective under an unstable currency system, liable to fluctuations in value from discretionary action at home or irresponsible interference abroad. What is wanted is an independent inquiry into the whole question with a view to the selection and establishment of a standard by which currency issues should be regulated so as to avoid inflation on the one hand or deflation on the other. Stability of internal prices would thus be assured, and an impetus given to production which would go far in reviving industrial and commercial prosperity.—Yours faithfully,

WM. G. RENWICK,

General Secretary, National Currency League.
7 Queen street place, London, E.C. 4,
July 18th, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In a letter printed in your number of June 30th, Mr C. E. Pell expresses the idea that the unemployment problem can be permanently abolished by pursuing the policy of inflation until such time as all the unemployed are absorbed and then stabilising prices at the higher level.

This idea seems a very simple solution of the unemployment problem, which is the most serious one in all coun-

tries which are trying to get back from post-war money troubles to pre-war stabilised conditions.

But I should like to point out that the question of unemployment seems to be substantially connected with the state of consumption. By the war, and especially by the policy of inflation pursued by so many Governments, whole classes of people have been completely ruined and so forced to restrict their consumption to the utmost possible degree, and limit it to the things most necessary for life. The few who became very rich by the shifting of material property representing the real wealth of nations which was caused by inflation cannot consume so much as is necessary to maintain the industry of the whole world.

Were the consumption of the world not diminished, but progressing in quantity and quality, as it was before the war, the demand would bring prices up to such a level that it would be necessary to increase correspondingly the supply.

As long as the consumptive power of the whole world is restricted, only such part of the world's industry is working which is sufficient to meet this restricted demand, and it is natural that in the first place that industry is working which can sell at the lowest prices.

This cheapness of products is very often attained not, as in normal conditions was the case, by lowering the cost of production, but by the fact that the currency, which is artificially being inflated, loses gradually its value in relation to material wealth and to the currencies of the States where inflation is taking place not at all or more slowly.

As it is proved by the development of things in the countries where inflation was used, inflation is restricting the buying power of whole classes and thus limiting the demand of the country itself. On the other hand, inflation acts as an export premium for every exported commodity paid to the producers at the cost of those who possess no material things, but only obligations expressed in the inflated currency, and at the same time as an import duty which becomes higher as inflation progresses.

The country which would try to procure business to its factories by inflating currency could do so only at the cost of other countries with uninflated currencies, and if all countries begin to solve the unemployment problem by this artificial means, a world-wide competition in inflation would necessarily arise. And the result would be the ruin of the consumptive power of mankind and unemployment all over the world.

It is not by artificial means of currency inflation or deflation that economic problems can be solved; that can be done only by helping the natural economic forces which try to bring back the equilibrium to the disturbed conditions; in our case it means that the unemployment can be dealt with only by raising the demand for manufactured goods, which again can be attained only by increasing the consumptive power of the largest classes of mankind.

DR J. HRASE,
Prague-Zemská Banka.

Prague, July 9th, 1923.

BONDHOLDERS AND THE TURKISH DEBT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your notes of the week of July 12th you state that "the bondholders were anxious that the Treaty should incorporate the decree of Mouharrem, by which the Ottoman Government regulated its relations with its creditors more than forty years ago."

As a member of the Turkish Bondholders' Committee in 1903, when the Turkish 4 per cent. Unified Debt was finally settled, may I be permitted to say that the bondholders, so far, have not moved in the matter.

Since the war we have received in 1921 and 1922 over four and a-quarter millions in sterling in part payment of coupons from 1914 to the end of 1922, together with scrip certificates for balance of unpaid coupons. The only coupon in arrear is that for March, 1923. So far, it does not seem reasonable to assume that the Angora Government intends to abrogate a decree and interfere with the Council of Administration of the Ottoman Public Debt, which has for so many years rendered invaluable services to the Imperial Ottoman Government as well as to the bondholders.—Your obedient servant,

London, July 19th, 1923.

G. S. PAWLE.

MEXICAN OBLIGATIONS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—From the letters which are being received from debenture, preference, and ordinary stockholders, it is obvious that considerable misapprehension exists as to the scope of the agreement made by the International Bankers' Committee with regard to the debts of Mexico.

These stockholders generally assume that this agreement includes provisions for dealing with the claims of the Interoceanic Railway of Mexico (Acapulco to Vera Cruz), Limited, the Mexican Eastern Railway Company, Limited, and the Mexican Southern Railway, Limited, upon the Mexican Government, but as this is not so, we are instructed to state that, although every effort was made to get the companies' claims included when the negotiations with the Mexican Minister of Finance were taking place in New York in May of last year, these claims were not provided for.

For nearly five years the directors have been continuously pressing the Government of Mexico to deal with its indebtedness to the companies, but without avail. In January last, at the invitation of the Mexican Government, a special commission representing these three companies visited Mexico City to negotiate a settlement, but no reasonable or definite offer was obtained, and the commission returned to England.

It will be remembered that in August, 1914, the Mexican Government took possession of these railways, which represent a total capital of more than £9,000,000. The Mexican Government is still retaining these British properties. For nearly nine years the companies have been deprived of the whole of their earnings, and have received no compensation from the Government in respect of its occupation. The laws of Mexico, under which the railways were seized, prescribe the basis upon which compensation is to be calculated, and the companies' claims for loss of earnings alone amount to upwards of £3,500,000. The Mexican Government, however, appears to be unable or unwilling to honour the obligations by which it is bound by its own statutes, nor does it even offer any reasonable basis of compromise.

Meanwhile, it has not been possible since 1914 to pay any interest to the debenture stockholders, while the capital value of all classes of stock has in consequence become greatly depreciated.—Yours faithfully,

N. STUART (Secretary, the Interoceanic Railway and the Mexican Eastern Railway).

THOS. LINTON (Secretary, the Mexican Southern Railway).

London, July 19th, 1923.

Books and Publications.

CURRENCY AND THE TIME FACTOR.

THE Pollak Foundation for Economic Research, which has already published Professor Irving Fisher's *The Making of Index Numbers*, has now issued as a second volume *Money*, by William T. Foster and Waddill Catchings, in which the authors essay a preliminary discussion of "the core of economic theory."* The work professes to be only introductory, and to deal with some of the larger aspects of monetary phenomena, the significance of which appears to be overlooked at times in discussions of business problems and reform programmes. No panacea for social ills is offered, but a promise is held out that in subsequent studies, based in part on this volume, the Pollak Foundation will have something to put forward in the way of concrete proposals. Nevertheless, this preliminary discussion is in no way elementary; in their 368 pages the authors have produced a study as careful, painstaking, and up-to-date as any prolegomena to economics ought to be. The touch of inspiration is perhaps lacking, but

* "Money." By William Trufant Foster and Waddill Catchings. Houghton Mifflin Company, Boston and New York. \$3.50.

the views presented are sound and the expression is lucid.

The importance of stability is recognised to the full. "Inflation and deflation; neither of these monetary diseases is a cure for the other. Both are disastrous—morally, socially, economically. The dominant economic need of the world is not 'abundant money,' not 'easy money,' not 'a more elastic supply of money,' but a money that is a true standard of value. In an industrial order founded on private property, division of labour, and competition, with its interest focused on the monetary aspects of nearly all its activities, there is no economic phenomenon so far-reaching in its consequences as unstable money. A shifting price-level is sure to be accompanied by alternate periods of business elation and gloom, with the familiar trend of extravagance, injustice, excessive speculation, 'profiteering,' over-production, tight money, business failures, unemployment, and 'hard times.'..... How to prevent these extreme shifts of the price-level and extreme swings of the business cycle—the heights of prosperity and the depths of depression—is the economic problem."

On the necessity that the general price-level should be stable the authors are thus in line with the modern view; but they regard variations in individual prices as having but slight interest for the inquirer into variations in the general price-level. They recognise that "the rightness of individual prices consists in their capacity to move goods," but, apparently deterred by the volume of data required, they do not pursue the topic very far. Some inquiry would, however, have been welcome as to whether the maladjustment of individual prices tends to become cumulative, so as to impede the circuit flow of purchasing power, and to develop those tensions in the general price system which lead to instability. In other words, if prices are economically wrong, should action be taken to hasten the adjustment which economic forces will eventually bring about, and if so, along what lines is action possible?

The most interesting feature of the book is the analysis of the time factor in producing that lack of balance between purchasing power and commodities which upsets the stability of prices. But it is surely misleading to state that money *always* ceases the exchange of goods, which under a system of barter would be instantaneous. The essential point of a money economy is that it removes the "here and now" element of barter, by introducing a time factor. But the result is as much to accelerate as to defer, and hence to produce those high tides and low tides of purchasing power, the regulation of which by the cancellation or creation of credit is the central problem of banking. The general argument is, however, not affected by this slip in its attempt to show that deviations from the normal pace of circulation of purchasing power, which is a purely monetary phenomenon, is a root cause of cyclical changes in the general price-level. The diagnosis is well worked out, but it is a little disappointing, in spite of the warnings of the introduction, to find only a few pages devoted to the suggested remedy, which is that Governments should increase or decrease the supply of legal tender currency, redeemable in gold, by buying or selling securities as prices fall or rise. The remedy is admitted to be applicable only to the United States, whose vast gold reserves offer a unique opportunity for the process suggested. The concluding chapter is indeed of so sketchy a nature that one may disregard it, and look upon the carefully reasoned theory which precedes it as a statement of the problem, of which the solution is yet to be attempted.

This postponement of practical suggestions may be due in part to the desire of the American authors to obtain further experience of the Federal Reserve System before attempting a theoretical examination of its possibilities as a means of producing stability. But until we have seen the effects of a sufficiently prompt application of a change in money rates, it is premature to pronounce that means of controlling the price-level insufficient.

All the "little dogs of footnotes have been corralled in an Appendix"—a sensible practice when the footnote serves only to give the reference for a quotation; but the few which are of major importance, in this case some 30 out of 220, might be permitted access to their usual haunts.

TARIFF REFORM IN ITALY.*

THE new Italian tariff, superseding that of 1887, was made operative by Royal decree in July, 1921, to compensate capital for the seizure by the operatives of a number of factories, and for the acquiescence in that outrage by Signor Giolitti's Government. The Fascists have since forcibly recovered the factories for the employers, but the tariff remains in force, though as yet without Parliamentary sanction or even debate. The first of these pamphlets begins with a comparison of the two tariffs; the other two deal with the subject in a more popular form. The 1887 tariff contained 19 "categories" and 472 "titles" (voci); in that of 1921 the numbers have swelled respectively to 52 and 953. The titles and sub-titles in the new tariff number at least 29,555, of which 24,000 are under "Minerals and Metals," and Dr Rëpaci has elaborately calculated that the average increased burden on the consumer, estimated in gold, is 84 per cent., and that in currency, taking the mean of the exchange from July, 1921, to last October, it is 424.09 per cent. But he thinks it is really heavier, for various reasons, notably the intricacy of the classifications, the consequent delays and uncertainties, the frequent treatment of the packing material as dutiable, and the additions of "coefficients" to duties on goods from countries with a depreciated currency, which additions the Government may vary at its will. Outside the "metals and minerals" section, as these pamphlets show, many of the duties are sheer "window-dressing," put in to make the producers believe that the tariff protects them; notably that on wheat, which is suspended, and likely to remain so, and those on many textiles and nearly all agricultural products, which more than suffice for the home demand. Other duties protect goods for which Italy cannot meet that demand, and never will; and those on iron and steel (notably on castings) hamper many Italian industries for the benefit of one politically influential hothouse industry, from which, however, they have not averted disaster. If Italy must have these "key industries," it is suggested that they might be supported by subsidies on a modest scale. The Italian Free-trade group, consisting of eminent economists, now joined by prominent manufacturers and merchants, is enlarging its membership, and doing good work in exposing the absurdities and corrupt practices generated by this extravagant Protectionism, and the Fascist programme suggests that its efforts may attain some practical result.

BOOKS RECEIVED.

Labour Supply and Regulation. By Humbert Wolfe. (Oxford) The Clarendon Press.

Some Aspects of Recent British Economics. (Chicago) University of Chicago Press. \$1.50.

Towards International Justice. By F. N. Keen. With an Introduction by Professor Gilbert Murray. (London) George Allen and Unwin, Limited.

Consecuencias Economicas de la Guerra. Por Francisco Bernis. (Madrid) Estanislao Maestre.

The Ruhr. By Ben Tillett, M.P., A. Welch-Jones, and Samuel Warren. (London) The Labour Publishing Company, Limited. 9d.

How to Organise and Conduct an Export and Import Business. By R. Osborne. (London) Effingham Wilson. 4s net.

The Financial Times Investors' Guide. (London) The Financial Times, 3s 6d.

The 24 chapters of this book include, amongst other interesting subjects, articles dealing with the working of the Stock Exchange, Options, Tax Free Investments, "Inside" and "Outside" Brokers, and How to Read a Balance-sheet.

Tolley's Income-tax Tables for 1923-24. (London) Waterlow and Sons, Limited. 1s 6d net.

The Ventilation of Public Buildings. By Robert Boyle. (London) Robert Boyle and Son. 6s net.

* "La Questione Doganale (Critiche Prot-zioniste). Programma d'Azione del Gruppo Libero-Scambista Italiano." Da Dr. F. A. Rëpaci. Con Prefazione di Luigi Einaudi. (Turin) La Reforma Sociale. 1923. 4 lire.

"La Questione del Libero-Scambio in Italia." Da Edoardo Giretti. 1922.

"Address to the Senators and Deputies from the Committee of the Italian Free Trade Group." Turin, May, 1923.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL - £20,000,000
ISSUED CAPITAL - £15,592,372
RESERVE FUND - £8,250,000
DEPOSITS (30th June, 1923) - £295,905,730

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
168, Fenchurch Street, London, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
July 25. July 26.

No fears were entertained in the Stock Exchange of a rise in the Bank rate on Thursday, and with the monetary position tolerably easy, the gilt-edged issues round most of the markets have shown a robust tendency. There is, for instance, a contraction of the supply of Home Railway pre-ordinary stocks such as came on offer a fortnight ago. Prices are stiffening again, and, outside the trustee lists, good debentures and preference shares have once more become difficult to buy. In the cases of new issues, where sound stocks were heavily staggered, the initial discounts caused by the rush of weak holders to dispose of their scrip, have now been replaced by higher values, though amongst Colonials, the more recently-offered loans show little disposition to rally. The New Zealand 4 per cent. scrip is, for instance, still 4 discount, and discount prices are quoted for the new India, West Australia and New South Wales scrip stocks.

The War Loan rose steadily on Thursday, and Conversions have spurred to the neighbourhood of 79. Victory Bonds recovered from 89½ to 91½. Other British Government issues are strong. Home Railway Prior Charge securities, as already noted, are strengthening in price. Colonials remain practically the same as they were a week ago. Good class corporation stocks, home, colonial and foreign, have been the subject of inquiry, but are none too easy to obtain.

French bonds recovered substantially from their lowest prices, when it became apparent that the Ruhr obscurity is being pierced by a gleam of light through the efforts of the British Government, which appear to be making their effect felt upon the previous implacability of the French Government. The railway bonds have risen with the Government stocks. Brazilians continue to harden in company with the milreis. The new Austrian scrip, after its violent fluctuations between 7 premium and 1 premium, settled down into a quieter stride on the basis of 2½ premium, but the new Dutch East Indies bonds continue heavy. In the Far Eastern group Chinese Eights are flat. A general rise in Russians which occurred at the beginning of the week aroused mild interest, and was attributed to the hope that Russian politics are becoming more stable. Nobody outside the House appeared to take much notice of the rise. Turkish bonds reacted a little, and other foreigners remain very quiet. The newly-issued Manchurian bonds were quickly subscribed.

Home Railway stocks exhibited a sagging tendency, for which the continued want of interest on the part of the public and a lurking fear of labour troubles are deemed responsible. Undergrounds, after a sharp decline, recovered to some extent, and the Underground Income bonds stand out as one of the firm spots of the market. Grand Trunk Pacific 4 per cent. debenture fell heavily upon the apparent decision of the Canadian Government to do nothing in the way of shouldering responsibility for this railway's security. Argentine Rails have moved downwards in consequence of a drop in the Argentine rate of exchange.

Although rubber is quoted a shade better, no particular increase of activity can be reported in rubber shares, where the market has drifted into a backwater. Oil shares swung backwards and forwards within narrow limits; the latest cut in the price of petrol proved a depressing factor. A drop of nine points in Workman Clark debenture reflected the fear lest the

half-yearly interest payment may not be forthcoming. Indo-China deferred are weaker. P. and O. deferred gained a few points. Insurance shares are mostly disposed to droop, and the list of London Banking shares displays a string of small declines. The Courtauld interim dividend had no effect upon the price of the shares, and these, together with other textiles, continue quiescent.

The Imperial Tobacco Company has declared an interim dividend at the rate of 7 per cent., an excellent result, which had the effect of causing a temporary rise in the price, although this served to bring in profit-takers. Cable stocks have recovered appreciably on the publication of satisfactory reports from the Eastern Telegraph and the Eastern Extension Companies, while the wireless group is out of fashion. Radios came into demand from America. Brewery stocks and shares showed a tendency to recover, while the markets for hotels, stores, catering and similar shares have been so quiet that the prices maintain a very placid appearance. The dockers' strike had singularly little influence upon any of the industrial issues, but its breakdown led to a trifling recovery in some of the iron and steel shares which previously had been weak. Gloucester Wagon shares broke sharply on the declaration of 5 per cent. dividend for the year, against 10 per cent. for the previous twelve months. The Land group is neglected. Nitrates are a little easier, and the inclination amongst tea shares has been for small declines to occur in the higher-priced descriptions. A few electric lighting shares are better upon increased interim dividend announcements by the County of London and some of the other companies.

Interest in the Mining markets has been centred almost exclusively upon Chartered. The price gave way to 12s 6d sellers upon news of the opposition that is to be offered to the acceptance of the Government's offer of £3¼ millions, which is to be discussed at next Tuesday's meeting. Buyers came in at this level, and the price promptly recovered. Kaffirs are somnolent, and there is next to nothing doing in diamond shares. Amongst Australians, Sulphides gave way upon news of a fire on the property, though other Barrier shares did not suffer. A few West Africans displayed trifling animation, but Mexicans are in the doldrums, and other mining sections must be described as lifeless.

Mr A. W. Mellon, secretary to the U.S. Treasury, and two other American guests were entertained at luncheon by the Stock Exchange managers and committee on Wednesday. They made a subsequent tour of the markets, and were accorded a polite reception by the members in the House at the time.

We are officially informed that Mr Charles Barton Budd and Mr Walter Frederick Budd, trading as Hodding, King and Co., have been declared defaulters upon the Stock Exchange.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ .. 186,890,510 ..	£	£	£

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED JULY 14, 1923.				
April 1, 1923, to July 14, 1923, £3,450,000 .. 300,000 .. 300,000				

To the Public—				
Newfoundland Power and Paper Co., Limited, £2,000,000 4½% "A" Mort. Deb. 8½% (red. at par 1933-48), issued at 95% (July 17).....	2,000,000 ..	1,900,000 ..	100,000 ..	1,800,000 ..
Union Cold Storage Co., 3,300,000 6% Cum. Pref., £1 8 shares, at 20s 6d per share (July 17).....	3,300,000 ..	3,382,500 ..	165,000 ..	3,217,500 ..
South Manchurian Railway Co., £4,000,000 5% Ster. Bonds, at 88% (red. July 15, 1933; July 15, 1948, at par (July 19).....	4,000,000 ..	3,520,000 ..	200,000 ..	3,320,000 ..
Total offered to the public....	..	8,802,500 ..	465,000 ..	8,337,500 ..

To Shareholders only—				
Levant Co., 200,000 Ord., £1, at par (July 16).....	200,000 ..	200,000 ..	10,000 ..	190,000 ..
Madras Electric Supply, 94,000 Ord., £1, at 22s (July 16).....	94,000 ..	103,400 ..	28,200 ..	75,200 ..
Province of Buenos Ayres Waterworks, £106,250 6% Deb. 8½% (red. July 16).....	106,250 ..	98,235 ..	5,312 ..	92,923 ..
Total offered to shareholders only	..	401,635 ..	43,512 ..	358,123 ..

Total offered for subscription to date in—	Total offered for subscription for whole year—
1923	£573,675,650
1922	388,978,803
1921	367,549,656
1920	1,036,059,951
1919	1,393,381,441
1918	1,318,596,010
1917	585,436,853

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

Newfoundland Power and Paper Company, Limited.

—Incorporated under the laws of Newfoundland. Share capital \$21,000,000, all of which has been issued. The loan capital consists of £2,000,000 4½ per cent. "A" mortgage debenture stock, guaranteed by the British Government, under the provisions of the Trade Facilities Act, and £2,000,000 5½ per cent. "B" mortgage debenture stock, guaranteed by the Government of Newfoundland. The former is now offered for subscription at the price of 95 per cent., and the latter will be "issued forthwith." The stock is secured by a trust deed as a first charge on the property and plant of the company, and will be repayable by means of a sinking fund commencing in 1933, and calculated to redeem the whole of the stock on or before July 15, 1948. The Newfoundland Power and Paper Company, Limited, originally known as the Newfoundland Products Corporation, Limited, was incorporated in 1915, and owns valuable water rights and land and extensive timber limits in the colony. The Government's guarantee naturally places this issue in the list of gilt-edged securities.

The Union Cold Storage Company, Limited.—

Authorised share capital £8,780,000, all of which has now been issued. This is an issue of 3,300,000 6 per cent. cumulative preference shares of £1 each at 20s 6d per share, and forms part of a total preference issue of £4,780,000, which ranks immediately after £946,656 debenture stock outstanding. The company has entered into a contract to acquire from the Western United Investment Company the whole of the ordinary shares in the British and Argentine Meat Company, Eastmans (except eighty-one shares out of a total of 626,320), Fletchers (Meat Importers), Argenta Meat Company, British Beef Company, North Australian Meat Company, Lonsdale and Thompson, John Layton and Company, Donald Cook and Son (Cook's Farm Eggs). This purchase will, it is stated, give control of about 2,400 retail shops, depots, and market stalls in this country, together with factories and wholesale selling establishments. Services for this preference issue need £286,800 per annum, and the directors are able to show an annual surplus of £1,062,790 as available after meeting debenture charges. The capital security for the issue of £4,780,000 preference shares is placed at £10,355,029. A good industrial preference share.

The Trans-Zambesia Railway Company, Limited.—

—Details are published in the Press, presumably to comply with Stock Exchange regulations, of an issue of £200,000 5½ per cent. 10-year guaranteed notes in this undertaking. It is stated that the principal and interest are guaranteed unconditionally by the Government of the Nyasaland Protectorate. The notes are repayable at par on August 1, 1933, and are redeemable at any time before that date at 105. These notes have been purchased at 95 per cent. by Messrs. Erlangers, who have placed them at 97 per cent. In addition to the issued share capital of £600,000, the company has outstanding 6 per cent. guaranteed first mortgage debentures amounting to £1,200,000. The line is 156 miles in length, and connects the railway system of South Africa with the Central Africa and Shiré Highlands Railways running to Blantyre, British Nyasaland. The main question investors will have to consider is what exactly the guarantee of this small Protectorate is worth.

South Manchurian Railway Company, Limited.—

Issue of £4,000,000 5 per cent. sterling bonds at 88, on which principal and interest are unconditionally guaranteed by the Japanese Government. These bonds are repayable on July 15, 1948, but the company has the right, after 1933, to redeem at par. Much detail is given in the prospectus, but, of course, the investor will rely upon the guarantee of the Japanese Government as his security. The existing 5 per cent. South Manchurian Railway Bonds are quoted at 95, but they are "redeemable" in 1932. Guarantees are delicate instruments, but we see no reason why the bonds should not prove as good an investment as existing Southern Manchurian issues.

The Queensland National Bank, Limited.—

The directors of the bank are about to make an issue of a further 80,000 shares of £5 each. The present authorised capital is £2,000,000 in 400,000 shares of £5 each, of which 160,000 have been subscribed and fully paid. The new issue will bring the subscribed and paid-up capital to £1,200,000. The new shares will be offered at a premium of £2 per share to shareholders on the registers of members on July 14, 1923, in the proportion of one new share for every two shares held.

The East Surrey Water Company.—

Tenders for the issue of ordinary (B) shares of £10 each were opened at the company's offices, the total number of shares tendered for being 22,315, ranging from £13 to £11 10s per share. Tenders at and above £11 13s were accepted, the tenders at the lowest price, viz., £11 13s being allotted *pro rata*. The average price obtained for the issue was £11 17s 1d per share.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Latest	Price	Latest
	Week	Week	Week	Week
War 4%, 1925-28 .. 96 1/2 .. 96 1/2 .. 96 1/2 .. 96 1/2				
Loans 5%, 1925-45 .. 97 .. 97 .. 97 .. 97				
4%, 1929-47 .. 98 1/2 .. 98 1/2 .. 98 1/2 .. 98 1/2				
4%, 1929-42 .. 100 1/2 .. 100 1/2 .. 100 1/2 .. 100 1/2				
Funding Loan 4% .. 89 .. 89 .. 89 .. 89				
Victory Bonds 4% .. 91 1/2 .. 91 1/2 .. 91 1/2 .. 91 1/2				
Conversion Loan 3% .. 77 1/2 .. 77 1/2 .. 77 1/2 .. 77 1/2				
Consols 2 1/2% .. 58 .. 58 .. 58 .. 58				
Irish Land Stock 2 1/2% .. 60 .. 60 .. 60 .. 60				
Local Loans 3% .. 66 .. 66 .. 66 .. 66				

Banks.

Barclays B (£1, f.p.d.) 2 1/2% .. 2 1/2% .. 2 1/2% .. 2 1/2%				
Chartered Bk of India 198 .. 198 .. 198 .. 198				
Lloyds (£5 with £1 paid) 3% .. 2 1/2% .. 2 1/2% .. 2 1/2%				
London Joint City & Midland (£12 with £2 1/2 paid) 8 1/2% .. 8 1/2% .. 8 1/2% .. 8 1/2%				
Nat. Bank of Egypt (£10) .. 22 1/2 .. 22 1/2 .. 22 1/2 .. 22 1/2				

Colonial and Foreign Railways.

Antofagasta Cons .. 81 1/2 .. 81 1/2 .. 81 1/2 .. 81 1/2				
B.A. and Pacific .. 82 .. 82 .. 82 .. 82				
B.A. & Southern .. 84 .. 84 .. 84 .. 84				
Buenos Ayres West .. 79 1/2 .. 79 1/2 .. 79 1/2 .. 79 1/2				
Canadian Pacific .. 160 .. 160 .. 160 .. 160				
Central Argentine .. 72 1/2 .. 72 1/2 .. 72 1/2 .. 72 1/2				

Foreign Government Securities.

Argentine 5%, 1886-7 .. 99 .. 99 .. 99 .. 99				
Belgian 3% .. 87 .. 87 .. 87 .. 87				
Brazil 5% Fund .. 1914 71 .. 72 .. 72 .. 72				
Chilian 4%, 1895 .. 86 .. 86 .. 86 .. 86				
Do 7% .. 102 1/2 .. 102 1/2 .. 102 1/2 .. 102 1/2				
Chinese 5%, 1912 .. 71 .. 69 .. 69 .. 69				
Egyptian 4% .. 71 1/2 .. 73 .. 73 .. 73				
French 5% .. 26 1/2 .. 27 1/2 .. 27 1/2 .. 27 1/2				
Do 4% .. 20 1/2 .. 21 1/2 .. 21 1/2 .. 21 1/2				
Greek 4%, 1884 .. 44 1/2 .. 45 1/2 .. 45 1/2 .. 45 1/2				

Telegraphs.

Anglo-American "A" 2 1/2% .. 2 1/2% .. 2 1/2% .. 2 1/2%				
Marconi Wireless .. 2 1/2 .. 2 1/2 .. 2 1/2 .. 2 1/2				

British Railways.

Great Western, Ord. .. 114 1/2 .. 115 1/2 .. 115 1/2 .. 115 1/2				
Do Def .. 87 .. 87 1/2 .. 87 1/2 .. 87 1/2				
London & North-Eastern 5% Pref. Ord. .. 87 1/2 .. 88 .. 88 .. 88				
Do Def. Ord. .. 33 1/2 .. 33 .. 33 .. 33				
London, Mid., and Scottish, Ord. .. 106 .. 105 1/2 .. 105 1/2 .. 105 1/2				
Metropolitan .. 69 1/2 .. 68 1/2 .. 68 1/2 .. 68 1/2				
Metropolitan District .. 49 1/2 .. 48 1/2 .. 48 1/2 .. 48 1/2				

American Railroads.

Chesapeake & Ohio .. 63 .. 63 .. 63 .. 63				
Erie .. 12 .. 13 .. 13 .. 13				
Do 4% 1st Pref. .. 20 .. 20 .. 20 .. 20				

Miscellaneous.

Aerated Bread (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Amal. Cottons (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2				
Anglo-Persian Oil (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2				
Armstrong (Sir W.G.) and Co. (£1) .. 8 1/2 .. 8 1/2 .. 8 1/2 .. 8 1/2				
Asa. Plind. Cement (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Barker, John (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
B'ham Small Arms (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Brazil Traction (£100) .. 50 .. 50 1/2 .. 50 1/2 .. 50 1/2				
British-American Tobacco (£1) .. 5 .. 4 1/2 .. 4 1/2 .. 4 1/2				
Burmah Oil (£1) .. 4 1/2 .. 4 1/2 .. 4 1/2 .. 4 1/2				
Costs (J. and P.) (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2				
Counrills (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2				
Cunard (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Dorman, Long (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Dunlop Rubber (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Fine Cotton Spinners (£1) .. 2 1/2 .. 2 1/2 .. 2 1/2 .. 2 1/2				
Forestral Land (£1) .. 1 .. 1 .. 1 .. 1				
Furness, Withy (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Highlands and Lowlands Rubber (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Hudson's Bay (£1) .. 5 1/2 .. 5 1/2 .. 5 1/2 .. 5 1/2				

Mines.

Brakpan (£1) .. 3 .. 2 1/2 .. 2 1/2 .. 2 1/2				
Broken Hill Prop. (8) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Chartered (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Cons. Gold Fields (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2				
Crown Mines (10) .. 2 1/2 .. 2 1/2 .. 2 1/2 .. 2 1/2				
De Beers Def. (£2 1/2) .. 13 1/2 .. 13 1/2 .. 13 1/2 .. 13 1/2				
East Rand Prop. (£1) .. 1 .. 1 .. 1 .. 1				
Geduld (£1) .. 3 1/2 .. 3 .. 3 .. 3				
Gov. Gold Areas (£1) .. 5 1/2 .. 5 1/2 .. 5 1/2 .. 5 1/2				

OIL OUTPUTS.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during June amounted to 115,056 barrels, or approximately 16,437 tons, including St Helens Petroleum Company, Limited, 57,097 barrels, approximately 8,156 tons; Kern Trinidad Oilfields, Limited, 9,068 barrels, approximately 1,295 tons; Kern Romana, Limited, 1,540 barrels, approximately 220 tons.

MEXICAN EAGLE OIL COMPANY.—Production for the week ended July 7, 1923, was 148,000 barrels.

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

COMPANY MEETINGS, &c.

BANK OF NEW SOUTH WALES.

SATISFACTORY RESULTS—INCREASED PROFITS.

LAVISH PUBLIC EXPENDITURE CRITICISED.

The half-yearly general meeting of the Bank of New South Wales was held at the chief banking house, Sydney, on Tuesday, May 29, 1923.

The Chairman, Mr Thomas Buckland, president of the bank, in moving the adoption of the report, said: Gentlemen,—It is now my duty to move the adoption of the report and balance-sheet, but before doing so I will, as usual, briefly review the figures and compare them with those of March, 1922.

BALANCE-SHEET FIGURES.

The note circulation in New Zealand shows a decrease of £26,000. According to the trend and requirements of trade the circulation varies.

Deposits are £5,200,000 higher on the year. A large part of this increase is temporary, awaiting distribution (it has since been distributed by the companies concerned), and a proportion will in the ordinary course come back to us; the balance of the increase is well spread over our business in the various States and New Zealand, and is largely attributed to the realisation of wool, wheat, &c., at enhanced prices.

Bills payable show an increase of £733,000. This item comprises several large items of an active nature, and the increase has no special significance, being usual fluctuations.

Capital and reserve fund are £1,152,000 more, and since March 31st last the payments for the April shares of the last issue and sales of unapplied-for shares have brought the amount paid up to £6,000,000, which represents the capital to-day. Proceeds of the sale of all unapplied-for shares and shares derived from fractional parts have been accounted for to the various shareholders concerned.

The profit for the half-year is £73,000 more than 12 months ago, after making full provision for contingencies. The extra capital employed assisted in financing the abnormally heavy wool bills already referred to, and contributed to this increase.

ASSETS.

On the assets side, the first line, comprising the cash and other readily convertible reserves for liabilities, is £5,485,000 more than this time last year. At our last meeting we intimated that, notwithstanding the adverse exchange position in London, we had decided to finance our customers' wool bills as usual, and our funds in London have in consequence been temporarily augmented by some £4,700,000, and in addition we have replaced £1,000,000 of British securities which were disposed of in 1921 to provide for our customers' requirements when funds were unobtainable there. In view of the probable effect of the present very general dry conditions on next season's exportable produce, it may be desirable to retain a larger amount than usual in London for future transactions.

Advances, as a whole, show an increase of £1,631,000. The ordinary advances to customers have increased £2,670,000, and this amount is well spread over the various States. Bills receivable from London, representing imports, have increased £400,000. On the other hand, our advances against wheat and War Loans have decreased £1,438,000, leaving a net increase as before mentioned. The droughty conditions in the country if continued will increase the demand by our country clients for assistance, as is usual when similar conditions have prevailed.

OPTIMISM AND A WARNING.

The good seasons, and the very satisfactory prices which have been ruling for some time, and which still continue for our premier product, wool, together with the distribution recently of over £6,000,000 on account of B.A.W.R.A., have been the chief causes of a most buoyant state of affairs in our midst. As one travels about the great cities of Sydney and Melbourne they cannot fail to be impressed by the evidence of prosperity in the form of new buildings which appear in all directions, and the signs of affluence are perhaps still more emphasised in the activity of the stock and share market—Government and industrial stocks have increased so very largely in market values during the last month or so that one might almost feel justified in the optimistic feeling that the prosperity of the moment would go on for all time, but, gentlemen, there are three factors we cannot overlook.

FACTORS TO BE CONSIDERED.

First, there is the uncertainty of our seasons (this very moment

we are threatened by a severe drought). Secondly, there is the question of a market for our goods. The wool market, as previously mentioned, has certainly been excellent for some time past and seems likely to continue in that direction, and the demand for wheat has also been well maintained, but beef for an extended period has been a glut in the London market, nor can I gather evidence to justify me in forecasting any early improvement, and we learn from the papers that a quantity of our butter shipped to Europe for higher prices is being brought back for consumption at home. The third factor to be considered, and considered seriously by thinking men of affairs, is our public expenditure, which in the present affluent circumstances is so lavish. It is easy (for the present) to pass this unpleasant subject over, so much more pleasant to ignore it, so infinitely comfortable to be a public man of the bold, courageous, optimistic order, and squander money for the approval of those people who live for the day only. But, gentlemen, there is a very much more serious view of the question. The system of money, say finance, is the basis upon which the civilisation of the world is formed, and any country, municipal body, or other institution which ignores this fact and wastes money on unproductive, fanciful undertakings or careless expenditure, must inevitably sooner or later fail, and ruin themselves and all concerned.

DEATH OF THE HONOURABLE JAMES THOMAS WALKER.

I regret very much to have to refer to the death of our late colleague, the Honourable James Thomas Walker, who for so many years was connected with the bank, first as an officer, and then as a director. He occupied the chair as president from August, 1898, to June, 1901. This position he relinquished upon his election to the Senate, but he retained his seat as a director up to the time of his death.

The vacancy has been temporarily filled by Mr R. W. Gillespie on the invitation of the board, and a little later on to-day you will be asked to confirm their action by duly electing Mr Gillespie, who for years past has been a friend and supporter of this institution.

BANK OF ROUMANIA, LIMITED.

GOVERNMENT'S EFFORTS TO BALANCE BUDGET.

The ordinary annual general meeting of the Bank of Roumania, Limited, was held, on the 18th instant, at Winchester House, Old Broad Street, London, the Viscount Goschen, C.B.E., presiding.

The secretary (Mr H. Locke) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of moving the adoption of the report and accounts, said:—The shareholders will, I have no doubt, be satisfied with the figures presented in the balance-sheet. The balance available, after making provision for bad and doubtful debts, income-tax, corporation tax, and exchange depreciation in the bank's funds employed in Roumania, amounts to £16,437. The board recommends the payment of a dividend of 6s per share, less income-tax, which will absorb £11,062, and that the balance of £5,375 be transferred to the contingency account.

In comparison with the total figures for the year 1921, there is a reduction of a little over £250,000, which is accounted for by the fact that the conversion into sterling of the Bucharest accounts has been made at 800 lei to the £ sterling, as against 550 for the previous year, although the currency figures in themselves show a slight increase.

The business of the bank continues to be satisfactory. The working expenses, however, are heavy, occasioned by the high cost of living, &c., in Roumania, and the high rate of exchange at which we have to convert our profits on the other side reflects unfavourably on our profits in sterling. There was, during the year 1922, a depreciation in the lei from 550 to the £, and the Government took steps to regulate dealings in exchange, and the National Bank of Roumania has also lent support recently to improve the exchange position. The exchange rate has of late been much steadier. Your board has again to report that the conservative policy, to which I made reference last year, has been continued.

EXPORTS AND IMPORTS.

According to British Customs returns, the exports from Great Britain to Roumania during the year 1922 were £2,633,000 (60,000 tons), the largest item being, as usual, cotton goods to the value of £1,500,000. This total shows a reduction on those for the previous two years, which were respectively £5,800,000 for 1921 and £7,100,000 for 1920. Imports into Great Britain from Roumania for 1922 were valued at £1,700,000 (205,500 tons), the largest items being cereals, £957,000, and oil £550,000. This total of £1,700,000 compares with £3,400,000 in 1921 and £3,200,000 in 1920.

During the year the Government made great efforts to consolidate its debt, internal and external, and has, by way of exchange into a long-term 4 per cent. loan, removed from the market most of its Treasury bills in foreign currencies, which were in circulation in different countries, and has also given its approval to a scheme for gradual payment, over a number of years, of debts due by firms and others in Roumania to nationals of other countries. By increased and extended taxation, Roumania is making a very serious effort to reach equilibrium in its Budget. Not unnaturally, many of these taxes, in the state of development in which Roumania finds itself, are in the nature of experiments, and do not all fully achieve their object.

It is worthy of note that the Government has ceased to have recourse to the National Bank for borrowing for its own purposes, although the needs of the commerce of the country resulted in an increase in the note circulation of the National Bank from 13,722 millions of lei on January 1st to 15,997 millions lei on December 31st.

GOOD CROP PROSPECTS.

The Roumanian Government, after a careful review of the position of the oil industry, have recently modified the conditions of export and also internal distribution, and this step will assist those engaged in that important industry. With regard to the harvest, on which so much of Roumania's prosperity depends, while there is little increase in the area under cultivation, the condition of the crops at present warrant expectations that the production will exceed that for last year. Our Bucharest manager, in a telegram just received, informs me that the prospects at the moment are for a good and abundant crop, provided there is a little more rain within the next three or four weeks.

With regard to the export trade from Roumania, very much depends on the railway services for transport, and, although progress has been made within the year under review, railway facilities are still far behind requirements. This matter, the importance of which is fully recognised by the authorities, is now, I understand, occupying very serious attention on the part of the Roumanian Government.

General the Hon. Sir H. A. Lawrence, K.C.B., seconded the motion, and it was carried unanimously.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

THE DISTILLERS' COMPANY, LIMITED.**STRONG FINANCIAL POSITION.****NEW CAPITAL PROPOSALS.**

The forty-seventh annual general meeting of the Distillers' Company, Limited, was held at Edinburgh, on the 19th inst., when Mr W. D. Graham Menzies, chairman of the company, presided.

Before moving the adoption of the report, the Chairman said: Ladies and gentlemen,—I think I ought to congratulate you on the excellent record we are able to put before you at this time, although there is one matter which has caused us great disappointment. Three months ago we considered it our duty, in conjunction with other members of the trade, to lay our views before the Chancellor of the Exchequer to the effect that it was imperative that a substantial reduction in the spirit duty should be provided for in the Budget which he was then about to produce. We were careful to point out that this was required not so much in the interests of the large firms in the trade who were fortunate in possessing stocks of whisky bought and paid for before the war, but in the interests of the smaller, although still important, firms who in many cases were obliged to buy their supplies of old whisky on the market at high prices with which to carry on their businesses, or do, as many have been forced to do, liquidate their wholly inadequate stocks and go out of business altogether. The number of firms who have been so forced out of business during these past few years must be very great, and as distillers we deplore the loss of so many good friends. The fact is that, with a duty of 72s 6d per gallon, the capital required to finance a good going business tends to drive the trade more and more into the hands of the few who can command the extra capital. Meantime, I am glad to think that the strong position of this company has enabled it not only to stand the strain, but even to increase its profits, out of proportion to the largely increased capital, a fact which reflects the greatest credit on the management and the whole staff, whose zeal and enthusiasm I wish to take this opportunity of acknowledging.

NEW MOTOR FUEL, "DISCOL."

The only other subject which I wish to touch upon is concerning the new motor fuel, "Discol," which we recently put upon the market. When we last met together we had just launched this new product at our Hammersmith distillery. Since then we have established a mixing depot at Bankhall Distillery in Liverpool, and within the past ten days we have completed and opened up at Pinkston Station, Glasgow, a depot from which the Scotch orders will meantime be supplied. We have never made any secret that our ability to compete with the great oil companies was questionable, and that our real object was to run alongside them, so that if a shortage of petrol ever should take place the country would have, at least to a limited extent, an alternative fuel to fall back upon. We believe the oil companies recognise the advantages of having such an alternative fuel ready in case of emergency, and are therefore less disposed to regard us as competitors than as coadjutors having a common object. I may explain that we have no intention at present of putting up "Discol" in the usual two-gallon cans, but will confine our trade principally to commercial users or to those private users who can take a 50-gallon drum at a time. The success of alcohol mixtures as fuel for racing cars and cycles has been very marked, and we have an increasing demand for this purpose, not only within the U.K., but also from the Continent.

MANAGING DIRECTOR'S SPEECH.

In seconding the adoption of the report, Mr W. H. Ross, the managing director, said: The price actually paid for the shares in question amounted to £2,996,623, which was partly met by an issue of 52,901 D.C.L. £10 ordinary shares at a premium of £10 each, this premium being deducted from the price, thus reducing the figure to £2,467,613. Shortly after the settlement of the purchase price a final dividend was paid by the Finance Corporation amounting to £157,186, which having been largely earned prior to the purchase was not regarded as a revenue item, but was treated as capital, and therefore deducted from the purchase price, bringing the figure previously mentioned down to £2,310,426. Although your directors have no reason to be dissatisfied with the bargain they made they decided to make the investment thoroughly safe, as they endeavour to do in every instance, and have written off a further sum of £110,426, which leaves the value of the investment standing in our books at the net figure of £2,200,000. This explanation will help to make more clear the items appearing in the printed balance-sheet to which I would ask your attention

for a moment. Comparing first the assets side of the balance-sheet, it will be seen that land and buildings have been depreciated from the previous year by £30,000, while plant and utensils have been written down by £22,000. These sums are in addition to all new buildings and plant erected during the year, the cost of which also has been provided out of revenue. If you ask why it is necessary to write off such large sums, I would answer that the great drop in the consumption of our national beverage, due to the present monstrous duty and other causes, forces upon us a curtailment of production. A reduction of production means the closing down of certain of our works, and the consequent necessity for keeping these properties well written down in our books. I have not the least hesitation in stating that if our properties and plant were valued to-day they would be valued at sums greatly beyond those appearing in the balance-sheet, but none the less I am sure you will agree with the directors' policy to deal with all the assets in a most conservative manner. Even as a measure of protection against threatened competition we think it is a prudent policy.

Sundry debtors show a reduction of £122,000 from last year, which is purely incidental to the business. Stocks are £139,000 down—not that the stocks are less, but that the values are lower. It is satisfactory to note that the company's sales of spirits during the past year were within 2½ per cent. of the actual production, showing that the production is being kept well in hand. Your directors are determined to continue this policy, and so prevent as far as possible the possibility of over-production and its inevitable evils.

"Loans from subsidiary companies" show an increase of over £769,000, which represents practically the sum borrowed from the Irish Company. The only other item in the balance-sheet which need be referred to is the bank overdraft of £518,000, which is the balance still remaining of the original loan of £1,938,000, and against which the Finance Corporation shares were pledged in security. When this overdraft is wiped out by the issue of fresh shares now proposed this security will, of course, be returned to the company.

The profit and loss account calls for no comment further than that the year's profits show an increase of £162,000, while the additional amount required to pay the dividends on the increased capital already issued is £73,673. The difference between these two sums has been utilised in increasing the reserves and the amount carried forward.

NEW HOLDING COMPANY.

I would like to explain that the company is not yet at the end of the arrangements for organising its business. You would doubtless be surprised to see from the brochure recently issued to each shareholder the number of interests combined under the wing of the D.C.L. In large measure these various sub-companies are engaged in the blending and distributing of potable whisky, which is a branch of the business which previous to the war we did not touch unless for the export markets. This branch of our business, however, has now grown so important that your directors consider it could be better organised under a separate company. It is therefore proposed, while retaining the individuality of the various brands of whisky, to transfer the shares of the sub-companies to one holding company, whose shares, on the other hand, would be held by the D.C.L., instead of the present arrangement, whereby the shares of the individual sub-companies are held by the parent company. In this way it is hoped to co-ordinate the policy of the various companies in a manner hardly possible under existing conditions. This will involve little or no change in the value of the company's investments, but they will then appear in more consolidated form. I thought it was due to you to mention this coming change in case that exaggerated reports might appear in the Press and give a wrong impression.

The Chairman, having invited questions and none being forthcoming, declared the motion for the adoption of the report to be carried unanimously.

ADDITIONAL PREFERENCE CAPITAL.

An extraordinary general meeting of the preference shareholders was held immediately afterwards, when Mr W. D. Graham Menzies again presided.

In proposing the resolution, the managing director, Mr W. H. Ross, said: It is somewhat unfortunate that the proposals which we have to put before this meeting of preference shareholders to-day cannot be done in a simpler form than by means of the complex resolutions now in your hands, but if I may be permitted to paraphrase these resolutions and strip them of their legal verbiage, I would say that, so far as they are of interest to the preference shareholders, they may be classed under three main heads:—

1. A proposal to increase the nominal share capital of the company from £4,000,000 to £6,000,000.

ANGLO-CYLON AND GENERAL ESTATES COMPANY, LIMITED.**INCREASED PROFITS—BETTER PROSPECTS.**

The thirty-seventh annual general meeting of the Anglo-Ceylon and General Estates Company, Limited, was held, on the 19th instant, in the Council Room of the Ceylon Association, 6 Laurence Pountney hill, London, Sir Edward Rosling (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: In Ceylon we again experienced unusually dry weather in the early part of the season, with the result that the tea crop, although 111,421 lbs more than in the previous year, was still much below what we would reasonably expect in a normal season. The crop, amounting to 2,826,189 lbs, is now all sold, and has realised the very satisfactory net average of over 1s 3½d per pound, as compared with 1s 1½d in the previous season. Costs, unfortunately, continue to rise, largely due to the increase in wages throughout Ceylon, and partly also to the fact that we have had to undertake a larger expenditure than usual on replacements and repairs. When we purchased the Gonavy estate, some 15 years ago, it was always understood that the time would come when the factory would either have to be rebuilt or the Loolecondra factory enlarged sufficiently to deal with the Gonavy leaf. The Loolecondra site was not one that lent itself to a satisfactory extension, and, in view of a threatened settlement of the side of the hill on which the factory was built, it was decided to replace both factories by a new one on Gonavy, utilising the old material and machinery as far as possible. This work is now completed, and the group, consisting of 1,700 acres of tea, with a further 1,000 acres available for extension, possesses a modern factory capable of dealing with its present and prospective crops, instead of two factories with the cost of dual staffs and extra supervision.

CACAO AND RUBBER CROPS.

The cacao crop, amounting to 5,369 cwts, shows a small increase on the previous year. Prices throughout the year have been disappointing, and although Ceylon cacao continues to sell at favourable rates compared with cacao from other countries, the margin of profit has been considerably reduced. The rubber harvested, amounting to 223,583 lbs, realised a net price of 1s 0½d, as compared with 7.04d in the previous year. You will see from the schedule of estates that our tea properties in Ceylon have been increased by 320 acres. In July last we purchased Coombewood for £27,000; this estate is situated in the Dimbula district and produces tea of good quality, and the directors have every reason to believe that it will prove to be a valuable addition to our Ceylon estates. We have also purchased some 170 acres of land suitable for growing cacao. Our general manager's reports indicate that the estates are well cultivated, and that the labour position is somewhat improved. For many years we have suffered from an increasing shortage of labour in Mauritius, necessitating the letting out of cultivation of some of the poorer yielding lands. Recently the Indian Government have allowed the resumption of immigration of a certain number of labourers, and, although this has been allowed for one year only, we are hopeful that it may be continued in succeeding years, and so assist in an increased production of Empire-grown sugar.

THE YEAR'S RESULTS.

The results for the year are a profit from Ceylon of £68,917, which is about £5,000 more than in the previous year; a profit from Mauritius of £19,089, which is also an increase of about £5,000; and a falling off in interest and commission earned of nearly £6,000, which is chiefly accounted for by the low rate of interest ruling and a reduction in the amounts advanced to sundry estates. We are still without dividends from our rubber interests, but since the closing of the financial year dividends are being declared both by the Bukit Rajah and North Hummock Companies. The net profit for the year is £86,716, or £5,726 more than in the previous year. With £33,935 brought forward from the previous season, there is a sum of £120,651 to be dealt with. Out of this a 5 per cent. dividend, amounting to £25,000, has been paid. It is now proposed to pay a final dividend of 10 per cent., which will absorb £50,000, to place £5,000 to the general reserve, and to carry forward a balance of £40,651.

In regard to the prospects for the current season, tea prices are on a higher level than they were this time last year, and the indications point to a rather larger crop. In regard to rubber, I believe we have passed the worst and are now round the corner. In regard to sugar, the prospects for the current season are rather more favourable than they were a year ago. Early in the growing season we suffered from an exceptionally severe drought, which at one time threatened disaster, but climatic conditions proved favourable from February onwards, and the indications point to a slightly larger crop than in the previous year.

Mr Henry K. Rutherford seconded the motion, which was carried unanimously.

2. A proposal to create and issue 1,822,840 new preference shares of £1 each, to bear interest at 6 per cent. per annum.

3. A proposal to subdivide the existing preference shares into shares of £1 each, and to increase the rate of dividend thereon from 5 per cent. to 6 per cent.

Now I suppose there will be no adverse criticism on the part of the preference shareholders against proposals 1 and 3, nor should there be any such criticism against the second of these proposals when the following facts are borne in mind:—

(1) That when these changes are carried out the total issued capital will be £2,149,460 in preference shares and £3,645,680 in ordinary shares;

(2) That these ordinary shares are represented entirely by solid assets, and not, as in the case of many companies, largely by goodwill;

(3) That to the extent of one-half of the present issue the cash will be applied partly in discharging the bank overdraft (which now forms a prior charge to the preference capital) and partly in adding to the liquid assets;

(4) That the larger issue of preference shares, coupled with the higher rate of dividend, will make these a much more attractive investment.

More than this I need not say, but as an original preference shareholder, who paid par value for all the shares held, I can confidently recommend the acceptance of the proposals.

The motion having been duly seconded was carried unanimously.

EXTRAORDINARY GENERAL MEETING.

An extraordinary general meeting was held after the extraordinary general meeting of the preference shareholders, when Mr W. D. Graham Menzies presided.

In proposing the resolutions, the managing director, Mr W. H. Ross, said: Ladies and gentlemen,—Throughout the whole history of this company the directors have made it their guiding principle to pay cash for all obligations undertaken on behalf of the company. All grain and other raw materials bought are paid for in cash. It is a definite instruction that no bills be accepted for goods purchased. Occasionally for temporary periods our bankers have been requisitioned to get us over a difficult stile, and I must give them credit for at all times meeting us in the most generous manner. It may be that we are a bit old-fashioned and prefer to have our hands free as well as our securities in our own possession, but, in any case, your directors have come to the conclusion that the raising of additional capital would strengthen the company's position by getting rid of this liability, and at same time furnish us with the necessary liquid cash required for our extending business.

The question then came to be, in what form should this additional capital be raised? We had first of all to consider that we were already making full use of our reserve funds, which were entirely invested in the business. To go on adding to our reserves without increasing the dividend distribution did not seem to us quite fair to the shareholders, and to add to the dividend without recognising that the profits were to a considerable extent being made out of money not classed as capital was apt to create a false impression in the minds of the public. Moreover, we saw no prospect of this reserve fund being in the near future either required to prop up the various assets of the company or, on the other hand, being set free in the form of a cash bonus. That being so, your directors concluded that the most conservative policy to adopt was to convert this reserve fund to a large extent into fixed capital, and utilise it further in obtaining from the shareholders, in return for favours rendered, the amount of cash required to place the finances in a sound position. So far as I have been able to judge the proposals have generally been favourably received. They have been criticised both by preference and ordinary shareholders, both of whom claim greater benefits for their own particular class, which is perhaps the best evidence of the fairness of the proposals.

I would just like to add that if the resolutions are duly carried and confirmed it is proposed in view of the holiday season to hold over the allotment of the new shares till about the middle of October, and to issue these to the ordinary shareholders registered on the books at October 1, 1923; also that a month will be allowed for payment of the call of 10s per share. Renunciation forms will be provided, so that any shareholder unable or unwilling to take up his proportion of the new preference shares will be able to sell his rights.

Further, in view of the large amount of work entailed on our share department, it is not intended to proceed with the proposal to subdivide the ordinary shares until the new preference shares have been allotted and paid for. It may possibly be found more convenient, therefore, to hold over this operation until after the payment of the February dividend.

The motion, having been duly seconded, was carried unanimously.

SIALANG RUBBER ESTATES, LIMITED. REDUCED COST—IMPROVED PROSPECTS.

The fourteenth annual general meeting of the Sialang Rubber Estates, Limited, was held, on the 18th instant, at 2, 3, and 4 Idol Lane, London, Mr C. Heath Clark, J.P. (the chairman), presiding.

The Chairman, in the course of his speech, said: The only unusual item in the accounts this year is the £3,000 written off as depreciation of our mature rubber areas. New regulations have recently been adopted by the Netherlands Indies Government, whereby the taxpayer is allowed to deduct for income-tax purposes from each year's profits a percentage of the value of the rubber trees which are mature, based on their estimated productive life, which, though likely to extend over a long period, cannot be without limit. Such writing down is very sound accounting, and we have therefore adopted for the purposes of our books the basis which we understand is likely to be accepted by the N.E.I. authorities.

The f.o.b. cost in the year to January 31, 1922, inclusive of London administration expenses, was 9.18d per pound. This year the figure is 7.44d, but as neither depreciation nor bonus to the Eastern staff was provided for in 1921-22 the actual reduction amounts to 3.17d per pound.

The year's working resulted in a net profit of £36,424, and after the carry-forward and a refund of excess profits duty have been added and Ned. Indies profits tax deducted, there remains £73,070, which the directors recommend should be dealt with by payment of a dividend of 12½ per cent., absorbing £37,500, and by the payment to the directors in terms of the articles of association of £375 additional remuneration, which sum represents 5 per cent. on the amount by which the declared dividend exceeds 10 per cent. After deducting these amounts there remains to be carried forward £35,195.

The outlook for rubber producers has been much improved as a result of the regulation of exports introduced by the Governments of Malaya and Ceylon and the improved consumption, and while the market at the present time is on the quiet side, there is nothing unusual in that at this season of the year. The imports into the United States during the first six months of 1923 amounted to 190,000 tons, and during that period the stocks in London and Liverpool have been reduced from 81,000 to 57,000 tons, while stocks in Singapore and Penang have fallen from about 35,000 to 20,000 tons. Having regard to the present magnitude of the industry, the position would appear to warrant the expectation of a higher market in the autumn.

The report and accounts were unanimously adopted.

APOLLINARIS AND JOHANNIS, LIMITED. INCREASED DEMAND—PROFITS DOUBLED.

The twenty-sixth ordinary general meeting of Apollinaris and Johannis, Limited, was held on the 17th instant, at Holborn Restaurant, London.

Mr Alfred R. Holland, the chairman, stated that the accounts showed a net trading profit of £52,476 14s 7d, against £25,868 7s 11d for 1922. Actually the earnings during the last year had increased by £26,608 6s 8d—in other words, doubled!

The next annual accounts would show the reduced capital and liabilities. In the current year, to meet interest on debentures and debenture certificates as well as sinking funds, a total amount of £51,680 per annum would be required. Shareholders would observe that the past year's earnings had been £52,476 14s 7d, consequently during the year under review sufficient had been earned to meet the interest on the debentures and on the debenture certificates as well as the sinking funds. As in the year under review only the interest on the debenture certificates had had to be paid in cash, the company were able to carry forward a sum of just on £40,000. Such would materially strengthen the company's finances.

The home trade last year had shown very satisfactory development, and this in spite of the generally unfavourable summer season. In other departments, however, difficulties had been continuous. On the Continent the trade had been stagnant consequent on adverse exchanges and general political unsettlement. Export, though, had shown some little expansion, notwithstanding that one had continually to contend with increased duties and fluctuating exchanges.

In July, 1922, he had referred at some length to the claims of the company against the German Government. Under the compromise as then advised, the company were to receive just on £50,000 for liquidation, and some £37,000 for compensation. The money for the liquidation settlement had then just been received. The sums due in settlement for compensation were, however, coming in but slowly. So far only one dividend of 2s 6d in the £, or £4,600, had actually been paid by the English Clearing Office. It

was understood that another dividend of 2s 6d in the £, or £4,600, was to be paid by the English Clearing Office on the 31st of this present month, and no portion of these had been included in the profits.

In respect to the future, the Chairman remarked that as the company had made £25,000 more profit this year than last, shareholders might conclude that during the current year a corresponding increase would possibly result. The debenture interest would be resumed in cash on October 1 next. But with a business such as theirs it could only prosper if trade were flourishing and international commerce unhampered. He feared, therefore, it would be too much to hope that trade affairs would improve soon enough to render a dividend possible as early as next year.

The report was unanimously adopted.

EBBW VALE STEEL, IRON, AND COAL COMPANY, LIMITED. EFFECTS OF LABOUR TROUBLES AT EBBW VALE.

The fifty-sixth ordinary general meeting of the shareholders of the Ebbw Vale Steel, Iron, and Coal Company, Limited, was held, on the 17th instant, at the Cannon Street Hotel, London, Sir Frederick Mills, Bart. (chairman and managing director), presiding.

The Chairman first dealt with the accounts, and, proceeding, said: It is disappointing to the board that, while they present a balance-sheet which shows we are able to avoid again entrenching on the published reserves, it also shows there can be nothing for the shareholders. I desire to express the regret of my colleagues that they are unable, for the second time in succession, to recommend the payment of a dividend on the ordinary shares, and for the first time deem it wiser to defer the consideration of the payment of a dividend on the preference shares. The dividend on the preference shares is cumulative, and the holders may rest assured it will be paid the moment the directors consider it prudent to do so.

EFFECTS OF THE STRIKE.

This unfortunate position has mainly arisen as the result of the somewhat notorious labour troubles at Ebbw Vale last year. Profit was a possibility, as is proved by the accounts of each of our four subsidiary colliery companies, where such troubles as existed were of the ordinary nature and were dealt with by the ordinary means. It will be remembered that, following the general stoppage of the coal mines in the spring of 1921, work at Ebbw Vale was resumed on the footing that all matters of local difference—and they were many and important, the outcome of the extraordinary attitude assumed by that group of colliers during the war—were referred to the arbitration of Dr Galloway. I pause here to say that the wiser course, in view of the notice given to the men four months before, would have been to press for a settlement before the resumption of work, already delayed for a month. The policy adopted was dictated by feelings of sympathy with our workpeople, who had been many months out of employment; but I regret to say our attitude was regarded, yet once again, as a sign of weakness by them, for the arbitration proceedings not only dragged out their weary length with one abortive meeting after another, but after more than twelve months, by which time Dr Galloway had obtained sufficient evidence to enable him to give his award, it was promptly rejected by the men. The strike lasted some seven weeks, and in the outcome an agreement—at the instance of the chairman of the Conciliation Board—was come to which to all intents and purposes gave the men what we had offered some fifteen months before.

It is not surprising that with the backbone of Ebbw Vale's industries in such a turmoil there could be no profit in the first nine months of the financial year, but with the improvement which set in at the beginning of 1923, and with the men settling down to work in real earnest, the collieries have made a profit; in point of fact, the last three months of the year show a small working profit on all accounts instead of a heavy deficiency, which at one time we feared would have been the case.

IRON AND STEEL.

In common with other firms in the heavy steel trade, there was a loss in that side of our operations in the earlier months of the financial year owing to low prices and intermittent working. It was thought desirable to try out the steel process suitable for our Northamptonshire ores, and in April a start was made, and we were just overcoming the initial difficulties inherent in starting a new process and reaching the quality desired when the whole business was suddenly and effectively closed down by the stoppage of the coke ovens in September, 1922. Before I proceed further let me say that since we restarted the ironworks in April this year our expectations have been realised, and we are now making from our Northamptonshire ore pig-iron entirely suitable for our purposes. It is our intention gradually to expand the manufacture,

because, notwithstanding our difficulties of last year, the resulting steel met with instant approval by our customers.

The cost of relining the furnaces, together with that of overhauling the rest of the plant and machinery, has amounted to about £75,000, and has been charged against the revenue account for the year. I am glad to report that we are now in full work in all departments; our collieries are making adequate profits, as also are our steel works.

It is perhaps desirable to say that your share and other capital issues are more than fully covered by the assets, that the earning capacity of the collieries and works, by reason of the immense sum spent upon them during recent years, is infinitely greater than ever before, but the last two and a-half years of labour troubles and of bad trade have rendered it necessary for your board to conserve, by all means in their power, the cash resources of the company. A brighter day has apparently dawned for us, and I hope, and indeed expect, that next year I may have as satisfactory an account to give you as, I fear, this has been unsatisfactory, and, to those who do not know the facts, disappointing.

The report and accounts were adopted.

ILLINGWORTH, MORRIS, AND CO., LIMITED. CONTINUED DEVELOPMENT.

10 PER CENT. DIVIDEND FOR THE YEAR.

The third ordinary general meeting of Illingworth, Morris, and Co., Limited, was held, on the 17th instant, at Cannon Street Hotel, London, Mr T. H. Morris, D.L., J.P. (chairman of the company), presiding.

Mr Ian P. Little (director and secretary) having read the notice convening the meeting and the report of the auditors,

The Chairman, moving the adoption of the report and balance-sheet, said: Mr Turner has been appointed a joint managing director with Mr Ostrer, who will look after the financial side of this large company, now the largest coloured spinners as well as the largest white botany spinners in the trade, and with a reputation second to none in either branch.

You will be glad to hear of the disappearance of the 8 per cent. notes, and to know of the success of the debenture issue, which was over-applied for, and now stands at a premium. Further preference shares up to the total authorised of £500,000 have been issued to provide part of the purchase money of the new businesses, but I anticipate in the early future more capital will be required to give the company ample means to carry out their financial arrangements without outside assistance.

Generally, prospects seem to depend very largely on the settlement so long delayed in mid-Europe. All our branches have good contracts on their books, but the lack of confidence engendered by the generally unsettled conditions prevents their being taken up with the speed that they ought to be. The fine trade has also been very much hampered by financial difficulties the merchants have had to face, particularly London merchants, who do the fine fancy worsted trade.

There is no doubt the company is beginning to realise the advantages of co-operation, and I think the year's results, under somewhat difficult conditions, reflect credit upon the management of the various mills, and are such that the directors feel able to recommend a dividend that will, with the interim paid last half-year, bring up the total to 10 per cent., less tax.

All eyes are now turned to the negotiations between the Allies and Germany for the settlement of outstanding disputes, and should these, in the near future, be satisfactorily settled, the prospects for the company are good.

Mr F. W. Turner (managing director) said that the key to the improvement of the whole trade lay in the solution of the Ruhr difficulty. He also foreshadowed great and cumulative advantages from the amalgamation of the company's mills to the shareholders, the public, and the operatives.

Sir W. B. Gentle seconded the motion, which was carried unanimously.

MOND NICKEL COMPANY, LIMITED. FOREIGN GOVERNMENT CONTRACTS SECURED.

The ninth annual general meeting of the Mond Nickel Company, Limited, was held, on the 19th instant, at 39 Victoria Street, London.

The Right Hon. Sir Alfred Mond, Bart., M.P., presided, and, after expressing his satisfaction at resuming the chairmanship of the company, said that the credit balance to profit and loss account for the past three years was: in 1921 £222,000, in 1922 £299,000, and in 1923 £307,000, which showed a recovery in the affairs of the company which everyone must think very satisfactory in the present disturbed state of trade.

The demand for nickel, which had been at a very low ebb, had sustained a very considerable improvement during the past year

—an improvement which at present was maintained—and their turnover and deliveries had been satisfactory. Their production had been increased and their works were well employed, but the prices which had been ruling, owing to a somewhat unrestrained competition from a good many sources, had been lower than at almost any other period of the industry, and had counteracted to some extent the benefits derived from the larger sale and the larger production. Copper sulphate, of which they were the largest manufacturers in the United Kingdom, and which was a product chiefly exported to the Continent, had suffered not merely from competition, but also from severe fluctuations in the exchanges in most of the bigger export markets, such as France and Italy.

The Chairman proceeded to draw attention to the changes which had taken place in the uses of nickel since the war. Previous to the war, he said, probably 50 per cent. of their nickel had gone to steelmakers for armaments and 50 per cent. for the production of non-ferrous alloys and pure nickel products, whereas last year only 12½ per cent. had gone to the former and 87½ per cent. to the latter. The use of nickel for coinage was increasing, many countries now replacing their paper currency with nickel. The Italian Government, for instance, had recently placed large orders for the supply of pure nickel coinage, this company obtaining the contract for the supply of the raw material. A similar contract had been obtained for one of the Baltic States. They had also supplied considerable quantities of nickel for other pure nickel and nickel-bronze currencies in various parts of the world.

The use of nickel for cooking utensils was also on the increase, and when it was more appreciated by the public he thought that its use in that connection would be greatly increased.

The report and accounts were unanimously adopted.

HOVIS, LIMITED. SOUND POSITION—BRIGHTER PROSPECTS.

The ordinary general meeting of Hovis, Limited, was held, on the 19th instant, at Caxton Hall, Westminster, London.

Mr J. F. Morton (assistant managing director), who presided and submitted accounts for the three years ended March 31st last, remarked that the occasion was unique in the annals of the company, this being its twenty-fifth anniversary. The balance-sheet for the past year showed an increase of £28,000 in the capital, this having been distributed to the shareholders as a bonus in December last, and after deducting this amount the reserve stood at £145,302. It was now proposed to increase the reserve account to £160,000, as the directors felt it incumbent that, with the increasing business of the company, and, it might be added, its success, they should not neglect the conservative policy at which they had always aimed. During the past three years the capital assets of the company had increased by approximately £100,000, and the depreciation written off amounted to £50,000. A further investment had been made, cash in hand having been employed by taking up short-dated bonds to the extent of £100,000. The net profit for the past year amounted to £78,000 odd, and the directors recommended a final dividend for the half-year to March 31st last at the rate of 8 per cent. per annum.

Notwithstanding the sound position disclosed by the accounts the directors felt that they ought to exercise the same care that had led the company to where it was at present. That was why, in view of the cut which was taking place in respect to white flour, they did not think it expedient to recommend any further distribution at the present time than that mentioned. Since de-control the company had done well, and, doubtless, reason would prevail, and, notwithstanding over-production, white flour would fetch a modicum of profit instead of a loss, at which it had been sold practically all over the country within the last few months. On the other hand, it was gratifying to be able to record that the sales of Hovis were continuing to show an increase, and all their side lines—their van and barrow building departments, printing

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

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

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

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

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

department, baskets and general sundries—were helping the company along very nicely, so that it was hoped that when the interim dividend came to be considered they might have a better outlook so far as the other side of the business was concerned.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)											
	Apr. 1, 1923.	May 31, 1923.	June 30, 1923.	July 14, 1923.	Aug. 1, 1923.	Sept. 1, 1923.	Oct. 1, 1923.	Nov. 1, 1923.	Dec. 1, 1923.	Jan. 1, 1924.	Feb. 1, 1924.
Funded Debt	588	518	515	515	515	515	515	515	515	515	515
Term Annuities	30	22	20	19	18	16	15	15	15	15	15
3% War Stock	16	16	16	16	16	16	16	16	16	16	16
4% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071	2,071	2,071
National War Bonds	649	1,509	1,476	1,413	1,201	971	971	971	971	971	971
4% Funding Loan	409	409	405	401	401	400	400	400	400	400	400
4% Victory Bonds	369	357	348	335	335	335	335	335	335	335	335
5% Conversion Loan	23	24	24	24	24	24	24	24	24	24	24
5% Treasury Bonds	381	166	166	166	166	166	166	166	166	166	166
Do by tender 5%	40	40	40	40	40	40	40	40	40	40	40
Do by tender 4%	8	8	8	8	8	8	8	8	8	8	8
Do 4%, 1931-33	108	108	108	108	108	108	108	108	108	108	108
Treasury Bills	15	961	1,107	1,121	878	719	616	597	597	597	597
Exchequer Bonds	20	392	323	319	289	185	150	150	150	150	150
Nat'l. Savings Certs.	138	267	274	285	342	350	354	356	356	356	356
War Expend. Certs.	23	23	23	23	23	23	23	23	23	23	23
Other Debt	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070	1,070	1,070	1,070
American Loan	51	51	51	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	222	194	214	214	214
Other Capital Liabilities	57	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,678	7,678	7,678
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,747	7,747	7,747

POSITION OF THE FLOATING DEBT.					
	July 15, '22.	Mar. 31, '23.	July 14, '23.	July 14, '23.	July 14, '23.
Temporary Advances Out-stand- ing	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Advances by Bank of England	167,477,500	193,897,500	212,050,500	212,050,500	212,050,500
Advances by Public Debt Office	776,505,000	616,045,000	597,495,000	597,495,000	597,495,000
Treasury Bills outstanding	943,982,500	809,942,500	811,545,500	811,545,500	811,545,500
Total Floating Debt	1,889,975,000	1,620,485,000	1,620,485,000	1,620,485,000	1,620,485,000

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.					
	Apr. 1, 1923.	Apr. 1, 1923.	Week Ended July 14, 1923.	Week Ended July 15, 1923.	Week Ended July 15, 1923.
Balances in Exchequer on 1st April:—					
Bank of England	5,442,665	9,963,424	..	..	..
Bank of Ireland	1,375,502	1,210,106	..	..	..
REVENUE.					
Customs	36,947,000	36,553,000	2,455,000	2,324,000	2,324,000
Excise	39,104,000	40,071,000	1,409,300	1,794,000	1,794,000
Motor Vehicle Duties	2,147,000	335,000	264,000	264,000	264,000
Stamps	15,950,000	19,201,000	1,040,000	1,070,000	1,070,000
Land Tax, House Duty & Mineral Rights Duty	5,780,000	4,392,000	890,000	600,000	600,000
Property & Income Tax	430,000	600,000	10,000	10,000	10,000
Super-Tax	54,679,000	74,207,000	3,886,000	3,886,000	3,886,000
Excise Profits Duties, &c.	15,650,000	14,000,000	954,000	954,000	954,000
Corporation Profits Tax	6,010,000	4,377,000	310,000	230,000	230,000
Post Office	13,550,000	14,300,000	1,000,000	1,000,000	1,000,000
Crown Lands	260,000	220,000	..	..	..
Interest on Sundry Loans	5,691,195	3,333,721	687,000	..	..
Miscellaneous	4,756,634	13,804,262	180,000	112,172	112,172
Special Receipts	14,313,621	18,776,956	500,000	3,000,000	3,000,000
Revenue	215,643,450	232,836,939	16,874,000	18,790,172	18,790,172
Total, Inc. Balance	222,461,617	244,010,469	..	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	65,000	650,000	..	..	..
Under the Unemployment Insurance Act, 1921	1,910,000	1,460,000	160,000	130,000	130,000
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	1,750,000	1,650,000	..	..	..
Under the Housing Act, 1914	..	13,000	..	..	..
(b) Under the Unemployment Insurance Act, 1921	270,000	1,450,000	..	..	..
(c) For other issues:—					
By Treasury Bills	697,482,000	894,994,000	41,820,000	57,932,000	57,932,000
By National Savings Certificates	14,100,000	29,298,000	1,000,000	900,000	900,000
By Treasury Bonds:—					
5-15 year, 1925-35	..	61,543,782	..	..	..
5% 1927	..	19,075,050	..	4,914,750	4,914,750
4% 1931-33	29,167,571	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	11,869	..	..	..
(d) Ways and Means Advances	271,353,500	305,390,500	12,800,000	4,700,000	4,700,000
Anglo-Persian Oil Company—					
Dividends on Shares acquired	..	243,012	..	..	..
Repayments—					
In respect of issues under Land Settlement (Facilities) Act, 1919 and 1921	115,136	19,018	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	265,460	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	87,358	..	..	..
Total	1,238,674,824	1,560,161,518	72,654,000	87,566,922	87,566,922

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from	Week Ended July 14, 1923.	Week Ended July 15, 1923.	Week Ended July 15, 1923.
	Apr. 1, 1923.	Apr. 1, 1923.	Apr. 1, 1923.	Apr. 1, 1923.
EXPENDITURE.				
Permanent Charge of Debt	6,111,061	6,421,567	4,346	8,281
Interest, &c., on War Debt	127,310,880	106,033,839	510,749	1,326,434
Road Fund	1,440,044	1,282,000	..	296,000
Payments to Local Taxation Accounts, &c.	550,000	900,000	50,000	50,000
Payments to Northern Ireland Exchequer	1,021,666	518,000	..	..
Land Settlement	107,227	370,821	..	14,081
Other Consolidated Fund Services	874,943	790,221	..	..
Supply Services	98,743,944	113,704,342	9,710,944	7,950,000
Expenditure	236,159,765	230,020,790	10,276,039	9,644,796
OTHER ISSUES.				
Temporary Advances:—				
Bullion	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921	270,000	1,600,000	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922	2,000,000	1,650,000	250,000	..
Under the Housing Act, 1914	..	13,000	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed	1,510,000	650,000	..	..
Redemption of Debt—				
Treasury Bills	716,100,000	1,000,549,000	48,495,000	58,425,000
Principal of National Savings Certificates:—				
(a) Repaid by issues under Section 59 (6) of the Finance Act, 1920	800,000	8,250,000	..	700,000
(b) Repaid otherwise	9,850,000	..	700,000	..
Principal of Exchequer Bonds paid off	..	19,612,188	..	..
Principal of National War Bonds paid off	16,854,989	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	268,987	8,325,205	..	..
Ways and Means Advances Repaid	251,200,500	285,214,500	13,250,000	18,445,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	243,012	..	..
Old Sinking Fund, 1910-11 issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..
Balances in Exchequer—				
Bank of England	1,235,111,346	1,556,268,260	72,971,039	87,214,796
Bank of Ireland	1,998,474	2,040,508	17,961	13,440
Bank of Ireland	1,565,004	1,852,750	335,000	138,688
Total	3,563,478	3,893,258	317,039	152,126

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
June 8, 1923.	40,000,000	58,115,000	1 19 9-2	95 6 7-6
June 15.	35,000,000	48,785,000	2 0 7-7	..
June 22.	45,000,000	51,855,000	2 2 1-3	..
June 29.	40,000,000	49,445,000	3 5 4-2	..
July 6.	30,000,000	39,185,000	3 10 2-2	..
July 13.	30,000,000	42,315,000	3 1 0-93	..
July 20.	30,000,000	42,925,000	3 1 10-93	..

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from July 23 to July 28 were opened on July 20, 1923, and the total amount applied for was £42,925,000. Tenders for Monday to Friday bills at £99 4s 2d, about 18 per cent., and above in full, and for Saturday bills at £99 4s 5d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
June 8, 1923.	40,000,000	58,115,000	1 19 9-2	95 6 7-6
June 15.	35,000,000	48,785,000	2 0 7-7	..
June 22.	45,000,000	51,855,000	2 2 1-3	..
June 29.	40,000,000	49,445,000	3 5 4-2	..
July 6.	30,000,000	39,185,000	3 10 2-2	..
July 13.	30,000,000	42,315,000	3 1 0-93	..
July 20.	30,000,000	42,925,000	3 1 10-93	..

Tenders will be received on July 27, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.			
				Gold and Bank of England Notes.	Ratio to Notes.	Govern-ment Securit-ies.	Balance at Bank of England.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	15-9	261,479	177
June 28.	295,374	13,338	5,000	28,500	16-3	254,312	260
Sept. 27.	289,127	12,648	7,000	27,000	16-6	246,456	169
Dec. 27.	301,337	12,872	7,000	27,000	15-9	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	17-3	241,294	190
June 27.	286,503	12,516	7,000	27,000	17-3	242,446	123
July 11.	290,155	12,263	7,000	27,000	17-4	245,056	112
July 18.	289,310	12,337	7,000	27,000	17-4	245,057	140

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,800,000, for 1921 at £31,556,200, for 1922 at £30,988,400, and for 1923 at £27,183,800.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, July 18, 1923.

ISSUE DEPARTMENT.			
	£		£
Notes issued	145,558,440	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	125,808,440
	145,558,440		145,558,440
BANKING DEPARTMENT.			
	£		£
Proprietors' capital ..	14,553,000	Government securities	47,582,731
Res.	3,415,786	Other securities	71,582,498
Public deposits*	11,094,361	Notes	19,772,090
Other deposits	111,639,476	Gold and silver coin ..	1,828,637
Seven-day & other bills	9,333		
	140,711,956		140,711,956

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. June, 1923.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	West- minster Bank, Limited.	National Provincial and Union Bank of England, Limited.	National Bank, Limited.	Willis's Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,712	36,520	1,571	2,922	35,255	52,040	26,190	28,072	3,891	4,235	198,208
Balance with and cheques in course of collection on other banks in the United Kingdom ..	1,858	7,182	451	1,252	8,547	10,279	8,493	7,027	177	1,255	46,521
Items in transit ..	5,055	22,726	2,244	7,527	16,280	18,388	23,098	15,496	3,654	2,545	117,013
Money at call and short notice ..	3,328	38,670	922	430	62,190	50,235	68,241	44,668	2,939	2,156	273,779
Bills discounted ..	10,029	70,121	4,222	10,937	83,607	38,494	56,319	51,388	18,350	6,205	349,672
Advances to customers and other accounts ..	38,489	132,784	7,856	5,255	137,248	188,494	94,875	122,037	17,400	19,883	764,321
Liabilities of customers for acceptances, endorsements, &c.	4,061	8,018	55	1,610	12,490	27,145	12,242	7,460	213	668	73,962
Bank premises account ..	1,495	4,939	346	370	5,427	5,291	4,014	4,239	687	699	27,507
Investments in affiliated banks ..	..	7,701	..	..	7,675	3,559	2,992	2,240	..	..	24,167
LIABILITIES.	71,027	328,661	17,667	30,303	368,719	393,925	297,264	282,627	47,311	37,646	1,875,150
Ratio of cash to current, deposit, and other accounts ..	10.63	12.30	9.81	10.84	10.62	15.08	10.1	10.92	9.23	12.47	11.8
Capital paid up ..	2,349	15,592	800	1,060	14,372	10,861	9,004	9,309	1,500	1,875	66,722
Reserve fund ..	1,500	8,250	800	530	10,000	10,861	9,004	9,000	1,035	1,150	52,130
Current, deposit, and other accounts ..	63,117	296,801	16,012	26,943	331,857	345,058	267,000	256,858	42,121	33,953	1,679,720
Acceptances, endorsements, &c.	4,061	8,018	55	1,610	12,490	27,145	12,243	7,460	213	668	73,963
Notes in circulation ..	..	..	..	..	..	..	13	..	2,442	..	2,455
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	160
Total ..	71,027	328,661	17,667	30,303	368,719	393,925	297,264	282,627	47,311	37,646	1,875,150

RUSSIAN STATE BANK.—Note-Issuing Department.
(In chevronets—000's omitted.)

ASSETS.	July 16, 1923.	July 1, 1923.	July 16, 1923.
Gold in coin and bullion ..	5,431	4,959	4,518
Silver in bullion ..	74	63	58
Foreign bank notes ..	379	292	316
Drafts in sterling (less 10%) ..	394	438	433
Bills (less 10% discount) ..	2,975	2,310	1,905
Securities covering advances on goods (less 10%) ..	3,130	2,700	2,700
LIABILITIES.			
Bank notes ..	11,650	9,600	8,650
Balance to which notes may still be issued ..	733	1,161	1,280

(NOTE: 1 chevronet = 10 gold roubles.)

NATIONAL BANK OF ROUMANIA.—In lei (000's omitted.)

ASSETS.	June 9, 1923.	June 2, 1923.	May 26, 1923.	May 19, 1923.	June 10, 1923.
Gold ..	545,266	545,266	528,731	528,231	495,471
Silver, &c.	821	759	765	749	376
Government loan ..	12,604,833	12,595,386	12,591,133	12,581,728	12,522,555
Other advances ..	5,070,337	5,018,293	5,029,946	5,011,261	2,666,180
LIABILITIES.					
Notes in circulation ..	15,862,697	15,861,901	15,849,543	15,813,278	14,111,324
Deposits ..	7,119,400	7,060,254	7,081,140	7,085,637	5,876,053

SWISS NATIONAL BANK.—In francs (000's omitted.)

ASSETS.	July 14, 1923.	July 7, 1923.	June 30, 1923.	June 23, 1923.	July 15, 1923.	Position May 31, 1924
Gold ..	525,016	524,659	524,484	524,272	524,451	171,175
Silver ..	102,282	102,347	102,017	102,332	116,865	18,360
Reserve ..	28,013	28,943	29,942	30,524	12,697	..
Assets & advances ..	255,196	251,201	251,172	280,977	308,628	103,000
LIABILITIES.						
Notes in circulation ..	184,910	186,852	183,671	182,976	174,624	375,925
Deposits ..	118,002	82,463	114,614	155,109	255,660	37,750

BANK OF SWEDEN.—In kronor (000's omitted.)

ASSETS.	July 17, 1923.	July 7, 1923.	June 30, 1923.	June 23, 1923.	July 15, 1923.	May 24, 1924.
Gold ..	272,965	273,025	273,057	273,067	273,962	104,918
Balance abt. and foreign bills ..	31,414	29,686	40,794	35,999	78,453	112,173
Gov. securities ..	143,333	147,284	151,129	152,249	72,463	32,465
Discount and loans ..	307,402	332,296	343,418	322,249	413,613	112,668
LIABILITIES.						
Notes in circulation ..	528,936	547,990	586,211	530,508	533,851	226,566
Deposits ..	175,694	184,221	183,405	202,977	253,467	369,660

NATIONAL BANK OF BELGIUM.—In francs (000's omitted.)

ASSETS.	July 12, 1923.	July 5, 1923.	June 28, 1923.	June 21, 1923.	July 13, 1923.	Position May 24, 1924
Coin (gold & silver and bullion) ..	349,886	348,272	348,576	348,127	329,441	322,650
Securities ..	794,308	777,009	778,991	751,311	478,653	697,600
LIABILITIES.						
Notes in circulation ..	6,860,012	6,794,041	6,718,838	6,669,300	6,273,528	934,150
Current accounts ..	384,057	440,664	520,301	552,058	772,834	112,125

AUSTRIAN NATIONAL BANK.—In krone (000's omitted.)

ASSETS.	July 7, 1923	June 30, 1923	June 23, 1923	June 16, 1923
Gold ..	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills ..	2,760,252,887	2,532,315,689	2,449,809,671	2,006,010,412
Bills discounted ..	760,772,092	815,158,380	846,650,397	846,650,397
Treasury bills ..	2,547,211,870	2,547,211,870	2,547,211,870	2,547,211,870
Other assets ..	1,191,240,393	937,686,449	920,089,413	1,017,398,347
LIABILITIES.				
Notes in circulation ..	5,369,937,350	5,432,619,312	5,017,633,816	5,014,155,474
Deposits ..	627,656,190	362,237,268	579,625,646	370,824,587
Other liabilities ..	894,040,492	641,576,199	624,094,566	721,261,211

HUNGARIAN BANK.—In krone (000's omitted.)

ASSETS.	July 7, 1923.	June 30, 1923.	June 23, 1923.	June 16, 1923.	July 7, 1923.
Gold coin and bullion, bills ..	22,635	22,773	22,926	22,942	13,364
Silver coin, &c.	595	595	595	595	595
Bills, warrants, drafts, &c.	13,100,588	120,608,042	107,681,542	100,179,943	25,869,248
Loans ..	3,207,631	2,489,562	3,299,578	3,298,530	1,554,576
LIABILITIES.					
Notes in circulation ..	169,013,427	154,936,057	138,661,842	129,000,472	34,443,471
Deposits ..	17,598,243	12,741,551	13,232,762	11,503,484	3,450,248

BANK OF NORWAY.—In kroner (000's omitted.)

ASSETS.	July 7, 1923.	June 30, 1923.	June 23, 1923.	July 7, 1923.	Position May 31, 1924
Coin and bullion—Gold ..	147,287	147,288	147,289	147,292	44,224
Balance abroad and foreign bills ..	21,689	22,702	20,722	39,027	28,533
Norwegian & Foreign Govern- ment securities ..	9,404	9,404	9,404	9,814	8,816
Discounts and loans ..	485,379	490,128	485,439	436,479	76,911
LIABILITIES.					
Notes in circulation ..	411,902	415,033	398,328	386,501	113,484
Deposits at notice ..	118,027	126,464	133,764	126,732	7,188

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

IMPERIAL BANK OF INDIA.—In rupees (000's omitted.)

ASSETS.	June 22, 1923.	June 15, 1923.	June 8, 1923.	June 1, 1923.	May 25, 1923.	June 23, 1923.
Govt. securities ..	8,51,72	8,33,21	8,11,44	7,90,07	7,95,32	7,97,65
Other securities ..	1,23,89	1,23,89	1,23,89	1,23,89	1,23,89	1,28,31
Loans ..	16,17,45	16,80,42	17,48,63	18,22,32	18,63,78	14,82,45
Cash credits ..	29,25,34	28,90,60	28,52,58	28,76,00	28,80,99	25,77,32
Inland bills ..	5,31,29	6,15,23	6,41,65	6,45,37	6,83,80	4,77,52
Foreign bills ..	37,80	36,56	27,86	23,76	22,15	3,68
Dead stock ..	2,50,04	2,49,79	2,49,81	2,49,43	2,50,03	2,48,35
Sundries ..	75,44	72,22	70,84	70,06	57,61	66,74
Balance with other banks ..	59,71	61,00	62,96	66,78	20,00	6,27
Cash ..	24,15,63	21,05,10	19,83,10	19,82,14	17,65,57	29,41,82
LIABILITIES.						
Subscribed capital ..	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,40
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,35
Reserve ..	4,22,50	4,22,50	4,22,50	4,22,50	4,22,50	4,01,83
Public deposits ..	10,23,06	8,80,25	8,42,34	10,96,61	10,37,55	15,24,55
Other deposits ..	66,87,76	65,18,59	65,62,71	63,72,01	62,74,42	60,32,62
Sundries ..	1,92,49	1,84,18	1,82,73	1,76,20	1,66,17	1,58,23
THE ABOVE INCLUDES—						
Deposits in London ..	573	601	614	511	345	61
Advances in London ..	254	254	255	254	245	368
Cash, &c., at other banks in London ..	391	399	413	305	126	37

NATIONAL BANK OF EGYPT.—In £ (000's omitted.)

ASSETS.	May 31, 1923.	April 30, 1923.	Mar. 31, 1923.	May 31, 1922.	Position May 31, 1924
Gold ..	3,359	3,362	3,363	3,362	1,571
Government securities ..	39,786	39,459	39,682	38,779	1,084
LIABILITIES.					
Notes in circulation ..	27,297	28,618	29,628	30,322	2,400
Government deposits ..	9,496	9,559	9,958	3,069	2,315
Other deposits ..	11,446	11,387	11,444	12,401	1,660

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

BANK OF FINLAND.—In F. marks (000's omitted.)

ASSETS.	July 7, 1923.	June 30, 1923.	June 23, 1923.	July 7, 1922.	Position May 31, 1924
Gold ..	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills ..	593,096	625,470	685,988	113,775	90,379
Finland and Foreign Govern- ment securities ..	581,433	571,433	571,436	718,554	81,826
Discounts and loans ..	851,751	808,505	778,642	821,328	106,151
LIABILITIES.					
Notes in circulation ..	1,427,371	1,436,296	1,420,170	1,363,612	123,941
Deposits at notice ..	386,232	377,194	424,473	90,925	21,226

BANK OF PORTUGAL.—In escudos (000's omitted.)

	April 4, 1923.	Mar. 28, 1923.	Mar. 21, 1923.	Mar. 14, 1923.	April 5, 1922.
ASSETS.					
Coin and bullion ..	26,969	26,984	26,996	26,992	27,558
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	77,132	88,955	84,222	96,748	2,110
Discounts	201,199	197,665	182,583	181,417	150,920
Government loans	906,001	915,915	927,034	923,277	620,099
LIABILITIES.					
Notes in circulation ..	1,159,127	1,138,898	1,123,196	1,126,593	768,180
.....	7,755	7,882	61,558	66,487	55,838

INDIAN TREASURY BILLS.

	March 31, 1923.	July 14, 1923.
Outstanding with public	Rs. 21,63,45,000	Rs. 9,09,45,000
In paper currency reserve	Rs. 49,65,00,000	Rs. 49,65,00,000
Total	71,28,45,000	58,74,45,000

India Office, July 19, 1923.

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a statistical summary of applications and allotments for India Council bills and transfers in London on Tuesday, July 17, 1923:—

	Rate.	Applica- tions.	Allotments.	%	Bills.	Allot- ments.	Average Rate.
Bills	1/4 3/8	Rs. 2,50,000	Rs. 1,12,000	44	Calcutta..	90,000	16.093
	1/4 1/2	50,000	nil	nil	Bombay..	22,000	16.093
		3,00,000	1,12,000	44	Madras..	..	..
Def. T.T. ..	1/4 3/8	40,00,000	17,77,000	44	Calcutta..	..	..
	1/4 1/2	105,00,000	nil	nil	T.T.	..	..
Imm. T.T. ..	1/4 3/8	49,50,000	21,11,000	44	Def. ..	17,77,000	16.093
	1/4 1/2	143,00,000	nil	nil	Bombay..	17,78,000	16.125
		340,50,000	40,00,000	..	Imm. ..	3,33,000	16.125
					Def. ..	..	..
					Imm. ..	..	..

Next week 40 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended July 18, 1923.

Imported into the United Kingdom.	Exported from the United Kingdom.
From—	To—
British South Africa.....	France.....
Sweden.....	Poland.....
Other countries.....	United States.....
	Egypt.....
	British India.....
	Netherlands.....
	Other countries.....
Total declared value of imports.....	Total declared value of exports.....

Messrs Samuel Montagu and Co. write, on July 18th, as follows:—

GOLD.

The gold available this week was rather larger than usual. As Indian inquiry is small, the greater portion will be despatched to New York. The following were the United Kingdom imports and exports of gold during the month of June, 1923:—Imports, £3,130,140; exports, £2,129,057. It is reported that several German banks are attracting large paper mark deposits on the new "gold mark basis." This system, as regulated by the Prussian and Bavarian laws, is as follows:—The "savings gold mark," whose value is not that of the old gold mark, but ten American cents, is selected as the unit. Paper-mark deposits are valued in the "savings gold mark" according to the day's Bourse quotations of new dollar Treasury bills, and they are so booked. The savings bank undertakes to repay to depositor, when he withdraws his deposit, in paper marks of the same gold value. The bank presumably covers its own risk by investing the paper-mark deposits in dollar Treasury bills, or in some other stable security.

SILVER.

The market during the last seven days has been singularly inactive. Although favourable news continues to be cabled regarding the monsoon, the Indian bazaars are reluctant to purchase silver outright, preferring to ship and sell a similar amount for delivery in two months. China has sent orders to buy, but at a considerable fraction under quotations. The Continent and America have not figured as sellers of any importance. On the whole, the market has a languid appearance.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	June 22, 1923.	June 30, 1923.	July 7, 1923.
Notes in circulation	17,238	17,361	17,426
Silver coin and bullion in India	8,471	8,595	8,658
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,750	5,750	5,751
Securities (British Government)	585	584	585

The silver coinage during the week ending the 7th inst. amounted to 1 lac of rupees. The stock in Shanghai on the 14th inst. consisted of about 26,700,000 ounces in sycee and 32,000,000 dollars, as compared with about 25,800,000 ounces in sycee, 32,500,000 dollars and 420 silver bars on the 7th inst.

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce. Cash. Forward.	Date.	Silver. Cash.
July 14..	s d 89 9	d 30 1/2	July 27, 1917	d 39 3/8
16..	89 5	30 3/4	26, 1918	48 1/8
17..	89 10	30 1/2	25, 1919	55 1/8
18..	89 8	30 3/4	23, 1920	54 3/8
19..	89 8	31	22, 1921	38
20..	89 8	30 15/16	21, 1922	35 1/4

NOTICES.

The National Bank of Australasia, Limited, advise receipt of mail advices from their head office, Melbourne, that Sir John Grice has been re-elected chairman of this bank, and Mr Edward Trenchard vice-chairman for the ensuing year.

Lloyds Bank, Limited, announce that a branch of the bank is now open at 27 Church street, Bilston, under the management of Mr H. Hanford.

A branch of the Commercial Banking Company of Sydney, Limited, has been opened at Lindfield, Sydney, New South Wales.

The London Joint City and Midland Bank announce the opening of new branches in St Mary street, Northam, near Southampton, and at 760-762 Fishponds road, Fishponds, Bristol.

Barclays Bank, Limited, announce that they have opened a new sub-branch at 128 St Alban's road, Watford, under the management of Mr W. Massey, also manager of The Parade, Watford, branch. Their office at Dolgelley has been transferred to new premises at London House, Eldon square, Dolgelley, under the management of Mr J. T. Evans.

MINING OUTPUT STATISTICS FOR JUNE, 1923.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Crude Works.	Mill.	Crude Works.
Gold.	Tons.	Tons.	Ozs.	Ozs.
Colombian Mining, &c. ..	2,520	..	..	5,300
Great Boulder Prop.	9,113	..	..	(a) 23,694
Hampton Celebration	137	..	..	806
Hampton Properties.....	959	..	..	1,624
Lonely Reef	5,400	..	..	3,561 (d) 6,924
Mexico Mines of El Oro ..	12,578	..	..	\$199,010
Oriental Cons. (May)	20,866	..	..	\$106,910
Oroya Links	2,790	..	..	14,655
Planet Aroturus	5,800	778	1,128	1,906 (d) 8,486
Santa Gertrudis	12,560	..	..	..
Do El Bordo	36,162	..	..	\$30,457
Shamva	58,350	..	..	37,002
Sheba	4,345	..	..	935

(a) Par value. (d) 89s per oz.

	Output.	Other Notes in Return.
Tin.	Tons.	Black tin.
Brisels	35	..
Gold Coast Cons.	3	..
Naraguts	40	Despatched 32 tons. ..
Coal.	Tons.	..
Chinese Engineering	118,171	Week ended July 7th.
East Kent	3,782	Week ended July 14th.
Copper.	Tons.	..
Falcon	214,888	Short tons blister copper; 2,145 ozs gold; 4,439 ozs silver.
Miscellaneous.	Tons.	Blister copper.
Namaqua	216	..
Burma Ruby	..	Rubies valued at Rs.45,000; royalties, Rs.10,000; sluces Rs.4,530.

BRITISH AUSTRALIAN BROKEN HILL.—Returns fortnight ending July 14, 1923, are: 7,078 tons crude ore produced 1,220 tons lead concentrates, containing 763 tons lead and 33,184 ozs silver; also 1,050 tons zinc concentrates, assaying 8 per cent. lead, 95 ozs silver per ton, and 45 per cent. zinc. 190 tons carbonates raised. One day's stoppage.

BURMAH CORPORATION.—June:—Mined 17,531 tons of ore. 19,000 tons of ore were milled in the treatment plant, producing 10,418 tons of lead concentrates. 10,869 tons of lead-bearing material were smelted in the blast furnaces, producing 4,046 tons hard lead for treatment in the refinery. Refinery products were 3,512 tons lead and 330,623 ozs silver. Tonnage milled includes retreatment 1,607 tons tailings. Experimental zinc plant produced 591 tons zinc concentrates, assaying 9.5 ozs silver, 6 per cent. lead, 47.5 per cent. zinc.

SULPHIDE CORPORATION.—During the six weeks ended June 30, 1923, 14,594 tons of ore and 2,874 tons of slimes were milled at the Central Mine, producing 3,343 tons of lead concentrates (including 389 tons from the de-leading plant), which assayed 45 ozs silver, 67 per cent. lead, together with 5,212 tons zinc concentrates, assaying 12 ozs silver, 6 per cent. lead, and 49 per cent. zinc per ton.

RUBBER OUTPUTS AND DIVIDENDS.

In the table below we give the June outputs, and dividends for four complete years of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ends December 31, Except where Stated.	Outputs.	Output Month June, 1923.	Increase or Decrease on 1922.	Output 6 Months 1923, Except Where Otherwise Stated in Brackets.	Increase or Decrease on 1922.	Dividends paid in Past 4 Complete Years.
	Year 1920.	Year 1921.	Year 1922.			1919. 1920. 1921. 1922.
Allagar	Lbs. 354,250	Lbs. 329,300	Lbs. 372,300	Lbs. ..	Lbs. ..	1919. 10 1920. nil 1921. nil 1922. nil
Anglo-Java	2,101,424	1,752,499	1,752,499	1,752,499	1,752,499	1919. 10 1920. nil 1921. nil 1922. nil
Anglo-Malaya	1,430,807	1,199,767	75,833	75,833	75,833	1919. 10 1920. nil 1921. nil 1922. nil
Anglo-Sumatra (May 31) ..	1,058,736	920,074	66,031	66,031	66,031	1919. 10 1920. nil 1921. nil 1922. nil
Ayer Kuning	943,803	812,127	858,670	858,670	858,670	1919. 10 1920. nil 1921. nil 1922. nil
Bah Lias (Oct. 31)	1,561,555	1,129,038	1,245,416	1,245,416	1,245,416	1919. 10 1920. nil 1921. nil 1922. nil
Bajoe Kidol (Mar. 31)	1,029,608	729,467	963,945	963,945	963,945	1919. 10 1920. nil 1921. nil 1922. nil
Bakap (June 30)	230,300	164,080	215,600	215,600	215,600	1919. 10 1920. nil 1921. nil 1922. nil
Bandar Sumatra (July 31) ..	614,867	523,967	414,711	414,711	414,711	1919. 10 1920. nil 1921. nil 1922. nil
Bantam (Java) (June 30) ..	913,616	713,192	580,343	580,343	580,343	1919. 10 1920. nil 1921. nil 1922. nil
Batang (Selangor) (April 30) ..	571,712	467,809	461,740	461,740	461,740	1919. 10 1920. nil 1921. nil 1922. nil
Batu Caves	390,686	296,140	284,490	284,490	284,490	1919. 10 1920. nil 1921. nil 1922. nil
Batu Tiga	647,153	534,893	537,616	537,616	537,616	1919. 10 1920. nil 1921. nil 1922. nil
Bekoh Consolidated (June 30) ..	418,745	510,500	609,767	609,767	609,767	1919. 10 1920. nil 1921. nil 1922. nil
Bertam Consolidated (March 31) ..	1,534,416	1,269,877	1,504,498	1,504,498	1,504,498	1919. 10 1920. nil 1921. nil 1922. nil
Bukit Cih	342,250	277,730	342,250	342,250	342,250	1919. 10 1920. nil 1921. nil 1922. nil
Bukit Kajang (June 30)	881,671	756,638	655,540	655,540	655,540	1919. 10 1920. nil 1921. nil 1922. nil
Bukit Mertajam (March 31) ..	842,362	602,326	47,469	47,469	47,469	1919. 10 1920. nil 1921. nil 1922. nil
Bukit Sembawang	1,636,320	1,010,164	1,056,656	1,056,656	1,056,656	1919. 10 1920. nil 1921. nil 1922. nil
Ceylon (Para)	1,214,645	975,540	1,219,526	1,219,526	1,219,526	1919. 10 1920. nil 1921. nil 1922. nil
Chersonese	653,267	504,891	503,741	503,741	503,741	1919. 10 1920. nil 1921. nil 1922. nil
Cheviot	875,814	867,033	728,000	728,000	728,000	1919. 10 1920. nil 1921. nil 1922. nil
Cleely Ordinary (March 31) ..	636,372	647,688	636,372	636,372	636,372	1919. 10 1920. nil 1921. nil 1922. nil
Consolidated Malay	1,070,989	842,805	903,300	903,300	903,300	1919. 10 1920. nil 1921. nil 1922. nil
Damansara	801,697	664,798	603,204	603,204	603,204	1919. 10 1920. nil 1921. nil 1922. nil
Dennistown	436,210	392,404	454,401	454,401	454,401	1919. 10 1920. nil 1921. nil 1922. nil
Dusun Durian	1,053,163	698,008	959,420	959,420	959,420	1919. 10 1920. nil 1921. nil 1922. nil
Eastern Sumatra (June 30) ..	454,740	443,900	366,000	366,000	366,000	1919. 10 1920. nil 1921. nil 1922. nil
F. M. S. Planters	325,000	300,300	301,000	301,000	301,000	1919. 10 1920. nil 1921. nil 1922. nil
General Ceylon	1,247,524	1,063,642	1,155,166	1,155,166	1,155,166	1919. 10 1920. nil 1921. nil 1922. nil
Golconda Malay	612,403	473,041	485,452	485,452	485,452	1919. 10 1920. nil 1921. nil 1922. nil
Golden Hope	461,824	233,446	343,759	343,759	343,759	1919. 10 1920. nil 1921. nil 1922. nil
Grand Central (Ceylon)	5,217,447	4,379,972	5,063,897	5,063,897	5,063,897	1919. 10 1920. nil 1921. nil 1922. nil
Gula-Kalumpang	1,618,987	1,023,600	1,183,280	1,183,280	1,183,280	1919. 10 1920. nil 1921. nil 1922. nil
Harpender	454,966	320,861	320,353	320,353	320,353	1919. 10 1920. nil 1921. nil 1922. nil
Highlands and Lowlands	1,533,919	1,215,779	1,171,977	1,171,977	1,171,977	1919. 10 1920. nil 1921. nil 1922. nil
Inch Kenneth (May 31)	427,039	334,688	396,583	396,583	396,583	1919. 10 1920. nil 1921. nil 1922. nil
Java Amalgamated	932,212	882,331	834,149	834,149	834,149	1919. 10 1920. nil 1921. nil 1922. nil
Java Rubber Plantations	289,804	375,635	454,638	454,638	454,638	1919. 10 1920. nil 1921. nil 1922. nil
Jeram (March 31)	663,950	570,879	715,920	715,920	715,920	1919. 10 1920. nil 1921. nil 1922. nil
Jong-Landor (June 30)	2,457,721	2,058,392	2,833,770	2,833,770	2,833,770	1919. 10 1920. nil 1921. nil 1922. nil
Jugra Land and Carey (Nov. 30) ..	902,605	747,769	721,071	721,071	721,071	1919. 10 1920. nil 1921. nil 1922. nil
Kamuning (Perak) (June 30) ..	1,022,925	851,775	848,610	848,610	848,610	1919. 10 1920. nil 1921. nil 1922. nil
Kaper Para	610,097	474,803	..	..	..	1919. 10 1920. nil 1921. nil 1922. nil
Kawie (Java) (March 31)	536,311	529,781	..	..	..	1919. 10 1920. nil 1921. nil 1922. nil
Kepitigalla (March 31)	750,704	483,360	683,840	683,840	683,840	1919. 10 1920. nil 1921. nil 1922. nil
Kinta Kelias (March 31)	693,685	663,000	685,454	685,454	685,454	1919. 10 1920. nil 1921. nil 1922. nil
Kuala Lumpur (June 30)	1,709,537	1,550,385	1,030,922	1,030,922	1,030,922	1919. 10 1920. nil 1921. nil 1922. nil
Kuala Selangor	556,712	564,712	642,436	642,436	642,436	1919. 10 1920. nil 1921. nil 1922. nil

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended July 13, 1923.	Miles Open.	Passenger, &c.	Goods, &c.	Total for Week.	Passenger, &c.	Goods, &c.	Total for 28 Weeks.
(c) Week ended July 14, 1923.							
Great Western.....	3,679	298,000	319,000	617,000	6,737,000	10,041,000	16,778,000
London & North-Eastern	5,661	536,000	674,000	1,210,000	11,543,000	20,924,000	32,467,000
Do same period 1922	6,657	574,000	774,000	1,348,000	12,735,000	21,127,000	33,862,000
London, Mid., & Scottish	6,962	786,000	792,000	1,578,000	16,610,000	25,961,000	42,571,000
Southern	2,115	390,600	102,400	493,000	8,503,400	3,259,600	11,763,000
Midland & S.W. Junc.	63	1,500	1,286	2,786	33,082	37,673	70,755
Metropolitan (c)	793	31,463	3,662	35,125	905,649	103,233	1,008,882
Underground E.R. (c)	..	..	..	245,645	..	..	6,396,237
London & Sub. Group (c)	..	..	..	44,584	..	..	1,121,916
Belfast & Co. Down (b)	80	11,363	957	12,320	142,795	33,785	176,580
Dublin and S.-East. (b)	160	8,472	2,815	11,287	150,435	99,928	250,361
Midland Gt. West. (b)	538	11,174	11,485	22,659	263,029	424,272	687,303

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
Assam Bengal	11 weeks	June 16	1,049	Rs. 1,98,689	Rs. 27,411	Rs. 24,30,749	Rs. 26,168
Barru Lt. Ry.	12 weeks	23	118	22,600	8,700	3,93,000	42,900
Bengal & N. Western	11 weeks	16	67	6,62,030	21,594	74,93,465	3,29,820
Bengal Nagpur	11 weeks	16	2,727	14,84,000	1,48,000	1,77,65,000	3,70,187
Bombay, Bar. & C.O.L.	15 weeks	July 14	2,994	17,91,000	2,12,000	3,49,51,000	31,000
Burma	10 weeks	9	1,342	6,65,553	13,613	74,22,191	2,21,337
Delhi, Umballa & Kalke	14 weeks	7	839	1,00,000	5,782	13,76,000	83,534
East Indian	15 weeks	14	2,856	29,60,000	55,000	4,87,43,000	30,67,000
G. Indian Peninsula	14 weeks	7	3,164	21,59,800	2,77,000	3,93,46,328	11,80,948
Madras & S. Mahr.	11 weeks	Jne. 16	3,028	14,00,000	1,15,023	1,67,88,104	89,749
Rohilk'd & Kumaon	11 weeks	16	259	62,952	12,193	7,06,308	35,347
Do Lucknow-Breilly	11 weeks	16	313	72,692	12,022	8,64,076	47,882
South Indian	11 weeks	16	1,890	10,03,190	15,101	107,01,775	1,15,251

CANADIAN.

Canadian National ..	28 weeks	July 14	22,680	4,730,344	+ 239,181	12,737,127	+ 14,767,824
Canadian Pacific ..	28 weeks	14	13,539	3,449,000	+ 264,000	86,979,000	+ 4,331,000

ARGENTINE (a).

Argentine N.E.	2 weeks	July 14	753	11,000	+ 2,000	20,300	+ 1,200
Argentine Trans.	1 week	7	111	3,521	+ 2,931	3,521	+ 3,431
B. A. and Pacific ..	2 weeks	14	5,317	130,000	+ 10,000	272,000	+ 23,000
B. A. Gt. Southern ..	2 weeks	14	3,948	146,000	+ 5,000	318,000	+ 19,000
B. Western ..	2 weeks	14	1,858	30,000	+ 1,000	86,000	+ 27,000
Central Argentine ..	2 weeks	14	3,305	70,000	+ 5,000	195,000	+ 3,000
Cordoba Central ..	2 weeks	14	1,205	20,000	+ 15,000	415,000	+ 20,000
Entre Rios ..	2 weeks	14	729	13,600	+ 1,900	27,800	+ 2,900

BRAZILIAN (b).

Gt. West. of Brasil ..	28 weeks	July 14	1,005	6,100	+ 5,300	279,800	+ 89,000
Leopoldina ..	28 weeks	14	1,831	27,935	+ 2,708	656,765	+ 76,725
San Paulo ..	28 weeks	15	1,533	27,241	+ 681	746,139	+ 32,476

CHILE AND PERU.

Antofagasta ..	28 weeks	July 15	838	35,715	+ 9,105	976,035	+ 434,145
Nitrato (4-monthly)	28 weeks	15	366	36,535	+ 11,825	433,642	+ 246,878

CUBAN.

Havana Central ..	2 weeks	July 14	..	11,578	+ 2,508	23,332	+ 3,452
United of Havana ..	2 weeks	14	1,210	58,451	+ 7,588	116,047	+ 10,852

URUGUAYAN.

Central Uruguay ..	2 weeks	July 14	273	19,561	+ 1,805	42,148	+ 1,796
C. Urug. (East Ext.) ..	2 weeks	14	311	4,501	+ 37	9,347	+ 423
C. Urug. (North Ext.) ..	2 weeks	14	185	2,242	+ 82	4,550	+ 721
C. Urug. (West Ext.) ..	2 weeks	14	111	2,533	+ 13	3,797	+ 221

OTHER OVERSEAS.

Alcoy and Gandia ..	28 weeks	July 14	33	20,000	+ 3,500	621,800	+ 61,500
Egyptian Delta ..	13 weeks	June 30	675	7,040	+ 475	58,417	+ 13,445
Gt. Southern of Spain	27 weeks	July 7	104	30,347	+ 29,452	2,754,777	+ 632,889
Mexican Railway ..	2 weeks	14	403	282,100	+ 28,700	392,900	+ 114,900
New Cape Central ..	25 weeks	June 23	805	2,935	+ 209	68,530	+ 779
Paraguay Central ..	52 weeks	30	274	3,360	+ 3,160	109,570	+ 58,350
Salvador ..	2 weeks	July 14	100	2,261	+ 2,187	4,516	+ 4,695

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	28 weeks	July 15	329	£70,833	- 10,098	2,369,013	+ 35,611
Burnley Corporation ..	1 week	14	12	43,048	+ 259	..	..
Calcutta Tramways ..	28 weeks	June 28	353	Rs130,786	+ 15,255	..	+ 22,018
Chatham & District ..	26 weeks	June 28	15	£1,681	- 53	38,717	- 2,226
Egyptian Markets	27 weeks	July 5	..	£1,504	- 187	54,252	+ 6,411
Glasgow Corporation ..	6 weeks	14	106	£41,986	+ 2,226	278,183	+ 813
Tramways	41 weeks	11	..	£2,018	+ 105	31,557	+ 1,331
Iale of Thanet	28 weeks	10	39	£2,894	- 41	79,157	- 5,422
Lancashire United ..	14 weeks	14	124	£29,816	- 685	415,151	- 34,425
Liverpool Corpora- tion Tramways ..	18 weeks	13	163	£286,558	- 6,592	1,380,379	- 96,055
L.C.O. Tramways ..	28 weeks	15	..	Rs56,964	+ 6,051	6,77,125	+ 39,808
Madras Elect. (2 wks)	28 weeks	15	..	£43,395	+ 261	103,755	+ 7,645
Pernambuco Trams ..	28 weeks	15	..	..	..	..	..

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % * Interim Div.	per Annum, except where marked % or stated in Cash. † Final div.	Method of Payment.	Dividend for Whole Years.	Lat'st Year.	Previous Year.
Railways.						
Belfast and Co. Down	5	Sept. 1	..	..	%	%
Central Railway of Chubut	2*	..	Less tax	..	2 1/2	..
Cronakilly Extension	..	..	Less tax	..	..	..
International of Central America, Prefd.	1 1/2	Aug. 15	..	..	..	..
Mumbles	7 1/2	Aug. 6	Less tax	..	..	..
Salisbury Railway, &c.	5	Aug. 16	Less tax	..	..	..
Swansea and Mumbles	9 1/2	Aug. 6	Less tax	..	..	..
Banks.						
Banco Nacional Ultramarino	..	..	Subject to tax	30	(d) 20	..
Bank of New South Wales	5%	..	..	..	..	..
Bank of Roumania	..	..	Less tax	6	..	nil
Commercial of Australia	..	..	..	15	15	..
Hibernian	5/ p.s.	..	..	..	..	..
Netherlands of S. Africa	..	..	..	4	..	..
Provincial Bank of Ireland	10 1/2	..	Tax free	..	..	..
Royal Bank of Canada	3%	Sept. 1	Quarterly	..	..	..
Standard of South Africa	7/ p.s.†	..	Less tax	14	16 1/2	..
Insurance.						
Indemnity Mutual Marine	20/ p.s.*	..	..	..	..	..
Tea and Rubber.						
Badek Rubber	..	..	Less tax	7 1/2	5	..
Baru (Java) Estates	..	..	Less tax	4	..	nil
Beaufort Borneo Rubber	..	..	..	6	..	nil
Bidor Rubber	..	..	..	10	..	nil
British North Borneo Trust	..	..	Less tax	4	..	..
Bukit Mertajam	..	..	Less tax	7 1/2	..	..
Bukit Rajah Rubber	..	..	..	5	..	nil
Cleely Rubber	12 1/2	..	Less tax 5/ in £	..	..	..
Derby Tea	30 1/2	..	Less tax	50	..	..
Hunwal Tea	15 1/2	..	Tax free	20	..	..
Rim (Malacca) Rubber	5 1/2	..	Less tax	10	..	..
Sempah Rubber	..	..	Less tax 5/ in £	6	..	..
Tenom Borneo	2%	July 31	Less tax	..	..	..
Vallambrosa Rubber	..	..	Less tax 5/ in £	1/4 p.s.	..	..
Mining.						
Bechuanaland Explor.	7 1/2	..	Less tax	5	6	..
D. Davis and Sons	7 1/2	..	Less tax	15	10	..
East Indian Coal	7 1/2	..	Less tax	..	..	..
Electrolytic Zinc	4%	Sept. 5	..	7 1/2	7 1/2	..
H. E. Proprietary, New	5 1/2	..	Less tax	..	..	..
North's Navigation	5%	..	Tax free	10	10	..
Rhodesia Broken Hill	..	..	Less tax	..	..	..
Other Companies.						
A. F. Stoddard	12 1/2	..	..	8	..	..
Asprey and Co.	5 1/2	..	..	..	..	..
Assets Company	10%	July 28	..	..	..	..
Average Trust	10%	Aug. 16	Tax free	..	..	..
Bath Gas Light and Coke	4 1/2	Aug. 16	Less tax	..	..	..
Belgravia Dairy	4%	July 28	Less tax	8	8	..
"Bodega"	..	..	..	5	5	..
Bon Marche	7%	Aug. 16	..	..	..	..
Bournemouth & Poole Electricity	3 1/2	Aug. 15	Less tax	..	..	..
Brazilian Traction	1%	Sept. 1	..	..	..	..
British Assets Trust	..	..	Less tax	10	10	..
Bury and Heap Commercial, £10 Do, £5 paid	10/ p.s. 5/ p.s.	..	Tax free Tax free	..	..	..
C. and W. Walker	10%	..	Tax free	..	..	..
Celtic Collieries	31%†	July 28	..	..	..	..
Chartered, &c., Finance	10%*	July 25	Less tax	..	..	..
Chili Telephone	3/ p.s.†	..	Tax free	6	6	..
City of London Brewery	5 1/2*	..	Less tax	..	..	..
City Property Investment, Delfd	20%	..	Less tax	..	..	..
Cork Improved Dwellings	4 1/2	..	..	..	..	..
County of London Electric	4%*	Sept. 15	Less tax	..	..	..
Crown Brewing	7	July 19	Tax free	..	..	..
David and William Henderson	6%	..	..	5	5	..
De Trey and Co.	5	Sept. 14	Less tax	..	..	..
Devereux, Routledge, and Co.	5	July 24	Less tax	..	..	..
District Messenger, &c.	4%	..	..	10	..	..
Dublin United Trams	4%	..	Less tax	..	..	..
East End Dwellings	5	July 21	Tax free	..	..	..
Eastwoods	1/ p.s.	Aug. 2	Less tax	..	..	..
Edwood, Wood, and Co., Prefd.	2 1/2	..	..	5	5	..
Do Ord.	nil†	..	..	2 1/2	5	..
Fodens	2%	..	Tax free	5	6	..
Four per Cent. Indus. Dwellings	2 1/2*	..	Tax free	..	..	..
Freeman, Hardy, and Willis	12 1/2	July 26	Less tax	..	..	..
Furness, Withy	25 1/4	..	Tax free	7 1/2	10	..
Gas Light and Coke	5 1/2	..	Less tax	5	10	..
Gloucester Railway Carriage	5†	..	..	..	..	..
Hardebeck and Bornhard, Prefd.	3% (arrear)	..	..	..	..	..
Hayes, Candy, and Co.	5%	Aug. 15	Less tax	..	..	..
H. E. Randall	1/6 p.2.*	July 28	Less tax	..	..	..
Herbert, Morris, Cum. Pref.	6%	July 31	Less tax 4/8 in £	..	..	..
H. Cuming & Co.	5	July 31	Tax free 6/ in £	..	..	..
Heywood Carriage	10	..	Tax free	..	..	..
Holborn Viaduct Land	4%*	..	..	..	..	..
Holloway's Properties	3%†	..	..	6	..	..
Imperial Colonial Finance	9†	..	Less tax	7	..	..
Imperial Tobacco of G.B.	7%*	Sept. 1	Tax free	..	..	..
Investment of Canada	..	..	..	6	..	..
Ipswich Gas Light, "A"	14 1/2	Sept. 1	Less tax	..	..	..
Do "B"	11 1/2	Sept. 1	Less tax	..	..	..
Do "C"	11 1/2	Sept. 1	Less tax	..	..	..
James Eadie	14 1/2	..	Less tax	..	..	..
Do (Bonus)	5%	..	Tax free	13	1	..
J. Sears and Co.	7 1/2*	..	..	..	..	..
Kensington and Knightsbridge Electric	5%*	..	..	..	..	..
Lipton	8 1/2	..	..	12 1/2	1	..
Lochelly Iron and Coal	3/ p.s.†	..	Less tax	20	1	..
London and British N. America London Theatre of Varieties	..	July 20	Less tax Less tax	12 1/2 12 1/2	..	..
Maidstone Motor Services	5%	..	Less tax	5	..	..
Manchester Dock, &c.	2 1/2	..	..	..	..	..
Manchester Ship Canal Ware- housing	2 1/2	..	Less tax	5	..	..
Mather and Platt	5%	..	Tax free	..	..	..
Metropolitan Trust	7%	Aug. 31	Less tax	..	..	..
Mortgage Co. of River Plate	6%	July 1	Less tax	..	..	..
National Electric Theatres, Ord. Do Delfd.	1/ p.s.† 2/ p.s.†	Aug. 1	..	20	..	..
New Investment Company	..	..	Less tax	9 1/2	8	..
Parker's Burslem Brewery	8†	..	..	..	..	..
Premier Investment	2 1/2	Aug. 1	..	..	..	..
Railway Deb. and General	2 1/2	July 28	Less tax	..	..	..
Regent's Canal	1	..	Less tax	..	..	..

"The company, although not directly concerned with the matter in dispute, was involved as a member of the Engineering and National Employers' Federation in the engineering lock-out, which lasted from March 3rd to June 6, 1922, covering the period of the year in which normally the output of the factory is at its maximum. It is estimated that the loss of turnover incurred by the company on this account amounted to not less than £300,000. A further substantial fall in the value of stocks took place during the year under review, and the directors have felt it wise to write down the stock on hand at September 30, 1922, to the market value ruling at that date."

ANALYSIS OF BALANCE-SHEETS.

LLOYDS BANK, LIMITED.

June 30, 1923.

LIABILITIES.	Compared with June 30, 1922.	ASSETS.	Compared with June 30, 1922.
Amount.	£	Amount.	£
Current deposit, and other accounts.....	335,594,414 ..	Cash	46,673,955 ..
Acceptances, &c. 12,184,429 ..	+ 4,512,838	Cash and notice ..	19,109,952 ..
Capital paid up 14,372,956 ..	..	Bills of exchange ..	57,894,212 ..
Reserve fund .. 10,000,000 ..	..	Investments ..	85,180,289 ..
		Shares in allied banks.....	7,674,496 ..
		Advances.....	138,004,940 ..
		Acceptances, &c.....	12,184,429 ..
		Bank premises ..	5,429,526 ..
Total	372,151,799 ..	Total.....	372,151,799 ..

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.

The statement of accounts of the London Joint City and Midland Bank, Limited, made up on June 30, 1923, compares as follows with the position shown by the bank on June 30, 1922:—

LIABILITIES.	June 30, 1922.	June 30, 1923
Amount.	£	£
Capital paid up	10,860,852 ..	10,860,852 ..
Reserve fund	10,860,852 ..	10,860,852 ..
Current deposit, and other accounts (including balance of profit and loss account) ..	368,230,832 ..	347,900,203 ..
Acceptances and engagements on account of customers ..	17,718,567 ..	26,380,696 ..
ASSETS.	407,671,103 ..	396,002,603 ..
Coin, bank and currency notes, and balances with the Bank of England	53,325,176 ..	51,886,944 ..
Balances with, and cheques in course of collection on other banks in Great Britain and Ireland	11,600,430 ..	14,637,852 ..
Money at call and short notice	15,644,306 ..	15,644,306 ..
Investments	67,697,021 ..	38,087,428 ..
Bills discounted	56,252,193 ..	45,336,797 ..
Advances to customers and other accounts	176,912,071 ..	190,104,209 ..
Liabilities of customers for acceptances and engagements ..	17,718,567 ..	26,380,696 ..
Bank premises	4,961,924 ..	5,351,389 ..
Shares of the Belfast Banking Company, Limited, and the Clydesdale Bank, Limited ..	3,259,415 ..	3,259,690 ..
Shares of the London City and Midland Executor and Trustee Company, Limited ..	300,000 ..	300,000 ..
Total	407,671,103 ..	396,002,603 ..

ENGLISH SEWING COTTON.

March 31, 1923.

LIABILITIES.	Compared with Mar. 31, 1922.	ASSETS.	Compared with Mar. 31, 1922.
Amount.	£	Amount.	£
Prof. shares.....	1,000,000 ..	Properties, &c.	3,266,906 ..
Ord. shares.....	2,000,000 ..	Stocks	822,846 ..
4% int. mort. deb.	967,271 ..	Debtors.....	283,962 ..
Creditors	393,292 ..	Cash, &c.....	57,708 ..
American Thread Co.	3,567 ..	Investments ..	1,317,185 ..
Subsidiary cos.	23,606 ..	American Thread account ..	76,578 ..
Pension fund	68,093 ..	Divs. due from subsidiaries, &c.	2,784 ..
Reserve	200,000 ..		
Div. reserve	200,000 ..		
Stock reserve	200,000 ..		
Insurance reserve ..	50,000 ..		
Profit and loss ..	749,312 ..		
Total	5,827,968 ..	Total	5,827,968 ..

FURNESS, WITHY, AND CO.

April 30, 1923.

LIABILITIES.	Compared with April 30, 1922.	ASSETS.	Compared with April 30, 1922.
Amount.	£	Amount.	£
Ord. shares	4,000,000 ..	Steamships, investments in associated cos., and payments on account of new tonnage ..	4,399,169 ..
Prof. shares.....	1,500,000 ..	Investments.....	3,596,497 ..
Reserves	2,000,000 ..	Properties.....	228,402 ..
Sundry creditors ..	4,060,514 ..	Sundry debtors ..	2,518,731 ..
Profit and loss ..	202,316 ..	Bankers' balances, &c.	1,020,031 ..
Total	11,762,830 ..	Total	11,762,830 ..

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Recent warm rains have had a beneficial effect upon spring cereals, pastures, and roots, which were badly in need of moisture. Winter wheat and oats are ripening quickly under a spell of brilliant sunshine, and a full average outturn is anticipated.

General course of trade was on a limited scale, while restricted by labour troubles at the docks. The trend of prices was in buyers' favour owing to lower forward offers, except for parcels actually available, these being held for a substantial premium owing to the difficulty in obtaining delivery. Supplies of native wheat continue in small compass, and prices largely nominal, while ranging from 10s 6d to 11s 9d per 112 lbs, free on rail, as to quality. Imported dull and easier for arrival. No. 1 Northern Manitoba quoted 47s to 47s 6d, No. 2 mixed Durum 45s, choice white Karachi 46s 9d, red ditto 45s 6d, Rosafe, 62½ lbs, 46s 6d, all ex ship, to arrive, per 496 lbs. The cargo section was dull and depressed on freer offers of Plate descriptions, and pressure to sell new crop Manitobas, also in view of favourable crop prospects in the chief exporting countries, and liberal supplies available for shipment to Europe. Cargoes of No. 1 Northern Manitoba, July shipment, sold at 45s 3d, and early August at 44s 1½d net. Feeding stuffs lacked interest, and prices declined for most descriptions. Flour firm owing to scarcity of grist, and a steady demand prevailed. London standard straight run quoted at 40s, patents 43s, town households 38s per sack, delivered in the metropolitan area. Country straights nominal owing to scarcity of native wheat. Imported descriptions firm for stop parcels. Manitoba patents range from 35s 6d to 39s, Minneapolis good patents 38s 6d, soft winters 36s 6d to 39s, and Australian 35s 6d to 37s 6d, all per 280 lbs, ex store. Stocks continue small and arrivals light. Millers' offals steady. Broad bran quoted 6s to 6s 3d, ordinary ditto 5s 6d, middlings 8s 3d to 8s 6d, bags included, ex mill. Light oats 5s 3d, powdered oat husks 5s 3d, feed oatmeal 7s 9d, ground oats 7s 3d, all per cwt, free on rail. Barley: English quiet at 7s 6d to 10s 9d per 112 lbs, free on rail, as to sample. Imported steady. Californian 42s to 44s 6d, Australian chevalier 40s to 46s, New Zealand 33s to 45s, as to sample, all landed, per 448 lbs. Persian, ex ship, 25s, No. 4 Canadian western ditto 25s 9d, American malting, 48 lbs, 25s 3d, Plate, landed, 27s 3d, all per 400 lbs. Maize quiet, but landed parcels held for extreme rates. Plate, ex ship, 36s 6d, ditto, landed, 42s per 480 lbs. Oats: English nominal at 8s to 10s 8d per 112 lbs, as to sample, free on rail. Imported easier for arrival, but parcels actually available realise firm prices. Plate f.a.q., ex ship, 22s, ditto, landed, 26s, No. 2 Canadian western, ex ship, 26s 6d, No. 3 ditto, ex ship, 26s landed 28s, No. 1 Canadian feed, ex ship, 25s 3d, No. 2 ditto 24s 9d, New Zealand A grade, landed, 38s 6d, B ditto 37s 6d, all per 320 lbs. Oatmeal quiet. London made, all cuts, 17s 6d, rolled oats, also whole groats, 17s 6d, flaked oats 18s, ex mill, ordinary Scottish oatmeal 19s 6d to 20s, and American, all cuts, 17s 6d per cwt.



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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Pref. Amount.	Ordinary Amount.				
Banks.										
Bank of New South Wales	Mar. 31*	152,438	432,188	584,626	£	297,981	10	125,000	161,645	359,210
Bank of Roumania	Dec. 31	..	18,437	18,437	£	11,062	5	7,375	27,385	..
Munster and Leinster	June 30*	41,032	94,204	135,236	£	30,000	20	60,000	45,236	90,625
Netherlands Bank of South Africa ..	Dec. 31	2,788	23,964	26,752	£	9,600	4	15,833	1,319	24,888
Provincial Bank of Ireland	June 30*	42,291	59,497	101,788	£	28,350	10½	32,500	40,938	54,276
Standard of South Africa	Mar. 31	196,225	388,825	580,050	£	312,083	14	150,000	117,967	502,313
Financial, Land, &c.										
Holloway's Properties	Mar. 31	3,267	34,568	37,835	£	5,559	6	5,000	9,916	26,320
Investment Corporation of Canada ..	April 30	9,753	29,273	39,026	£	12,000	6	7,360	6,166	44,145
Scottish American Mortgage	May 31	67,369	90,086	157,455	£	43,550	12	..	77,905	88,662
Wembley Park Estate	June 30	439	3,155	3,594	£	9,328	12½	Dr 1,000	266	3,264
Hotels, Restaurants, &c.										
The "Bodega" Company	Mar. 31	25,509	19,375	44,884	£	5,000	5	..	25,884	22,475
Iron, Coal, and Steel.										
David and Wm. Henderson	April 30	112,903	34,356	147,259	£	15,000	5	..	117,259	53,189
East Indian Coal	April 30*	4,926	24,237	29,163	£	9,000	15	15,000	5,163	7,447
Lochgelly Iron and Coal	May 31	63,329	124,618	187,947	£	63,295	20	54,000	65,348	60,820
Pettars	Mar. 31	10,918	10,035	20,953	£	..	..	..	20,953	Dr 15,189
W. and T. Avery	Mar. 31	36,164	60,331	96,495	£	10,788	15	..	35,625	76,740
Yorkshire Iron and Coal	Dec. 31	35,664	8,388	44,052	£	7,200	..	..	36,852	Dr 12,412
Motor and Cycle.										
Wolsley Motors	Sept. 30	Dr 31,201	Dr 77,621	Dr 108,822	£	..	..	Dr 108,822	Dr 97,080	..
Rubber.										
Badak	Dec. 31	2,508	7,280	9,788	£	6,475	7½	..	3,313	..
Baru (Java)	Dec. 31	11,204	3,744	14,948	£	4,000	4	7,500	3,448	2,325
Bidor	Mar. 31	10,772	4,368	15,140	£	5,000	10	..	10,140	563
Bukit Rajah	Mar. 31	3,088	17,886	20,974	£	16,675	5	1,000	3,299	31,784
Cicely Rubber	Mar. 31	11,509	10,320	21,829	£	9,172	12½	..	11,607	4,112
Dumont Coffee	Dec. 31	22,632	Dr 10,674	11,958	£	..	..	..	11,958	Dr 4,705
Sedgeley (F.M.S.)	Mar. 31	Dr 3,710	266	Dr 4,444	£	..	..	Dr 6,444	..	..
Travancore	Dec. 31	13,296	7,137	20,433	£	..	..	..	20,433	3,970
Waterfall (Selangor)	Mar. 31	Dr 19,032	7,468	Dr 11,534	£	..	..	Dr 11,534	Dr 2,900	..
Shipping.										
Furness, Withy	April 30	205,055	552,511	757,566	£	56,250	300,000	7½	200,000	202,316
Indo-China Steam Navigation ..	Dec. 31	3,038	Dr 410,994	Dr 407,956	£	14,877	..	Dr 425,000	2,167	64,020
Sutherland Steamship	June 30	11,387	42,884	54,271	£	12,452	7½	32,500	9,319	31,864
Telegraphs, &c.										
Chili Telephone	Mar. 31	3,273	35,570	38,843	£	29,700	6½	6,000	3,143	..
Eastern Extension, &c., Telegraph ..	Dec. 31	307,880	724,803	1,032,683	£	400,000	10½	250,000	382,683	1,127,100
Eastern Telegraph	Dec. 31	568,008	917,249	1,485,257	£	70,000	10½	400,000	515,257	1,321,529
Textiles.										
English Sewing Cotton	Mar. 31	196,514	652,798	849,312	£	50,000	400,000	20	211,907	187,405
Trusts.										
Anglo-Scottish Trust	June 30	Dr 46,510	79,761	133,251	£	15,675	5	10,509	7,067	..
Brit. North Borneo Rubber Trust ..	June 30	16,163	12,873	29,036	£	11,859	4	5,000	12,177	4,163
Second Industrial Trust	June 15	7,115	24,214	31,329	£	11,325	5	5,000	7,983	20,929
Waterworks.										
Cleveland Water	June 30*	2,797	4,151	6,948	£	3,400	10 A 7 B	..	3,548	3,203
Other Companies.										
Asprey and Co.	Mar. 31	8,039	21,848	29,887	£	8,500	8	3,307	10,080	..
De Trey	Dec. 31	Dr 16,571	58,228	41,757	£	5,162	..	5,833	30,762	Dr 90,181
Gloucester Railway Carriage and Wagon	..	10,485	24,490	34,976	£	..	26,250	5	8,726	32,715
Manchester Dock and Warehouse ..	June 24	852	30,480	31,332	£	17,789	12,500	5	1,043	30,439
Extension	June 24	1,138	8,873	10,011	£	4,816	3,777	5	1,418	8,312
Manchester Ship Canal Warehousing ..	Dec. 31	113,120	62,166	175,120	£	76,500	..	3,000	95,786	83,096
Millars' Timber and Trading	Mar. 31	21,436	80,258	101,694	£	33,750	15	10,000	31,694	69,841
S. Hoffmann	..	..	..	..	£	..	..	..	..	..

* Half-year.

† Free of tax.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to July 14	Cwts. 38,808	Cwts. 65,408	Cwts. 16,952	Cwts. 16,328
44 weeks to July 14	16,759,686	15,769,873	12,142,698	10,768,171
Average price of English wheat per cwt.	s d 11 2	s d 12 3	s d 20 2	s d 19 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

QUANTITIES SOLD.				AVERAGE PRICE PER CWT.					
				Wheat.		Barley.		Oats.	
				s d		s d		s d	
1923.				11 0		8 7		10 10	
July 7	78,489	11,752	7,905	11 0		8 7		10 10	
July 14	38,808	10,450	6,694	11 2		8 5		10 11	
				17 1		17 7		17 11	
1919	52,676	2,071	5,661	19 10		25 9		23 1	
1920	13,329	2,907	2,864	20 2		11 11		14 1	
1921	16,950	5,354	9,795	12 5		11 0		11 10	
1922	65,409	3,239	8,964						

tute a critical period, as, unless a radical change takes place in the situation, the closing down of plant will be inevitable. Prices of pig continue to ease off, and makers of hard basic billets have reduced 10s per ton. Continental competition in steel billets shows signs of breaking down. Output is dropping and prices rising, and a diversion of business from the Continent to this country is believed to be imminent. The outlook for investors in industrial concerns is bad, so far as the next nine or twelve months are concerned. The railway steel branches are working with regularity, but not to the full extent of their capacity. French competition in small tools is assuming serious proportions. The reaction in iron and steel is reflected in a reduced call for manufacturing fuels of all descriptions, and a slight drop in prices. Current quotations per ton at pits are:—Best South Yorkshire hards, 21s; rough slacks, 11s 6d to 13s; nutty slacks, 10s to 12s; smalls, 7s to 9s; best washed branch, 32s 6d; silkstones, 26s 6d; best Blyth steams (f.o.b.), 26s to 27s.

Our Glasgow correspondent writes:—As was mentioned last week, industrial business was suspended (in all leading productive and constructive departments) in Glasgow and the West of Scotland as from Friday, and remains so at present, and for all practical purposes will be at a stand on to the end of the month. This excludes, of course, repairing in the various steel and iron finishing shops, in the shipyards, and in the engineering establishments throughout the Clyde valley. Though no actual business engagements of consequence have been entered into over the eight days, it is understood that certain tentative engagements have been broached, the buying emanating mostly from the Midlands and other English manufacturing localities. Some concern has been generated in the last day or two by the announcement in markets in the South of reductions of from 5s to 10s a ton in the prices of iron and steel plates, sections, &c., and producers here are wondering if they will have to face similar changes when the rolling mills are again set going. Fortunately the dockers' dispute has not extended North, and that fact has permitted of some delayed landings of French and German material being dealt with here. The quantities are not large, but the deliveries are welcomed by consumers of semi-finished products. Trade advices from Canada, with which this district has most intimate associations in iron and steel, are regarded as highly encouraging—the National Railway Board having resolved on an expenditure of 30,000,000 dollars on railway developments over the Dominion. Glasgow producers are hopeful as to their share of the prospective work. During the past week about 300 tons of Scotch pig-iron were shipped from the Clyde to the Pacific side of the United States.

Our Cardiff correspondent writes:—There has been no material change this week in the state of the Cardiff coal market. The volume of the coal exports has increased, and is again normal, but there is a scarcity of new orders, and colliery salesmen have had a hard task to maintain prices. Outputs, however, are diminishing slightly, and are likely to still further decline as the result of the increase in wages and the absence of miners on holiday. There is a probability of a further advance in wages in September. The official audit will not be announced for some weeks yet, but the export values for the months of May and June, the two months which will regulate the general wage rate in September and October, show an increase over those of March and April of no less than £872,000, and it is estimated that the increased proceeds

of the industry in those two months will justify a further increase in the general wage rate of at least 7½ per cent., and possibly nearly 10 per cent. The knowledge of this fact, which means a further increase in the cost of production, is strengthening the determination of the collieries to uphold current prices, and in that determination they have so far succeeded. Although current inquiries have been comparatively few, there has been no break in the prices of any of the leading grades of coal, and the current quotations remain approximately as follows:—Best Admiralties, 30s to 32s 6d; second Admiralties, 29s to 30s; best drys, 29s to 30s; black veins, 28s 6d to 29s 6d; Eastern Valleys, 27s 6d to 28s 6d; best bunker smalls, 21s to 23s; ordinary cargo smalls, 18s to 19s; anthracite big vein large, 50s to 55s; machine-made cobbles, 60s to 62s 6d; French nuts, 60s to 62s 6d; stove nuts, 60s to 65s; rubbly culm, 15s to 15s 6d; inland blast furnace coke at ovens, 30s to 35s; coke for export, 50s to 60s; patent fuel, 33s to 35s; pitwood, ex ship, 31s to 32s. Business in the tinplate trade is also easier, and rejection by the manufacturers of demands for better wage and other working conditions has created a somewhat disquieting labour outlook.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—July 13, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
	d	d	d	d	d	d	d	d	d	d	d	
Sea Island.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
American.....	Ord	G O L M	Mid G M	M F	G O L M	Mid G M	M F	G O L M	Mid G M	M F	G O L M	
Brazilian.....	Mid M F	Fr. G F	Gd. Fne.		Mid M F	Fr. G F	Gd. Fne.	Mid M F	Fr. G F	Gd. Fne.		
Pernam.....	1454	1504	1579		1175	1325		594	844			
Parahyba, Rio Grande, &c.	1454	1504	1579		1175	1325		594	844			
Macelo, &c.	1454	1504	1579		1175	1325		594	844			
Mossoro, &c.	1454	1504	1579		1175	1325		594	844			
Ceara.....	1454	1504	1579		1175	1325		594	844			
Maranhão, &c.	1454	1504	1579		1175	1325		594	844			
São Paulo.....	1454	1489	1529		1225	1305						
Egyptian.....	Fr. G F	Gd. Fne.			Fr. G F	Gd. Fne.						
Upper.....	1505	1580	1600	1620	1645	1425	1500		900	1200		
Sakellaridis.....	1455	1545	1565	1595	1610	1675	1900	2200				
Brown.....	1505	1580	1600	1645	1735	1475	1600	1800		900	1300	
Peruvian.....	MF	Fr. G F	Gd. Fne.		MF	Fr. G F	Gd. Fne.					
Rough.....			1750	1875	1950			1450		1050		
Moderately Rough.....			1500	1600	1650			1275	1400	700	1000	
Smooth.....	1504	1575	1625	1675	1725	1300	1475	1625	644	944	1069	
Tangut.....	1504	1575	1625	1675	1725	1325	1475	1675				
Mitad.....			1525	1575	1625	1675		1200	1550			
West Indian, &c.			1475	1575	1650			1300				
Do Sea Island.....			1900	2200	2500	2600		2300	2900	2500	3100	
African, East, &c.	1075	1175	1325	1425	1525	1625	1075	1250	1450	575	775	
Do West.....	1479	1489	1499	1579	nm		1200	1275				
Machine Ginned Surtee.....	G F	For Gd. F	G Fne	G Fne	For Gd. F	G Fne	For Gd. F	G Fne				
Machine Ginned Broach.....			1380	1420	1460			1255		840		
Machine Ginned Bhowmgar.....	905	955	1005	1055	1105	1155	975	1025	1105	525	579	
Machine Ginned Oomra. No. 1.....	915	965	1015	1065	1115	1165	985	1035	1115	535	585	
Machine Ginned Oomra. No. 2.....			990	1040	1090	1140		1010	1090			
Machine Ginned Khandesh.....	915	965	1015	1065	1115	935	985	1065	460	510	585	
Machine Ginned Comptah.....	1145		1185				1095			680		
Machine Ginned Bengal.....	815	865	915	965	1015	825	865	945	425	445	558	
Machine Ginned Soinde.....	805	845	885	925	965	1005	815	855	935	413	463	
Tinnivelly.....	1305	1345	1385				1255	1295		815	840	
Madras, Western.....	1080	1120	1160	1200			1030	1070		680	705	
Madras, Northern.....			1185					1095		655		
M.G. Ocoonda, Red.....	Fr. 1160						1055			680		
China, Smyrna, &c.												

MANCHESTER, July 19.

Trading in the market during the past week has not shown any particular expansion. A fair amount of business has been done in small lots, but buyers have not been prepared to commit themselves to contracts of weight. Quite apart from any changes in raw cotton values there has been a tendency for prices in yarn and cloth to weaken. A moderate turnover has taken place in bleaching, printing, and finishing cloths for India, but very little has been done in standard grey makes. Bids have been about in shirtings and sheetings for China, but only occasional orders have been booked, the bulk of the demand for that quarter having run on fancies and specialties. Heavy goods have attracted a little more attention for Egypt and Turkey. Sheetings have been in request for South America. Isolated sales have occurred in fine goods for the United States. Spinners of American yarns continue to do very badly. Further weakness in prices has shown itself. An irregular trade has been done in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, July 19, 1923.	Previous Weeks in 1923.				
		Price, July 12.	Price, July 5.	Price, June 28.	Price, June 21.	Price, June 14.
Raw Cotton—Fully Mid. American.....per lb	15-71	15-92	15-75	16-49	16-49	16-89
— Sakellaridis Fully Good Fair.....per lb	15-65	15-75	15-90	16-30	16-15	16-10
Yarns—32's twist.....per lb	22½	23½	23½	24½	24½	24½
— 40's twist.....per lb	22½	23½	23½	24½	24½	24½
— 60's twist (Egyptian).....per lb	28½	28½	28½	29	29	29
38-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	31	6	32	6	34	3
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	34	9	35	9	37	6
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	3	18	6	19	0
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs.....	16	9	17	0	17	6

(II.) Compared with Previous Years.

	Price, July 19, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....per lb	15-71	15-70	8-34	27-29	21-16	20-80
— Sakellaridis Fully Good Fair.....per lb	15-65	19-75	15-50	67-03	27-09	30-19
Yarns—32's twist.....per lb	22½	20½	17½	54½	43	50
— 40's twist.....per lb	22½	19½	16½	50	42	50
— 60's twist (Egyptian).....per lb	28½	30	31	98	58½	64
38-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	31	6	32	6	32	0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	34	9	31	6	31	6
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	3	18	3	18	3
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs.....	16	9	17	0	17	6

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The decision to abandon the current series of wool auctions in London has occasioned no surprise. The auctions have been twice postponed on account of labour trouble at the docks, and it is obvious that the selling programme cannot be carried out under existing conditions. The sale which was to have been held at Hull this month and the one arranged for Liverpool in September have also been cancelled. The next series will, therefore, open in London on September 4, when for 19 selling days there will be available about 226,000 bales of Australasian and 10,000 bales of Punta Arenas wool. The general impression is that this rearrangement will make for greater strength in the wool market. The opinion is freely expressed that values will be on a higher scale in September, especially in view of the large consumption on the Continent. Meanwhile trade in this centre shows, if anything, just the slightest indication of some recovery. It is difficult to trace any material increase in demand, but the tone of the market is somewhat better, and traders are inclined to take a more optimistic view of the future. Quotations show very little change from those ruling a week ago, and weak sellers are to be found both in tops and yarns. Any improvement in demand, however, will be immediately reflected in a firmer attitude on the part of sellers, and it will take very little movement to check the recent downward tendency and put tops and yarns on a basis more in keeping with the cost of wool.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

There is disappointment in many quarters at the postponement of the wool sales, and although there may be a recommencement next Tuesday, at the moment of writing it is doubtful even if then there will be any resumption. No regrets have been expressed except by importers who are anxious to turn their raw material into cash, but there is nothing to indicate that actual needs are of any material size, and as importers and merchants have fairly heavy stocks, nobody anticipates a lack of wool in any direction. At the same time importers and selling brokers would have preferred to have continued the auctions for another fortnight. The general opinion is that wool values will take no harm between now and September. The home trade should then be better able to estimate prospective needs, for by that time there should be in operation some decent sized piece business for next spring. In the meantime, manufacturers in the West Riding are getting ready to make deliveries to the Far East, for the goods should be away by the end of October and November for the next light weight season.

VEGETABLE OILS AND OILSEEDS.

The most notable feature about the markets is the continued steadiness of linseed oil and some improvement in value. Though trade in this commodity, home and export, is still distinctly quiet, there is a good undertone, the main support being the comparatively small supplies of seed to meet requirements from now till the new crops are ready, and the hope that sooner or later there will be a settlement of the European trouble and the beginning of a revival of industry. Linseed, the raw material, is inclined to sag in view of the very small demand from crushers, and is slightly lower on the week. Cotton oils have been to a great extent neglected, and crude Egyptian has further declined, and is offering ex Hull mill at £35 10s for prompt delivery. Other vegetable oils are in quiet demand at about unchanged values.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The market hide position is steady, and alterations at Thursday's Bermondsey auctions were trifling. Best ox sold from 7d to 8½d again, two classes advancing ½d. Two classes of seconds sold at 7d., but three classes were withdrawn. There is a decided improvement in the demand for sole leather. Leicester shoe manufacturers have been anxious to obtain supplies, as the fine weather has brought in more orders for ladies' shoes than were expected. Exports of British leather increased from

£1,800,532 to £2,090,531 for the January-June periods of 1922-23 respectively.

Upper leathers are selling better; patent, in the medium grades, takes first place, followed by glacé kid in black and colours. Box and willow calf are selling in small lots, but prices are cut very fine owing to foreign competition. Imports of dressed leather to the end of June this year were valued at £3,374,753, as against £3,226,154 for corresponding period of 1922.

The shoe trade shows a slight improvement, the export section being fairly busy. Exports for the first six months of this year were valued at £1,653,258, as against £1,207,322 for January-June, 1922, a very satisfactory indication that trade is on the mend.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, July 20.

There was really no new feature to note in most directions, business being carried on quietly in both raw and manufactured goods as buyers continue to restrict operations to wants of immediate necessity.

SUGAR.—There was a fair demand for refined goods, chiefly British, and prices disclosed steadiness. Messrs Tate and Lyle's cubes, 6rs 6d to 62s 6d; granulated, fine and coarse grain, 58s 7½d; No. 1, 58s 4½d; No. 2, also London, 58s 1½d; ditto, second half August, 58s 6d; September, 57s 3d; October, 55s 9d; November-December, 53s. Yellow crystals, spot, 53s 7½d. American granulated, spot, sold, 56s 9d; white Java, spot, 54s 9d for medium; ditto, May-June, steamer, 23s 9d; June-July, 23s 6d; July-August, 23s 4½d, c.f. and i., London. Continental parcels for shipment more or less nominal, with a paucity of first hand offers. Raw refining kinds meet a slow sale. Cuban, basis 96 per cent., July-August shipment, quoted 24s, c.f. and i., U.K. Terminal market unsettled, particularly for the August position with dealings on a fair scale. August, sold, 26s 7½d to 28s 3d and 26s 6d; December, 22s, 22s 6d, and 21s 9d; March, 22s, 22s 3d and 21s 1½d. Cuban stocks stand at 564,380 tons, against 716,250 same time last year.

COFFEE.—Only limited trading was in force, but with regard to all the finer qualities, holders required steady prices. Good bold Costa Rica, sold, 103s. Future delivery inactive and nominal.

COCOA.—Only retail transactions occurred in spot parcels on about former terms. Former positions dull. Accra, F/F quality, July-August, quoted 30s, and October-December, 32s 6d, f.o.b. terms.

TEA.—Only 6,960 packages Indian were offered this week and soon disposed of to a generally good demand at full recent rates. 11,100 packages Ceylon attracted active support, and general firmness characterised the market, buyers paying particular attention to all leaf teas. Java and Sumatra in fair request and firmer.

RICE.—There is nothing fresh to note in this market, business being quite retail with but little alteration in prices. Two Stars, new crop, spot, 13s 9d; August quoted 12s 6d, c.f. and i. terms. Broken dull, unaltered. Japanese peas, spot, 24s 9d; September-October, 23s 6d to 23s 9d; and December-January, sold, 23s 6d to 23s.

SPICE.—Pepper generally steady, but trade continues extremely quiet. Fair black Singapore, spot, 4½d; August-October, 4d; Aleppo, spot, 4½d; Tellicherry, 4½d; white Singapore, spot, 5½d; Muntok, 6½d; ditto August-October, 6½d. Zanzibar cloves, spot, 1s 1½d; August-October, 1s 2½d. Tapioca meets a slow sale. Fair Singapore flake, spot, quoted 3½d; fine Java, 4½d lb.; Singapore, June-August, 4½d; fair Penang seed, spot, 29s; sago flour, June-August, 12s 4½d. Desiccated coconut steady. Fine cut, spot, 38s; medium, 36s 6d; halves, June-July, 36s; July-August, 36s 6d; August-September, 36s 6d cwt. Ginger dull.

RUBBER.—A generally quiet tone predominated, and prices were barely steady. First grade, June-July, Continent, quoted £24 5s; new crop, August-September, £24 5s; September-October, £24 5s ton. Hessians and twills dull, and rates weak.

HEMP.—Manila dull and featureless. J grade, August-October, quoted £30 10s; K and L, £27 10s; M, £26 10s ton. African sisal dull, unaltered.

SHELLAC. quiet. T.N., spot, 26s; August, 24s; October, sold, 24s 8 to 240s.

COPRA.—Market quiet and easier. F.M.S. Straits, May-July, London, sold, £26 15s to £26 10s; ditto, April-June, Rotterdam, £26 16s 3d to £26 10s; May-July, £26 2s 6d to £25 15s; June-August, £25 15s to £25 5s. Ceylon, June-July, quoted £27 5s; Java ditto, £26; Dutch East Indies, June-August, £25 2s 6d; South Sea, £24 10s; Cebu, June-August, Hamburg, sold, £25 2s 6d to £24 10s. Palm kernels, July-September, Liverpool, sold, £17 15s ton.

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Vol. XCVII.

SATURDAY, JULY 28, 1923.

No. 4,170

RUBBER in moderate request, but market rather unsettled at times. Standard plantation, crepe and sheet, spot and July, sold, 14½d to 14¾d; August, 14½d to 14¾d; September, 14½d to 14¾d; October-December, 14½d to 15½d; January-March, 15½d to 15¾d and 15¾d. To New York, standard sheet, September-October, sold, 14½d per lb, c.i. and f.

OILS.—Linseed irregular, but prices firm on balance. Spot, net, naked, quoted 43s 9d; July, 42s 6d; July-August, 41s 9d; September-December, 38s 9d. Rape quiet. Crude, spot, 39s 6d; refined, 42s 6d. Cotton quiet. Crude Egyptian, spot, 38s 6d; common edible, 44s; deodorised (in barrels), 48s 6d. China-wood quiet. Hankow, spot (barrels), 105s; July-August, 93s. Coconut quiet. Ceylon, spot, 45s; July-August, 41s 9d; Cochin, ditto, quoted 47s. Soya quiet. Oriental, barrels, July-August, 37s. Japan fish nominal. Cod quiet. English, spot, 35s. Groundnuts quiet. English, crushed, naked, spot, 43s; deodorised, barrels, 52s. Turpentine steadier forward. American, spot, 78s 9d; July-December, 72s. Rosin quiet. American, grade B, 13s; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; W.G., 17s 6d; W.W., 18s 9d, per cwt. French nominal. Petroleum easier. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil firmly held. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical 61s per cwt.

OILSEEDS.—Linseed quiet and easier, especially distant positions. Bold Bombay, afloat, £21 2s 6d paid; small Bombay, ditto, £20 15s; Calcutta, afloat, £20 12s 6d; June-July, sold, £20 10s; August-September, £20. Plate, June-July, sold, £19 2s 6d to £18 17s 6d; and July-August, £18 17s 6d; January-February, £17 5s. Rapeseed quiet. Toria, July-August, £16 5s; real bold Ferozepore, ditto, £15 12s 6d; Jamba, £12 5s. Cottonseed inactive. Egyptian black, July, £11 15s; and white, £10 17s 6d, to Hull. Bombay, July, £9 7s 6d. Gingly seed quiet. Large Bombay, July-August, Continent, sellers, £23 12s 6d. Chinese, ditto, £23 15s, Continent. Ground-nuts dull. Coromandel, machine-dried, July-August, £22 5s. Chinese decorticated, f.a.q., July-August, £22; East African, ditto, £20 15s. Soya beans quiet. Manchurian, August-September, £11 15s. Castorseed quiet. Bombay, July-August, £20 10s per ton.

METALS.—Tin opened easier due to liberal offerings and lower American advices, while a fair business transpired. Standard cash, sold at £179 15s, and three months £180 5s. In the East business was reported at £185, c.i.f. Market subsequently displayed slight irregularity, though prices further gave way. By the middle of the week Standard cash sold at £178 7s 6d, and three months £179 15s. Further business was reported in the East on the basis of £182, c.i.f. A firmer tone was apparent on Thursday. Standard cash sold at £179 5s to £180 5s, and three months £180 10s to £181 10s to £181. Tin was fairly well supported at the final session, and values ruled firmer. Standard, cash, sold at £183, and three months at £183 to £182 10s.

to £184 5s to £184 2s 6d. English ingots quoted at £183 15s to £184 5s. Copper also declined on lower American cables, but the market ruled fairly active at the lower level. Standard, July, was dealt in at £64 17s 6d, and three months £65 12s 6d. With buyers showing more disposition to operate, particularly with regard to forward positions, the market became steadier, and on Wednesday standard, August, sold at £65 7s 6d, and three months up to £65 17s 6d. Prices were fully steady on the following day. Standard, cash, sold at £65 7s 6d, and three months £66 to £66 12s 6d to £66 10s. Prices on Friday were fully maintained, though three months closed below the best. Standard, cash, quoted at £65 17s 6d to £66, and three months sold at £66 15s to £66 17s 6d to £66 12s 6d. Electrodes, £72 15s to £73; best selected, £69 to £70 10s; strong sheets, £100; wire bars, £73 per ton. Antimony quiet. Ordinary brands, £30 to £32. Aluminium: Home, £115; export, £120. Lead firm at £24 10s to £24, as to position. Spelter firmer at £29 15s to £29 12s 6d, according to position.

TALLOW.—Messrs Colchesters and Woolner write as follows on July 18th:—The tallow market was quiet during the week, and prices are unchanged to-day. There is no change in the position. Business is almost at a standstill. At auction to-day 48t casks tallow were offered and 179 were sold. Quotations are:—Australian mutton: Fine, 42s 6d; good to fair, 41s 6d to 41s; dull to dark, 38s to 36s 3d; hard, 42s. Australian beef: Fine, 42s; good to fair, 41s to 38s 6d; dull to dark, 37s to 35s 9d; sweet, 42s. Present shipment from Australasia nominal. Present shipment from South America, 38s 6d to 37s 6d. The market letter is unchanged for tallow, stuffs lower. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 1½d; melted stuff, 27s 6d per cwt. Quotations are:—Town, 35s, net cash, naked, ex works. Country: Frail casks, 35s; home melted, shipping casks, net, f.o.b., good coloured, 38s 6d; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzine, 34s; melted stuff, 34s, f.o.b.

METROPOLITAN CATTLE.—JULY 19.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Herefords	6	8	to 7 0
Shorthorns	6	8	to 7 0
Devons	6	8	to 7 0
Donkeys	nominal		
Norfolk	nominal		
Scottish	nominal		
Irish	6	8	to 7 0
Fat Cows	nominal		
Beasts—Heavy Bulls	6	4	to 7 0
Canadians	6	4	to 7 0
Sheep—Downs	10	4	to 11 0
Ewes	6	8	to 7 0
Crossbreds	10	0	to 11 0
Scottish	11	8	to 12 0
Lamb—Downs	12	6	to 13 0

LONDON POTATO MARKETS.—JULY 19.

	Per Cwt.		Per Cwt.
English (new) Sharpe's	9 0	Epicures	7 0 to 8 0
Express	9 0		

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			
0000A—Duty, British grown			
25.4d. foreign 25.4d. cwt.	s	d	q
Trinidad, per cwt.	48	0	57
Grenada, ditto	48	0	57
Ceylon, plantation	61	0	40
Guayaquil	43	0	70
Bahia, West	49	0	80
0000F—British grown			
25.4d. foreign 25.4d. cwt.	s	d	q
Do India speed good	85	0	16
Do good to fine	85	0	12
Do to mid	85	0	10
Do to fine	85	0	12
Central American, ad.	78	0	88
Do to mid	85	0	10
Do to fine	85	0	12
Colombian, ordinary	64	0	66
Do to mid	85	0	10
Do to fine	85	0	12
0000H—Holland			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000I—Indonesian			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000J—Java			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000K—Korea			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000L—Luzon			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000M—Manila			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000N—Negros			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000O—Oceania			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000P—Papua			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000Q—Queensland			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000R—Rangoon			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000S—Siam			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000T—Tientsin			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000U—Udon			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000V—Vientiane			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000W—Wangpoo			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000X—Xanthi			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000Y—Yokohama			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12
0000Z—Zebu			
25.4d. foreign 25.4d. cwt.	s	d	q
Do to mid	85	0	10
Do to fine	85	0	12

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THE MONEY MARKET.

MONEY was still quite plentiful enough to suffice for the attenuated trickle of business to which Lombard street has been reduced by the smaller volume of Treasury bills and the continued scarcity of bank paper. Some people said that the tendency of the discount market was a shade firmer on Thursday, owing to big revenue payments and the figures of the Bank return, but the three months' rate was no better than 3½ per cent.

	July 27, 1923.	July 20, 1923.	July 13, 1923.	July 6, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a decrease of £69,000 in the note circulation, and increases of £3,000 in the stock of gold and £72,000 in the Reserve. Government and Other securities declined by £1,895,000 and £1,026,000, and Public and Other deposits by £632,000 and £2,256,000. Currency notes outstanding were reduced by £261,400 to £289,049,100, which includes £1,461,900 for notes called in but not yet cancelled. The fiduciary issue is £238,137,300, or £32,046,500 below the maximum.

THE STOCK MARKETS.

After the "shake-out" of the previous week it was hoped that the week just closed might be one of steady recovery in prices. This hope has not been realised. The factor of political uncertainty and anxiety is restraining prospective buyers, while a certain amount of forced selling still continues. But in the gilt-edged market the week's net changes in leading quotations are not wide. Among foreign securities French bonds spurted and reacted, and nervousness about conditions in China led to a series of declines in Chinese bonds. The beginning of the dividend season attracted more notice to the Home Railway market, but Argentine railways are weaker. Rubber shares made a decided improvement in the latter half of the week on the rise in the price of the commodity, but oils are flat. In the general sections tobacco shares were again conspicuous for strength, other good features being few. Except in a few special instances mining markets are dormant.

THE COMMODITY MARKETS.

The approach of the holiday season, combined with the effects of the dock strike, are apparently lulling the commodity markets into a state of dullness and apathy. Coal values remain at about the same level, although at Cardiff prices are inclined to be slightly firmer. In pig-iron there is no sign of any change; but the recent reduction in prices has brought no orders. The steel trade is rather better. Tin and copper are weaker. Dealings in sugar have been mainly confined to British makes, foreign descriptions being handicapped in the matter of delivery. Wheat is lower, and supplies overseas are stated to be plentiful. In the Manchester cotton trade prices continue to favour buyers, the latter anticipating cheaper rates. Jute prices are lower. In wool, the market for the raw material is comparatively strong, but the industry in Bradford is dull. Business continues slow in timber for furniture making; consumers of American woods, it is said, are awaiting a further drop in prices. The hide market presents a steady appearance; sole leather is in better demand and the price is firmer. Prices now being quoted for the new linseed crops have produced a drop in prices of the oil.

FOREIGN EXCHANGES.

The main feature of the foreign exchange market during the week has been, of course, the total collapse of the mark. After a slight steadying of the rate on Saturday, the rush began on Monday, on which day the closing rate was 1,735,000 marks, and continued rising by about 500,000 marks each day till the quotation on Friday morning was 3,800,000 marks, as against 1,555,000 a week ago. The reception accorded to the British note in France and Belgium was partly the cause of this movement, but it is evident that the situation has escaped from the control of the Government and the Reichsbank, and that, as was inevitable, the attempt of the latter to im-

pose restrictions on the market has failed. Apparently, this policy has now been abandoned, and the freeing of the forward market practically nullifies the regulation by which the Reichsbank was arbitrarily fixing the rate for ordinary dealings. The rate of 1,500,000-2,000,000 for one month above spot is merely nominal. The Paris rate has fluctuated from day to day, varying between 77.80 last Saturday and 76.70 on Wednesday, and stands on Friday at 77.20. Meanwhile, satisfaction may be expressed at the improved return of the Bank of France for the second week in succession, both the Advances to the State and the note circulation showing a reduction. The Belgian rate showed some improvement over the week-end, closing at 92.55 on Monday, as against 94.85 on the previous Friday. In the middle of the week, however, it depreciated to 94.55, but recovered to 93.95 yesterday morning. In Paris the forward quotation is slightly wider at 3-4c per month above spot, while in Brussels it is 5-7c per month below. The lira has shown a steadily improving tendency, and stood yesterday morning at 104½, as against 106.06 a week ago. The dollar rate improved slightly over the week-end from 4.59½ to 4.59½ on Tuesday, at which figure it has remained steady. No great change is expected immediately, but in some quarters a slight easing of the rate is thought possible. Forward rates remain the same at ½ per cent. per month above spot. The Amsterdam rate continued its former movement, and fell during the week from 11.70½ to 11.68½ yesterday morning. Switzerland has also gone against us slightly, moving to 25.70, as against 25.90 a week ago, while Madrid, after rising from 32.05 to 32.22 on Wednesday, recovered again slightly on Friday to 32.10. In Central Europe, Vienna is slightly weaker at 330,000, but Warsaw, where, in spite of repeated promises by the Government, the exchange regulations still remain in force, rose at the end of this week from 700,000 to 850,000. The Budapest rate, on the steady deterioration of internal conditions, has risen to 800,000 from 600,000 a week ago. Prague is a little weaker at 154½, and Bucharest at 905, as against 153½ and 880 respectively a week ago. In Northern Europe, Stockholm is a little better at 17.23, while Christiania remains fairly steady about 28.32. Copenhagen, however, has improved from 26.30 to 25.75, Helsingfors has moved from 166½ to 166, after touching 165½ on Monday. In the East the rupee is unchanged at 1s 4½d, and Yokohama at 2s 1½d. The silver market has been steady, with slight fluctuations to meet supply or demand. India is still holding off, but China, after doing little in the early part of the week, was slightly more in evidence later. Hong Kong, after touching 2s 3½d, is ½d cheaper on the week at 2s 2½d, while Shanghai, after rising from 3s to 3s 1d, now stands at 3s 0½d. Singapore is unchanged at 2s 3½d. In South America, Buenos Aires has risen ½d to 40½d, Rio is fairly steady at 5½d, but Monte Video is 2d cheaper at 39½d. Valparaiso has also depreciated from 36.40 to 37.20 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 21st:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	8,724	From Revenue	17,569
Interest, &c., on Debt	1,027	Taken from Exchequer Balances	365
Sundries	1,042		
Reduction of debt	7,141		
	17,934		17,934

Revenue was about £2 millions lower at £17½ millions during the week ended July 21st, as compared with the corresponding period of last year. Property and Income-tax and Super-tax accounted for a good deal of the fall in revenue, amounting to £4,841,000 and £520,000 respectively, against a combined total of £6,673,000 last year. Excise at £5,923,000 compares with £7,511,000. Customs brought in £2,317,000, an increase of £200,000, and Estate, &c., duties at £960,000 compare with £1,600,000. Special Receipts yielded £1,514,200, against £143,800. On the expenditure side, National Debt Services are now split up into two items, i.e., Interest, &c., which during the financial year to date has amounted to £119,955,250, and Sinking Fund, which amounts to date to £14,493,497. This is a step in the right direction, and will help to make the national balance-sheet more clearly understood by the taxpayer.

The week's operations reduced the National Debt by £7,141,000, and caused the following changes:—

	Min. £		Min. £
Treasury Bills	881	Unemployed Insurance	720
Public Department Advances	5,200	National Savings Certificates	150
Bank of England Advances	2,000		
	8,081		940

The floating debt was reduced by £8,175,000 to £803,370,500.

FINANCIAL YEAR, 1923-24 (April 1 to July 21, 1923).

	£		£
Total Expenditure ..	246,953,014	Raised by Revenue ..	233,212,958
		Net Borrowings.....	10,120,626
		Decrease in Balances	3,619,430
Total	246,953,014	Total	246,953,014

ESTIMATES for YEAR 1923-24.

ESTIMATES FOR YEAR 1922-23		ESTIMATES FOR YEAR 1923-24	
	£		£
Ordinary Expenditure	801,013,600	Ordinary Receipts...	778,500,000
Special Expenditure..	15,603,000	Special Receipts...	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

The Week in Parliament.—After devoting a day to debating and rejecting a Labour motion on disarmament, the House of Commons this week worked through a heavy programme of financial business. The Post Office, Mines Department, and Colonial Office votes produced discussions of broad and varied interest; while on Thursday evening a large number of outstanding estimates were cleared off. On the Board of Trade vote the chief subject of discussion was the effect of European unsettlement on British trade. Meanwhile, the House of Lords have discussed financial aspects of the Irish settlement, Kenya problems, and Hungarian reparations, and have also advanced a number of Bills, including the Agricultural Rates Bill.

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—Imperial Ottoman Bank, Standard Bank of South Africa, Union Bank of Australia, Tariff Reinsurances, Eastern Telegraph Company, Eastern Extension, Australasia, and China Telegraph Company, Bisichi Tin Company (Nigeria), Furness, Withy, and Co., Tanganyika Concessions, Zambesia Exploring Company, Compagnie Aramayo de Mines en Bolivie, and Transvaal Mining Company. At the meeting of the Standard Bank of South Africa, Lord Selborne was not optimistic as to the trade situation in the Union. He mentioned that South African exchange rates have been higher during the year than they liked to see them, and expressed anxiety to see them reduced to the normal level. Lord Goschen, at the meeting of the Imperial Ottoman Bank, briefly reviewed financial and trade conditions in Turkey, and was more optimistic as to the future. At the meeting of Furness, Withy, and Co., Sir Frederick Lewis explained the improvements made in the balance-sheet, to which we referred in our note last week.

REPARATION RUMOURS.

Two or three points of interest have emerged this week which may serve to keep the speculatively minded busy in this interval of waiting for the reply to the British Note. In the first place, the Belgian and the French Governments are now, it appears, to make separate replies to our Government. It would be a mistake to attach too much importance to this fact, for we are assured that it indicates only that France and Belgium do not see eye to eye on the one question of an expert assessment of Germany's capacity. But whether France and Belgium are really fully in accord on the question of passive resistance the event alone will show. Belgium is undoubtedly far more anxious about the situation than France, and the impression has been very persistent for some time past in Brussels that a solution would be reached by about the end of July. It may yet happen that Belgium may take some decisive initiative to bring to an end the present deadlock.

In the meantime, although the official French attitude seems as far removed as ever from offering any sort of approach to the British point of view, there are signs even in Paris of a desire to find a bridge. Thus, the Press has been actively discussing the suggestion that a temporary settlement of the amount to be paid by Germany might solve the situation. To the French, of course, a temporary settlement means that Germany should forthwith undertake to pay the amount required for the restoration of the devastated areas. Any further payment should be postponed for 10 or 15 years, and at that date the ability of Germany to pay anything more should be reconsidered. Anything that might then be forthcoming should be passed on to Great Britain and America in respect of the Allied debts, which would be suspended in the meantime. We believe this proposal is substantially the one practicable way of dealing with reparations, but it has to be recognised that it once more brings to the fore the question whether Great Britain is prepared to go on paying interest to America without receiving anything from either France or Germany, and the still more troublesome question as to whether America is willing to forgo all payment of interest from her European debtors for 10 or 15 years. The plan is interesting as raising in a specific form this question of principle, which must shortly be faced by the British Government. In detail the proposal is probably not a suitable one, for we can see no advantage, having regard to Germany's financial status, in her repaying so large a principal in a comparatively short period of years. We have no doubt that the reparation debt will one day be made into a simple external public national debt, and there is nothing to be gained by making it a comparatively short-term obligation. If, however, Germany only pays interest on the cost of reconstruction, it obviously makes her payments a manageable proposition.

More significant still is the suggestion in the *Temps* that, while France adheres rigidly to her view that she cannot enter into a discussion with Germany unless passive resistance ceases, there is no reason why the Reparations Commission should not at Germany's request immediately resume the discussion of Germany's capacity. This proposal may, indeed, show us the way round the difficulty, as it has done at all the previous acute crises in the reparations problem. In May, 1921, it was the Reparations Commission's assessment of Germany's capacity which opened the door to the London schedule of payments, and prevented the occupation of the Ruhr at that date. Again, when the London Conference of August last broke up without a solution, it was the Reparations Commission which discovered the temporary expedient of direct negotiations between Belgium and Germany.

But if the discussion is to be resumed in this way, we would suggest that it should be associated with a reference to the League of Nations. It is now clear that there must be some external control of Germany's finances. But this control would be strongly resisted in Germany if it were mainly French. On the other hand, its purpose must not be simply the collection of reparations, but it must also be designed to prevent what is now manifestly a danger to the whole commercial world, namely, the break up of Germany's economic life. For this purpose a League of Nations' control is the appropriate machine. The League is also the most suitable trustee for creditors if, as is probable, a general settlement included the raising by Germany of a comparatively small loan to assist in the payment of her early reparations annuities. The procedure we suggest should, therefore, now be as follows: First, the Allies should invite the Council of the League to consider immediately, as a matter of urgency, and with Germany concurring, whether they could produce a plan for the regulation of Germany's financial affairs. The Council would, of course, at once reply that it could only do so if it knew what charges were to be included in Germany's budget for reparation. To this the Allies would reply that the Reparations Commission was being asked to decide what sum could be properly included in the German budget over a series of years, and the League Finance Committee would be invited to satisfy itself that the figures proposed were practical. In other words, the Allies would invite the League to examine Germany's capacity jointly with the Reparations Commission. If the

two bodies disagreed, the Allies would retain the right to reject too heavy a writing down of the payments in the next few years. But if, on the other hand, the figure of the Reparations Commission seemed to the League too high, it would naturally refuse to undertake the task of supervision proposed to it. There is a growing feeling in France in favour of using the machinery of the League, and this suggestion would enable it to be done without the Allies at this stage surrendering their right to say what reparation payment they will stand for in the next decade or so.

Among those in Germany who have considered the question of control, it is generally felt that the chairman of any control board must be an American, and it may be suggested that this rules out the League as a controlling authority. But this is by no means necessarily the case. American financiers have shared in the loan to Austria under the security of a controller responsible to the League, while in other activities of the League individual Americans have served in positions of great responsibility. We see no reason to suppose that the United States Government would put any difficulties in the way of an American accepting the invitation of the League to act as a controller of finance in Germany. Indeed, we think such a plan would probably be welcome, for it would enable Europe to avail itself of the impartial standpoint from which Americans approach European affairs without in any way committing the American Government officially to support or to take any responsibility for the specific actions that might be taken by the controller.

CURRENCY PROBLEMS AT HOME AND ABROAD.

"If we seek for a single word which may describe the past year, we may perhaps say that 1922 has been for this country a year of stabilisation. Fiscally, we have been engaged in stabilising the £. This has been effected by just balancing the Budget and leaving nothing over for the payment of debt. We have thus avoided adding to the suffering involved in deflation, and, on the other hand, we have escaped the far greater evils which accompany inflation." So said Dr Walter Leaf in his speech to Westminster Bank shareholders on February 1st. Our readers may remember that these observations were in sharp contrast with those made by Mr McKenna to the City and Midland meeting, when he, in effect, charged the Government with responsibility, through its policy of deflation, for "diminished trade and increased unemployment." The apparent difference between these two distinguished authorities was really, as so often happens, merely a question of definition. By deflation Dr Leaf seems to mean a fall in prices, and Mr McKenna means a reduction in purchasing power through a contraction of bank deposits. The awkward thing is that, according to monetary theory, on which some people are now relying to cure many economic evils, deflation in the sense of contracted purchasing power ought to produce it in the sense of a fall in prices. Whereas, in fact, we had as the chief features of the year's financial history the stabilisation which seemed so satisfactory to Dr Leaf and the decreased purchasing power which was so keenly criticised by Mr McKenna.

The discrepancies, which are inevitable and reasonable except in the eyes of those who expect prices and purchasing power to move together with mathematical precision, are also apparent in the experiences of foreign countries. The League of Nations has just issued from Geneva, at the price of 10s, a Memorandum on Currency, 1913-22, containing results of the continued study of currency conditions begun in preparation for the Brussels Conference of 1920. It agrees with Dr Leaf, and says that the year 1922 has, in fact, been a period of price stabilisation in the great majority of countries. It is unfortunate, though probably it could not be helped, that the memorandum, though only just issued, could not include in its tables of deposits those of 1922, and so for the past year was only able to compare price movements with changes in note issues. This comparison, however, was extremely interesting, though it showed that the connection between prices and notes is by no means uniformly close. In the

case of Norway the percentage of the note issue to the end of 1919 level fell from 92.3 at the end of 1921 to 87 at the end of 1922, but prices fell from 83.5 to 68.3. In Denmark notes came down from 96.3 to 93.9, but prices were inconsiderate enough to rise from 52.4 to 53.2; while in France the discrepancy was still greater, notes having declined from 97.9 to 97.5 between December 31, 1921, and 1922, while prices made a considerable advance from 77.1 to 85.6. Obviously there must be a lag between the currency change and its effect on prices, and we have always to remember how imperfect our methods still are for measuring price movements. Summing the history of the year 1922 from its special point of view, the Memorandum states that "the facts of outstanding importance in the history of prices have been: the general stabilisation in those countries with relatively sound currency conditions; the rise in prices in the U.S.A., and, for different reasons, in France and Belgium, and the indications of coming rises elsewhere; the closing up of the gap between the purchasing power of gold and the purchasing power of those relatively sound currencies referred to above; the apparent success with which certain countries have met in checking the upward rush of prices by vigorous action, not only involving financial reform, but demanding at an earlier or later date a deliberate policy of devaluation; and finally, the violently accentuated movement in Germany, Poland and Russia."

Apart from this violently accentuated movement, which, as everyone knows, has in the case of Germany been very much more violently accentuated during the present year, a good deal of evidence can be gathered from the League of Nations Memorandum of a tendency towards a return to normality as the world sees before it the appalling consequences of inflation in countries where it runs its course unchecked. Reference is made to the measures taken in Austria, Latvia, and Lithuania to reform their respective currencies. In Latvia stability had been to a great extent secured by the end of 1921, the note circulation was less in November than in January, and the cost of living index number had fallen during the last eleven months of 1921 by over 15 per cent. Latvia, in fact, gave a lead to countries with depreciated currencies by being the first since the war, "with the possible theoretical exception of Paraguay," to take the devaluation plunge. A new currency, the lat, equal to a gold franc, was introduced, and lat notes were put into circulation last November and declared convertible into gold; the Latvian rouble notes were not withdrawn, but are accepted by the Government, and apparently by all other creditors, at the rate of 50 to the lat. In Lithuania currency reform was complicated, and at the same time simplified by the absence of any independent domestic currency, and the use of marks, ostmarks, and to a growing extent dollars. A new unit of currency, the litas, was introduced last October, against which the other notes in circulation were to be exchanged.

An interesting section is devoted in the Memorandum to the question of deposits and clearings. In London, as in New York, the clearings reflect Stock Exchange and financial transactions, loan flotations, and financial operations generally rather than industrial. On this point the Memorandum makes the curious observation that "as a currency problem it is immaterial what type of debts are being met by the cheques cleared. An increase in Stock Exchange transactions or the flotation of a loan has, as constituting obligations and involving payments, exactly the same influence upon the demand for money as the manufacture and sale of goods." This is certainly very true, but surely the question has a good deal of relevance when we are considering the relation between the volume and velocity of purchasing power and the prices of goods. The Memorandum proceeds to admit, not only that index numbers do not take into consideration money transactions other than those for the sale of goods, but that this deficiency in index numbers is much more important now than it was before the war, because with bigger debts and higher taxes the demand for money for merchandise turnover is a smaller proportion than it was of the total demand, and this proportion tends to become smaller still as prices fall faster than debt is cancelled. In connection with the question of clearings an

ingenious theory is worked out, by which the curve of the ratios of sight to time deposits is established as constituting a rough index of the changes in the velocity of circulation.

IRON AND STEEL IN THE FIRST HALF OF 1923.

(FROM A CORRESPONDENT.)

AFTER nearly two years of unparalleled depression the year 1923 opened for the iron and steel industry with considerable promise of better things. The shipping, and, therefore, the shipbuilding position, was improving, the railway companies had promised the Prime Minister to place orders for renewals and maintenance to assist in the problem of unemployment, and trade generally was beginning to revive. More furnaces were in blast at the beginning of the year than had been the case since September, 1920, and iron and steel masters were beginning to feel that they might at last expect to reap the reward of their long and sustained efforts to stimulate trade. What was most desired was a steadily expanding output with prices gradually recovering from the uneconomic level to which they had fallen. What was most emphatically not desired was a repetition of the boom conditions of 1920.

Before the year was many days old, however, the French decided to occupy the Ruhr. This quickly dislocated the production of coal, coke, iron, and steel in that area, and (by curtailing the supplies of coal and coke) of iron and steel in France and Luxembourg. Production in Belgium, which is not so dependent for fuel upon the Ruhr as are France and Luxemburg, has been fairly well maintained, but the production of pig-iron, both in France, where it had been steadily increasing in the second half of 1922, and in Luxemburg, fell between December and February by about 40 per cent. In these circumstances many orders placed with works in Occupied Germany, Luxemburg, and Eastern France were transferred to this country, and by the end of February order books were fuller than they had been since 1920. Though handicapped by a shortage of coke, the number of furnaces blowing and the production of pig-iron and steel steadily increased, as will be seen from the following figures:—

	Furnaces in Blast at End of Month.	Production.	
		Pig Iron (Tons).	Steel (Tons).
January	183	567,900	634,100
February	189	543,400	707,100
March	202	633,600	802,500
April	216	652,200	749,400
May	223	714,200	821,000
June	222	692,900	767,700
Total first six months, 1923..		3,804,200	4,481,800
" " " 1922..		2,149,300	2,562,400
" " " 1920..		4,145,000	4,877,000

Production was thus 75 per cent. higher than in the corresponding period last year, and within 10 per cent. of the production in the first half of 1920. Deprived of Ruhr coke, however, unoccupied Germany, France, and Luxemburg turned to other sources of supply, the chief of which was Great Britain. This not only caused a shortage of coke here, but naturally sent up the price. Exports of metallurgical coke, which in the first six months of 1922 amounted to 596,400 tons, amounted in the first half of 1923 to 987,200 tons, of which 309,200 tons went to Germany, 235,000 tons to France, and 92,800 tons to Belgium; and the price of Durham blast furnace coke, which was quoted at 26s per ton at the beginning of the year, reached 41s 6d per ton at the end of May. This naturally resulted in increasing prices for iron and steel products, and Cleveland Foundry No. 3, for example, which was quoted at 92s at the beginning of the year, rose to 127s 6d by April. The fact that iron and steel prices at the end of 1922 had fallen to uneconomic levels, accentuated the steepness of the rise, but, as a matter of fact, iron and steel prices never rose above those for commodity prices generally. This is clear from the Board of Trade's wholesale index number, which in December was 155.8 for "all commodities," and 131.8 for iron and

steel products; in April, when iron and steel prices were at their highest, the index numbers were 161.4 and 160.4 respectively, and in June the iron and steel index had fallen to 152.6, while commodity prices generally stood at 159.4.

With production dislocated on the Continent, and America fully occupied with a big home demand, exports of iron and steel from Great Britain in the first six months of 1923 have easily surpassed those of any other country; they amounted to 2,215,600 tons, as against 1,539,900 tons in the first half of 1922 and 1,652,700 tons in the first half of 1920, and were nearly 90 per cent. of the exports in the first six months of 1913. The chief items of export were pig-iron and ferro alloys, 533,100 tons; galvanised sheets, 305,800 tons; and tinplates and sheets, 281,900 tons; the exports of pig-iron and galvanised sheets approaching, and those of tinplates exceeding, the pre-war figures. The following table shows the principal destinations of the exports of iron and steel in the first half of 1923, compared with 1922 and 1913:—

	Monthly Average.		
	1913.	1922.	First Six Months, 1923.
	Tons.	Tons.	Tons.
Germany	16,606	6,895	20,949
Netherlands	12,192	4,413	6,625
Belgium	10,486	9,260	13,364
France	16,934	10,927	12,330
Italy	11,984	7,334	8,490
Japan	19,840	10,141	21,366
Brazil	9,809	1,547	2,503
Argentina	29,875	10,020	13,852
United States	14,912	23,624	38,660
Total foreign countries	221,672	116,024	179,066
India and Ceylon	74,680	55,439	55,230
Straits Settlements	6,982	2,572	3,409
South Africa	21,726	8,968	12,752
Canada	15,605	8,588	8,154
Australia	47,257	30,127	42,011
New Zealand	12,839	6,707	9,203
Total British Possessions	192,430	123,327	145,125
Unallocated	..	44,000	45,082
Total exports	414,102	283,385	369,274

It will be seen that exports to Europe account for a considerable part of the increase, and that increases are also considerable in the case of Japan, the Argentine, the United States of America, South Africa, Australia, and New Zealand. Apart from the European countries, Japan and the United States of America actually took more iron and steel in the last six months than before the war, while the Argentine and Brazil took only 40 per cent. and Canada little more than 50 per cent. of the amount they took pre-war.

Since, as we have seen, production was less than in 1920, and exports were considerably greater, it is clear that the home demand did not develop as was anticipated; partly owing to the unfavourable trade situation, and partly owing to the unfortunate dispute with the boiler-makers, the hoped-for improvement in shipbuilding did not materialise, and the tonnage of ships commenced, after rising to 355,000 tons in the first quarter of the year, fell back to 241,000 tons in the second quarter—the tonnage commenced in the first half of 1920 amounted to 1,297,000 tons. The railway companies did not place orders in sufficient volume to affect the situation, and the rapid rise in price, though inevitable, caused the postponement of much work that might otherwise have been undertaken but was not absolutely necessary. There was also a great deal of speculation as to the extent of the stocks which were accumulating in the Ruhr, and the policy which would be followed in their liquidation, and this caused hesitation on the part of buyers both here and overseas. The artificial stimulus supplied by the Ruhr occupation had therefore spent itself by May, and as orders were fulfilled manufacturers found it exceedingly difficult to replace.

The price of Cleveland No. 3 has fallen from 127s 6d in March and April to 104s per ton; soft billets from £10 to £7 10s; tinplate bars from £10 to £9 2s 6d, and

so on. By June the state of manufacturers' order books began to be reflected in the production figures, which showed a decline both for pig-iron and steel, and for the first time for many months there was no increase in the number of furnaces blowing during the month, but in fact a decline, though only of one.

The greater activity of the past few months has considerably improved the position from the labour point of view, both with regard to numbers employed and wages. The percentage unemployed among insured workers, which was still as high as 22.1 at the end of December, has steadily fallen until at the end of May it was 14.9, while under the system of sliding scales wages have risen with increasing prices.

The outlook for the future is still very obscure, and hardly such as to warrant optimism. Ironmasters are now talking of "stagnation," and the probability of having to damp down several furnaces in the near future unless more orders are soon forthcoming, and though the trade is normally rather dull at this time of the year, there is no doubt that this year the slackness has been accentuated by the reaction of the Continental situation. Most iron and steel masters would have preferred to do without the stimulus of the Ruhr occupation if they could have had the steady expansion of output at stable prices, to which they looked forward at the beginning of the year.

THE OUTLOOK FOR COPPER.

AFTER a long period of dulness and irregularity copper is beginning to attract attention again, and the outlook generally may be regarded as much better than it was a few weeks back. Mining shares in the copper group have displayed a welcome hardening tendency, both here and in New York, Rio Tintos having also been favourably influenced by the settlement of the war claim against the British Government, and the very important agreement come to among the leading producers of pyrites. Sentiment in Wall Street is somewhat bullish on copper, and there are indications that higher prices will be seen in the world's metal markets for this favourite commodity during the closing months of the year, providing, of course, no unforeseen circumstance arises and upsets calculations.

There is apparently considerable difference of opinion between London and New York in regard to copper, and there is no disguising the fact that the bear party on the former market is still inclined to operate on the short side. Thus, while London was lower early this week, New York was higher, but the struggle looks like ending in favour of the bulls. The bear following has been helped by the decline in the consumptive demand which set in at the end of the first quarter of the year. For the time being the marketable supplies of copper exceeded the demand, and bears were not slow in taking advantage of the situation. The chief adverse factor has been the unsettled European political situation, and the disturbed state of Continental trade, due in part to the French occupation of the Ruhr. Earlier in the year the outlook was very favourable to a heavy consumptive demand for the metal, but during the second quarter the European users of copper kept out of the market, and, as this happened to coincide with a slowing down of the United States domestic enquiry, due to the cancellation of large contracts, chiefly on financial grounds, there was a very serious decline in values. This is confirmed by the course of prices. Opening this year at £64 12s 6d per ton for standard copper, the quotation dipped early in January to £63 10s. Then the demand came on, and during February there was a steady upward movement. This was continued into March, and on the 19th day of that month the very satisfactory figure of £76 5s per ton was officially recorded on the London Metal Exchange for standard cash copper. The metal early in April held its ground, but during May and June the bear element became more daring, and their tactics finally broke the market down to a very low level, the closing value for the half-year being £65, or a drop of no less than £11 5s from the highest. Early in July prices went even lower

than this, but the market has since been over £66 for the cash position with three months' copper able to command a fairly large premium on this figure.

The bear faction has made much of the support that has been given to the market during recent months by certain American interests, and they claim that the position even now rests upon an unsound foundation. Standard warrants have been lent and passed from hand to hand on quite nominal terms, and even the actual shipment of Bessemer copper to the United States and Germany has not brought about the anticipated demand to cover. It may seem surprising that a country like Germany should be able to take copper from this side, but it is a fact nevertheless. German trade is undoubtedly in a critical state. The fuel crisis is now very acute, and not only the iron and steel trades, but the important industries using the non-ferrous metals, such as copper, are sadly crippled, with little or no prospect of recovering for a long time to come. Thus it is obvious that a lot of the copper bought by German interests is not intended for consumptive purposes at all, but is merely being held as something more substantial than paper marks which, worth some 3,000,000 to the £ sterling one day, may be absolutely worthless in six or twelve months' time. But, of course, it must not be overlooked that Germany is normally the largest individual consumer of most metals, including copper, in Europe, and if it is possible to settle the Ruhr problem, and bring about industrial peace on the Continent within a reasonable space of time, all this copper now held in place of paper marks would easily be absorbed by the manufacturing interests, and such a movement would quickly influence sentiment. The U.S. exports of copper for the first five months of the present year amounted to 137,500 tons, and of this quantity Germany took over 31,000 tons, against 29,500 tons taken by France, and 28,250 tons by Great Britain. There is also reason for believing that a good deal of the copper shipped to Holland is for German account. In any case, if five to seven thousand tons of copper is shipped from this country to the United States and Germany, and this is followed by further exportations of rough copper, it must have a considerable effect upon the statistical position of the metal, and in the end help to support the upward tendency of values. The U.K. copper imports for June were only 7,064 tons, and the stocks in the Metal Exchange warehouses on June 30th amounted to 27,776 tons, of which 23,074 tons were rough copper. If the reserves of rough copper are lowered to about 15,000 to 20,000 tons, and total supplies of refined metal in the country, apart from users' stocks, are no more than 4,500 to 5,000 tons, any satisfactory development in trade necessitating fresh buying of copper later on in the year, when the political and industrial atmosphere becomes a little clearer, would most decidedly find prices very sensitive to the change in conditions.

In the United States the statistical position of copper is healthy. The final report of the Geological Survey Department for 1922, which has come to hand this week, gives the smelter output for all 1922 as 950,285,947 lbs, against 505,586,098 lbs in 1921. The refinery production of new copper is placed at 904,670,685 lbs, against 609,414,256 lbs in the previous year, while the total production of new refined copper for 1922 aggregated 1,359,000,000 lbs, or 339,000,000 lbs more than the figures for 1921. Adding secondary copper, the total U.S. copper output amounted to 1,504,669,643 lbs, against 1,126,512,429 lbs for 1921, and this gives some idea of the spurt that took place in the demand for the metal last year. The stocks of refined copper at the beginning of 1921 amounted to 659,000,000 lbs. By January 1, 1922, they had fallen to 459,000,000 lbs, and at the beginning of the present year they were down to 216,000,000 lbs, although there was an increase in the holdings of blister and rough copper. The stocks of 100,000 short tons of refined copper brought into 1923 have since been substantially reduced, and labour shortages are still impeding refining operations. It is claimed by the American producers that statistically copper is better now than it has been at any time since the war ended, and there is something in this contention. The refinery unsold stocks are reckoned to be down to about 80,000 to 90,000 tons, yet the price for electrolytic early this week was no better than 14½ cents per lb for

August shipment, this being close on three cents per lb below the selling price at the end of March. In this connection it should be remembered that the cost of production is still very heavy, with wages, stores, and coal still well above pre-war level, and the dearth of labour is all against increased production yet awhile, many men preferring to go to the harvesting fields rather than to the smelters at this time of the year. Here is a table showing the stocks of copper in the United States and the United Kingdom over a period of years:—

	U.S.A. Refined Copper (Lbs.)	U.K. Refined and Rough (Tons)
January 1, 1913	105,497,683	27,000
" 1914	90,385,402	11,000
" 1915	173,640,501	18,000
" 1916	82,429,666	..
" 1917	128,000,000	..
" 1918	114,000,000	..
" 1919	180,000,000	36,000
" 1920	631,000,000	10,000
" 1921	659,000,000	12,000
" 1922	459,000,000	16,655
" 1923	216,000,000	26,780
June 30, 1923	200,000,000	27,776

* Official figures. † Estimated. ‡ Only Government stocks in country.

The Copper Export Association has now cleared out all its holdings of old copper, and all sales made now will call for new metal. War copper and the huge stocks of brass scrap have been dispersed. Thus all supplies, both for American domestic use and for export, must come out of the current production, and this undoubtedly reveals a healthy condition. With Havre copper stocks round about 2,500 tons, British supplies down to 20,000 tons or so, and the American refinery surplus down to about 85,000 by the close of the month, the tone of the copper market should certainly improve once the holidays are over; thus the outlook for the copper mining companies and the metal itself contains decided elements of hope. There has been on the London market a fall of over £10 per ton, mostly based on sentimental considerations, and the present price is cheap. While the tension on the Continent lasts, the market must remain somewhat artificial, and the possibility of Germany's collapsing altogether and bringing about a general European industrial calamity, must not be lost sight of. If that were unfortunately to happen, not even American support could hold copper values where they are to-day. But, on the other hand, if things take a favourable turn, the oversold state of the market will at once be revealed, and a complete change will be probable. Consumers everywhere are working with very small stocks, and already there is a tendency to cover future requirements. Based on the statistical showing, copper is decidedly underpriced, and it would be very surprising if a better level of values were not established during the closing quarter of the year, if not sooner—that is, one must repeat, unless an aggravation of European conditions takes place.

CHINESE AND JAPANESE BONDS.

THAT Chinese Government bondholders are perturbed by the state of chaos reported from Peking this week is amply demonstrated by the heavy falls that have just occurred in the prices of their securities. The slump has affected all the bonds. Those which are secured upon the Customs, and regarded, of course, as the best of the series, have gone down with the others. Chinese Five per Cents. of 1896 and the Four and a-Half per Cents. of 1898 show falls of about 8 points apiece, as compared with the middle of June prices. The familiar 1912 Fives are 5 points down, and the various railway loans, guaranteed by the Chinese Government, are mostly 4 to 5 lower than they were six weeks ago. The Eight per Cent. Treasury Bills and the Eight per Cent. Treasury Notes stand at the more or less nominal price of 50, as against 55, although these do not rank with the Government bonds whose coupons have been met regularly and punctually. The next payment of interest due upon any of the loans—apart from both the Eight per Cents.—is that attached to the Chinese Imperial

Railway Five per Cent. Gold Loan, which should, and doubtless will, be met on Wednesday next, August 1st. The present price of the bonds, 70 cum coupon, is an indication of the mistrust that exists; for a Chinese bond to occupy the level of a 7½ per cent. yield is provocative of thought. Chinese credit has hitherto stood high. The reported honeycombing of the country with Bolshevism during the last two or three years has aroused a little uneasiness, but prior to this Chinese bonds commanded investment respect. Non-payment of coupons upon the Eight per Cent. issues, mentioned above, led to a shadow of uneasiness, though both the bonds, "Vickers" and "Marconi" alike, were recognised as falling outside the pale of the Government loans. Sir Francis Aglen, Inspector-General of Customs, was reported some time back as speaking seriously of the outlook. There seemed to be some doubt as to the words he actually used, and the cabled condensation was held responsible for what was thought to be an innocent perversion of his actual meaning. The Maritime Customs, upon which the best of the Chinese loans are secured, fall under European control and administration. The department is largely British. Chinese Customs continue to show good increases; the surplus is very considerable.

In most of the Chinese issues, bonds are drawn once a year, and these drawings take place with regularity at the due dates. The Four per Cents. of 1895, with January and July coupons, are the first charge of the Chinese Government, and are repayable in 1931. The yield at 87½ is a trifle over 4½ per cent. flat, but 7 per cent. when redemption is taken into account. The Five per Cents. of 1896, at 87½, and the Four and a-Half per Cents. of 1898, at 77—all these three being secured on the Maritime Customs—return 5½ per cent. outright, and over 7½ per cent. allowing for repayment at 100 in 1932 and 1943 respectively. Men in the Stock Exchange market base what faith they have in Chinese Government bonds upon the fact that, however disturbed may be the Government of the country, however anarchic the conditions in the big cities, the average Chinaman outside the areas of trouble goes on with the ordinary avocations, relaxes none of the industry ingrained by centuries-old convention, and can be trusted to meet the interest upon his debts. Therefore the Maritime Customs bonds, their service administered mainly by British hands, are considered with a good deal of favour in spite of the speculative tinge with which internal politics have coloured the loans secured upon the Chinese railways, and those of the Chinese Government that have no special hypothecation to gild them. The Chinese habit of mind is so different from that, say, of Mexico, or of the defaulting States in South America, that the British investor can hardly conceive China following the path of error and bad business which begins with non-payment of coupons. But the market, while hoping for the best, is awake to the wisdom of preparing for the worst; many of the falls that have taken place this week in Chinese bonds were due more to precautionary marking-down than to any pressure to sell stock.

With Japanese loans, the case is, of course, very different. A useful standard of Japan's present credit can be measured by last week's offer of four million pounds Five per Cent. Sterling Bonds of the South Manchurian Railway Company. These came out at 88, principal and interest being unconditionally guaranteed by the Japanese Government. Stag-selling has put down the price to ¼ discount. The bonds are repayable, at latest, by July, 1948, but can be redeemed, or drawn, in July, 1933, and thereafter, at the Government's option. Various other Japanese loans are subject to redemption from time to time as determined and notified in advance by the Minister of Finance. The popular Four per Cent. Loan of 1899 stands about 70, and yields 5½ per cent., flat, on the money. The Fives of 1907, now about 89, another popular investment, return 5½ per cent. on the money, without allowing for payment of the next coupon on September 12th. Principal and interest are payable in London in sterling; in Paris at exchange of 25.25, and in New York at the exchange of the day. Besides the Japanese Government bonds, there are a fair number of municipal issues available to the investor, whose confidence is shown by the fact that City of Nagoya, City of Osaka, and City of Tokyo

Five per Cent. Sterling Bonds stand about 90. The City of Yokohama Five per Cent. 1917-37 Loan is quoted at 93, and the Five per Cent. Bonds of the 1924-54 issue at a couple of points lower. Of the Japanese railway bonds, one of the best known is the Four and a-Half per Cent. First Mortgage Debenture of the Kansai Railway, commanding the high price of 95. The recently issued Six per Cent. Debenture of Tokyo Electric Company, which came out at 94, is quoted at a few shillings premium.

LATIN-AMERICAN TRADE.

(BY A CORRESPONDENT.)

THE position occupied by British trade with Latin-America is frequently referred to by economists, but few students appear to realise the great change that has come about during late years in our commercial relations with the countries of the New World. Even before the war, attended by violent interruption to our overseas communications, our trading position in the New World had been boldly challenged by the United States. But since 1914 the position has become much more serious, as the following figures, showing the actual percentages of Latin-American trade distribution, conclusively prove.

Year.	United States.		United Kingdom		Germany.		France.	
	Imp'ts.	Exp'ts.	Imp'ts.	Exp'ts.	Imp'ts.	Exp'ts.	Imp'ts.	Exp'ts.
1910.....	23.50	34.46	26.02	20.87	15.55	11.13	8.35	8.63
1911.....	23.79	34.29	25.73	20.92	16.72	12.85	8.25	9.15
1912.....	24.50	34.43	24.84	19.79	16.67	11.88	8.32	7.89
1913.....	25.03	30.78	24.42	21.42	16.55	12.38	8.32	7.99
1914.....	27.94	38.20	23.92	22.32	14.62	8.75	6.64	6.41
1915.....	42.15	40.71	20.51	22.20	1.84	.02	4.65	6.55
1916.....	51.77	46.41	17.88	20.57	..	..	3.70	8.04
1917.....	54.71	51.72	14.82	21.00	..	..	3.71	7.12
1918.....	49.48	46.83	16.86	24.43	..	..	3.28	11.24
1919.....	48.79	44.49	15.30	18.11	.19	.45	4.80	5.33
1920.....	50.15	47.68	16.70	17.94	3.39	1.80	4.80	5.33
1921.....	45.43	36.50	17.62	24.47	7.11	6.17	4.79	4.59

From these statistics, prepared by the United States Bureau of Foreign and Domestic Commerce, and the accuracy of which will hardly be in dispute, it is seen that since 1917 the percentages of United Kingdom trade with the Latin-American States compare very unfavourably with those of the United States. Although an appreciable increase in our imports from the Latin-American countries took place in 1921, while similar United States commerce showed a shrinkage, the total claimed by the latter was still far above that of the United Kingdom. It is true that the total trade carried on between the United States and Latin-America for 1922 has also shown further reduction; but the aggregate still reaches, for imports and exports combined, the considerable figure of \$1,315,248,943 (roughly £263,049,788)*.

If we take trade carried on with South American markets alone, omitting from consideration that of North America, Mexico, Central America, and the West Indies, we find that in 1921 the 10 S.A. Republics received from the United Kingdom 23.42 per cent. of their imports against 29.38 per cent. from the United States. But with regard to the whole of the Latin-American exports to leading commercial countries, we find that the United Kingdom received as its share in 1921, 30.24 per cent., against 22.48 per cent. taken by the United States. It is, therefore, clear that we are now buying more from these Latin States than we are selling to them. Undoubtedly the war and the trading difficulties brought in its train account, in a large measure, for the falling-off in our trade with the Latin-American countries, but the lack of suitable organisation has likewise played its part in the unfavourable situation.

In the case of the United States, the substantial reduction in the excess of exports to the Latin-Americas does not indicate an excess of imports as a probable development of the future, although it is clear that eventually the obligations of the smaller States, like those of other countries, must be liquidated largely by payments in goods. Of late years the export of American capital in the form of loans—Governmental, State, and Muni-

pal—has largely offset the net balance of exports to the smaller countries of the New World.

In view of the important, in fact, paramount, part played by British capital in the early economic development of the Latin-American countries, it is a matter for surprise, and no little regret, that orders for railway supplies, port and harbour constructional materials, and other industrial equipment, should be placed so often outside British manufacturing circles. Whereas the construction of railways in Argentina and Brazil, among other Latin-American States, has been pre-eminently the outcome of financial enterprise and industry upon the part of British *entrepreneurs*, contracts for locomotives, rolling-stock, rails, electrical, industrial, and other machinery have been freely given to entirely outside bidders. Without having constructed or financed a single railway system in either Argentina or Brazil, United States contractors have succeeded in securing an unduly large proportion of orders for rolling stock. Similar opportunities are being offered every day, and naturally are made the most of. The Latin-American Governments usually purchase their railway equipment by competition open to all responsible concerns, both foreign and local, calls for tenders being published more or less fully in the official gazettes. This method, however, is not strictly adhered to, many valuable orders being obtained by favour after systematic solicitation, and no doubt shrewd watching of coming opportunities.

SOME LESSONS OF THE AUSTRIAN EXPERIMENT IN RECONSTRUCTION.—III.

THE political position in Austria, though by no means serious, is not as good as the financial situation. There are three parties in Parliament of which the largest, that of the Christian-Socialists led by the Prime Minister, Dr Seipel, forms the Government, with the support of the German Nationalist Party, which although small in numbers, nevertheless holds the balance of power. The Social Democrats, who form the opposition, adopt a critical attitude towards the League of Nations' plan of reform. The weak feature of the situation is that there is no patriotic feeling anywhere for the present Austrian State. The pre-war patriotism of Austrians centred in the ancient though somewhat faded Hapsburg monarchy, with its heritage of the glory that was once the Holy Roman Empire. What is left of this patriotism is now to be found in the German Nationalist Party, which hopes some day, though not now, for union with Germany. As to the Socialists, in Austria, as elsewhere, there are many in the party who have an international rather than a national outlook, while it must not be forgotten that a very substantial proportion of the finance and commerce of Vienna is in the hands of Jews, whose national attachments are notoriously weak. Among the agriculturalists in the provinces the provincial patriotism of the peasant in Tyrol, Styria, or Carinthia is almost as marked, and at times has been more exclusive than his feelings for the new Austrian State. This lack of national spirit has various important consequences. On the one hand, it made it easy for Austria to surrender her autonomy to the League of Nations. In this respect the situation is in marked contrast with that in Germany, where the problem of international control now is a matter of immediate political importance, and in Hungary, which has already applied for a scheme on similar lines. The task of a controller in Hungary, a country surrounded by jealous enemies and inhabited by a strongly nationalistic and revengeful people, would be an entirely different problem from that with which Dr Zimmerman has been faced in Austria. Unlike Budapest, Vienna has never been a centre of irredentist aspirations.

On the other hand, this lack of national spirit creates difficulties of its own. In the first place, the financial community of Vienna provides no group of public-

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spirited financial magnates competent to take the lead in economic affairs, or to form a body of opinion which would modify speculation and the prevailing instinct to make an immediate profit out of a difficult situation. Secondly, political life has less stability, and there is little common ground between the parties. When a League of Nations Commission first went to Vienna in 1921 they obtained the undertaking of all the parties, the Communists only excepted, to accept a mortgage on all Austrian State property. But when the second and later scheme was developed the final arrangement was only made with the party in power. At Geneva last September it was thought and hoped that when Dr Seipel returned to Vienna he might form a Coalition, and give effect to what was a national trust with the League of Nations. When, however, he arrived home the temptation to make party capital out of a successful negotiation proved too strong, and the party government was maintained. The Socialists, being driven into opposition, have developed a strong campaign against the new system, their line of argument being that the controller, Dr Zimmerman, is using his power to suppress social improvement, to rescind recent socialistic legislation, to relieve direct taxation, and to impose indirect taxation on the masses, and generally to enthrone the capitalist system. At the present moment these criticisms do not make much headway. Austria is rejoicing in her new-found hope, and remembers only too well the chaos of the last few years to lend a ready ear to the criticisms of theorists. The elections which are to be held in the early autumn are not expected to bring any increase of strength to the Socialist Party. But even if by some chance they came into power, the League's scheme would not be endangered, for the Socialist leaders have definitely declared that they would honour it as a national undertaking, though endeavouring to modify its administration.

At the same time, these criticisms are important, and should be carefully considered by those who think that the Austrian plan may have to be applied elsewhere. Dr Zimmerman, in fact, has not got on paper any direct control over the Austrian Budget, but in practice he has almost autocratic control, since he will only release the funds which come into his hands from the Customs and the tobacco monopoly, as well as the proceeds from foreign loans, if he is satisfied with the arrangements which are being made to reduce the Budget deficit according to the schedule agreed upon in Geneva. It is not true that indirect taxation is being exploited as against direct taxation. The nominal figures of direct taxation for the last two years have been extremely high, and on Budget day the Socialists might flatter themselves that Austria has raised nearly all its revenue by direct taxation. But it was only in appearance, for when the exchange is depreciating rapidly, an income-tax of even 10s in the pound, assessed to-day but paid six months hence, becomes a trivial affair. In these last two years, when nominal rates for direct taxes have been so high, the *actual yield* of the direct taxes has been very small. Now that the crown is stabilised, the yield of direct taxes is rising in proportion, though the nominal rates are falling. On the other hand, steps are being taken to modify some of the taxes, such as those on all financial transactions which were imposed under the previous *régime*. Some concessions also in the Eight Hour Law are being negotiated even on the railways. It is, of course, notorious that from London to Moscow every Parliament in Europe has been constrained in the last year or so to modify various utopian schemes which found their way on to the statute book during the years of illusion which followed the Great War, and Austria is no exception. Certain impracticable laws are being repealed and others will undoubtedly follow; but this necessity is not dictated by the League of Nations, and will not be remembered to the discredit of the League by practical people. But it is open to the Socialists to attribute these changes in Austria to the League of Nations, which is represented as a capitalist organisation interested in restoring capitalism in Europe. It is clear, therefore, that if the League is to perform its proper function the greatest care must be exercised as to how far it interferes in any individual state in the detail of that country's administration.

Monetary Policy.—Our recent suggestion that the time has come for a considered restatement of the monetary policy to be pursued during the next few years is repeated in a more definite form in a memorandum issued this week by the Federation of British Industries. In this document the federation "urge most strongly" upon the Government that a Commission should be immediately appointed to review the position and make recommendations as to future monetary policy. "It is in their opinion essential that this Commission should contain not only financial experts, but also representatives of industry, commerce, and labour, so that the effect of any policy on trade and employment may be fully considered before a decision is reached." The memorandum quotes the Premier's remarks on price stability in the House of Commons on the third reading of the Finance Bill, but complains that the declared monetary policy of the country is still that recommended by the Cunliffe Committee, namely, to bring back the exchange value of the pound sterling to parity with the gold dollar "by a process of deflation." The Cunliffe Report was written in 1918, and present conditions, as the federation remark, differ very materially from any which existed or could have been foreseen in 1918. Indeed, we venture to assert that those members of the Cunliffe Committee who survive would draft their report somewhat differently in the light of present-day conditions, for the relative importance of various issues has undoubtedly changed. Their first report showed that they anticipated an approximation between prices in this country and gold prices, "if credit expansion elsewhere continues to be rapid." While this has not happened, prices here have for some time now been relatively stable. In his speech, which the federation quote, Mr Baldwin said, "One of the things that has contributed most to the steadier feeling which is more prevalent now than it has been in this country, is that people feel that they are getting down more or less to a stabilised basis of prices." The memorandum expresses doubts as to whether the Prime Minister's views are shared by those "more directly responsible for controlling our monetary policy," and further argues that "the policy of deflation advocated by the Cunliffe Committee, and apparently still being followed by the banks and the Treasury, has surrounded the monetary policy of the country with an atmosphere of obscurity which is extremely undesirable in the present circumstances." While we do not agree that any definite policy of deflation is at the present time being pursued either by the banks or by the Treasury (such deflation as has taken place being the normal result, and not the cause, of the present condition of trade), there can be no doubt that at the present juncture a redefinition of our monetary policy would be beneficial in removing uncertainty and enable the public to understand better the actions not only of the Treasury, but of the banking world.

The Problem of Disarmament.—The academic portion of the disarmament resolution which Mr Ramsay MacDonald introduced in the House of Commons on Monday commands universal agreement. The practical portion, namely, the demand that the British Government should immediately summon an international conference, found the Government armed with an array of sound objections. Alarm at the height of armament expenditure since the war; fears of a renewed armament competition; anxiety born of sad experience, lest this reviving competition is not already leading us along the broad road that leads to war—all these feelings were instinct in the speeches, not only of Labour members but of all sections and parties. Likewise all schools of political thought are, like Mr MacDonald, anxious to find a way of checking this pernicious growth before it is too late. The fact that Mr MacDonald's motion was rejected must not be taken to mean that the Parliamentary majority is unfavourable to an international attempt to secure reduction of armaments. On the contrary, we believe that both Parliament and the country are solidly in favour of such efforts being made. For our part we have urged constantly that an interna-

* Official figures of the Pan-American Union.

tional agreement for the reduction of land and air forces is an essential condition of future world, especially European, peace. Nevertheless, we agree with Mr Baldwin in his resistance to the demand that he should summon an international conference forthwith. In the first place, recent history has taught us the futility of convening international assemblies without carefully and industriously preparing the ground beforehand. Secondly, the League of Nations, which has been giving unremitting attention to this subject, is about to produce certain concrete suggestions which may form a basis for fruitful discussion. It would not be an act of wisdom for the British Government at this moment to ignore the League, and on its own initiative summon an international conference. Thirdly, the British Government is at the present moment preoccupied with the attempt to approach the problem of European peace and security through the medium of a reparations settlement. A reparations settlement brooks of no delay; and the chances of such a settlement might well be delayed or jeopardised if just at this psychological moment the red herring of disarmament were to be drawn across the path. Thus, while we agree with most things that Mr Macdonald said on the general subject of armament competition and war dangers, we find Mr Baldwin's attitude perfectly correct. The Prime Minister spoke of "dreams" of world peace and disarmament, but he described the Washington Conference as leading to "a limitation of naval armaments, which, I am convinced, the statesmen of all countries would have considered to have been impossible, impossible even to have been debated, and impossible in its fulfilment." His reference to the work of the League of Nations on disarmament shows that he is not hopeless of the possibility of a repetition of the Washington triumph. He promised that the work of the League would be examined "not only with the sympathy and interest which such work deserves, but with an earnest desire, at the first moment when it appears to be practicable, that the aims of the League, if not in the exact form in which they have suggested they should be brought about, shall be brought into effect in Europe." With the spirit of that profession we must remain content for the moment, and hope that we may rest assured that, after the urgent question of reparations, the problem of international disarmament ranks foremost among the vital questions engaging the active attention of the Government.

The Kenya Settlement.—The lengthy controversy between the Indians in Kenya Colony, backed by the Government of India, and the British settlers, supported in the main by the missionaries in the interest of the native population, has been settled by the Colonial Office on terms published in a White Paper (Cmd. 1922) on Tuesday. This aims at placating Indian sentiment by making it clear that any discrimination against Indians in the colony is not based on ground of race or colour, but on the economic interest of the native population and of the colony in general, and on the pledge to reserve the highlands for white settlement, given to British settlers by the Colonial Office in 1918. The colony contained in 1921 over 2,500,000 natives, 9,651 British, 10,102 Arabs, and 22,822 Indians; the last named were there long before the country was British. The Indians demand full political equality, and claim that it is threatened by proposals for their segregation, by the reservation of the highlands, and by restrictions, actual or contemplated, on Indian immigration, and that they are better friends to the natives than are some of the British. The British settlers reply that the mass of the Indians are unfit for political equality, that unrestricted immigration would aggravate this unfitness, lower the standard of life for Europeans, and keep the natives permanently down, and that the highlands reserved for white settlement are the only district fit for it in tropical Africa. The controversy, which may arise in different forms in other tropical colonies, has lasted nearly two years, threatening the peace of Kenya and straining Indian loyalty; the settlement proposed last year by the Wood-Winterton Committee was rejected by the British population, and rival delegations interviewed the Colonial Office last May. The settlement now achieved is briefly this: As to the franchise, there are two alternatives (a) separate or "communal" representation of the races, possibly

with overlapping constituencies, and (b) a common electoral roll, Europeans and Indians voting together in the constituencies into which the country would be cut up. This latter plan, favoured by the Wood-Winterton Committee, would in practice involve some gerrymandering and differentiating in qualifications in order to keep the mass of low-class Indians from swamping the European electors, and to ensure fair representation for both races alike. The communal system allows a much wider Indian franchise, and affords a framework into which Arab and, hereafter, native representation may be fitted, and at present any candidate of one race favouring the other would forfeit the support of his own. So the communal plan is adopted. Candidates must know enough English to take part in the proceedings of the Legislative Council. Its elective element will consist of 11 British, one Arab, and five Indian members (there is one nominated Arab already), and a missionary may be nominated to advise on native questions. The Executive Council already contains one Indian member; it will also contain an adviser on native affairs, probably a missionary, and no distinction will be made in appointment on racial grounds alone. Communal representation on municipal bodies will be given to Indians, details being settled hereafter; segregation will not be insisted on, but "the rigid enforcement of sanitary, police, and building regulations without racial discrimination" will suffice. The reservation of the highlands will continue, inasmuch as the Governor will retain the power of veto on transfers of land between members of different races, but areas in the tropical lowlands will be assigned for bona-fide Indian settlers. At present there are no agriculturist immigrants from India; the Indians are traders, clerks, railway servants, and artisans. Finally, restrictions on immigration can never be racial; they must be purely economic and devised in the interest of the natives, who must be protected from any influx which will interfere with their economic welfare. Further consideration of the control of immigration is foreshadowed with this exclusive purpose. The Report caused an outburst of angry comment in India. This, we trust, may simmer down when the full meaning of the new proposals is thoroughly grasped. For they are, at any rate, decidedly more liberal to the Indians than any previous proposal, and the retention of the official majority in the Council affords security against encroachment on the rights of the natives, whose welfare both British and Indians assert to be paramount, and the Imperial Government formally declares to be its primary aim.

Trade Union Discipline.—For nearly four weeks thousands of dockers have been on strike against the advice and instructions of their responsible leaders. Our readers will remember that this movement is directed against an agreement which had been duly accepted by the union representatives and by the men themselves. If it succeeds, therefore, the whole principle of collective bargaining is in danger. Fortunately, however, there are signs that many of the strikers are seriously disappointed, as the strike weapon is proving less successful than they had been given to suppose. Work has, indeed, been resumed at Manchester and Salford, though the conflict still drags out its weary course in the Port of London and at Hull. This past week has not brought any startling developments in the situation, but mass picketing, which seemed on Monday almost likely to bring the Tilbury men, who had hitherto stood loyally by their union, into line with the rest of the London dockers, has apparently proved a complete failure, and at the time of writing conditions are almost normal in that area. If any illusions were cherished by the strikers as to the possibility of joint action on their behalf by other sections of labour, they cannot have survived the resolution congratulating the loyal dockers which was passed by the General Council of the Trades Union Congress on Wednesday last. The announcement of Mr C. T. Cramp, the industrial general secretary of the National Union of Railwaymen, that grants from branch management funds must not be made on behalf of the strikers must also have proved disappointing, though by no means unexpected. As the end of the fourth week of idleness approaches we hope that some at least of the strikers will count the cost and measure the benefits gained. On the one hand, a month's wages have

been lost, and it would take many months to make this good even were the extra shilling a day, which is the present bone of contention, to be granted by the employers. It must, however, be apparent that the chances of an unconditional surrender by the masters is more remote than ever, and no amount of bravado on the part of those irresponsible elements which are now masquerading as strike leaders can conceal the fact that public sympathy is dead against the whole movement. The employers have asserted that the new day-wage of 10s is only a minimum, which would in a very large number of cases be exceeded. In addition they have promised a full statement of wages paid to dockers in the past, which should do much to enlighten public opinion as to the position of an employment which is undertaken by a regrettably large number of casual labourers. But it cannot be too often repeated that the wage question is not the real issue in the present conflict, and this fact is fortunately perfectly clear to the overwhelming body of organised labour, which realises to the full the advantages to be derived from collective bargaining.

Irish Free State Affairs.—Our Dublin correspondent writes:—The public has been taken somewhat by surprise at what is seemingly a sudden advance of the date of the pending General Election. A recent estimate in these columns placed it in the early part of September, and, while it is not yet actually fixed, that is when it is still likely to be. But during the last ten days—and following upon a visit of President Cosgrave to London—there has been a general "hurry up," an urgency to complete or abandon pending legislation, an acceleration of candidatures and programmes. The election itself will be big with fate for Ireland. It will afford a test of the constructive capacity of the present generation of the Irish people, and it is to provide a more numerous membership for re-adjusted constituencies upon adult suffrage. The best opinion is that the present Government will obtain a general endorsement and a renewed lease of power, and this, subject to minor changes and rearrangements, is what the wiser heads on almost every side desire. Mr Cosgrave, Mr O'Higgins, and their colleagues have done extraordinarily well in circumstances of immense difficulties. They have displayed a devotion to principle and a disregard of popularity, points which, if they have drawn upon them some enmities, have earned them the esteem of large sections in no wise predisposed in their favour. The big strike of farm labourers in Co. Waterford continues, and this is now supplemented by what may develop into a great labour struggle in Dublin. The Labour organisations of Dublin, and in particular the powerful Irish Transport and General Workers' Union, are split from top to bottom by the rivalries and feuds resulting from the return of Mr Jim Larkin. The employers have taken the occasion to press for reductions of wages to what they allege to be an approximation to an economic level. In a reasoned statement the shipowners point out that the changes of wages and conditions since 1914 make an increase of 422 per cent. for a given quantum of work, and that business cannot be continued on these lines in competition with all the other ports where, without exception, the work is done cheaper. So far, the strike or lock-out is more or less restricted to the docks. Other classes of employees are still deliberating; their ultimate solidarity is still in doubt. It is not unlikely that these developments will tend at the General Election to strengthen the Government, and win support for its policy of national concentration and reconstruction. An issue of the most grave importance is now being brought upon the stage of Imperial politics. The Irish Free State has informed the British Government of its desire to proceed with the Boundary Commission pursuant to the terms of the Treaty, and has appointed Professor John M'Neill to act as its representative. It would be unthinkable that the British Government could fail to make good its solemnly pledged word, but that is what some of the hot-headed partisans of N.E. Ulster demand that it should do. No Government in Ireland could expect to live for a month which submitted to being put off with less than the Treaty gave, and the majority of the Free State populace have fought or suffered

or both for the Treaty and for what it promised. The deep gravity of the issue now raised is fully realised in official circles in Dublin.

The Problem of Hungary.—The Hungarian problem has come once again to the fore as a result of a question asked by Lord Newton in the House of Lords on Wednesday last. The position of the noble lord, whose sympathies for the Magyar nation are well known, may be summed up by saying that Hungary should not be called upon to pay any reparations at all because she, of all countries, had suffered most by the peace settlement of Paris. Indeed, her finances are alleged to be in such a parlous state that not only would it be impossible for her to make any substantial payments, but, unless a loan is forthcoming under the aegis of the League of Nations, the country is inevitably condemned to complete financial ruin. Under these circumstances, Lord Newton urged that the States of the Little Entente should not be allowed to borrow a single penny on the London market until they had agreed to a "satisfactory and just settlement of Hungarian reparations." It is, of course, admitted that an international loan under the auspices of the League implies control by a representative of the League on the Austrian model. We refer elsewhere in this issue to one fundamental difference between Austria and Hungary, and that, perhaps, the most important, that whereas irredentism is admitted on all hands to be prevalent if not predominant in political circles at Budapest, the modern Austrians can hardly be said to have any nationalist aspirations whatsoever. It is obvious that this fact would complicate enormously the task of the League Commissioner for Hungary, were one to be appointed; and it must be equally clear that it must also give rise to some misgivings on the part of the States of the Little Entente. In fact, the demand put forward recently by Dr Benes and M. Bratianu that guarantees must be forthcoming that international assistance shall not be used by Hungary as a means to further her Imperialist ambitions, seems perfectly reasonable as a preliminary condition to co-operation in the proposed scheme by Czecho-Slovakia and Roumania respectively. We are not concerned with the rights or wrongs of the Treaty settlement. This, indeed, is best left to the student of Magyar rule in non-Magyar lands in the palmy days of Hungarian Imperialism. What is clear, however, is that the League of Nations can only concern itself with the frontiers as they at present exist, and a settlement under its auspices must necessarily be on this basis. Whether any government could co-operate on these terms and maintain itself in office at Budapest at the same time is, of course, another question. But this is not all. Modern Hungary is predominantly an agricultural country, and rural property is still in the hands of the large territorial magnates. Despite the fact that peasant proprietorship has been established, mainly as a result of post-war legislation, in all the surrounding countries, the Magyar landlords have so far shirked the question of agrarian reform. At first sight this might appear satisfactory from the economic point of view, but a closer analysis of the statistics of agricultural production, such as that published in the *Economist* of July 7th last, reveals the somewhat surprising fact that the rural economy of Roumania, for example, where expropriations have been carried out on a vast scale, is much nearer the pre-war standard than is that of Hungary. This fact alone is significant, especially when it is remembered that Roumania formed part of the theatre of war, and was afterwards thoroughly exploited by the German armies of occupation for close on two years. The explanation is almost certainly to be found in the prevalence of social unrest and general dissatisfaction with the Horthy régime among the mass of the Hungarian people. Indeed, the Hungarian problem is very largely a social question, and as such beyond the sphere of activities of a League of Nations Commissioner. Moreover, the political supremacy of the landed aristocracy makes the problem of taxation an exceptionally difficult one, and one of the main causes for the financial collapse of the country is to be sought in the fact that the wealthy classes do not pay anything like their due proportion of taxation. But there remains yet

another difficulty. The floating of a loan on behalf of Hungary would necessitate the raising of Reparations liens on the part of the smaller Allied Powers of the Little Entente. This they are not prepared to do unless the transaction forms part of a general cancellation of indebtedness. Roumania, for example, is not prepared to surrender her claims on Hungary for a given period of, say, 15 years, unless the claims against Roumania herself which arise out of the Treaty settlement are also waived for a like period. These latter claims consist for the most part of obligations undertaken by Roumania in connection with the former Austro-Hungarian debt, which result from her succeeding the Hapsburgs as sovereign over part of the former Austro-Hungarian Empire, or else in the so-called "Liberation Debt" owed to the Allied Governments. The position, in fact, can be briefly summarised by saying that Roumania, together with the other States of the Little Entente, is not prepared to waive her credits under the Treaty settlement unless her own creditors are prepared to waive their claims for an equivalent period. For our part, we feel that a solution of the Hungarian problem is only possible as part of a larger scheme of general settlement, and that the intervention of the League of Nations on lines similar to those which have been so successful in the case of Austria is only possible if adequate political guarantees are forthcoming on the part of the dominant Magyar aristocracy. Indeed, a certain degree of chastened resignation is indispensable for the success of such a scheme of international control, and news from Hungary leaves us unconvinced that this necessary preliminary has as yet been complied with, despite Lord Newton's able presentation of the Magyar case on Wednesday last.

The Railway Half-year.—Until the railway companies see fit to publish traffic returns which are of any real value, that is to say, which show net as well as gross receipts, it is impossible to form a clear idea either as to the equity of their scale of charges or as to the position and prospects of shareholders. The grouping of the companies has, of course, complicated the compilation of statistics relating to previous years, and has so taxed the statistical machinery of the Ministry of Transport as to delay publication of their monthly return for January last until this week. But the comparative figures do exist, and as one of the new companies, namely, the London and North-Eastern, publishes last year's comparative figure with each weekly return, there seems to be very little excuse for withholding them on the part of the other three companies. But the production of the net figures is of equal urgency, and without them the gross figures are comparatively meaningless. We reproduce them, however, for what they are worth:—

	JANUARY TO JUNE, 1923.		
	Passengers, &c.	Goods, &c.	Total.
	£	£	£
Great Western	6,146,000	9,388,000	15,534,000
London and North-Eastern	10,485,000	19,595,000	30,080,000
London, Midland and Scottish	15,120,000	24,330,000	39,450,000
Southern	7,729,400	3,049,500	10,778,900

The London and North-Eastern gross receipts for the first half of 1922 are given as £31,258,000, making a decline this year of £1,178,000, of which passengers accounted for £1,140,000 and goods for £38,000. The relatively very small decline in the latter item is no doubt due to the boom in the coal and iron and steel trades in the early part of the year, which resulted from the Ruhr occupation. It would not be unreasonable to assume that the decline in gross revenue has been covered by a corresponding reduction in expenditure, and that net revenue has been at about the same level as in the first half of 1922. The London, Midland, and Scottish dividend, announced yesterday, is at the rate of 6 per cent. per annum, which is much in accordance with market anticipations, while the Southern Railway interim distribution is to be at the rate of 5 per cent. per annum on the preferred, but no interim distribution, as in the pre-grouping days, is made on the deferred stock. There is, of course, no direct comparison available, nor must these rates be contrasted with the final distributions for the year 1922, which were at exceptionally favourable rates, and the last to be distributed by the old companies. The accounts for

1922 showed that the companies have enormous reserve funds, which will be available for equalising dividends should the directors think fit to use them for this purpose. It is probable, however, that the present interim distributions are being made on a conservative basis, leaving the final distributions to correspond more closely with the full year's results. The railway reserve funds are still a matter of controversy, and the traders argue that they should be utilised to lower railway rates in order to help in the restoration of industry. In a recent article the *Railway Gazette* challenges these arguments, and claims that the present railway reserve fund is equivalent to approximately 11 per cent. of the capital expenditure, or 20 per cent. of the total ordinary and preference capital. This, of course, refers only to visible reserves. At the same time, our contemporary makes a comparison of our quarterly analyses of industrial profits with the dividends paid on railway stocks in recent years, in order to show that the return on railway capital is low. But only our average figures, covering all classes of industries, are produced, and a comparison of these averages with the rates in one particular industry is entirely misleading, especially when that industry is one in which one looks for a certain degree of security, and is very different to, let us say, oil or rubber undertakings, in which the risk is known to be heavy, and in which capital naturally expects a commensurate return.

The Oil Trade Position.—The recent reductions of 3½d per gallon in the retail price of No. 1 petrol (3d per gallon in the wholesale) and 1d per gallon in the price of kerosene are an overdue acknowledgment of the prevailing economic position of the oil industry. It would seem that British prices reflect the world situation only indirectly, that is to say, that they are reduced only when the combines consider that the small companies are making too much profit. Petrol, for example, can now be purchased in the United States and delivered in this country for about 10d a gallon—ex ocean installation. Oil prices, both crude and refined, have been falling in America since last April. Pennsylvania crude oil, which may be taken as an index of the crude oil situation, is now standing at three dollars per barrel, having fallen by \$1.35 per barrel since April. Stocks of crude oil (pipe-line, tank farm, refinery, and imported crude) had risen from the January level of 279,707,916 barrels to 289,871,477 barrels in March, and to about 300,000,000 barrels in June—or about 211 days' supply at the current rate of consumption, which is about 50 per cent. above the pre-war maintenance. Indeed, stocks have been steadily rising since 1920, and the slump never checked production adequately. Since the discovery of the prolific deep sands in the Southern Californian fields, production has been completely out of balance with consumption. The daily average crude oil output had risen from 1,752,000 barrels in the first week of January to 2,076,250 barrels in the first week of June, and for the week ending July 7 is reported as 2,199,150 barrels, of which California accounted for 835,000 barrels, or about 38 per cent. Of that Californian daily total the three southern fields—Santa Fe Springs, Long Beach and Huntington Beach—were responsible for 626,000 barrels. To check drilling in these flush-producing fields, crude oil prices must be cut still further—in other words, until drilling is made hopelessly unprofitable. The steps taken to curtail production by a voluntary restriction of output in California and elsewhere by a pro-rating of pipe-line runs have been more than offset by the new wells brought in. If production has been unexpectedly small in one district, as in the Teapot dome area of Wyoming, it has been unexpectedly big in another, as in the Powell field of Texas. If the gas pressure in the Long Beach Californian field is showing signs of giving out, the estimate of the Californian Oil Producers' Association shows that 260 wells are due to be completed between July and November 30, with a potential new production of 746,000 barrels a day. It will be appreciated that the decline in Mexico has not greatly affected the general position, seeing that California is now producing twice as much as the whole of Mexico, and that this over-production is of the lighter grade of crude oil which results in over-produc-

tion of gasoline and kerosene, whereas the failure of Mexican fields affects only the fuel oil supply. The oil trade generally is impatient, because price reductions do not come more quickly and buying is slow. In this situation the companies most adversely affected are, of course, the single producers. The big refining and marketing companies are profiting by the cheapness of the raw material and the fact that this margin of profit is just as satisfactory with lower prices, which, indeed, tend to expand business. It goes without saying that the few big combines which can take advantage of the market, buy supplies cheaply, and store them for higher prices will be able to reap a harvest later on.

Six Months Oil Imports and Exports.—The following are the figures of oil imports, exports and re-exports for the first six months of 1923, as compared with those of the corresponding period of 1922:—

	Imports.		Re-Exports.	
	1922.	1923.	1922.	1923.
	Gallons.	Gallons.	Gallons.	Gallons.
Crude	94,407,119	146,495,842	24,567	1,701,548
Lamp oil	80,503,140	70,390,202	1,579,953	1,272,440
Motor spirit	172,966,645	157,832,579	13,387,023	19,514,334
Spirit other than motor spirit	2,200	1,001,410	49,252	13,755
Lubricating oil	34,155,420	51,764,900	1,470,505	1,136,881
Gas oil	41,982,352	35,599,234	204,595	1,370,590
Fuel oil	203,286,042	165,675,377	3,511,665	369,128
Other sorts	22,714	28,306	4,699	40
Total	627,325,632	628,787,850	20,232,259	25,378,716
Total value	£ 21,367,727	17,797,246	1,200,697	1,378,344

	Exports.	
	1922.	1923.
	Gallons.	Gallons.
Lubricating mixed	221,718	389,696
Petroleum lubricating	2,763,173	3,105,132
Other sorts	6,276,289	33,941,003
Total	9,261,180	37,435,831
Total value	£605,707	£1,192,064

Fuel oil shipped for the use of steamers engaged in the foreign trade for the six months of 1923 totalled 104,904,991 gallons, as against 50,102,414 gallons for the corresponding six months of 1922. It is unsafe to draw many conclusions from these half-yearly figures. While the total volume is practically the same in each period, it is noticeable that imports of fuel oil have declined in the 1923 period by nearly 19 per cent., and of motor spirit by 9 per cent., while crude oil imports have increased by 55 per cent. and lubricating oils by 51 per cent. The increasing volume of crude oil imports does not support the story that the Llandarcy refinery of the Anglo-Persian Oil Company has been a failure. As regards the re-exports, it is remarkable that the amount of fuel oil shipped as bunkers for steamers engaged in foreign trade has increased by 108 per cent. in the last six months, as compared with the first six months of 1922. Higher prices for bunker coal have made it more favourable for shipowners to convert their vessels to fuel oil burning. Thirty-one per cent. of the world's tonnage is now consuming oil, as against 11 per cent. in 1914. The increase in marine fuel oil consumption concurrent with the decrease in fuel oil imports no doubt accounted for the rise in the British price of bunker fuel oil this year from 60s a ton to 70s a ton, ex tank.

Trade Volume and the Irish Factor.—Last week's *Board of Trade Journal* includes the official calculation of the volume of trade in the June quarter, as compared with the corresponding quarters of 1922 and 1913. Our official contemporary gives the following statement showing the value, as declared, of the imports and exports, their aggregate value at the average values, commodity by commodity, at which similar goods were declared a year ago, with the corresponding figures of the trade of the second quarter of 1922, and the calculated equivalents, on the

basis of 1913 prices, of the trade of the second quarters of the current year and last year:—

COMPARISON OF TRADE in the SECOND QUARTERS of the YEARS 1923, 1922, and 1913.

April-June.	Total Imports.	Exports of United Kingdom Goods.	Re-exports of Foreign and Colonial Merchandise.
	£'000.	£'000.	£'000.
1923, as declared	265,201	197,309	35,157
" At 1922 prices	271,559	205,746	31,739
1922, as declared	253,459	165,699	26,885
At 1913 prices—			
1923	177,174	104,411	26,412
1922	166,905	84,348	21,828
1913	182,467	129,751	27,967

From these general comparisons it appears that the imports of April to June this year were in excess of those of the corresponding period of 1922 by about 7 per cent., exports of British produce showed an expansion of 24 per cent., and re-exports an expansion of 18 per cent., when all are calculated on the same price-basis, namely, that of April-June, 1922. Compared with the second quarter of 1913, the imports of the second quarter of 1923 show a reduction of about 3 per cent. in volume, the exports of British produce a reduction of 19.5 per cent., and re-exports a reduction of about 5.6 per cent. In reading these figures it has to be remembered that comparisons between the past quarter and the second quarters of previous years is vitiated by the fact that since April 1st the British returns have included exports to and imports from the Irish Free State, while the direct trade of the Irish Free State with other countries has been excluded. What exact bearing on the figures this change has had, there is not as yet sufficient data for judging. But it would appear that the exports to Southern Ireland would not be sufficient to account for more than a part of the increase in British exports last quarter over those of the June quarter of 1922. While adequate Irish trade statistics are not yet available, the *Board of Trade Journal* produces some figures which afford some slight indication of the position. A list of "principal" exports of British produce to the Irish Free State in the past quarter are shown to have reached a total of just under £3 millions, and seven leading re-exports to the same quarter a value of £1¼ millions. On the other hand, a list of "principal" imports into Great Britain and Northern Ireland from the Free State represented a value of nearly £7 millions. A further item of information is that in 1921 the value of imports from abroad into Southern Irish ports amounted to £15 millions, and the exports from those ports to overseas countries about £400,000, with re-exports a mere trifle. However, these crumbs of information are only of slight value, and it is to be hoped that complete Free State figures for the past quarter will be produced as quickly as possible, and that thereafter their compilation will be kept up to date. For unless and until this is done we are without a true basis for comparing current British overseas trade with that of previous periods.

German Imports.—The Trade returns for Germany are of course, to some extent defective, owing to the absence of figures for the Occupied Territory, but with the rigid French régime these can hardly amount to very much. The German returns express the totals in weight as well as in value, which is a great advantage when the exchange is fluctuating so rapidly. The following figures compare the imports since the Occupation with those in December last:—

IMPORTS into GERMANY (Metric Tons).

	Total.	Coal.	Iron and Steel.	Total Excluding Coal, Iron, and Steel.
December, 1922	4,326,300	1,471,600	236,000	2,618,700
January, 1923	4,728,900	1,870,100	287,600	2,571,200
February	3,166,100	1,421,800	101,500	1,642,800
March	5,220,100	3,397,700	107,200	1,715,200
April	6,396,100	4,526,100	154,300	1,715,700
May	4,013,100	2,500,000	?	

It will be seen that while the total imports into Germany have increased rather than diminished since the Occupation, the increase is wholly due to increases in the imports of coal, imports of commodities other than coal, iron and steel having fallen in April to about 65 per cent. of the December totals.

Marine Insurance Results.—In our "Review of the Progress and Prospects of Insurance," which was published on July 14th, we gave the aggregate figures of premiums, claims, and expenses of some six marine insurance departments for the years 1919-1922 inclusive. This was done in order to give a broad general idea of marine insurance business since the war boom. It has, however, been pointed out to us with some justice that the selection of the figures for these four years—as given in the companies' accounts—exaggerated the weight of the claims, since many of the claims falling within those years related to 1917 and 1918, during which premium incomes were very large indeed. When premium incomes are rapidly contracting, as they did after the war, one needs to extend a survey over a longer period of years to get results which are a trustworthy indication of the course of marine underwriting. It may be that ten years would not be too long, but perhaps it will be useful just now to take, say, six years from 1917 to 1922 inclusive, and to show what the aggregate results have been for the six companies previously selected. When we took four years, 1919-1922, and added up the premiums, claims, and expenses for those years, the final results were:—Alliance, deficiency, £243,005; Commercial Union, surplus, £569,929; Liverpool and London and Globe, surplus, £17,140; London Assurance, deficiency, £7,077; London and Lancashire, surplus, £238,109; and Royal Exchange, deficiency, £76,324. If, however, we bring in the two previous years, 1917 and 1918, and give the aggregate premiums, claims, and expenses for the six years 1917-1922, the results are widely different, as will be seen from the following figures:—

AGGREGATES for SIX YEARS, 1917-1922, inclusive.

	Premiums.	Claims.	Expenses.	Surplus.
	£	£	£	£
Alliance	7,308,833	5,402,690	758,352	1,147,791
Commercial Union	4,216,858	2,317,190	752,002	1,147,666
L. and Lond. and Globe ..	3,811,996	3,136,120	276,570	399,306
London Assurance	6,585,404	4,770,782	986,828	827,794
London and Lancs.	10,860,834	8,069,732	1,057,966	1,733,136
Royal Exchange	5,693,501	4,498,176	554,927	640,398

Here we see that deficiencies disappear, and all the companies show substantial surpluses. This is, of course, because the richness of the war years, 1917 and 1918, has much more than made up for the comparative poverty of 1919 to 1922. One cannot tell how individual underwriting years have worked out until at least three years after an account has been opened. Several marine companies give information concerning the working out of their accounts after two years, but one only—the Alliance, in its directors' report— informs the public and the shareholders how an underwriting account has panned out after three years of operation. If this were generally done by the companies, then one could arrive at really trustworthy results in regard to marine insurance years.

Legal and General Assurance Company.—This office, which recently gave up the further issue of "with-profit" policies, has put forth revised tables of premium rates for fixed amounts of life assurance. A comparison with the tables previously in force shows reductions of approximately one shilling in the pound in the whole life and endowment assurance rates. Together with its revised tables the company issues particulars of a scheme by which life policyholders—by means of extra premiums—may provide for:—(1) remission of premiums during temporary total disablement by sickness or accident; (2) payment of the sum assured in the event of permanent total disablement; and (3) payment of double the sum assured in the event of death by accident. There are limits to the ages at entry, and to the ages at which incapacity benefits become payable. The extra premiums are 5 per cent. on the

ordinary annual premiums for benefit (1), 10 shillings per cent. on the sum assured for benefit (2), and 2 shillings per cent. on the sum assured for benefit (3). The scheme is really life assurance, with accident and sickness benefits imposed upon it, and if a policy-holder paid for all three benefits he would get something very like a combined life assurance and accident and sickness policy. If we take, say, a policy-holder aged 30 effecting a whole life assurance for £1,000, and subscribing for the three benefits, he would pay an annual premium of £18 3s 4d for his life assurance and £6 18s 2d for his accident and incapacity benefits. The company reserves to itself the right to decline any proposal where the disability risks would be more than usually hazardous. The Legal and General Company also offers to give its new life policy-holders, without charge, a medical overhaul every year. The results would not, of course, affect the terms of any existing life policy, and no treatment would be given, but there would be issued a certificate "showing the exact physical condition of the policy-holder, together with any observations that may be necessary." It is a curious offer, and we doubt whether many policy-holders will avail themselves of it. Most people dislike medical examinations too much to multiply the occasions for them. Still, it is probably true that if we all submitted to a medical overhaul every year we should anticipate the approach of disease and live a good deal longer than if we waited to be examined until illness overtook us. It will be interesting to learn the effect of this annual overhaul scheme on the mortality rates of the policy-holders who submit themselves to it.

Anchor Line Results.—A further contraction in profits is shown in the report of Anchor Line (Henderson Brothers), Limited, for the year ended April 30th last, a period of severe depression in the shipping trade. The report states that the freight carryings both in the Indian and Atlantic trades show a satisfactory improvement over last year, but rates of freight have ruled on a considerably lower level, especially in the homeward Indian trade. The drop of £128,500 in profits follows a decline of over £53,000 in the previous year, but as profits are declared after providing for depreciation, the comparisons are of little value. The profits shown for the past year are, however, very much below the level of recent years, as may be seen from the table below:—

Year Ended April 30.	1914.	1918.	1919.	1920.	1921.	1922.	1923.
Working profit...	£311,573	£309,399	£89,193	£258,937	£205,245	£151,738	£23,238
Debiture int...	19,704	12,792	11,881	..	..	..	..
Net profit	291,869	296,607	77,312	258,937	205,245	151,738	23,238
Balance forward	76,143	146,912	130,113	144,974	141,399	109,132	135,858
Available profit.	368,012	443,519	207,425	403,911	346,644	260,870	159,096
Depreciation, &c.	179,517	..	..	..	..	..	..
Reserve	50,000	250,000	nil	200,000	200,000	100,000	..
Preference div...	16,832	13,406	12,451	12,512	12,512	12,512	13,468
Ordinary div....	37,500	50,000	50,000	50,000	25,000	12,500	12,500
(15%)	(20%)	(20%)	(20%)	(20%)	(10%)	(5%)	(5%)
Carry forward ..	86,962	130,113	144,974	141,399	109,132	135,858	133,128

* Deducted before arriving at profits.

The dividend of 5 per cent., free of tax, is maintained, but nothing is credited to reserve. The latter, however, stands at £1,500,000, against a paid-up capital of £575,000. The balance-sheet, which is analysed in another column, shows a contraction in total assets of £1,119,800, the property item, including investments in associated companies, having been reduced by £1,450,600 to £4,555,500, while debtors have increased by £355,800. These changes have been balanced by a reduction of £1,149,900 in credit balances. No information is vouchsafed in the report as to the reason for these large reductions.

The City Life Assurance Company.—We have dealt so fully in the past with the position of this company that its passage into liquidation, under strong pressure from the Board of Trade, will have been expected by our readers. The winding-up order was dated July 2nd last, and as from that date the policy-holders became uninsured, and were put into the position of creditors in the liquidation for the winding-up values of their policies. Under these circumstances the life policy-holders in the ordinary branch will probably welcome an offer from the

British General Insurance Company, Limited, to grant them new policies, without medical examination, as from July 2nd at the same premiums and subject to the same conditions as their City Life policies, but scaled down in amount to certain guaranteed minima. The sums assured allowed by the British General will be increased when the life fund of the City Life has been realised and received from the liquidator. The recent valuations of the City Life Assurance Company showed heavy deficiencies, though in the ordinary department (to which the British General's offer alone relates) they were not so bad as in the industrial department. The offer will appeal especially to the older policy-holders—the newer ones who are prepared to face medical examination can look after themselves—and so far as we can judge at present, is as liberal as could be expected under the lamentable circumstances. The British General has hitherto been chiefly concerned with fire, marine, and accident business, and has established itself in a reputable position. The total funds exceeded five millions, and the shares of £1 (5s paid) are quoted at 33s.

Van den Berghs.—This company made a good recovery during 1922 after its adverse experience in the previous year, a profit of £346,842 being earned, in comparison with a loss (including depreciation and directors' fees), of £256,885, in 1921. The report lays stress on the "great difficulties which have throughout the year attended the trade" both at home and abroad, but it would seem that the main trouble of 1921—a disastrous fall in value of stock-in-trade—was much less formidable in 1922. Whereas the balance-sheet item declined over 1921 by £2,266,828, the reduction last year amounted to no more than £301,261. This in itself would go far to explain the difference in the two years' results. With £106,964 brought forward from last year, a total of £453,806 is available, from which dividends are paid on the preference and preferred ordinary shares, amounting to £272,081, the ordinary shares receive £73,398—a 50 per cent. dividend—and £108,327 is carried forward. Profits, it should be noted, are subject to provision for a possible liability under a trade agreement which cannot at present be ascertained, and for any depreciation in value there may be of the interests in associated and subsidiary companies. These last are valued (including goodwill), at £1,476,342 in the current balance-sheet. Claims in respect of ex-enemy pre-war debts still figure among the assets to the extent of £407,233.

General Mining.—The profit of £78,900 earned by this Kaffir finance undertaking last year scores a marked advance upon the 1921 result. The most important point, however, consists in the position *qua* ex-enemy shares. At the nominal price of 2s, the Corporation has purchased nearly 850,000 of its own shares, and in due course the capital will be reduced to a corresponding extent. The difference between the purchase price and the par value of the shares, plus the year's profit and the balance brought forward, is more than sufficient to wipe out the accumulated balance-sheet deficit. It is calculated that the surplus assets represent fully 20s. per share, now quoted about 12s. 6d. Shareholders who expected a distribution in respect of 1922 are disappointed, but there appears to be every prospect of a dividend of 7½ or 10 per cent. for the current year. The most recently floated subsidiary of the corporation, the Transvaal Silver and Base Metals Company, is making satisfactory progress.

Base Metal Companies' Results.—Our mining correspondent writes:—Of the various annual statements lately issued of companies producing lead, tin, or copper, the most satisfactory is that of the Rhodesia Broken Hill Development. This company, which owns an extensive concession, last year turned out 20,500 tons of lead, as against 18,100 tons in 1921. It is an interesting point that the whole of the ore was obtained by quarrying. The profit of £77,000 shows an increase of as much as £44,000, and after payment of 10 per cent.—the same rate as for the three preceding years, but upon a substantially in-

creased capital—a balance of £104,700 goes forward, as against £62,700 brought in. As regards the two Nigerian tin concerns, the best that can be said is that the results score some improvement upon those of 1921. In this connection it is, of course, necessary to remember that the advance in the price of the metal did not occur until the autumn. The Bisichi made a net loss of under £1,000, as against £3,600, but after allowing for income-tax the deficit stands at £6,200. The proved reserves at the end of the year were estimated to represent 10,100 tons of 70 per cent. concentrates—a fairly substantial figure. The output for the current year to date shows expansion. Last year the Rayfield (Nigeria) recovered rather more tin than in 1921, and sold it at a slightly higher price. With the small profit thus earned, supplemented by what has been made since, the directors have been able to reduce the company's liabilities and provide for certain prior charges; nevertheless, some uphill work still remains. Losses to the amount of nearly £90,000 were wiped out last December by a reduction of capital. The company holds various properties of promise, but suffers in an especial degree from the prevalent labour shortage. It may here be noted that a further reduction in smelters' returning charges to £6 per ton has lately been negotiated by the Nigerian Chamber of Mines, while there are hopes that the onerous railway rates may at length be reduced. At first sight the report of the Briseis Company—which operates in Tasmania—appears to be very disappointing, but the whole of the year's expenditure has been charged up, whereas tin-winning was not resumed until August. The debit balance now stands at £33,500. The directors intimate that the successful diversion of the river has rendered available a large block of "drift," the value of which has been increased by recent developments. Last month's output of 35 tons of tin concentrates showed an increase of 10 tons upon the May result. The cabled summary of the annual report of the Mount Morgan Company, of Queensland, displays the disappointing feature of an expansion in the deficit concurrently with the expansion in the scale of work. Owing to the high production costs, aggravated by a shortage of skilled labour, last year's income of £675,700 fell £70,000 short of the sum required to cover the outgoings. Nevertheless, operations are to be continued, "in the hope that an improvement will be manifested during the current period." It is mildly encouraging to observe that some of the associated industrial undertakings are doing fairly well.

Obersea Correspondence.

UNITED STATES.—CROP CONDITIONS; DECLINE IN WHEAT—MAY RAILROAD EARNINGS—TRADE AND INDUSTRY SLOWING DOWN—STOCK MARKET.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 16.

The general crop outlook in this country is described as fair, although the Department of Agriculture's latest report puts the composite condition of all crops on July 1st as approximately 3.6 per cent. below their ten-year average on that date. As compared with a year ago the condition on July 1st was better in oats, barley, and apples, but poorer in rye, potatoes, flaxseed, rice, hay, cotton, and peaches. Wheat and corn showed little difference. The total wheat crop, according to present prospects, will amount to 821,000,000 bushels, approximately, as against an actual harvest of 862,000,000 bushels in 1922. The loss is due entirely to spring wheat. Although a slightly larger area was planted to corn this year, the estimated yield, 2,877,000,000 bushels, would be about 14,000,000 bushels below last year's harvest. According to the Government report, the level of prices paid to producers for the principal crops declined about 1.8 per cent. during June, or nearly twice the average decrease in that month. The average index of prices on July 1st was almost 17 per cent. higher than a year ago, and 30.6 per cent. higher than two years ago, but 17.6 per cent. below

the average of the past ten years on that date. Based upon the Department of Agriculture's July 1st estimates, and prices prevailing on that date, the value of 12 of the principal crops this year is placed at \$7,027,500,000, approximately. It is rather early, of course, to make such an estimate.

Seldom in recent years has wheat dropped below the dollar mark; the fact that September options have done so this week is causing much concern to producers. Incidentally, flour, largely in sympathy with wheat, has declined to the lowest price recorded in about eight years. The acute depression in wheat is attributed, to a considerable extent, to the enforcement of the Grain Futures Act which was passed by Congress, and which agricultural interests, especially the farm bloc in the national Legislature, hailed at the time as a great victory. Heretofore, speculative buying has absorbed practically all the offerings of future wheat. Now, however, the markets are being deprived of that speculative support, new wheat is being offered in excess of immediate demands, and prices naturally are crumbling. At elevators in Kansas wheat is said to be bringing only 70 or 75 cents a bushel, and less in Oklahoma and other States. In many sections farmers may feed hogs on wheat, which at current prices is much cheaper than corn. The outlook for a substantial export movement, however, is not encouraging at present.

Returns from practically all of the principal railroads in this country show that the carriers had a net operating income during May of \$89,999,600, which is equivalent to an annual return at the rate of 6.33 per cent. on their tentative property valuation. For the second consecutive month this year, therefore, the first-class lines have reported an annual rate of return on their investment exceeding 6 per cent. The May exhibit compares with net operating income in May a year ago of only \$62,069,000, representing an annual return rate of 4.46 per cent. on valuation. Gross earnings in May of this year, totalling \$547,282,500 for 193 roads, were nearly 22 per cent. greater than in the corresponding month of 1922. The increase was due largely to the heaviest volume of traffic reported for the month of May in the history of American railroads. During the first five months of this year railroads had a net operating income of \$356,966,900, or at the annual rate of return of 5.69 per cent., as against \$273,215,000, or 4.45 per cent. in the same period of 1922.

The United States Steel Corporation had on its books at the end of June 6,386,261 tons of unfilled orders, according to its latest report, indicating a decrease during that month of 595,000 tons, or much larger than had generally been expected. The heavy falling off in unfinished business shows that buyers have been very cautious in making new commitments. Since the corporation's shipments last month are said to have approached 1,250,000 tons, it is evident that new orders received amounted to about 655,000; May shipments were estimated at approximately 1,300,000 tons, and new business at 1,000,000 tons. The decrease in June bookings is attributed partly to a slackening of export trade on account of low European prices. Steel ingot production by companies, which last year turned out about 95 per cent. of the total, amounted to 3,574,567 tons, as against 4,000,695 tons in May, according to figures compiled by the American Iron and Steel Institute. On that basis, the country's total production in June was 3,748,890 tons, representing a decrease of nearly 11 per cent. from the previous month's total of 4,195,800 tons. The June, 1922, output was 3,127,755 tons. The United States Steel Corporation is taking steps to eliminate the 12-hour day in its plants where men, largely from choice apparently, are working that length of time. The Corporation, however, is finding it difficult to reduce the number of hours, owing to the scarcity of labour; chairman Gary estimates that there is a shortage of about 60,000 labourers in the steel industry at present.

Foreign trade statistics issued by the Department of Commerce show that exports in June increased, while imports decreased. The total value of June exports is placed at \$329,000,000 and of imports \$328,000,000, leaving an excess of \$1,000,000 in exports. For the three preceding months, imports exceeded exports by

\$151,500,000 approximately. For the fiscal year ended June 30th the aggregate value of exports was \$3,965,967,460, and of imports \$3,789,002,114, showing an excess in exports of \$176,965,346, as compared with \$1,163,077,481 for the 1921-22 fiscal year. Those figures clearly indicate the remarkable change that has taken place in the foreign commerce of the United States during the past twelve months. In other words, the balance of trade in favour of this country, based on import and export trade, decreased nearly one billion dollars in the past fiscal year. Imports of gold aggregated \$284,089,550, and exports only \$49,021,975, showing an excess of \$235,067,575 in gold imports; the latter, however, were \$184,228,723 less than in the preceding year, while gold exports increased \$21,676,693.

There was a slowing down in new building operations throughout the country in June. The total expenditure for which permits were issued last month at 153 cities amounted to \$225,090,818, as against the May total in the same cities of \$245,714,752, and an aggregate of \$234,296,872 in June of last year. Last month's total was the smallest reported since January. The record for the first half of this year, however, makes a very impressive exhibit. With only a few cities yet to be heard from for June, total permitted building expenditures for the past six months reached \$1,610,181,124, or nearly 32 per cent. above the aggregate for the first half of last year, which in turn showed a gain of 73.5 per cent. over the first six months of 1921.

The June decrease in building operations is only one instance of lessened activity in trade and industry generally. Demand for non-ferrous metals has slackened considerably, and prices have fallen sharply. Similar conditions prevail in cotton goods and many other textiles, forward buying of which has shrunk to such an extent that production is being severely curtailed; in many New England districts the output has been cut about 30 or 40 per cent. from the March peak, while broad silk mills and cotton yarn spinners generally are not now running much above 50 per cent. of capacity. Both the oil and soft coal industries are depressed, owing to the fact that production has caught up with, and probably exceeds, consumption. Retail trade in most lines is being well maintained, but that is because retail prices, as a rule, have not yet reflected the sharp advances made in wholesale and primary markets a few months ago.

The stock market has become extremely dull, but is much steadier following the severe declines of recent weeks. In commenting on the situation and outlook, one of the most conservative Stock Exchange houses says: "The stock market began to decline when business was at record activity. It should begin to advance again while business is still depressed, but when the outlook far ahead is favourable." That, it is remarked, "cannot occur until the labour situation has been taken in hand and a satisfactory readjustment effected."

FRANCE.—BUDGET—FOREIGN TRADE—COAL IMPORTS.

(FROM OUR CORRESPONDENT.)

PARIS, July 25.

THE French "Budget of Recoverable Expenditure," which is quite independent of and supplementary to the Ordinary Budget, is, perhaps, to the foreign student, rather a mysterious affair, and therefore I may be forgiven for devoting a certain amount of space to explaining what it really comprises. Let me point out at the outset that the Ordinary Budget includes provision for the raising of a sum, which this year amounts to 3,638,000,000, "to meet the interest on capital advanced by the French State, prior to January 1, 1922, for the purpose of ensuring the payment of expenditure which, under the Treaty of Versailles, should have been met by Germany" (to quote the phrase used in the Budget of Recoverable Expenditure itself). The latter Budget—which has just been passed by the Senate (as stated recently)—provides for an expendi-

ture during 1923 of 13,582,000,000. This is designed to meet the following requirements:—

	Francs.
Interest on loans (prior to January 1, 1922)	3,266,000,000
War pensions during 1923	3,198,000,000
Reconstitution of liberated regions	5,977,000,000
Various Departmental Budgets (Education, War, Hygiene, Agriculture, Justice, Colonies, Marine, &c.)..	1,141,000,000
	13,582,000,000

It is proposed to raise the money to meet this estimated expenditure chiefly, as may be expected, by loan. Theoretically, the Treasury counts on three sources of revenue to meet the requirements of the "Recoverable Budget": (1) From the payments made by Germany, in cash and in kind, under the stipulations of the Peace Treaty; (2) from the sale of National Defence Obligations, which will be handed to sinistrés, in payment of their claims against the State (and, of course, resold or pledged by them) to the amount of 3,250,000,000; by repayments received from the Office de Reconstitution Agricole, to the amount of 150,000,000; and by receipts from sundry sources amounting to 109,000,000, these making a total of 3,509,000,000; and (3) in case of an insufficient yield from these sources, from loans. The proportion of the total of 13,582,000,000 to be expended during 1923 which it is proposed to raise by further borrowing is fixed at 10,100,000,000.

Article 2 of the law of February 20 last authorised the Minister of Finance to borrow during the present year by the issue of Treasury Bonds and other short term loans, the sum of 13,000,000,000, of which 5,000 millions was allocated to the Ordinary Budget (or *Budget Général*) and 8,000 millions to the Budget of Recoverable Expenditure. This was subsequently modified to the extent that the proportion of the total is to be devoted to the purposes of the "Recoverable Budget" during 1923 was raised from 8,000 to 10,000 millions, while that to be used for the Ordinary Budget was reduced from five to three milliards. Thanks to the praiseworthy efforts made by the Senate, which were afterwards accepted by the Chamber, there will now be no need for three milliards to be raised by borrowing for the purpose of balancing the Ordinary Budget, unless something very unforeseen occurs. The 10,100 millions required to balance the "Recoverable Budget" will be raised by the sale of Treasury Bonds and other similar devices.

The "Recoverable Budget" is somewhat puzzling to the lay mind, which finds it difficult to comprehend, for instance, why it includes provision for the payment of the interest on the Rentes handed to sinistrés in payment of their war losses, and yet includes the *capital* sum represented by National Defence Obligations that are utilised for the same purpose. In the same way, only the sum required for *interest payments* on the Crédit National issues is provided for in this Budget. The Budget figures, therefore, really give no complete statement of the financial effort the French taxpayer will be called on to make in 1923, as they leave out of account many of the sums that will be expended. The real amount which France will expend on reparations account during the current year will undoubtedly be much nearer 26,000 millions than the 13,582 millions provided for in the "Recoverable Budget." The total expenditure on this account may be set forth as follows (in millions of francs):—

	Francs.
Credits included in the "Recoverable Budget"	13,582
Capital of 6 % Rentes given to sinistrés in payment of their claims	1,000
Loans through the Crédit National	6,000
Direct loans by sinistrés, guaranteed by State	1,750
Interest charges included in Ordinary Budget	3,638
Millions of francs	25,970

The nett result of this year's expenditure on reparations account will be that (as 3,638 millions of this amount is included in the Ordinary Budget and will be met from taxation) the French Public Debt will be increased this year by rather over 22,000 million francs from the fact that this country has so far been unable to recover any of the money owing to her by Germany. The French Treasury, down to June 30, 1923, had already expended 110,000 million francs on accounts comprised in the

"Recoverable Budget," and it will have to provide money to meet a further 70,000 millions of expenditure (most of which will be required during the next four or five years) before the claims upon it in respect to reparations can be satisfied. A great deal of criticism is offered from time to time in regard to the huge amount of Treasury, National Defence and other instruments in existence in France. Possibly these figures will throw a certain amount of light on the matter.

The French foreign trade returns for the first six months of 1923, which were issued last Thursday, disclose that during the half-year the value of the total imports and exports was respectively as follows, as compared with the corresponding period of 1922:—

	First Six Months of		Inc. or Dec.
	1922.	1923.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	2,598,561,000	3,374,289,000	+ 775,728,000
Raw materials	6,087,689,000	9,222,015,000	+ 3,134,326,000
Manufactured goods	1,949,271,000	2,093,155,000	+ 143,884,000
Total	10,635,521,000	14,689,459,000	+ 4,053,938,000
Exports—			
Foodstuffs	830,241,000	1,487,513,000	+ 657,272,000
Raw materials	2,533,675,000	4,407,595,000	+ 1,873,920,000
Manufactured goods	6,108,689,000	7,470,164,000	+ 1,361,475,000
Postal parcels	634,507,000	796,193,000	+ 161,686,000
Total	10,107,112,000	14,161,465,000	+ 4,054,353,000

The total weights of both imports and exports, on the same comparative basis, are shown from the following figures (in tons):—

	First Six Months of		Inc. or Dec.
	1922.	1923.	
Imports—			
Foodstuffs	2,251,373	2,264,859	+ 432,486
Raw materials	21,358,418	22,244,347	+ 885,929
Manufactured goods	826,980	772,119	— 54,861
Total	24,436,771	25,691,325	+ 1,254,554
Exports—			
Foodstuffs	414,952	616,488	+ 201,536
Raw materials	8,307,070	9,418,697	+ 1,111,537
Manufactured goods	1,054,555	1,348,967	+ 294,412
Postal parcels	12,789	15,505	+ 2,716
Total	9,789,366	11,399,367	+ 1,610,210

From the fact, as I have already pointed out, that the French trade returns are now issued month by month in the form of the bulk figures since the beginning of the year (and not in comparative monthly figures) it is difficult to gauge the exact fluctuations of the country's trade. The *communiqué* accompanying the above returns, however, states that the progressive increase in imports which occurred during the previous two months came to a pause in June, the total imports for that month having been to the value of 2,558,336,000, as compared with 2,596,881,000 in May, and 2,560,189,000 in April. The figures for March were 2,486,736,000. Exports, however, fell off during June to a much greater extent, being returned as 2,479,391,000, as against 2,675,045,000 in May.

M. André Tardieu, who seldom loses an opportunity of criticising M. Poincaré's Ruhr policy, published some striking official figures in his "Echo National," which I reproduce for what they may be worth:—

First Five Months of	Deliveries of	Purchases of
	German Coal and Coke.	English Coal and Coke.
	Tons.	Tons.
1921.....	4,260,000	1,985,000
1922.....	3,597,000	5,183,000
1923.....	1,141,000	7,700,000

"In other words," says M. Tardieu, "the deliveries of German coal and coke in France during the first five months of 1923 were 74 per cent. less than those during the corresponding period of 1921, and 69 per cent. less than those of 1922, while French purchases of English coal and coke during the first five months of 1923 were 75 per cent. greater than in the corresponding period of 1921, and 33 per cent. more than during the same period in 1922."

GERMANY. — EXCHANGE CRISIS — FINANCES — STOCKS — PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, July 24.

SOCIAL conditions here are rapidly getting worse and public sentiment becoming gloomier. The riots of last week and this in Breslau and Frankfurt-on-Main are no accident, and further local disorders are likely enough. Luckily the only class which could make effective disorder, that is, the urban working men, is well kept in hand by its Socialist leaders, and there is no prospect that it will think of attempting to improve things by mass outbreaks. The present black mood of the public cannot be associated exclusively with the currency deterioration and the resulting upward price movement. In earlier post-war years similar pressure was felt, but with production increasing and with receipts from exports sufficient to pay for food and other necessities the general feeling was improving. The present discontent is ultimately due to the increased pressure brought on the population all over the country by the unsolved Ruhr problem. As long as the industries in occupied Germany are producing, as they are now, at a very low level, and are unable to sell what they produce, the main burden of support of the occupied district's industrial population falls upon the population elsewhere. The money despatched to the Ruhr to enable those employers who cannot export to pay wages is got by precisely the same means as the money needed for meeting the State deficits, and therewith a second inflation tax has been added to the first. This problem appears in another form in the present exchange crisis. The first cause of the crisis is the failure of receipts of foreign bills by Ruhr exporters. The foreign currency supply has fallen off; the need of exchange for import, though reduced somewhat by inability to import foreign ores and other raw materials into the Ruhr, is still very large, and the effect is to make import into any part of the country more difficult. Ultimately the supply of necessities everywhere must tend to fall below the demand, and if the Ruhr industrial population does not resume paying its way the population in the unoccupied districts will have to go short. So far, the Reichsbank in allotting exchange has given preference to food importers; but this only postpones the problem, because industry in the unoccupied territory is beginning to complain of shortage of necessary foreign raw materials, and if this is not remedied a fall in production in this territory will also result. There seems to be no remedy for this except restoration of the Ruhr to normal conditions, thus enabling it to revive its exports.

The exchange crisis caused on the 19th by the demand for 400 million gold marks, or 20 milliard paper marks' worth of foreign bills, is not yet over. The Reichsbank abandoned its threat to cease discounting commercial bills, and it has come to an agreement with the private banks. The agreement upholds the former condition, that the banks before executing orders to buy exchange must first have the full paper mark cost in cash, and that the buyer must report to the Reichsbank in that sense and give the aim of the exchange purchase. The Reichsbank will make tests to see if the cash payment condition has been fulfilled. The Ministry of Industry has further restored the right to deal in exchange and in dollar Treasury bills for future delivery. This restores a certain freedom to the exchange market. Further, yesterday, for the first time, the official Berlin quotation, at which according to regulation all deals must be made, was set on parity with the international mark quotations. By this it is hoped to extract exchange from hoarders. The general shortage of exchange, however, continues, and the Reichsbank is being obliged to sacrifice more and more of its already reduced reserve, so that little more than three-fifths of that of the beginning of the year remains. The Bank's last statement of July 15th shows that 30 million gold marks are being shipped to New York from the holding in Berlin, and that 20,000,000 gold marks more were sold in London. The free gold reserve is now 656,879,000 gold marks, of which 110,032,000 gold marks is deposited in foreign central banks. In the matters of credit strain and inflation the statement again makes new

records. Commercial discounts increased by 2,460,260 millions to 11,061,137 millions, Treasury bills by 8,063,943 millions to 29,910,149 millions, and circulation by 5,249,955 millions to 25,491,738 millions. Since June 15th circulation has increased by nearly 15 milliards. Outstanding Darlehns advances are now 3,173,000 millions. There has been a great shortage of large notes in the last few days. The 100,000 mark notes, worth less than 2s, are still the largest in circulation; but, as a rule, only 20,000 mark notes can be had. The Reichsbank, like the Finance Ministry in taxation matters, adapts itself to value changes too late; it is still issuing 200-mark aluminium coins, of which 10 go to pay for a newspaper, and it is about to mint 240 milliard marks in 1,000-mark coins.

The Government has at last begun an inquiry as to the possibility of issuing a Federal "wertbeständig" loan on a gold basis. Nearly every private expert months ago proclaimed for this. The plan being discussed lies between the rye, coal and gold loans issued by local bodies and the dollar treasury bills. The former are both subscribable and redeemable in paper, the commodity or gold being only used as indexes for valuing the paper, while the gold dollar bills were purchasable only and redeemable in gold (in practice, high currencies). The Federal plan under discussion is reported to be for a loan subscribable in paper, but repayable in gold. This would require a reserve of gold or of high exchange. It is reported that the Reichsbank is unwilling to guarantee such a loan. The Forced Loan is to be collected again, with a supplement of 900 per cent. (tenfold in all) on August 1st. The yield will be considerably less than tenfold that of the original loan, because the Government has been obliged to exempt the paper mark fixed-interest securities and city real estate, the latter being kept on a paper mark basis. The yield will be devoted to cheapening bread. This is really a non-repayable tax, the Forced Loan assessments being merely used for convenience. It will, however, hardly be more of a tax than the original Forced Loan, which was theoretically repayable, but which in a few months almost entirely vanished in the currency depreciation. The Reichsrat has sanctioned the five-folding of the beer tax. This, as usual, is too little or too late; the real yield of the five-folded tax will be only a fraction of the yield of the simple tax a year ago. One must repeat what has been often said here: it remains a mystery why the Finance Ministry goes on assessing taxes on consumption by weight or volume months after every authority, including itself, declared that such taxes will not pay for their collection; and after the Federal Economic Council formally declared that all these taxes should be assessed as an *al valorem* percentage. The financial editor of the *Berliner Tageblatt*, Dr Heichen, this week points out what I believe I stated some time ago, that if the above system is not reformed it will be just as well to abandon the tax pretence altogether, and to cover the whole expenditure by note printing. The latest ten-day report, for July 10th, shows that about 4 per cent. of expenditure was covered by receipts. Expenditure was 6,375 milliards, receipts 259 milliards. This report is really worse than that of June 30th, when the figures were respectively 7,817 and 155 milliards, because the earlier report contained three months' official salaries. The Customs gold surcharge has been raised to 4,139,900 per cent., the paper mark payment being 41,400-fold the nominal.

Stocks last week had another big rise, also home loans, which on an average appreciated some 50 per cent. The *Frankfurter Zeitung's* dividend payers' index shows for the 20th 29,723,700, against 24,712,700 a week before, and 376,685 at beginning of the year. Last week there was considerable stock buying by foreigners, and a sudden demand for War Loan. Yesterday there was heavy buying of metal, chemicals, machine and electrical stocks, and also of brown coal stocks, which had very big rises, while War Loan reacted.

The Allgemeine Deutsche Credit Anstalt Bank of Leipzig reports for 1922 net profits of 1,449 millions, against 57 millions in 1921; dividend, 200, against 15 per cent. To reserve are added 680 millions. The price rise in the last week was particularly rapid, and personal observation shows that an ever-increasing number of people are unable to make ends meet, and are pinching themselves in

regard to necessities. Retail markets are crowded early in the morning in order to buy before the next price rise, which sometimes comes in a couple of hours. The new prices of iron and steel are (in marks per metric ton): Hematite, 6,950,000; foundry iron No. 1, 6,920,000; ditto No. III., 6,917,000; Siegerland steel iron, 8,814,000; Spiegeleisen, 9,722,000; ingots, 7,630,000; blooms, 8,688,000; billets, 9,258,000; construction forms, 10,927,000; bars, 10,995,000; wire rods, 11,641,000; thick sheets (5mm. and over), 12,367,000.

INDIA. — TARIFF BOARD — THE QUESTION OF PROTECTION FOR STEEL.

(FROM OUR CORRESPONDENT.)

SIMLA, June 28.

Two of the three members of the Tariff Board have now been appointed. It may be recalled that the Indian Fiscal Commission recommended the creation of this Board, and that the amendment proposed and carried by the Government of India in the debate on the Commission's report in the Legislative Assembly laid down that the Board should be constituted, in the first instance, for a period not exceeding one year, and should be purely an investigating and advisory body. The chairman, Mr G. S. Rainey, is a Civil Servant of proved capacity, who has had experience in the Finance and Commerce Departments of the Government of India, and the Indian member, Mr P. Ginwala, a lawyer and a member of the Legislative Assembly, who, in the fiscal debate, declared that he was "a Protectionist to the core."

It is generally assumed that one of the first questions that will be considered by the Board, when it is fully constituted, will be that of placing a protective duty on steel. As bearing on this question, the pronouncements of the Railway Industries Committee, which reported about three months ago, are especially pertinent. That committee was appointed, at the instance of the Legislative Committee, "to consider what steps should be taken by the Government of India to encourage the establishment of the necessary industries, so that as large an amount as possible of the Rs. 150 crores (£100 millions) proposed to be set aside for the rehabilitation of the railways during the next five years be spent in India, and, further, to advise the Government of India in regard to the revision of the Indian Stores Rules."

The Committee pointed out that there were serious difficulties in the way of securing in India supplies of railway rolling stock and materials. Dealing with locomotives and wagons, it emphasised that industries to supply these requirements demanded large capital expenditure, and that a considerable time must elapse between the inception of the undertaking and the beginning of actual manufacture. In India, moreover, the supply of skilled labour for work of this class was limited. It was extremely expensive to import all the skilled labour required, and much time and money must be spent in collecting and training the necessary skilled operatives. In fact, the Committee added, industries newly started in India for the manufacture of railway material of a fabricated nature could not in the initial stage compete without assistance against established industries abroad. Further, it was well known that, owing to the general trade depression, manufacturers abroad, especially in the United Kingdom, "are fighting with their backs to the wall in order to keep their works open and their men employed, and they are quoting prices which in some cases, at any rate, we believe to be below the commercial cost of production." In any case, the Committee proceeded, these manufacturers were quoting prices with which firms in India could not possibly compete, and the report cited a striking instance of this difficulty. A tender for 3,132 railway wagons of various types had recently been called for by the Railway Board. In all, 44 tenders were received from wagon manufacturers in India, England, Belgium, Germany, Canada, France, America, and Holland. The tenders from British manufacturers were by far the lowest, and in the case of the most important type of wagon the lowest satisfactory Indian tender was 50 per cent. higher than the lowest British tender, even with the addition to that tender of

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c.i.f. charges and Customs duty. In short, it would have cost the Indian taxpayer approximately half-a-crore of rupees if the lowest satisfactory Indian tenders for the 3,132 wagons had been accepted instead of the lowest tenders from abroad.

The report went on to state that it was impossible to take the case of the industries named apart from the steel industry as a whole. At present the firms building wagons in India were dependent on imported steel for 80 per cent. of their requirements, and the members of the Committee "could not disguise from themselves the fact that, at first, at any rate, there might be between the steel industry and the wagon industry that conflict of interests which had been referred to in the Fiscal Commission's report." The Commission, it may be stated here, intimated that it had received evidence in Calcutta which seemed to place three interdependent industries in a relation "of some antagonism." The manufacturers of wood pulp from bamboo asked for a protective duty on imported wood pulp. The Indian manufacturers of paper from wood pulp naturally objected to this demand, since the imposition of the duty would raise the cost of their raw material. Again, the Indian printers and publishers complained that if the cost of paper were increased they would be placed at a disadvantage in competition with imported books, which were admitted free. After considering these problems the Fiscal Commission cut the Gordian knot by remarking: "When the Tariff Board is in possession of all the facts, we can only suggest as a principle for its guidance that an industry should receive protection, even if it adversely affects the development of other industries, provided it results in a net economic advantage to the country."

The Fiscal Commission suggested that one of the first subjects to be submitted to the Tariff Board should be whether the protection of the tariff should be given to Indian steel, and the Railway Industries Committee, in its turn, recommended that, in this event, the Board "should be instructed also to investigate the wagon, locomotive, and similar industries, to consider the bearing

on such industries of any proposals it may make in respect of steel, and to make such recommendations as it thinks fit in regard to these industries."

The Board will, therefore, have a thorny problem to deal with at the very outset, and one which may give rise to lively controversy.

SWITZERLAND.—THE LEAGUE COUNCIL.

(FROM A SPECIAL CORRESPONDENT.)

GENEVA, July 16.

THE recent meeting of the Council of the League of Nations cleared the air on the Saar Administration without a thunderstorm. In my last letter I was a little sceptical about the prospects of the British Government's initiative in demanding an inquiry into the whole character of the government of the Saar, but Lord Robert Cecil most tactfully secured a Council decision to summon all the members of the Governing Commission to Geneva, where they were subjected to a courteous but searching examination, the result of which should prove a source of satisfaction to the British Government and to those who are jealous for the reputation of the League.

The resolution which was eventually passed by the Council, though it may appear a little platitudinous, is nevertheless a sharp reminder of the facts, taken in conjunction with the inquiry and all the circumstances involved. It should be effectual in preventing a recurrence, at any rate, of the more glaring defects which prompted the inquiry. The resolution notes with satisfaction the withdrawal of the much-criticised decree of March 7th and the amnesty granted under the picketing decree; it records the Council's desire to see a return to a normal régime as soon as possible, and emphasises the necessity for recruiting local gendarmerie gradually to take the place of the foreign troops now responsible for order; it underlines the collective responsibility of the Commission to the Council, and to the Council alone—that is to say, the French President is not entitled to act as sole executive, and he shares with the rest of the Commission responsibility to the whole Council, and not to any one member of it. The resolution concluded with what seems to be a vote of confidence in the good intentions of the Commission, and may be described without malice as a verdict of "Not Guilty, but don't do it again." It was altogether a good, tactful piece of business, and seems to have given reasonable satisfaction to all people directly concerned. There certainly will not be another decree like that of March 7th, and there may be changes later on in the personnel of the Commission.

Another rather ticklish administrative task under the League also presented difficulties, though not of such a complicated character as the Saar. Since the accession to power of the Polish Coalition Government there has been a good deal of ardent discussion of Poland's rights in the Free City of Danzig, where the League is represented by its High Commissioner. There has been suspicion on both sides; the Poles have been inclined to regard the English High Commissioner as leaning too much towards the German point of view in denying them what they conceive to be some of their rights, but that is symptomatic of a certain frame of mind which regards any effort to be fair to Germany as wickedly pro-German and anti-something else. The people of Danzig, on the other hand, have been suspicious of Polish designs. However, the Council heard the High Commissioner and the representatives of Poland and Danzig, and found no reason for any fundamental change of procedure. The discussion which took place had its value, and agreement was reached to settle outstanding disputes by informal negotiations with the help of the High Commissioner and members of the secretariat. There is, of course, always a final appeal to the Council.

Poland made serious efforts to prevent submission to the Permanent Court of International Justice of a request for an advisory opinion on two points connected with the interpretation of Article IV. of the Minorities Treaties between Poland and the principal Allied Powers, but the Council remained determined to ask the Court whether it was competent to consider the question, and whether by this article of the Treaties Poland was justified in expatriating many thousands of Germans claiming Polish nationality.

On another political issue the Council resisted Hungary's

pressure to bring before the Court her difference with Roumania on the expropriation in Transylvania of Hungarian landowners by the Roumanian Government. This question certainly concerned an interpretation of the Treaty of Trianon, and the Roumanian claim that the Treaty could not be held to give privileges to Hungarians which were denied Roumanians in their agrarian laws seemed one that might be tested by the Court. Roumania resisted because of the vital political and social considerations involved, though at the last meeting the Council were rather disposed to go to the Court. Since then, however, an agreement was reached by the Roumanians and Hungarians in negotiations conducted under the mediation of one of the members of the Council. The Hungarian representative accepted some general arrangement whereby the Roumanians promised to do their best for particular cases of hardship brought to their notice, but the Hungarian Government did not uphold their delegate's action. The Council was unable to secure agreement on what is undoubtedly a dispute of many complications, and contented itself with a request to both sides to endeavour to arrive at a settlement in a conciliatory spirit. If agreement is not secured the League will not have finished with the matter, for Hungary has intimated her intention of referring the question to the Assembly.

There is the possibility of some valuable reconstruction work by settling refugees in Greece. The Greek Government applied to the Council for help in raising a loan for this purpose, and the Council asked the advice of Dr Nansen's Relief Agency as to the possibilities of the settlement of the refugees, and the Financial Committee, on which the United States was represented, as to the possibility of a loan. The replies of both were such as to enable the Council to present a general scheme for the consideration of the Greek Government, and if the Greek Government sees its way to accept, the work of settling the refugees can be undertaken by an international commission composed of representatives of the Greek Government, American Relief Agencies, and the League of Nations. The matter had been brought to a head by a Note from the American Secretary of State announcing that the American Relief Agencies would have to cease work, but would be willing to co-operate in any general reconstruction plan which should be adopted.

The Council adopted the recommendations of the Opium and Health Committees, both of which involved matters of considerable importance, including a scheme now made possible by the consent of the United States for the amalgamation of the League of Nations Health Organisation and the Office International d'Hygiène Publique. The final decision on this point is to be left to the Assembly. The Council appointed a committee of five experts, including an American who has since accepted, to undertake an international investigation into the extent and scope of the traffic in women and children as recommended by the Advisory Committee, an American social organisation having agreed to provide the exceptional funds necessary. Consideration was also given to the progress of Austrian reconstruction and various other matters.

The text of a Convention on arbitration clauses in commercial treaties and a series of recommendations concerning the treatment of foreign nationals and enterprises (drafted by the Economic Committee) are to be sent to all States, in the hope and expectation that they will give their assent to them when they come before the next Assembly.

There was a short but interesting discussion on the League Budget, initiated by the French representative, who, without any material criticism, wanted still further savings than the considerable economies already effected. Lord Robert Cecil asserted that no other Budget in the world was subjected to such close scrutiny, and emphasised the Supervisory Committee's deliberate assertion that any further economies would seriously hamper the essential work of the League. This view was taken by other members of the Council, and the French representative withdrew his suggestion that the Budget should be referred back for consideration. It now remains to be considered in detail by the Assembly in the ordinary way of procedure. The French share of the League Budget is about one-four-hundred-thousandth part of the National Budget, and the British share has been estimated at a trifle over one-tenth of a farthing in the pound.

DENMARK.—THE EXCHANGE QUESTION—PRICES AND TRADE—HARVEST PROSPECTS.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, July 17.

DURING the past month discussion has centred on the Exchange question, and from various quarters movements have been set on foot aiming at exercising a regulating influence on the Krone rate. In this connection it should be mentioned that on the initiative of Nationalbanken a great Exchange conference will be held early in August. The bank has invited interested parties from all quarters—practical business men, representatives of the organisations, and special experts—and it is expected that on this occasion a general discussion will take place of all the factors affecting the exchange situation. At the same time, the Nationalbanken is preparing to meet sudden rises in the exchange. The bank during June increased its credit balances with foreign correspondents, and is thereby enabled to help the market to an increased extent. Further, the bank has during last week dispatched an amount of just over Kr. 13,000,000 in gold to America, the first gold shipment for a long time, as the gold reserve of the bank has remained constant at about Kr. 228,000,000. After the above shipment the total bullion reserve amounted to 47.9 per cent. of the note circulation, which shows that owing to a reduction of the note circulation there is practically no change in the percentage of cover, the percentage for the previous week being 48 per cent.

It is a matter of course that in the long run detrimental effects to our economic conditions cannot be avoided if the sterling rate should remain as high as 26. Early in June the Danish Krone had lost about 35 per cent. of its gold value, and it is not considered impossible that prices, which have to some extent already shown a rising tendency, will in the rather near future advance still further owing to the rise in foreign exchange. In connection with the latest rises, the *Finanstidende* points out that the Krone is valued proportionally far below the dollar, as the difference in the level of prices of the two countries would only correspond to a dollar rate of 520, while on July 2nd the rate was 571.50. This journal says: "But as soon as the present high rate has become steady, it will quickly entail a further rise in prices of all goods. In the first instance imported goods will rise, but from this the rise will, in the course of a short time, spread to home produce and through the retail price level to the wages of labour. And once the rise in prices has reached down to the wages of workmen and officials it will be very difficult to get away from again. In August the existing agreements may be expected to entail some rise in the wages of labour, as the retail price level has been rising since the beginning of the year."

The efforts of Nationalbanken have therefore given satisfaction. As the charter only stipulates that one-third of the note circulation should be covered by bullion, the Nationalbanken will still be able to dispose of not inconsiderable amounts in gold, and it is possible that it will do so in case the measures previously adopted should not prove sufficient. The possibility of a foreign exchange loan has also been mentioned.

During June there was a further fall in the gold value of the Danish Krone, and as a consequence a further rise in prices, which caused the price index of the *Finanstidende* to rise by 5 points, i.e., from 202 to 207. As far as foodstuffs are concerned, the rise has been most pronounced for potatoes, pork, and meat, while the price of sugar has dropped a trifle. In the group "other goods," coal, iron and various other metals show some decline, but apart from this, the general tendency is decidedly an upward one, which must entirely be ascribed to the exchange conditions, as the prices on the world market on the average have been slightly weaker during the month.

Recent foreign trade statistics show several encouraging facts. In comparison with April, imports were reduced in May by Kr. 13,400,000 to Kr. 155,000,000, while the value of exports increased by Kr. 18,000,000 to about Kr. 134,000,000. For the first five months of the year the surplus of imports has been calculated to be

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VIRGINIA CIGARETTES

MADE BY HAND, ONE AT A TIME.

Kr. 177,000,000, or Kr. 35,000,000 per month, while in May the deficit was only about Kr. 20,000,000. Agriculture, our principal industry, has reached a period of rather lively production. The export bacon factories during the first four months of the year have taken 1,013,000 pigs, while in the corresponding period last year the killings were only 645,000, the average for the years 1911-1914 being about 813,000. Even if it is taken into consideration that Slesvig is now included, the killings are considerably above the pre-war average. Harvest prospects are favourable. The latest report of the Statistical Department, dated July 1st, differs only slightly from the previous one of June 15th, but shows that for several crops the prospects are an average harvest or more. The heat wave, which reached this country about a fortnight ago, is certain to have a favourable influence.

From the banking world there is little news of importance. The Landmandsbank itself is now working once more under quite steady conditions, sheltered by the confidence created by the unrestricted State Guarantee. The balance-sheet at June 30th showed a total of Kr. 1,075,000,000, of which Kr. 821,000,000, were deposits of various descriptions.

RUSSIA.—FINANCE—FUEL AND MINERAL PRODUCTION—HARVEST AND GRAIN EXPORT—TRADE.

(FROM OUR CORRESPONDENT.)

Moscow, July 13.

SOKOLNIKOF has published the following monthly figures regarding the issue of new style paper roubles since October, 1922:—

1922.	Millions.	1923.	Millions.
October	244	February	607.4
November	383.7	March	1,246.2
December	515.2	April	1,594.1
1923.		May	973
January	634.7	June	1,000

Commissar Sokolnikof at the session of the Vzik (Council of the R.S.F.S.R.), just closed, estimated the 1922-23 State expenses at 1,400 million gold roubles, of which 350 millions would be covered by emission, and represented deficits on working the railways (estimated deficit 140 million gold roubles), and on industries and the expenses of agricultural reconstruction. The Finance Commissar urged unsuccessfully the postponement of the allocation of 10 million gold roubles for the hydraulic station at Volkhovstroy, which is to furnish electric power to Petrograd industries. The Finance Commissariat is counting on an immediate increase in the sale of State Grain Loan bonds (see *Economist* of June 9th) from 30 to 60 million poods, with a subsequent increase to 90 millions.

The assets of the 34 credit institutions in Russia (excluding the State Bank), on March 1st, were estimated at 4,013.6 thousand tchervonetz; April 1st, 6,391.4; May 1st, 8,249.6; of this amount 88, 89.6 and 90.2 per cent. respectively are represented by the Industrial, Russian Commercial, Moscow Municipal, and Pan-Russian Co-operative Banks. Operations in connection with the financing of the industries in Russia have been transferred largely to the Industrial Bank, and it is proposed to create a special bank for financing agricultural and raw material production and export; to this end an agreement has been entered into between the Commissariats of Food, Foreign Trade, and the Grain Produce Trust (Khleb

product) to constitute a capital of 10 million gold roubles for this bank, and to invite the participation of foreign groups. On July 10th the exchange in Moscow for the tchervonetz was 832 roubles (1923), and for the pound sterling 810 roubles.

The net production of coal in the Union (excluding local consumption, about 30 per cent. of total) for April and May was 32,824,000 poods and 43,847,000 poods respectively, of which the Don basin produced 18,400,000 and 28,462,000 poods. In March 3,663,000 poods of coal were imported, chiefly through Petrograd. The naphtha production in poods in April and May was as follows:—

	April. Poods.	May. Poods.
Baku	18,142,800	19,710,000
Grozny	6,719,900	7,204,000
Emba	724,100	712,000
Kouban and Black Sea	170,000	Statistics not yet available.
	25,762,800	27,626,000

The Naphtha Syndicate state that from October 1st to April 1, 1923, naphtha products to the value of 6,994,000 gold roubles were exported. Of the estimated production for 1922-23 of 176 million poods, the State took delivery of 126.5 million poods at a price of 24.8 goods kopecks a pood for Bakou naphtha, and 21.5 for Grozny, which might have realised on the foreign market 50-55 kopecks a pood. Production is greatly hampered by lack of capital, machinery, and materials. At the June Conference of metallurgists it was stated that the output of the industry was 12.8 per cent. of the pre-war production. In April and May the total production was 50,000 tons of pig-iron, 107,000 tons of steel billets, and 81,000 tons of rolled steel.

The following statistics of the grain sowing area have recently been published:—

	Autumn, 1922, Sowing Area.	Percentage of 1916 Area.	Spring, 1923, Sowing Area.	Percentage of 1916 Area.
Russia (including Siberia & Crimea)	16,655,300	84	26,514,700	64
Ukraine	5,496,000	83	10,699,800	83

The authorities count on a cereal export during the next harvest year of 3,000,000 tons. Allowing for undue optimism in regard to the yield, it may be assumed on present crop prospects, and the small purchasing power of the non-producing population, that at least 50 per cent. of this quantity will be exported by the official grain export trust from the present date to the end of July, 1924, chiefly through the ports of Nikolaiew, Odessa, Kherson, Novorossisk, Sebastopol, Theodosia, and Petrograd. To cover the expenses of putting into working order the railway lines and elevators for the grain export, the Council of Labour and Defence decided, as from July 1, 1923, to put a tax on exported grain of 1 gold kopeck a pood for maize, barley, and bran, and 3 gold kopecks for other cereals.

The Department for Foreign Trade has recently published the following import and export statistics for the three months January to March, 1923:—

Imports (excluding the Imports of Relief Organisations).		EXPORTS.	
	Fooda.		Poods.
Foodstuffs	445,000	Foodstuffs	6,758,000
Animal products	128,000	Raw and semi-manu-	
Timber	1,705,000	factured goods.....	8,748,000
Pottery and porcelain ..	15,000	Manufactured goods ..	55,000
Chemical products	542,000		
Asphalt, pitch, &c.	3,731,000		
Minerals and metals ..	529,000		
Paper	214,000		
Textiles	312,000		
Clothing, &c.	10,000		
	7,631,000		15,561,000

An indication of the partial revival of Petrograd is furnished by the recent increase in population, which, having fallen from 2,415,700 inhabitants in 1916 to 722,229 in 1920, is now estimated at 1,100,000. In June 85,000 tons of merchandise were imported and 80,000 tons exported through the port, which received in that month ships of the following nationalities: 24 German, 11 Swedish, 10 Danish, 6 Norwegian, 7 British, 5 Finnish, 9 Russian,

and 1 Lettish. The foundation of two mixed Russo-Austrian companies, "Russavtorg" and "Ratao," for the importation of manufactured articles, chiefly Austrian, and the export of Russian goods, has recently been approved by the Council of the People's Commissars. The capital of the Russavtorg is \$100,000, and the company is engaged to grant a credit in goods of \$1,600,000; the R.S.F.S.R. receive 10 per cent. of the profits, and the balance up to the equivalent of 40 per cent. of the capital of the company is divided between the R.S.F.S.R. and the company; if above 40 per cent. the R.S.F.S.R. receive 60 per cent. and the company 40 per cent. The Ratao Company has a capital of 300,000 gold roubles, three-quarters of which are provided by the company, which undertakes to grant credits in goods for one million gold roubles a year. The profits up to 50 per cent. of the capital are to be divided equally between the company and the R.S.F.S.R. On July 3rd, a Norwegian group formed a mixed company with the R.S.F.S.R. for the exploitation of 1,973,000 dessiatines of forest land along the Onega.

Letters to the Editor.

CREDIT CONTROL AND UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with interest the letters of Mr Charles Edward Pell and Mr Jas. S. McConechy in your issue of the 14th inst., and shall endeavour to answer the questions they have put to me. Mr. Pell is not alone in hankering after some new financial system which will eliminate these periodical contractions of credit and fluctuations in prices. I frankly believe this to be impossible to achieve, and were it possible I believe it would be undesirable. Trade is a system of barter, and when the exchange of commodities and services between countries becomes ill-balanced, a contraction of credit is necessary to bring about an adjustment. Of course, some people suffer in the process, but the general health is improved by the operation.

In reply to Mr McConechy's questions, I would state (1) I mean by "cheap" what I stated, i.e., cheaper and better goods than our competitors in the common markets of the world.

(2) If we gradually contract our currency until parity of exchange with gold standard countries has been re-established and our competitors expand their currency (I assume pursue a policy of inflation) this policy will eventually lead to an increase of employment in this country, although, of course, the pursuit of inflation by any country adversely affects the whole world in the end.

(3) I do not suggest doing anything artificial. At present we are suffering from an inconvertible paper currency due to an over issue of paper money, and I suggest reverting to a sound system which I believe to be making the paper convertible into gold on demand. To do this we must contract the paper. I believe in a profitable trade, and believe this can best be achieved through a sound system such as I have briefly described.

(4) The size of our debt has little or nothing to do with the amount of our currency. That is governed in the main by our trade needs, internal and external. If there is a redundancy it is indicated by the premium on gold.

(5) I believe our workers in the long run would be better off if we reverted to a sound system. It is not a question of inflation or deflation, as if we had a choice. It is whether we should endeavour to restore the old free market in gold or not. I believe it would be of great advantage to us in every way to do so, and also an honourable course to pursue.—I am, Sir, your obedient servant,

D. M. MASON.

Sound Currency Association, 115 Cannon street, E.C. 4.
July 14th, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I notice the Sound Currency Association is still suffering from the delusion that a nation's currency is sound when all notes issued are covered completely by

gold. Perhaps a short explanation of the fundamental facts of banking may throw a little light on the matter.

Before the Bank Act of 1844 the banks issued to depositors titles to gold in the form of notes. These titles were sound only so far as they were covered by gold, the remainder being unsound or fictitious titles to gold. The Bank Act limited the issue of these fictitious notes or bearer titles. The banks were thus forced to issue titles to gold as registered titles, registration being effected by making an entry to the credit of the depositor or so-called borrower in the bank's account books. At the same time they were forced to develop a system of transfer of these fictitious titles. So the banks did not really change their system, but simply the form in which they issued fictitious titles to gold, the difference between a bank-note and a bank credit being only that which exists between a bearer and a registered security. This means that, according to the ideas propagated by the Sound Currency Association, the great mass of credit money issued by banks being uncovered by gold represents unsound currency.

If the Association is wise, it will not dispute the facts, but concentrate upon finding what sound principles do govern the issue of these non-interest-bearing securities, bank-notes and credits, and Treasury notes, constituting paper-money. Until they do so they are merely fooling the world and prolonging its agony.—I am, sir, your obedient servant,

W. H. NORTON.

4 Rugby mansions, London, W. 14, July 11th, 1923.

LAUSANNE AND THE OTTOMAN DEBT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—As an original subscriber to the Ottoman Four per Cent. Loan, 1909, I have been trying to find out why the French representatives at Lausanne refused Ismet Pasha's offer of payment in francs. Of course, the terms of the bond promised me £40 a year in gold on my holding of £1,000, but I am not getting it, and the Stock Exchange quotation indicates that no one expects me to get it. Why should I not be allowed to receive 1,000 francs a year, if the Turkish Government is willing to pay it?

The French Government pays holders of pre-war Rentes in paper francs, and does not pay interest on its debt to the British Government in any currency at all. Why should it insist on the poor Turk paying in gold? M. Poincaré should remember the parable of the ungrateful servant.—Yours, &c.,

J. E. ALLEN.

1 Mitre court buildings, Temple, E.C. 4.

Books and Publications.

RESTORATION OF THE WORLD'S CURRENCIES.*

THIS book is a welcome addition to the voluminous literature of this unending subject; for it is that rare bird, a reasonable and intellectual defence of the gold standard. One expects from Professor Zehfeldt first-hand information, rigid argument, and lucid exposition, and one is not disappointed. He urges that a speedy restoration of a gold standard, frequently at the old parity, is practicable and desirable over a large part of the commercial world. The alternative of "moneyed paper," he thinks, would be no more effective than gold in avoiding the minor fluctuations of the trade cycle, would be inferior to gold as a regulator of the exchanges, and would certainly be abused and break down. There is a natural stability about the value of gold to which we should do well to cling. Further, Professor Zehfeldt has the courage of his convictions, and advocates the actual use of gold as currency, partly because it would render the secret abandonment of the standard more difficult, and partly because it would help to bring about that further rise in the value of gold which he thinks desirable.

We do not find his arguments convincing. He appears to us to overrate the importance of complete stability of foreign exchange, and to underrate the disastrous effects of the recent appreciation of gold on production and economic well-being. It seems to us that the present concentration in America of the world's gold supplies robs the conception of a "natural level of gold prices" of all meaning for some time to come, and that the violence of

* "By Prof. R. A. Zehfeldt, D.Sc. (P. S. King and Son.) 1923.

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the trade cycle is being unnecessarily aggravated by the prolonged uncertainty about what the normal level of prices is to be. For these reasons the Cassel-Hawtrey school of credit-regulators is surely on a firmer path than Professor Zehfeldt, though it may prove a more difficult one than it is now fashionable in enlightened economic circles to assume. For it seems possible that their subtleties and refinements, if fully translated into practice, might so far reduce the need for gold as to torpedo the gold standard at the very moment of its nominal restoration. It may be that we shall yet be forced to face a clear-cut issue between gold and paper. If so it is all the more important, in order that we may judge wisely, that the case for gold should be presented by such able and weighty writers as Professor Zehfeldt.

TOWARDS INTERNATIONAL JUSTICE.*

To interpret in a living way a mechanism as complicated as that of the League of Nations and the Permanent Court of International Justice is an exceedingly difficult task, but one which Mr Keen appears to have achieved. If there can be such a thing as a keynote to a work of this nature, we find it in the author's contention that the remedy for the world's chaos does not lie in regulation but in examination of evils. He explains that the Hague Conference, which before the War represented the greatest heights achieved by the promoters of peace, had devoted its labours to regulating the codes of war on a chivalrous basis rather than destroying the incentive to war. The Permanent Court of International Justice lately set up by the League of Nations fulfilled a wholly different function. Not assuming that warfare is a human necessity, but condemning that assumption, it pursues a positive programme with the aim of setting up an international legal code at once practically acceptable to the nations of the world.

There is much of the vision of the prophet in Mr Keen's book, and we find it inscribing thoughts and hopes collected during the progress of the war, descriptions of international machinery which only took concrete shape several years after he had foretold their creation. For an author to be able at the end of his book to describe in detail a machinery of which he had but a faint impression in the earlier chapters is a sensation which we may justly envy. Most men in the face of such a thing would feel that their message had been fulfilled, but Mr Keen is not one of those men who are easily satisfied. He sees dangers ahead, and concentrates on the best means by which the ship is to be steered clear of the rocks.

Being a jurist and not a mere visionary, he would have the new international code created by the League of Nations so far improved as to set up a new social order, which would make the incentive in men to battle almost negligible. He anxiously awaits the growth of a world public opinion, and believes that the time will come when an international legal code will be as punctiliously respected by international public opinion as national laws have come to be respected in the states of the world.

Mr Keen's book is not one from which one would glean any fierce enjoyment, but it is packed with knowledge, and set out in a clear and simple way, and will well repay reading.

* By F. N. Keen. (London) Geo. Allen and Unwin, Limited.

THROUGH DESPOTISM TO LIBERALISM.*

FAVoured alike by political conditions and by the teaching of theologians, Protestant as well as Catholic, the theory and practice of absolute monarchy reached their climax in the first half of the reign of Louis XIV., whose conceptions of his position are fully expressed in his journal and memoirs. Then both were undermined, partly

* "Les Idées Politiques en France au XVIIe. Siècle." Par Henri Sée. Paris: Marcel Giard. 1923.

by the visible results of religious persecution and economic mismanagement, partly by the example of the English Revolution and the theory put forward by Locke to justify it, and partly by the nascent critical spirit of which Pierre Bayle is the chief exponent. M. Sée describes the whole process clearly and thoroughly, and brings out its characteristic features and some incidental curiosities of doctrine. Early in the century the power of the monarch was held to be limited only by the fundamental laws of the kingdom and the dictates of his conscience; but Richelieu, with his centralising policy and his insistence on the dominance of "reasons of State" over all other considerations, prepared the way for the weakening of these limitations, and Bossuet found Scriptural warrant for ignoring them. Such critics of extreme absolutism as Fénelon and St Simon looked only for a reversion to the good old times of the mediæval monarchy, always idealised and sometimes supplemented by new constructions, and it is only towards the end of the century that the idea of progress dimly appears. The assailants of Louis XIV.'s economic maladministration are mainly practical reformers and accurate observers, with a noteworthy appetite for statistics not yet available, and a growing insight into economic science. Vauban, the famous engineer, is prominent among them, and modern social ideas begin to emerge, notably that of "the people" and its rights. One writer—Boulainvilliers—even suggests the institution of a fund for labour insurance, controlled by local chambers of commerce, provided by compulsory levies on wages, and furnishing also the means for popular elementary education; and the Abbé de St Pierre, a man fertile in ideas, devises a Project of Perpetual Peace. And so we reach the beginning of the economic and political theorising which provided the doctrinal basis of the Revolution.

BOOKS RECEIVED.

- America's Relation to the European Situation.* (Philadelphia) The Annals of the American Academy of Political and Social Science.
- Representative Government and a Parliament of Industry.* By Herman Finer. (London) George Allen and Unwin, Limited. 7s 6d net.
- Co-operative Banking.* By Roy F. Bergengren. (New York) The Macmillan Company.
- Obtainable from Messrs Macmillan and Co., Limited, London. 14s net.
- The Principal Factors in Freight Train Operating.* By Philip Burr. (London) George Allen and Unwin, Limited. 10s 6d net.
- Labour and Capital on the Railways.* (London) The Labour Publishing Company, Limited. 1s.
- Wage Changes in Various Countries, 1914 to 1922.* (Geneva) International Labour Office. 2s.
- The China Year-Book, 1923.* Edited by H. G. W. Woodhead. (Tientsin) The Tientsin Press, Limited.
- Obtainable in London from Messrs Simpkin, Marshall, Hamilton, Kent and Co., Limited. 35s net.
- Australian Investment Digest.* (Sydney) Alex Jobson, Perpetual Trustee Building, Hunter street. 5s.
- The "Australian Investment Digest" is an informative publication, and appears to be edited with care. Its comments on Australian company finance are exceedingly useful.

STOCK EXCHANGE NEWS.
SETTLING DAYS.

TICKET.	ACCOUNT.
August 8.	August 9.

It cannot be said that the past week has proved altogether satisfactory from the point of view of holders of Stock Exchange securities so far as the movements in prices are concerned. Once more it is politics that are causing uneasiness in markets. Prospective buyers are restrained from making purchases while the outlook is so unsettled. A certain amount of forced selling still goes on. There is again vague talk of a possible rise in the Bank rate. There has been gossip about financial trouble in London and the provinces. New issues absorb substantial amounts of the floating supply of capital. At the same time, big business takes place every day in various descriptions, both of gilt-edged stocks and shares and those of the industrial type, the orders being negotiated quietly and without causing any perceptible movements in quotations.

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Erratic movements in Conversion stock, now the leader of the Consol market, demonstrate the unwillingness of the market either to sell or to take large blocks in the ordinary way. Some of the brokers dealing for big clients go so far as to declare that the Consol market is, in House parlance, drying up, though this, of course, is a picturesque exaggeration of the true state of affairs. Nevertheless, there is not the same willingness as was displayed a year or two ago to deal in lines of stock. Consequently, prices move more sharply in either direction when heavy orders come in. The War Loan has dwindled a shade in price, taking with it the other British Government securities that revolve around it. Newfoundland 5½ per Cent. are the best market in this section of the week, the price rising rapidly to 3½ premium, though the Colony's 4½ per cent. stock stands at a small discount.

French Government bonds enjoyed a brisk spurt early in the week, the rise, however, being mostly lost in the subsequent depression that developed on fears of the attitude the French Government may adopt in relation to the forthcoming British Note. German bonds are unchanged. A long string of falls in Chinese bonds bears witness to the nervousness felt by proprietors rendered anxious by the condition of internal affairs in the country. Brazilians moved downwards. The Austrian scrip has ranged between 2 and 2½ premium.

Declaration of the Metropolitan and the Southern Railway dividends on Thursday infused rather more interest than usual into the home railway market. Metropolitans have been good, with a rise to about 70, but the Southern stocks came under the influence of the heaviness which overhung the markets, and after being firm on the carry-over showing a shortage of stock, they eased off later in sympathy with movements in the Consol market. Argentine Railways gave way on fears as to the probable course of the rate of exchange. Grand Trunk Pacific 4 per cent. debenture stock slumped to 22 before it recovered a few points. Cuban Ports have fallen 7 on the week. Montenegro Fives went up 5.

The rubber market is better, in consequence of demand for the raw produce said to come from United States users. Nevertheless, business has been quiet, and the market found it difficult to make a great deal of headway against the general conditions round the House. Oil shares are weak, upon constant pressure to sell by people who are becoming genuinely anxious about the course of prices. Gas stocks improved, upon an investment inquiry, though a few of the electricity supply shares eased off after their recent long rise. Marconis advanced by reason of the statement made this week in the House of Commons in reference to the Imperial Wireless Chain. Cable stocks held most of their recovery. Tobacco shares showed pronounced strength, partly because of the fact that the contangoes on Tuesday disclosed a very obvious shortage of stock. Prices did not, however, retain their full advances. Textiles remain neglected and tending to dwindle in price. Workman Clark debentures, after a slump to 55, rallied on 65.

Of the various new preference shares, John Barker's Sixes at 21s 6d have come into the list of dealings on the basis of 3d premium. Lyons 7 per cent. preference, issued at 23s, are 24s 9d; Union Cold Storage 6 per Cent., which came out at 20s 6d, are a shilling discount. Shipping shares are still inclined to droop. There is not much doing in banking or insurance issues; prices are mostly lower when any changes appear. Amongst the miscellaneous shares, the tendency is for prices to sag owing to the want of public interest seasonal at this holiday time of year. In the iron and steel list, Platt Brothers have fallen noticeably, and others in the group are languishing in consequence of the failure of the country's trade to make a more marked recovery.

The Cape sent buying orders for Robinson Deep "B" shares, apart from which there has been no particular feature in the Kafir Circus. The Chartered meeting on Tuesday had a slightly depressing effect upon the shares, some holders evidently being disappointed with the likelihood of a cash payment being postponed for some time. Wednesday's Tanganyika meeting elicited the statement that the year's dividend on the 10 per cent. preference shares will be paid, but this failed to move the prices of either class of the company's issues. Tin,

the metal, fell back after its little spurt of last week, the consequence being that various tin shares in the Cornish, Malayan and West African markets have given way a trifle. A few of the copper shares are better. Rio Tintos, leading the market, continue to be swayed by the tone current in Paris. Other mining markets are dormant, and a disgusted humorist in one of them hung up a sign inscribed "Sleeping berths over-subscribed. Lists full."

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 196,534,645 ..	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JULY 21, 1923.

April 1, 1923, to July 21, 1923, £3,600,000 ..	£ 150,000 ..	£ 150,000 ..
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To the Public—				
Newfoundland Govt. 4½% 5% Inscribed Stock (rep. at par, 1943), issued at 96½ (July 23) ..	423,500 ..	408,678 ..	42,350 ..	366,328 ..
Newfoundland Pulp and Paper Co., £2,000,000 5½% "B" Mort. Deb. Stk. (std. by Newfoundland Government) (red. at par 1928-43), issued at 98½ (July 24) ..	2,000,000 ..	1,970,000 ..	100,000 ..	1,870,000 ..
United Engineering and Manufacturing Co., 10,000 Cum. Pref. Shares, £1, at par (July 24) ..	10,000 ..	10,000 ..	2,500 ..	7,500 ..
Do 35,000 Ord. Shares, £1, at par (July 24) ..	35,000 ..	35,000 ..	8,750 ..	26,250 ..
Kasimbazar Raj Sterling Loan, £675,000 6½% Deb., at par, red. at 102½ after Jan. 1, 1939 ..	675,000 ..	675,000 ..	33,750 ..	641,250 ..
Total offered to the public	£ 3,098,678 ..	£ 187,350 ..	£ 2,911,328 ..	
To Shareholders only—				
S. Hoffmann and Co., 100,000 7½% Cum. Pref. Shares, £1, at 21s per share ..	100,000 ..	105,000 ..	12,500 ..	92,500 ..
Queensland National Bank, 80,000 Shares, £5, at £7 per share ..	400,000 ..	560,000 ..	160,000 ..	400,000 ..
Total offered to shareholders only ..	£ 665,000 ..	£ 172,500 ..	£ 492,500 ..	
Total offered for subscription to date in—				
1923 ..	£200,298,323 ..	1922 ..	£573,675,650 ..	
1922 ..	487,601,167 ..	1921 ..	388,978,203 ..	
1921 ..	139,290,281 ..	1920 ..	367,549,656 ..	
1920 ..	260,336,678 ..	1919 ..	1,036,059,951 ..	
1919 ..	421,847,127 ..	1918 ..	1,393,381,441 ..	
1918 ..	828,065,472 ..	1917 ..	1,318,596,010 ..	
1917 ..	1,070,418,048 ..	1916 ..	585,436,853 ..	

Government of Newfoundland.—This is an offer for sale at 96½ of £423,500 5 per cent. inscribed stock, principal being repayable at par on July 1, 1943. The stock represents the consideration payable to Reid Newfoundland Land Company, Limited, by the Newfoundland Government in respect of the settlement of matters outstanding between the Government and the company, and of the surrender by the company to the Government of its railway, express, and dock- ing interests in Newfoundland. The issuing house has contracted to purchase the stock from the Reid Newfoundland Company, Limited. This issue is exempt from taxes imposed by Newfoundland. It is created under the provisions of the Railway Settlement Act, 1923, of the Newfoundland Legislature, and is a trustee investment.

Newfoundland Power and Paper Company, Limited.—Incorporated under the laws of Newfoundland. Share capital £21,000,000, all of which has been issued. The loan capital consists of £2,000,000 4½ per cent. "A" mortgage debenture stock, guaranteed by the British Government, all of which has been issued, and £2,000,000 5½ per cent. "B" mortgage debenture stock, guaranteed by the Government of Newfoundland, now offered at 98½ per cent. The stock will be repayable by means of a sinking fund beginning in 1928, and "calculated to redeem the whole of the stock on or before July 15, 1943." The company reserves the right, however, to redeem at par after January, 1928. The Newfoundland Power and Paper Company, originally known as the Newfoundland Products Corporation, was incorporated in 1915, and owns valuable water rights and land and extensive timber limits in the colony. These debentures are a good investment in their class.

Bengal Presidency.—Kasimbazar Raj Sterling Loan—Issue at par of £675,000 6½ per cent. first mortgage debentures. The issue is secured by a first mortgage on the hereditary domains, collieries, royalties, and other property of the Maharajah of Kasimbazar, and is redeemable at par in London in 31 years from 1925, by a cumulative sinking fund, with annual drawings to begin on January 1, 1925, or by purchase. The Maharajah reserves the option of repaying debentures outstanding on or after January 1, 1939, at £102 10s per cent. Interest is payable in London. An eminent firm of accountants has "investigated the revenue accounts and the general financial position," and it is found

that the estates produce a net revenue of £139,172, taking the rupee at 1s 4d. The amount required annually for service of the present issue is £51,325. Thus a comfortable margin is shown as far as security in this direction is concerned. It is, however, an investment proposition which requires consideration from several other angles.

United Engineering and Manufacturing Company, Limited.—Authorised capital £50,000, of which £10,000 is in 10 per cent. cumulative preference and £35,000 in ordinary £1 shares and £5,000 in deferred 1s shares. The deferred shares are not being offered to the public, but 45,000 of them are to be allotted for cash to Mr George Hills, jun., one of the directors and promoters, and the vendor of the lifting-jack patent, and 4,500 are to be allotted as part payment of underwriting commission. Preliminary expenses are estimated at £4,000. The company has been formed to acquire an engineering business at Louth, valued at £19,547, and we are informed that "the assets acquired will include" a patent right. We can find an annual estimated profit given, but the past financial history of the business to be acquired for £19,547 in cash is passed over in silence, except a chance remark to the effect that the company "ceased operation in December, 1922." Another patent is also to be acquired, and again estimates of profits appear. Our experience of estimated profits from patents makes us inclined to be pessimistic.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 4½% 1925-28 ..	96½ ..	96½ ..	—	Aust. 6% 1931-41 ..	105 ..	105 ..	—
Loans 5% 1929-47 ..	100½ ..	100½ ..	—	Canada 4½% 1920-25 ..	99½ ..	99½ ..	—
Funding Loan 4½% ..	91 ..	91 ..	—	India 3½% Stock ..	69 ..	69½ ..	½
Victory Bonds 4½% ..	91 ..	91 ..	—	Do 7% 1926-31 ..	118 ..	118 ..	—
Conversion Loan 3½% ..	78½ ..	78½ ..	—	Do 5% 1932 ..	103 ..	103 ..	—
Consols 2½% ..	59 ..	59 ..	—	Do 4½% ..	89 ..	88½ ..	½
Irish Land Stock 2½% ..	60 ..	60 ..	—	N.S.W. 5½% 1922-32 ..	100 ..	100 ..	—
Local Loans 3% ..	67 ..	66½ ..	½	Nigeria 6% 1949-79 ..	114 ..	115 ..	1
				U. of S.A. 6% 1930-40 ..	105 ..	105 ..	—
				Victoria 5½% 1924-34 ..	101 ..	101 ..	—
				W. Aust. 6% 1930-40 ..	104 ..	104 ..	—

Banks.

Barclays B (£1, f.p.d.) ..	23½ ..	23½ ..	—	Nat. Bank of S. Africa (£10) ..	6 ..	6 ..	—
Chartered Bk of India ..	19½ ..	19½ ..	—	Nat. Prov. & Union of England (£20, with £4 paid) ..	11½ ..	11½ ..	—
Lloyds (£5 with £1 paid) ..	23½ ..	23½ ..	—	Standard of S. Africa (£20, with £5 paid) ..	11 ..	10½ ..	½
London Joint City & Midland (£12 with £2½ paid) ..	8½ ..	8½ ..	—	Westminster Bank (£20, with £5 paid) ..	17½ ..	17½ ..	—
Nat. Bank of Egypt (£10) ..	22½ ..	22½ ..	—				

Colonial and Foreign Railways.

Antofagasta Cons ..	81 ..	82½ ..	½	Leopoldina ..	26½ ..	26½ ..	—
B.A. and Pacific ..	80 ..	80½ ..	½	Mexican Railway ..	11 ..	11 ..	—
B.A. Gt. Southern ..	82 ..	82½ ..	½	Do 1st Pref. ..	3½ ..	3½ ..	—
Buenos Ayres West. ..	76 ..	76 ..	—	Do 2nd Pref. ..	20 ..	20 ..	—
Canadian Pacific ..	161 ..	159 ..	2	San Paulo ..	135½ ..	133 ..	2½
Central Argentine ..	70½ ..	70½ ..	—	United Havana ..	73½ ..	73½ ..	—

Foreign Government Securities.

Argentine 5% 1886-7 ..	99 ..	99 ..	—	Japanese 4½% ..	103 ..	103 ..	—
Belgian 3% ..	67 ..	67 ..	—	Do 4% 1910 ..	69 ..	68 ..	1
Brazil 5% Fund. 1914 ..	72 ..	71 ..	1	Mexican Cons. 1899 ..	59 ..	59 ..	—
Chilian 4% 1895 ..	86 ..	86 ..	—	Peruvian Corp. Pref. ..	27½ ..	27 ..	½
Do 7% ..	102½ ..	102½ ..	—	P.L.M. 6% ..	86½ ..	85 ..	1½
Chinese 5% 1912 ..	69 ..	68 ..	1	Portuguese (New) ..	30 ..	30 ..	—
Egyptian 4% ..	73 ..	73 ..	—	Russian 5% 1906 ..	8 ..	8 ..	—
French 5% ..	27½ ..	27½ ..	—	Spanish 4% ..	70½ ..	70½ ..	—
Do 4% ..	21½ ..	21½ ..	—	Seine (Dept.) 7% ..	97½ ..	97½ ..	—
Greek 4% 1884 ..	45½ ..	45½ ..	—	Siamese 7% ..	107 ..	107½ ..	½

Telegraphs.

Anglo-American "A" ..	23½ ..	23½ ..	—	Marconi Canada ..	13½ ..	13½ ..	—
Marconi Wireless ..	24½ ..	24½ ..	—	Marconi Marine ..	13½ ..	13½ ..	—

British Railways.

Great Western, Ord. ..	113½ ..	113½ ..	—	Southern, Ord. "A" ..	34 ..	33½ ..	½
Do Def ..	87½ ..	88 ..	—	Do Ord. "B" ..	12 ..	12 ..	—
London & North-Eastern 5% Pref. Ord. ..	88 ..	87½ ..	½	Do Pref. Ord. ..	86½ ..	86½ ..	—
Do Def. Ord. ..	33 ..	32½ ..	½	Do Def. Ord. ..	37 ..	37 ..	—
London, Mid., and Scottish, Ord. ..	105½ ..	104½ ..	1	Underground Electric (£10) ..	2½ ..	2½ ..	—
Metropolitan ..	68½ ..	70½ ..	2	Do "A" (1) ..	98 ..	98 ..	—
Metropolitan District ..	48½ ..	48½ ..	—	Do Inc. Bds. (£100) ..	98 ..	98 ..	—

American Railroads.

Chesapeake & Ohio ..	63 ..	64 ..	1	Southern ..	36 ..	36 ..	—
Erie ..	13 ..	13 ..	—	Do Non-Com Pref. 72 ..	73 ..	73 ..	—
Do 4% 1st Pref. ..	20 ..	21 ..	1				

Miscellaneous.

Aerated Bread (£1) ..	1½ ..	1½ ..	—	Imperial Tobacco (£1) ..	3½ ..	3½ ..	—
Amal. Cottons (£1) ..	2 ..	2 ..	—	Linggi Plantins (£1) ..	1½ ..	1½ ..	—
Anglo Persian Oil (£1) ..	3½ ..	3½ ..	—	Lipton (£1) ..	1½ ..	1½ ..	—
Armstrong (Sir W.G.) and Co. (£1) ..	8½ ..	8½ ..	—	Lever Bros' 7% Cmp Pref (£1) ..	1½ ..	1½ ..	—
Ass. Portland Cement (£1) ..	1½ ..	1½ ..	—	Do 8% Cmp A Pref (£1) ..	1½ ..	1½ ..	—
Barker, John (£1) ..	2½ ..	2½ ..	—	Do 8% Cmp P Ord (£5) ..	1½ ..	1½ ..	—
Bham Small Arms (£1) ..	2½ ..	2½ ..	—	Lister (£1) ..	1½ ..	1½ ..	—
Brazil Traction (£100) ..	50½ ..	49½ ..	1	Lobitos Oilfields (£1) ..	5½ ..	5½ ..	—
British-American Tobacco (£1) ..	4½ ..	4½ ..	—	Lyons (J.) & Co. (£1) ..	4½ ..	4½ ..	—
Burmah Oil (£1) ..	4½ ..	4½ ..	—	Magadi Soda (£1 Ord.) ..	4½ ..	4½ ..	—
Coats (J. and P.) (£1) ..	3½ ..	3½ ..	—	Mexican Eagle (£10) ..	1 ..	1 ..	—
Courtauld (£1) ..	3½ ..	3½ ..	—	Pekin (2) ..	1 ..	1 ..	—
Cunard (£1) ..	1½ ..	1½ ..	—	Rubber Plantations Investment (£1) ..	1½ ..	1½ ..	—
Dorman, Long (£1) ..	1½ ..	1½ ..	—	Shell Transport (£1) ..	3½ ..	3½ ..	—
Dunlop Rubber (£1) ..	1½ ..	1½ ..	—	Smithfield & Argentine Meat (£1) ..	1½ ..	1½ ..	—
Fine Cotton Spinners (£1) ..	2½ ..	2½ ..	—	United Dairies (£1) ..	1½ ..	1½ ..	—
Forestal Land (£1) ..	1 ..	1 ..	—	United Serdang (2) ..	1½ ..	1½ ..	—
Furness, Withy (£1) ..	1½ ..	1½ ..	—	United Tobacco (£1) ..	2½ ..	2½ ..	—
Highlands and Lowlands Rubber (£1) ..	1½ ..	1½ ..	—	Vallambrosa (2) ..	1½ ..	1½ ..	—
Hudson's Bay (£1) ..	5½ ..	5½ ..	—	Vickers (£1) ..	1½ ..	1½ ..	—
				Watney Def. Stk.	170½ ..	167½ ..	3

Mines.									
Price Last Week.	Latest Price.	Rise or Fall.	Price Last Week.	Latest Price.	Rise or Fall.	Price Last Week.	Latest Price.	Rise or Fall.	Price Last Week.
Brakpan (£1)	2 1/2	3	+	3 1/2	4	4 1/2	4 1/2	+	4 1/2
Broken Hill Prop. (8)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Chartered (£1)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Cons. Gold Fields (£1)	2 1/2	2 1/2	+	2 1/2	2 1/2	2 1/2	2 1/2	+	2 1/2
Crown Mines (£1)	2 1/2	2 1/2	+	2 1/2	2 1/2	2 1/2	2 1/2	+	2 1/2
De Beers Def. (£2 1/2)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
East Rand Prop. (£1)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Geduld (£1)	3	3	+	3	3	3	3	+	3
Gov. Gold Areas (£1)	5 1/2	5 1/2	+	5 1/2	5 1/2	5 1/2	5 1/2	+	5 1/2
Knight's	4 1/2	4 1/2	+	4 1/2	4 1/2	4 1/2	4 1/2	+	4 1/2
Modderfontein (10)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Modderfontein "B" (5)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Modderfontein Deep (5)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Premier Def. (2 1/2)	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Rand Mines (5)	2 1/2	2 1/2	+	2 1/2	2 1/2	2 1/2	2 1/2	+	2 1/2
Selukwe	1 1/2	1 1/2	+	1 1/2	1 1/2	1 1/2	1 1/2	+	1 1/2
Rio Tinto (£5)	35	35	+	35	35	35	35	+	35
Spring Mines (£1)	2 1/2	2 1/2	+	2 1/2	2 1/2	2 1/2	2 1/2	+	2 1/2

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Last Year.	Pre-vious Year.
Railways.					
Arica and Tacna	2*	Aug. 7	Less tax 5/3 in £	2	nil
Cork, Bandon, &c.	4*	Sept. 5	Less tax	4	4
Gr. Northern (Ireland)	2½	Aug. 10	Less tax 5 in £	2½	2½
Louisville and Nashville	2½	Aug. 10	Less tax	2½	2½
Metropolitan	3*	Aug. 10	Less tax	3	3
Midland Gt. W. of Ireland	4*	Sept. 1	Less tax	4	4
Southern, Prefd.	5*	Aug. 21	Less tax	5	5
West Clare (Baronial)	4%	Aug. 21	Less tax	4	4
Banks.					
Australian of Commerce	7½	Sept. 1	Quarterly	7	7
Bank of Montreal	1/3%	Sept. 1	Quarterly	2/8 p.s.	2/8 p.s.
Bank of New Zealand	1/4 p.s.†	Sept. 1	Quarterly	9	9
Bank of Victoria	3%	Sept. 1	Quarterly	3	3
Canadian of Commerce	3%	Sept. 1	Quarterly	3	3
Farmers' Loan and Trust	6%	Aug. 1	Quarterly	6	6
Imperial Ottoman	2%	Sept. 1	Quarterly	2	2
Union of Canada	2%	Sept. 1	Quarterly	2	2
Insurance.					
Employers' Liability	1/6 p.s.	Sept. 5	Tax free 4/7½ in £	5	5
Mercantile and General	1/6 p.s.	Sept. 5	Tax free 4/7½ in £	12½	12½
Scandinavia	1/6 p.s.	Sept. 5	Tax free 4/7½ in £	12½	12½
Mining.					
Arizona Copper	1/2 p.s.*	Nov. 1	Tax free	1/2	1/2
Malayan Tin	1 p.s.*	Aug. 21	Less tax	1	1
Southern Perak Dredging	1/2 p.s.*	Aug. 21	Less tax	1	1
Tanganyika Concessions, Prefd.	1/2 p.s.*	Aug. 3	Less tax	10	10
Tea and Rubber.					
Atiyugger Tea	15%†	Sept. 5	Less tax	25	25
Batang Cons. Rubber	5%*	Sept. 5	Less tax	5	5
Beaufort Borneo Rubber	6%†	Sept. 5	Less tax	6	6
Besokei Plantations	6%†	Sept. 5	Less tax	10	10
Brahmapootra Tea	10%†	Sept. 5	Less tax	45	5
Hingurugama	6%*	Sept. 5	Less tax	15	20
Java United Plantations	5%†	Sept. 5	Less tax	9	2
Malayalam	5%†	Sept. 5	Less tax 5 in £	5	nil
Mergui Crown Rubber	2½%†	Sept. 5	Tax free	7½	nil
Mount Austin (Johore)	5%†	Sept. 5	Less tax	20	20
Pantiya Tea and Rubber	5%†	Sept. 5	Less tax	20	20
Peacock and Nillambe	5%†	Sept. 5	Less tax 4/7½ in £	7½	nil
Tall Ayer Rubber	5%†	Sept. 5	Less tax 4/11½ in £	7½	nil
Other Companies.					
Anchor Line	5%	July 31	Tax free	5	5
Anglo-Continental Guano	1/2 p.s.*	July 31	Less tax	1/2	1/2
Antrim Iron Ore	1/6 p.s.*	July 31	Less tax	1/6	1/6
Ashton Brothers	1/6 p.s.*	July 31	Less tax	1/6	1/6
Bell and Nicholson	1/6 p.s.*	July 31	Tax free	1/6	1/6
Boot Distillery	5%	July 31	Less tax	5	5
Bovru Australian Estates, Prefd.	4%†	July 31	Less tax 4/3 in £	7	6
Bradford Coal Merchants	4%†	July 31	Less tax	7	6
Brewery Commercial Invest., Def.	6½%	July 31	Less tax	12	15
British Steamship Invest., Defd.	10%	Aug. 15	(& bonus 2%) Less tax	12	15
Burns, Philp, and Co.	10%	Aug. 15	Less tax	2/1 p.s.	2/1 p.s.
Cambridge Waterworks (£10 Stk.)	10%	Aug. 15	Less tax	10	10
Do (£7 Stk.)	10%	Aug. 15	Less tax	10	10
Chester United Gas	10% p.s.†	Feb. 1	Less tax	10	10
City of Aberdeen Land	10% p.s.†	Feb. 1	Less tax	10	10
City Property of Aberdeen	10% p.s.†	Feb. 1	Less tax	10	10
Cleveland Water, Orig. and "A"	10%	Aug. 15	Less tax	10	10
Do "B"	10%	Aug. 15	Less tax	10	10
Colombo Commercial	8%	July 31	Tax free	8	8
Consett Spanish Ore	1/2 p.s.*	July 31	Less tax	1/2	1/2
Courage and Co.	10%*	July 31	Less tax	10	10
Dublin Distillery	8%*	July 31	Less tax	8	8
Dutton's Brewery, Prefd.	8%*	July 31	Less tax	8	8
Eastwoods, Limited	10%	Aug. 15	Less tax	10	10
Edinburgh Canadian Mort.	10%	Aug. 15	Less tax	10	10
Edinburgh Exhibition Assocn.	10%	Aug. 15	Less tax	10	10
Edward Wood and Co.	10%	Aug. 15	Less tax	10	10
Fleming, Reid	7½%*	Aug. 15	Tax free	7½	7½
Gaskell and Chambers	6%*	Aug. 15	Less tax	6	6
General Hydraulic Power	2%	Aug. 15	Less tax	2	2
Godfrey Phillips, Cum. Prefd.	6%	July 31	Less tax	6	6
Henry Faulder and Co.	6%	July 31	Less tax	6	6
Hunter, Barr, and Co.	6%	July 31	Less tax	6	6
Hunters the Teamen.	2/2 p.s.†	Aug. 1	Tax free	15	15
I. J. and G. Cooper	10%	Aug. 1	Less tax	10	10
Jeremiah Rotherham	10%	Aug. 1	Less tax	10	10
Josiah Smale and Son	7½%†	Aug. 1	Less tax	12½	12½
J. Samuel White, Cum. Prefd.	6%	Aug. 1	Less tax	6	6
J. Sears and Co.	1/6 p.s.*	Aug. 1	Tax free	1/6	1/6
Kempston Park Freehold	4 p.s.*	Aug. 1	Less tax	4	4
Kerr, Stuart, and Co.	4 p.s.*	Aug. 1	Less tax	4	4
Lancashire Tramways	3½%*	Aug. 1	Less tax	12/12 p.s.	12/12 p.s.
Lancashire & Yorkshire Waggon	3½%*	Aug. 1	Less tax	12/12 p.s.	12/12 p.s.
Llanelli and District Lighting	3%*	Aug. 1	Less tax	3	3
Leahy, Kelly, and Leahy	5%	Aug. 1	Less tax	5	5
London-Caledonian Trust	8%	Aug. 1	Less tax	8	8
London Cemetery	8%	Aug. 1	Less tax	8	8
London Commercial Sale Rooms	10%	Aug. 17	Less tax	10	10
Lotus	4%*	Aug. 1	Less tax	4	4
Major and Co.	10%	Aug. 1	Less tax	10	10
Manchester Palace	10%	Aug. 1	Tax free	10	10
Maple and Co.	2½%*	Sept. 1	Less tax	2½	2½
Metropolitan Trust	7%*	Sept. 1	Less tax	7	7
Midland Trust	7%*	Sept. 1	Less tax	7	7
Northampton Electric Light, Ord. "B"	4%*	Aug. 23	Less tax	4	4

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General Manager and Secretary,
HUGH LEWIS.

DIVIDEND ANNOUNCEMENTS.—Continued.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Date of Payment.	Method of Payment.	Dividend for Whole Years.	
				Last Year.	Pre-vious.
Octagon Brewery	8%	Aug. 1	Less tax	8	8
Parkinson & W. & B. Cowan	5 1/2%+	July 27	Subject to tax	5 1/2	5 1/2
Radiation	5%	Aug. 22	Tax free	5	5
Sandown Park	5%	Aug. 22	Less tax	5	5
Scarborough Gas	5%	Aug. 10	Less tax	5	5
Sheffield Pure Ice	8%	Aug. 22	Tax free	8	8
Spalding Picture House	7%	Aug. 22	Less tax	7	7
Spencer, Turner, and Boldero	1 p.a.	Aug. 11	Less tax	1	1
Spratts' Patent	7 1/2%+	Aug. 11	Less tax	7 1/2	7 1/2
Tarmac	7 1/2%+	Aug. 11	Less tax	7 1/2	7 1/2
Teetgen and Co., Defd.	3/9 p.a.	Aug. 1	Less tax	3/9	3/9
T. H. Downing and Co.	8%	Aug. 11	Less tax	8	8
Thomas M'Kenzie and Sons	3/9 p.a.	Aug. 11	Less tax	3/9	3/9
Thomas Wallis and Co.	8%	Aug. 11	Less tax	8	8
Tottenham District Light, "A"	8%	Aug. 11	Less tax	8	8
United Alkali	4%	Aug. 31	Less tax	4	4
U.S. Mort. Co. of Scotland, Def.	15%	Aug. 16	Less tax	15	15
Vickers, Limited, Prefd. & Pref.	2 1/2%+	Aug. 16	Less tax	2 1/2	2 1/2
Do Cum. Prefd.	2 1/2%+	Aug. 16	Tax free	2 1/2	2 1/2
Warner and Co.	20%+	Aug. 16	(& bonus 1 p.a.) Less tax	20	20
West Canadian Collieries	2 1/2%+	Aug. 16	Less tax	2 1/2	2 1/2
W. H. Chaplin and Co.	8%	Aug. 11	Less tax	8	8
Willer and Riley (1910)	8%	Aug. 11	Less tax	8	8
William Hancock and Co., Def.	12%	Aug. 11	Less tax	12	12
Wyman and Sons	12%	Aug. 11	Tax free	12	12
Yorkshire Railway Waggon	10%	Aug. 11	Tax free	10	10

GLYNN'S LYDENSBERG, LIMITED.—Directors have decided to pass dividend per July 31, 1923. For the preceding three half years no dividend was paid.

PERRY AND CO., LIMITED.—The directors regret that they do not see their way to pay an interim dividend on either the preference or ordinary shares.

THE BURMAH ELECTRIC TRAMWAYS AND LIGHTING COMPANY recommend a dividend of 11 per cent., less tax, on the preference shares on account of arrears for 22 months to May 31, 1919, payable August 1st. The arrears to July 31st, 1923, remaining after payment of this dividend will be satisfied by the allotment after July 31st to preference shareholders on the register on that date of one new preference share of £1, credited as fully-paid, for each original £5 preference share held.

ANALYSIS OF BALANCE-SHEETS.

ANCHOR LINE (HENDERSON BROS.), LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with April 30, 1922.	Amount.	Compared with April 30, 1922.
Prof. shares	325,000	Fleet, wharves, good will, &c.	4,555,452
Ord. shares	250,000	Debts on open account	575,506
Reserve	1,500,000	Disbursements on account of current voyages	89,595
Pref. dividends	6,703	Investments at cost	12,351
Balances on current accounts	3,861,155	Cash	975,560
Owed on deposit	2,872		
Voyages pending	119,798		
Unclaimed divs.	180		
Profit and loss	145,628		
Total	6,208,464	Total	6,208,464

VAN DEN BERGHES, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
6% cum. pref. shs.	450,000	Goodwill	656,463
6% "B" cum. pref.	1,000,000	Propertied	619,878
7% "C" cum. pref.	1,000,000	Associated and subsidiary co.	2,332,652
15% pref. ord.	937,500	Sundry debtors	1,231,201
Ord. shares, 5s	187,500	Stocks	454,526
Bills payable	346,798	Bills receivable	6,336
Sundry creditors	1,076,112	Do associated cos.	24,484
Reserve	500,000	Reserve fund investments	73,718
Profit and loss	241,327	Expenditure carried forward	38,075
Total	5,742,095	Total	5,742,095

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

COMPANY MEETINGS, &c.

IMPERIAL OTTOMAN BANK.

SATISFACTORY RESULTS DESPITE UNFAVOURABLE CIRCUMSTANCES.

FINANCIAL AND TRADE CONDITIONS IN TURKEY.

The annual general meeting of the shareholders of the Imperial Ottoman Bank was held, on the 25th instant, at Winchester House, Old Broad street, London.

The Viscount Goschen, C.B.E., presided.

The secretary (Mr Charles E. L. Corthorn) having read the notice convening the meeting,

The Chairman said:—Ladies and Gentlemen,—I have been informed that this meeting is properly constituted. I presume that it will be your pleasure that the report and accounts, as printed and circulated among you, shall be taken as read.

In moving the adoption of the report and accounts, I would like to say a few words. The period for 1922 has again been beset with difficulties of every kind. The general depression in trade did not abate, and the momentous events which occurred in the Near East also had their effect on our affairs.

WAR BETWEEN TURKEY AND GREECE.

During the first months of the year the Allied Governments made a sincere effort to put an end to the war between Turkey and Greece. For a time hope revived, and the hope sufficed to restore initiative; but the negotiations had no result. Military operations, which had been virtually suspended were resumed with increased activity in August. On September 9th Smyrna was entered by the Turks. On October 11th an armistice was signed at Mudania, and on November 20th the Peace Conference opened at Lausanne.

The military operations, the devastations in the war zone, the burning of Smyrna, and the fear of political complications, all had the most unfortunate economic results, and during the second half of the year business languished more and more.

In Constantinople the monetary tightness, the new Customs regulations, and the difficulty of communicating with Anatolia, contributed further to discourage trade. Meanwhile Southern Russia reduced its purchases on the market of Constantinople, and importers limited their transactions to foodstuffs and articles of prime necessity.

EXPORTS AND IMPORTS.

General the Hon. Sir H. A. Lawrence, K.C.B.: I beg to second it.

No questions being asked or comments made, the resolution was at once put to the meeting and carried unanimously.

The Chairman: I now beg to move:—"That M. Georges Heine, M. Raoul Mallet, Sir J. P. Hewett, and Lord Oranmore and Browne be and they are hereby re-elected members of the general committee."

The Earl of Bessborough, C.M.G.: I beg to second that. The resolution was carried unanimously.

The Chairman: That concludes the business.

Mr J. Rosselli: Before leaving here I think we ought to accord to the chairman, directors, and staff, both at home and abroad, a very hearty vote of thanks for their able supervision of our affairs in the East.

Mr. A. Bradbery: I have much pleasure in seconding that.

The vote was unanimously accorded.

The Chairman: On behalf of my colleagues and myself, I desire to express our sincere and grateful thanks to you for this kind vote of thanks.

The proceedings then terminated.

UNION BANK OF AUSTRALIA, LIMITED. GOOD RESULTS OF YEAR'S BUSINESS.

The annual general meeting of the Union Bank of Australia, Limited, was held, on the 23rd instant, at 71 Cornhill, London, Mr Henry P. Sturgis presiding.

The Chairman, in moving the adoption of the directors' report and accounts, said that the year under review had presented no abnormal features calling for special comment; it had been a satisfactory year for the bank. The net profit was £639,711, inclusive of £86,817 brought forward. They were placing £100,000 to reserve, which now stood at £3,350,000, and declaring a dividend at the rate of 15 per cent. per annum, free of tax, leaving £89,711 to be carried forward. The balance-sheet figures compared with those of a year ago showed an increase of £1,979,000, the principal increases on the liability side being reserve funds and balance of profits £103,000, and deposits £2,203,000, while bills payable showed a decrease of £330,000. The increase in deposits was of a general character, and was a matter of congratu-

lation in face of the numerous short-dated Government issues, free of taxation and bearing high rates of interest; and also of the fact that the various savings banks were increasing the interest rates allowed. On the assets side there were increases in investments of £26,000, bills receivable, &c., of £1,441,000, and advances of £1,379,000, while specie and cash balances were lower by £809,000, and money at call in London by £65,000. The increase in advances was due, for the most part, to the natural extension of business, but also in part to advances for financing primary products. The liquid assets amounted to 8s 9d in the £ of the bank's total liability to the public. The gross profits were £11,000 less, but expenses were less by £27,000. Remuneration to the Colonial staff was about £19,000 higher, due chiefly to awards under the Arbitration Courts in Australia. General Colonial expenses were £18,000 lower, about £10,000 being due to less taxation, while in London income-tax and corporation profits tax showed a decrease of about £26,000.

The exports from Australia for the year ended December last were maintained at the level of the preceding year, amounting to £128,000,000, while imports at £122,000,000 showed an increase of some £2,000,000. In New Zealand the value of imports was £35,000,000, against £43,000,000 in 1921, while exports amounted to £41,000,000, against £43,000,000. The experience of farmers and graziers in Australia had been, on the whole, favourable, the wheat harvest having been a fair one. The wool clip, on the whole, was in good condition, but the quantity was somewhat smaller than in the previous season. The demand for wool had been very satisfactory, and unexpectedly rapid progress had been made in the liquidation of the stocks held by the British Australasian Wool Realisation Association. Prices for all classes of wool had substantially appreciated. Trade in Australia had been less active. The general position should, however, be sound owing to the previous writing down and liquidation of stocks. Recently there seem to have been a tendency towards somewhat excessive importations. New Zealand had benefited to a marked extent during the year from the improvement in the prices of her principal products. This had helped to overcome the effects of the previous fall in values and of speculation in land. A cable from the general manager reported the season to be generally favourable and prospects encouraging.

Sir Westby B. Perceval, K.C.M.G., seconded the resolution, which was carried unanimously.

COMPAGNIE ARAMAYO DE MINES EN BOLIVIE.

INCREASED PROFITS.

PROSPECTS FOR THE CURRENT YEAR.

The third ordinary general meeting of this company was held on Tuesday, July 24th, at the company's offices, 16 Quai de la Poste, Geneva, the chairman of the company (Mr F. A. Aramayo) presiding.

The Chairman said: Gentlemen,—I beg to present to you the results of the working of our company during the year 1922, the accounts of which have already been sent you, together with the directors' and accountants' reports.

As you will have seen by these reports, the balance-sheet to December 31, 1922, which has been sent us by the local administration in Bolivia, shows as a result of the year a profit of 4,772,655.03f after deduction of the differences in exchange, which this year have been moderate, owing to the improvement in value of the Bolivian peso, as compared with that of the Swiss franc.

This result is modified, as shown in the profit and loss account on the credit side, by interest on deposits and investments, and on the debit by the directors' fees, law and other expenses in Europe, leaving the sum of 4,537,499.74f as net profit for the year. This profit, which is well above that of the preceding year, is satisfactory if we consider that there has been no improvement in the selling prices of our products. It is due first to the reduction of almost two millions in the stocks of minerals realised at prices above those at which they had been valued in the last balance-sheet, and to the great economies introduced during the difficult period mentioned in our previous report.

SALES OF DIFFERENT PRODUCTS.

The sale of tin ore during the period under review has been 3,208 tons at an average price of Lg. 68.16.7, against 3,097 tons at Lg. 71.1.10 the year before.

The sale of silver sulphides has been 762,405.72 ounces troy at an average price of 37.20d per ounce, against 679,233.85 ounces at 40.65d the year before. The sale of rich argentiferous mineral has been 476,403.86 ounces troy at 34.56d, against 475,021.78 at 40.42d the year before.

The sale of copper precipitate has been 123.20 tons at Lg. 33.6.11 (average), against 272.44 the year before.

The sales of bismuth have reduced by half our last year's stock, and we are restarting the mining and smelting of this metal.

The total production of tin barrilla (concentrates of 60 per cent.) in the various mines has been raised to 2,756.4 tons, against 2,361 tons the previous year. The production of bismuth in bars, moco (fine dust), and export ore only amounts to 10,208 kilos., against 20,328 the year before. The total production of silver in sulphides, export ore, and contained in cement copper reached 1,330,984 ounces troy, against 1,178,215 ounces during 1921. The production of copper was 70.3 tons, against 93.7 tons the previous year.

It is pleasing to state that the cost price of tin concentrates has been reduced this year to Bs. 851.76 per ton, against Bs. 940.10 in 1921 and Bs. 1,082.50 in 1920. That of the silver has also been reduced a little. On the other hand, the cost price of bismuth is exorbitant, owing to the small production, which had to carry the cost of the development work executed. In fact, the year's work on this product would show a heavy loss if the realisation of part of the stocks had not modified that result.

EXPLORATION AND DEVELOPMENT WORK.

Exploration and development work were continued with all possible activity in the various sections, and the total number of metres run during the year is 3,205, against 3,206 the year before.

In Chorolque it has been considered prudent to suspend working in the Yana Salli and Acero Cruz regions, which were so poor that they were already showing losses.

In the Socavon San Bartolomé, which is the great work of the future, at 400 metres lower than our old workings in the Quellu Coya and La Tajo, we have done considerable exploration work on the veins, which we believe to correspond in depth to the above-named veins, but up to the present the results have not been so satisfactory as was expected, although this work continues to produce a little tin.

We propose to continue our investigations in depth, but we have been stopped by water in quantities far above the capacity of the pump at our disposal, and have decided to send a larger pump in order to realise our aims.

In Tasna the bismuth works continued practically at a standstill during the year under review, but the extraction of tin was relatively more active. The smelting and production of bismuth at Quechisla only restarted in the month of December, 1922.

Development of Chocaya in silver and tin continued satisfactory down to gallery 200, and the total estimation of reserves of minerals of silver and tin in sight contained in the veins "Colorado" and "Santa Rosa" are now 166,265 tons, assaying 22.883 D.M. silver (0.2283 per cent.) and 7.044 per cent. tin, against 130,672 tons estimated in 1921. This is without taking into account the silver ore contained in the veins "Llampera," "Judios," and "Animas." The central shaft is down to the 200-metre level, and will greatly contribute to the economical working of the various galleries.

The metallurgical establishment of Telamayú is already working on the concentration of tin, and it is anticipated that the aerial ropeway will come into use at the end of this year, when the installation for the lixiviation of silver will also be completed.

CURRENT YEAR'S PRODUCTION.

Referring now to the first four months of the current year—i.e., January 1st to April 30th last, I have much pleasure in noting that the production of silver has increased by 45,563 ounces, as compared with that of the same period of the previous year. The production of tin has only decreased by 78.4 tons.

I much regret not being able to dispose of the necessary space to give you *in extenso* the report of the general manager, Mr Carlos Victor Aramayo, a document of the greatest precision and containing all desirable details on the complicated operations of this vast enterprise. Mr Aramayo is very ably supported by Mr Reece, under-manager, and by Mr Navarro, manager of Quechisla and chief accountant. In the mining sections of Chocaya, Tasna, and Chorolque he has the help of the mining engineers, Messrs Smith, Davis and Bergman, with the collaboration of the auxiliary engineers, Messrs Jeffery, Maddock, Fernau, and Osorio.

Mr Malcolm Roberts, our late general manager, is still lending us the help of his great experience as consulting engineer.

DIVIDEND AND BONUS.

Reverting to the final results of the year's operations, as shown by the balance-sheet presented, your board proposes that you should confirm the interim dividends paid during the year, amounting to 25 per cent., and vote a bonus of 10 per cent. applicable to the year 1922, and to carry forward the balance of 12,414,369.50f. This balance is less by 712,500.26f than that of the previous year, and it has to be taken into account that the profit obtained is not entirely accounted for by the operations of the year under review, and that it is also desirable to keep sufficient reserve, in view of the assets non-realizable at the moment, as well as the greater expenses which will have to be incurred to restart the works stopped during the crisis.

If any shareholder desires further particulars I shall be glad to answer questions.

No questions being asked, and after the reading of the auditors' report, the statement of accounts was approved, and the following resolutions proposed by the board were carried unanimously:—

1. The meeting approves the statement of accounts presented by the board for the year 1922, and gives entire discharge to the directors.

2. The four interim dividends, totalling 25 per cent., paid during 1922 are confirmed.

3. The declaration of a bonus of 10 per cent., making a total of 35 per cent. for the year 1922, is approved.

A THIRD INTERIM DIVIDEND.

The Chairman informed the shareholders that the board had decided to pay a third interim dividend of 5 per cent. on account of the current year, payable on August 1st next, together with the above-mentioned bonus of 10 per cent., to holders of share warrants to bearer presenting coupon No. 9 at the Société de Banque Suisse, Geneva, and to all shareholders on the register of the company on the 24th inst.

A shareholder proposed a vote of thanks to Mr F. A. Aramayo, the managing director, the general manager in Bolivia and his staff, and Mr Malcolm Roberts, the consulting engineer, which was carried unanimously.

The proceedings then terminated.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

HEAD OFFICE:

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

NORTHERN DISTRICT OFFICE:

69, Market St., Bradford.

LANCASHIRE BRANCH:

39, Mosley Street, Manchester.

Affiliated Institutions:

THE BRITISH BANK OF SOUTH AMERICA, LTD.,

AND

THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

© BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

† BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

* BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

policy of building up the reserve funds, thus enabling us to lay additional cables as and when considered expedient. Since the armistice, this company has, in conjunction with the Eastern Extension Company, laid an entirely new cable of large capacity to the Far East, in addition to which we have carried out extensive renewals to many of the main-line sections. The cost to this company of these operations has been £5,293,745, of which £2,678,086 has been charged to the general reserve fund, and there is roughly one million, six hundred thousand pounds still held in suspense. This fund is to-day £25,000 less than it was at the end of the year 1914, notwithstanding the substantial additions which have been made to it since then. You will, therefore, realise how vital it is that the fund should be again built up as rapidly as possible.

Our expenses this year have exceeded the normal annual ratio of increase over pre-war days by no less a sum than one million pounds, apart altogether from taxation. It is on these grounds that the necessity for economy becomes imperative. Out of every £100 received to-day our expenses are approaching £17 more than they were in 1913. In the current year there has been no improvement in trade. It is, however, to be hoped that the economies which are being effected will in a measure meet the considerable decrease in income we must anticipate this year.

SYSTEM STRENGTHENED.

As a public utility company, the interests of the general public, consistent with sound finance, are our first concern, and with this end in view, we have strengthened our system during the past year, at a cost of over one million pounds, by completing the laying of a new line between Malta and Colombo, connecting us with the extensions made by other associated companies. It may not be out of place to remind you and the public generally that all this expenditure has been made without any increase in rates; indeed, I suppose there is no other commercial interest which can claim, as can the cable companies, that the public have been able throughout to use our service at the same rates as existed before the war; in fact, in some cases, rates have been materially reduced.

In July last the company celebrated its jubilee, a fact to which I referred at our last meeting, and your directors, to mark the occasion, granted the staff a bonus of two months' salary.

You will expect me, doubtless, to say something regarding wireless. I think you may rest assured that the sagacity of America, the commercial instincts of Germany, the national aspirations of Italy, and the prudence of British and Colonial Governments, would not allow them to risk respectively the expenditure of vast sums of capital in cable enterprise unless they were confident that cable systems of communication all over the civilised world must continue.

At the same time, your board hold the opinion that they should be associated with all classes of telegraphic communication, and with this object they are associated with applications for wireless licenses for full powered stations in Great Britain, India and China.

Sir Albert J. Leppoc Cappel, K.C.I.E., seconded the motion, which was carried unanimously.

THE EASTERN EXTENSION, AUSTRALASIA AND CHINA TELEGRAPH COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The annual meeting of the Eastern Extension, Australasia, and China Telegraph Company, Limited, was held, on the 25th instant, at Electra House, Moorgate, London, Sir John Denison-Pender, G.B.E., K.C.M.G., chairman of the company, presiding.

The Chairman, in moving the adoption of the report, said that the accounts presented would, he thought, be considered quite satisfactory, although on the result of the year's working, as compared with 1921, there was a net decrease of £402,297. Message and other receipts had again fallen, working expenses were much in excess of the year 1913, about 203 per cent., but having now been relieved of many items of expenditure rendered necessary during the past few years, they should, before long, assume a proportionate standard to receipts. They would observe from Abstract B a net increase in general expenses at stations, amounting to £47,498, which was mainly accounted for by the very considerable increase in income-tax, due to the introduction in the Netherlands Indies of a revised system of taxation, against which, he might say, strong objection had been raised by all mercantile firms trading in that country. Also noticeable was the increase in home taxation of £46,413, which shareholders might perhaps consider required some explanation in view of the welcome reduction in the rates of income-tax and corporation profits taxes. It was due, he said, to the fact that under the three years' average system in the computation of the income-tax for 1922, one lean year was dropped, and one fat year had to be submitted, thus increasing the taxable amount by about £204,000. The 1921 accounts also were credited with £56,993 on account of the old

excess profits duty adjustments, which augmented the 1921 figures, and, of course, told against a favourable comparison with those of 1922, now submitted.

The balance they had to deal with was £724,803, plus the carry forward from 1921, making a total of £1,032,683. From this sum £250,000 had been placed to the general reserve fund, £400,000 paid in dividends, and the balance, £382,683, had been carried forward. The directors considered it advisable to carry forward this substantial amount in view of the fact that returns for the early months of the current year showed a further considerable fall in traffic receipts, which, considering the state of trade all over the world, was not surprising. They were no doubt aware of the condition of affairs at present ruling in China, where, owing to the existence of several militarist parties, who were all striving to force their domination on the country, chaos reigned, and it would, he feared, be some years before any improvement in the situation would take place. Needless to say, trade suffered. His Majesty's Minister at Peking, under the direction of the Foreign Office, was supporting the company's cause in that country. On the last occasion on which he had the pleasure of addressing the shareholders, it would be remembered that he mentioned the proposed laying of a cable between Colombo and Penang. This, he was pleased to say, was successfully accomplished in March last, and the cable had been working well since that date. In order to improve their communication between Singapore and Java the directors decided to duplicate the Singapore-Batavia cable. That work would be completed when the company obtained the necessary permission from the Netherlands Indian Government to land the second cable. At the last meeting he had spoken strongly on the subject of the postal department's advertisement of their "Pacific" route on public correspondence passing through their hands, and he was now pleased to inform the shareholders that their representations in the matter had had the desired effect, and that form of advertisement had now ceased. With regard to his promise to look into the question of the rearrangement of the shares of the company, he desired to inform them that the directors and auditors had carefully considered the matter, and had come to the decision that any alteration at the present moment would, in the best interests of the company, be inadvisable.

The report was unanimously adopted.

TANGANYIKA CONCESSIONS, LIMITED.

SATISFACTORY PROGRESS—ENORMOUS COPPER DEPOSITS.

The adjourned ordinary general meeting of the Tanganyika Concessions, Limited, was held, on the 25th inst., at River Plate House, London, General Sir Francis Reginald Wingate, Bart., G.C.B., G.C.V.O., G.B.E., K.C.M.G., D.S.O. (chairman of the company), presiding.

The manager and secretary (Mr L. Scotland) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said: You will shortly be addressed by our managing director, Mr Robert Williams, who has just returned from a visit to the Sudan, Katanga, Lobito Bay, and the Benguela Railway, when he fully investigated all the interests of the Tanganyika Concessions, Limited, and its associated companies, and discussed with the various local authorities, by whom he was given a most cordial reception, various details of our business. This group of companies is to be congratulated on having its affairs in the hands of your present managing director—perhaps the greatest living pioneer of African civilisation—whose vision, coupled with his profound knowledge of mining and metallurgy and long practical experience of local conditions in South and Central Africa, has built up an organisation for the development and transportation to the markets of the world of the rich treasures of those mineralised "milestones" which mark the various stages in the progress of African railways, and the commercial and economic development they bring in their train.

Sir Cecil L. Budd, K.B.E., seconded the resolution. Mr Robert Williams (managing director), in the course of a lengthy address, said: Your holding in the Union Minière du Haut Katanga is shown as increased to 103,048 capital shares and 78,000 dividend shares, which at the market value and with the exchange ruling on December 31, 1922, represented £4,420,564, showing a surplus of £3,578,091 over the amount at which they are entered in the accounts. You will therefore see that all your shares and debentures in other companies are covered by the value of the shares in the Union Minière. The total gross working results of the Union Minière for 1922 amounted to about 48,000,000. After charging interest on debentures, &c., and providing for substantial amortisations, that company was able to declare a dividend of 35f, less deduction of 2.80f per share for Belgian taxation. The proceeds of this dividend will appear in the next accounts. You are asked to sanction the payment of a dividend on the preference shares, the credit balance on profit and loss account brought forward enabling us to do this. I may say that if exchange had

been normal there would have been a dividend on the ordinary shares too.

PROGRESS OF UNION MINIERE DU HAUT KATANGA.

The operations of the Union Minière for the year 1922 were very satisfactory, the total production being 43,362 tons of copper. Unfortunately the price of copper touched the lowest figure recorded since 1914—namely, 57—and the highest price during 1922 was £66. During the first half of this year the production has been 24,528 tons. The output for June of 4,810 tons is the highest monthly output yet obtained.

I have recently visited the various places of Africa where your company has interests, and I should like to tell you briefly of the great developments that have taken place since my last visit to Katanga in 1911. In 1902 I said I believed the Katanga copper belt would ultimately produce 1,000 tons of copper per day, if everything that makes for economical working were brought to bear, particularly cheap transport to the coast and Europe. Since I have visited the copper belt this time I am more than ever confirmed in this opinion.

ENORMOUS COPPER DEPOSITS.

I went over most of the hills of copper. In one mile of the 20 miles at Fungurume 9,000,000 tons of ore had been proved. At Musonoi there is a group of mines within 1,100 miles by rail of Lobito Bay in which millions of tons of ore have already been proved to exist. At Ruwe Mine, in this group, £100,000 in gold has already been extracted. Gold, platinum, palladium, vanadium and copper exist there. The existence of large supplies of cobalt and uranium ores has also been proved in the eastern section. About ten miles out of the 250 miles of this copper belt has given a development of 68,000,000 tons of ore, containing about 4,500,000 tons of metallic copper. These ten miles represent operating mines and proved bodies of ore over the whole 250 miles. If ten miles has given 4,500,000 tons of metal, 40,000,000 tons of copper is a very conservative estimate for the whole 250 miles.

The Benguela Railway continues to bear out all that has been previously said and written in regard to its potential earning powers. The traffic on the present open section of the line from Lobito to Chinguar—a distance of 519 kilometres—continues to show the marked and substantial increases which have been taking place year by year. I have no hesitation in saying that the increases in traffic carried will not only continue, but will show still further improvement. Our big future will only be realised when the Benguela Railway is connected with the Katanga copper mines, and when the output of copper reaches anything between 100,000 and 360,000 tons per annum, and when that copper is produced largely by leaching and is transported economically to the coast and Europe.

The report and accounts were unanimously adopted.

ZAMBESIA EXPLORING COMPANY, LIMITED.

IMPORTANCE OF THE BENGUELLA RAILWAY.

The adjourned ordinary general meeting of the Zambesia Exploring Company, Limited, was held, on the 25th inst., at River Plate House, London.

General Sir F. Reginald Wingate, Bart. (the chairman), presided, and, in moving the adoption of the report and accounts, said that he was convinced that they had in their managing director, Mr Robert Williams, a man of remarkable character and exceptional capacity, endowed with a directness of mental attitude which had gained for him the respect and confidence of his colleagues, the shareholders, and the British public, all of whom realised that his great work, initiated in answer to the personal request of Cecil Rhodes, to assist that great African Empire builder's dream of communication from the south to the north of Africa, was resulting in immense developments.

Mr Robert Williams, in the course of a lengthy address, said that the operations of the Union Minière du Haut Katanga for the year 1922 were very satisfactory. He believed that the real policy for the Union Minière to pursue was to go ahead with all processes and try to perfect them as they proceeded. There was an endless quantity of ore in that great copper belt suitable for all purposes.

After referring to the position regarding radium, tin, cobalt, and coal, he went on to deal with the Benguela Railway. When the line was completed and connected through to the Belgian Congo, that country would have a large and prosperous agricultural and cattle-breeding country at its doors, from which it could draw its food supplies without having to wait through a period of development for years, which might seriously handicap the rapid development of its large copper industry. Angola had a great future. It was a white man's country. During his visit he had been struck with the great developments that had taken place at Lobito Bay since his last visit in 1911. It had been transformed from a bare sandspit into a pleasant township, and he was struck with the

great development of roads, wireless, and aviation throughout the whole of his travels in Angola. While in Khartoum he had discussed the affairs of the syndicate with the authorities, and had been able to settle with the Sudan Government a satisfactory basis for a further development of their interests.

At the last meeting he had told the shareholders that they had turned the corner. They had had a big struggle since then, their greatest difficulty being the fluctuations in exchange and in the price of copper. Nevertheless, they had turned the corner, and the Union Minière had restarted paying dividends, which, he believed, would go on increasing.

The report and accounts were adopted.

TRANSVAAL GOLD MINING ESTATES, LIMITED.

ADVERSE FACTORS IN PAST YEAR.

A special general meeting of members of the Transvaal Gold Mining Estates, Limited, whose registered address is elsewhere than in South Africa, was held, on the 27th instant, at Winchester House, London.

Mr M. T. Brown, who presided, said that the profit for the past year amounted to only £1,597, the worst result since work was resumed after the end of the Boer War. This figure was arrived at after bringing into account £10,000 derived from general revenue, which converted a working loss of 11d per ton into a bare profit. This compared with a profit earned in 1921-22 of £28,416. In other words, there was a decrease of £26,819, in spite of the following facts:—(1) The tonnage milled was increased by 600 tons; (2) the gold recovered was increased by 2,814 fine ounces; (3) the yield per ton was better by a little over ¼ dwt; (4) the working expenses were almost 1d per ton less. All these favourable features were, however, more than neutralised by the drop in the price of gold, which in 1921-22 sold for an average of £5 0s 8d; but last year for only £4 8s 4d. The mine profit for the first eight months had amounted to £11,000, but this was nearly all wiped away by losses in the last four months of the year.

Another fact that must not be overlooked was that working expenses included no less than £30,000 for prospecting, equal to 3s 3d per ton, or about £14,000 more than in the previous year. The balance of appropriation account showed a net decrease of just over £17,000. This was mainly due to the fact that the accumulated profits had been drawn upon for the employers' tax amounting to £4,620, a new poll tax lately imposed by the Transvaal Provincial Government, and for the purchase of the 32,248 enemy shares acquired at a cost of £12,721. The ore reserves position might be considered satisfactory, as, although there had been a slight decrease of 48,000 tons, or about 7 per cent., there had, on the other hand, been an improvement of 0.3 dwts in the value, or an increase of about 3¼ per cent. As to prospecting, with such a large area to work on as 300 square miles, much of which was of a similar geological formation to that where the existing mines were, the expenditure of £30,000 was justified, especially as the future of the company depended so largely on the discovery and exploitation of fresh bodies of high-grade ore. Referring to general conditions, it must be said that the Government was not too helpful to the mining industry.

In regard to the current year, the results of three months' working showed a profit of just over £6,000. The month of June had accounted for more than half that profit, and was the best for over 15 months, showing both a better yield and a lower working cost than the average of last year.

The report and accounts were adopted.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - - Fmk. 252,000,000
Deposits and Cheque Accounts
(30/6/23) - - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

BISICHI TIN COMPANY (NIGERIA), LIMITED. **GOOD PROSPECTS FOR CURRENT YEAR.**

The twelfth annual general meeting of the Bisichi Tin Company (Nigeria), Limited, was held, on the 24th instant, at the Cannon street Hotel, London. Mr James Gardiner presided.

The Chairman said that those engaged in the Nigerian tin-mining industry were grateful to the Government for the concessions made during a critical time, but it was still penalised by excessive railway rates. At an interview recently granted to a deputation from the Nigerian Chamber of Mines, the Governor-General stated that the whole question of railway rates was being investigated. During the past year everything possible was done to effect economies. Costs were reduced by £6 per ton, and a working profit of just over £10,000 was made, as compared with £3,000 in the previous year. After providing for administration expenses, writing off depreciation, and allowing for income-tax and corporation profits tax, there was a net loss of £864.

There was no foundation for the suggestion that the Nigerian Chamber of Mines had shown a lack of interest in the labour question, and had ignored a scheme brought forward by two or three of the local managers for the solution of the difficulty. On the contrary, the matter had received their most serious consideration. The shortage must eventually be overcome by labour-saving plant and appliances, and this was the line on which the Bisichi Company was working. The council of the Nigerian Chamber of Mines had negotiated a further reduction in smelters' returning charges to £6 per ton, which was lower than the pre-war figure. The new arrangement represented a saving of £2 10s per ton as from January 1, 1924. Statistically the position of the metal was sound, and with a brightening of the general outlook he felt sure that the industry would come into its own once more. At the present time the company was working at a substantial profit; the new plant had been paid for, and the balance was greater than at the end of the financial year. This had been done on a dry season output, and during the wet season, now at its height, largely increased returns could be looked for, particularly as all the plant was now working at full pressure. The price of the metal was now £17 higher than the average on which the past year's production was realised. Unless, therefore, a further serious depreciation took place, it might be safely stated that the results attending the current year's operations would be perfectly satisfactory.

The report and accounts were unanimously adopted, the formal business was transacted, and a vote of thanks to the Chairman terminated the proceedings.

GOVERNMENT RETURNS, &c.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1922.								
Mar. 29.....	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 27.....	295,374	13,338	5,000	28,500	19,650	16.3	254,312	260
Sept. 27.....	299,127	12,644	7,000	27,000	21,150	16.6	246,456	189
Dec. 27.....	301,337	12,572	7,000	27,000	21,150	15.9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
July 18.....	289,310	12,337	7,000	27,000	22,450	17.4	245,057	140
July 25.....	289,049	12,370	7,000	27,000	22,450	17.4	244,810	159

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,968,400, and for 1923 at £270,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from July 30-Aug. 4 were opened on July 27, 1923, and the total amount applied for was £50,940,000. Tenders for Monday to Friday bills at £99 4s 8d, about 40 per cent., and above in full, and for Saturday bills at £99 4s 10d, about 40 per cent., and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
June 15.....	35,000,000	48,785,000	2 0 7-7	nil
June 22.....	45,000,000	51,855,000	2 2 1-13	nil
June 29.....	40,000,000	49,445,000	2 5 4-82	nil
July 6.....	30,000,000	39,185,000	3 10 2-02	nil
July 13.....	30,000,000	42,315,000	3 1 0-93	nil
July 20.....	30,000,000	42,925,000	3 1 10-93	nil
July 27.....	30,000,000	50,940,000	3 0 2-99	nil

Tenders will be received on Aug. 3, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Dec. 31, 1921.	Mar. 31, 1922.	July 21, 1923.
Funded Debt	588	318	315	315	315	314	314	314	314
Term Annuities	30	22	20	19	18	15	15	15	15
4½% War Stock.....	63	63	63	63	63	63	63	63	63
4½% War Stock.....	13	13	13	13	13	13	13	13	13
4½% War Stock.....	2,091	2,047	2,040	1,995	1,853	2,071	2,071	2,071	2,071
National War Bonds.....	649	1,509	1,476	1,413	1,201	971	971	956	956
4% Funding Loan.....	409	409	405	401	401	400	400	400	400
4% Victory Bonds.....	360	357	348	336	335	335	335	335	335
4% Conversion Loan.....	266	266	266	266	266	266	266	266	266
5½% Treasury Bonds.....	23	23	23	23	23	23	23	23	23
5½% Treasury Bonds.....	381	166	166	166	166	166	166	166	166
Do by tender 5½%.....	8	8	8	8	8	8	8	8	8
Do by tender 4½%.....	8	8	8	8	8	8	8	8	8
Do 4%, 1931-33.....	2	2	2	2	2	2	2	2	2
Treasury Bills.....	15	961	1,107	1,107	1,121	878	719	616	597
Exchequer Bonds.....	20	392	323	319	289	185	150	150	150
Natal Savings Certs.....	138	267	274	285	342	350	354	356	356
War Expnd. Certs.....	23	23	23	23	23	23	23	23	23
Other Debt.....	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070	1,070
American Loan.....	51	51	51	51	51	51	51	51	51
Temporary Advances.....	1	204	243	205	154	147	223	194	207
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,656	7,768	7,663	7,671
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,740

POSITION OF THE FLOATING DEBT.

	Temporary Advances Out- standing—	July 22, '22.	Mar. 31, '23.	July 21, '23.	July 21, '23.
Advances by Bank of England	161,638,500..	193,897,500..	206,850,500..	2,000,000	2,000,000
Advances by Public Deptms	765,410,000..	616,045,000..	596,520,000..	975,000	975,000
Treasury Bills outstanding	927,048,500..	809,942,500..	803,370,500..	8,175,000	8,175,000

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Receipts.
		Apr. 1, 1923, to July 21, 1923.	Apr. 1, 1923, to July 21, 1923.	Week Ended July 21, 1923.
Balances in Exchequer on 1st April:—				
Bank of England.....	5,442,665	9,963,424	..	..
Bank of Ireland.....	1,375,502	1,210,106	..	..
REVENUE.				
Customs.....	116,900,000	39,264,000	38,660,000	2,317,000
Excise.....	143,850,000	45,027,000	47,582,000	5,923,300
Motor Vehicle Duties ..	13,250,000	2,712,000	2,147,000	2,107,000
Stamps, &c., Duties.....	52,000,000	16,920,000	20,801,000	1,600,000
Stamps.....	20,000,000	6,060,000	4,482,000	90,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	440,000	510,000	10,000
Property & Income Tax	261,000,000	59,520,000	60,880,000	4,841,000
Super-Tax.....	58,000,000	16,170,000	16,170,000	6,673,000
Excise Profits Duties, &c.	12,000,000	954,000	954,000	..
Corporation Profits Tax	20,000,000	6,340,000	6,340,000	280,000
Post Office.....	52,600,000	14,100,000	15,050,000	750,000
Crown Lands.....	900,000	260,000	220,000	..
Interest on Sundry Loans.....	12,500,000	5,700,132	3,344,446	8,937
Miscellaneous.....	12,500,000	4,871,999	14,314,285	510,023
Ordinary Receipts.....	40,000,000	15,827,827	18,920,768	143,812
Special Receipts.....	818,500,000	233,212,958	252,522,499	19,685,560
Revenue				
Total, Inc. Balance		240,031,125	263,696,029	..

	OTHER RECEIPTS.	Temporary Advances Repaid:—	Under the Unemployment Insurance Act, 1921	Money Raised by Creation of Debt:—	(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1921 and 1922	(b) Under the Housing Act, 1914	(c) For other Issues: By Treasury Bills.....	By National Savings Certificates	By Treasury Bonds—	5-15 year, 1925-35.....	5½%, 1927.....	4½%, 1931-33.....	By Other Debt created under the War Loan Act, 1914 to 1919	(d) Ways and Means Advances.....	Anglo-Persian Oil Company—	Dividends on Shares acquired	Repayments—	In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	Do Issues under Section 69 (4) of the Finance Act, 1920	Interest received under Section 69 (5) of the Finance Act, 1920.....	Total
		65,000	800,000	2,700,000	1,750,000	1,650,000	740,476,000	946,443,000	42,994,000	51,449,000	61,543,782	24,026,125	11,869	284,903,500	306,940,500	13,550,000	243,012	115,136	265,460	87,358	1,314,378,339
		..	..	790,000	..	..	800,000	800,000	850,000	..	..	..	..	..	..	..	..	..	..	..	1,639,247,153
		..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	78,703,508
		..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	99,685,635

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24.	Total Issues out of the Exchequer to meet Payments from	Week Ended July 21, 1923.	Week Ended July 22, 1923.
		Apr. 1, 1923, to July 21, 1923.	Apr. 1, 1923, to July 22, 1923.	Week Ended July 22, 1923.
EXPENDITURE.				
National Debt Services—				
Interest, &c.....	310,000,000	119,955,250	113,550,838	1,026,806
Sinking Fund.....	40,000,000	14,493,437	12,820,000	1,095,432
Road Fund.....	12,650,000	2,111,044	1,282,000	..
Payments to Local Taxation Accounts, &c.....	10,348,000	550,000	1,050,000	150,000
Payments to Northern Ireland Exchequer ..	3,000,000	1,152,448	518,030	130,782
Land Settlement.....	1,500,000	122,747	438,684	67,863
Other Consolidated Fund Services.....	2,972,000	1,099,604	1,022,290	232,069
Supply Services.....	436,146,000	107,468,424	120,304,342	6,600,000
Expenditure	816,616,000	246,953,014	238,166,154	8,145,364
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	5,000	..	..	..
Interest on Treasury Bonds under the Capital Expenditure (Money) Act, 1924.....	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921.....	270,000	1,600,000	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922.....	2,000,000	2,000,000	..	350,000
Under the Housing Act, 1914.....	13,000	13,000	..	..
Unemployment Insurance Act, 1921.....	1,510,000	650,000	..	..
Repayment of Debt—				
Treasury Bills.....	759,975,000	1,063,094,000	43,875,000	62,545,000
Principal of National Savings Certificates.....	11,300,000	8,750,000	650,000	500,000
Principal of Exchequer Bonds paid off.....	..	19,612,188	..	..
Principal of National War Bonds paid off.....	16,854,989	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	268,987	8,325,205	..	..
Ways and Means Advances Repaid	271,950,500	292,603,500	20,750,000	7,389,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	..	243,012	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	55,656	76,068,249	78,929,364
Balances in Exchequer—				
Bank of England.....	2,132,995	1,990,779	1,34,521	49,729
Bank of Ireland.....	1,065,742	2,038,750	499,262	186,000
Total	3,198,737	4,029,529	364,741	136,271

NOTE.—Budget Estimate as H.C. No. 51 of 1923.

Treasury, July 23, 1923.

HEAD OFFICES: LIVERPOOL AND LONDON **ROYAL** **INSURANCE COMPANY, LIMITED** ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, July 25, 1923.

ISSUE DEPARTMENT.		£
Notes issued	145,558,795	11,015,100
		8,734,900
		125,808,795
	145,558,795	145,558,795
BANKING DEPARTMENT.		
Proprietors' capital ..	14,553,000	45,633,731
Reserve	3,453,764	70,556,056
Public deposits*	10,462,544	19,841,330
Other deposits	109,383,966	1,831,513
Seven-day & other bills	9,356	
	137,862,630	137,862,630
* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts.		

NATIONAL BANK OF GREECE.—In drachmæ (000's omitted).

Assets.	May 31, 1923.	May 15, 1923.	April 30, 1923.	April 14, 1923.	May 31, 1922.
Gold and balances abroad	1,691,166	1,505,543	1,511,798	1,454,408	1,388,159
Government loans and securities	4,096,071	4,097,248	4,096,330	4,047,164	2,860,974
Discounts and loans	1,916,919	1,764,572	1,561,732	1,379,888	792,232
LIABILITIES.					
Notes in circulation	4,296,068	4,115,159	3,966,063	3,800,475	1,484,388
Government deposits	230,898	189,042	216,419	260,364	1,356,000
Private deposits	1,350,216	1,274,109	1,213,908	1,175,242	793,327
Deposits at fixed dates	1,023,157	1,021,975	1,023,929	1,025,365	1,010,745

BANK OF JAPAN.—In yen (000's omitted).

Assets.	June 23, 1923.	June 16, 1923.	June 9, 1923.	June 2, 1923.	June 24, 1922.	Position May 30, 1924.
Cash and bullion	1,099,219	1,097,517	1,096,320	1,092,907	1,281,335	821,300
Discounts	200,956	182,453	156,846	190,890	106,786	41,740
Advances	187,276	184,455	191,262	208,133	148,332	70,540
LIABILITIES.						
Notes	1,239,168	1,211,938	1,184,521	1,208,549	1,229,656	362,270
Govt. deposits	823,000	832,728	850,697	897,940	667,818	87,340
Other deposits	53,639	41,173	40,726	47,986	97,310	11,440

IMPERIAL BANK OF GERMANY.—In marks (000's omitted).

Assets.	July 14, 1923.	July 7, 1923.	June 30, 1923.	July 15, 1922.	Position May 30, 1924.
Gold and bullion	122,071,107	120,949,235	119,902,712	110,004,859	1,635,160
Treasury notes	3,160,988,494	3,284,092,016	2,866,836,761	10,789,974	943,460
Bills discounted	40,971,287,533	30,447,067,842	22,522,375,935	...	60,780
LIABILITIES.					
Notes in circulation	25,491,738,742	20,841,782,966	17,291,061,350	175,437,411	2,013,860
Deposits	16,927,077,344	12,092,054,361	9,962,716,666	36,275,651	842,240

† This total now includes token coin at its face value. § Gold.

NETHERLANDS BANK.—In florins (000's omitted).

Assets.	July 23, 1923.	July 16, 1923.	July 9, 1923.	July 2, 1923.	July 24, 1922.	Position May 30, 1924.
Gold	581,794	581,791	581,792	581,792	605,955	163,092
Silver	10,821	10,491	10,439	10,536	8,020	6,436
Notes and advances	336,612	345,443	364,859	381,046	399,256	153,504
LIABILITIES.						
Notes in circulation	933,460	947,502	953,434	963,030	978,576	316,632
Deposits	30,289	27,395	38,357	29,299	73,605	5,016

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	July 23, 1923.	July 16, 1923.	July 9, 1923.	June 30, 1923.	July 22, 1922.	Position May 30, 1924.
Gold	525,363	525,016	524,659	524,484	523,667	171,175
Silver	102,621	102,282	102,347	102,017	116,335	18,360
Discounts	27,064	28,013	28,943	29,942	12,114	...
Assets & advances	246,025	255,196	251,201	291,172	311,372	103,000
LIABILITIES.						
Notes in circulation	834,011	844,910	865,852	893,671	729,121	775,925
Deposits	111,059	118,002	82,463	114,614	263,224	33,750

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	July 18, 1923.	July 12, 1923.	July 5, 1923.	June 28, 1923.	July 18, 1922.	Position May 28, 1924.
Coin (gold & silver and bullion)	349,303	349,886	348,272	348,576	330,763	392,650
Securities	783,297	794,308	777,009	778,991	481,638	697,600
LIABILITIES.						
Notes in circulation	6,852,250	6,860,012	6,794,041	6,718,838	6,287,335	934,150
Current accounts	362,694	384,057	440,664	520,301	761,223	112,126

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	July 15, 1923.	July 7, 1923.	June 30, 1923.	June 23, 1923.	June 23, 1922.
Gold	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	2,862,076,648	2,760,252,887	2,532,315,689	2,249,809,671	2,249,809,671
Bills discounted	684,123,373	704,772,092	730,134,686	815,156,380	815,156,380
Treasury bills	2,547,211,870	2,547,211,870	2,547,211,870	2,547,211,870	2,547,211,870
LIABILITIES.					
Notes in circulation	5,379,017,919	5,359,937,350	5,432,619,312	5,017,633,816	5,017,633,816
Deposits	700,695,464	627,656,190	362,327,268	579,625,646	579,625,646

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	July 15, 1923.	July 7, 1923.	June 30, 1923.	June 23, 1923.	July 15, 1922.
Gold coin and bullion, bills	22,543	22,635	22,773	22,926	13,150
Silver coin, &c.	595	595	595	595	597
Bills, warrants, drafts, &c.	140,671,363	131,008,588	120,608,042	107,681,542	25,495,627
Loans	3,336,593	3,307,631	2,489,562	3,299,578	1,555,027
LIABILITIES.					
Notes in circulation	177,417,458	169,013,427	154,936,057	138,661,842	35,103,483
Deposits	17,043,441	17,598,243	12,741,551	13,322,762	3,380,712

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	July 16, 1923.	July 7, 1923.	June 30, 1923.	July 15, 1922.	Position May 31, 1924.
Coin and bullion—Gold	147,287	147,287	147,288	147,292	44,224
Balance abroad and foreign bills	22,879	21,689	22,702	38,569	25,533
Norwegian & Foreign Government securities	9,044	9,404	9,404	9,814	8,816
Discounts and loans	476,425	485,379	490,128	440,833	76,911
LIABILITIES.					
Notes in circulation	407,609	411,902	415,033	381,555	113,484
Deposits at notice	115,240	126,464	126,464	134,480	7,188

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

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	July 15, 1923.	July 7, 1923.	June 30, 1923.	June 23, 1923.	July 15, 1922.
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,863	10,096,862	10,096,862	10,096,862	10,096,855
Discounts & advances	1,734,528	1,745,395	1,835,867	1,782,766	2,034,516
Gold & silver holdings	1,054,183	1,053,478	997,669	997,149	687,952
Foreign bills and balances abroad	2,579,749	2,134,130	1,937,885	1,887,145	860,708
Other assets	648,422	651,585	693,233	646,901	1,103,202
LIABILITIES.					
State notes circ. in	9,069,260	9,182,947	9,375,991	9,794,215	9,509,259
Deposits	5,793,421	5,092,889	4,780,424	4,842,070	2,962,411
Other liabilities	1,261,264	1,480,614	1,405,097	1,500,304	2,311,418

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	July 14, 1923.	July 7, 1923.	June 30, 1923.	July 15, 1922.	Position May 30, 1924.
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	599,544	593,096	625,470	123,766	90,379
Finland and Foreign Government securities	571,433	581,433	571,433	718,554	1,826
Discounts and loans	839,878	851,751	808,505	810,512	105,151
LIABILITIES.					
Notes in circulation	1,398,814	1,427,371	1,436,296	1,342,580	123,941
Deposits at notice	402,587	386,232	377,194	121,177	21,225

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	June 29, 1923.	June 22, 1923.	June 15, 1923.	June 8, 1923.	June 1, 1923.	June 24, 1922.
Govt. securities	8,15,54	8,51,72	8,33,21	8,11,44	7,90,07	7,72,38
Other securities	1,23,89	1,23,89	1,23,89	1,23,89	1,23,89	1,23,89
Loans	15,46,55	15,17,45	16,80,42	17,48,63	18,22,32	14,20,91
Cash credits	29,61,02	29,25,34	28,50,60	28,52,58	28,76,00	26,23,35
Inland bills	5,12,34	5,12,34	6,15,23	6,41,65	6,45,37	4,65,08
Foreign bills	28,93	37,80	36,56	37,96	21,76	4,18
Dead stock	2,50,22	2,50,04	2,49,79	2,49,81	2,49,43	2,47,26
Sundries	83,17	75,44	72,22	70,81	70,06	92,44
Balance with other banks	77,50	59,71	61,00	62,96	46,78	6,03
Cash	28,40,36	24,15,63	21,05,10	19,83,10	19,82,14	33,91,85
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,40
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,35
Reserve	4,22,50	4,22,50	4,22,50	4,22,50	4,01,83	4,01,83
Public deposits	12,37,77	10,23,06	8,80,85	8,42,34	10,96,61	16,69,94
Other deposits	68,28,08	66,87,76	66,18,59	65,62,71	63,72,01	62,95,84
Sundries	1,91,67	1,92,49	1,84,18	1,82,73	1,76,20	1,71,58
The above includes—						
Deposits in Lond'n	742	573	601	614	511	60
Advances in Lond'n	245	254	254	255	254	351
Cash, &c., at other banks in Lond'n	509	391	399	413	305	35

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	May 31, 1923.
Metal reserves	57,243
Foreign bills	54
Bills discounted	237,790
Loans	23,036
State loan	110,844
LIABILITIES.	
Notes in circulation	3,923,548
Deposits	994,741

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	July 10, 1923.	June 30, 1923.	June 20, 1923.	June 10, 1923.	May 31, 1923.
Gold	44,993	43,877	43,849	42,506	41,941
Silver	37,199	39,813	39,795	42,129	44,339
Foreign coin	5,995	5,865	(a)5,417	(a)4,577	(a)3,567
Foreign banks	30,385	26,655	(a)20,125	(a)15,213	(a)21,886
Advances to the Govt.	332,200,000	299,500,000	267,000,000	258,000,000	2,377,000,000
Private loans and discounts	965,492,886	938,262,170	853,314,805	62,836,022	666,603,027
LIABILITIES.					
Notes in circulation	3,690,266,555	3,566,490,772	3,914,070,216	2,817,859,476	2,733,794,113
Deposits	356,627,142	613,258,321	648,193,860	481,681,773	386,024,821

(a) Gold marks.

BANK OF LATVIA.—In gold francs (000's omitted).

Assets.	July 18, 1923.	July 11, 1923.	July 4, 1923.	June 27, 1923.	June 15, 1923.	Nov. 22, 1922.
Total cash	12,506	12,826	11,544	11,103	11,442	3,085
Gold and precious metals	15,785	15,786	15,784	15,754	15,203	12,993
Of which held abroad	3,766	3,766	3,696	3,696	748	...
Foreign banks	54,886	53,924	51,960	51,779	50,839	22,466
Discounts and loans	19,846	19,307	19,350	18,200	17,700	9,551
LIABILITIES.						
Notes in circulation	23,000	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,000	10,000	10,000	10,858	10,858	8,000
Government deposits	32,075	34,743	30,376	27,968	28,035	16,697
Other deposits	33,537	32,668	31,631	30,380	29,399	16,985

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	July 15, 1923.</
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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefer.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Banks.										
Imperial Ottoman	Dec. 31	18,553	176,140	194,693	..	..	..	194,693	..	..
Financial, Land, &c.										
City of Aberdeen Land	June 30	1,023	6,003	7,026	..	5,291	10	1,735	5,561	10
City Property of Aberdeen	June 30	1,639	2,429	4,068	450	680	7½	1,323	1,899	6
Edinburgh Canadian Mortgage ..	May 31	1,966	10,573	12,539	5,000	5,000	5	2,539	13,054	6
United States Mortgage Co. of Scotland	May 31	7,006	20,367	27,373	5,090	9,427	12½	12,856	15,572	10
Iron, Coal, and Steel.										
Edward Wood	May 31	11,723	5,519	17,242	8,550	4,125	5	4,567	..	..
J. Samuel White	April 5	1,466	24,085	25,551	21,000	..	..	4,551	..	..
Motor and Cycle.										
E. G. Wrigley	April 30	Dr 86,095	Dr 10,353	Dr 96,448	..	..	..	Dr 96,448	Dr 35,775	..
Rubber.										
Beaufort Borneo	April 30	7,836	9,742	17,578	..	8,625	6	3,000	5,953	..
Malayalam Plantations	Mar. 31	7,353	43,963	51,316	..	32,051	5	1,442	17,823	..
Mayalan Rubber Loan & Agency ..	June 30	680	Dr 1,928	Dr 1,248	..	..	..	Dr 1,248	Dr 2,818	..
New London Borneo Tobacco	Dec. 31	Dr 14,901	Dr 31,795	Dr 46,696	..	..	..	Dr 46,696	Dr 29,156	..
Tali Ayer	April 30	29,165	10,623	39,788	..	22,500	7½	17,288	..	..
Shipping.										
Anchor Line (Henderson Bros.) ..	April 30	135,858	23,238	159,096	13,468	12,500	5½	133,128	151,738	5½
Burns, Philp	Mar. 31	8,854	172,795	181,649	..	125,000	10	50,000	176,873	10
Telegraphs, &c.										
Indo-European Telegraph	Dec. 31	17,992	33,993	51,985	..	29,750	7½	22,235	..	..
Para Telephone	Dec. 31	4,457	2,843	7,300	..	..	..	..	7,300	..
Trusts.										
British Steamship Investment ..	June 30	340,694	152,478	493,172	13,613	163,350	12	316,209	178,690	15
Equatorial Rubber	Mar. 31	20,430	24,294	44,724	..	..	..	30,000	14,724	..
Tyre Investment	Feb. 28	69,303	131,188	200,491	187,500	..	..	12,991	13,509	..
Other Companies.										
Bradford Coal Merchants, &c.	Mar. 31	4,567	18,518	23,085	5,500	10,486	7	3,000	4,099	6
Crosse and Blackwell	Feb. 28	24,035	Dr 99,737	Dr 75,702	..	..	..	Dr 75,702	112,115	..
Dent, Allcroft	Jan. 31	Dr 397,649	Dr 11,868	Dr 409,517	..	..	..	Dr 409,517	Dr 432,744	..
Eastwoods	Mar. 31	27,402	11,148	38,550	..	14,460	5	24,090	25,295	6
Lancashire & Yorkshire Waggon ..	June 30	8,374	6,775	15,149	..	7,575	..	..	7,574	..
Salter and Salter	June 30	Dr 6,284	3,945	Dr 2,339	3,600	..	..	Dr 6,500	561	..
Van den Berghs	Dec. 31	106,964	346,842	453,806	272,081	73,398	50	108,327	Dr 266,885	..
W. H. Chaplin	Mar. 31	10,458	40,876	51,334	4,373	19,500	10	10,000	17,460	..

† Free of tax. † Two years' results.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended July 20, 1923.	Miles Open.	Week Ended July 22, 1923.			Aggregate 29 Weeks 1923.		
		Passen- gers.	Goods, &c.	Total for Week.	Passen- gers.	Goods, &c.	Total Receipts.
Great Western	3,579	305,000	336,000	641,000	7,042,000	10,377,000	17,419,000
London & North-Eastern	6,661	560,000	649,000	1,209,000	12,103,000	21,573,000	33,676,000
Do same period 1922	6,657	589,000	727,000	1,316,000	13,324,000	21,854,000	35,178,000
London, Mid., & Scottish	6,962	794,000	778,000	1,572,000	17,404,000	26,739,000	44,143,000
Southern	2,115	401,700	108,200	509,900	8,905,100	3,367,800	12,272,900
Midland & B.W. Junc.	65	1,209	2,383	3,592	34,291	38,847	73,138
Metropolitan (c)	79	31,843	3,678	35,521	937,492	106,911	1,044,403
Underground E.R. (c) ..	..	..	..	..	..	..	123,294
Lon. & Sub. Group (c) ..	..	..	..	..	..	..	1,164,929
Belfast & Co. Down (b) ..	80	8,404	995	9,399	151,199	34,780	185,979
Dublin and S. East. (b) ..	160	7,643	2,713	10,356	158,078	102,641	260,719
Midland G. West. (b) ..	538	9,433	11,470	20,903	272,462	435,742	708,204

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
Assam Bengal	11 weeks	June 16	1,049	Rs. 1,98,689	Rs. - 27,411	Rs. 24,30,749	Rs. - 26,168
Barsi Lt. Ry.	12 weeks	30	118	22,400	- 28,700	4,15,400	- 71,600
Bengal & N. Western	12 weeks	23	67	6,70,450	+ 35,057	81,63,915	+ 2,94,763
Bengal Nagpur	11 weeks	16	2,727	14,84,000	+ 1,48,000	1,77,65,000	+ 3,70,187
Bombay, Bar. & C.I.	15 weeks	July 14	2,994	17,91,000	- 2,12,000	3,49,51,000	- 31,000
Burma	12 weeks	June 23	1,342	6,22,985	- 28,957	85,93,263	- 3,54,149
Delhi, Umballa & Kalka	15 weeks	July 14	239	95,000	- 6,628	15,25,647	- 35,515
East Indian	15 weeks	21	2,856	29,99,000	- 1,71,000	5,17,42,000	+ 28,96,000
G. Indian Peninsula	15 weeks	14	3,164	20,32,200	- 2,49,500	4,13,78,529	- 13,75,041
Madras & S. Mah.	13 weeks	June 30	3,028	15,00,000	- 47,217	1,97,63,104	- 2,02,978
Rohilk'd & Kumaon	12 weeks	23	259	61,990	- 8,872	7,68,298	- 44,219
Do Lucknow-Breilly	12 weeks	23	313	69,669	- 21,189	9,33,745	- 69,071
South Indian	13 weeks	30	1,890	10,68,685	+ 1,00,139	1,28,05,938	+ 3,327
CANADIAN.							
Canadian National ..	29 weeks	July 21	22,680	4,740,198	+ 343,601	13,211,469	+ 15,111,425
Canadian Pacific	29 weeks	21	13,539	3,254,000	+ 263,000	90,233,000	+ 4,594,000
CHILE AND PERU.							
Antofagasta	29 weeks	July 22	838	39,405	+ 15,145	1,015,440	+ 449,290
Nitrato (4-monthly)	28 weeks	15	366	36,535	+ 11,825	433,642	+ 246,878

ARGENTINE (a).

Argentine N.E.	3 weeks	July 21	752	12,100	+ 1,500	32,400	+ 2,700
Argentine Trans.	2 weeks	14	111	2,744	+ 1,544	6,265	+ 5,895
B. A. and Pacific	3 weeks	21	3,317	127,000	+ 2,000	399,000	+ 25,000
B. A. Gt. Southern	3 weeks	21	3,948	150,000	+ 5,000	468,000	+ 24,000
B. Western	3 weeks	21	1,882	72,000	+ 3,000	217,000	+ 5,000
Central Argentine	3 weeks	21	3,305	207,000	+ 14,000	622,000	+ 34,000
Cordoba Central	3 weeks	21	1,205	68,700	+ 8,700	208,200	+ 10,800
Entre Rios	3 weeks	21	729	17,000	+ 1,300	44,800	+ 4,200

BRAZILIAN (b).

S. West. of Brazil	29 weeks	July 21	1,005	5,800	+ 5,800	285,600	+ 94,800
Leopoldina	29 weeks	21	1,831	31,583	+ 713	688,348	+ 77,438
San Paulo	23 weeks	22	153	35,100	+ 7,798	781,239	+ 24,678

CUBAN.

Havana Central	3 weeks	July 21	..	11,415	+ 2,431	34,747	+ 5,883
United of Havana	3 weeks	21	1,210	57,312	+ 7,958	173,359	+ 18,810

URUGUAYAN.

Central Uruguay	3 weeks	July 21	273	16,442	+ 4,989	58,590	+ 6,785
C. Urug. (East E.R.)	3 weeks	21	31	3,870	+ 820	13,217	+ 397
C. Urug. (North E.R.)	3 weeks	21	185	1,959	+ 686	6,519	+ 35
C. Urug. (West E.R.)	3 weeks	21	811	1,456	+ 61	5,253	+ 282

OTHER OVERSEAS.

Alcoy and Gandia	29 weeks	July 21	33	20,000	+ 5,000	641,800	+ 66,500
Egyptian Delta	13 weeks	June 30	575	7,040	+ 475	58,417	+ 13,445
Gt. Southern of Spain	28 weeks	July 14	104	35,923	+ 39,541	2,790,700	+ 593,348
Mexican Railway	3 weeks	21	403	253,400	+ 12,000	646,300	+ 102,900
New Cape Central	26 weeks	June 30	205	2,979	+ 688	71,509	+ 1,468
Paraguay Central	2 weeks	July 14	274	1,090	+ 760	3,600	+ 2,880
Salvador	3 weeks	21	100	2,824	+ 1,165	7,340	+ 5,860

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	29 weeks	July 21	329	£76,744	+ 5,354	2,445,757	+ 30,252
Burnley Corporation	1 week	21	12	£3,124	+ 210	..	..
Calcutta Tramways	29 weeks	21	354	Rs 127,559	+ 9,765	..	+ 32,345
Chatham & District	28 weeks	12	15	£1,854	+ 38	42,361	+ 2,653
Egyptian Markets	28 weeks	12	..	£1,507	+ 83	55,759	+ 6,392
Glasgow Corporation	7 weeks	21	106	£30,817	+ 338	309,000	+ 121
Isle of Thanet	42 weeks	18	..	£2,219	+ 331	33,772	+ 1,007
Lancashire United	29 weeks	17	39	£2,797	+ 63	81,976	+ 5,477
Liverpool Corpora- tion	15 weeks	21	124	£27,846	+ 1,582	443,001	+ 34,001
L.C.C. Tramways	16 weeks	25	164	£86,680	+ 7,178	1,465,458	+ 100,021
Madras Electric (2 wks)	28 weeks	15	..	Rs 56,964	+ 6,051	6,77,125	+ 39,804
Pernambuco Trams	29 weeks	22	..	£3,534	..	107,289	+ 7,641

features, and with shippers inclined to press, prices were on a lower level for all descriptions. Several cargoes of No. 2 Northern Manitoba, November and December shipment, sold to Mediterranean at 42s 3d, and a steamer of choice white Karachi, on passage to United Kingdom, at 41s 9d per 480 lbs. Flour remains firm, owing to scanty wheat supplies, and stocks at the mills are very slow. It is reported that millers are obtaining small quantities from the near Continent. Nominal quotations are:—London standard straight run 40s, patents 42s to 43s, town households 38s per sack, delivered in Metropolitan area. Of imported, Manitoba patents 35s 6d to 39s, Minneapolis good patents 38s 6d to 39s, and Australian 35s 6d to 37s, all per 280 lbs. ex store. Maize cargoes easier, and a steamer of La Plata, shortly due, changed hands at 33s 3d, September-October 34s. Of barley several cargoes of Persian, November, December, and January shipments, sold to the Bristol Channel at 23s per 400 lbs. c.i.f. terms. Millers' offals firmer. Broad bran quoted at 6s 6d, ordinary ditto 5s 6d-5s 9d, middlings 9s, bags included, ex mill. Light oats

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—July 20, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	1444	1474	1524	1543	1574	1639	1230	1315	1395	623	738	913
Brazilian.....	Mid	MF	Fr.	G	F	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Pernam.....	1469	1519	1594	1639	1700	1730	1170	1320	1395	598	848	913
Parahyba, Rio Grande, &c.....	1469	1519	1594	1639	1700	1730	1170	1320	1395	598	848	913
Maoio, &c.....	1469	1519	1594	1639	1700	1730	1170	1320	1395	598	848	913
Maoio, &c.....	1469	1519	1594	1639	1700	1730	1170	1320	1395	598	848	913
Ocara.....	1469	1519	1594	1639	1700	1730	1170	1320	1395	598	848	913
Maranhão, &c.....	1469	1519	1594	1639	1700	1730	1170	1320	1395	598	848	913
São Paulo.....	1469	1519	1594	1639	1700	1730	1170	1320	1395	598	848	913
Egyptian.....	Fr.	G	F	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Upper.....	1520	1580	1600	1620	1645	1675	1425	1500	1525	950	1250	1350
Sakellariadis.....	1470	1545	1565	1585	1615	1645	1425	1500	1525	950	1250	1350
Brown.....	1520	1580	1600	1620	1645	1675	1425	1500	1525	950	1250	1350
Peruvian.....	MF	Fr.	G	F	Gd.	Fr.	MF	Fr.	Gd.	MF	Fr.	Gd.
Rough.....	1450	1500	1550	1600	1650	1700	1350	1400	1450	1050	1100	1150
Moderately Rough.....	1450	1500	1550	1600	1650	1700	1350	1400	1450	1050	1100	1150
Smooth.....	1519	1594	1644	1694	1744	1794	1425	1500	1525	950	1250	1350
Tanguis.....	1519	1594	1644	1694	1744	1794	1425	1500	1525	950	1250	1350
Mitafi.....	1500	1550	1600	1650	1700	1750	1425	1500	1525	950	1250	1350
West Indian, &c.....	1475	1575	1650	1725	1800	1875	1350	1400	1450	1050	1100	1150
Do Sea Island.....	1900	2200	2500	2600	2700	2800	2300	2500	2600	2300	2500	2600
African, East, &c.....	1075	1175	1225	1250	1275	1300	1075	1175	1225	575	775	975
Do West.....	1454	1504	1514	1524	1534	1544	1195	1270	1300	705	805	855
Machine Ginned Surtee.....	1150	1190	1230	1270	1310	1350	1060	1100	1140	740	765	815
Machine Ginned Broach.....	905	955	1005	1055	1105	1155	950	1000	1050	564	604	679
Machine Ginned Bhowmuggar.....	915	965	1015	1065	1115	1165	960	1010	1060	564	610	685
Machine Ginned Oomra, No. 1.....	915	965	1015	1065	1115	1165	960	1010	1060	564	610	685
Machine Ginned Oomra, No. 2.....	915	965	1015	1065	1115	1165	960	1010	1060	564	610	685
Machine Ginned Khandelah.....	1145	1185	1225	1265	1305	1345	1070	1110	1150	705	745	785
Machine Ginned Comptah.....	840	880	920	960	1000	1040	800	840	880	450	500	575
Machine Ginned Bengal.....	830	870	910	950	990	1030	790	830	870	438	488	563
Machine Ginned Soinde.....	1285	1325	1365	1405	1445	1485	1230	1270	1310	840	885	930
Machine Ginned Western.....	1080	1120	1160	1200	1240	1280	1005	1045	1085	705	730	765
Machine Ginned Madras.....	1160	1200	1240	1280	1320	1360	1030	1070	1110	680	720	760
Machine Ginned Madras, Northern.....	1160	1200	1240	1280	1320	1360	1030	1070	1110	680	720	760
Machine Ginned M.G. Oconada, Red.....	1160	1200	1240	1280	1320	1360	1030	1070	1110	680	720	760
Machine Ginned China, Smyrna, &c.....	1160	1200	1240	1280	1320	1360	1030	1070	1110	680	720	760

MANCHESTER, July 26.

The market continues unsettled. Prices have continued to favour buyers. Much uncertainty exists as to the future level of values, and most buyers are anticipating cheaper rates. Cloth inquiry for India has been fairly extensive, but shippers have restricted their purchases to small lots, chiefly in light bleaching, finishing and dyeing fabrics, and grey staples have attracted very little attention. Standard makes for China have been comparatively quiet, but a moderate turnover has taken place in fancies and specialties. Business for the Near East has not been much in evidence, and only occasional contracts have been arranged for South America. Limited buying has occurred in home trade goods. Some very fair contracts have been arranged in cambrics for Germany. American yarn quotations have been weak when tested, and requirements of users have been of retail dimensions. Very little has been done in export yarns. Egyptian spinnings continue slower.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, July 26, 1923.	Previous Weeks in 1923.				
		July 19.	July 26.	July 26.	July 26.	July 26.
Raw Cotton—Fully Mid. American... per lb	15.01	15.71	15.92	15.75	16.49	16.49
Sakellariadis Fully Good Fair.....	15.01	15.71	15.92	15.75	16.49	16.49
Egyptian.....	15.01	15.71	15.92	15.75	16.49	16.49
Yarns—32's twist.....	21 1/2	22 1/2	23 1/2	23 1/2	24 1/2	24 1/2
— 40's twist.....	21 1/2	22 1/2	23 1/2	23 1/2	24 1/2	24 1/2
— 60's twist (Egyptian).....	28	28 1/2	28 1/2	28 1/2	29	29
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	30	31	32	33	34	34
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	33	34	35	36	37	37
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	18	18	18	19	19
32-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	16	16	16	17	17	17

(II.) Compared with Previous Years.

Description.	Price, July 26, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American... per lb	15.01	13.29	8.34	27.29	21.16	20.80
Sakellariadis Fully Good Fair.....	15.01	13.29	8.34	27.29	21.16	20.80
Egyptian.....	15.01	13.29	8.34	27.29	21.16	20.80
Yarns—32's twist.....	21 1/2	18.00	15.50	67.03	27.09	30.19
— 40's twist.....	21 1/2	18.00	15.50	67.03	27.09	30.19
— 60's twist (Egyptian).....	28	28 1/2	31	98	58 1/2	64
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	30	31	32	33	34	34
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	33	34	35	36	37	37
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	18	18	18	19	19
32-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	16	16	16	17	17	17

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market generally presents a quiet appearance, and there is nothing in the present situation to suggest any immediate improvement. The one thing that prevents an utter feeling of despondency is the comparative strength of the raw material market. Since the cancellation of the auctions, there has been a fair inquiry for wool in the bale and for matchings, and it seems probable that a considerable turnover will take place before the resumption of the auctions in London in September. American and Continental firms are interested, and this movement of wool, while helping holders in this country to get rid of some of their stocks, is also valuable in that it reveals a firm tendency in values. When we turn to semi and fully-manufactured goods, however, the outlook is not very encouraging. Trade is being confined to a miscellaneous picking up of cheap lots, and as some firms are obliged to realise, bargain-hunters are busily combing the market for the weak sellers. If the statistical position of wool is anything to go by, some of the purchases now being made should prove to be very sound investments in a few months' time, but the trouble is that few users have the courage to go in and buy forward while they are confronted with so much idle machinery. Continental competition in yarns and piece goods tends to become more acute, and producers here complain that they are quite unable to contend with the depreciated exchanges. This matter is rapidly becoming serious, for although it is regarded as being of a more or less temporary nature, it is obvious that British firms cannot go on indefinitely selling their products at prices considerably below replacement values. British wools are firm, but there is not much business passing, as prices in the country are well above the ideas of users.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The plain coating trade is very depressed, and both German, Belgian, and French mule spun yarns are being offered in increasing quantities to every hosiery manufacturer throughout Great Britain. This competition is serious, simply because on account of the low exchanges Bradford spinners are completely out of the running. One of them remarked this week that one of his best customers in Leicester had shown him some French spun yarns which staggered him, single 24's being offered as low as 5s 2d, a price that is little more than the cost of the top. Continental exchanges are certainly handicapping the home trade in a manner that is most annoying.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

In the imports of wood into this country for the past six months it is gratifying to notice the increasing shipments of building timbers and hard woods from Canada, especially hard woods, while for building and packing-case work the growing shipments from Latvia and Poland are welcome—when they are ready for delivery to consumers.

Business is still slow in the furniture woods market. Of mahogany logs, stocks in first hands are moderate, with prices very firm; but mahogany boards are plentiful, with values fairly steady. American woods are slow in demand, and some consumers are awaiting a further drop in values, but from advices to hand from the United States it would appear that exporters there are thinking upwards rather than down. Pitch pine, teak, Oregon pine, and other shipbuilding timbers are awaiting better times in the industry in the North; but the boilermakers' strike still exists, though this might not be the only reason for the bad state of shipbuilding.

VEGETABLE OILS AND OILSEEDS.

Quotations for the new crop are already being made, and values are almost identically at the level they were a year ago when the present crop was first offered. In sympathy with seed, and reflecting the small demand, the oil product has eased off, and is about 40s per ton below the highest last week in the new positions. The export demand for linseed oil is very small, and America continues out of the market.

Cottonseed has been easier in Alexandria, and sellers here have been discounting the market, quite low figures having been accepted for Sakellariadis afloat. The new crop, shipment of which is expected to commence in October, is offering at £10 2s 6d to Hull. Cotton oils show no sign of an improved demand, crude Egyptian offering freely at £34 10s, ex Hull mill, without response.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides remain steady, both in London and the provinces. At the Bermondsey auctions on Thursday best ox again sold from 6½d to 8½d, the two light classes showing a decline of ½d. Best cows from 5½d to 5½d showed an advance also of ½d per lb. Calf were steady, best making from 5½d to 10½d per lb, alterations being unimportant. The 8 lb and under class were withdrawn in view of attitude of bidders. Lambs sold from 2s 1d to 6s 6d each, and pelts from 3s 4d to 5s 6d each, prices being firm and the demand good. The demand for foreign hides is better, and, as supplies are fairly heavy, tanners are pressing for lower rates. The surprise of the week, however, has been the news that Germany has bought no less than 20,000 fregorifics and 20,000 Liebig hides, besides other hides in various markets. Argentine ox are quoted at \$37 and Liebig's round about 7½d and 8½d. Dry hides are selling better, and tanners seem to be regaining confidence.

Sole leather has been in better demand this week, and fair parcels of medium and light bends have gone to the various centres. Prices are firm, but the big tanners do not seem able to resist a bid for a large block of stock at a shade less money, and merchants have in some cases taken advantage of this. Manufacturers are pressing for concessions, and many have managed to get deliveries spread over the next three or four months.

Upper leathers are still quiet, although this week there has been a moderate run on cheap patent. Box calf and willow calf are still selling slowly, and home-dressed leather is still under a cloud owing to cheap German leather. Glacé kid is selling in black and colours, but saddles are almost a dead letter. Curriers are slack in kip butts and semi-chrome.

Boot manufacturers are rushing out holiday wear, but the fine weather has come too late to be of much service to them.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, July 27.

The quiet tone prevailing for most commodities became more pronounced during the week, business being hampered by the dock strike, with consequent difficulty of securing supplies.

SUGAR.—Business in refined descriptions was on a moderate scale, chiefly confined to British makes, as foreign are handicapped in the matter of delivery. Prices maintained a steady level. Messrs Tate and Lyle's cubes sold 6½s 6d to 6½s 6d, as to quality; granulated, 58s 1½d to 58s 7½d; September, No. 2, and/or London, quoted, 57s 3d; October, 55s 9d; November-December, 53s. American granulated, spot, quoted 56s 6d; white Java, spot, 54s 6d to 55s, as to sample; ditto, May-June, 23s 6d; June-July, 23s 4½d; July-August, 23s 3d, c.f. and i. terms, London. Continental parcels for shipment quite nominal, with an absence of definite offers. Raw refining kinds inactive and nominal. Terminal market generally quiet and somewhat unsettled. August delivery, sold, 26s 6d to 27s 6d; December, 21s 9d to 21s 3d and 21s 9d. Cuban stocks stand at 540,400 tons, against 658,000 tons at same time last year.

COFFEE.—The market presented a steady, quiet tone. In auction Nairobi, middling to good, ditto, sold, 78s to 85s; fancy bold Costa Rica, 120s.

COCOA.—Market remains very dull, and prices at public sales ruled mostly easier where business transpired. Trinidad, sold, 47s (d to 48s; Grenada, 44s to 46s; Jamaica, 44s 6d; good bold red Ceylon, 83s 6d; Accra, October-December and December-February, quoted 31s, f.o.b. terms.

TEA.—Only 2,350 packages Indian were brought to auction owing to the dock strike, and soon sold at full to rather dearer prices. 10,800 packages Ceylon were eagerly competed for, and prices ruled firm to ½d, and in some cases, 1d per lb advance for really fine qualities. Java and Sumatra sold well at full prices for all medium to fine, but some commonest kinds ruled weaker.

RICE. remains very quiet and featureless as far as the European situation is concerned, but no pressure arises from shippers, and previous quotations were adhered to. Local Burma markets cabled very steady, and inquiries on Japanese account for Straits quality led to some 50,000 tons being disposed of during the past two or three weeks. Spanish steady, but there is not much demand just now. Carolina sorts sparingly offered. Broken kinds call for no comment. Japanese peas, on spot, quoted 24s 3d cwt.

SPICE.—There is no revival in demand for pepper, but sellers refrain from pressing, and quotations meantime show no alteration. Cloves steady, quiet. Fair quality Zanzibar, spot, is 1½d; May-July, is 1½d; August-October, is 2d lb. Tapioca steady, but only retail inquiries are circulating at the moment. Sago flour, June-August, sellers, 12s 4½d. Desiccated coconut quiet. Fine cut, spot, 37s 6d; medium, 38s; halves, June-July, value 35s; July-August,

35s 9d; August-September, 36s; and September-October, sold, 36s cwt and buyers.

JUTE.—A calm state of affairs predominated, and prices are lower on the week. First grade new crop, August-September, also September-October, Continent, sold, £22 10s; lightning ditto, value, £21 10s ton. Hessians flat.

HEMP.—Manila dull of sale, and general position rather nominal at the moment. J grade, afloat, sold, £30 5s; ditto August-October, sellers, £30 10s; K and L, £27 10s; and M., £26 10s ton. African Sisal unaltered.

SHELLAC quiet. T.N., spot, 260s; August, 242s 6d; October, 237s 6d cwt.

COPRA.—Prices were forced down on selling desire, and considerable quantities of Manila, Cebu, also South Sea continue to offer to European destination, which is the outcome of lack of American support for same. F.M.S. Straits, August-September, London, sold, £24 12s 6d to £23 16s 3d; ditto, May-July, Rotterdam, done £25 to £24 10s; June-August, £24 12s 6d to £23 15s; August-October at £24 5s to £23 12s 6d; October-December, £24 5s to £23 10s. Ceylon, July-August, Continent, quoted £26 5s; Java ditto, £24 17s 6d; Dutch East Indies, June-July, sold at £24 12s 6d to £24 7s 6d; ditto, June-August, £24 to £23 15s; Cebu, July-August, sellers, £24; South Sea Islands, £23; F.M., Manila, August-September to Marseilles, sold, £23 5s to £23. Palm kernels weaker, with business in the July-September position to Liverpool at £16 18s 9d to £16 8s 9d ton.

RUBBER.—Prices fluctuated a little at times, but a fair amount of trade was carried through. Standard plantation, crepe and sheet, 5½d, also August, sold, 15d to 15½d, and 14½d; September, 15½d; October, 15½d to 15½d; October-December, 15½d to 15½d and 15½d; January-March, 16d to 16½d and 16d. To New York, standard sheet, European estate, August-September, sold, 14½d; and September-October, 15d per lb, c.f. and i. Wild descriptions quiet, unaltered.

OILS.—Linseed quiet and easier. Spot, net, naked, quoted 42s; July, 39s 9d; August, 39s; September-December, 36s 6d. Rape quiet. Crude, spot, 39s; refined, 42s. Cotton quiet. Crude Egyptian, spot, 38s; common edible, 43s 6d; deodorised (in barrels), 47s 6d. China-wood nominal. Hankow, spot (barrels), 104s; July-August, 93s. Coconut lower. Ceylon, spot, 43s; July-August, 41s; Cochin, ditto, quoted 47s. Soya quiet. Oriental, barrels, July-August, 36s 9d. Japan fish nominal. Cod quiet. English, spot, 34s. Groundnuts quiet. English, crushed, naked, spot, 43s; deodorised, barrels, 52s. Turpentine easier for spot, but steadier forward. American, spot, 74s 6d; Sept.-December, 73s; January-April sold, 73s 6d. Rosin quiet. American, grade B, 13s; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; WG, 17s 6d; WW, 18s 9d, per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil firmly held. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical 61s per cwt.



Inland Tel-grams :

OILSEEDS.—Linseed quiet and easier, especially new crop La Plata. Bold Bombay, afloat, £20 7s 6d; small Bombay, ditto, £19 15s; Calcutta, afloat, £19 15s; June-July, £19 15s; August-September, sold, £19 12s 6d to £19 7s 6d; Plate, afloat, £18 10s; July-August, £18 7s 6d; January-February, sold, £17 5s to £16 5s. Rapeseed easier. Toria, July-August, £16 2s 6d; real bold Ferrozepore, ditto, £15 10s; Jamba, £12. Cottonseed weak. Egyptian black, August, £11; and white, £10 10s, to Hull. Bombay, August-September, £9 7s 6d. Gingly seed quiet. Large Bombay, July-August, Continent, sellers, £23. Chinese, ditto, £23 10s, Continent. Ground-nuts dull. Coromandel, machine-dried, July-August, £21 10s to £21 15s. Chinese decorticated, f.a.q., July-August, £22; East African, ditto, £21. Soya beans quiet. Manchurian, August-September, £11 12s 6d. Castorseed quiet. Bombay, July-August, £20 5s per ton.

METALS.—Tin opened firmer in sympathy with higher prices in the East, though a good deal of irregularity was noticeable. A fair business transpired, including standard, cash, at £186 5s to £186 15s, and three months at £188 to £187 and £187 15s. Sales in the East were reported on the basis of £190 10s, c.i.f. The market subsequently ruled easier owing to heavy realisations, particularly with regard to distant positions, and by the middle of the week standard, cash, changed hands at £185 2s 6d to £184 10s, and three months fluctuating between £186 10s to £185 10s and £186. Further sales occurred in the East at £192, c.i.f. On Thursday the tendency ruled easier, with moderate sales. Standard, cash, sold at £184 to £184 5s to £183 15s, and three months £185 to £185 5s to £184 15s. Prices, after opening below the previous day's close, displayed firmer features on Friday, though only small sales took place. Standard cash sold at £182 10s to £184, and three months £184 10s to £185 5s. English ingots £185 to £185 10s. Copper was a weaker market due to liberal offerings, but at the lower prices a good business was effected. Standard, cash, sold at £65 15s, and three months at £66 15s to £66 10s. Subsequent movements were attended, but slight irregularity with business on a smaller scale. On Wednesday standard, cash, quoted at £66 15s, and three months sold £66 10s to £66 5s to £66 10s. Only quiet trading ensued on the following day, and trend of values proved in buyers' favour. Standard, cash, quoted at £66 7s 6d and three months sold at £66 5s. On Friday the tone proved fully steady with small sales. Standard cash sold at £65 7s 6d, and three months at £66 5s. Electro, £72 10s to £73. Strong sheets, £100; best selected, £63 10s to £70. Wire bars, £73 per ton. Lead quiet at £24 2s 6d. Spelter dealer at £31 2s 6d to £31, according to position. Aluminium: Home, £115; export, £120. Antimony quiet; ordinary, £30 to £32.

TALLOW.—Messrs Colchesters and Woolner write as follows on July 25th:—The tallow market was quiet during the week, and prices are unchanged to-day. A little business has been

done for export as soon as possible. Shipments of tallow from Australasia during June amounted to 2,700 tons. At auction to-day — casks tallow were offered and — were sold. Quotations are:—Australian mutton: Fine, 42s 6d; good to fair, 41s 6d to 41s; dull to dark, 38s to 36s 3d; hard, 42s. Australian beef: Fine, 42s; good to fair, 41s to 38s 6d; dull to dark, 37s to 35s 9d; sweet, 42s. Present shipment from Australasia nominal. Present shipment from South America, 38s 6d to 37s 6d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 14d; melted stuff, 27s 6d per cwt. Quotations are:—Town, 35s, net cash, naked, ex works. Country: Frail casks, 35s; home melted, shipping casks, net, f.o.b. good coloured, 38s 6d; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzine, 34s; melted stuff, 34s, f.o.b.

METROPOLITAN CATTLE.—JULY 26.

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

Beasts—Herefords	7 0 to 7 4	Beasts—Heavy Bulls	nominal
Short-horns	6 7 2	Canadian	nominal
Devons	7 6	Sheep—Downs	10 4
Norfolks	nominal	Ewes	6 8
Scottish	nominal	Crossbred	10 0
Irish	nominal	Scottish	nominal
Fat Cows	4 9 to 5 6	Lamb—Downs	11 4 to 12 6

LONDON POTATO MARKETS.—JULY 26.

	Per Cwt.		Per Cwt.
English (new) Sharpe's	s d s d		s d s d
Express	7 0 to 8 0	Epicures	6 0 to 6 6

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SATURDAY, AUGUST 4, 1923.

No. 4,171.

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THE MONEY MARKET.

MONEY was said to be very plentiful over the turn of July,
but on Thursday, when the Bank return and the cur-
rency note statement showed the extent to which holiday
demands for circulation had already taken cash into the
country, there began to be doubt as to whether there was
any substantial margin between the market and poverty,
and discount rates, which had been weak and very
nominal, hardened appreciably. Yesterday this harden-

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.	DRUGS.	INDIA RUBBER.	PROVISIONS.	SPICES.
0000A—Duty, British grown	Aloes, fine E.L., per cwt	Para, fine, hard spot	Butter—per cwt	Pepper, lb
2s. 4d. foreign 28s. cwt	Cape, good to fine	Plantation crepe	Irish creamery	Black Singapore
Trinidad, per cwt	Balsam Peru	INDIGO—per lb	Do factory	White Siam
Grenada	Cayenne	Bengal, good red vio-	Argentine	Pimento
Oeylon, plantation	Camp	let to fine	Dutch	Cinnamon—1st sort
Guayaquil	Japan, refined	Mid. ord. vio. to good	New Zealand	Do 2nd
Bahia, finest	Cardamoms, Ceylon	Low to good ord.	Danish	Do 3rd
COFFEES.—British grown	Canthrida, China pr lb	Mexico, dry leaf, good	Beacon, engd.—Irish	Cassia Lignea
2s. 4d. foreign 28s. cwt	Castor oil	Do low to good	Danish	Olivea—Zanzibar
Do India fine good, mid	Gum Benjun, Sum. cwt	Kurpah, g.d. mid. to g.d.	American	Penang
Do good to fine	Olibanum, drops	Low to mid	Hama—Irian	Amboyana
Costa Rica, ord. to mid	Ipecacuanha	HEMP. —per ton	Canadian	Chillice—per cwt
Good to fine	Salap	Italian P.C.	Do wormy	Do small rough
Central American, g.d.	Musk pod, China	Manila, "J" grade	Do wormy	Do wormy
ord. to mid	Oil, Cassia	Madras, dry leaf, good	Do wormy	Do wormy
Mid. to fine	Aniseed	Do low to good	Do wormy	Do wormy
Columbian, ordinary	Peppermint, H.G. lb	Do low to good	Do wormy	Do wormy
Do g.d. ord. to low	Esbrb, China, fr to g	JUTE.	Do wormy	Do wormy
Do mid. to fine	DYE STUFFS.	Native first marks	Do wormy	Do wormy
CHERRYOLLS.	Galls, China, per cwt	Aug. Sept.	Do wormy	Do wormy
Acid, citric	Turmeric, Bengal	LEATHER. —per lb	Do wormy	Do wormy
Nitro	Madras, finger	Bole Benda 6/9 lb	Do wormy	Do wormy
Oxalic, net	Camel, black	Do do 12 1/2	Do wormy	Do wormy
Tartaric, English	Onch, ord. to fair	Do do 14 1/2	Do wormy	Do wormy
Foreign	DYEWOODS.	Do do 16 1/2	Do wormy	Do wormy
Alum lump	Brass	Do do 18 1/2	Do wormy	Do wormy
Do ground	Fustic, Jamaica	Do do 20 1/2	Do wormy	Do wormy
Ammonia, carb. ton	Ouba	Do do 22 1/2	Do wormy	Do wormy
Muriate, White, ton	Lima Wood	Do do 24 1/2	Do wormy	Do wormy
Sulphate	Lawood, Camphor	Do do 26 1/2	Do wormy	Do wormy
Arsenic, lump, per ton	Bonduras	Do do 28 1/2	Do wormy	Do wormy
Powder	Jamaica	Do do 30 1/2	Do wormy	Do wormy
Ashes, pot.	Red Sanders	Do do 32 1/2	Do wormy	Do wormy
Pearl do	Sapara Ceylon	Do do 34 1/2	Do wormy	Do wormy
Bleaching pwr. p. 100	FLAX. —spot—c.l.f.	Do do 36 1/2	Do wormy	Do wormy
Borax, gran.	Biga ZK	Do do 38 1/2	Do wormy	Do wormy
Do crystals	Blancas U/A Medium	Do do 40 1/2	Do wormy	Do wormy
Do powder	FRUIT.	Do do 42 1/2	Do wormy	Do wormy
Orange Tartar	Oranges, Val. selected	Do do 44 1/2	Do wormy	Do wormy
92% powder	Do	Do do 46 1/2	Do wormy	Do wormy
Calomel	Do	Do do 48 1/2	Do wormy	Do wormy
Iodine, dry	Do	Do do 50 1/2	Do wormy	Do wormy
Nitrate of Soda, p. 100	Do	Do do 52 1/2	Do wormy	Do wormy
POTASH.	Do	Do do 54 1/2	Do wormy	Do wormy
Chlorate, net	Do	Do do 56 1/2	Do wormy	Do wormy
Permanganate	Do	Do do 58 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 60 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 62 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 64 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 66 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 68 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 70 1/2	Do wormy	Do wormy
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Sulphate	Do	Do do 80 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 82 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 84 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 86 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 88 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 90 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 92 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 94 1/2	Do wormy	Do wormy
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Sulphate	Do	Do do 98 1/2	Do wormy	Do wormy
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Sulphate	Do	Do do 102 1/2	Do wormy	Do wormy
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Sulphate	Do	Do do 168 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 170 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 172 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 174 1/2	Do wormy	Do wormy
Sulphate	Do	Do do 176 1/2	Do wormy	Do

ing was carried further by the Treasury Bill result, and bank bills were quoted nominally at $3\frac{1}{4}$ per cent.

	Aug. 3, 1923.	July 27, 1923.	July 20, 1923.	July 13, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	$1\frac{1}{4}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	$3\frac{1}{4}$	$3\frac{1}{4}$	$3\frac{1}{4}$	$3\frac{1}{4}$	..

The Bank return showed an increase in the circulation and a decrease in the Reserve of £904,000. A small decline in the securities, and an addition of $2\frac{1}{4}$ millions to the public deposits, left the private deposits $3\frac{1}{2}$ millions lower. Currency notes outstanding were increased this week by £2,696,100 to £291,745,300, which includes £1,460,100 for notes called in but not yet cancelled. The fiduciary issue is £240,835,200, or £29,348,600 below the maximum.

THE STOCK MARKETS.

The Stock Exchange has passed a depressing week, and the bears have been taking advantage of the general nervousness arising from the political deadlock. The gilt-edged market has been dull, though prices have not drooped very much, and were indeed inclined to recover a little after the Premier's statement on Reparations on Thursday. In other markets there is a monotonous list of declines to be recorded, though in many cases there was a recovery from the lowest. In the foreign market French bonds have given way sharply, and the new Austrian Sixes have changed hands at a slight discount. Home Rails have been unaffected by the interim dividend announcements, while Argentine Rails, after a temporary rally, have become depressed. Rubber shares were slightly better at first, but oils have been very flat, owing largely to foreign selling. Lack of public interest has been conspicuous in the miscellaneous section, and the mining markets have done little business.

THE COMMODITY MARKETS.

The advent of the holidays and the Ruhr crisis have in many instances had adverse effects upon the commodity markets in various directions during the week. Prices on the Cardiff coal market have been steady for all grades of coal, but our Sheffield correspondent mentions that the fuel position is weaker, there being an absence of demand for both steam and house coal. Notwithstanding the easier prices of pig-iron, makers cannot induce buyers to make purchases. The steel works are complaining about the scarcity of orders, and in several instances the number of furnaces has been reduced. Both tin and copper have been weak. After a marked fall, there has been a quick upward movement in raw cotton prices, mainly as a result of the crop report published by the American Government. Overseas demands for wool tend to keep the raw material firm in value, but in other sections of the industry a state of stagnation exists. Higher prices are reported in hide markets. Sugar was lower, but coffee and tea values were steady. The rubber market was generally steady, but quiet. Linseed oil has further declined.

FOREIGN EXCHANGES.

The foreign exchange market has been very depressed again this week, owing to the European crisis. Business has been dull, and there was a general air of waiting for the pronouncement of the British Government on Thursday, as a result of which a slightly steadier tone was apparent. The violence of the rise of the Berlin rate has been checked, and there was even a slight recovery on Saturday. The rate fluctuated between 4,000,000 on that day and 5,300,000 on Thursday, standing finally on Friday morning at 5,000,000. It would seem that the German Government has decided to make one more attempt to regain control of the situation by the issue of a gold loan and the introduction next week of fresh financial reforms, while the Reichsbank has raised its discount rate from 18 per cent. to 30 per cent. Whether the Government will be strong enough to carry through

any effective reform remains to be seen, but, in any case, it is not thought that the raising of the Bank rate will be sufficient by itself to check the demand for credit. The forward rate of 1,500,000 to 2,000,000 for one month above spot remains nominal, there being no buyers in the market. The Paris rate has shown a steady depreciation, moving from 77.65 on Saturday to 80.15 at one time on Thursday. The latter rate, which constitutes a record for the franc, was due to apprehension concerning the nature of the British Government's statement. After its publication, however, the rate steadied to 79.40, and stood yesterday morning at 79.15, thus expressing the general feeling that the door has not been definitely closed on the prospect of a settlement of the Ruhr question. But, at the same time, there is no great faith in the future of the franc should the present opportunity be allowed to pass. As usual, the Belgian rate moved in sympathy with the French, but to a greater extent. The rise was slow over the week-end, from 94.55 on Saturday to 95.80 on Tuesday, but continued more rapidly during the following days, and stood at 99.60 on Friday, after touching 101.10 on the previous day. In Paris the forward quotation is slightly wider at $4\frac{1}{2}$ 5c per month above spot, while Brussels is 3-5c per month below. The lira has also depreciated in value, but to a much less extent, as might be expected. The rate stood yesterday morning at 105 $\frac{1}{2}$, as against 104 $\frac{3}{4}$ a week ago. It is impossible yet to tell the effect on the New York Exchange of the death of President Harding. It seems possible, however, that the uncertainty which must exist in the political situation there during the next few days may be reflected in the rate, which during the past week has fallen from 4.59 $\frac{1}{2}$ to 4.56 $\frac{3}{4}$ on Thursday. Yesterday morning there was a slight reaction to 4.57. Special purchases of dollars in New York were reported during the week, but it is not expected that this will continue for long. It should, however, be borne in mind that the harvest season in America usually results in large demands for credit from the banks, and that consequently action by the Federal Reserve Board in restriction of credit may have to be considered. Forward rates are narrower at $\frac{1}{8}$ - $\frac{1}{4}$ c per month above spot. The Amsterdam rate fell from 11.64 to 11.61 $\frac{1}{2}$ on Tuesday, but has since risen to 11.62 $\frac{1}{4}$. The fall would seem to be due in part to the large demand for guilders from Germany and in part to a sympathetic movement with the dollar exchange. Switzerland has continued to move against us, and is now at 25.58, as against 25.70 a week ago, while Madrid has risen from 32.12 to 32.45. In Central Europe, Vienna has remained steady between 325,000 and 330,000, but Warsaw, with the removal of the exchange restrictions and restoration of the free market, depreciated from 850,000 to 1,000,000, at which rate there is no demand, and business is only done by negotiation. The Budapest rate continued to rise, and from 800,000 last week has reached 1,050,000, at which rate buyers have once more appeared. Prague, after rising to 156 on Thursday, was offered at 155 on Friday morning, while Bucharest is weaker at 920. In Northern Europe, Stockholm has appreciated from 17.23 to 17.16, but Christiania has weakened to 28.60, as against 28.32 last week. Financial operations by the State Bank in connection with the shipping of gold to America have resulted in a continued improvement in the Copenhagen rate, which has moved from 25.75 to 25.10, and Helsingfors is stronger at 164 $\frac{1}{2}$. In the East the rupee is $\frac{1}{16}$ d cheaper at 1s 4 $\frac{1}{16}$ d, while Yokohama is steady at about 2s 1 $\frac{1}{2}$ d. The silver market is extremely dull. Some buying from both India and China was counterbalanced by later sellings in both these markets. Hong Kong, after touching 2s 3d in the middle of the week, is now the same as last week at 2s 2 $\frac{3}{4}$ d, while Shanghai in the same way has returned to 3s 0 $\frac{1}{4}$ d, after reaching 3s 0 $\frac{3}{4}$ d on Wednesday, and Singapore is unchanged at 2s 3 $\frac{3}{4}$ d. In South America, Buenos Aires has not varied appreciably from 40 $\frac{1}{2}$ d, Rio is steady at 5 $\frac{1}{2}$ d, but Monte Video is slightly dearer at 40 $\frac{1}{2}$ d. Valparaiso recovered early in the week to 36.40, but sagged away again to 37.00. As regards Australia, the Associated Australasian Banks in London announce that on and after August 10th the rate for purchasing documentary bills on Australia and New Zealand will be reduced from 2 per cent. to 1 $\frac{1}{2}$ per cent. discount for sight bills, with an increase of $\frac{1}{2}$ per cent. discount for every additional 30 days of currency.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 28th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	8,285	From Revenue	12,469
Interest, &c., on Debt	1,280		
Sinking fund	820		
Sundries	324		
Reduction of debt	1,708		
Added to Exchequer Balances ..	501		
	12,469		12,469

Revenue at £12,469,100 compares with £13,618,700 in the corresponding period. Customs receipts amounted to £2,339,000, against £3,356,000. Property and Income-tax yielded £4,474,000, and Super-tax £540,000, against a combined total of £5,915,000. Special Receipts were reduced from £1,106,200 to £400,000. The week's operations reduced the National Debt by £1,708,100, and caused the following changes:—

	Min. £		Min. £
Public Department Advances ..	7,549	Treasury Bills	5,777
National War Bonds repaid ..	150	4% Treasury Bonds	943
	7,699	Sundries	171
			5,991

The floating debt was reduced by £1,774,000 to £801,596,500.

FINANCIAL YEAR, 1923-24 (April 1 to July 28, 1923).

£	£
Total Expenditure .. 257,662,561	Raised by Revenue .. 245,682,077
	Net Borrowings..... 8,412,526
	Decrease in Balances 3,567,958

Total 257,662,561 Total 257,662,561

ESTIMATES FOR YEAR 1923-24.

EXPENDITURE FOR YEAR 1928-29.		£	
Ordinary Expenditure	801,013,600	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,600	Total	818,500,000
		Surplus	1,884,000

The Week in Parliament.—Parliament adjourned on Thursday till November 13th. The debates on the Consolidated Fund Bill, which occupied most of the week in the House of Commons, ranged over a wide variety of subjects, including the Post Office, the Disposals Board, and unemployment plans for the winter. On the closing day both Lords and Commons debated the Government statement on Reparations and the Ruhr, while in both Houses statements were made on the Navy and the Air Force. A large number of minor Bills were passed through their concluding stages. The Lords also discussed Abyssinian slavery.

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—Malayalam Plantations, Van den Berghs, De Trey and Co., and Threlfall's Brewery. Mr Henry Van den Bergh, the chairman of Van den Berghs, in announcing a successful year, took occasion to observe that "We are on excellent terms with our people..... This happy co-operation has in no small measure contributed to the results." Mr Henry J. Welch, at the Malayalam meeting, makes mention of a blight which attacked the cardamoms, thereby considerably reducing this crop. The chairman of De Trey and Co., Mr X. Castelli, has some interesting remarks to make about price-cutting in dental manufactures. Major Threlfall was no exception amongst chairmen of brewery companies in complaining about beer duties.

THE DEADLOCK AND THE NEXT STEP.

SELDOM, if ever, on the closing day of a session can Parliament have heard graver statements than those delivered on Thursday by Lord Curzon and Mr Baldwin. To appreciate their gravity in its true proportions we must cast our minds back. Early in January, after four years of unsuccessful discussion, during which the surface appearance of agreement was insincerely maintained, France and Great Britain openly agreed to differ on the Reparations problem. France took her own line and occupied the Ruhr—Great Britain expressed disapproval,

but adopted a policy of neutral passivity. Such a policy, whether right or wrong, could not persevere very long; and when Mr Baldwin succeeded Mr Bonar Law, he held that the time had come for an initiative by Great Britain to solve the Ruhr deadlock (whose menace was steadily growing) and bring the practical questions of Reparations and inter-Allied debts back into the realm of international discussion. The British Government, therefore, set in motion a train of events, beginning with a speech by Lord Curzon, which induced Germany to make a new offer, continuing with the British *questionnaire* to our Allies, and finally the circulation of the British draft reply to the German Note. The burthen of the Government statements made on Thursday was that these efforts have failed to produce anything approaching an agreement between our country and France. The disclosure of this apparently insoluble deadlock at a moment when Germany appears to be steering fast for chaos—a chaos that would involve incalculable consequences for France, Great Britain, and the whole world—produces the most critical situation which this country has had to face since 1914.

There are two important features in the statement on the Ruhr made by Mr Baldwin on Thursday afternoon: the first is that the British Government went a long way towards meeting the French point of view by advising the German Government, if it desired a resumption of negotiations, to withdraw its ordinances and decrees on passive resistance, and to disavow acts of violence and sabotage. The Note expressed the belief that such action on the part of Germany would involve a reconsideration by the occupying Power of the conditions of their occupation and a substantial return to the normal features of industrial life in the Ruhr. This is clearly as far as Great Britain could possibly have gone in the direction of meeting the French position. It is conceivable that the phraseology might have been differently expressed; but clearly France could have got from this Note the solution she required—namely, that passive resistance should cease before the negotiations were revived. But Mr Baldwin also made the amazing statement that "the draft reply submitted by his Majesty's Government is not mentioned in the French and Belgian reply." If this were taken literally, it would mean that France made no attempt to meet Great Britain's advances on the question of passive resistance, and that only one interpretation was possible—namely, that the present French Government has no wish to end the present situation in the Ruhr. This conclusion appeared to be that of the British Cabinet, judging from the tone of Mr Baldwin's statement. It is a conclusion which we should have accepted with very great reluctance, for it would mean, on the one hand, that France had elected to ignore the risks to herself of a break-up in Germany and Central Europe, and, on the other hand, that she was not prepared to attach any importance to the interests of that great assembly of European, American, and Asiatic nations which rallied to her support and eventually saved her from the menace that threatened to crush her in 1914. Fortunately, however—and here there appears to be a ray of hope in the surrounding gloom—the summary of the French reply to Great Britain, as given by the Paris correspondent of the *Times*, conveys a very different impression. This summary answers the chief points made in the British draft reply, and particularly deals with passive resistance and the British proposals in regard to it, and expresses a willingness to modify the character of the Ruhr occupation. If the full documents bear out this impression, then the phraseology adopted by Mr Baldwin was unfortunate and misleading. This divergence emphasises the immense importance of a speedy publication of the full documents, and suggests the hope that they will disclose a more tangible approach to agreement than could possibly have been deduced from Mr Baldwin's statement.

The other feature of the statement is that, though Mr Baldwin announced his intention of publishing the British section of the correspondence, he did not say that Great Britain would send a reply to Germany. If the summary

of the French reply, to which we have just referred, is accurate, further negotiations with the Quai D'Orsy should obviously precede such a step. Further, it is evident that the French reply raises the inevitable question of the inter-Allied debts. Even if the prospect of any agreement between France and Great Britain is visibly fading, we still think that Great Britain should give a straightforward and categorical answer on this question. If France's idea of mutual understanding is that we should place our diplomacy in the hands of M. Poincaré, there is no one in this country who would think this a suitable time to make any concession whatever on the French debt to Great Britain. At the same time, we should not like to see Great Britain launch out on independent negotiations with Germany without having first put on record what are the utmost limits to which we are prepared to go in agreeing to a cancellation or postponement of debt, or without having made it clear that we are prepared to accept the principle of priority for the devastated regions before any inter-Allied debt is claimed by us. So long as there remains any chance whatever of a settlement, statements such as those of Sir Robert Horne and Mr Lloyd George that, having agreed to pay America, we should insist on payment from France are the reverse of helpful. If the reparations plan breaks down it is evident that France will not be able to pay her war debts, unless she were to repudiate loans with which she has, in fact, repaired Northern France, by inflation or by a direct cancellation. We repeat that both on the merits of the case and as a business proposition for this country, it is well worth our while to give up any prospect of the repayment of these debts, if by doing so we can get a European settlement. We may add that the idea that France can well afford to repay is being supported on a somewhat fallacious argument. France, like Germany, America, and Great Britain increased her productive plant during, and since the war, and she is represented as being now in a state of great prosperity. It is true that the volume of French trade is as much as before the war, but that is because Alsace Lorraine is now included as French, and the figures contain the very substantial trade between the metallurgical and textile industries between those provinces and Germany, which were formerly classed as part of the internal trade of Germany. The trade of post-war France is almost certainly less than before the war, since her employable population has been substantially reduced since 1913. Great Britain's production, on the other hand, is approximately what it was before the war, but we have a large unemployment problem because our trade has not increased sufficiently to absorb our increased population.

A true recognition of these facts is important. But for the moment they are subsidiary. The great question of the moment is whether there is still any way out of the deepening gloom, and whether there is any step open to the British Government that will help us to find that way. Neither Mr Baldwin nor Lord Curzon could foreshadow what the next step of the British Government would be. We have indicated above one or two points which should be made clear to France, before Great Britain decides, as France decided in January, to take her own line. Moreover, the summary of the French reply makes the chance of ultimate Anglo-French agreement look some degrees less hopeless than Mr Baldwin's speech suggested. Until the full documents of recent negotiations are published further comment, as Lord Grey and Mr Asquith pointed out, is difficult. We must hope that their publication will clear the air, and by showing up the position in clearer light, indicate some possible *dénouement*. Meanwhile, we must derive what confidence we may from certain features of Mr Baldwin's reply to the House of Commons debate. This reply showed recognition of the imperative urgency of the German situation, a clear grip of British interests in a solution, and a determination to work for agreement so long as any door of approach is open. We venture to hope that the door is still rather more open than Mr Baldwin's speech led the House of Commons to believe, and the rush of the fresh air of publicity that will come from the full publication of all the documents may blow it open a little wider still. Thus, while the position is gravely critical, we refuse as yet to regard it with despair.

THE FUTURE OF THE BRITISH COMMONWEALTH.

THE *Round Table* for June, 1923, opens with an editorial article setting forth what is evidently a carefully weighed and considered view regarding the future development of the British Commonwealth. After the profound changes produced by the European War, great interest would in any case attach to a pronouncement of this kind from a group of publicists who have long specialised in the affairs of the Commonwealth, and are closely in touch with its several leading component peoples; and certainly this article (which is admirably written) will not disappoint the reader's expectations.

The main conclusions presented are that no organic reconstruction of formal relationships is at present possible; that the system of Imperial Conferences, developed during the war, should be continued; but that these are not enough to prevent dangerous divergencies and tensions. In the intervals between Imperial Conferences, as is justly pointed out, the Dominions cannot be committed by the action of the British Government, and while these conferences must necessarily be rare, in proportion to the eminence of the Dominion representatives who attend them, the movement of international affairs, with the consequent adjustments of policy in Whitehall, cannot stand still. The Chanak crisis of last autumn, of which the ulterior effects in the Dominions have evidently been serious, is held up by the writer of the article as a warning. Here was a case in which a long train of policy pursued at Whitehall without the participation of the Dominions had led suddenly to a threat of war which took the Dominions by surprise. The Dominion Governments were asked by the Home Government over the cable whether they would be prepared to go to war on an issue upon which they had no first-hand or detailed information, and the notice was so short that, had war broken out, several Dominion Governments might have been forced to take their decision without consulting their Parliaments. The maintenance of peace by a narrow margin prevented the constitutional problem involved from assuming its most acute form, but undoubtedly the Commonwealth could not stand many shocks of this kind without dislocation, and it is a common interest of all its members to prevent their recurrence. The means suggested in this article is that there should be something like diplomatic representation of the Dominions in London, and of the Home Government in the Dominion capitals. The writer argues convincingly that the need for such a liaison exists; that the present Dominion High Commissioners and Imperial Governors-General do not, and are not likely to, supply it, since they are appointed for somewhat different purposes; and that in consequence Great Britain and the Dominions are in some ways less in touch than most independent countries which are consciously foreign to one another, and which therefore make special arrangement for mutual contact.

This is a notable development of view in a journal which originally stood, or was thought to stand, for Imperial Federation. A refusal to be bound by old dogmas is one of the most valuable qualities in political thought; nor, at bottom, does this proposal come paradoxically from the *Round Table*, for political unity, after all, does not mean unity of mechanism, but unity of interest and aim, and it may reasonably be argued that this real subjective unity would be strengthened by a step which would undoubtedly carry the Dominions one degree nearer to the outward forms of sovereign independence.

There remains, however, the question how far the unity of the British Commonwealth, by whatever means attained, either can be or should be carried; and here the writer combats what he considers to be two possible disruptive tendencies—that towards atomic Nationalism on the one side and that towards a single-group system (the League of Nations) on the other. He has little difficulty in pointing out the disadvantages of "Balkanisation" as illustrated by post-war Europe, and in showing that, were the Dominions to retire from partnership with Great Britain, they would escape no burdens but would be a good deal less secure than at present and very much less influential

in international affairs. The benefits of co-operative insurance, especially on the naval side, are sufficiently evident; and it is probable that the Dominions, as independent Powers, possessed of smaller populations and resources and less central positions than, say, Roumania, would play an insignificant part in the world. On the other side, he presents an incontrovertible case, on practical grounds, for the existence of smaller groupings within the League. Indeed, not only is the British Commonwealth (which is the most prominent example of such groupings) much older and more securely established than the League itself, but there has been a distinct tendency, since the close of the war, for new groups to arise. In Central and South-Eastern Europe, for instance, there is now the Little Entente, which is less likely to dissolve again than to become an inclusive association of all the States in this region. A similar process is at work among the "Balkanised" countries round the Baltic, and it may be expected to show itself in Hispanic America and in the Muslim Middle East. There seems no reason why such groupings should not co-exist with the League and with one another, and one can conceive of countries which might be members, not only of the League, but of more than one lesser association (for instance, Egypt, which might enter a Middle Eastern Entente for some purposes without parting company for others with the British Commonwealth). So far we are in agreement with the *Round Table*, but we cannot follow the writer in his contention (which does not seem essential to his main argument) that the League and the British Commonwealth differ in their nature. He criticises the League (though with great restraint and moderation) as an association without coercive force, which depends on the services of its more powerful members for the execution of its common decisions. But does not this account of the League apply absolutely to his own description of the British Commonwealth? The system of Imperial Conferences, the mutual absence of liability in the case of any individual member for action taken by another, and the plea for diplomatic relations between them, all imply that there is no coercive bond; while the advantages accruing to the Dominions from partnership in the Commonwealth arise from the fact that Great Britain puts her own superior strength at the Commonwealth's disposal very much as the Principal Allied Powers are supposed to put their power at the disposal of the League of Nations. The difference in solidity between the two associations is surely not one of coercive power or any other attribute of political or military machinery, but of sentiment, or, in other words, of tradition and time, and this is only a difference of degree. It might be suggested that there is a vital difference in the respective degree of common interests, but the *Round Table* writer virtually disposes of that contention himself by his demonstration that the lack of common interests, rather than the lack of effective machinery, is the real reason why there has not been a united Commonwealth foreign policy since the conclusion of the war. Once the urgent common interest of resisting Germany's bid for "world dominion" had been secured by victory, the members of the Commonwealth reverted to their regional preoccupations. This analysis strikes us as true; but if it is so, has not the writer himself shown that the problem of unity within the British Commonwealth is precisely that which, over a wider field, confronts the League of Nations?

In the case of the Commonwealth, is it probable that, whether by diplomatic or other machinery, or by sentiment and interest, or by all these forces in combination, the problem of unity will be solved? And if unity of policy is attained, will it necessarily be in the interests of all members of the Commonwealth or of the rest of the world? "If," the *Round Table* submits, "we are to make any progress towards an ordered world, it will be because the progressive peoples can exercise real influence and real power within it." Few will disagree with this dictum, and yet its generality rather obscures the crucial concrete issues with which the writer, no doubt deliberately, refrains from dealing. It is difficult, however, to look into the future of the Commonwealth in abstraction from the two still unsettled controversies of "Empire Development" versus the "Open Door," and of racial equality versus the reservation of territories suitable for European colonisation to people of European origin and civilisation.

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The latter of these controversies has presented itself in an acute form in Kenya—a problem dealt with by the *Round Table* in another article in the same issue. The British Commonwealth—including, as it does, some of the most populous non-Western civilised countries as well as some of the most thinly populated areas of Western colonisation—is the field in which this controversy is likely to be decided, with vital consequences, one way or the other, not only to the Commonwealth itself, but to the whole world; and, again, the economic policy of the Commonwealth or of its several members in regard to its vast combined resources cannot be a matter of indifference to other nations, and will largely determine their opinion as to whether the Commonwealth is a progressive and beneficent institution from a world point of view. The writer would perform a considerable service to serious students of the Commonwealth problem if, at some later date, he would carry the arguments of his present article into the field of the concrete issues suggested above.

SHIPPING IN THE FIRST HALF OF 1923.

LIKE all forms of transport, shipping is servant rather than master of the event, and has necessarily for watchword: "Prendre le bien où on le trouve." Thus it is not the fault of shipowners (whatever the general verdict on *homo sapiens*) that a world which cannot afford sufficient food or clothing should lately have paid considerable sums to secure the spectacle of coal-laden freighters solemnly passing each other in the North Atlantic—eastward and westward bound. This example of economic unreason and waste is mentioned as being the type and reflex of world conditions to which shipping has recently been forced to accommodate itself, and which have been seen to grow increasingly unfavourable. It is not that the record of the past six months has been wholly unsatisfactory, so much as that the position at the end of the half-year has visibly worsened in comparison with the outlook at the beginning.

The later months of 1922 had witnessed an unmistakable improvement in conditions. Demand for tonnage was expanding and better distributed; freights had risen from the low level of August-September by some 8 per cent.; and the market value of new ready cargo-carrying tonnage (based largely on freight prospects) had significantly recovered from £8 5s to £8 15s per ton for a single-deck 7,500-ton steamer. That confidence as to the future was growing within the industry itself is shown by the following figures of shipbuilding commenced in the United Kingdom:—

TONNAGE COMMENCED.	Tons.
Quarterly average, 1913.....	467,000
Second quarter, 1922.....	39,000
Third quarter, ".....	82,000
Fourth quarter, ".....	231,000
First quarter, 1923.....	355,000
Second quarter, ".....	241,000

The reaction in the second quarter of this year indicated that the optimism of shipowners was short-lived (a conclusion which will almost certainly be strengthened by a further shrinkage in the current quarter); that it was misplaced is easy to argue in view of the extreme depression which has developed in the last two months, but it should be remembered that the conflicting tendencies set in motion by the Ruhr occupation in January took some time to develop their ultimate effect, and the course of shipping business up to May at least was sufficiently puzzling and contradictory to account for owners still having courage to place orders for a little tonnage here and there.

In the following table the activity of shipping is presented in comparative form:—

SHIPS ENTERED and CLEARED with CARGOES, U.K. PORTS.
In Million Net Tons.

Year.	Entrances.		Clearances.		Total British Entrances and Clearances as Percentage of 1913.
	British.	Foreign.	British.	Foreign.	
1913.....	32.3	16.8	40.1	27.7	100
1921.....	25.1	12.0	24.3	12.1	68
1922.....	28.4	14.9	36.8	22.9	90
1923*.....	29.5	16.5	39.2	28.7	95

* At rate of first six months.

The greater activity denoted by the above figures produced a corresponding improvement in the employment of seamen, the numbers of engagements registered at United Kingdom ports (excluding the Irish Free State) being, in thousands:—

Year.	Engagements.	Per Cent. of 1913.
1913.....	572	100
1921.....	404	71
1922.....	481	84
1923†.....	548	95

† At rate of first six months.

In contrasting this evidence of fuller employment of ships and crews with the erratic and finally downward course of freights, it is necessary to consider developments in more detail.

The occupation of the Ruhr had two immediate results. It paralysed the movement of bulk cargoes to Europe, and evoked first from the United Kingdom, subsequently also from U.S.A., a pressing demand for coal. Exports of British coal per working day rose from 231,000 tons in January to 287,000 tons in March and 308,000 tons in May, a volume 23 per cent. above the average level of 1913. Freights for outward coal cargoes rose sharply, especially in European waters—the rate from the Tyne to Hamburg being on the average 4s 10½d in January and 7s 3d in March. The wider effects were confusing. On the one hand, the volume of cargo homewards steadily dwindled; on the other, ships were diverted from grain routes (cutting losses homeward in many cases), to be absorbed by the comparatively profitable business of coal-carrying. This produced during April-May an artificial shortage of tonnage in Eastern and South American ports, and rates temporarily rose for homeward voyages. Meanwhile, in spite of a 10 per cent. reduction in wages in April, shipowners were finding that congestion and delay at the coal ports, coupled with a 10s per ton rise in bunkers, trenched heavily on apparently attractive coal freights. Laid-up tonnage was also being re-commissioned at an increasing rate. Of the vessels covered by the Chamber of Shipping returns, some 200,000 tons were put to sea in the first quarter of this year, while 300,000 additional tons of American shipping seem to have been re-commissioned during that period. By June the entire market for whole-cargo freights was crumbling again. Exports of coal ebbed in that month to 260,000 tons per working day, and freights from the Tyne to Hamburg fell to 5s 3d; the loss of ore cargoes to Germany could no longer be off-set by the temporary stimulus afforded in the spring to British ore imports; above all, the market in whole cargoes of grain was coming to a standstill. Ships began hurriedly to lay up, and the tonnage idle in United Kingdom ports had risen on July 1st by 30 per cent. over the April figure.

The movement in rates can be traced in detail through the *Economist* Index of Shipping Freights (published in

the July Monthly Supplement), which seems to reflect accurately the known facts; the general tendency can be more simply illustrated by the course of average rates per month on the South American route:—

	Outward South Wales —Plate.		Homeward San Lorenzo —U.K.		Round Voyage.	
	s	d	s	d	s	d
January	13	6	24	3	37	9
March	16	9	21	8	38	5
May	14	1	29	9	43	10
June.....	14	1	23	4	37	5

Put shortly, the moral of 1923 for "tramp" tonnage is that shipping cannot live by coal alone, a moral reflected in the renewed fall in tonnage values during the second quarter. As regards shipping of the liner class, it is particularly unfortunate that the altered status of the Irish Free State in the last quarter's Board of Trade returns renders it impossible accurately to compare the statistics of entrances and clearances (table 2 above) in the light of estimated physical volume of trade. On the basis of such evidence as is vouchsafed by returns for the period January-March, it seems clear that cargo liners are still running less than economically filled, a conclusion which is corroborated by reliable reports that in most Conference routes such moderate improvement in volume of cargoes as has occurred is confined to "rough" goods normally shipped as bulk cargoes in "tramp" vessels. The North Atlantic passenger season has proved disappointing. Outward traffic has been well maintained in all classes, but there has been a serious decrease in the numbers of eastbound first-class passengers, whose relative importance, having regard to diminished revenues from the emigrant business, is much greater now than before the war.

The immediate outlook for all types of shipping is obscure. Favourable factors are the prospect of a bumper harvest, and the likelihood of a continued demand (if at a lower level of prices and quantities) for British coal for export. On the debit side must be set the progressive deterioration of Central Europe, the growing chaos in China, and the absence of any signs of recovery of effective demand for goods on anything like the pre-war scale. Moreover, shipping is now feeling the cumulative effects of the post-armistice riot of shipbuilding, as may be seen from the following figures of expansion in the world's fleet:—

Year Ended.	Increase (Millions of Tons).
June, 1912.....	1.4
" 1913.....	2.4
" 1920.....	6.4
" 1921.....	4.7
" 1922.....	2.4
" 1923.....	8

Thus, while the shipping slump dates back to 1920, the expansion of tonnage, even in the last 24 months, is comparable with that occasioned by the great boom of 1912. The figure for 1923 indicates that the painful process of readjustment is well in hand, and comparison of the total tonnage launched in the last 12 months (2.1 million tons) with the net expansion recorded suggests that, after allowing, say, 400,000 tons for loss through casualties, over three-quarter million tons have passed through the hands of shipbreakers, whose activities in the next year are likely to be accelerated.

Meanwhile, the physical volume of the world's trade being perhaps 75 per cent. of pre-war level, there remain 16 million more tons of shipping—steam, sail, and motor—in existence now than in 1914. After making all reasonably safe deductions from this total increase, viz.:—

	Million Tons.
Increase in tanker tonnage.....	4
Estimated increase in tonnage over 25 years old.....	2.5
Increase in wood and composite steamers, and in unusable U.S.A. Fleet.....	6
Total.....	12.5

there is left a net increase in efficient tonnage of at least 3½ million tons to compete for the carriage of passengers and cargo other than oil, a figure more than adequate to account for liners running part-empty and "tramp" freights being depressed to a level far below that of general prices.

Fortunately, the financial position of the majority of important British lines is, so far as ascertainable, satisfactory, and much stronger than that of most Continental competitors. The fact has, however, to be faced that acquisition of tonnage at boom prices, expensive absorptions, costly purchases of "control," and plentiful issues of bonus shares have resulted in heavy capitalisation of the industry. An analysis of some five million tons of liner tonnage indicates that, excluding debentures, the capitalisation per gross ton has risen from £6 in 1914 to nearly £11 in 1923, while the corresponding rise in the case of two million tons of tramp tonnage examined is nearly 400 per cent. The attempt to carry too much capital defeats its own ends, and it may be well for investors in shipping to contemplate the necessity of considerable writing down before the present depression is over.

OUR INDEX NUMBER.—A FURTHER FALL.

A DECLINE in commodity prices in July similar to that recorded in June has reduced our Index Number to the lowest point touched since the Armistice. The total is now 4182, which is 7 points below the figure for the end of September, 1922, hitherto the lowest touched since the early part of 1916. The fall in July amounted to 119 points, and followed a decline of 111 points in June. The general stagnation of trade is reflected in an almost unbroken list of declines in all commodities, practically the only exceptions being those affected by the strike of dock labourers. Our table below shows that, of the five groups, only cereals and meat are higher, while the largest decline is shown in textiles:—

Date.	Cereals and Meat.	Other Food Pro- ducts (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin- ber, Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	352	516½	464½	553	2568	116.6
" Dec., 1915	897	446	731	711	848½	3634	165.1
" Dec., 1917	1286½	686	1684½	839½	1348½	5845	263.2
" Nov., 1918	1289	782½	1848	903	1889½	6212	282.6
" Dec., 1918	1303	782½	1805½	866	1337	6094	277.0
" Dec., 1919	1441½	881½	2442½	1145	1453½	7364	334.7
" Mar., 1920	1508	914	2974½	1246	1709½	8352	379.6
" Dec., 1920	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921½	636	1106	762	931½	4357	198.0
" June, 1922	1000½	676½	1135	690	887	4389	199.5
" Sept. "	873½	682½	1116	699	818	4189	190.4
" Dec. "	861	706	1184½	705	807½	4264	193.8
" Jan., 1923	860	711½	1205½	739	808	4324	196.5
" Feb. "	847½	746	1201	797½	810	4402	200.1
" Mar. "	824	752	1178½	840	797½	4392	199.6
" Apl. "	858	752	1199	834	797	4440	201.8
" May "	869½	772½	1166½	818½	785	4412	200.5
" June "	815½	773½	1177½	773½	761	4301	195.5
" July "	819½	756	1115½	744½	746½	4182	190.1

The increase in primary foodstuffs is due to a seasonal increase in the price of potatoes and to an advance in pork, following a sharp decline a month ago. An increase in the price of home-grown wheat is neutralised by an exactly similar decline in foreign wheat, while other cereals and meat are slightly lower. In the second group of foodstuffs both tea and sugar are materially lower; but butter, owing to the holding up of imported supplies at the docks, is substantially higher.

In the textile group, wool is an exception, with an increase, but other quotations all show a fairly substantial downward movement. The decline in cotton prices resulted largely from the more favourable prospects for the American cotton crop. In their monthly report Messrs Robert Barbour and Brother, Limited, write:—

As regards business generally, it cannot be said there has been any lack of inquiry, as offers have been numerous, but at very low prices. The orders booked have generally been small, and at rates which are little or no better than allowing machinery to stand idle. A great many of the offers received seem to have been sent to test the weakness of the market, and not with the object of reaching the order book. Goods are wanted in most of the markets, but it would seem that not until costs of production are considerably reduced can any weight of business be practicable. There is no getting away from the growing feeling that prices may be

distinctly cheaper in the near future should the cotton crop in the United States continue to make good progress, and, generally speaking, the weather conditions are very favourable. American yarns have been distinctly easier, and little success seems to have attended the trial of a minimum price at which these may be sold.

In the minerals group, pig-iron and steel rails have both been lowered in the hope of stimulating business, but iron bars are unchanged. A further slight fall is shown by coal, while among the minor metals lead is again slightly lower; but tin and copper have reacted slightly in an upward direction. In the miscellaneous section there are only a few changes, the principal of which is a reduction in the price of petroleum.

The month's changes in each commodity's index are shown in the following table, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	76½	— 5½	Cotton, A	136½	— 13½	Copper	54½	+ ½
English	89½	+ 5½	Cotton, E	130	— 18	Minerals	744½	— 29
Flour	78	— 2	Yarn	127	— 7½			
Barley	86	— 2	Cloth	133	+ 10	Baltic timber	103½	..
Oats	85	+ 6	Wool, Eng.	122½	+ 2	Amer. timber	88	..
Potatoes	96	— 4	Do Aust.	120	— 11	Leather	60	— 2½
Rice	87½	— 2	Silk	120	— 3½	Petroleum	32	— 8
Beef	94	— 3	Flax	75½	— 15	Oils	77½	— 3
Mutton	91	+ 9	Hemp	76	— 15	Oilseed	62½	— 1
Pork	819½	+ 4	Jute	115½	— 62	Tallow	87	..
Cereals & meat	133	— 9	Textiles	83½	— 4	Indigo	85½	..
Tea	215½	— 7½	Pig-iron	92	— 9½	Crystals	15	..
Coffee	119	— 13½	Steel rails	140½	— 6	Rubber	746½	— 14½
Sugar, cane	81	+ 13	Iron bars	100	— 2½	Miscellaneous	4,182	— 119
Sugar, beet	116½	— 17½	Coal, steam	72½	+ 1	Total		
Butter	756	— 17½	House coal	72½	+ 1			
Tobacco	756	— 17½	Lead	72½	+ 1			
Other foods	756	— 17½	Tin	72½	+ 1			

The changes during July have reduced the level of prices to 63.1 per cent. above the figure prevailing at the outbreak of war, as compared with 67.7 per cent. a month ago, 73.1 per cent. at the end April, and 66.2 per cent. at the end of last year. The position of each of the groups in relation to that recorded at the end of July, 1914, may be seen from the following table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscel- laneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec. "	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.5
Dec. "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
Apl. "	148	214	195	180	144	173.1
May "	150	220	189	176	142	172.0
June "	141	220	191	167	137	167.7
July "	141	215	181	160	135	163.1

While British prices were a month ago 67.7 per cent. above the pre-war level, American prices, according to *Bradstreet's* Index Number, were 50.2 per cent. higher having dropped from 60 per cent. at the end of February last. The highest point this year in this country, it will be observed from the table, was at the end of April, but while American prices at the beginning of July were down to the level of October-November, 1922, British prices had also reached that level a month ago, and are now below the level of September last.

THE BRITISH ROPE AND TWINE TRADE.

AMONG Britain's minor trades which have become, in the aggregate, so important during the past half-century, there are few more interesting than that engaged in producing rope and twine. The industry is, of course, very ancient, though Beckmann gives us no particulars of its origin. But it is easily conceivable that the use of single vegetable fibres for binding fagots of wood together probably occurred extremely early in the development of the human race. From this it would be a comparatively small step to the twisting of two or more strands to make a stronger bind-

ing material, and there you have a rope. Thence a perfectly natural evolution in the choice of methods and materials would lead gradually to the production of the vastly varied ropes and twines of the present day.

Unfortunately, we have little reliable evidence of the industry's development in Britain, save that afforded by our foreign trade statistics. These extend back into the 'fifties of last century, so far as exports are concerned. As to imports, they used to be recorded along with great quantities of coir yarn, and it was not till 1907 (the year in which the Census of Production was taken) that the import figures were severely limited to rope and twine. Only since that year, then, are the import figures strictly comparable.

A complete review of the foreign trade during the last 65 years is interesting:—

BRITAIN'S FOREIGN TRADE IN ROPE AND TWINE.
(Annual Averages.)
(000's omitted.)

Exports.		Imports.	
Cwts.	£	Cwts.	£
1858-62.....	116 .. 282	.....	.. ..
1863-67.....	151 .. 401	.....	.. ..
1868-72.....	126 .. 356	.....	.. ..
1873-77.....	113 .. 318	.....	.. ..
1878-82.....	131 .. 332	.....	.. ..
1883-87.....	171 .. 399	.....	.. ..
1888-92.....	202 .. 469	.....	.. ..
1893-97.....	212 .. 419	.....	.. ..
1898-02.....	217 .. 499	.....	.. ..
1903-07.....	295 .. 734	.....	.. ..
1908-12.....	420 .. 966	226 ..	416
1913-17.....	368 .. 1,219	237 ..	590
1918-22.....	319 .. 2,198	122 ..	570

It will be seen that shipments of British rope and twine have not always been progressive. In the late 'seventies they only averaged 113,000 cwts a year, falling in 1875 to less than 100,000 cwts—the lowest quantity ever shipped in all the 65 years. But a steady upward movement then began, and every succeeding lustrum showed an improvement on its predecessor until just before the war, when the quantity sold abroad had risen to an average of no less than 420,000 cwts. Indeed, in the single year 1912 the quantity reached the "record" at 482,000 cwts, and in 1913 it was only second best at nearly 476,000 cwts.

The great jump taken at the beginning of the present century is very striking. In the closing years of the nineteenth century the trade's methods had become somewhat antiquated, and an overwhelming flood of imports was the result. This soon braced up the British manufacturers, and in the ten years between 1902 and 1912 the quantity shipped by us was more than doubled.

Of course, the war has severely restricted overseas trade in these goods. In 1919 and 1920, it is true, our exports very nearly regained the pre-war level, only to fall again heavily, however, in the two succeeding years. Imports, on the contrary, have shown no such tendency to increase.

A notable difference between imports and exports is found in their relative values. In the last 15 years, according to the above table, total imports have risen in value from £1 17s to £2 9s and £4 13s per cwt. During the same period our exports have gone up from £2 6s to £3 6s and £6 17s per cwt.

The explanation is that the bulk of the foreign stuff landed here is American reaper and binder twine of comparatively low value. On the other hand, the major portion of British shipments is of cordage exceeding a quarter of an inch in diameter, and worth a pound per cwt more, while another large section is of goods of less than $\frac{1}{4}$ inch diameter, but worth more than double as much as binder twine.

It may be said, shortly, that in this trade, as in many others, our manufacturers have devoted themselves to the production of high-class goods. They cannot be said to have neglected the lower class entirely, for in some years since the war we have sent overseas larger quantities of binder twine than we have received from abroad. But they have apparently paid greater attention to the articles of higher quality, which presumably pay better.

Now let us inquire where these enormously increased exports of recent years have gone to. Here is a statement of the average exports for the 30 years to 1920, showing the quantities and values of those sent to foreign countries and the British Possessions:—

DISTRIBUTION OF EXPORTS OF ROPE AND TWINE.

		(000's omitted.)			
		To Foreign Countries.	£	To British Possessions.	£
	Cwts.			Cwts.	
1891-5	135 ..	251 ..	73 ..	177 ..	
1896-0	129 ..	242 ..	85 ..	204 ..	
1901-5	144 ..	326 ..	110 ..	287 ..	
1906-10	235 ..	519 ..	130 ..	357 ..	
1911-15	276 ..	637 ..	164 ..	477 ..	
1916-20	218 ..	1,319 ..	106 ..	799 ..	

Roughly, the table conforms to the proportionate distribution of our export trade in general. About two-thirds of the goods go to foreigners, and one-third to imperial markets overseas. The British Possessions, however, appear to take goods of higher quality than foreign purchasers do. In the five years to 1920 Colonial purchases averaged £7 10s per cwt, against £6 1s for the goods taken by foreign customers. In the five years to 1915, when prices were not so inflated, the relative values were £2 18s for imperial sales and £2 7s for those to foreign customers.

It is significant, however, that in the 30 years sales to foreign nations have grown by over £1,000,000 a year, while those to British Possessions have grown by only a little over £600,000 a year.

THE PHILOSOPHY OF STOCK EXCHANGE MARKETS.

(BY A STOCK EXCHANGE CORRESPONDENT.)

FORTUNATELY for the Stock Exchange, and for the community at large, the speculative account now open is of comparatively small dimensions. The war, however, with its incessant appeals for fresh capital—appeals that reached many classes which previously had never dealt in stocks and shares before—proved the direct means of inducing speculation, in that both men and women argued, plausibly enough, they could not afford to be content with the 5 per cent. offered by the Government, but must buy other things which paid more on the money, in order to raise the average yield on their investments, having regard to the high cost of living. To-day there must be many thousands of people up and down the country who hold more or less speculative industrial shares that they would never have dreamt of buying, that they might have even considered it unmoral to touch, before the war gave them an insight into Stock Exchange transactions. To the experienced mind there is nothing very surprising, however exasperating it may be, in the fall which has overtaken all Stock Exchange securities, from those of the best class down to the most speculative. Century-old experience has taught the certainty of reaction succeeding rise, and though the Stock Exchange man will candidly confess that he very seldom learns wisdom from the frequent lessons which experience should have taught, he regards the decline in the value of his investments with a philosophy, and a shrug of the shoulders, inculcated by what has happened so often on previous occasions. The less-informed holder of stocks and shares will find this philosophy worth the following. Provided the investor, be he large or small capitalist, is content with the character of his security, he need be at no loss of self-respect, or of good temper, at the fact of prices going against him. Nor need he take too much blame upon himself for having missed the opportunity for getting out at the top prices touched, because 90 or more per cent. of people do exactly the same, however long they may have been connected with City affairs. Even the banks and the trust companies do not invariably sell at the psychological moment.

The falls which have taken place during the past month are, after all, not very severe. Compared with the previous advance which most of the markets had enjoyed, the decline has been modest in extent, and to-day it is probable that most people who bought speculative industrials, except in a few markets such as that for shipping shares, for instance, can, at any rate, see their money back if they wish to sell. The cycle of Stock Exchange fluctuations moves erratically, and very often without apparent rhyme or reason, but it is easy enough to see the driving-power which is operating at the present time to depress values all round. With the Ruhr problem and Reparations difficulties so ever-present to the general mind, it is impossible to expect that energy or enterprise

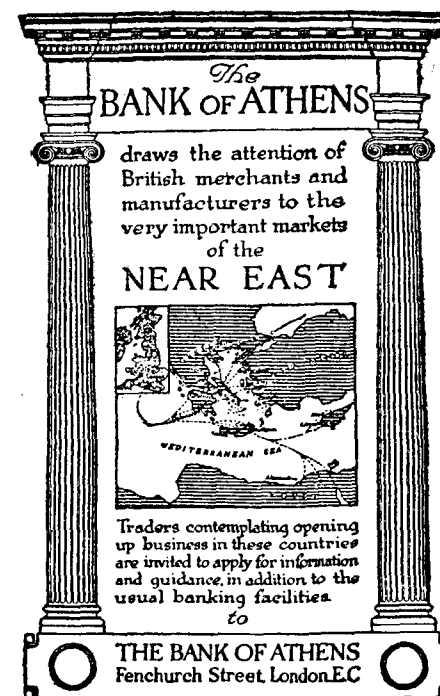
is likely to be set into operation in such manner as will regalanise Stock Exchange markets into any activity during the holiday month of August. As men say to one another in the markets, Why should things go better? and to that there is no answer. The eyes of the Stock Exchange and its clients wait upon France, Germany, and our own Government. Unless there is to be a general cataclysm throughout Europe, some *via media* will be eventually found to lead the Continent out of its present *impasse*. The proprietor of Stock Exchange securities, investment or speculative, can close his book with a sigh, if not of content, then of resignation, at the prospect of improvement in the future. The policy of waiting is never popular, but it almost invariably pays to refrain from selling on markets which are admittedly flat, provided the holder can rest assured that his investments are in sound stocks. These are liable to fluctuations, of course, in accordance with the general trade and financial conditions of the world, but they are reasonably certain to show him a fair return upon his money during the period over which he may be called upon to wait before he can realise what he regards as a decent profit.

Notes of the Week.

Death of President Harding.—Shortly before going to press we have received with deep regret the news of the death of Mr Harding, President of the United States. The sympathy which this country will extend to our friends across the Atlantic in their great loss will bear the stamp of deep sincerity. British regret at President Harding's passing is something much more than the formal expression of condolence for a loss sustained by a great and friendly nation; it arises also from a very widespread feeling that the loss is not America's alone, but the world's. Mr. Harding, in his short tenure of office, has stamped his name on the world's history in a striking manner. At a time when one European conference after another was failing to achieve harmony or sow the seeds of peace, he summoned the Washington Disarmament Conference, and by a bold stroke achieved a remarkable triumph, represented by an agreement for the limitation of naval armaments by the leading maritime Powers. His name is thus coupled with the greatest practical step towards international peace which has been achieved since the Paris Conference. That outstanding success emphasises the untimeliness of his death, for Europe looked upon it as the precursor of further achievement, and in recent months has been watching with lively interest and hope his attempts to obtain America's adhesion to the International Court of Justice. With the European gloom deepening, the eyes of thinking people in this country turn inevitably to watch the more closely the policy of the United States; and they have been turning thither the more hopefully because they saw at the American helm a man who had proved himself capable of bold and practical contributions towards the settlement of world difficulties. Again, the confidence that Mr Harding had thus won served as a useful antidote to the irritation caused to public opinion in this country by the drastic application of the "dry law" to British ships, and other minor irritations that have arisen from time to time between the two nations. Nor will the historian forget that during his time was achieved the funding of the great British war debt to the United States. Some evil fate seems to pursue the occupants of the White House. President Wilson raised the hopes of Europe to their zenith, and then fell a tragic victim to ill-health and unpopularity. President Harding has been cut off in the early stages of a career from which the world hoped much. Of his successor, Mr Coolidge, who, as Vice-President, automatically takes the helm, Europe knows little. As Governor of Massachusetts his name became momentarily familiar by his firm action in connection with a police strike. His published speeches reveal him as an orator and a man who combines high ideals with a knowledge of practical limitations. During the remainder of

the Presidential term he will presumably, as indeed his initial statement shows, endeavour to carry on the policies of his predecessor.

Unemployment Plans.—When Parliament next meets, the country will be well into a winter in which, unfortunately, unemployment promises once more to be a severe and urgent problem. It was fitting, therefore, that occasion was taken of the debate on the Consolidated Fund Bill to discuss this problem and the steps which the Government propose to take with regard to it. In the main, the Government plans, as explained to the House of Commons on Thursday by Sir Montague Barlow, are on the same lines as those applied last winter. A new benefit year under the Unemployment Insurance Act will begin on October 17th. The Trade Facilities Act and the Export Credits Scheme will continue to operate. The Ministry of Transport will spend this year on various programmes £7½ millions, thereby giving winter work to some 30,000 men. Financial provision will be made for land drainage and improvement and water supply work, while the Forestry Commissioners will increase their normal programme. Various Government departments, noticeably the Post Office, will accelerate their programmes of new works; the scope of the Unemployment Grants Committee is to be extended, and so on. All these plans constitute a palliative, and not a cure. No radical reduction of unemployment can be hoped for until peace, security, and financial sanity are restored to Europe; and the outlook for such restoration is not becoming brighter. But it is desirable that such palliatives as can be devised should be made as effective as may be; and to that end we believe a great deal remains to be done in the shape of co-ordination of Government effort. At present the Ministry of Labour supervises unemployment benefit; the Board of Trade administers the Export Credits Scheme; the Treasury administers the Trade Facilities Act; and there are other instances of divided control. We regret that Sir Montague Barlow's statement did not foreshadow any attempt to establish unity of control over all the unemployment measures which the Government has in hand. It is to be hoped that before the winter is upon us the Government will devise a measure of effective co-ordination. Another point about Sir Montague Barlow's statement which claims special attention is his suggestion that the railway companies should "utilise their very large reserves for reconditioning and also for electrical development." This suggestion will doubtless achieve a degree of popularity corresponding with the prevalence of the belief that the railways have been treated over-generously by the Government, and that their present huge reserves have been built up unjustifiably at the expense of the taxpayer. But, on the other hand, the railway manager's



point of view must not be overlooked. The latter can argue that, having got his large reserves for the first time in history, he would be lacking in duty if he set out hastily to spend them upon "reconditioning" and new works while the outlook is obscured, and while it remains to be seen whether such works as might now be contemplated would not eventually represent expenditure in the wrong direction. Take a single illustration. A railway manager is pressed to carry out immediately plans for rebuilding stations and overhauling rolling stock. He may reasonably argue thus: "Would it not be wiser to wait and see if I can presently obtain road transport powers? If I can, reserves might be more wisely spent in acquiring an unrivalled fleet of road cars. If I cannot, I could then still rebuild inefficient termini, or even go out to meet road competition by a great development of frequent motor-train services between local stations." This approach to the question is sufficient to remind us that, although the use of railway reserves for helping unemployment is a popular cry, it is one that must raise serious questionings in the minds of railway managements.

Air Defence.—A very important statement was made on Thursday by the Prime Minister laying down the lines of a Cabinet decision on the controversy between the Air Force and the Admiralty. The Government has adopted the report of the Imperial Defence Committee on the relations of the Navy and the Air Force and on the co-ordination of the Defence Forces. This upholds the principle of a single Air Service. Briefly, the Government's decisions are that there shall be no Ministry of Defence, that the Navy, Army, and Air Force shall remain under separate Departments, and that a new Committee of Imperial Defence shall be appointed to secure co-ordination. This committee is to consist of certain Ministers, chiefs of the Staff of the three Services, the Permanent Secretary to the Treasury, and representatives of the Overseas Dominions, according to the nature of the business. Finally, the present standing Defence Sub-Committee is suppressed, and its past proceedings will be merged into those of the Committee of Imperial Defence. The decision seems to us a sound and practical one. It is fairly clear that the air may become the decisive arena of conflict in the future, and it would be folly to dissipate our strength by having two rival departments for material, two rival departments for training, and two sets of personnel. To our mind, however, the statement is most important for the recognition it contains of the fact that defence is one problem, not three problems. We believe that the solution is a Minister of Defence, and when we are informed that such a solution is undesirable and impractical, we are left wondering whether this means that it is impracticable to reduce the numbers by permission of ambitious Cabinet Ministers, or whether it is impracticable to make the necessary restrictions upon the present responsibility enjoyed by permanent heads of the fighting services. We are, however, content to leave this problem to the future, for it is clear that the strengthening of the Committee of Imperial Defence, the appointment of a presumably whole-time chairman, "with power to interpret the decision of the Prime Minister and the Cabinet to the Department concerned," and the appointment of a super staff in which three distinct Chiefs of Staff will have a sort of Cabinet responsibility for advising on defence policy as a whole, are steps which go a long way towards securing unity of command, and it would only be a small step further to make the Chairman of the Committee a Minister of Defence.

Railway Rates.—It was announced on Tuesday by the London and North-Eastern, the Great Western, and the Southern Railway companies, that they intend to reduce their rates for the carriage of merchandise traffic (including coal, coke, and patent fuel), on and from August 7, 1923, from 60 per cent. above the rates in force on January 14, 1920, to 50 per cent. above those rates. No alteration will be made in the flat rate additions. The London, Midland, and Scottish Company has independently made the same reductions to date from August 1st. The new reductions, which do not affect the larger industries to a great extent, mean a general levelling down of all

rates except in the case of certain commodities, such as iron ore, which we believe is already below the 50 per cent. mark. The four companies have now submitted to the Railway Rates Tribunal their schedules of standard charges showing the passenger fares and goods rates they intend to charge in the future. The schedules may be obtained from the offices of the companies (price 7s 6d each), or inspected at the offices of the Tribunal, 2 Clement's inn, W.C.2. It seems probable that the proposed changes will provoke considerable controversy among traders, and some time may be expected to elapse before they come into force with the sanction of the Tribunal. The Great Western dividend declared yesterday is at the rate of 3 per cent., which compares with 2½ per cent. a year ago, the addition being made "to reduce the disparity between the interim distribution and final dividend." The London and North-Eastern announces an interim dividend of 2½ per cent. on the 5 per cent. preferred ordinary stock.

Statistical Confusion.—Following upon the changes introduced into the Board of Trade returns consequent upon the altered status of Southern Ireland, whereby the foreign trade statistics are rendered unreliable for comparative purposes, we now have the Ministry of Labour choosing the middle of a long period of unemployment to change its classification of insured workpeople. In the current number of the *Labour Gazette* it is stated that with the present exchange of insurance books "opportunity has been taken to revise the classification of insured workpeople, so as to bring it as far as practicable into conformity with the 1921 Census of Population." This process is to occupy three months, during which "it will not be possible to give the total numbers of insured persons in each industry"—and consequently the percentages based on them. The Ministry admits that though the change will have great permanent advantages, it "has the disadvantage of making the returns in this and subsequent issues of the *Ministry of Labour Gazette* not strictly comparable with those in earlier issues." For three months, therefore, we are to be without data as to the relative importance of unemployment in various industries, and if percentages are restored at the end of that time, we shall not know for certain whether unemployment in shipbuilding or cotton, say, has improved or not during the interval. We agree that it is desirable that the Ministry of Labour statistics with regard to industries should conform to the classification adopted by the census authorities, but the C classification must have been decided upon in 1920, and it is difficult to believe the statisticians at the Ministry of Labour were not consulted at that time. Why, then, have they allowed two and a-half years to elapse before adopting the revised classification, and have chosen a time when the employment figures were more important than ever before to vitiate their value for comparative purposes? The recent alterations in the Board of Trade and Ministry of Labour statistics seems to us to emphasise the need for some central co-ordinating authority for Government statistics which will supervise the collection and presentation of statistics by the Government Departments. As a first step, a small advisory committee might be set up, on which business and non-official statisticians should be in the majority, and to which any contemplated changes of the kind to which we have taken exception should be referred before effect was given to them.

Petroleum Legislation in Britain and France.—The Petroleum Bills which have been introduced respectively in the House of Lords and the French Chamber of Deputies afford an interesting, if not odious, comparison. In the first place, they indicate that the military mind is suffering on both sides of the Channel from some lack of proportion. On our side it is unfortunately worse in this particular case. In the British Bill "to amend the Petroleum Acts of 1871 and 1879," it was proposed to give the Home Office power, acting on the advice of the military, naval and air authorities, to attach to the grant of annual licences for the storage of all grades of petroleum such conditions as to the mode, nature, and situation of the storage as may seem desirable in the interests of national defence. In other words, the defence authorities wanted

to obtain power to move an oil installation (tanks, pipelines, power and pump house) further inland, if they thought it was exposed to "attack." Happily, commercial common-sense was permitted to restrain official folly. The Bill was referred to a Select Committee, presided over by Lord Younger, which has now issued a report flatly recommending that the Bill be not proceeded with further. The Committee recognised that the principle that "a trade may be regulated during peace in order that a commodity may be protected more easily in time of war" was foreign to this country, and, once established, might be applicable to many other industries, and become "a serious hindrance to the development of trade." It recommended that a new, and innocuous, Bill be introduced, merely bringing up to date the old Petroleum Acts where necessary (legalising, for example, the roadside petrol pump), without admitting any official interference in trade. In the French Bill "sur le régime intérieur du pétrole," the treatment of the oil industry was not so silly as unfair to certain interests. For the purpose of the national defence, the oil companies are required to hold stocks amounting to three months' requirements, and to pay a tax of ten francs per ton on their imports, of which half the proceeds are to be assigned to the creation of a national fleet of oil tankers. The Minister of Commerce is further empowered to establish an oil bureau to stimulate the prospecting for oil in French territory, and to direct technical oil instruction. All this is harmless, if unnecessary. But a clause has been inserted which would require foreign importers of motor spirit to mix with their petrol before clearance from bond a proportion of alcohol, purchased from Government stocks, not less than 10 per cent. of the volume of the import, while it would allow the French refiner, who imports crude oil or crude petrol, to escape altogether from this objectionable requirement. It suggests that the foreign oil interests, whose refineries are outside French territory, are being purposely penalised. The Bill has been postponed until the next session, and it is to be hoped that the French Government will recognise in the meantime the unwisdom of attacking foreign interests if it seriously desires to see large stocks of petrol maintained in the country.

An Insurance Fusion.—The arrangement under which the Northern Assurance Company proposes to purchase the shares of the London and Scottish Assurance Corporation is in accordance with modern practice. The London and Scottish was formerly a life office (under the name of the London and Lancashire Life Assurance Company), but it gradually expanded its operations in other insurance directions, and in 1919 became the London and Scottish, probably to avoid confusion of identity with the London and Lancashire Assurance Company, which had also expanded its operations and dropped from its title the distinctive description "Fire." The provisional purchase price of the London and Scottish Corporation's shares is the equivalent of £7 a share, against a market quotation of 4½. The purchase is to be satisfied by the issue by the Northern Company of 50,000 ordinary shares (£1 paid), valued at 16, and the payment of about £40,000 in cash. The provisional agreement will take effect if 75 per cent. of the London and Scottish shares are offered to the purchasing company in terms of the scheme. The Northern Assurance Company has been a notable absorber of other assurance companies of late years. It has purchased, among others, the Indemnity Mutual Marine and the World Marine, the Royal Scottish Insurance Company, the Provident Accident and Guarantee Company, and the National Guarantee and Suretyship Association. Its assets on December 31st last amounted to 14½ millions. The London and Scottish at the same date possessed assets of 6.8 millions. It is intended that the two companies shall continue their business connections and personnel as heretofore, and that Mr W. Alneas Mackay shall become general manager of the Northern, while retaining his management of the London and Scottish.

An Irish Banking Development.—We are officially informed that, with the view of consolidating and extending its banking business in the Irish Free State, to which area its operations have always been entirely confined, the

Royal Bank of Ireland, established in 1836, has purchased from the Belfast Banking Company the 20 branches hitherto carried on by that bank in the Free State area. In making this arrangement the Belfast Bank is pursuing the same policy as the London Joint City and Midland Bank, with which it is associated, and whose settled policy is not to open or retain branches in any dominion, colony, or foreign country. The Belfast Bank is confining its business to Northern Ireland. The Royal Bank, in taking over the 20 branches which are situated in the City of Dublin and in the most prosperous areas of the counties of Dublin, Donegal, Louth, Meath, Monaghan, and Sligo, will add very considerably to its business and its resources, and give it the desired opportunities as a purely Free State Bank of encouraging the development of the manufacturing, commercial, and agricultural interests of the country. We understand that the Belfast Bank, in order to carry out its full desire for reciprocity, is appointing the Royal Bank its chief agent in the Free State area, and the London Joint City and Midland Bank has likewise intimated its intention of using the services of the Royal Bank to the fullest extent.

The Chinese Chaos.—To Western observers the Chinese Republic seems to be lapsing into anarchy and on the verge of dissolution. The Peking Government has long been without funds for its daily needs, and has all but ceased to exist. The people is being drained of its resources by the armies of the rival Tuchuns and plundered by brigands, who differ little from the soldiery, and who are absorbed into or separated from the various armies according as funds to pay them are available or lacking. Civil war is going on at Amoy between the Northern forces and the Cantonese, and a new conflict appears to be impending in the Lower Yangtse region in order to set up a new Government in Peking, but the chances of its success appear to be slender, and it threatens the trade of Shanghai. The traditional hatred of foreigners is being fostered artificially by leaders who profit by the existing disorders, and the only protection in sight against the repetition on a larger scale of the recent railway outrages consists in the projected organisation under foreign officers of a special railway police. It is not surprising that the European and American residents are demanding the strengthening of the foreign garrisons in order to protect the Treaty Ports. But the European Powers are occupied with even more urgent problems, the Washington Government seems indisposed to join them in taking action, and the Four-Power Treaty of 1922—fortunately, under existing conditions—precludes its several signatories from acting alone. The China Association, at its meeting on Friday of last week, passed a resolution calling for a conference of the signatories to the treaty to consider measures to assist China in achieving national union, settled conditions, and financial equilibrium, and suggesting either the extension of the powers of the conference on the abolition of li-kin and the establishment of the Customs surtax, which is to assemble after the ratification of the Washington Treaty; or, if this conference cannot meet this autumn, by another, specially convened. Both these plans, however, as Mr McNeill stated on Wednesday in the House of Commons, have been "rejected after full and careful consideration." Hopeful features in the situation are, first, that the Chinese, though affording excellent military material, are essentially non-militarist in disposition; next, that the rival leaders had much rather negotiate than fight; thirdly, that China has amazing vitality, which has brought her through worse trials; and, finally, that the people have money, and would lend it freely to any established and authoritative Government. Chiefly through the order and economic activity in the Treaty Ports, the Customs revenue, though it has now begun to decline, has in the last half-year beaten all previous records; and the development of events is not sufficiently rapid to demand instant action on the part of the Powers chiefly concerned. If the conflicting elements could be induced to accept a large extension of the foreign financial control which now keeps China from total insolvency, the rival armies might be disbanded and a stable Government set up with restored credit and authority. Otherwise it is

at present impossible to say what solution can be found. Meantime, the assurance need hardly be repeated that the secured foreign loans are perfectly safe.

American Cotton Crop.—Last Wednesday the Agricultural Bureau of the United States Government published its third report on the cotton crop for 1923-24. The condition of 67.2 per cent. was much below expectations, as numerous private firms anticipated a figure of over 70 per cent. The report compares with 69.9 per cent. a month earlier and 70.8 per cent. same time last year. According to private advices, the conditions have improved during the past month, and there has been a tendency to increase estimates of the crop to over 12,000,000 bales. The Bureau report, however, only indicates a growth of about 11,500,000 bales. There is a little confusion as to what the official announcement means, writes our Manchester correspondent, as it is understood that any abandonment of acreage has been allowed for in the condition statement. Owing to the statistics being much worse than expected, heavy buying of futures has taken place and prices have advanced about 2d a lb. In Lancashire trade circles there is an inclination to discredit the Bureau report, but it must be said that recently the plants in Texas have been adversely affected by excessive heat and the absence of substantial rains. If the American crop for this season only turns out to be 11,500,000 bales, it is not reasonable to expect lower values than at the moment. Some particulars have been published by Mr Hester, of the New Orleans Cotton Exchange, with regard to the cotton season which ended on July 31st. The commercial crop has been given as 11,283,000 bales, against 11,653,000 bales in the previous year and 11,377,000 bales in 1920-21. The consumption during the twelve months is estimated at 12,600,000 bales. The carry-over, about which much interest has been shown, is given as 2,578,000 bales, against 4,920,000 bales a year earlier and 9,194,000 bales in 1921. These figures are striking, and indicate very clearly the way in which stocks have been reduced during the last couple of years.

Cotton Control Board Scheme.—Our Manchester correspondent writes:—The members of the Master Cotton Spinners' Federation in Lancashire have rejected by a large majority the proposal to set up an advisory council for the industry. The members were asked to vote "Yes" or "No" on the following question:—"Are you in favour of the principle of establishing an advisory council for the cotton industry (consisting of representatives of the existing master cotton spinners', cotton manufacturers', and operatives' organisations), with full power to control production and to impose penalties upon firms who do not carry out its instructions?" The result of the ballot was announced on Tuesday last, when the following figures were given out:—For the proposal, 25.38 per cent.; against, 56.66 per cent.; no reply from 17.96 per cent. In view of these figures, the general committee of the Federation passed a resolution, with only one dissident, that no further action be taken in the matter. Originally the Control Board scheme was urged by the Provisional Emergency Committee, and one of the leading supporters of the idea has stated that the advisory council, when formed, would review the state of trade from time to time, and decide what proportion of the normal output of the spinning and manufacturing sections should be produced from month to month. It would also be necessary to fix prices calculated on the cost of production. The operatives compelled to work fewer hours would be compensated out of the levies made upon mills running more than the allowed proportion of machinery. In trade circles the scheme is considered impracticable, and according to many people, the regulations could not be enforced without Government support.

Conditions in the Ukraine and the Crimea.—A correspondent recently in these territories writes:—One can, by travelling through the Ukraine, get a surface picture of the economic conditions prevailing there. In going through some of the territory of this Republic recently I

found wheat fields spreading in all directions, as well as many stretches of other small grains, and there were other conditions looking towards what was described as a "bumper" crop. In addition to my own observations the Economic Council of the Government of Odessa has supplied me with figures on all phases of the economic life of Ukraine and its principal port, Odessa. For the year 1922-23 the area planted in different grains—maize, wheat, and the like covers 6,375,000 desyutines, the area in wheat fields alone covering 1,385,000 desyutines; the spring planting of the Odessa province being 1,600,000 desyutines. Foreigners who are well acquainted with the agricultural conditions of the Ukraine corroborate the official predictions that the yield will amount to nearly 100 poods per desyutina this year as against 35 poods last year. The prospects for grain in the Ukraine for 1923-24 reach the colossal figure of 1,100 million poods, from which the Government expects to take a general tax of 180 million poods. These last figures are, of course, pure speculation. The Ukrainian Government collected a tax in kind (amounting to about 16 per cent. of the peasants' produce) last year of 103 million poods of grain, but as they are making every effort to have the tax paid in money this year, the question of export of grain from Odessa will become an important one. Along with this the question of a "free port" is being discussed, the State industries being in favour of a free port because the development of factories and other industrial enterprises requires it; while the Foreign Trade Office of Odessa objects on the ground that the *porto franco* is contrary to the principle of State monopoly of trade. Odessa being greatly in need of reconstruction, the Government has given about 400,000 gold roubles and 30 million poods of grain for this purpose. Factories are operating at 25 per cent. of their pre-war capacity, some sinking to 5 per cent., while a few, such as a tanning factory, which I visited, are in excellent condition, as are also the tobacco factories, and one of the metal factories. In Odessa there are factories for making sacks of jute, linoleum, chemicals, soap, a shipbuilding factory, a naval factory in Nikolief, and an electrical establishment. There were said to be about 5,000 flour mills in the villages and towns of the Ukraine in pre-war times, 70 of the largest of these being operated by State trusts, with a project for 400 more of them to be so managed, the tax coming from these mills to be used to support industry and transport. Many of the small mills have been revived by small private concerns. There are about 150,000 people out of employment in the Ukrainian Republic, 35,000 of these being in the Odessa Government. These people receive some aid from the Board of Labour, and, the Government having given one million poods of grain and 3 billion Soviet roubles for public works, some employment has been afforded in the reconstruction of houses, &c. The average wage in the principal industries is 10.7 trade roubles per month, this being 48 per cent. of the pre-war wage. Compared with last year, there is an increase of 80 per cent. in the wages, while the increase in production of work is 60 per cent. The trade unions of the Ukraine comprise 840,000 members. During the past year there have been 5,180 disputes, 60 per cent. of them being in private factories, and 80 per cent. of the whole were decided in favour of the workers. During the journey by motor through the Crimea from Yalta to the capital, Simferopol, one passes many hills along the sea, the sides of which are covered with vineyards, with here and there a wine cellar. Though appearances are excellent, the authorities state that only a medium supply is expected. Considerable revenue accrues to the Government from the wine industry, as a tax of 25 per cent. is levied. The total seeded area of Crimea for the last fall and spring planting (mostly wheat and rye) is 300,000 desyutines which is expected to yield 16,500,000 poods, giving a surplus equal to the total crop of last year. The area in tobacco is 400 per cent. more than last year, being 1,600 desyutines. Of the several tobacco factories in Crimea, 5 are owned by the Government. A fair number of cattle and sheep are seen in the hills, and are said to be rapidly increasing, while the peasants are using horses, oxen, and water buffaloes for ploughing. Salt is produced in large quantities, and fishing, though there are great possibilities, is nevertheless handicapped by lack of nets.

William Beardmore and Co.—The report of William Beardmore and Co. for the year 1922 states that the negotiations with the Inland Revenue Authorities as to the company's liability for Imperial taxation are still proceeding, but the directors are convinced that the provision made in the accounts before arriving at profits is sufficient to satisfy the amount for which the company may ultimately be found liable. Profits for the year 1922 at £96,167 show a decline of over £31,000. Separate accounts for the five years ended December 31, 1920, were not issued, but a report submitted in December, 1921, showed aggregate net profits for the period of £2,411,000, or an annual average of nearly half a million. The profits of the past two years have been much below this level:—

	1921.	1922.
Brought forward.....	£ 711,909	£ 752,797
Net profit.....	127,288	96,167
	839,197	848,964
Prof. dividend.....	86,400	86,400
Ord. dividend.....	nil	nil
Carried forward.....	752,797	762,564

Last year's profits, in fact, were little more than sufficient to meet the dividend on the preference capital, but the directors have wisely not entrenched on the substantial balance in hand. No depreciation has been written off the value of the buildings, plant, and machinery for the year, the directors considering that "the depreciation written off in previous years has reduced these assets to a figure which is substantially less than their value, and the appreciation in the value of certain of these assets more than covers any depreciation there may have been in the year under review." There is a general reserve fund of £1,000,000, and a special preference dividend reserve of £250,000. Four and a-half per cent. debentures outstanding amount to £437,500, and there are also 8 per cent. seven-year notes to the amount of £1,000,000 maturing on January 1, 1928. Property, including goodwill and patent rights, stands at £5,479,200, having increased by £28,800 during the year, but stock-in-trade has dropped by £259,700 to £1,140,600. An analysis of the balance-sheet will be found in another column.

Watney, Combe, Reid, and Co.—This important brewery undertaking has maintained its prosperous position in 1922-23, as the following table proves:—

	YEAR ENDED JUNE 30.		
	1921.	1922.	1923.
	£	£	£
Trading profit.....	1,057,001	1,412,961	1,415,115
Net profit.....	281,524	614,614	690,718
Brought forward.....	277,265	150,962	194,494
Total available.....	558,789	765,576	885,212
Prof. and pref. ord. dividend	216,683	216,249	215,007
Deferred ordinary dividend....	191,145	254,833	254,833
	(24%)	(32%)	*(16%)
General reserve.....	150,961	100,000	*200,000
Carried forward.....	150,961	194,494	215,372
* Deferred ordinary capital doubled by capitalisation of	from reserves. £796,353		

Gross profit on trading was much the same as last year, but a saving of £131,898 on rates, insurance, and taxation more than counterbalanced increased expenditure of £40,034 on advertising and general expenses, and of £37,805 on freehold and leasehold maintenance, and consequently net profit works out £76,104 higher. The deferred ordinary stock receives the same dividend as last year, namely, 8 per cent. on its original amount, though the capitalisation of reserves which has been carried through reduces its nominal level from 32 per cent. to 16 per cent. Our criticism of this operation is strengthened by the directors' remark that "the burden placed on the trade by the recent Budget has only affected the profits for less than three months of the past year, but this experience has been sufficient to show its serious nature, which will have full effect in the current year." Trade investments are £126,608 higher, reflecting the purchase during the year of the Cobham United Breweries, and a rise of £190,877 in gilt-edged investments is another favourable feature. Sundry creditors have increased by

Dillon, Read & Co.,
New York

United States Government
and Municipal Bonds

Foreign Government Issues

Railroad, Public Utility and
Industrial Financing

£211,683, and fixed assets are £248,207 higher. The directors apparently expect the present year to show less favourable financial results.

The Rally in Spelter.—The good recovery in the price of zinc, or commercial spelter, has been the leading feature in the non-ferrous metal markets this week. A few weeks ago, writes a market correspondent, the London price of G.O.B.s was down to under £28 per ton, which, of course, was well under cost, but early this week August fetched up to £32, representing an improvement of fully £4 per ton from the lowest. This is a very satisfactory development, as obviously if the price of zinc had fallen much lower it would have simply ruined the British spelter industry and jeopardised the Australian concentrate contract now in the hands of the British Board of Trade. The upward movement started under the impetus of a brisk demand from the galvanised sheet and wire makers for actual metal; thus there is no suspicion of speculation or manipulation about the rise. Zinc users were caught short this time, and, with large bookings of galvanised sheets made during the last fortnight in July, the necessary zinc requirements had to be covered. Several prominent sheet firms have placed contracts for thousands of tons of spelter, and in view of the small stocks in the country an interesting position is developing. The zinc imports for June amounted to 7,412 tons, this being a decline on the two previous months; but the total for the half-year at 70,996 tons compares very favourably with the returns for the corresponding six months of 1922, when only 34,740 tons came into the country. Searching for the outlet for all this zinc, it is pleasing to come across an industry that is doing well. The exports of galvanised sheets for the first half of the current year reached the handsome total of 305,769 tons, compared with 265,444 tons in the same six months of 1922, and 59,097 tons in the first half-year of 1921. The trade on the export side is, indeed, practically up to pre-war level again, and there is also a fairly good demand for home use. The stocks of zinc everywhere are on the small side, and production has been cut down in the United States and probably in Belgium also. At the beginning of July the total stocks in the United Kingdom were down to 1,700 tons, or so, against 4,650 tons a year ago, and in the States the unsold surplus amounted to about 17,000 tons, or practically a fortnight's supply. The U.S. production for June disclosed a cut of 4,500 tons, and although American prices have come up nearer to British parity, there has been no marked desire to sell American zinc forward. The Belgian output for June aggregated 12,000 tons, but there was probably a reduction last month, which will be disclosed when the returns are available. The Joplin mines have cut down the output of ore, and the Belgian zinc smelters took certain action when the price fell. Thus there may be a shortage during the next month or two, and when the consumers who have bought for forward delivery call for their metal the

nearby positions may become very tight. Belgium is reported sold out for two to three months, and statistically, and in every way, zinc looks very sound. The reaction from the highest was due to profit-taking over the holiday period.

West African Mining.—The two Gold Coast companies whose reports for 1922 are now in the hands of the shareholders are able to record a small improvement, writes our mining correspondent. But it is only to the extent that the losses are not quite so heavy as they were in 1921. The Abbontiakoon crushed over 90,000 tons of ore, and recovered gold representing nearly 38s per ton; the latter was insufficient to cover expenses. The loss of £13,000 compares with £22,800 previously. At 476,100 tons value 9.95 dwts the ore reserves score a moderate increase both in quantity and value. The second company—the Prestea Block A—last year underwent a financial reorganisation, the heavy capital being reduced by about four-fifths, and additional resources provided by an issue of debentures carrying onerous rights. The loss of £61,400—making a total of £376,400—was extinguished by the writing-down just mentioned. Hopes of better results are based upon the erection of a Minerals Separation plant, which should now be in operation. “Developments in the lower levels,” it is stated, “continue to show satisfactory results,” but at 104,850 tons, value 39.2s per ton, the ore reserves indicate a slight falling-off. The quantity represents only about a year and a-half’s supply. In each case labour is a crucial factor. The supply is inadequate, and often inefficient. Efforts have for some time past been made to secure larger numbers of natives. Up to the present little success can be recorded.

Jagersfontein.—A noteworthy change has taken place during the past 12 months in the position of this important Transvaal diamond mining enterprise. An interim dividend of 25 per cent. was paid in respect of the first half of 1920-21, but no final distribution could be made; nor did the shareholders receive anything for 1921-22, work having been suspended. It is now intimated that the actual sales during that period only amounted to £18,500. Last year they recovered to £455,800. The bulk of this represented stones on hand at the date of the 1921 balance-sheet, as operations were not resumed until November; the value of the diamonds recovered amounted to £183,900, an increase upon the result for the short period worked in 1921-22, but comparing with £1,005,600 for 1920-21. The final dividend of 17½ per cent. made a total of 30 per cent. for last year. After providing for taxation the substantially increased balance of £104,100 was carried forward. At the annual meeting it was intimated that the shareholders might with confidence look forward to another dividend in September. It would seem that development has been allowed to get a little behind-hand, but this is not really a serious matter. With new plant installed, and old equipment overhauled, the company is in a position to expand its output should conditions warrant such a course. On the basis of last year’s dividends the yield on the shares at 63s is about 9½ per cent.

LONDON STORES.—In our article on “The Profits of London Stores” in the *Economist* for July 21st, we regret that the figures of total assets and stocks for the Army and Navy and Civil Supply Stores became transposed. The correct figures for the Army and Navy Stores are for 1921, total assets £2,586,600 and stocks £933,733, and for 1922, total assets £2,623,167, with stocks of £740,063.

THE fortieth annual report of the Bank Clerks’ Orphanage shows a total income of £15,829 and an expenditure of £15,843, there being thus a small deficit for the first time since 1917. This excellent institution is still in need of financial support, which will be welcomed by the Secretary, 34 Clements lane, E.C.

Oversea Correspondence.

UNITED STATES. — COTTON CONSUMPTION — GOVERNMENT SUIT AGAINST INTERNATIONAL HARVESTER CO.—BANK MERGERS.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 23.

CONSUMPTION of cotton by American mills last month amounted to 542,166 bales, representing a decrease of 12½ per cent. from May, and of 13 per cent. from the high monthly record of 623,105 bales in March, but an increase of 6.4 per cent. as compared with June a year ago. That consumption would be lighter than in the earlier months of this year was fully expected in view of the falling off in cotton goods manufacturing and distribution, and a further decrease is likely to be shown for the current month, since curtailment of production has reached extensive proportions in New England and in other mill centres. The number of active spindles last month fell to 34,843,421, the smallest total reported for any month since November of last year, although 8.5 per cent. greater than in June, 1922. The latest figures available indicate that consumption, plus exports, for the eleven months ending with June amounted to 10,738,094 bales, or about 1,000,000 bales in excess of last year’s actual crop; the surplus carried over from the old crop has therefore been drawn on to that extent. Stocks of cotton, exclusive of linters, in manufacturing establishments and in warehouses at the end of June aggregated 2,577,954 bales, as against 3,200,896 at the close of May, and 3,284,381 bales at the end of June, 1922. Predictions made earlier in the year that there would be a marked shortage of cotton toward the end of the season, and that prices would soar to prohibitive levels, have not been realised, and are not likely to be. Forecasts that mills would be forced to curtail output have come true, not because of a shortage of raw material, but because new business has not developed in sufficient volume to keep them running at the previous rate of capacity. Curtailment of production, together with smaller exports, has therefore prevented a serious shortage in supply and a consequent rise in prices of spot cotton, which seemed imminent a short time ago. The cotton year, accordingly, is ending much better, in that respect, than was expected earlier in the season. The outlook for the new crop, however, is not as good as could be desired. Conditions vary in different States. About the best reports come from Texas, Arkansas, and the Carolinas. Hot, dry weather is checking boll weevil ravages in Texas, but rains in the lower Mississippi and Alabama regions are causing fears of weevil damage. Cotton is being picked in the Rio Grande Valley, between 2,000 and 3,000 bales having been ginned.

The dissolution suit which the Government filed against the International Harvester Company a few days ago is virtually a continuation of the litigation instituted several years ago. In a petition just filed in the Federal District Court at St Paul, the Department of Justice, through Attorney-General Daugherty, demands that the company be separated into three independent corporations, with different stockholders and officers, as recommended in the Federal Trade Commissioner’s report to the United States Senate in May, 1920. The Attorney-General explains that this action is taken because the original decree of November 2, 1918, dissolving the company has not accomplished its purpose, namely, “to restore competitive conditions in the United States in the interstate business in harvesting machines and other agricultural implements.” The Government now asks the Court to decree that the company is still a monopoly operating in restraint of interstate trade in violation of the Sherman Anti-Trust Law. The original decree provided, among other things, that at the end of a test period, which has now expired, the Government might ask the Court to determine whether or not free competition, contemplated by the Sherman Law, exists in the farm implement industry. The Government evidently has now taken that step. The sole issue raised by the present Government petition, according to Alexander Legge, president of the International Harvester

Company, relates to competitive conditions with respect to harvester machines. The petition does not charge the company with unduly raising prices to the injury of the American farmer, as was asserted in 1912, but it does charge that the company has been unduly depressing the price of harvesting machinery, particularly since 1920, to the injury of its competitors. The unfortunate condition in which manufacturers of harvesting machines and of all other farm implements find themselves, he says, is due to the serious business depression that affected the entire country, beginning in the fall of 1920. During the last few years the farm implement industry has been in an abnormal and distressing situation, President Legge points out, which directly reflects the situation of the farmer. High costs of labour, materials, and transportation have burdened the industry with high manufacturing costs, while, on the other hand, low prices for agricultural products have prevented the farmer from buying his normal and needed requirements of farming machinery. For such conditions the company claims it is in no way responsible.

The number of bank and trust company consolidations, which have been quite numerous this year, will probably be increased shortly by the merger of two large institutions whose combined assets exceed \$100,000,000. They are the Manufacturers’ Trust Company, whose capital is \$3,000,000, with deposits upwards of \$66,000,000, and the Columbia Bank, which has a capital of \$2,000,000 and deposits of about \$31,000,000. While no formal announcement has been made, it is understood that the deal whereby the Manufacturers’ Trust Company will absorb the Columbia Bank has virtually been completed. The Bank of America, which, according to its last annual report, had capital and surplus of \$11,000,000, deposits exceeding \$130,000,000 and total resources above \$150,000,000, has lately acquired the Battery Park National Bank. The latter had capital and surplus of \$2,700,000 and deposits of \$11,000,000. This is the second merger accomplished by the Bank of America in the past year, and the third since 1920. In all cases, the institutions thus taken over are continued as branches of the banks or trust companies that acquire them, and usually with the same officers and employees as before the consolidations. While the merger movement, therefore, neither increases nor decreases total banking facilities, it is, obviously, a centralisation of banking power, and tends to reduce the number of individual banks and trust companies operating separately.

From time to time during the past year reports have been current that a large tobacco merger was under way. Such a combination is now said to be nearing completion, and, if consummated, will be the largest single company of its kind in the world. It is assumed that the British-American Tobacco Company and the Tobacco Products Corporation are involved in the negotiations, and will form the nucleus of a combine which will include other tobacco manufacturing and distributing companies, and which will operate not only in the United States, but in Europe and other foreign countries. The Tobacco Products Corporation already controls many tobacco concerns, including the chain of United Cigar Stores, as well as the Foreign Trade Corporation, which manages companies that operate in the Near East.

FRANCE.—PUBLIC REVENUE—PAYMENTS FOR RESTORATION.

(FROM OUR CORRESPONDENT.)

PARIS, August 1.

THE French taxation returns for the month of June (exclusive of the yield from income-tax and the tax on war profits) show a total revenue from indirect taxation and State monopolies of 1,399,290,000f, or 174,718,000f more than during June, 1922, and 35,541,500f more than was expected when the Budget estimates were drawn up. The total revenue for the first six months of 1923 (income-tax included) amounted to 9,843,477,100f, in which the yield from income-tax amounted to 1,473,683,000f, or 283½ millions more than during the corresponding period

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of last year. The much-discussed tax on turnover produced, during the first six months of 1923, a total yield of 1,379,252,000f, or an increase of over 21½ million as compared with the first half of 1922. It is evident, therefore, that this form of impost is now becoming stabilised, and that it is at last well on the road to proving the exceptionally valuable source of revenue that its inventor, M Klotz, M Clemenceau’s Minister of Finance, predicted it would be.

Wines and spirits and beers all fell below Budget expectations during the half-year, and the same may be said of the yield from motor-cars and bicycles, but these were more than handsomely compensated for by the remarkable increase in the yield from the duties on railway transport, which exceeded expectations by no less than 55½ million f. The big surprise in the yield from the State monopolies was the amount received from the post office, which (exclusive of telegraphs and telephones, which were both most satisfactory, the latter being over 7 millions over the estimated yield) produced over 15 millions in excess of Budget estimates. “Exceptional resources” produced 1,160,833,200f during the six months, including 752,318,000f from the special tax on war profits and 176,882,700f from the sale of war stocks, so that the total revenue, including the 9,843,477,100f mentioned above as derived from the ordinary normal and permanent resources of the Treasury, really amounted during the half-year to 11,204,310,300f.

It should be pointed out that, although the return for the month of June shows an excess of revenue over Budget estimates to the amount of over 35½ million f, the excess for the entire period of six months is returned as only 1,427,500f. This is due to the fact that the latter figure is based on the finally revised revenue estimates that were drawn up during the progress of the Budget Bill through the Senate. M de Lasteyrie, it will be remembered, estimated that a substantial proportion of his original estimated deficit of 3,800 millions would be met by the increased amount that was being received from taxation, over and above his original estimates of revenue. The fact that the revenue from indirect taxation and monopolies for the six months has actually shown an increase of nearly 1½ million francs over even the Minister’s latest revised estimates, as incorporated in the Budget Bill, indicates that so far his figures have been more than justified.

In view of the recent controversy as to the manner in which the French Government is alleged to be disposing of its resources, to the alleged detriment of British and American creditors, it may be useful to set forth how the enormous amount of money that has been raised for the restoration of the devastated regions and for the payment of pensions and other charges arising out of the war has been expended. M de Lasteyrie, in an official statement, asserts that down to December 31, 1922, the French Government had expended “on German account” a total of 97,740,000,000f. Of this amount 85,333,000,000f has actually been paid away in settlement of various claims for war losses (including pensions), while the surplus of 12,410,000,000f represents interest paid on the money raised to render it possible to meet the claims in question. Of the 85,330 millions applied directly to the work of reparation, 31,679,000,000f have been expended in meeting claims for losses suffered to the person, while the balance of 53,651,000,000f has been used to make reparation for

loss of property. The details of both accounts are as follows:—

FOR LOSSES SUFFERED TO THE PERSON.		Francs.
Military allowances, urgent assistance, gratuities paid in respect of the dead, &c.	14,299,000,000	
Prisoners of war and civilian victims	1,039,000,000	
Pensions and various payments to mutilated men	15,910,000,000	
Orphans, &c.	431,000,000	
	31,679,000,000	
REPARATIONS FOR LOSS OF PROPERTY.		Francs.
Payments by Treasury on account of the capital sum of indemnity claims	17,964,000,000	
Payments by the Crédit National on account of the capital sum of indemnity claims	16,466,000,000	
Payments by annuities on the capital of indemnity payments	6,406,000,000	
Payments in Renten in respect of the capital of indemnities	465,000,000	
Interest payments on indemnities made by Crédit National	1,148,000,000	
Other expenditure (works, purchases, &c.)	7,134,000,000	
Railways	2,182,000,000	
Public services	1,186,000,000	
	53,651,000,000	

These amounts have been expended since the beginning of the war as follows (the figures being in millions of francs):—

Year.	Reparations in Respect of		Total.
	Persons.	Property.	
1914	701	..	701
1915	2,291	.. 5	2,296
1916	2,897	.. 42	2,939
1917	3,705	.. 114	3,819
1918	4,731	.. 284	5,015
1919	4,787	.. 8,410	13,197
1920	4,672	.. 13,084	17,756
1921	4,503	.. 17,769	22,272
1922 (provisional)	3,392	.. 13,943	17,335
Totals	31,679	.. 53,651	85,330

The cost of the maintenance of the Army of Occupation is not, of course, included in these totals, neither are the sums that were advanced to Germany under the Spa Agreement, to enable her to purchase coal. These together amounted, down to the end of 1922, to a total of 1,841,000,000 gold marks, or approximately 7,000,000,000 of paper francs, the amount advanced to Germany by this country for coal being 239,000,000 gold marks. The greater part of these, however, have already been repaid by Germany, the exact amount of these repayments being 1,780,000,000 gold marks, composed of 144,000,000 gold marks in cash, 1,293,000,000 gold marks in various categories of payments in kind, and 343,000,000 gold marks in corresponding amounts of paper marks. (The payments made by Germany in kind are valued by the French Government at the above-mentioned figure, but are estimated by the Reparations Commission at 52,000,000 gold marks in excess of that sum. Neither is the capital value of the Saar collieries, estimated as being worth 300,000,000 gold marks, included in the total which Germany is credited in the above figures with having paid.)

It is impossible at present to ascertain exactly from what sources the French Government has obtained the sum of nearly 98,000 million francs which it has expended in the manner set forth above. The well-known economist M René Théry, however, in an article just published in his journal "L'Economiste Européen," sets forth the sources from which the money has been obtained as follows:—

	Francs.
Six-year obligations	930,000,000
Loans issued by Crédit National	17,614,000,000
Loans on annuities	6,406,000,000
Rentes handed over in payment of claims for indemnity	456,000,000
Foreign loans (purchases abroad)	1,100,000,000
Short-term bonds	71,500,000,000
Total	98,006,000,000

The last two sums M Théry qualifies as "approximate." In view of the fact that it has hitherto been impossible to elicit anything like exact information as to the amount of short-term bonds in existence, and of the statements that have repeatedly been made to the effect that the real total is much larger than is generally supposed, the qualification is probably justified.

GERMANY.—INTERNAL CRISIS—EXCHANGE AND CURRENCY—TAXATION REFORM—CURRENT FINANCES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, July 31.

CONDITIONS in the past week have looked worse than at any time since 1919. There is a currency crisis, a political crisis, and a food crisis. The latter is much the most threatening of the three, because it has induced a state of public nervousness and irritation of the kind which in other countries has usually preceded serious outbreaks or revolutions. Ultimately all three crises must be linked with the mark exchange. The earlier mark collapses, though usually proclaimed to signalise disaster, were overcome fairly easily; against the privation caused to certain classes could always be set off an industrial boom, with better employment; and no mark collapse before 1922 caused any serious shortage of working capital. In general the process of adaptation to each new standard of values was rapid. But the more rapid the exchange depreciation, the harder it was to adapt. This time the speed of exchange depreciation has beaten all records. In one week, between the 23rd and the 30th, the dollar exchange rose about 200 per cent.—from 350,875 marks to 1,102,750 marks, and this happened after three months of depreciation. In the second six months of 1922 the dollar rose about twenty-fold; in the first seven months of this year about 150-fold. This has been accompanied by no all-round improvement of business, because against the slightly increased industrial activity of the past weeks in unoccupied territory is the fact of stagnation on the Ruhr. The shortage of food, which has led to some slight disorders, and to the besieging of markets and shops by crowds of hungry citizens, is a threatening novelty. It is due in some part to a real shortage, in greater part to the holding back of supplies. Farmers, as in Soviet-Russia, are unwilling to sell. Against normally rapid currency depreciation they can protect themselves by immediately putting their marks into goods, but they cannot protect themselves to-day when the prices of certain kinds of goods treble in a few days. To complete the parallel with Russia, many shops have been closed for lack of goods. For this there was no parallel even in the difficult months after the Armistice, although the real reserves of necessities were then smaller than now. It is not safe to say that these bad conditions can be indefinitely aggravated without a convulsion, but bad as they are, they would only be made worse by a Government collapse or by widespread disorder, and the vast majority of urban workmen, who alone count, are aware of this, and are kept well in hand by their leaders. The Communists, who think otherwise, are still a small minority. If general starvation comes, naturally these considerations would not apply. But for the moment the statements in the French Press that Germany is "on the eve of anarchy and dissolution" seem to be overdone, and the French reasoning that a German surrender will be enforced is probably wrong. The majority of Germans do not see a remedy for present conditions in the abandonment of resistance on the Ruhr any more than they see a remedy in revolution or disorder.

The cash question is still acute. The appearance of five-million mark notes has not much improved things; since these were decided on the demands of business have enormously increased. The Reichsbank, as usual, was caught napping; its vaults are full of 200-mark aluminium coins, each worth the hundredth part of a penny, which nobody will accept, but no provision was made for the demand for big notes. The private banks offer their clients drafts on the Reichsbank, against which the Reichsbank cannot pay out notes. Many persons get from their banks sheaves of drafts on the Reichsbank for different sums, and try and make their purchases fit their drafts. The waste of time and the irritation caused can

hardly be described. These troubles will be got over only if the mark exchange fall ceases for a time. There is so far no sign of a lack of credit or of industrial working capital. The Reichsbank continues to discount commercial bills, and conditions for big concerns are alleviated by the widespread affiliations existing between companies engaged in different stages of production of the same or similar goods.

The assaults upon the Cabinet and the Reichsbank are daily more bitter. The Centre Party, which is represented in the Cabinet, has attacked Dr Cuno through its organ, *Germania*, and almost the whole of the Berlin Press agrees with it. The questions asked are, why the Cabinet did not six months ago present a special taxation programme adapted to the special conditions caused by the Ruhr "war"; why the urgent and obvious demand that the existing taxes should be put on a basis guaranteeing a stable real revenue even when the currency is depreciating; and why the Reichstag was allowed to disperse at the peak of the crisis without doing anything? The Socialist party has presented its own programme, which is popularly called an "Ultimatum," but which could have that character only if the party was ready to attempt extra-parliamentary pressure. The programme demands the trebling of a number of taxes, including the already tenfolded Forced Loan (for bread-cheapening purposes), of the advance income-tax payments, and of the Sales Tax; further, a special Ruhr tax on business, a natural tax on rye, the acceleration of payment over to the Government of the coal, export, and other taxes, State gold mortgages on business undertakings, or direct State participation in them.

These measures do not seem to be necessary if only the "valorisation" of taxes is carried thoroughly through, but the Cabinet even now seems only partially converted to the latter solution. On the 30th it issued an announcement of its intentions. First is a "Rhine-Ruhr Levy," in two parts. The first part is based on the advance income-tax payments in the last two quarters of this year and first quarter of next. These payments have already been provisionally multiplied 25-fold, which was quite inadequate, as they are assessed on incomes of 1922, which averaged perhaps the 1-500th of incomes to-day. The levy will be twice the present provisional advance payments or 50-fold the income-tax of 1922. This multiplier is quite inadequate, because those classes (free professions) whose incomes are assumed not to have risen in measure with the currency depreciation are exempted, having been already exempted from the 25-fold rate. The Cabinet is here plainly repeating the blunders which it and former Cabinets have made for five years; it contents itself with adapting taxes (somewhat imperfectly) to the rise which has already occurred, but it is just as likely as not to find the new 50-fold payments depreciated to nothing by further currency depreciation—that is already the fate of the 25-fold payments. The second part of the Rhine-Ruhr levy is to be 50 times the motor-car tax. Here again there is no guarantee that the real yield will be increased. The population of the occupied districts is to be exempted from the levy. The beer tax is at last to be assessed on selling price—20 per cent. of the brewer's price. The mineral water tax is to be abolished, on the ground that the Reichstag lately refused to increase it. At present it yields practically nothing. Certain beverages which formerly came under this tax will be classed with the beer tax. Provision will be made for enforcing rapid payment of other taxes on consumption, and there will be a "taxation interest law" increasing the rates of interest on delayed tax payments.

This programme is not satisfactory. It is a repetition of the old policy of increasing the number of taxes, impressing the citizen with "levies," and so on, instead of getting in the old taxes efficiently. The 60 per cent. income-tax and the 100 per cent. (after a small exemption) expropriation of war profits are cases in point; nobody paid them, but they temporarily impressed citizens with the Government's thoroughness. The editor of the *Vossische Zeitung*, Herr George Bernhard, calls this "taxation-demagoguery," and he puts the Rhine-Ruhr Levy in the class. In fact, there is not the least prospect that any tax assessed on the multiplier system will yield real revenue. The increase in the punitive interest rates

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on delayed tax payments will probably prove useless for the same reason. The present rate is 15 per cent. per month for the first month's delay, 30 per cent. afterwards; but this month money fell in value to one-sixth, and a 15 or 30 per cent. penalty was not felt. The Government seems to have learnt nothing by its repeated experiments in this direction. E.g., the Department of Posts is obliged to announce that the annual deficit estimated a month ago at under six billions must now be estimated at 30 billions. In order not to be caught, for once, the Department announced six weeks ago not only a heavy increase of postal rates for July 1st, but also, well in advance, another increase for August 1st, trying, that is, to get ahead of currency depreciation which was not certain to take place. This ruthlessness impressed everyone, but the only result is that in August letters will be delivered to any part of the Republic for 1-20th of an English penny. The railways' condition is the same. Fares, well in advance, were declared quadrupled; but second-class travel for 200 kilometres will, nevertheless, in August be supplied for 1s 9d. The lack of a homogeneous policy towards the taxation and currency depreciation question is just as marked after the dangerous crisis of last week as it was four years ago, when no ordinary politician had any experience or theoretical knowledge of the matter.

Current finances go on in the old way. Between June 20th and 30th the floating debt increased from 31,041,975 millions to 42,936,163 millions, revenue received being only 512,373 millions against expenditure of 14,406,560 millions. The subsidy to railways in these ten days was over 3½ billions. The Finance Ministry's accounts for the first quarter (ending June 30th) of the present financial year show a complete collapse in real revenue. How hopelessly the real yield has fallen behind is shown by the fact that receipts in June, 1,262,524 millions, were only a little more than a third of the 3,539,388 millions received in the whole quarter, this though April began with a dollar exchange of about 21,000, while June ended with 155,000. For some taxes even the nominal receipts fell off, and the buying power of certain tax yields, reckoned on the commodities price index, fell in the three months to one-fifth or one-sixth. The July accounts will show an almost complete disappearance of real revenue, and probably those of the later months will be worse, because most of the measures now proposed were long ago proved worthless, and because the useful measures will not come at once into force. The total revenue as above given was composed of:—

	Million Marks.
Taxes on property, income, and business	2,343,094
Customs and taxes on consumption	1,035,875
Export duties	160,224

The Government is considering abolition of some of the numerous exchange regulations, including the compulsion to deal at the official rate. The Bourse boom continues, and yesterday reached a new height, with some stocks rising over 5,000,000 per cent. Leading stocks now quote between 10,000,000 and 18,000,000. The price of hematite pig-iron has been raised to 14,213,000 marks per metric ton, with supplements for iron smelted with English coal, ingots to 12,960,000 marks, bars to 18,750,000 marks, and thick sheets (five millimetres and over) to 21,131,000 marks. The official commodities index for the 24th shows 79,462 (one in 1914).

UNION OF SOUTH AFRICA.—NEW INSURANCE LEGISLATION — RAILWAY DEPRECIATION, BASED ON CAPITAL VALUE OF ASSETS OR REVENUE?—GOVERNMENT EXPENDITURE AND COUNTRY'S RESOURCES.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, July 4.

THE Parliamentary session has just closed after an almost record duration of 103 days. It will be more remarkable for the things left undone than for useful measures placed on the Statute book. Some 35 Bills were passed, but ten of these were merely formal financial measures. About ten Acts were administrative, dealing with such diverse subjects as radio stations, pensions, magistrates' courts, aviation, and Customs. Three important measures, among them the Conciliation (Labour Disputes) and Miners' Phthisis Bills, were postponed as, consequent upon their highly controversial character, they could not be dealt with in the time available. The Acts passed of public importance were the Insurance Act, the Beef Export Bounties, and the Currency and Banking Act Amendment. The last-named permits British and Union Treasury bills to be taken as security for reserve bank notes.

The Insurance Act consolidates laws in force in several provinces of the Union. Companies have to be registered and make deposits on a stipulated scale. Life assurance, bond investment, and industrial companies are obliged to furnish to the Treasury a certificate by an actuary that the conditions on which business is proposed are actuarially sound (though I am afraid this could not be done in respect to certain State pension funds!). The moneys and securities deposited are to be available to satisfy any judgment obtained in the Union by any policyholder against the company. Policyholders are entitled to sue the insurance company in any court of competent jurisdiction in the Union, and any question of law arising shall be decided according to the law of the Union. No stipulation purporting to deprive the policyholder of the benefit of such provision shall be valid. Minors over 18 may insure their own life, with all rights except of pledge and cession. Policyholders may engage in military or naval service in defence of the Union without the consent of the company. A policy which has been three years in force is during lifetime protected against creditors to the extent of £2,000 (plus bonuses), subject to the rights of the person to whom it is pledged. After death the policy is similarly protected, but in the case of a surviving spouse only to one-half. A policy ceded to a wife is to be her property free from the husband's control, and shall not be void as a gift between spouses. Important provisions are made with respect to amalgamations of companies, which have to be sanctioned by the Court.

Agents for Lloyds or similar associations have to be registered, pay a licence fee of £50, and deposit £2,000. Insurance companies are debarred from making any discrimination in favour of individuals by way of special inducement, rebate of premium, &c., and from accepting a promissory note for the first year's premium, or portion thereof. After three years the onus shall be on the company to prove that any statement of age is incorrect. Ten schedules are appended to the Act dealing mainly with returns which have to be filed with the Treasury.

An interesting question has recently arisen in connection with the assessment of depreciation on the South African railways. It is the practice to make allocations to the renewals fund, besides ordinary maintenance. In ten years the Government railways have spent £14½ millions on permanent way upkeep, and £21½ millions on rolling stock maintenance. The Auditor-General, giving evidence before the Railways and Harbours Select Committee, said: "We have actually spent from the renewals fund in rolling stock in ten years £11,933,900 from revenue, against £16,779,740 from capital, or 71 per cent. of the total capital expenditure on rolling stock. I am not aware of any railway in the world which has spent such a large sum in such a short time on renewals of rolling stock from revenue." Five years ago the Public Accounts Committee reported that "for the present" a contribution of not less than £1,400,000 a year to the general renewals fund was sufficient. The contribution is a very

elastic item; for instance, it had grown to £1,957,500 for 1921-22, in the critical times of 1922-23 it was reduced to as little as £842,400, while in the current estimates (1923-24) a sort of middle course has been taken at £1,162,600. With such a fluctuating factor, it is obvious that the net result of working may be made pretty well what is desired. For example, the railway profit this year (1923-24) is estimated at £43,000, but had the depreciation been as meagre as in the previous year, the profit would have been close upon £400,000. Conversely, had it been as lavish as in 1921-22, the small profit would have been converted into the substantial loss of three-quarters of a million. The two million a year allocation was based on a 25 years' life for rolling stock and 30 years' permanent way, but last year the Railway and Harbours Committee voiced a doubt that 25 years was too short a life to assign to rolling stock.

The Provincial Finances Commission was unable to give a definite answer to the question whether the expenditure of the four provinces was proportionate or otherwise to the resources of the country, but endeavoured to ascertain what relation the total expenditure of the Union and Provincial Administrations should bear to the income of the people. It first points out that the former (combined) had increased from £13,350,000 in 1913-14 to £27,000,000 in 1921-22, expenditure on post office and interest on railway and provincial debt being excluded. The value of mineral production declined from nearly £53 millions to £36 millions (owing to the strike and the lesser production of diamonds). Wealth "derived from minerals is likely to continue to decrease unless there are new discoveries of gold, or a very large expansion of mineral production other than gold. . . . Expansion in the production of the farming industry since 1911 is far from being commensurate with the growth in public expenditure." Manufactures have increased from £18,120,000 in 1915-16 to £40,343,000 in 1920-21. "The conclusion seems inevitable that the country's expenditure has grown at a rate quite out of proportion to the increase in resources. The Union is not a rich country, and would be a comparatively poor one but for its mineral assets, some of which are being rapidly exhausted."

POLAND.—EXCHANGES—POLISH BANKING—UPPER SILESIAN COAL—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

WARSAW, July 20.

THE second half of June was marked by spasmodic fluctuations of the exchanges. The American dollar, which at the end of May was quoted 53,000, reached three weeks later the record level of 180,000, and after a few days fell to about 100,000. In July the movements of the mark were less violent, and since the beginning of the month a comparatively slow upward tendency on the exchange market may be observed, as shown by the figures below:—

	End of June.	July 6.	July 18.
London.....	458,900	496,000	564,000
New York	99,500	108,000	121,000
Zurich	17,810	18,000	21,500
Paris.....	6,155	6,390	7,150
Berlin	0.81	0.57	0.50

It would be wrong to draw from these figures the conclusion that the climax of the present crisis has been reached. The exchanges have been maintained since the end of June on a relatively stable level, by drastic exchange regulations, which have completely crippled the trade and industry of the country. The Central Board of Exchange has been functioning; the banks are not authorised to sell foreign currencies. The rates are fixed by this Board, and they are 20 to 30 per cent. below those quoted by the illicit "black exchange." In consequence, the influx of foreign bills to the banks, which are obliged to apply in their transactions the official quotations, has ceased nearly completely, and it is impossible to obtain from them, even with a licence, foreign remittances. The import of raw materials is much hampered by this deadlock, and it is reported that various textile factories are obliged to cancel orders for American cotton because of the disorganisation of the exchange market.

The whole situation is accentuated by political instability at home. At a moment when the maintenance of a firm and decided fiscal policy was of the greatest importance, Mr Grabski has tendered his resignation, because it was impossible for him to co-operate with the new Cabinet. The portfolio of the Ministry of Finance has been taken over by Mr Linde, who was formerly at the head of the Postal Savings Bank, whose foundation and development is his personal achievement. It seems that the new Minister has not a new financial programme, and that he will simply continue the policy inaugurated by his predecessor.

The capital of the Polish banks amounted on January 1st of this year to 26.4 milliard marks, as compared with 9.2 milliards at the beginning of 1922. The increase of the capital did not keep pace with the depreciation of the mark. While the exchange of the dollar rose from 3,000 in January, 1922, to 18,000 in December, or by 600 per cent., the increase of capital did not even reach 300 per cent. The banks had the task of financing with a much smaller capital a larger volume of trade and industry. A similar dwindling away of the deposits of the Polish banks may be observed, as shown by the figures below:—

	Deposits. Million Polish Marks.	Value Expressed in American Dollars.
December 31, 1921.....	33,880	11,784,600
" 31, 1922.....	125,049	7,045,000

Though the deposits increased from 33 to 125 milliard marks, their real value was at the end of 1922 nearly 4 million dollars smaller than in 1921. The difficult problem of financing the trade and industry of the country could only be solved by a growing support of the credit system by the Polish National Bank, which could place a practically unlimited amount of paper marks at the disposal of the private banks. While in January of last year these institutions had rediscounted only 15.7 per cent. of their bills, and in February 19 per cent., the percentages rose in October to 38.5 per cent., in November to 43.5 per cent., and in December to 46 per cent. Though the rate of interest charged by the banks has reached the abnormal height of 50 per cent. and even more, the profits obtained from loans did not keep pace with the steadily increasing costs, which from December, 1921, to December, 1922, rose from 2.4 to 17.6 milliard marks. At the end of 1921 these costs absorbed 78.6 per cent. of profits obtained from loans; at the end of 1922, 92.6 per cent.

The coal production of the Polish part of Upper Silesia is slowly approaching the pre-war level. Though the partition of the complicated economic organism made a very deep cut in the production of this province, the mining industry has overcome to a great extent the difficulties resulting from political reorganisation. Out of 68 Upper Silesian mines, Poland obtained 54, with an output of 33.8 million tons in 1913. In 1920 the production amounted to 24.6 millions, in 1922 it reached 25.6 millions. During the present year there has been a further increase. In January 2,330,000, in February 2,102,000, in March 2,413,000 tons were produced, as compared with an average monthly output of 2,130,000 in 1922. The progress would have been more rapid if Upper Silesia had possessed the necessary railway connections with the rest of Poland. The railway system of this province was constructed with the view of facilitating the traffic with Germany, while the lines connecting Upper Silesia with Poland were neglected. In consequence, greater quantities of coal are sent to Germany than to the Polish provinces situated outside Upper Silesia. I reproduce below the most important items relating to the production and export of Upper Silesian coal during the first four months of this year (metric tons):—

	January.	Febru'y.	March.	April.
Production	2,329,775	2,101,707	2,413,235	2,131,530
Taken by Polish Upper Silesia ..	839,482	750,057	817,373	724,018
the rest of Poland	478,042	340,547	377,340	449,314
Exported to Germany	775,865	797,848	1,039,529	579,311
Exported to other countries	366,925	345,967	225,031	248,089

The principal foreign market for Upper Silesian coal is Germany; Austria ranks second. The export to Czechoslovakia has decreased considerably in comparison with the pre-war figures. The export of coal to Italy has

ceased completely. The competition of Upper Silesian coal in foreign countries has been rendered very difficult by the disappearance of the premium which resulted from the depreciation of the mark. While in 1922 the price of Upper Silesian coal, expressed in gold, was much lower than the price quoted in England, to-day it has reached nearly the world level.

The trade returns for the first quarter of this year show for the first time an excess of exports over imports, as may be seen from the figures below:—

	(In Millions of Swiss Francs.)	Imports (—)	Exports (+)	Excess of Imports (—)
January.....	99.8	71.8	28.0	— 28.0
February	81.8	115.4	33.6	+ 33.6
March	100.6	146.7	46.1	+ 46.1

The principal articles exported were coal (3,706,000 tons), timber, raw and manufactured (766,000 tons), oil products (74,600 tons), sugar (54,800 tons), metal products (62,500 tons), zinc (17,000 tons), cotton goods (2,200,000 tons).

BULGARIA.—EXCHANGE MOVEMENTS—MONETARY SHORTAGE—BUSINESS POSITION.

(FROM OUR CORRESPONDENT.)

SOFIA, July 15.

THE predominating influence in the economic life of Bulgaria since the solution of the Reparations question has been and still is the movement of the lev. Down to the end of May the rates moved very sharply in favour of the country, as the following quotations for sterling in Sofia show:—

	Leva.
March 1	820
April 2	630
May 1	609
May 26.....	440
June 1.....	500
July 13.....	505

Importers who paid for their stock at the higher rates—ruling a few months ago have been badly hit, as also have those who invested dearly-borrowed money in building-undertakings and similar ventures. Many exporters of corn, tobacco and other raw materials bought relatively large stocks at the higher level, and are now in an awkward position.

The general trade position has also been aggravated by the prevailing scarcity of money. Since November last, bank credits have practically ceased, and almost all the banking houses have called in their loans. Moreover, the organisation of the National Bank is such that it has signally failed as a regulating institution. Indeed, what with heavy advances to the Treasury and large investments made under considerable pressure from the late Government, the efficiency of that institution has been sadly impaired. The position is still further complicated by the lack of a really competent trained staff.

Export trade has practically ceased for the moment as a result of the appreciation in exchange. But this is, of course, practically the sole source of foreign currency; and liabilities incurred abroad in respect of previous imports, the settlement of which has hitherto been postponed in anticipation of a further rise of the lev, are now beginning to fall due. The demand for foreign currencies thus remains active: while the new Government has made it a point of honour that the prestige of the national currency shall be maintained. The regulations which were created recently with this end in view have not, however, had the desired effect, for the general uneasiness which followed their publication led to considerable apprehension in business circles and a nervous rush to buy foreign exchange. It seems probable, therefore, that the lev will fall still further, though this gives no reason for anxiety, for until the pound sterling stands at somewhere about 620 leva there is little hope for active exports. The prosperity of the last three years has rather spoiled producers of corn and tobacco, and they are not now willing to sell unless they are really in need of money. As a matter of fact, however, money is plentiful amongst the peasantry, and the shortage which we have described really only affects the urban population. In addition, those exporters who have been caught out at the higher level will certainly

make desperate efforts to keep up prices, and the resultant lack of export will, of course, at once react on the exchange position.

The present situation is unpleasant, but it has at least the advantage of being quite clear. The vicious circle must be broken by importers and exporters alike liquidating their speculative position and cutting their losses. This is the only really effective way in which prices can be adapted to the new economic position of the country. Fortunately, moreover, Bulgarian industrial undertakings are not involved in the present crisis to any considerable extent, and their stocks could be liquidated without any serious loss.

From the point of view of the peasant proprietor, who represents the overwhelming majority of the nation, the fall in the price of the few articles of consumption he needs to buy, such as cotton yarn, salt and petrol, is the only thing that counts at the present time. Indeed, as soon as the internal prices of these commodities have come down to their external equivalent, the process of reshuffling may be regarded as practically complete, as far as the majority of consumers are concerned.

The new Government has appointed an expert committee to investigate the economic and financial position of the country. Its good intentions in this respect are beyond all doubt, but the actual results will depend very largely upon whether a policy can be evolved which will save the country from rigid State control, and from the clumsy bureaucratic regulation of delicate questions of trade and finance.

Letters to the Editor.

CREDIT CONTROL AND UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I don't know where your correspondent Mr W. H. Norton gets the idea as set forth in his letter to you in your issue of the 28th ult., that "the Sound Currency Association is still suffering from the delusion that a nation's currency is sound when all notes issued are covered completely by gold." If I have any authority to speak for the association, I would beg to state that this delusion exists only in the imagination of Mr Norton. We believe that a sound currency implies a free market in gold, and that notes issued should be made payable in gold on demand. This is an entirely different thing, and allows for such things as credit, the science of banking, and the necessary gold reserve to be maintained which only skill and a knowledge of such things can determine. The Federal Reserve Bank notes of the United States of America and the Bank of England notes do not require to be covered completely by gold, but, given a free market in gold and convertibility, are regarded as quite sound by the association. The unsound feature in our system at present is the lack of an absolutely free market in gold, which cannot yet be permitted because of the depreciation in the currency which still exists. This can be proved by the fact that the price for gold bullion in our currency exceeds the mint price. If the prohibition to export was entirely taken off, at the present rate of exchange it would pay bullion dealers to present Bank of England and Treasury notes for payment in gold and ship the metal to America. To restore the exchange to parity and prepare the way for a free market in gold, there is only one remedy that I know of, and that is to gradually contract the issue of paper money until parity of exchange has been re-established. When that has been achieved, then the prohibition can be removed, and the amount of the issue of currency notes be left to the automatic regulation supplied by their convertibility.—I am, Sir, your obedient servant,

D. M. MASON,

Chairman, Executive Committee,
Sound Currency Association.

August 1st, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of July 28th, Mr D. M. Mason states that he frankly believes that a financial system which would eliminate periodical contractions of credit and fluctuations of prices is impossible of achievement;

further, that were such system possible, he believes that its adoption would be inadvisable.

We, on the other hand, believe such achievement to be possible; further that, in order to secure the satisfactory development of the nation, it is essential that the natural protection of a national currency system be afforded, so that our overseas trade shall consist of the exchange of goods for goods.

How a currency system of this nature would operate was outlined in my letter in your issue of April 28th last, in which I quoted the views held by the late Dr Ellis Powell, and to which Mr Mason did not reply.

Unless Mr Mason and his association are prepared to consider and adopt the advice given by Mr C. B. Norton, they will certainly give ground for thinking that his suggestions are well founded, and that the banking and financial interests represented by the Sound Currency Association "are merely fooling the world and prolonging its agony."

We maintain that the return to a system which would render national paper convertible into international gold on demand would be disastrous to Britain. It is open to Mr Mason and his associates to challenge our position.

The exigencies of space do not allow of a fuller exposition of our views, but I shall have pleasure in forwarding further particulars to any of your readers interested in the subject.—Yours faithfully,

W. G. RENWICK,

General Secretary,

The National Currency League.

7 Queen street place, London, E.C. 4,

August 1st, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—As a constant reader of your valuable paper, I have followed with interest the controversy which is appearing in your columns regarding "Credit Control and Unemployment," and I should esteem it a favour if you would grant me space to say a few words on the subject.

I do not wish to contradict your esteemed correspondents, but judging from a lifelong experience in the export trade, I should say that their diagnosis is incomplete. It is an axiom that our home trade is not sufficiently considerable to occupy all our workers in all our industries; we are therefore compelled to find outlets for our manufactures in all markets of the world, and before the war the fairly steady business which we secured in those markets kept the number of unemployed workers at a reasonably low percentage.

Now, all markets, and even those which were outside of the war zone, have suffered to an enormous extent in consequence of the catastrophic slump of 1920-1921, and confidence has been slow in reviving, so that only urgent requirements are covered, the result of which is a hand-to-mouth business throughout the world.

It is not a lower Bank rate, nor greater credit facilities that are necessary to bring about an improvement in the situation. What is wanted are buyers from all parts of the world, buyers who can buy and who can pay for the goods.

A study of export statistics shows that for years past scarcely any market has received as large an annual quota of cotton piece goods and yarns (yardage and weight) as it did before the war. It is thus evident that there is no glut, but, on the contrary, a shortage of goods nearly everywhere, especially taking into account the normal growth of population. And this applies to all other classes of manufactures as well.

But to be able to buy the overseas merchant must have confidence that the produce of his own market will find a ready sale abroad, and it is just this which is lacking. This, to my mind, is the cause of all the trouble, and this will only be remedied when the great Central European and Near Eastern markets shall be enabled to resume their normal trading operations, and, by taking from the overseas countries the raw material and produce of which Central and Eastern Europe is in need, place our overseas customers again in a position to buy freely from us.—Yours faithfully,

A. DE MIERRE.

Noddfa, Francis avenue, Rhos-on-Sea, North Wales,
July 18th, 1923.

Books and Publications.

THE LIBERAL STATE.

STARTING from the belief that Liberalism is not an anæmic compromise between two full-blooded extremes, but an active, energising, vital political principle, Professor Ramsay Muir sets out in this book* to sketch the Liberal State for which he and his associates are working. To translate a guiding principle into a concrete system is not an easy task. The idealist, whether in religion or in politics, who paints from afar the city of his dreams is tempted to add glory to glory until he has achieved the new Jerusalem rather than a mundane cis-Jordan community. This temptation Professor Muir successfully resists, and if he seems at times a little inclined to predicate a wholesale spiritual conversion, it is far better for the political thinker to credit humanity with too much than with too little of the capacity to reform itself.

By way of distinguishing between the more or less distant ideal and the very urgent needs of the near future, he divides his picture into parts, dealing separately with what he calls "the practicable ideal" and "the immediate tasks of reform." In his chapter on the practicable ideal he is necessarily somewhat sketchy, touching in less than 25 pages on the place of nationalism in politics, international security and the League of Nations, tariffs and Free-trade, the duties of Empire, devolution or proportional representation, the rights of inheritance, the place of hospitals, the problem of slums and town planning, building guilds, education and the size of classes, foreign trade, and the agricultural revival. But the keystone of the ideal State is a reformed industrial system in which the conflicting elements of to-day are co-ordinated, and real co-operation is established between employers, employed, and the Government. The Industrial Council, to which much of the work now ill-done by Parliament and the Bureaucracy would be relegated, is the author's enthusiasm and his great hope. Less of secrecy in the matter of accounts and costing is, he believes, an essential reform, and there are probably few economists whom he will here fail to carry with him. The organisation must doubtless be built up by degrees, and the limits of Government encouragement are not yet clear; but on such lines as these the future of industry, if there is to be a great future, must lie.

Among the immediate tasks of reform, foreign politics and finance naturally take a leading place. In foreign affairs Professor Muir argues from the Liberal point of view, which is rapidly becoming the British point of view, for the much-divided Liberal policy of 1920 has now practically converted the nation. Until this policy triumphs there is little chance of a trade revival, and that revival is the condition of all reform—social, industrial, and financial. A capital levy is discarded on the somewhat peculiar ground that, though practicable in the boom, it is impracticable in the slump. We should have thought that if ever there was an impossible moment for assessing a capital levy, it was when values were grossly inflated and on the point of falling 50 or 75 per cent. If a levy had been passed at the end of 1920, how many of us would be solvent to-day?

Taking this little book as a whole, it is fair to say that, of all the statements of political belief and reform that have been given us in the past ten years, it presents the sanest views and the most constructive methods. There is little or nothing in it that is impracticable; much that is stimulating and hopeful. It does not belittle our difficulties, and it has the supreme merit of avoiding short cuts.

* "Politics and Progress." By Ramsay Muir. (London) Methuen and Co., Limited.

BUSINESS CYCLES AND UNEMPLOYMENT.*

This important book comprises the report of a Committee of the Conference called by President Harding in 1921 to consider the problem of unemployment, together

* McCraw Hill Publishing Company. 1923.

with the results of a long and detailed investigation into the trade cycle undertaken at the request of the Committee by the National Bureau of Economic Research, under the editorship of Professor Wesley Mitchell. The report itself is a wise and stimulating document, and the National Bureau's investigation comprises a vast mass of information and suggestion concerning the American boom and slump of 1920-1, and the possibilities of control of the trade cycle. It would be impossible in a brief review to discuss and analyse the whole of this most interesting material, but it may be useful to indicate the main lines along which the minds of the Bureau and the Committee appear, as it seems to us rightly and fruitfully, to be working.

In the first place, they lay emphasis on the need for more and better information, and more and more intelligent use of such as is available. Except as regards employment, America is incomparably better equipped with statistical reports and services than England; but it is evident that there, too, the addiction of the business world to secrecy and rule-of-thumb is a bar to progress.

Secondly, these investigators grasp that under present conditions a mechanical connection between bank deposits and gold reserves is not a sufficient guarantee against over-extension of credit, and advocate deliberate control of credit conditions with a view to preserving business stability. In particular they criticise the rule-of-thumb by which American bankers demand from borrowers a two-to-one ratio of quick assets to liabilities, since this leads to an expansion of credit when stocks of goods stand at inflated prices. But they do not seem to have moved quite as far as enlightened opinion in Europe in the direction of advocating attempts to stabilise the price-level by means of the discount policy of the central banks.

Thirdly, stress is laid on the responsibility which rests on individual firms for helping to counteract and "flatten out" the trade cycle—an important matter which is apt to be overlooked by those who are pre-occupied with the general monetary and credit aspects of the problem. It is urged that plant extensions and advertising campaigns should be taken in hand in the depression rather than in the boom, and a number of other devices for stabilising employment are discussed. The interesting experiences and methods of the Dennison Manufacturing Company and other pioneer firms are recorded, and the special difficulties of the railways, due to the unstorability of their product and the statutory limitation of their receipts, are fully treated.

Fourthly, the duty of public authorities to plan their constructional enterprises far ahead, and to put them into operation in slack times, instead of competing with private undertakings for labour and materials in time of boom, is strongly urged.

Fifthly, evidence is given of a serious and open-minded desire to tackle the problem of unemployment insurance, in which America has allowed herself to fall gravely behind the practice of European countries. What is of most interest here is that American thought seems moving in the direction of using insurance as a method of prevention, and not merely of treatment. The scheme in operation among the garment-working firms in Cleveland—the abortive Bills brought forward in Wisconsin and Massachusetts, the voluntary schemes introduced by private firms, all agree in placing the incidence of the burden on the employer, and in such a way as to give him a direct incentive to reduce the instability of employment. The whole matter is still in a very embryonic stage; but it is possible that if thought and experiment continue to develop in this direction, America, for all her late start, will ultimately tackle the unemployment problem on sounder and more constructive lines than Europe has done.

In any case, the gratitude of business leaders, economic students, and social reformers in all lands is due to the organisers and executors of this solid and valuable investigation.

BOOKS RECEIVED.

Science and Civilization. Essays arranged and edited by F. S. Marvin. (London) Oxford University Press. 12s 6d net.

Trade, Expenditure, Taxation, and Money. By Francis W. Hirst. (London) Longmans, Green and Co.

This little volume consists of lectures delivered by Mr Hirst in South Africa in 1923 under the auspices of the Council of Education, Witwatersrand.

Official German Documents Relating to the World War. Volumes 1 and 2. (New York) Oxford University Press. \$7.50.

City of Birmingham. Financial Statement for the Year Ended March 31, 1923. (Birmingham) The Council House.

Accountancy Simplified. By Henry G. Purnell. (London) Gee and Co. (Publishers), Limited. 6s 3d.

The Problem of Armaments. By Arthur Guy Enock. (London) Macmillan and Co., Limited. 6s net.

Report of the Bombay Chamber of Commerce. Vols. I. and II. (Bombay) Tutorial Press.

Transactions of the Manchester Statistical Society. Sessions 1920-21, 1921-22, and Indices. (Manchester) John Heywood, Limited.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. August 8. ACCOUNT. August 9.

Stock Exchange markets have spent an unsatisfactory week. There has been a good deal of quiet liquidation, some of it traceable to Paris, while New York has also contributed an uncomfortable amount of selling in certain descriptions. The bears have been actively engaged in taking advantage of the nervousness engendered by the political outlook. The debate in the House of Commons on Thursday and the previous hints of what was contained in the various International Notes on the subject of reparations caused buying orders to be cancelled, and a general desire on the part of investors to wait and see what is likely to happen after the holidays. Mr. Baldwin's statement on Thursday was deemed discreet, non-committal, and a trifle disappointing to those who hoped for something more definite.

Few markets have escaped from the effect of the political tension, and this week's record in the majority of stocks and shares is one of monotonous declines in prices, though, as a rule, there were recoveries from the lowest touched. Gilt-edged stocks have been a little more than dull, no special weakness occurring in the Consol market. Owing to peace having been signed with Turkey, the Stock Exchange Committee are about to rescind the last of the temporary regulations which still demand physical possession of certificates from sellers of bearer securities. Underwriters of the new Kasimbazar 6½ per cents. issued at 100 were left with 86 per cent. of their obligation, and dealings have started on the basis of 3½ discount. A few of the Home Railway prior-charge stocks shed a point or so. A score of Colonial Government issues were similarly lowered.

Turkish Unified, in spite of the peace signature, has been acutely flat on sales by speculators disappointed at the way in which the market for the stock failed to respond to the news from Lausanne. French bonds gave way sharply, because of the attitude adopted by France in her latest Note. Chinese 8 per cents. were marked down by points as a precautionary measure against probable sales. South American bonds are mostly a trifle lower, and the new Austrian Sixes, which came out at 80, and touched 7 premium a couple of days after the allotment letters were posted, have changed hands at a small discount. The price hardened again to "par" in sympathy with a rally in other foreign bonds.

Home Railway stocks are not altered by the declaration of the various half-yearly dividends. The stocks of the passenger and freight lines moved in consonance with the sentiment in other parts of the House. The deferred issues remain fairly firm. Undergrounds have lost some of their recent strength, with the exception of the Underground income bonds, where the reaction is trifling. Grand Trunk Pacific debenture fell to

22, recovered to 26, and then went back a little. Mexican Rails are dull. Argentine railway stocks, after a temporary rally, succumbed to depression. A rise in Antofagasta stands out as a bright spot in an otherwise dull market.

Rubber shares gave a mild exhibition of strength before they, too, eased off under the influence of a little selling. The autumn outlook for the rubber industry appears to be improving; real holders are not disposed to part with their shares. The oil market is decidedly flat. American selling, combined with realisations from the Continent, bear "banging," and a desire to get out on the part of nervous British holders, have played their part in bringing about acute weakness. But here, again, an upward reaction came at the end of the week. Amongst other speculative shares, Courtaulds relapsed sharply, and the tobacco group has also given way. Banking shares are mostly lower, upon consideration that even the present prices are fairly high having regard to the 4 per cent. Bank rate and the yields now offered by other stocks. A few falls occurred in the insurance group. The shipping list has maintained its prices with firmness, except in the case of Indo China Deferred and one or two others.

The iron and steel market has been clouded by selling orders from the North and West of England, evidently based upon impatience at the sluggishness of trade. Marconis gave a good account of themselves on the Postmaster-General's recent statement in connection with the wireless chain; though profit-taking reduced prices from the best; while the cable stocks are heavy again, upon another outbreak of apprehension lest wireless should damage the submarine business. The various issues of the stores and catering companies are inclined to be dull. Chinese engineering and mining shares rose abruptly, on Brussels buying. British Oil Cake and Mills strengthened by reason of rumours of possible amalgamations. The brewery market is easier, Guinness and Watney stocks being more particularly dull, and Workman, Clark debentures, after a rise to 65 on the news of the payment of the half-yearly interest due on Wednesday last, went back again as sellers tried to take advantage of the improvement. New issue prices mostly suffered from the generally heavy disposition of markets, and newspaper shares have come down with the rest.

The Kaffir market, left to its own devices without a lead either from the Cape or from Paris, has found its prices gently sagging for want of public interest. Chartered moved backwards as tired holders realised their shares, not caring to wait for the time when there may be a return of capital. A little gambling in Cam and Motor shares and in Selukwes rescued the Rhodesian market from complete stagnation. De Beers and other diamonds are heavy. Improvement in the price of tin, the metal, failed to save tin shares from giving way here and there. Sulphides fell away upon the fire on the property. The Mexican, Australian, and Indian mining groups show small losses where movements have occurred at all, and Russo-Asiatics are flat. The mining markets might almost as well have been closed in advance of the August Bank Holiday, for all the business which they did during the past few days.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscriptions.	First Payment.	Further Liability.
Amount previously recorded	200,293,323	..	..	..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED JULY 28, 1923.

April 1, 1923, to July 28, 1923, £3,600,000	..	..	..	..
To Shareholders only—				
British Automatic Traction, 96,239 Cum. 8 % Pfg. Pref. Shares, £1, at 21s	96,239	..	101,051	.. 4,812 .. 96,239
Hawthorne and Co., £28,700 8 % Mort. Deb. Stock (rep. at par (July 1, 1927), iss. at 90 % ..	28,700	..	25,830	.. 2,870 .. 22,960
Parings Mining and Exploration, 767,250 Unissued Shares, 1s, at par	38,363	..	38,363	.. 9,590 .. 28,773
Spies Petroleum, 150,000 5-Year 10% Reg. Notes, £1, at par ..	150,000	..	150,000	.. ..
John and Edwin Wright, 50,000 Ord. Shares, £1, at par	50,000	..	50,000	.. 6,250 .. 43,750
Total offered to shareholders only	..	..	365,244	.. 173,522 .. 191,722
Total offered for subscription to date in—	..	..	..	..
1923	£200,663,567	1922	£573,675,650	
1922	498,315,387	1921	388,978,203	
1921	143,198,781	1920	367,549,656	
1920	262,301,986	1919	1,036,059,951	
1919	423,519,400	1918	1,393,381,441	
1918	850,508,164	1917	1,318,596,010	
1917	1,075,151,048	1916	685,436,853	

Huronian Belt Company, Limited.—Authorised capital £200,000, divided into shares of £1 each, of which 100,000 shares are issued fully paid. The company was formed in March, 1914, to take interests in many enterprises. Details of share issue and other information are given in connection with an application to the London Stock Exchange for share quotation purposes.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week.	Latest	Price	Week.	Latest	Rise or
							Fall.
War 3½, 1925-28 ..	96½	..	95½	..	..	..	↓
Loans 4½, 1925-45 ..	96½	..	96½	..	..	..	..
5%, 1929-47 ..	100½	..	100½	..	..	..	..
4%, 1929-42 ..	100½	..	100½	..	..	..	..
Funding Loan 4% ..	90½	..	91½	..	..	..	↑
Victory Bonds 4% ..	91½	..	92½	..	..	..	↑
Conversion Loan 3½% ..	59½	..	58½	..	..	..	↓
Consols 2½% ..	60	..	58½	..	..	..	↓
Irish Land Stock 2½% ..	60	..	58½	..	..	..	↓
Local Loans 3% ..	66½	..	66½	..	..	..	..
Aust. 6% 1931-41 ..	105	..	104½	..	..	..	↓
Canada 4½, 1920-25 ..	99	..	99½	..	..	..	↑
India 3½ Stock ..	69½	..	69½	..	..	..	..
Do 7% 1925-31 ..	118½	..	118½	..	..	..	..
Do 5% 1932 ..	101	..	101	..	..	..	..
Do 4% 1932 ..	88½	..	88½	..	..	..	..
N.S.W. 5½, 1922-32 ..	100	..	100	..	..	..	..
Nigeria 6% 1949-79 ..	113	..	113	..	..	..	..
U. of S.A. 6%, 1930-40 ..	105	..	105	..	..	..	..
Victoria 5½, 1924-34 ..	101	..	101	..	..	..	..
W. Aust. 6% 1930-40 ..	104	..	104	..	..	..	..

Banks.

Barclays B (£1, f.p.d.) 2½ ..	2½	..	2½	..	..	..	..
Chartered Bk of India 198 ..	198	..	198	..	..	..	..
Lloyds (£5 with £1 paid) 2½ ..	2½	..	2½	..	..	..	..
London Joint City & Midland (£12 with £24 paid) ..	88	..	8½	..	..	..	↑
Nat. Bank of Egypt (£10) ..	22½	..	22½	..	..	..	..
Nat. Bank of S. Africa (£10) ..	6	..	5½	..	..	..	↓
Nat. Prov. & Union of England (£20, with £4 paid) ..	11½	..	10½	..	..	..	↓
Standard of S. Africa (£20, with £5 paid) ..	10½	..	10½	..	..	..	..
Westminster Bank (£20, with £5 paid) ..	17½	..	17½	..	..	..	..

Colonial and Foreign Railways.

Antofagasta Cons ..	82½	..	83½	..	..	..	↑
B.A. and Pacific ..	80½	..	79	..	..	..	↓
B.A. Gt. Southern ..	82	..	81½	..	..	..	↓
Buenos Ayres West ..	74	..	74	..	..	..	..
Canadian Pacific ..	159	..	158	..	..	..	↓
Central Argentine ..	70½	..	69	..	..	..	↓
Leopoldina ..	26½	..	25½	..	..	..	↓
Mexican Railway ..	31½	..	28	..	..	..	↓
Do 1st Pref. ..	20	..	19	..	..	..	↓
Do 2nd Pref. ..	133	..	132½	..	..	..	↓
San Paulo ..	73½	..	71½	..	..	..	↓
United Havana ..	73½	..	71½	..	..	..	↓

Foreign Government Securities.

Argentine 5%, 1886-7 ..	99	..	99	..	..	..	..
Belgian 3% ..	67	..	66	..	..	..	↓
Brazil 5% Fund., 1914 ..	71	..	71½	..	..	..	↑
Chilian 4½, 1895 ..	86	..	86	..	..	..	..
Do 7% ..	102½	..	102½	..	..	..	..
Chinese 5%, 1912 ..	68	..	68	..	..	..	..
Egyptian 4% ..	73	..	74	..	..	..	↑
French 5% ..	214½	..	204½	..	..	..	↓
Do 4% ..	45½	..	44½	..	..	..	↓
Greek 4%, 1884 ..	45½	..	44½	..	..	..	↓
Japanese 4% ..	103	..	103	..	..	..	..
Do 4% 1910 ..	68	..	68	..	..	..	..
Mexican Cons., 1899 ..	70	..	70	..	..	..	..
Peruvian Corp. Pref. ..	27	..	26	..	..	..	↓
P.L.M. 6% ..	35	..	34	..	..	..	↓
Portuguese (New) ..	8	..	6½	..	..	..	↓
Russian 5%, 1906 ..	70½	..	70½	..	..	..	..
Spanish 4% ..	97½	..	97½	..	..	..	..
Siam (Dept.) 7% ..	97½	..	97½	..	..	..	..
Siamese 7% ..	107½	..	107½	..	..	..	..

Telegraphs.

Anglo-American "A" ..	23½	..	23½	..	..	..	..
Marconi Wireless ..	24½	..	24½	..	..	..	..
Marconi Marine ..	13½	..	13½	..	..	..	..

British Railways.

Great Western, Ord. ..	111½	..	111½	..	..	..	..
Do Def. ..	88	..	86	..	..	..	↓
London & North-Eastern ..	87½	..	87½	..	..	..	..
5% Pref. Ord. ..	32½	..	31½	..	..	..	↓
Do Def. Ord. ..	37	..	36½	..	..	..	↓
Underground Electric (£10) ..	21½	..	21½	..	..	..	..
Do "A" (1) ..	98½	..	98½	..	..	..	..
Do Inc. Bds. (£100) ..	98½	..	98½	..	..	..	..

American Railroads.

Chesapeake & Ohio ..	64	..	63	..	..	..	↓
Erie ..	13	..	13	..	..	..	..
Do 4% 1st Pref. ..	21	..	20	..	..	..	↓
Southern ..	36	..	35	..	..	..	↓
Do Non-cum Pref. 7% ..	71	..	71	..	..	..	..

Miscellaneous.

Aerated Bread (£1) ..	1½	1½	..	Imperial Tobacco (£1)	3½	3½	..
Amal. Cottons (£1) ..	1½	1½	..	Linggi Plantns. (£1) ..	1½	1½	..
Amal. Persian Oil (£1) ..	3½	3½	..	Lipton (£1) ..	1½	1½	..
Armstrong (Sir W.G.) ..	1½	1½	..	Lever Bros 7% Cmp Pref (£1)	1½	1½	..
and Co. (£1) ..	1½	1½	..	Do 8% Cmp Pref (£1) ..	1½	1½	..
Ass. Plind. Cement (£1) ..	1½	1½	..	Do 10% Cmp Pref (£1) ..	1½	1½	..
Barker, John (£1) ..	2½	2½	..	Lister (£1) ..	1½	1½	..
B'ham Small Arms (£1) ..	1½	1½	..	Lobitos Oilfields (£1) ..	5½	5½	..
Brazil Traction (£100) ..	48½	48½	..	Lyons (J.) & Co. (£1) ..	4½	4½	..
British-American Tobacco (£1) ..	4½	4½	..	Magadi Soda (£1 Ord.) ..	1	1	..
Burmah Oil (£1) ..	4½	4½	..	Mexican Eagle (£10) ..	1	1	..
Coats (J. and P.) (£1) ..	3½	3½	..	Pekin (2) ..	1½	1½	..
Courtaulds (£1) ..	3½	2½	..	Rubber Plantations Investment (£1) ..	1½	1½	..
Cunard (£1) ..	1½	1½	..	Shell Transport (£1) ..	3½	3½	..
Dorman, Long (£1) ..	1½	1½	..	Smithfield Argentine Meat (£1) ..	1½	1½	..
Dunlop Rubber (£1) ..	1½	1½	..	United Dairies (£1) ..	1½	1½	..
Fine Cotton Spinnings (£1) ..	2½	2½	..	United Serang (2) ..	1½	1½	..
Forestral Land (£1) ..	1	1	..	United Tobacco (£1) ..	5½	5½	..
Furness, Withy (£1) ..	1½	1½	..	Valambrosa (2) ..	1½	1½	..
Highlands and Lowlands Rubber (£1) ..	1½	1½	..	Watney (£1) ..	1½	1½	..
Hudson's Bay (£1) ..	5½	5½	..	Watney Def. Ssk. ..	167½	155½	..

Messrs. Lord and Hall, under whose guidance the recent improvements in the position of the company have been effected. We have also recently appointed one of our experienced managers, Mr L. G. Knight, as the resident visiting adviser for our estates in the Venture Valley. This is an adoption of the system successfully inaugurated two years ago for the Wynaad Estates we recently purchased, when Mr J. E. Bisset was appointed their local visiting adviser. The outlook for the industries in which we are engaged is, as far as we can see, quite favourable.

Mr. E. L. Hamilton seconded the resolution, and, after some questions had been answered, it was carried unanimously.

YAN DEN BERGHS, LIMITED.

IMPROVED RESULTS—SOUND FINANCIAL POSITION.

The twenty-third ordinary general meeting of Van den Berghs, Limited, was held, on the 31st ultimo, at Winchester House, Old Broad street, London, Mr. Henry Van den Bergh (chairman and one of the managing directors) presiding.

The secretary (Mr A. G. Hales) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: When I had the honour of presiding over you in October of last year my task was less pleasant than it is now. Then we had just passed through the most adverse period in the history of the company, and for the first time in 27 years our accounts showed a loss. The slump in prices of raw materials, which was our difficulty at that time, is a thing of the past. To-day I am pleased to be able to point to the fulfilment of my last year's expectations, the proof of which is before you in the satisfactory result of last year's trading. When the year under review began the slump had not yet neared its end; prices were still sagging and the stocks we held were depreciating, but by the time these stocks had been turned into margarine the position had improved and, prices having returned to a more normal level, business in this country reverted to its usual course.

The same, however, cannot be said as yet of the businesses conducted by our associated companies on the Continent. There new difficulties had to be faced, originating almost entirely in the enormous fluctuations in the rates of exchange, but I am pleased to say that these difficulties were coped with in a most satisfactory manner, although even now, in dealing with those countries where such fluctuations occur, our associated companies cannot avoid running certain risks, which are being restricted but cannot be entirely eliminated.

THE ACCOUNTS.

Turning to the accounts, I should like to go over a few of the figures of the balance-sheet which is before you. On the left-hand side you find bills payable shown at £346,797, which is about £250,000 less than last year, and sundry creditors with an aggregate of £1,078,970, which is about £100,000 more than last year. In total, therefore, our floating liabilities have been reduced by about £150,000. On the assets side we find capital expenditure with a figure of £619,878, which is £26,000 below last year's figures. This shows to what extent the depreciations have exceeded the additions.

Associated and subsidiary companies and their current account balances are shown at £2,332,652, or £267,000 over last year. This difference is but an incident in the ordinary course of trading when large fluctuations in the balances of these companies take place daily. The stocks have gone down over £300,000 to £454,526; against this decrease there is an increase in the contingent liability

on forward contracts shown on the other side. Trade and sundry investments are shown at £73,718, or £76,000 less than last year, mainly in consequence of the sale at a profit of war stocks, &c., held last year. Cash at bankers shows an increase of over £19,000.

"HEALTHY FINANCIAL POSITION."

These figures, I think you will agree, reflect a healthy financial position. The proviso in the balance-sheet as to a possible liability under a trade agreement refers to an agreement which has been in existence for the last 15 years, and has shown satisfactory results to the company; on account of post-war complications we are not yet in a position to ascertain definitely whether a liability exists, but it is anticipated that no provision will be required. The enemy debts appear amongst the debtors at the same figure as last year, and the directors are confident that the amount shown will be fully recovered. The balance of profit and loss account, after providing for accrued dividends on preference and preferred ordinary shares to December 31st last, and after allowing for the distribution of the proposed ordinary dividend, amounts to £108,327 4s, which the directors suggest should be carried forward to the next account.

We are on excellent terms with our workpeople. Our staff has also loyally supported us in our arduous task. This happy co-operation has in no small measure contributed to the results upon which I am able to congratulate you. These results allow us, after providing for all fixed charges, to propose the distribution of an ordinary dividend of 2s 6d per share, of which 1s was paid by way of interim dividend on January 15 last. This dividend, in proportion to our large turnover, represents only an infinitesimal profit per lb of margarine sold.

We provided a popular article of food, an article of diet which constituted a prime necessity to millions of people and ranked second only to breadstuffs. We were proud to be enabled to serve the interests both of the community and of the shareholders.

Sir Walter Townley, K.C.M.G., seconded the motion, which was carried unanimously, and a vote of thanks to the chairman, directors and staff terminated the proceedings.

DE TREY AND CO., LIMITED.

COMPANY'S STRONG FINANCIAL POSITION.

The eleventh annual general meeting of the shareholders of De Trey and Co., Limited, was held, on the 31st ultimo, at 6 Swallow street, London, Mr X. Castelli (the chairman) presiding.

The secretary (Mr F. J. Sheen) having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and accounts, said: Ladies and gentlemen,—You will have seen that the position of our company is a strong one. We do not owe a penny to our bankers, and in this respect have an advantage over very many trading companies at the present moment. No debentures or mortgages hamper our property, and on December 31st last we had liquid assets in the shape of British Government securities and cash to the extent of £250,000. Our reserves amount to £119,000, or about 10 per cent. of our capital; we owe but a small sum—under £40,000—to creditors of the company, while we have still to pay some £80,000 in respect of income-tax and corporation profits tax. How heavy a burden taxation is at present will be seen from the fact that your company has to pay away nearly 40 per cent. of its profit for taxes.

We are at all times obliged to hold considerable supplies of artificial teeth, dental equipment, chairs, instruments, and other necessary dental materials, and the year 1921 found us with a stock which, owing to the world-wide depression which ensued,

had to be very considerably written down. This necessitated an encroachment on our reserves to the extent of £46,000, leaving us, after paying the dividend on our preference capital, with a loss for the year 1921 of £16,500. Furthermore, the great decrease in purchasing power all the world over—more especially in those countries with depreciated exchanges, where formerly we had a large and lucrative turnover—and the large number of unemployed in this country have not helped to improve the situation. Conditions in Germany, both as regards obtaining licences and the depreciation of the exchange, have rendered it practically impossible to market our goods in that country, while inferior goods manufactured in Germany and elsewhere came upon this and other markets, and their very cheapness was taken advantage of by certain dentists who did not, and do not, consider it their bounden duty to work with the very best materials in such an all-important and vital cause to human beings as the care of the teeth.

QUESTION OF PRICE-CUTTING.

We have always endeavoured to keep prices at such a level as would allow both ourselves and our friends, the retail dealers, to make a fair and honest profit, but the ruthless lowering of prices for the sake of inordinate competition could be of no advantage, and has only had the result of reducing profits all round. This state of things could not continue. The retail dental houses realised it, and have formed an association called the British Dental Trade Association, the purpose of which is self-protection against the ruinous evil of price-cutting, and it is hoped that through the maintenance of fair prices, as fixed by the manufacturers, the retail dental trade in the country—upon which, obviously, the welfare of the manufacturers indirectly depends—will again enjoy reasonable prosperity.

Before closing I feel that I must refer to the rumours which have been current as to an amalgamation between your company and another well-known dental company. Your board were of opinion that, on the basis of a fair agreement, such an amalgamation would have been to our mutual advantage. For over five months tedious and indefinite pourparlers took place, which ended abruptly when your directors, in regard to a subsidiary of the company in question, took a very firm attitude in respect to a trade-mark of ours. The company in question objected to our action, and, as we declined to depart from our standpoint in this matter, they made it a reason for breaking off the negotiations for amalgamation. In view of all that has happened, your directors feel that, after all, we are better off as a free and independent company. We have made certain arrangements which will, we trust, be of material advantage to our company and to the trade, and we look forward to the future with confidence.

The results of the first six months' trading have justified your directors in declaring an interim dividend for the current year at the rate of 6 per cent. per annum on the ordinary shares. They hope that the next six months' trading will be equally satisfactory. As you will have seen, the net profit for 1922 was carried forward, being too small to allow of any dividend being paid for that year on the ordinary share capital.

A business like yours, with its extensive ramifications here, on the continent of Europe and elsewhere, can only develop and prosper as it should if conditions are more or less normal. At present the credit and purchasing power of the world are more or less at a standstill, and until the Ruhr question is settled the uncertainty of the situation seriously hampers trade of every description. Let us hope that, for the benefit of the world at large, the ability of the statesmen of our country and of our Allies will soon put an end to the present state of unrest.

Mr C. de Trey (managing director) seconded the resolution, which was carried unanimously.

THRELFALL'S BREWERY, LIMITED.

SATISFACTORY RESULTS OF THE YEAR.

The thirty-sixth annual general meeting of this company was held, on the 1st instant, at Cannon street Hotel, London, Major C. M. Threlfall presiding.

The Chairman, in moving the adoption of the report, said: The results of the trading for the year ended June 30, 1923, are highly satisfactory.

I feel that the price of beer is still too high for the majority of working men to purchase, when we take into consideration the very substantial reductions in wages to which the workers in various trades and industries have been subjected. However, we earnestly hope that a further reduction in duty will take place in the near future, and thus enable us to place our national beverage within the reach of all grades and classes of the community.

During the year further valuable business premises have been purchased, and new properties have been erected, and as our endeavour is to keep pace with the times, a number of the company's properties have been extended and altered, the desire of the board being to make our licensed premises as congenial and comfortable

as possible. You will observe from the balance-sheet that our investment in War Loan has been increased to £200,000. This sum represents our unexpended capital, which has been so invested as to be readily realisable should any advantageous offer be made to us; but as we refuse all that do not offer a good possibility of development on the purchase-price our extension in this direction is naturally slow.

Another little point that may interest you is that on completion of fifty years' service with the company we make a presentation to our employees, apart from any retiring gratuity. Well, it might seem that the occasion would rarely arise, and yet during the past few years it has been our pleasurable duty to make such a presentation on no fewer than six different occasions, and I think so many instances of men who have been content to give their whole lives to the service of the company prove our occupation to be both a healthy and a happy one.

I have to inform you that our Mr Binns, who has served you faithfully and well for more than fifty-six years, has expressed a wish to be relieved of his position as assistant managing director. After such a lengthy service it would not be considerate were we to press him to retain that position any longer, but I am pleased to tell you that he has consented to remain with us as an ordinary director, so that we shall still continue to have the benefit of his ability and long experience in matters connected with our business. It will interest you to know that it is our intention to appoint, as from September 1st next, Mr G. M. Galloway as an assistant managing director of this company. Mr Galloway has been for over thirty years with Messrs Bass and Co., and his knowledge of the trade will be of undoubted value to us. His varied experience will help us considerably, more especially in our Manchester business, which is growing more important each month, and requires continuous supervision and attention to secure the best results.

Now to turn to the balance-sheet, which, I am glad to say, shows you once again how well our good position is being maintained. The gross profit for the year is £389,607 18s, and, after writing off for depreciation in the value of leasehold properties and plant, and making reserves for corporation profits tax and bonus to employees of £42,656 14s 2d, there remains a net trading profit of £346,951 3s 10d. After deducting interest on debenture stock, interest on deposits, directors' fees, and compensation levy, and adding transfer fees, bank interest, and interest on War Loan, there is a net profit of £288,527 3s 9d for the year, which, together with the carry forward, £232,553 10s 7d, from last year, makes a total of £521,080 14s 4d to be dealt with.

Mr W. G. West (managing director) seconded the motion, which was carried unanimously.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Aug. 6-Aug. 11 were opened on Aug. 3, 1923, and the total amount applied for was £55,375,000. Tenders for Monday to Friday bills at £99 3s 3d, and above in full, and for Saturday bills at £99 3s 5d, about 91 per cent., and above in full. The amounts allotted were as follows:—In bills at 3 months, £32,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
June 22..... 1923.	£	£	£ s d	£ s d
June 22.....	45,000,000	51,855,000	2 2 1-13	nil
June 23.....	40,000,000	49,445,000	2 5 4-82	nil
July 6.....	30,000,000	39,185,000	3 10 2-02	nil
July 13.....	30,000,000	42,315,000	3 1 0-93	nil
July 20.....	30,000,000	42,925,000	3 1 10-93	nil
July 27.....	30,000,000	50,940,000	3 0 2-99	nil
Aug. 3.....	35,000,000	55,375,000	3 4 4-95	nil

Tenders will be received on Aug. 10, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £30,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.					
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govt. Securities.	Balance at Bank of England.	
Mar. 29..... 1922.	£ 300,351	£ 14,255	£ 6,000	£ 28,500	£ 19,450	15-9	£ 261,479	£ 177	
June 28.....	298,374	13,338	6,000	28,500	19,650	18-3	254,312	280	
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	18-6	246,456	169	
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15-9	258,922	137	
Mar. 28..... 1923.	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190	
June 27.....	286,503	12,516	7,000	27,000	22,450	17-3	242,446	123	
July 25.....	289,049	12,370	7,000	27,000	22,450	17-4	244,810	159	
Aug. 2.....	291,745	12,589	7,000	27,000	22,450	16-9	247,728	156	

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,556,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from July 28, 1923.	Total Receipts into the Exchequer from July 29, 1923.	Receipts. Week Ended July 28, 1923.	Receipts. Week Ended July 29, 1923.
Balances in Exchequer on 1st April:—					
Bank of England.....	..	5,442,665	9,963,424	..	..
Bank of Ireland.....	..	1,375,502	1,210,106	..	..
		6,818,167	11,173,530	..	..
REVENUE.					
Outsoms.....	116,900,000	41,603,000	42,016,000	2,339,000	3,356,000
Excise.....	143,850,000	45,974,000	45,203,000	947,000	621,000
Motor Vehicle Duties ..	13,250,000	2,371,000	2,147,000	159,000	..
Stamps, &c., Duties.....	52,000,000	18,370,000	21,531,000	1,450,000	730,000
Land Tax, House Duty ..	20,000,000	6,440,000	4,892,000	380,000	410,000
Land Tax, House Duty ..	3,000,000	450,000	520,000	10,000	10,000
Property & Income Tax ..	261,000,000	63,994,000	63,994,000	4,474,000	10,000
Super-Tax.....	58,000,000	16,710,000	86,795,000	540,000	5,915,000
Excise Profits Duties, &c.	12,000,000	6,680,000	954,000	..	..
Corporation Profits Tax ..	20,000,000	4,917,000	340,000	260,000	..
Post Office.....	52,000,000	16,050,000	1,250,000	1,000,000	..
Crown Lands.....	900,000	320,000	280,000	60,000	60,000
Interest on Sundry ..	12,500,000	5,700,132	3,344,446	..	..
Loans.....	12,500,000	5,700,132	3,344,446	..	..
Miscellaneous.....	12,500,000	4,992,118	14,464,735	120,119	150,450
Ordinary Receipts.....	40,000,000	16,227,827	20,027,020	400,000	1,106,252
Special Receipts.....	818,500,000	245,682,077	266,141,201	12,469,119	13,618,702
Total, inc. Balance ..		252,530,244	277,314,731	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	65,000	800,000	..	..	..
Under the Unemployment Insurance Acts, 1921.....	2,877,000	2,240,000	177,000	350,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1921 and 1922.....	1,750,000	1,650,000	..	..	..
Under the Housing Act, 1914.....	..	13,000	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	270,000	1,450,000	..	..	..
(c) For other issues:—					
By Treasury Bills.....	788,054,000	992,851,000	47,578,000	46,408,000	..
By National Savings Certificates ..	15,000,000	30,948,000	700,000	800,000	..
By Exchequer and National War Bonds.....	..	20	..	20	..
By Treasury Bonds—					
5-15 year, 1925-35.....	..	61,543,782	..	..	..
4% 1927.....	..	34,050,915	..	10,024,790	..
4% 1932.....	..	..	..	..	..
4% 1931-33.....	29,202,627	..	41,056	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	11,869	..	..	..
(d) Ways and Means Advances ..	289,403,500	308,690,500	4,500,000	1,750,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	..	243,012	..	..	..
Repayments:—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	115,136	19,018	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	285,460	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	87,358	..	..	..
Total.....		1,379,843,507	1,712,178,665	65,465,175	72,951,512

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24.	Total Issues out of the Exchequer to meet Payments from July 28, 1923.	Total Issues out of the Exchequer to meet Payments from July 29, 1923.	Issues. Week Ended July 28, 1923.	Issues. Week Ended July 29, 1923.
EXPENDITURE.					
National Debt Services—					
Interest, &c.....	310,000,000	121,235,089	114,769,736	1,279,839	1,218,898
Sinking Fund.....	40,000,000	15,313,547	..	820,050	..
Road Fund.....	12,650,000	1,111,044	1,333,999	..	51,999
Payments to Local Taxation Accounts, &c.....	10,348,000	861,316	1,100,000	311,316	50,000
Payments to Northern Ireland Exchequer ..	3,000,000	1,152,448	547,811	..	29,811
Land Settlement.....	1,500,000	122,747	438,684	..	..
Other Consolidated Fund Services.....	2,972,000	1,111,446	1,032,091	11,842	9,801
Supply Services.....	436,146,000	115,754,924	129,423,342	8,286,500	9,119,000
Expenditure.....	816,616,000	257,662,561	248,645,663	10,709,547	10,479,509
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	5,000	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924.....	36,891	84,909	..	..	..
Under the Unemployment Insurance Acts, 1921.....	270,000	1,600,000	..	..	..
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1921 and 1922.....	2,000,000	2,000,000	..	..	..
Under the Housing Act, 1914.....	..	13,000	..	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed.....	1,510,000	650,000	..	..	..
Redemption of Debt—					
Treasury Bills.....	801,780,000	1,120,254,000	41,805,000	57,160,000	..
Principal of National Savings Certificates ..	12,000,000	9,150,000	700,000	400,000	..
Principal of Exchequer Bonds paid off ..	..	19,612,188	..	..	..
Principal of National War Bonds paid off ..	17,005,096	..	150,107	..	..
Other Debt under the War Loan Acts, 1914 to 1919.....	269,036	9,441,601	49	1,116,396	..

	Total Issues out of the Exchequer to meet Payments from July 28, 1923.	Total Issues out of the Exchequer to meet Payments from July 29, 1923.	Issues. Week Ended July 28, 1923.	Issues. Week Ended July 29, 1923.
Ways and Means Advances Repaid	283,999,500	296,753,500	12,049,000	4,150,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	..	243,012	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	55,656	65,413,703	73,305,905
	1,376,593,298	1,708,503,529	65,413,703	73,305,905
Balances in Exchequer—				
Bank of England.....	2,071,467	2,039,747	61,528	48,968
Bank of Ireland.....	1,178,742	1,635,389	113,000	403,361
Total.....	3,250,209	3,675,136	51,472	354,393

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, July 30, 1923.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	July 28, 1923.
Funded Debt.....	588	318	315	315	315	314	314	314	314
Term Annuities.....	30	22	20	19	18	15	15	15	15
34% War Stock.....	63	63	63	63	63	63	63	63	63
4% 5% War Stock.....	16	13	13	13	13	13	13	13	13
National War Bonds.....	2,091	2,047	1,509	1,476	1,413	1,201	971	971	956
4% Funding Loan.....	409	409	405	401	401	400	400	400	400
4% Victory Bonds.....	360	367	348	335	335	335	335	335	335
34% Conversion Loan ..	..	..	..	266	690	687	686	686	686
5-15 year Treas. Bonds ..	..	..	..	23	24	24	24	24	24
5% Treasury Bonds.....	..	..	..	381	166	166	166	166	166
Do by tender 5%.....	..	..	..	40	40	40	40	40	40
Do by tender 4%.....	..	..	..	8	69	69	69	69	69
Do 4%, 1931-33.....	..	..	..	84	108	108	108	108	108
Treasury Bills.....	15	961	1,107	1,107	1,121	878	719	616	602
Exchequer Bonds.....	20	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.....	138	267	274	285	342	350	354	357	357
War Expend. Certs.....	23	..	..	..	..	..	..	..	..
Other Debt.....	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070	1,070
American Loan.....	51	51	51	51	51	51	51	51	51
Temporary Advances.....	1	204	243	205	154	147	222	194	199
	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,669
Other Capital Liabilities	57	49	46	47	49	66	67	68	69
Total Liabilities.....	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,738

POSITION OF THE FLOATING DEBT.

	July 29, '22.	Mar. 31, '23.	July 28, '23.	July 28, '23.
Temporary Advances Out—standing—				
Advances by Bank of England ..	159,238,500	193,897,500	199,301,500	7,549,000
Advances by Public Deposits ..	754,660,000	616,045,000	602,295,000	5,775,000
Treasury Bills outstanding ..	913,898,500	809,942,500	801,596,500	1,774,000
Total Floating Debt.....				

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

THE OCEAN ACCIDENT AND GUARANTEE CORPORATION, Limited.

ASSETS..... £27,683,254
CLAIMS PAID..... £30,500,000
Accidents and illness.
Employers' Liability. Motor Cars. Fidelity Guarantees.
Burglary. Fire. Public Liability.
Inspection and Insurance of Sellers, Engines, Electrical Plant and Lifts.
Executors and Trusteeships.
Head Office: 36-44, MOORGATE, LONDON, E.C.2.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 1, 1923.

ISSUE DEPARTMENT.

	£	£
Notes issued.....	145,561,595	Government debt.... 11,015,100
		Other securities..... 8,734,900
		Gold coin and bullion 125,811,595
	145,561,595	

BANKING DEPARTMENT.

	£	£
Proprietors' capital ..	14,553,000	Government securities 45,898,731
Reserve.....	3,483,082	Other securities..... 69,920,637
Public deposits*	12,784,460	Notes..... 18,939,895
Other deposits	105,759,212	Gold and silver coin.. 1,829,243
Seven-day & other bills ..	8,752	
	136,588,506	136,588,506

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

	Amount, Aug. 1, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	3,483,082	+ 29,318	+ 42,454
Public deposits.....	12,784,460	+ 2,321,916	+ 2,571,132
Other deposits.....	105,759,212	+ 3,524,754	+ 2,210,551
Government securities ..	45,898,731	+ 265,000	+ 1,618,500
Other securities.....	69,920,637	+ 635,419	+ 7,059,777
Reserve.....	20,769,138	+ 903,705	+ 683,808
Note circulation.....	126,621,700	+ 904,235	+ 847,510
Coin and bullion.....	127,640,838	+ 530	+ 241,318
% of reserve to liabilities ..	17½%	+ ½%	+ 1½%

Date	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
June 27.....	127,620,575	125,103,275	128,041,723	121,655,692	22,267,300	17½%
July 4.....	127,624,465	125,976,734	143,242,536	140,759,097	20,397,735	14½%
11.....	127,622,694	126,409,635	119,579,190	116,540,838	20,963,059	17½%
18.....	127,637,077	125,786,350	122,733,837	119,111,229	21,600,727	17½%
25.....	127,640,308	125,717,465	109,846,510	116,189,787	21,672,843	17½%
Aug. 1.....	127,640,838	126,621,700	118,543,672	115,819,368	20,769,138	17½%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to June 27.....	16,365,880	770,690	1,404,241	18,540,811
July 4.....	730,554	35,138	54,595	820,288
11.....	697,704	33,620	64,606	795,930
18.....	620,461	31,555	55,714	707,730
25.....	528,105	30,411	49,695	608,211
August 1.....	607,802	30,806	49,664	688,272
Total to date 1923.....	19,460,506	932,220	1,678,616	22,071,342
Do 1922.....	20,335,224	1,684,727	2,297,808	24,317,759
Increase or decrease in 1923 ..	= 874,718	= 24,637	= 6,111	= 905,466
	= 4.2 %	= 2.5 %	= 0.3 %	= 3.9 %

on the previous Wednesday. The Indian bazaar inquiry has again been small, and the bulk of the supplies of gold coming on the market this week will be sent to the United States of America. Gold valued at \$1,715,000 has arrived in New York from London. The Southern Rhodesian gold output for June, 1923, amounted to 58,323 fine ounces, as compared with 54,737 fine ounces for May, 1923, and 55,614 fine ounces for June, 1922. The Soviet Minister of Finance has stated that the new gold coin now being minted would be withheld from circulation for a few years in order to prevent it from finding its way into the stockings of the peasants, who already hold in this way something between 200,000,000 and 300,000,000 old gold roubles.

SILVER.

	July 27, 1923.	July 28, 1923.	July 30, 1923.	July 31, 1923.	Aug. 1, 1923.	Aug. 2, 1923.	Aug. 3, 1923.
Bank rate (changed from 3% July 5, 1923)	4 %	4 %	4 %	4 %	4 %	4 %	4 %
Market rates of discount—							
60 days' bankers' drafts	3 58	27 3 58	27 3 58	27 3 58	3 58	3 58	3 58
4 months do	3 58	3 58	3 58	3 58	3 58	3 58	3 58
6 months do	3 58	3 58	3 58	3 58	3 58	3 58	3 58
Discount (Treasury Bills)—							
3 months:	2½	2½	2½	2½	2½	2½	2½
Loans—Day to day	2 24	2 24	2 24	2 24	2 24	2 24	2 24
Short	2½	2½	2½	2½	2½	2½	2½
Deposit allowances: Banks	2	2	2	2	2	2	2
Discount houses at call	2	2	2	2	2	2	2
At notice	2½	2½	2½	2½	2½	2½	2½

Rates of Exchange. New York on—		Par Level.	Aug. 3, 1922.	July 19, 1923.	July 26, 1923.	Aug. 2, 1923.
London—						
60 days			4 4275	4 5625	4 56	4 5325
Cable			4 45	4 5925	4 5975	4 5688
Cheques		4 8666	4 4475	4 59	4 595	4 5663
Paris	Dollars for £1		19 30	8 23	5 88	5 975
Brussels	Cents for 1 franc		19 30	7 79	4 55	5 775
Switzerland	Cents for 1 franc		19 30	19 01	17 70	17 92
Basle	Cents for 1 lire		19 30	4 60	4 3075	4 4125
Berlin	Cents for 1 mark		23 83	0 12375	0 0014	0 0014
Madrid	Cents for 1 peseta		19 30	15 51	14 30	14 33
Amsterdam	Cents for 1 guilder		40 195	38 60	39 23	39 31
Copenhagen				21 48	17 49	17 84
Christiania	Cents for 1 kroner	26 80	17 13	17 49	17 84	18 02
Stockholm				26 05	26 54	26 66
Athens						26 75
Yokohama	Cents for 1 drachma	19 30	3 05	2 32	2 00	1 85
Montevideo	Cents for \$1	100	99 35			
Hong Kong	Cents for H. Kong.	49 85	47 70	48 70	48 78	48 75
Shanghai	Cents for 1 Shing-tai		58 00	52 25	52 15	51 85
Calcutta	Cents for 1 rupee		72 25	70 13	70 10	69 50
Buenos Aires	Gold pesos for \$100	103 65	101 50	130 60	129 5	130 00
Rio de Janeiro	Cents for 1 milreis	39 43	13 55	10 45	10 35	10 30
Valparaiso	Cents for 1 peso	20 60	13 00	12 9	13	13 00

	Rate.	Applications.	Allotments.			Allotments.	Average Rate.
		Rs.	Rs.	%		Rs.	
Bills	1/4 th	4,00,000	4,00,000	100	Bills.	4,00,000	16-0625
	1/4 th	29,00,000	..	..	Bombay...	..	..
					Madras	..	..
					Karachi...	..	..
Def. T.T. ..	1/4 th	5,00,000	5,00,000	100	T.T.		
	1/4 th	160,00,000	..	..	Calcutta,		
Imm. T.T. ..	1/4 th	60,00,000	..	..	Def. ..	5,00,000	16-0625
	1/4 th	5,00,000	..	..	Imm. ...	..	..
					Bombay,		
					Def. ..	..	..
					Imm. ...	..	..
					Madras		
					Def. ..	..	..
					Imm. ...	..	..
					Karachi,		
					Def. ..	..	..
					Imm. ...	..	..
		26,00,000	9,00,000			9,00,000	

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
British South Africa.....	965,545	Norway	49
Other countries	1,474	Netherlands	39,100
		Belgium	4,235
		United States	414,445
		British India	244,760
		Other countries	1,195
Total declared value of exports	967,019	Total declared value of imports	703,784

The Bank of England gold reserve against its note issue on the 25th ult. was £125,808,795, as compared with £125,808,440

The market has been exceptionally inert during the week. There was some buying from China, but yesterday China both bought and sold. The improvement was assisted by some Indian bear covering, of which quite a large position still remains open. To-day both India and the Continent sold; the offerings were absorbed by China. The General Bulletin of the American Mining Congress, dated 21st ult., states that Under-Secretary of the Treasury Gilbert, in a letter to the American Mining Congress, declared that the resolution adopted by its Western Division at San Francisco in June "is quite obviously part of the campaign of misrepresentation that various interested parties have been carrying on in an effort to make silver producers believe that they have been unfairly treated." The resolution advocated court action concerning the legality and propriety of the cancellation by the Treasury of allocations of silver for subsidiary coinage under the Pittman Act, so that the question may be settled "regardless of the action of a department that is wrongfully endeavouring through widespread propaganda to deceive the people into believing that producers seek an unfair interpretation of the Act." Mr Gilbert said he is surprised that the resolution was adopted by the Mining Congress, "without the slightest effort to ascertain the facts." He said the Treasury's action respecting allocations for subsidiary coinage "is clear and beyond dispute. It rests upon the decision of the Comptroller-General, which is conclusive and binding upon the department, and is not engaging in any propaganda in this matter, and has no occasion to do so. It has taken action under the law upon the advice of the highest constituted authority, and has stated its position in the clearest possible terms. Its action fully satisfies the purchase provisions of the Pittman Act, and saves the people at least five million dollars. It would be more becom-



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CHEMICALS, CRUDE DRUGS, Etc., Etc.**

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CONSTANTINOPLE : Rue Voivoda, Galata.
 etc., etc.

MOSCOW : 2, Staraja Ploshad.
PETROGRAD : Ul. Gertzena 24.
KHARKOV : 24 Rimarskaya.
TIPLIS : 38 Rustaveli Prospekt.

ing if those who are trying to have this sum diverted out of the public treasury to promote the special interests of the silver industry would tell the truth in the propaganda which they are carrying on, and present the case on its merits without persistently misrepresenting the Treasury's attitude."

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	July 7, 1923.	July 15, 1923.	July 22, 1923.
Notes in circulation	17,426	17,494	17,487
Silver coin and bullion in India	8,658	8,726	8,819
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government)	5,751	5,751	5,751
Securities (British Government)	585	585	485

No silver coinage was reported during the week ending 22nd ult. The stock in Shanghai on the 28th ult. consisted of about 27,200,000 ounces in sycee, 32,000,000 dollars, and 950 silver bars, as compared with about 27,500,000 ounces in sycee, 32,000,000 dollars, and 1,140 silver bars on the 21st ult.

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce. Cash. Forward.	Date.	Silver. Cash.
July 28..	89 8	30 1/8	Aug. 10, 1917	41
30..	90 0	30 1/8	9, 1918	48 1/2
31..	90 2	30 1/8	8, 1919	55 1/2
August 1..	90 1	30 1/8	6, 1920	56 1/2
2..	90 3	30 1/8	5, 1921	38 1/2
3..nom 90 2	30 1/8	30 1/8	4, 1922	35 1/2

NOTICES.

Barclays Bank, Limited, announce that they have opened a new branch at 2 Mandeville place, Wigmore street, W. 1, under the management of Mr L. H. Hart, and a new sub-branch at 41 Lewis street, Aberaman, under the management of Aberdare branch.

Lloyds Bank, Limited, announce that Mr C. U. Knox, formerly a director of Messrs Cox and Co., has, upon his return from India, become a member of the local committee for Messrs Cox and Co.'s branches which was formed in March last. They also announce that a sub-branch of the bank is now open at 229 Lower Charminster road, under the management of Mr F. C. Weaver, of the Charminster road branch.

We are informed that Sir William Peat, C.V.O., who retired from the firm of Messrs W. B. Peat and Co. on June 30th last, and resigned his position as one of the auditors of the National Provincial and Union Bank of England, Limited, has been elected to a seat on the board of that bank.

The Union Bank of Australia, Limited, notify that a branch has been opened at Walla Walla, New South Wales.

It is announced that Mr Herbert Leslie Melville Tritton has been appointed as a director to the court of the Colonial Bank.

ANALYSIS OF BALANCE-SHEETS.

WILLIAM BEARDMORE AND CO., LIMITED.

LIABILITIES.	December 31, 1922.	ASSETS.	December 31, 1922.
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
6% cum. pref.	1,440,000	Properties	5,479,220 .. + 28,813
Ord. shares	2,050,000	Plant	377,021 .. - 3,469
4 1/2% 1st deb.	437,500	Stocks	1,140,568 .. - 259,696
Loans on security ..	1,075,204	Interests in sub-	..
8% notes	1,000,000	sidaries	1,496,853 .. + 17,257
Other loans	118,419	Sundry debts	919,549 .. - 37,437
Sundry debts and	..	Bills receivable ..	.. - 262,910
reserves	1,243,292	Cash	6,969 .. - 2,947
Special pref. divi-	..		
dend reserve	250,000		
General reserve ..	1,000,000		
Profit and loss	805,765		
Total	9,420,180	Total	9,420,180 .. - 520,389

WATNEY, COMBE, REID, AND CO.

LIABILITIES.	June 30, 1923.	ASSETS.	June 30, 1923.
Amount.	Compared with June 30, 1922.	Amount.	Compared with June 30, 1922.
5 % cum. pref.	1,738,288	Buildings, good-	10,688,010 .. + 248,207
stock	3,185,410	will, utensils ..	647,732 .. - 4,993
Pref. ord. stock ..	1,592,706	Loans and interest	120,122 .. + 122
Def. ord. stock ..	4,421,991	Investments	562,020 .. + 190,877
3 1/2% deb. stock ..	45,183	Trade investments	172,326 .. + 126,608
Interest, &c.	296,572	Cash	815,532 .. - 38,836
Deposits	160,000	Stock and mate-	..
Insurance fund ..	731,842	rials	477,027 .. + 35,565
Creditors	789,209	Insurance fund ..	160,000 .. + 21,500
Beer duty owing ..	90,015	Licence duties ..	46,800 .. + 2,575
Special reserve ..	..		
Contingencies ..	..		
Depreciation res. ..	..		
Profit and loss	638,351		
Total	13,689,569	Total	13,689,569 .. + 509,495

Reports and Notices.

The directors of the United Kingdom Temperance and General Provident Institution have appointed Mr C. C. Nicholls, O.B.E., B.A., F.I.A., F.F.A., actuary of the Great Eastern Life Office, Singapore, to be actuary of the institution to fill the vacancy caused by the appointment of Mr C. C. Monkhouse, M.C., B.A., F.I.A., as general manager of the South African Life Assurance Society, Cape Town.

Messrs Turquand, Youngs, and Co. and Messrs Kemp, Chatteris, Nichols, Sendell and Co. notify that they have amalgamated their businesses in Paris, where in future they will practise under the name of Turquand, Youngs, Kemp and Co., at 2 Rue Edouard Sept.

Mr Alfred Shepherd has been appointed chairman of the New Zealand Loan and Mercantile Agency Company, Limited, in succession to the late Mr Warrington Laing.

GOVERNMENT STOCKS, &c.

BULGARIAN 4 1/2 PER CENT. LOAN OF 1907.—The Bulgarian Government announces that it is prepared to pay to British bondholders the Coupon No. 33 of the above loan, maturing on August 1, 1923, at 11.25 francs (French) each, and the bonds drawn for redemption on that date at 500 francs (French) each. Holders of bonds which have been in British ownership since August 1, 1914, who are desirous of availing themselves of the offer thus made by the Bulgarian Government should present the above-mentioned coupons and drawn bonds (to which all coupons due after the date of redemption must remain attached) for payment at the counting-house of Messrs Stern Brothers, 6 Angel court, E.C.2, between the hours of 11 a.m. and 2 p.m. (Saturdays excepted). The amount due in French francs will be paid in sterling at the sight rate of exchange on Paris on the day of presentation, less income-tax. All bonds and coupons, together with such verifications of ownership as may be required, must be left seven clear days for examination.

REPUBLIC OF NICARAGUA GOLD BONDS, 1909.—With reference to the above bonds, the Council of Foreign Bondholders have received a telegram from the bankers in New York notifying the payment of the July instalment of the debt service in accordance with the arrangement of May 25, 1912.

URUGUAY CONSOLIDATED 3 1/2 PER CENT. DEBT.—Messrs Glyn, Mills, Currie, Holt and Co. are instructed by the Government of Uruguay to announce that the thirty-fourth amortisation of the Consolidated Debt of the Republic will take place on Thursday, the 9th inst., the amount applicable being £41,495 9s 3d. They are prepared to receive tenders of bonds for redemption on forms which may be obtained at 67 Lombard street, London, where the tenders will be opened on Thursday, 9th inst. Messrs. Glyn, Mills, Currie, Holt and Co. reserve the right of accepting or rejecting the whole or part of any tender, and, in accordance with instructions received from the Government of Uruguay, they may require the deposit of the bonds offered for sale under this tender. All bonds must have attached the coupons due November 1, 1923, and subsequently. Tenders must not be made at any fraction of a shilling other than threepence or multiples of threepence.

MISCELLANEOUS.

ELECTRICAL DISTRIBUTION OF YORKSHIRE, LIMITED.—A statement just issued says that during the half-year ended June 30th there has been a satisfactory increase in the demand for electricity and a substantial addition to the number of consumers. An interim dividend at the rate of 7 per cent. per annum (free of tax) will be paid for the six months ended June 30, 1923. The development of the company's business and decreased costs have enabled the directors to reduce the price of supply to consumers in all those districts where the tenure is long enough to justify the anticipation of a reasonable return on additional capital expenditure on extensions contemplated in those districts. At meetings of shareholders held on March 6 and 27, 1923, the nominal capital of the company was increased from £150,000 to £250,000. Inquiries as to when further capital will be required have been received. The time for this has not yet arrived, but it is expected that an issue will be made to the shareholders early next year.

GRAVESEND STEEL AND TINPLATE.—The report and accounts for the year ended March 31, 1923, shows a credit to profit and loss account of £316,049, which includes £113,328 brought in from preceding year. Debenture and other interest absorbed £20,203. Reserve for depreciation and renewals absorbed £26,184, and reserve for taxation £35,000. This leaves £234,662. The year's preference dividend amounted to £9,758, leaving a credit balance of £244,904. The company have allocated £48,439 to reserve fund. The sum of £13,979 is utilised to write off debenture issue expenses. The ordinary shareholders receive 12 1/2 per cent. dividend, which amounts to £53,000, and £109,485 is carried forward. The reserve fund, with the addition referred to, will amount to £126,000, and it is proposed that £76,000 should be capitalised and distributed among the ordinary shareholders in fully-paid ordinary shares. Since the date of the balance-sheet the directors have sold at par 95,004 6 1/2 per cent. preference shares which were unissued at March 31, 1923.

IMPERIAL CONTINENTAL GAS ASSOCIATION.—It is announced that the Imperial Continental Gas Association has received from the Clearing Office (Enemy Debts) a sum of £188,900 3s 1d, being a second payment (less commission) on account, in respect of the compromise award of £1,550,000 in settlement of the outstanding balance of the association's German claims under the Peace Treaty.

MANCHESTER SHIP CANAL.—The traffic receipts for the half-year ended June 30, 1923, show an increase of £46,235 over the corresponding period of last year. The net revenue for the half-year shows an increase of approximately £62,000 over the corresponding

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefee.	Ordinary.				
					Amount.	Amount.	Rate.			
Breweries.		£	£	£	£	£	%	£	£	%
Watney, Combe, Reid	June 30	194,494	690,718	885,212	215,007	254,833	(4P/O 16 1/2 Df/O)	200,000	215,372	614,614 (4P/O 32 1/2 Df/O)
Whitbread and Co.	June 30	289,580	175,085	464,665	48,393	96,741	10	..	319,531	178,789 10
Electric Lighting and Power.										
North of Scotland Electric	Dec. 31	786	6,497	7,283	2,500	3,500	7 1/2	1,000	283	7,777 1 1/2
Financial, Land, &c.										
British Canadian and General Investment	Dec. 31	2,365	302	2,667	..	..	..	..	2,667	Dr 727 ..
Gas.										
Malton	June 30*	2,069	2,516	4,585	..	1,320	5 1/2	..	3,265	1,546 5
Iron, Coal, and Steel.										
Grovesend Steel and Tinplate	Mar. 31	113,328	182,518	295,846	9,758	53,000	12 1/2	123,603	109,485	.. ..
Old Silkestone Collieries	Mar. 31	39,787	56,744	96,531	11,666	36,085	15	..	48,780	.. ..
Wm. Beardmore	Dec. 31	752,797	96,167	848,964	86,400	..	..	..	762,564	127,288 ..
Rubber, &c.										
Bruas-Perak	Feb. 28	Dr 2,582	Dr 839	Dr 3,421	..	..	9	..	Dr 3,421	Dr 3,861 ..
Java United Plantations	Dec. 31	9,765	15,691	25,456	..	13,500	..	..	11,956	1,073 3
Jitra Rubber	Mar. 31	207	3,496	3,289	..	..	..	..	3,289	Dr 537 ..
Juru Estates	Mar. 31	4,930	3,905	8,835	..	4,000	5	..	4,835	1,480 ..
Shipping.										
Hazelwood Shipping	May 16	5,877	44,556	50,433	..	22,500	10	25,000	2,933	39,936 10
Shops and Stores.										
Mappin Stores (Brazil)	Feb. 28	Dr 3,149	5,919	2,770	..	..	..	..	2,770	Dr 5,570 ..
Textiles.										
British Thread Mills	Feb. 14	Dr 98,684	10,581	Dr 88,103	..	..	..	..	Dr 88,103	Dr 91,036 ..
York Street Flax Spinning	June 30	15,292	88,554	103,846	36,000	48,000	8 1/2	..	19,846	87,624 8 1/2
Waterworks.										
Chester	June 30*	..	3,534	3,534	1,379	2,155	3	..	..	3,534 3
Whitby	June 30*	1,921	Dr 112	1,809	200	680	(7 1/2 5 1/2)	..	929	368 7 1/2
York	June 30*	14,866	5,759	20,625	1,200	5,400	10 7	8,887	5,138	6,625 10 7
Other Companies.										
D. and J. Fowler	Mar. 31	13,827	28,586	42,413	8,250	20,000	10	..	14,163	27,302 9
Dublin (South) City Market	June 30*	3,549	3,206	6,755	..	2,500	2 1/2	500	3,755	2,953 2 1/2
North Central Wagon	June 30	13,590	12,166	25,756	..	11,344	10	..	14,412	14,209 10
Smithfield and Argentine Meat ..	Dec. 31	Dr 356,626	118,037	Dr 238,589	..	..	..	..	Dr 238,589	Dr 297,619 ..
W. and H. M. Goulding	June 30	7,940	25,589	33,529	6,875	15,750	5	7,000	3,904	38,510 8

* Half-year.

† Free of tax.

‡ Capital doubled in 1922-23 by bonus issue.

period of 1922, after making provision for increased interest and other fixed charges. The above result is exclusive of arrears of tolls and dues payable by the Weaver Traders arising out of the recent actions in the Courts and the House of Lords, where judgments were obtained in the Canal Company's favour. These sums, as ascertained, will be brought to credit in the company's accounts when they are made up at the end of the current year.

OLD SILKESTONE COLLIERIES.—The report for the year ended March 31, 1923, shows a net profit of £56,744, to which is added £39,787 brought in from preceding year, making £96,531 available. The ordinary dividend is 15 per cent. for the year, which absorbs £36,085. The preference dividend absorbed £11,667, and a balance of £48,779 is carried forward. The whole of the expenses in relation to increase of the company's capital and the issue of 350,000 £1 8 per cent. preference shares have been written off. An amount of £14,903 has been written out of the company's profits for the year for depreciation.

SMITHFIELD AND ARGENTINE MEAT.—The report for the year 1922 shows a welcome improvement on the previous year's working, as there was a net profit of £118,037, against a net loss of £297,619 in the preceding year. The better year has resulted in the debit balance being reduced from £356,626 to £238,589. Favourable weather has been experienced in the Argentine during the past year, adequate supplies of fat cattle and sheep being available, but competition made the wholesale overseas trade difficult, with small margin of profit.

THE YORKSHIRE ELECTRIC POWER.—During the half-year ended June 30, 1923, according to a statement just issued, the sale of electricity has again largely increased, this being mainly due to the demands from new consumers. The profits also show a satisfactory increase. Interim dividends at the rate of 6 per cent. per annum for the six months ended June 30, 1923, will be paid on the shares issued prior to 1923. The issue in April last of £250,000 of ordinary shares of £1 each at 23s per share was applied for more than three times over by the shareholders of the company. The interim dividend on these shares will be calculated to June 30, 1923, from the date of allotment and first due date of instalment on the amounts due and paid (excluding premium) on those dates.

W. AND H. M. GOULDING, LIMITED.—The fifty-first annual report shows that the net profits for the year ended June 30, 1923, including dividends from subsidiary companies, and a refund of excess profits duty, amount to £35,138 16s 11d, out of which it is proposed, as usual, to set aside a sum of £7,000 to cover estimated discounts on realisation of outstanding debts. This, with £7,939 17s 11d from last account, leaves a sum of £36,078 14s 10d available for distribution. After providing for the usual debenture interest and the fixed dividend at the rate of 5 1/2 per cent. on the preference shares, they recommend a dividend of 5 per cent. on the ordinary shares of the company for the year ending June 30, 1923,

of which 2s 6d per share is payable on July 31st, and the second 2s 6d per share is payable at December 31st next, less income-tax. They further recommend that £5,000 be carried to depreciation account. The sum available for distribution would thus be allocated as follows:—To debenture interest, dividend, and income-tax, £27,175; to depreciation account, £5,000; carry to next account, £3,903.

WHITBREAD AND CO.—The accounts to June 30, 1923 show a net profit of £175,085, which compares with £178,789 last year. Dividends on the preference, preferred ordinary, and "Crawshaw" shares absorb £48,393, and the same dividend as last year—namely, 10 per cent.—is paid on the ordinary, and requires £96,741. A balance of £319,531 is carried forward.

YORK STREET FLAX SPINNING.—The report for year to June 30, 1923, shows a net profit of £88,554, against £87,624 for the previous year. The sum of £15,292 is brought in from preceding year, against £11,668, which makes £103,846 available. Preference dividends absorbed £36,000. Ordinary dividend is unchanged at 8 per cent. free of income-tax, which absorbs £48,000, leaving £19,846 to be carried forward. The directors report that the company's property is in perfectly efficient condition.

BARCLAYS BANK LIMITED.

Head Office : 54, LOMBARD STREET, LONDON, E.C. 3.

And over 1,700 Branches in England & Wales.

CHIEF FOREIGN BRANCH : 168, FENCHURCH STREET, LONDON, E.C. 3.

The Bank issues Drafts and Letters of Credit on all the principal towns of the world; makes Mail and Telegraphic Transfers; effects Foreign Collections; establishes Documentary Credits; and generally undertakes EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS.

Agents and Correspondents in all the Principal Towns throughout the World.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended July 27, 1923.	(c) Week ended July 28, 1923.	Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Aggregate 30 Weeks 1923.	Total Receipts.
Great Western.....	3,679	358,000	334,000	692,000	1,030,000	18,111,000	34,957,000
London & North-Eastern	6,661	607,000	674,000	1,281,000	1,271,000	22,247,000	34,957,000
Do same period 1922	6,667	653,000	759,000	1,412,000	1,397,000	22,651,000	35,590,000
London, Mid., & Scottish	6,962	845,000	814,000	1,659,000	1,824,000	27,553,000	45,802,000
Southern.....	2,115	455,900	107,200	563,100	9,361,000	3,475,000	12,836,000
Midland & S.W. Junction	63	1,448	1,352	2,800	35,739	40,199	75,938
Metropolitan (a).....	794	31,903	3,608	35,510	232,468	6,767,056	13,756,000
Underground E.R. (a).....	..	..	..	..	41,714	..	1,206,643
London & Sub. Group (a).....	..	..	..	..	5,380	..	109,574
Belfast & Co. Down (b).....	80	7,154	1,213	8,367	158,353	35,993	194,346
Dublin and S. East. (b).....	160	8,113	2,281	10,394	166,191	104,992	271,113
Midland Gt. West. (b).....	538	11,469	9,635	21,104	283,931	445,377	729,308

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923.	1923.
				+ or -	+ or -

INDIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923.	1923.
				+ or -	+ or -
Assam Bengal.....	13 weeks	June 30	1,043	3,23,483	28,60,535
Barr L. Ry.....	14 weeks	July 7	118	21,600	4,37,000
Bengal & N. Western	13 weeks	June 30	67	6,59,590	88,23,865
Bengal Nagpur.....	13 weeks	June 30	3,727	14,31,000	56,000
Bombay, Bar. & C.I.	16 weeks	July 21	2,994	16,55,000	3,66,06,000
Burma.....	13 weeks	June 30	1,342	6,58,766	16,35,933
Delhi, Umballa & Kalke	16 weeks	July 21	239	88,000	16,13,647
East Indian.....	17 weeks	July 21	28,485	28,88,000	1,31,000
G. Indian Peninsula	16 weeks	June 30	3,164	20,34,000	5,46,30,000
Madras & S. Mar. Ry.	14 weeks	June 30	3,028	14,75,000	4,34,12,529
Mohil & Kumaon	13 weeks	June 30	459	64,399	8,32,697
Do Lucknow-Breilly	13 weeks	June 30	313	75,321	10,09,068
South Indian.....	14 weeks	July 7	1,890	10,55,802	76,817

CANADIAN.

Canadian National.....	29 weeks	July 21	22,680	4,740,198	34,601	132,111,469	15,111,425
Canadian Pacific.....	29 weeks	July 21	13,539	3,254,000	263,000	90,233,000	4,594,000

ARGENTINE (a).

Argentine N.E.	4 weeks	July 28	752	10,100	400	42,500	2,300
Argentine Trans.....	3 weeks	July 21	111	3,321	2,121	9,586	6,016
B. A. and Pacific.....	4 weeks	July 28	5,317	130,000	4,000	529,000	29,000
B. A. & G. Southern.....	4 weeks	July 28	3,948	155,000	5,000	625,000	29,000
B. Western.....	4 weeks	July 28	1,882	75,000	1,000	29,000	29,000
Central Argentine.....	4 weeks	July 28	3,305	206,000	14,000	828,000	48,000
Cordoba Central.....	4 weeks	July 28	1,805	70,000	2,000	278,200	12,800
Entre Rios.....	4 weeks	July 28	729	16,300	500	61,100	4,700

BRAZILIAN (b).

Gt. West. of Brasil.....	30 weeks	July 28	1,015	6,400	3,700	292,000	98,500
Leopoldina.....	30 weeks	July 28	1,831	30,298	4,764	718,645	82,203
San Paulo.....	30 weeks	July 28	1,533	34,954	6,391	816,193	18,287

CHILE AND PERU.

Antofagasta.....	30 weeks	July 29	838	40,470	12,285	1,055,910	461,575
Nitrato (6-monthly).....	30 weeks	July 29	31	366	40,125	17,423	473,767

CUBAN.

Havana Central.....	3 weeks	July 21	..	11,415	2,431	34,747	5,882
United of Havana.....	4 weeks	July 28	1,210	59,611	14,052	232,970	32,863

URUGUAYAN.

Central Uruguay.....	4 weeks	July 28	273	21,010	551	79,600	6,234
O. Urug. (East Ext.).....	4 weeks	July 28	311	4,163	265	17,380	132
O. Urug. (North Ext.).....	4 weeks	July 28	185	2,470	154	8,989	119
O. Urug. (West Ext.).....	4 weeks	July 28	211	2,163	586	7,416	304

OTHER OVERSEAS.

Alcoy and Gandia.....	30 weeks	July 28	33	21,000	..	662,800	66,500
Argentine Delta.....	14 weeks	July 7	675	7,286	1,457	55,703	14,902
Gt. Southern of Spain	29 weeks	July 21	104	31,330	32,525	2,822,030	560,823
Mexican Railway.....	3 weeks	July 21	403	253,400	12,000	646,300	102,900
New Cape Central.....	27 weeks	July 21	275	2,585	332	74,094	1,840
Paraguay Central.....	4 weeks	July 28	274	3,680	3,020	10,240	8,310
Salvador.....	4 weeks	July 28	100	2,332	464	9,672	6,324

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or
Anglo-Argentine ...	30 weeks	July 29	329	£80,207	5,420	2,525,964	+ 24,832
Burnley Corporation	1 week	28	12	22,378	250		
Calcutta Tramways...	30 weeks	28	354	£111,921	+ 560		+ 32,905
Chatham & District...	29 weeks	19	15	£1,825	16	44,186	2,679
Calcutta Markets ...	30 weeks	26	..	£683	1,011	58,106	+ 5,368
Glasgow Corporation	8 weeks	28	106	£34,656	680	343,657	+ 785
Isle of Thanet	43 weeks	25	..	£2,343	+ 39	36,119	971
Leicester United	30 weeks	24	39	£2,847	146	84,819	5,641
Liverpool Corporation	16 weeks	28	124	£27,867	1,316	470,868	+ 35,319
London Tramways	17 weeks	Aug. 1	164	£44,952	8,365	1,549,670	+ 109,426
Madras Elect. (2 whs)	30 weeks	July 31	..	£56,511	+ 7,270	7,33,638	+ 47,078
Pernambuco Trams	30 weeks	29	..	£3,351	639	110,540	+ 7,006

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.		
Banks.					
Commercial Banking of Sydney	10 1/2	..	..	10	10
Hibernian	10	..	Less tax	..	..
Railways.					
Cork and Macroom	3*	..	..	..	..
Dublin and S.E. (Cons. Pref.)	4*	..	..	..	..
Gt Southern & Western Ireland	3*	..	..	..	..
Great Western	3 1/2*	Aug. 22	..	..	..
Liverpool Overhead, Pref.	5*	Aug. 17	Less tax 4 7/8 in £	..	..
London and North-Eastern	2 1/2*	Aug. 14	..	..	..
London, Midland, and Scottish	3 1/2*	Aug. 21	..	..	..
Insurance.					
Reinsurance Corporation	..	..	Less tax	5	nil
Mining.					
Tekka-Taiping	1/3 p.s.	Aug. 14	Less tax	..	..
Tea and Rubber.					
Batang Consolidated	5 %*	..	Less tax	..	..
Be-oe-ki Plants	6 1/2*	..	Less tax	10	5
Java United Plants	5 1/2*	..	Less tax	9	3
Jura Estates	..	..	Less tax	5	nil
Mount Austin (Johore)	..	..	Less tax	20	20
Prye Rubber, &c.	..	Aug. 16	Less tax	6	nil
Tjiwangie Tea	..	..	Less tax	5	..
Other Companies.					
Arthur Guinness, Son and Co.	8 1/2* (t & b on s)	10 1/2*	Tax free	..	..
Atlantic Trust	..	..	Less tax	5	5
Benn Brothers	..	..	Less tax 4/10 1/2 in £	17 1/2	17 1/2
Bent's Brewery	1 p.s.	..	Less tax	..	..
Birmingham Railway Carriage	7 1/2*	..	Tax free	..	..
Bovril	7 1/2*	Aug. 31	Less tax	..	..
Bristol Channel Steamers	3 1/2*	..	Less tax	..	..
Bristol Tramways	3 1/2*	Aug. 2	Less tax	..	..
British Wagon	10 1/2*	..	..	..	..
Buenos Ayres Trams	1 1/3 p.s.	Aug. 16	Less tax	..	..
Cardiff Gas Light	3 %*	..	..	..	..
Charing Cross, &c., Electricity	5 1/2 p.s.*	Aug. 15	..	..	..
Chelsea Electricity Supply	7 1/2*	..	..	..	..
City of London Electric	5 1/2*	..	..	..	..
Clyde Valley Electrical	3 1/2*	..	..	..	..
Continental Can	8 1/2 p.s.	Aug. 15	Quarterly	..	..
Croydon Gas (Sliding Scale)	6 1/2*	..	..	..	..
Do (Maximum)	5	..	..	..	..
Do, Red. Pref.	7 1/2	..	..	..	..
D. and J. Fowler	2 1/2	..	..	10	9
Diamond Match	2 1/2	Sept. 16	..	..	..
Dublin (South) City Market	2 1/2	..	Tax free	..	..
Electrical Dist. of Yorkshire	7	..	Tax free	..	..
Enfield Cable Works	6 1/2	..	..	10	5
English Velvet and Cord Dyers	7 1/2*	Aug. 17	Less tax	..	..
Fife Coal	7 1/2*	..	Tax free	..	..
Fodens	10	Aug. 2	Tax free	5	..
Folkestone Waterworks, Ord.	10	..	..	..	..
Do New Ord.	7	..	..	..	..
Grand Canal (Ireland)	2 1/2*	..	..	..	..
Grovesend Steel and Tinsplate	5 1/2*	..	Less tax	12 1/2	..
Hazellwood Shipping	5 1/2*	..	Less tax	10	..
Heritable Securities and Mort.	6	Sept. 1	Less tax	..	..
Holborn and Frascati	8*	Sept. 1	Less tax	..	..
Hollins Mill	3 1/2*	..	Less tax	..	..
Holt Brewery	5*	..	Less tax	..	..
Hughes-Johnson Stampings	5 1/2*	..	..	10	..
I. W. Williams	8*	..	..	10	..
Hyde Park Hotel	..	..	..	10	..
Improved Industrial Dwellings, Ord. and Defd.	2 1/2*	..	Tax free	5	5
Insoles	17 1/2*	..	..	20	20
Isaac Holden and Sons	2 1/2 p.s.	Sept. 1	Less tax	15	13 1/2
Isaac Walton and Co.	1 p.s.	..	Tax free	..	..
J. Grayson, Lowndes, and Co.	3 1/2*	..	Tax free	6	5
Johnston, Mooney, and O'Brien	2 1/2 p.s.*	..	..	..	..
Jones' Sewing Machines	8*	..	Tax free	..	..
Jurg ns, Limited, Cum. Pref.	7	Aug. 1	Less tax	..	..
Lea Bridge District Gas	6 1/2	Sept. 1	Less tax	..	..
London and British N. America	6 1/2	..	Less tax	5	4 1/2
Maple Spinning	1 p.s.	..	..	..	..
Merchant's Trust	2 1/2*	..	..	..	..
Metropolitan Gas (Melbourne)	6 1/2 p.s.	..	..	..	..
National Gas Engine, Pref.	5*	..	Less tax	..	..
National Liberal Club Bldgs.	4*	July 31	Less tax	..	..
New Moncton Collieries	5 1/2*	..	Tax free	10	..
Northampton Electric Light	4 %	Aug. 23	..	..	..
North Central Wagon	10 1/2	..	Less tax 4/9 in £	10	10
North of Scotland Electric	10 1/2	..	Tax free	7	1 1/2
Old Silestone Collieries	10 % 1/2	..	..	15	..
Rushden and District Electric	3 1/2*	..	..	..	..
"Sentinel" Wagon Works, Cum. Pref.	7 1/2*	..	..	..	..
South Staffordshire Water	6*	Sept. 1	Less tax	..	..
Status Investment	7 1/2	..	Less tax	..	..
Stock Conversion, &c., Defd.	..	..	..	2 1/7/3	2 7/3
Swansea Gas Light	5*	Sept. 1	Less tax	..	..
Thomas Bernard and Co.	5 %	Aug. 1	..	..	..
Th. mas McKenzie and Son	3/9 p.s.*	..	..	..	..
Toogood and Son	6*	..	..	..	..
United States Investment	6*	Aug. 16	Less tax	..	..
V. and H. M. Goulding	10 % 1/2	..	Less tax	5	8
Watney, Combe, Reid, Def.	10 % 1/2	..	..	(a) 16	32
Western Wagon and Property	10*	Aug. 1	..	..	..
Westminster Electric Supply	4/6 p.s.*	Sept. 1	Less tax	..	..
Whitbread & Co.	8 1/2*	..	..	10	10
William McEwan and Co.	..	..	..	10	10
Wm. McLaren and Sons, Pref.	5 %	Aug. 21	Less tax	..	..
Woolcombers, Limited, Pref.	7 1/2	Aug. 24	..	..	..
Worcestershire Electric Power	6*	..	..	..	..
York Street Flax Spinning	..	..	Tax free	8	8
York Waterworks, Ord., 1846	10	Aug. 10	..	..	..
Do New, 1878-79	7	Aug. 10	..	..	..

and Co., Glasgow and London), in addition to six motor ships; Messrs John Brown and Co., Clydebank, have booked a 750-ton yacht; Messrs Alley and MacLellan, Polmadie, four 170-ton barges; the same firm a single-screw tug (all for South Africa); and Messrs Hall, Russell and Co., Aberdeen, a passenger-cargo boat, for North of Scotland Railway Company. For the seven months the Clyde has turned out 63 vessels of 140,411 tons, which compares with 73 vessels of 200,454 tons in the corresponding months of 1922. In the period for 1913 the launches were 146 of 377,270 tons. These figures are significant of the collapse in Clyde shipbuilding in recent years. Coals quiet in tone as respects deliveries, but values continue steady. Continental inquiries—German, French, and Scandinavian—are comparatively poor for the season.

Our Cardiff correspondent writes:—The position on the Cardiff coal market has not undergone any material change this week. The outputs have been very satisfactory; indeed, they have been slightly in excess of the average, but they have been absorbed, and there is no abnormal accumulation of stocks on the sidings. Prices accordingly have been steady for all grades of coal. They have not been characterised by that exceptional firmness which, as a rule, prevails on the approach of holidays, but this is probably due to the fact that the shipment facilities are greater and more elastic as the result of the working of the third shift, which has secured despatch and prevented delays to shipping at most of the ports. The tippers are still threatening trouble over the working of this extra shift, but the employers have recognised the reasonableness of the claim of the trimmers for a modification of the night-shift arrangements, and after the holidays they have agreed to a reduction by one-third of the number of tips in that shift. Next week the collieries will be idle until Thursday morning, and it is expected that the loss of at least half-a-million tons of coal and the probable absence on holiday in the following weeks of a large number of the miners will produce a hardening effect on prices generally. The approximate current market quotations are as follows:—Best Admiralties, 30s to 31s; second Admiralties, 28s to 30s; best drys, 28s 6d to 29s 6d; Black Veins, 28s 6d to 29s 6d; Western Valleys, 27s 6d to 28s 6d; Eastern Valleys, 25s to 27s 6d; best bunker smalls, 20s to 22s; ordinary cargo smalls, 16s to 18s; anthracite big vein, large, 50s to 55s; machine-made cobbles, 60s to 62s 6d; French nuts, 60s to 62s 6d; stove nuts, 60s to 65s; rubbly culm, 15s to 17s 6d; coke for export, 55s to 60s; inland blast-furnace coke at ovens, 30s to 35s; patent fuel, 32s to 34s; pitwood, ex ship, 32s to 33s.

Stagnant conditions have prevailed in the iron and steel trades this week, and both the imports of raw materials and the export of tinplates, galvanised sheets, rails, &c., have been phenomenally low. The employers, however, have adjusted their differences with the workmen, and a new agreement has been entered into for the next twelve months. This achievement has had a good effect on the market. Prices are unchanged at the minimum figures. Next week the tinplate works will be idle for the usual annual holidays.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A fairly general demand for wool and matchings, while tending to keep raw material values very firm, emphasises in a striking manner the stagnation in other sections of the industry. America and Germany are still taking fine wool, and it is significant that private transactions have been carried through in London during the past week. Of course, it is the foreign consumption of raw material that is keeping values steady, and although it would be better for everyone concerned if the wool could be used in this country, the special demand is at least causing money to be turned over and helping holders to reduce their stocks. Whether they will be able to replace them at a suitable figure when the demand for tops revives is another matter. There has been rather more business in tops during the last week, but prices are very low, and bear no relationship to the cost of production. Weak sellers are to be found here and there, and this gives an appearance of great irregularity to the whole market. There are indications that cross-breeds are coming more into favour, and certain it is that wholesale fabric buyers are more interested in cloths made from medium and fine cross-breeds than in the soft-handling botanies which have held undisputed sway for the last three years or so. It is really a question of price, and when once the public realise that they can get good value in these cloths, there should be quite a good demand for them. Meanwhile, spinners seem to be "holding the dog," for although prices of tops are quite attractive if account be taken of the cost of wool, it is impossible to make satisfactory prices for yarns. Continental competition, of course, is very keen, and Yorkshire firms are frequently so far out in the matter of price that their yarns do not get a chance. Botany spinners are especially quiet, while demand for cross-breeds is irregular, and prices are disappointing.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

It is understood that some quiet buying of wool is being done in Coleman street by the trade, several selling brokers having had visits during the past ten days from both home and Continental buyers, their object being to secure stock to run machinery during the long vacation. This is a good sign, and shows clearly that stocks in consumers' hands are not large; indeed, it is understood

that in the case of the Continent they are exceedingly light. It is also seen that the bulk of the purchases, particularly on home trade account, consist of cross-breeds, and this is taken to indicate that Bradford is finding a decent trade. The merino departments of some of the wool-combing establishments are to be closed ten days or a fortnight during August, whereas crossbred departments will only stand one week for Bowling Tide. This is clearly indicative of the general tendency of the trade, and we do not think that things are so bad in Bradford as has been painted. We are convinced that there is a bigger consumption and a larger business passing than is indicated on the surface. We think that after August there will be a revived interest in the course of wool values, and are satisfied that a reasonable settlement of the Ruhr problem would be followed by a greatly increased volume of business. There are indications of more being done with the United States, and the reasonable response of wholesale buyers of piece goods for next spring and summer clearly shows that good times are still being experienced across the Atlantic.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—July 27, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	..	..	..	..	..	..	..	..	..	..	..	..
Florida do.....	..	..	..	..	..	..	..	..	..	..	..	..
Georgia do.....	..	..	..	..	..	..	..	..	..	..	..	..
American.....	Ord	G O L M	Mid	G M	M F	G O L M	G O L M	G M	M F	G O L M	G M	M F
Brazilian.....	Mid	M F	Fr.	G F	Gd.	Fne	M F	Fr.	Gd.	M F	Fr.	Gd.
Pernam.....	..	..	..	..	..	..	..	..	..	..	..	..
Parahyba, Rio Grande, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Maceio, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Mossoro, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Ceara.....	..	..	..	..	..	..	..	..	..	..	..	..
Maranhão, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
São Paulo.....	..	..	..	..	..	..	..	..	..	..	..	..
Egyptian.....	Fr.	G. F.	Fr.	Gd.	Fne	Fr.	G. F.	Fr.	Gd.	Fr.	G. F.	Fr.
Upper.....	..	..	..	..	..	..	..	..	..	..	..	..
Sakellaridis.....	..	..	..	..	..	..	..	..	..	..	..	..
Brown.....	..	..	..	..	..	..	..	..	..	..	..	..
Peruvian.....	MF	Fr.	G F	Gd	Fne	MF	Fr.	Gd.	Fne	MF	Fr.	Gd.
Rough.....	..	..	..	..	..	..	..	..	..	..	..	..
Moderately Rough.....	..	..	..	..	..	..	..	..	..	..	..	..
Smooth.....	..	..	..	..	..	..	..	..	..	..	..	..
Tanguis.....	..	..	..	..	..	..	..	..	..	..	..	..
Mitaffi.....	..	..	..	..	..	..	..	..	..	..	..	..
West Indian, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Do Sea Island.....	..	..	..	..	..	..	..	..	..	..	..	..
African, East, &c.....	1025	1125	1275	1375	1475	1575	1075	1250	1450	575	775	975
Do West.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Surtee.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Broach.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bhowanagar.....	875	925	975	1025	1075	1125	950	1000	1080	525	575	625
Machine Ginned Oomra. No. 1.....	885	935	985	1035	1085	1135	960	1010	1090	535	585	635
Machine Ginned Oomra. No. 2.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Khandeleh.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Comptah.....	1115	1155	..	..	..	..	1070	..	..	..	..	..
Machine Ginned Bengal.....	810	850	890	930	970	1010	800	840	920	450	500	570
Machine Ginned Scinde.....	800	840	880	920	960	1000	790	830	910	438	488	566
Tinnivelly.....	1255	1295	1335	..	..	..	1230	1270	..	805	830	..
Madras, Western.....	1050	1090	1130	1170	..	..	1025	1045	..	670	695	..
Madras, Northern.....	..	..	..	..	..	..	..	..	..	..	..	..
M.G. Coconada, Red.....	Fr.	1130	..	..	..	..	1030	..	..	..	..	..
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..	..	..

The First National Bank of Boston

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Correspondence solicited.

MANCHESTER, August 2.

The raw cotton situation has dominated all other matters in the market this week. After a decided fall in values there has been a smart reaction as a result of the bullish crop report published by the American Government. Trading in piece goods has been thoroughly disorganised by the uncertain feeling with regard to values. An increased inquiry has been met with for India, but terms of fresh contracts have been very difficult to arrange. Low offers have been about for China in staple makes, and fair lots have been sold in fancies. Irregular buying has been reported for the several minor outlets. Exporters are not yet ready to commit themselves to contracts of weight. American yarn quotations have been very irregular when tested, and business has been restricted. Not much has been done in Egyptian spinnings. Occasional lines have been put through in bundle yarns for India.

(I.) Comparative Statement of the Cotton Trade.

	Price, Aug. 2, 1923.	Previous Weeks in 1923.				
		Price, July 26.	Price, July 19.	Price, July 12.	Price, July 5.	Price, June 28.
Raw Cotton—Fully Mid. American.....	14.01	15.01	15.71	15.92	15.75	16.49
— Sakellaridis Fully Good Fair Egyptian.....	15.85	15.50	15.65	15.75	15.90	16.30
Yarns—32's twist.....	20 1/2	21 1/2	22 1/2	23 1/2	23 1/2	24 1/2
— 40's twist.....	20 1/2	21 1/2	22 1/2	23 1/2	23 1/2	24 1/2
— 60's twist (Egyptian).....	28 1/2	28	28 1/2	28 1/2	28 1/2	29
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32 6/32	30 6/32	31 6/32	32 6/32	33 6/32	34 6/32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	32 6/32	30 6/32	31 6/32	32 6/32	33 6/32	34 6/32
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17 6/16	18 6/16	18 6/16	18 6/16	18 6/16	19 6/16
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16 0/16	16 6/16	16 6/16	17 0/16	17 6/16	17 6/16

(II.) Compared with Previous Years.

	Price, Aug. 2, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....	14.01	13.45	14.78	28.15	19.64	22.28
— Sakellaridis Fully Good Fair Egyptian.....	15.85	18.00	16.00	68.00	31.00	30.19
Yarns—32's twist.....	20 1/2	19 1/2	17 1/2	55	42 1/2	52
— 40's twist.....	20 1/2	18 1/2	16 1/2	50 1/2	41 1/2	52
— 60's twist (Egyptian).....	28 1/2	28 1/2	31	98	60	65
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32 6/32	30 6/32	31 6/32	86 6/32	61 6/32	63 6/32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	32 6/32	31 6/32	31 6/32	81 6/32	69 6/32	61 6/32
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17 6/16	18 6/16	18 6/16	48	62	66
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16 0/16	16 6/16	16 6/16	9	31	36

VEGETABLE OILS AND OILSEEDS.

The easier tendency in prices for both seeds and oils has become more marked, the seasonal slackness being accentuated by the smallness of the demand and the favourable outlook for supplies when the new crops are marketed. The general opinion seems to incline to the belief that we shall see a lower range of values than have ruled in the past season. Linseed oil has further sagged, and at £38 per ton naked ex Hull mill is at the lowest level recorded this year, and compares with £52 registered in mid-April, the highest, when the American demand was strong and the seed market "bullish." Cotton oils, too, have continued neglected, and, in sympathy with cheaper seed, crude Egyptian has declined sharply to £32 10s, a drop of over £5 per ton in four weeks. Refined is lower following, as are also other vegetable oils that compete. In view of the poor trade in oil and falling markets, crushers are not yet entering into commitments for the new linseed and cotton crops, shipment of which will begin later in the year. Late quotations are not sustained. All round there is a pessimistic feeling that will not be relieved until a settlement of affairs in Europe is arrived at.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market is again firming up, and advances are reported both in the Bermondsey and provincial markets. Best ox sold from 7d to 8d in Bermondsey on Thursday, seconds making from 5 1/2d to 7 1/2d, and showing an advance of 1d in three classes. Best cows were steady at 6 1/2d to 6 3/4d, and kips from 2 1/2d to 3d, or 1d more, however, being made on two selections of the latter. Best calf sold from 5 1/2d to 11 1/2d, advances of 1d to 1 1/2d being noted in two classes. Lambs sold from 2s 1d to 6s 6d, and pelts from 3s 4d to 5s 6d each. Business in foreign hides shows an improvement, but as stocks of hides are plentiful at origin, tanners, in view of the depressed state of the leather trade, are at a loss to account for the prevailing high prices. Latest reports from the River Plate are to the effect that 7 1/2d had been made for ox, Liebig hides selling from 7 1/2d to 8 1/2d. Dry hides are quiet, tanners having filled their wants for the time being. Cables from New York report the Chicago position as steady, with best heavy packers now selling at 15 cents.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, August 3.

SUGAR.—British refined goods mark a reduction in price all round, and a fair amount of business was carried through. Messrs Tate and Lyle's spot sugars declined 1s per cwt, with forward granulated 1s 3d, easier for September delivery, 2s 3d, October, and 3s regarding November-December. Cubes, on spot, quoted 60s 6d to 61s 6d; nibs, 61s; granulated, stove, 58s 1 1/2d; fine, also coarse grain, 57s 7 1/2d; No. 1, 57s 4 1/2d; No. 2, also London, 57s 1 1/2d; ditto, September delivery (2 cwt bags), 56s; October, 53s 6d; and November-December, 50s. Yellow crystals, on spot, 52s 7 1/2d; caster, finest, 60s 10 1/2d; A, 59s 1 1/2d; B, 58s 3d. Glebe K granulated, prompt, London, 57s; second half August, 57s (d); Orchard, fine, prompt, 56s 9 1/2d; K granulated, prompt, Greenock, 57s. Imported descriptions meet a quiet trade, and prices ruled lower all round. American granulated, spot, sold, 55s; fine Dutch ditto, sellers, 55s; Czechoslovakian, 55s. White Java, spot, changed hands at 53s; ditto, due in about three weeks, sold, 20s 6d; June-July, quoted 20s 6d; July-August, 20s 6d, c.f. and i. terms, London. W.S.R. cubes, July-August, quoted 31s; ditto, granulated, 28s, f.o.b. Amsterdam. Czech granulated for shipment quite nominal. Raw refining kinds scarcely mentioned and nominal. West Indian basis 96 per cent. preferential, prompt, 24s. Brazilian basis 96 per cent. ditto, 20s 6d; ditto, basis 80 per cent., 15s 6d, c.f. and i., U.K. Terminal market steady, and moderate transactions include August at 23s to 24s 3d; December, 20s 3d to 20s 7 1/2d; March, 20s 1 1/2d to 20s 7 1/2d cwt.

COFFEE.—There is a moderate demand for spot parcels by private treaty, both on home and export account, at steady prices. Costa Rica, Uganda, and Kilimanjaro are chiefly favoured. Future delivery idle. September and December, quoted, 49s 6d cwt.

COCOA.—Demand for spot parcels shows no improvement, and only retail sales are in force. Forward market quiet, but steady. Accra, F/F grade, November-January shipment, sold, 31s, f.o.b. terms. Lagos, intermediate, sold, 30s, c.f. and i., New York. Bahia, for shipment, quoted, 35s cwt, c.f. terms, London.

TEA.—Private contract market maintains a firm but quiet tone, being virtually closed for the holidays.

RICE.—No pressure of supplies is felt, which helps to counteract slackness of demand, and quotations remain steady. Two stars Rangoon, spot, 13s 9d. Broken kinds meet a slow market. Japanese peas, spot, 23s 9d cwt.

SPICE.—Pepper very quiet, but prices manifest no essential alteration. Fair black Singapore, spot, 4d; ditto, August-October, 3 1/2d, sellers; Aleppy, spot, 4 1/2d; white Singapore, 5 1/2d; Muntok, 6 1/2d; ditto, August-October value, 6d. Zanzibar cloves quietly steady. Spot, 1s 1 1/2d; August-October, 1s 1 1/2d per lb. Tapioca remained a slow market on about former terms. Sago flour nominally unaltered. Desiccated coconut quiet. Fine cut, spot, 37s 6d; medium, 38s, delivery guaranteed; halves, June-July, sold, 34s; July-August, 35s; August-September, quoted 35s 6d cwt. Ginger dull, unaltered.

JUTE.—There was a moderate business doing, and prices on balance are weaker. First grade, August-September, Continent, sold, £22 10s to £22 15s and £22 5s; ditto, September-October, £22 5s; and October-November, £22 5s to £22 10s. Hessians and twills slow at previous level of prices.

HEMP.—Manila steadily held but quiet. J grade, August-October, sellers, £31; K and L, £27 10s; M, £26 10s ton. Italian without new feature. African sisal quiet, unchanged.

SHELLAC. quiet. T.N., spot, 250s; August, 245s; October, 240s cwt. COPRA dearer, with sellers more reserved on increased buying, after being lower. F.M.S. Straits, June-August to October-December, sold, £23 15s to £24 5s, and £23 18s 9d; Ceylon, August-September, quoted £26 5s; Java nominal. Cebu, August-September, £23 7s 6d; Dutch E.I. ditto, £23 17s 6d; South Sea, £23 2s 6d, Manila to Marseilles, August-September, £23. Palm kernels, July-September, Liverpool, sold, £16 16s 3d to £16 11s 3d ton.

RUBBER.—Market generally steady, but quiet. Standard plantation crepe and sheet, spot, also August, sold, 14 1/2d to 15 1/2d; September, 15 1/2d to 15 3/4d; October, 15 1/2d; October-December, 15 1/2d to 15 3/4d; January-March, 16 1/2d. To New York, standard sheet, estate, August-September, sold, 14 1/2d; September-October, 14 1/2d; and ordinary sheet, September-October, at 14 1/2d per lb, c.f. and i. Wild steady, unaltered.

KAPOK.—New crop Java, November-December and January-March, No. 1 Japara, sellers, 1s 1 1/2d; and No. 1 Samarang ditto,

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

	Aug. 10, 1923.	Aug. 3, 1923.	July 27, 1923.	July 20, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	5 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills) ..	3½	3½	3½	3½	..

The Bank return showed a decrease of £531,000 in the note circulation, and a small increase in the gold stock, the Reserve being £535,000 higher. A small increase in Government securities was balanced by a rather larger decline in Other, and about 2½ millions were transferred from Public to Other deposits.

The statement of the London Clearing Banks of average weekly balances for July is printed in full on another page; below we show the aggregate figures for the nine English banks:—

	Dec. 1922.	March, 1923.	April, 1923.	May, 1923.	June, 1923.	July, 1923.
Capital and reserves	116.0	116.2	116.2	116.2	116.3	116.3
Acceptances	72.8	79.2	78.0	77.5	73.8	73.8
Deposits (incl. undivided profits, &c.) ..	1,684.7	1,596.4	1,606.0	1,608.5	1,637.7	1,638.0
Total liabilities	1,873.5	1,792.5	1,800.2	1,802.2	1,827.8	1,828.1
Coin, notes, balance at bank, and cheques in course of collection	253.0	232.3	240.0	234.6	240.7	236.6
Money at call	106.0	104.4	110.5	108.8	113.3	109.4
Investments	384.5	357.4	351.3	349.4	355.5	362.5
Discounts	298.3	250.4	249.5	262.3	270.8	276.4
Loans and advances	732.7	741.6	744.4	743.0	746.9	747.3
Cover for accept., premises, &c.	99.0	106.4	104.5	104.1	100.6	100.9
Total assets	1,873.5	1,792.5	1,800.2	1,802.2	1,827.8	1,828.1

The only changes of note are increases of £7 and £6 millions in investments and discounts respectively, which have been balanced by reductions of £4 millions in the cash item and of £9 millions in money at call.

THE STOCK MARKETS.

The Stock Exchange has quite unseasonably presented a very much firmer appearance this week, which may be attributed partly to a more optimistic view as to the international political outlook, partly to the existence of an extensive bear position, and partly to the seasonal cessation of new issues. Prices in the gilt-edged market have moved steadily upwards, but this strength has not yet spread to the market for colonial stocks and Home Railway prior charges. The foreign market has been unaffected by the demoralisation of the mark, but German stocks are, of course, a nominal market. Home Rails have moved up a little, and American railroad stocks are a trifle better. Rubber shares have been firm, and oils, thanks to bear-covering, have advanced. Brewery stocks were better, and in the mining markets there was some professional support.

THE COMMODITY MARKETS.

The holiday season, as usual, renders the commodity markets dull and listless. Coal prices are stationary, and there is practically no business doing in pig-iron. Makers are complaining about the scarcity of orders for manufactured iron and steel, and production is being drastically reduced. Business in the Manchester cotton trade continues to be adversely affected by the violent fluctuations in raw cotton rates. Jute came into some request at one time, but prices subsequently weakened. Conditions in the wool industry are dull, and the outlook is described as depressing. The vegetable oil and oilseed markets are quiet, with prices inclined to be easier. Transactions in sugar have been more numerous, and buyers are taking more interest in the market. Rubber took an upward turn on account of speculative operations, but as little response was forthcoming from America, the demand fell away. Although no hide auction was held this week in Bermondsey, there is a decidedly firm tendency in home markets, the decline having been apparently arrested.

FOREIGN EXCHANGES.

The foreign exchange market has been in a nervous and depressed condition during the past week, the reparation exchanges suffering particularly badly. For all practical purposes the mark has now no longer any value in exchange transactions. The rate at the end of last week was fairly steady round 5,000,000, but with the removal of the restrictions on free dealings in Berlin on Monday it collapsed completely, and when the London market reopened on Tuesday was quoted here at 15,000,000 to 18,000,000. On Wednesday the rate at one time touched 28,000,000, but has since improved somewhat, and opened yesterday morning at about 15,000,000. According to the current Reichsbank return the note circulation increased during the week by 12 billions of marks, and now stands at 43½ billions, without any appreciable effect on the shortage of currency. Moreover, the gold reserve has fallen by 20 million marks. In spite of official denials, rumours are once more being revived of the repudiation of the mark and the substitution of a gold currency, in which connection it is interesting to note that the Russian rouble was abandoned when a quotation of 18,000,000 was reached. Forward dealings are entirely a matter of negotiation, the rates quoted varying as widely as 3,000,000-8,000,000 for one month above spot. More attention, however, has been paid in the market to the depreciation of the French and Belgian francs. The Paris rate rose steadily from 79.05 on Saturday to 80.65 on Thursday night, which is the lowest point touched since the war. On Friday morning, however, a slight improvement to 80.25 was reported. This movement was followed, though much more violently, by the Brussels rate, a high record of 107.30 being reached on Thursday. There was some recovery the following morning to 104.95, as against 99.00 a week ago. The Belgian market, being smaller, is usually more affected than the French by any movement, and it is believed that less support is given to the exchange by the Bank of Belgium than by the Bank of France. The return published by the former this week shows a rather heavy expansion in the note issue, and the Prime Minister's announcement in the Senate that the exchange was suffering from German sales of francs in Holland and a lack of confidence among certain sections of the Belgian people is not reassuring; but his decision not to impose exchange restrictions will be welcomed. In Paris the forward quotation is slightly wider at 5.5½c per month above spot, while Brussels is 2-4c below. The lira stands at 107½, as against 105½ a week ago. In New York the market has been dull, with little business, owing to the suspension of political affairs, and the dollar rate yesterday morning, at 4.57, was the same as a week ago, though it had touched 4.56½ in the meantime. Forward rates are steady at ½-1c per month above spot. The Amsterdam rate continued to move against us from 11.62 on Saturday to 11.58 on Thursday. Yesterday morning, however, it opened at 11.58½. The Swiss rate appreciated considerably during the week to 25.05, as against 25.50 a week ago. It would seem that the rise in the Bank rate in that country has had the desired effect. The Madrid rate has shown a steady rise from 32.45 to 33.10 yesterday, a partial explanation of which may be found in the figures of the latest Bank of Spain return, which show an increase in the note issue of some 57 million pesetas during the week. In Central Europe, Vienna remains steady at 325,000, but Warsaw is slightly weaker at 1,190,000 offered. The Budapest rate improved to 85,000 on the conference of the Little Entente, and Prague is steady at 155½, but Bucharest is slightly higher at 940. Athens improved from 300 to 250 on the news of the advance by the Bank of England. In Northern Europe, Stockholm is steady at about 17.18, but Christiania has improved from 28.60 to 28.10 on the rumour, as yet unconfirmed, of the placing of a loan in London. The Danish quotation has again fallen from 25.10 to 24.90, while Helsingfors is ½ mark weaker at 165. In the East the rupee is steady at 1s 4½d, while Yokohama is slightly dearer at 2s 1½d. The silver market has been quiet, with little movement in prices. The Indian bazaars have been sellers for forward delivery, but business, both there and in China, has not been great. Hong Kong, after touching 2s 3d, is now quoted again at 2s 2½d, while Shanghai is steady at 3s. 0¼d., but Singa-

pore is ½d dearer at 2s 4½d. In South America, Buenos Aires has cheapened to 38½d as against 40½d last week, probably owing to the lack of any definite news as to the loan, and Monte Video is cheaper at 37½d, but Rio, at 5 19-64d, has not greatly altered. Valparaiso is slightly dearer at 36.70.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 28th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	8,600	From Revenue	14,551
Interest, &c., on Debt	8,834	Borrowings	3,638
Sinking fund	500		
Sundries	103		
Added to Exchequer Balances ..	146		
	18,189		18,189

Revenue at £14,551,000 compares with £15,243,000 in the corresponding period a year ago. Customs brought in £2,052,000, while Excise yielded £1,063,000. Property and Income-tax together with Super-tax produced £6,971,000, and the Post Office contributed £1,250,000. The week's operations increased the National Debt by £3,637,900, and caused the following changes:—

Treasury Bills	Min. £	Bank of England Advances ..	Min. £
	5,651	Public Department Advances ..	4,050
		National Savings Certificates ..	200
		Sundries	39
	5,651		9,289

The floating debt was increased by £3,480,000 to £805,076,500.

FINANCIAL YEAR, 1923-24 (April 1 to August 4, 1923).

Total Expenditure ..	£	Raised by Revenue ..	£
275,705,475		260,233,369	
		Net Borrowings	12,050,418
		Decrease in Balances ..	3,421,688
Total	275,705,475	Total	275,705,475

ESTIMATES FOR YEAR 1923-24.

Ordinary Expenditure ..	£	Ordinary Receipts ..	£
801,013,600		778,500,000	
Special Expenditure ..	£	Special Receipts	£
15,603,000		40,000,000	
Total	816,616,600	Total	818,500,000
		Surplus	1,884,000

THE ANGLO-FRENCH NEGOTIATIONS.

THE events of the last few weeks have illustrated very clearly the disadvantages of secrecy in the negotiations now taking place between England and France. Since writing a week ago the French Government have issued the text of the instructions, dated June 14th, sent to their Ambassador in London, in reply to the British questionnaire of June 13th, but suspended during the political crisis in Belgium. That document might have assisted to form public opinion if its contents had been disclosed at the time. To-day it is out of date, and nothing but the complete correspondence which has since taken place would be of much help in guiding the public of this country in one of the most critical phases of recent history. The document reiterates France's intention not to negotiate with Germany on the subject of passive resistance. At the same time it does indicate France's intention, under certain circumstances, to modify the form of her occupation. It reiterates the belief frequently indicated from Paris that if Great Britain would advise Germany to cease passive resistance the German Government would—with a bad grace, no doubt—accept this advice, and hasten to take a step which France asserts it will sooner or later be compelled to take. At the moment Dr Cuno, watching with despair the lack of progress in Anglo-French negotiations, naturally gives no sign that he would do this. But his view might be different if he knew that a settlement acceptable to Great Britain had been reached in principle. In spite, therefore, of his recent speech, we think that there is just a possibility that in certain circumstances Germany might be induced officially to call off further passive resistance. What are these circumstances? They are, as we have indicated, that there would be some certainty of restoring a tolerable régime not merely in the Ruhr, but throughout Germany. Now, France is not prepared as yet to discuss with Germany the future régime in the Ruhr, but she must discuss it with Great Britain if we are to be in any

sense a party to a settlement. Great Britain does not believe that under the existing régime in the Ruhr reparations could be paid by Germany. She does not believe that under existing conditions the financial chaos in the Reich can be remedied; but she is convinced that the present policy leads inexorably to the break-up of Germany into units which would have no responsibility whatever for carrying out any of the provisions of the Treaty of Versailles, and would certainly repudiate all financial obligations. To meet the views of Great Britain, the seizure of specific pledges in the Ruhr must be replaced by a definite but general control over the revenues of the Reich throughout Germany. Any settlement, therefore, which aims at securing the payment of reparations postulates an important change in the present Ruhr situation. Great Britain is bound to negotiate with France on these points, and satisfy herself before she can make any request to Germany. France, on the other hand, provided she has any inclination left for a settlement which will produce cash rather than the break-up of Germany, must also recognise that she must agree with Great Britain on the character and objective of the action of the creditors of Germany both in the Ruhr and in unoccupied Germany. Have we any reason to think that France will negotiate with us on this matter, or that we can offer her any inducement to do so?

On this point Mr Keynes has summarised in a recent letter to the *Times* the financial conditions which must form the basis of any settlement between France and England. He proposes that reparations should be fixed at 50 milliard gold marks, but that the rate of payment should be fixed by the Reparations Commission, which means in effect that the real value of this nominal sum should be now assessed by an *ad hoc* inquiry by the Commission into Germany's capacity. Great Britain would forgo any claim out of this sum until the shares of her Allies had been paid; and finally would cancel the Allied debts. The latter clauses, which form the basis of a unanimous resolution passed at Vienna recently by various European League of Nations Societies, are, moreover, those which form the financial basis of M. Poincaré's policy. Mr Keynes, however, associates with these clauses the suggestion that France should at once leave the Ruhr. On the monetary side Mr Asquith gave on the whole a general approval to these suggestions in a speech on Thursday at Cambridge. But he evidently recognised that to get the French to leave the Ruhr forthwith without conditions or provisions which would assure the payment of the sums that Germany is expected to pay is not a practical policy, for it would arouse all the doubts as to Germany's intention to fulfil her obligations which have been the underlying influence which has moved French and Belgian opinion in favour of the Ruhr policy. Mr Asquith, therefore, without being very precise, hinted that in addition to this offer we must agree with France on certain steps for ensuring payment. The Government also clearly realise that financial control in Germany must form part of a settlement—a conclusion based not merely on regard for French prejudices, but on a feeling widespread in this country that a reparation settlement would, in fact, not be carried out without strong supervision in Germany.

Up to the present the Government have given no sign as to what they will say on the subject of the war debts, a question on which the French naturally have asked for information. We are afraid that at the critical moment they may lack courage, as Mr Lloyd George lacked courage last August to take the only practical line on this question. We have so often repeated the arguments for cancellation in these columns that we will not weary our readers by repeating them. For the first two years of the war our financial aid assisted France to maintain her resistance in our common struggle while we were able to complete preparations for taking our own part. The only equitable basis of dividing the cost of the war among the European Allies is in proportion to their national wealth, and on this point France already bears her full share without adding to it an indemnity of £600 millions to Great Britain. If we fall out with our former Ally there will be an irresistible temptation to use our financial position to bring pressure to bear upon France for this, that, or the other

object; but the fact that we are in a position to use the debts in such ways does not mean that they are in themselves equitable. The fact that the United States is not, and never has been, ready to pay for the war on the same scale as the countries of Europe, and therefore asks for her loans to be repaid, is irrelevant to the question of our inter-Allied financial arrangements in Europe. It is rumoured that the British Cabinet is drifting back to the attitude taken in the Bonar Law scheme of January on this question. It will be remembered that this scheme practically cancelled the inter-Allied debts, but that it neutralised the effect of this generosity by maintaining our claim for a large share of a comparatively small total of reparations, thus making it impossible for France to secure the full cost of restoring the devastated areas. The offer of full priority for the restoration of Northern France, plus abandonment of our claim for the repayment of our debts, plus an agreement on machinery that would make Germany's guarantees of payment effective—which, of course, involves a substantial modification of the occupation in the Ruhr—is the only basis, in our opinion, for an agreement with France. With these principles agreed, Great Britain can whole-heartedly urge Germany to cease her passive assistance.

Unfortunately the factors making for delay seem to be winning the day. The French nation does not yet seem to know whether it most desires reparations or the break up of Germany; and the British Government is still a little afraid to face what it—in our opinion erroneously—thinks would be popular disapproval of surrendering so much of our claims upon Europe. Once again the evil genius which has dogged all attempts to re-establish the economic condition of Europe seems to be at work, and will delay a recognition of the true factors until too late. In the meantime, economic conditions in Germany go from bad to worse, and, as our correspondent shows in another column, the Government is hurriedly bringing in plans for improving taxation, &c., which are obviously bound to fail. Great efforts are to be made to float a loan upon a gold basis in September. But the conditions of September 15th do not seem to be of very much importance, for the situation grows worse and will grow worse daily so long as the Government is afraid to take the last desperate step which might to some extent check the chaos—namely, to put taxation, as well as wages, on to a gold value basis.

THE INFLUENCE OF OIL ON POLITICS.

(BY A CORRESPONDENT.)

THE intervention of the American observer during the last stages of the Lausanne Conference in the matter of the Turkish Petroleum Company raises again the interesting question of the influence of oil on politics. The incident in itself is obscure. It would seem that the Treaty was drafted to contain a recognition of the validity of the Turkish Petroleum Company's concession, but that when the State Department at Washington became aware of that excellent intention, the American observer was instructed to oppose it. Seeing that Standard Oil had already been admitted, in principle, as a participant in the Turkish Petroleum Company, what motive prompted the State Department to take this course of action so flattering to the Turk? Was it in support of the claims of the Chester concession which cuts into the Mosul oilfields? That is hardly probable. The State Department has specifically denied supporting the Chester concessionaires. Was it a subtle device of Standard Oil to secure a larger share of Mesopotamian oil? Or was it merely an act of formalism on the part of Mr. Secretary Hughes, who had started the first Lausanne Conference by declaring for "the open door" and felt constrained to end the second by doing the same? There may be something in the latter idea. The concession of the Turkish Petroleum Company, in any case, does not run into Turkish territory as the frontiers stand at present, and is not really affected by the Turkish Treaty one way or the other. That being so, and the Standard Oil having been already admitted into the Turkish Petroleum Company, it may well be that Mr. Hughes was advised, in view of the coming elections, to do some harmless window-dressing to please his own

people, who are never tired of hearing of the "open door" for Americans.

This incident is typical of the mystery which envelops the influence of the oil interests. It is the same now as it was in the Mexican affair of 1913, when American and British oil companies were objects of general suspicion in both continents, when Standard Oil was accused of instigating the Madero revolution and Lord Cowdray of supporting Huerta against Madero. Is the climate of the Mesopotamian oilfields to be as relaxing as the Mexican for the political morality of the Powers? One is forced to return to a few fundamental facts, political and economic, in order to state without exaggeration the part which oil necessarily plays in foreign politics.

Politically one begins with the British Government and the Anglo-Persian Oil Company. Great Britain was unique in that it had been committed to an oil policy before the war. In the early summer of 1914, Mr. Churchill carried through the House of Commons the Act enabling the Government to take a controlling interest in the Anglo-Persian Oil Company for the purpose of safeguarding, in part, the fuel oil supplies of the Navy. Previous to that Sir Ernest Cassel had been persuading British interests to join hands with German in the exploitation of the oilfields in Mesopotamia. It speaks much for the influence of Sir Ernest Cassel that early in 1914 the Turkish Petroleum Company was reconstituted at the instance of the British Government, the Anglo-Persian Oil Company taking over from Sir Ernest Cassel the 50 per cent. share of the National Bank of Turkey and the Royal Dutch and the German interests taking the remaining quarters. The pressure which the British and German Governments brought to bear jointly on the Turkish led to the latter assigning—by a mere letter, it is said—the whole of the Mesopotamian oil rights to the Turkish Petroleum Company. This was just before the outbreak of the war.

How far the lessons of the war caused the British Government to develop or modify its pre-war policy in oil, which was one of indirect participation in oil production in the Middle East, is a field of inquiry which has not yet been fully explored. But there is no doubt that France took a serious view of the national importance of oil supplies and was fully alive to the forward oil position of Great Britain. That is why she broached the question of an oil entente. She had already secured virtual control, commercially, of the oilfields of Poland; she was steadily increasing her investment in those of Roumania and stimulating the production of oil in her own country and in her colonies. Finally, in 1920, she was able to bring Great Britain to an oil pact at San Remo. The important part of the San Remo Agreement was not the reciprocity clauses, pledging support of each other's oil interests, but the assignment to France of the 25 per cent. German interest in the Turkish Petroleum Company. That was the cause of all the trouble with America, or Standard Oil.

To go back to fundamental economic principles, it should be appreciated that an oil combine, embracing like Standard Oil the four functions of production, refining, shipping and distribution, is bound to become international in its interests and operations. The economic pressure is twofold. In the first place, the demand for oil products is world-wide, and oil production and marketing facilities must be widely distributed in order to meet demand economically. Considerations of this kind—economic, not political—led the Anglo-Persian Oil Company to take an interest in a company producing in Roumania, to drill for oil in Hungary and Jugo-Slavia, and enter into a prospecting agreement with the Greek Government in Macedonia—merely to find a more economic source of supply for the European markets. In the second place, an oilfield is a rapidly wasting asset. It is axiomatic that the producer of oil must continually seek fresh fields in order to meet the depletion of his source of supply. The Chairman of the Royal Dutch Company once stated at a shareholders' meeting: "The importance of our oil grounds in the Dutch East Indies is continually decreasing. We have no reserve grounds. Therefore, we had to employ our capital, organisation and energy elsewhere. Everywhere in the world our geologists are at work for the extension of our oil grounds." The same economic pressure is being exerted on Standard Oil. Originally pushed abroad to find markets for the ever-increasing

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American production, Standard Oil was eventually forced to acquire reserves in foreign fields in order to protect its heavy capital investment in the refining and marketing business in the United States. Some day, however remote, American oilfields will decline, like all others. Now whenever Standard Oil, hunting for reserve sources of production, finds itself too late upon the foreign field, there is generally some political trouble. Is not this, coupled with the British Government's indirect participation in the oil business, a possible explanation of the influence of oil on foreign politics?

Let us note two occasions when Standard Oil was too late upon the field and mark the political events which followed. The first is Russia. Before the war Royal Dutch-Shell was predominant in the Russian fields. It was not till 1920 that Standard Oil acquired an interest in Russia by the purchase of control of the important Nobel undertakings in Baku. Yet this minor interest of the great oil trust was apparently sufficient to lead up to the rupture of the Genoa Conference. It will be recalled that the mere rumour of a deal between Royal Dutch-Shell and the Soviet Government set Standard Oil to work in Washington, in Paris and Brussels—in Washington to urge the State Department to reiterate its economic policy of "the open door," in Paris and Brussels to support French and Belgian interests in warning their respective Governments against "British greed." Is it not to be assumed that the insistence of the Belgians on the return of properties without the option of compensation, the amendments of the French to the Russian Memorandum, the final break up of the Conference under the deadly cloud of having a further meeting of experts at the Hague, are so many indications of the influence of oil—and Standard Oil?

The other occasion was, and is, Mesopotamia. Standard Oil had arrived too late upon the oilfields of the Middle East. It had a prospecting claim in Palestine, but not a single concession or claim in Mesopotamia. Indeed, American interests in that country were confined to the shadowy claims of Admiral Chester. Naturally, the policy which Standard Oil urged upon the American Government in this sphere was the policy of "the open door." How else could it get inside? One remembers the heated Notes that passed between the American Secretary of State and Lord Curzon ostensibly on the subject of "the economic rights in Mandated territories," but really on the oil rights of Mesopotamia. The British Government was roundly accused of partiality to British interests, of seeking to establish an oil monopoly in mandated territory. The San Remo Agreement intensified American feeling and suspicion. So violent was the last diplomatic Note from Washington on this subject that it was considered unfit for publication. The British Government were constrained to give way and pacify American oil interests: it agreed that Standard Oil should be admitted into the Turkish Petroleum Company. Here was outstanding evidence of the political influence of the American oil colossus. The first proposal was to give Standard Oil a 20 per cent. interest by taking away from the Anglo-Persian 10 per cent. and from Royal Dutch-Shell and the French

5 per cent. respectively. The Royal Dutch-Shell somewhat naturally objected to these political manoeuvres at the commercial expense. The second proposal was that Standard Oil should have a 25 per cent. interest and that the Anglo-Persian Oil Company should give up half its 50 per cent. holding for that purpose. Presumably the Anglo-Persian was to be compensated in some other way, possibly by receiving a royalty. With this agreement in principle, the Powers entered into conference with the Turk at Lausanne. France, Britain and America were all interested now in the Mosul oilfields, a fact that no doubt explained the solid and united front which they presented to the Turk on the question of the Mesopotamian frontiers at the first conference. At the second we have noted the apparent lapse from unity, which we may suspect is more apparent than real.

Much still remains obscure in the post-war history of oil. One does not yet know the full commitment of the British Government to an oil policy, or the complete machinations of the Standard Oil Company of New Jersey, or the full extent to which Mr. Secretary Hughes has earned his popular title of "the Secretary for Oil." The international influence of the big oil combines must inevitably be considerable in the nature of things economic and political, particularly that of Standard Oil on the occasions when it arrives too late upon any foreign field. One fact emerges clearly—namely, that the British Government appears subservient to the American whenever the pressure of Standard Oil is strong. Was it not the same in 1913? At a time when American and British feelings were strained over the question of the recognition of Huerta, Lord Cowdray was actually prevailed upon to withdraw his requests for extensive concessions in Colombia in subservience to American clamour, and the invocation of the Monroe doctrine. Of that occasion the late Walter H. Page, American Ambassador in London, wrote to Colonel House: "I congratulated him. 'That, Lord Cowdray, will save you, as well as some other people I know, a good deal of possible trouble.'" But the trouble has only been shifted from Mexico to Europe and the Middle East. In the latter case, it is the Anglo-Persian Oil Company that is forced to make the sacrifice, but subservience to Washington is still the rule.

GERMANY'S NEW FINANCIAL POLICY.

(BY OUR BERLIN CORRESPONDENT.)

As I foreshadowed last week, the Government's new financial policy is wholly inadequate. It contains some good minor features; but its main feature repeats the old error, many times exposed, that any real yield worth having can be counted upon from taxes assessed in a fixed number of paper marks without regard to the mark's value. That is the feature of the proposed "Rhine-Ruhr Levy." While the Government imposes this levy, based upon a mere multiplication of former income-tax, it denounces its own expedient by issuing a "fixed-value" paper mark loan on a gold-index subscription and repay-

ment basis. If the currency is not further to depreciate it would be unnecessary to put this loan on a fixed-value basis; if the currency is to depreciate, the pure paper-mark Rhine-Ruhr Levy cannot yield any calculable sum. The loan is for an unlimited amount, to bear 6 per cent. interest, to be redeemable in 1935, to be valued in dollars in that the subscribers will pay in sufficient paper marks to buy at the day's exchange the wished-for value in dollar bonds, and will be repaid sufficient paper marks to buy at the exchange of the redemption date the same value in dollars. In the meantime the paper mark amount of the 6 per cent. interest will fluctuate according to the dollar exchange. This is identical with the local coal, rye, and other commodity bonds, with the difference that the commodity is gold. It will be allowed to buy the new dollar bonds with dollars or other high-exchange currencies, and in this case the issue price, which for paper-mark subscriptions is 100, will be 95. The difference in issue price is, strictly speaking, a violation of the "fixed-value" principle. The loan, judged by the success of similar local loans, ought to yield a very large sum in paper marks; but, in view of the fact that the deficit in ten days is nearly 18 billion marks, and that the whole note circulation is under 32 billions, the biggest possible loan yield will hardly help the finances; in other words, the amount of cash in public hands through earlier inflation is insignificant in comparison with the current inflation need. Before deficits can be covered by loan they must be reduced into some proportion with the amount of money available.

The "Rhine-Ruhr" Levy, the chief feature of the taxation reform, is, it is to be feared, another instance of what Herr Bernhard calls "demagogic" taxation. It is to be imposed on the public companies as an imposing-looking multiple of their income-tax (so-called *Koerperschaftssteuer*); but once the multiple is fixed, the real yield will vanish, unless, as cannot be expected, the currency depreciation ceases. Companies which closed their books between October 1st and December 31, 1922, are to pay, on August 31st, in addition to their ordinary company income-tax, one quarter's tax multiplied by 35, and on October 5th and January 5th each one-half of the tax multiplied by a "currency depreciation" figure, which is to be fixed under the law of July 9th. Companies which closed their books before October, 1922, will pay twice as much, their original income-tax having been assessed on profits made at an earlier, lower standard of values. In addition will be added to the levy the 50-fold motor-car tax. The nominal yield of the income-tax part of the levy cannot be estimated. The real yield cannot be even guessed at, because it depends upon the currency value between now and next January. If the mark continues to decline rapidly in value, the real yield may be very small.

Only five days have passed since this project was published, and it is highly likely that the multiplying factor will have to be raised before one day more has passed. How unsatisfactory the multiplication of taxes proves is shown by the fact that the Reichsrat was yesterday (Monday) considering again the raising of the ordinary income-tax. Only a few weeks ago income-tax advance quarterly payments were to be multiplied 25-fold. The multiplication fixed on Monday was 100-fold. But that was on a basis of 1,000,000 marks to the dollar. To-day (Tuesday) the dollar is quoted over 3,000,000 marks, so that within 24 hours the multiple must be trebled. As long as the tax Bill is not passed the multiple can be increased again and again, but once it is passed nothing can be done without a new law, and, if history repeats itself, even a 300-fold rate will yield much less in real tax than the unit rate of a year ago. Under discussion are a number of reforms of the taxes on consumption, which will be described when they take shape. At present the rates and conditions are changed nearly every day, and every day the currency movement makes yesterday's rates and conditions useless. The demand that the Government assess all indirect taxes on a percentage of selling values, and all direct taxes in gold or in "price-index marks" continues to be made from expert unofficial quarters, but the Finance Ministry pays no heed. As a *reductio ad absurdum* of its present system I give the yields of certain taxes in June, at June average of exchange, and the per capita per annum tax: Beer £166,

sugar £165; each per capita per annum 1-120th of an English penny; salt and lighting materials £16 and £17 respectively, each per capita per annum 1-1200th penny; matches £33, per capita per annum 1-600th penny. Were it not for the tobacco and wine taxes, which are assessed on selling prices, and yielded in June respectively £200,000 and £26,000, the whole of the indirect taxes put together would yield only about a good middle-class income for one family. The result continues to be shown in the Finance Ministry's ten-day reports. In the term July 20th-30th Revenue totalled only 460,150 millions, or about 1-40th of expenditure, which was 18,279,053 millions. Although no statistical proof can be given, it is certain that this Revenue did not cover more than a fraction of the assessment and collection cost. In other words, part of the 17,800,000 millions added in the ten days to the Floating Debt (which now totals 60,755,064 millions) was an unnecessary inflation burden which the population would not have had to bear if taxation had been altogether abolished.

THE TIN POSITION AND OUTLOOK.

THE price of standard cash tin at the close of July stood at £185 per ton on the London market, and the forward position commanded a premium of 15s at £185 15s. Thus compared with the high level reached last March, there has been a decline of nearly £50 per ton, although the final values for last month were roughly about £10 per ton above the lowest level touched in that month. A year ago the cash price was down to £162 10s, and, to go back two years, the still lower level of £160 has to be noted, although this was not the worst seen in 1921, when for a brief period the market was allowed to fall to £148. The standard price thus finished last month about £2 10s under the highest and £45 above the lowest registered for all 1922, and taking it altogether the metal may be said to have held its own very well considering the trying times through which the non-ferrous group has been passing.

The selling price of tin is of vital importance to numerous mining companies in this country, and the fact that the United States is the largest consumer and the smallest producer makes the metal one of more than usual interest, as speculation undoubtedly has a lot to do with the price changes that are started here and in the East, and subsequently reflected in the New York quotations. In the year 1921 the United States imported only 24,758 tons of tin, but last year the figures jumped to 59,468 tons, an increase of 34,710 tons, or approximately 140 per cent. The American demand was well sustained in the early part of the current year, but there has since been a falling off, and as the United States draws the bulk of its tin supplies from the Straits Settlements, this factor must necessarily influence the position generally. At one time this year the United States' deliveries were at the rate of 75,000 tons per annum, and had this satisfactory level been maintained the effect on the market would have been highly encouraging to tin producers in the East, and also in Nigeria.

The visible supply statement issued early this month shows that on July 31st last the total stocks in London and the outports amounted to 3,776 tons, against 4,566 tons in the previous month. At the close of last week this total had been further reduced to 3,538 tons, of which 1,668 tons were in London and 1,860 tons in Liverpool, there being ten tons also credited to Swansea. The tin landing, in transit and afloat, to the United Kingdom at the end of last month aggregated 1,335 tons, against 380 tons at the close of June; thus the total supplies for this country stood at 5,111 tons, against 4,946 tons at the end of the half-year. To this must be added the supplies of Banca and (or) Billiton, on the spot or afloat, to Europe and the United States amounting to 3,703 tons, and also the Straits tin afloat to the Continent totalling 1,240 tons. Thus, with the 8,122 tons of tin on the spot, landing or afloat, to the American ports, a visible supply of 18,176 tons is arrived at, which compares with 17,762 tons at the close of June, 20,229 tons on July 31, 1922.

and 19,438 tons two years ago. There has thus been an increase of 414 tons on the month, but compared with the aggregate of 22,281 tons recorded for December 31, 1922, there has been a reduction in tin supplies of 4,105 tons in the last seven months. In addition to this, it is only reasonable to suppose that the F.M.S. Government and the other signatories to the Eastern pooling agreement have liquidated some part of their holdings, and thus the invisible surplus has in all probability also been moderately reduced since the opening of the year.

The total monthly supplies for July amounted to 8,623 tons, which brings the total for the twelve months ended on that date to 100,480 tons as compared with 84,730 tons in the year ended July 31, 1922, and 55,380 tons for the period from August 1, 1920, to July 31, 1921. The total supplies as a matter of fact are the largest recorded for several years and the metal is now coming into sight at a rate which is approaching the pre-war level. Analysing the supplies, it is found that the total from the Straits amounted to 62,850 tons, out of which no fewer than 46,720 tons went direct to the United States, against 37,180 tons in the same period of 1922, and 15,995 tons in the twelve months ended July 31, 1921. The Bank and Billiton supplies amounted to 17,552 tons, against 15,746 tons for 1922, and 9,796 tons for the twelve months ended July 31, 1921, while it is pleasing to note that Australia sent 1,576 tons of tin to the United States and Europe, compared with 1,357 tons in the previous twelve months. Turning to the matter of deliveries, it is found that in the twelve months ended July 31st last these came to the very satisfactory total of 102,533 tons, against 83,939 tons in the previous year, and 53,887 tons for the year ended July 31, 1921. The American deliveries accounted for 67,354 tons, against 48,070 tons for 1922, and 29,726 tons for the same period of 1921, while the United Kingdom took only 18,658 tons, against 24,820 tons during the twelve months ended July 31, 1922, and 17,754 tons in the corresponding twelve months ended July 31, 1921. The Continental deliveries in the same period amounted to 11,453 tons, compared with 7,626 tons for the twelve months ended July 31, 1922.

The monthly deliveries for July were very disappointing at 8,209 tons, but probably the dock strike had much to do with this. The returns for the United Kingdom, for instance, amounted only to 764 tons, against 1,791 tons for June, while the Continental deliveries rose from 912 tons in June to 1,580 tons in July, and made quite a good showing. The British tin-plate trade is fairly well engaged at the present time, and it is quite possible that there will be more life about the market later on when the price stabilisation agreement comes to an end, as it will do at the end of next month. Offers of plates below the minimum have been already made for October-December shipment, and the appearance of makers' order-books has undergone a change for the better during the last few weeks, notwithstanding the holidays and the political tension. The tinplate shipments from Swansea for the week ended August 4th were larger than the receipts, and the total stocks are not heavy at 243,707 boxes. Thus, any improvement in the demand for plates in the autumn would find makers rather lightly covered in the way of tin. Reports from the United States indicate that the tinplate mills are leaving behind the ill effects of the hot weather stoppages, and that the outlook for the autumn canning season is distinctly good. At the same time, there is no denying the fact that American tin users are proceeding very cautiously, and this seems to suggest that the needs for the next few months are well covered. While the Ruhr question remains unsettled and the political outlook on the Continent shows no change for the better, it would be folly to look for any expansion in speculative interest in metallic tin. There was a slight hardening in values early this week on the resumption of business, but the drop in the mark, coupled with talk of a strike in the German metal trade and hints of a coming general collapse, kept business within very narrow compass. Tin on its merits, however, is reasonably cheap, and the statistical position generally may be regarded as very healthy. If world trade conditions were more satisfactory and there were any reasonable prospect of the reparations question being settled before the beginning of 1924, values would un-

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doubtedly lift to a better level later on in the last quarter of the year, but no important movement is anticipated yet awhile. Tinplate users everywhere are working with slender stocks, and this is a good point for the metal. America may re-enter the market when the full effects of President Harding's lamentable death have been accurately gauged, but for the time being if the metal can hold its own round about current level it will be doing well, as the leading operators on this side are not inclined to lend much support. The bearish forecasts for tin that have been circulated lately have no justification, and they are based merely on sentiment. The East has not been a free seller at recent levels, and this suggests that offers from that quarter, as well as elsewhere, are being deliberately held back until it is seen how the European crisis is going to turn. The monthly showing for July must be regarded as favourable when all the circumstances are taken into account, and while there may not be any material improvement in the price of tin over the next few weeks, the undertone of the market should continue hard, and that is all that can be expected.

THE RUSSIAN HARVEST.

ONE of the unknown factors in the economic situation of the next few years is the date at which Russia will re-enter the world market as a considerable exporter of grain, and more particularly of wheat. There has been much talk of the renewal of wheat exports in the coming autumn, and there are those who confidently anticipate that there will be business to be done in this direction. But the truth about the economic condition of Russia will remain very largely wrapt in mystery, and in no direction is the uncertainty greater than in this matter of agricultural production over an area which constitutes more than half of the continent of Europe. The report made last autumn by the League of Nations Secretariat on the agricultural situation of Russia illustrated very clearly the confusion of prophets in Russia itself, the unreliability of Russian statistics when a case had to be made, and the necessity of interpreting such statistics as come from Russia with conservatism and in the light of probability. In the view of the over-estimate of crops last year our readers will appreciate the warning of a correspondent, who sends us the following comments upon the two estimates which have been made on the current year's harvest:—

"Two estimates of the yield anticipated from this year's Russian harvest have appeared recently in the Moscow Press. M. Teitel, an expert of the Commissariat for Agriculture, and M. Popov, formerly head of the Central Statistical Bureau of the Soviet Government, agree in calculating that the sown area for 1923 is about 20 per cent. greater than that of last year. M. Teitel bases his estimate on the final figures for the yield of the 1922 harvest, published in Bulletin No. 72 of the Central Statistical Bureau. This is given as 1,889,909,000 poods.* He believes that a 20 per cent. increase on it will give an approximately accurate idea of the dimensions of this year's harvest—that is to say, it would work out at about 2,267 million poods. He quotes the Central Statistical Bureau as giving last year's sown area as 49,474,000 desyatins,† and this year's area as 59,365,000. This

* 1 pood = 36 lbs.

† 1 desyatina = 2.7 acres.

allows for an almost identical yield per desyatin this year as last, or about 37 poods. It is, however, doubtful whether last year's yield will be attained, and some authorities would be inclined to reduce M. Teitel's estimate by 5 per cent. It is to be noted that M. Popov, as head of the Statistical Bureau last year, anticipated in his final estimate, published in October, that the 1922 harvest would amount to 2,850,000,000 poods, whereas the experts of the Commissariat of Agriculture thought that it would amount to between 1.9 and 2 milliards. M. Popov, who has since relinquished his post in the Central Statistical Bureau, still, however, regards last year's harvest as having amounted to 2,850 million poods, and estimates the present harvest at 3,000 millions. This would give an average yield per desyatin of more than 50 poods, which considerably exceeds the pre-war average yield, although this year's harvest is regarded as being average or below average, and the deterioration in seeding material has occasioned a corresponding fall in productivity. In estimating the surplus or deficit likely to arise out of these two estimates it must be borne in mind that approximately 480 million poods will be needed for seed if the 59 million desyatins said to have been sown this year are to remain in cultivation during 1923-24. It is, however, understood that the Soviet Government hopes to bring the sown area for next year's harvest up to the standard of 1916, which, if it proves to be possible, would involve the expenditure of 160 million more poods on the sowing of 20 million more desyatins. If the figure of 1,828½ million poods, based on allowances made by the Central Statistical Bureau and published by the League of Nations in the report on Economic Conditions in Russia last year, is taken as the amount necessary for consumption by the population, it will be seen that at least 2,308 million poods will be required to meet these demands, allowing in this case only for the maintenance in cultivation of the area said to be sown this year, apart from any effort to increase it, and not making any allowance for increased consumption caused by the natural growth of population during the last 18 months. Thus a deficit arises on M. Teitel's estimate of some 41½ million poods, while M. Popov claims for his estimate a surplus of 500 million poods as being available for export. On the other hand, statements have been made in the Soviet Press from time to time that the Government hope to export this year from Russia anything from 200 to 300 million poods. It is worth remembering, in this connection, that M. Popov's computation last year exceeded by almost one milliard poods that which was subsequently published by the Central Statistical Bureau as constituting the final official figure for the 1922 harvest. On the other hand, the estimates made last year by the Petrovsky Academy attached to the Agricultural Commissariat and by Central and Local officials of the Agricultural Commissariat itself, prove to have exceeded the actual dimensions of the harvest by little more than 100 million poods. M. Teitel's estimate, therefore, seems likely to furnish far the most useful guide as to what the 1923 harvest is likely to be.

"Even if allowance is made for the substantial decrease in the standard of consumption in Russia during recent years and for the fact that transport facilities are so weak that effective distribution of the harvest is impossible, and that therefore surplus grain will be available in some districts which will rot if it cannot be exported, it seems difficult to believe that grain exports from Russia can be anything but insignificant during 1923-1924. The pessimistic view of cereal exports held by Russian economists of repute is illustrated by an address recently made in Moscow by Professor Haensel to the Institute of Economic Research. The enormous expansion of the world's cereal production in recent years, the re-entry into the market of countries like Poland, Roumania, and Hungary, the prospect of good crops in the new world, the substantial drop in shipping freights, whereas freights in Russia remain relatively high, and the impaired quality of Russian grain were factors which inclined Professor Haensel to look with great reserve on the possibilities of re-establishing in the near future Russia's former position as a large cereal exporting country. Such export as might be effected would, he feared, only be possible if the present extremely low agricultural prices in Russia

continued to prevail, which meant a continuance of the conditions tending to disunite the towns from the rural areas, and to leave Russian industry without market for the goods which it produced. It is also feared that it will prove difficult to supply the credit necessary to finance the preparation of any exportable surplus, as shown in an article by M. Ivanov in 'Ekonimicheskaya Zhizn' for July 25th. Meanwhile, however, the Centro-Soyuz is actively developing its export plans, and has already concluded contracts with the Kuban, Don and Stavropol provincial co-operative unions for the supply of 15 million poods, two-thirds of which, it is stipulated, must be wheat, but the Kharkov correspondent of 'Ekonimicheskaya Zhizn,' writing in the issue for July 27th, observes that great difficulties are anticipated in transport, owing to a lack of rolling-stock, and insists that it will be necessary to recondition the ports of Novorossiisk and Eisk, while the shallowness of its harbour and the absence of sea-going or river vessels makes Rostov of doubtful utility."

STOCK EXCHANGE MISUNDERSTANDINGS.

(BY A STOCK EXCHANGE CORRESPONDENT.)

EXPERIENCE shows that it is so often the case that more misunderstandings arise over little things than over the larger affairs of life, that to find the same conditions prevailing in business matters is only what may be expected. And, using the Stock Exchange as an illustration, it is unquestionably the case that minor matters lead to more friction, arising out of misunderstandings between broker and client, than ever occurs in connection with substantial transactions. The man who sells a thousand Lever preference is not at all likely to raise any questions in connection with the settlement of the bargain. In all probability the mere fact of his having such an amount of money in shares of this description argues a certain amount of acquaintance with Stock Exchange affairs. But the seller of 100 Lever preference who is asked to pay half-a-crown or 3s 6d for "splits," because half the shares are in his own name and half in that of his wife, is very inclined to be resentful, and to think that, in some way or other, he is being done out of the extra stamp and fee. If he put himself into the position of the buyer, the misunderstanding would quickly disappear. The purchaser buys his 100 Lever preference and expects to pay stamp and fee on that particular number of shares delivered on one deed. If there are two transfers, of 50 shares each, sent to him, the extra registration fee of half-a-crown, and whatever additional transfer stamp may be involved through splitting the original purchase of 100 shares, certainly ought not to fall upon him, the buyer. If the seller has specified in the first place that the shares were in two distinct names, the broker would have dealt in this manner, but when the order is sent to sell a hundred shares, it is executed in this way, and whatever loss arises thereafter through the fact of the shares being in different names should fairly be debited, as is the case, to the seller who neglected to mention this when sending the instructions.

The seller of 50 Lever preference at, say, 20s 6d pays 3d per share commission, 12s 6d in all. The seller of 20 shares is charged 10s, or 6d per share, and, unless he knows the reason, not unnaturally thinks he is being swindled. But the Stock Exchange rule is that no lower commission than £1 is to be charged, except in the case of transactions amounting to less than £100 in value, when 10s is the minimum; or upon transactions amounting to less than £20 in value, when the lowest commission is 5s. Therefore the lowest charge on 20 shares at 20s 6d is 10s. Similarly, the commission on the War Loan is 5s per £100 stock, according to the official scale. The man who buys £100 of it at 100½ is charged £1, this being the minimum brokerage, though, if the price were 17s 6d lower, he would get off for a minimum 10s.

Notes of the Week.

The Parliamentary Session.—The session of Parliament which was adjourned last week until November 13th—although the recess may be shortened by Continental developments—has been of unusual interest from more than one aspect. Early in the year the new Conservative Government appeared to be losing headway, and almost foundering in a sea of exceptional difficulty. Trouble arose in the first place through a combination of two apparently unconnected factors, namely, the housing question and Mr Bonar Law's loyalty to his colleagues. Four members of his Government were defeated at the general election. Mr Bonar Law wished to secure seats for them in the House. For three of them carefully selected constituencies were found where a safe return was thought to be a foregone conclusion, but fate was so unkind as to bring public dissatisfaction over the housing question to a head just when these three by-elections were due, and one after another the ministers were ignominiously defeated. Three such electoral defeats on ground carefully selected by the Government and so soon after a general election were unprecedented, and dealt a very severe blow at the prestige of the new administration. But worse—as it appeared then—was to follow. The health of the Prime Minister himself gave way under the strain of his office, and after an unavailing rest it became necessary for Mr Bonar Law to resign. To many prophets his generally lamented departure appeared to herald the rapid disintegration of the Government, which had never succeeded in cutting more than a very mediocre figure in the House of Commons. Had the King selected as his successor Lord Curzon, or indeed any other Peer, these prophecies of woe would in all probability have been somewhat rapidly fulfilled. But the selection of Mr Baldwin as Prime Minister, on the sound ground that the Prime Minister must be able to face the concentrated opposition in the House of Commons, proved to be the turning point in the Government's fortunes. Mr Baldwin struck the public imagination as a man of common sense, determined to redeem British foreign policy from impotence; and in Parliament he consolidated the Conservative position by strengthening the debating power of his front bench, and by gaining the adherence of at least one prominent member of the dissentient Conservative element. The result in brief is that the Government reached last week's adjournment more strongly in the saddle than seemed possible a few months ago, when the housing muddle and the controversy over the Irish deportations were to the fore. In one respect Mr Baldwin has been assisted by his principal difficulty. Over the whole session the questions of the Ruhr and Reparations have hung like a cloud. No small amount of his strong position to-day is owed to the willingness of most sections of the House to believe that he was making a bold and common sense effort to secure a sane solution. It is impossible to discuss the past session without mentioning Mr McKenna. By obtaining the conditional promise of Mr McKenna's entry into the Government, Mr Baldwin was held to have played a strong card. The impression thereby created lasted for a time, and served its purpose. But as time passed, and Mr McKenna remained in the City, the public became a little sceptical of the likelihood of his advent at the Treasury; and in the closing week the rumour was revived though not confirmed that for reasons undisclosed—perhaps they were electoral—the Treasury was not to receive him. Thus ended an eventful session, and although Mr Baldwin may be more than gratified at the success of his trial spin, he will face the recess with the realisation that his future depends upon his ability to fulfil the national craving for the return of peace, stability, and good trade.

A Pre-War Anglo-German Agreement.—The full text of the secret Anglo-German Convention of June, 1914, regarding Asiatic Turkey has been published for the first time in the March number of the Columbia University *Political Science Quarterly*. The final text of the document, with its appendices, had been agreed and initialled by Lord Grey and Prince Lichnowsky, but signature was postponed until Germany should have con-

In all scales of this sort, commission or otherwise, inequity and anomaly are sure to be found. The Stock Exchange Committee's regulations are framed with the intention of being as fair as possible to the greatest number. The commission on £400 War Loan is exactly the same (5s per cent.) as it is on £100 stock, seeing that the minimum is £1 in the case of transactions amounting to £100 or more in value. The reason is that the amount of work involved upon the broker is the same in the case of the smaller as it is in that of the larger amount, another little fact which clients perhaps overlook.

In consequence of the splitting-up of railway stocks, which came about as a result of the grouping arrangements entered into last year amongst the Railway companies, all kinds of odd and broken amounts of stock came into existence. Clients, when they come to sell these sums, do not always understand why they are called upon to pay the stamp and fee to the purchaser, seeing that it is the buyer's part to be charged with this expense. The buyers in nine times out of ten are jobbers in the market, who, in such instances as these of broken amounts, have to take the stock into their own name. If they buy £68 London and North-Eastern preferred stock and £54 of the deferred stock, it is extremely improbable that buyers will come along to take these precise amounts, and the consequence is that they, the jobbers who buy the stocks, have to put them into their own names, and, of course, to pay the stamp and fee. The latter charges would more than swallow up whatever profit they were likely to make out of such modest deals, a profit which, in any case, would be small and hardly adequate to the amount of work involved. Therefore, it has been the custom for over a hundred years to stipulate that sellers who wish to dispose of what the House still calls broken amounts should be required to pay the transfer stamp and the company's fee, a practice which is reasonable in itself, and does not rest upon mere tradition for its justification. In these circumstances, the amount of money stated on the transfer-deed is invariably that which the seller actually receives, whereas in other transactions the money set out as the consideration that governs the stamp duty on the transfer deed usually differs from the sum realised by the sale of the shares. It has been stated, times without number, that the consideration money on the transfer deed is that which the buyer pays, and will probably differ from the seller's proceeds of the sale by reason of the fact that the shares may have changed hands many times between the original sale, by the man in whose name the certificate is made out, and the purchase by the ultimate buyer, who gives either a higher or lower price than the first at which the bargain was effected. The question was raised so constantly that it became necessary to put a note on every transfer deed, which reads:—

The consideration money set forth in a transfer may differ from that which the first seller will receive, owing to sub-sales by the original buyer; the Stamp Act requires that in such cases the consideration money paid by the sub-purchaser shall be the one inserted in the deed, as regulating the *ad valorem* duty. The following is the clause in question:

"Where a person, having contracted for the purchase of any property, but not having obtained a conveyance thereof, contracts to sell the same to any other person, and the property is, in consequence, conveyed immediately to the sub-purchaser, the conveyance is to be charged with *ad valorem* duty in respect of the consideration moving from the sub-purchaser." (54 and 55 Vict., cap. 39 (1891), Section 58, Sub-section 4.)

That many thousands of people do not read this paragraph, which is set in sufficiently plain language to convey its meaning to any ordinary mind, is obvious from the fact that stockbrokers get scores of inquiries every year on the point, a fact which leads to the inference that, for every one person who inquires, there are probably at least a dozen more clients who do not understand, but who are averse from asking the questions which this particular paragraph answers. The stockbroker, however, would infinitely prefer to be asked for explanation on any point connected with his business than that his client should nourish some sense of injustice, which could be easily cleared up to the avoidance of misunderstanding and of unspoken grievance on the part of the public.

cluded some preliminary negotiations with Turkey, and the whole scheme was rendered abortive by the outbreak of the War, against which it was intended to be a safeguard. This abortive agreement was a painstaking fair-minded, and, on the face of it, sincere effort on both sides to resolve a number of local conflicts of interest, which were none of them, perhaps, likely causes of war in themselves, but which had long contributed to produce friction in Anglo-German relations. Parallel negotiations are believed to have been conducted in regard to the eventual disposal of certain territories in Tropical Africa; and had time been on the side of peace, it is possible that the year 1914, instead of being memorable for the outbreak of the War, would have been remembered with faint interest and most inadequate gratitude as the date at which England and Germany achieved what England and France had achieved in 1904 and England and Russia in 1907. At any rate, the existence of this almost completed agreement disposes of the view that the agreements on details, which was the prelude to our Entente with both France and Russia, were secondary matters, and that fear of Germany was the all-compelling cause of mutual understanding. Incidents like that of Fashoda, or of the shots fired by the Russian Fleet at British fishing-boats, showed how serious such disagreements in detail might be in their effects upon national temper, and how little that temper was controlled by the consciousness of superior interests making for concord. The removal of minor grievances, like that of tree-stumps, is a negative but far from an easy operation; and the inference is that, if fortune had been more favourable, this Anglo-German Agreement regarding respective interests in Turkey would have been one of the preliminary steps towards an Anglo-German Entente. Nor was the agreement, like the Persia Agreement of 1907 between England and Russia, obviously made at the expense of a third party; for there was no question of partitioning Turkey into British and German zones, nor anything, indeed, that was markedly prejudicial to Turkish sovereignty. In fact, in this agreement Germany would have recognised the terms of a convention of a similar kind, in settlement of outstanding differences, which had been signed by Great Britain and Turkey in the previous year. The basis of the abortive agreement with Germany was that Great Britain should withdraw her opposition to the construction of the Baghdad Railway, while Germany should agree to a minor British participation in the enterprise and to the terminal point of the line being at Basra, up the Shattu'l Arab, and not on the open coast line of the Persian Gulf. Germany also undertook to respect the rights of British navigation enterprises on the Tigris and Euphrates, in which German capital, in turn, was to be accorded a minor share; and arrangements were made to prevent cut-throat competition between the two systems of transport. The opportunity was also taken to demarcate the respective interests of the British and German railways in Anatolia; to provide for eventual junctions between their lines; and to divide the navigation rights on the lakes which lay between them. German irrigation concessions in Cilicia and British in Mesopotamia were to be mutually recognised and respected. The whole document is characterised by a spirit of moderation and common sense with which the grandiose and uncompromising projects engendered on both sides after the outbreak of the War are in lamentable contrast.

Irish Affairs.—Our Dublin correspondent writes:—Yesterday the Oireachtas completed its labours, and will meet no more. The Government finished its legislative programme save a Licensing Bill, which the Seannad declined to consider urgent. A short election campaign of concentrated effort and excitement has begun, and upon Monday, August 27th, the new Dail, or Lower House, will be elected. Proportional representation and adult suffrage, combined with a multiplicity of candidates and a most critical turning-point in Ireland's history, make this General Election extraordinarily interesting. The number and diversity of the candidates is a matter for wonder to those unfamiliar with Ireland—to those particularly who have been accustomed to the flawless discipline and uniformity of the Irish Parliamentary Party at Westminster, which, though tempered occasionally by rather unintelligible "splits," seemed to betoken a corresponding uniformity of view amongst the Irish electorate. If opposition to British rule regimented the people, political liberty has disintegrated that organisation, and amongst the constituent atoms and groups new combinations are being gradually conceived, which shall serve to express with approximate accuracy the new mind, the new purpose, the new ideals of emancipated Ireland. An interim Report from the Fiscal Committee deals with the Safeguarding of Industries Act, 1921, and the Dyestuffs (Import Regulation) Act, 1920. The repeal of Part I. of the former is recommended, and will, no doubt, be effected by the new Oireachtas; and the repeal of the latter has already been effected in anticipation of the formal receipt of the Report. These Acts of the British Legislature remained operative and formed portions of the Irish Fiscal code of laws. The conditions which they were designed to affect were purely British conditions, and when these Acts were applied to Irish affairs they became unmeaning, if not positively mischievous. Thus provisions designed to hinder the importation of impure ether into a country which produced pure ether had the effect, when applied in a country which produced no ether, of imposing well-nigh intolerable burdens upon the hospitals and others who use this most necessary anodyne. The only portion of these Acts which will survive will be that which confers power on the Ministry of Industry and Commerce (the analogue of the British Board of Trade) to make import regulations affecting "dumped" goods. The legislation passed to settle finally the land question followed, with liberality and discrimination, the precedent of the great Wyndham Act of 1903. It was well received in the Seannad, which represents the vested interests, and the Minister of Agriculture, Mr Hogan, received a tribute of applause for his obvious mastery of his subject—the Earl of Mayo expressing the landlords' views in this sense. The farmers of N.E. Ulster will now be expecting a corresponding measure, and the result may be interesting. There is some discontent over the rather clumsy handling of the arrangements as between the Commissioners of Revenue and the Irish banks as to the collection of income-tax and for the avoidance of double income-tax. There has been some public correspondence between the secretary of the Irish Bankers' Standing Committee and the Commissioners, and some inconvenience in the meantime. The annual reports of the Irish Free State banks show uninterrupted progress and prosperity, their only reflection of or upon contemporary conditions being that the deposits in the banks, which had continued to rise for a long time past in spite of everything, reached their top level in last December and have tended since somewhat to recede. Irish Exchequer returns from April 1st to August 4th continue to maintain their level of 50 per cent. over the corresponding figures for last year. This year's receipts are £10,614,461—as against £7,279,647 for last year. It must, of course, be remembered that part of the increase represents arrears of income-tax and of land purchase annuities which have now been collected, but the increase of Customs receipts, from £757,000 last year to £2,560,000 this year, and the increase of stamps from £120,000 to £164,000 are undeniably satisfactory.

Shipping Services to Australia.—The Imperial Shipping Committee has issued a report on the economic size and speed of vessels trading between the United Kingdom and Australia, and on the subsidies necessary to maintain speeds in excess of the economic speed. It appears that 18 months ago Mr Hughes, then Prime Minister of Australia, asked the Committee to inquire into this matter, having in view the Australian policy of promoting immigration and the importance of shortening the time occupied in the conveyance of mails. The Committee, it will be recalled, recently made a report on the deferred rebate system as obtaining in the trade between this country and Australia, which was summarised in the *Economist* of February 17th. It has now investigated the questions of the economic type of ship for the Australian trade, the demand for speed, the question of

routes, and possible means of acceleration, including the question of subsidies. Whether subsidies (beyond mail subsidies already being paid for services rendered) are desirable has not been gone into, nor does the report indicate any source from which money for this purpose might be forthcoming. The whole investigation, therefore, is incomplete in material parts. Indeed, the Committee, recognising the uncertainty of the immediate future, and that a concrete solution might very soon be out of date, has limited its inquiry to generalities, and aimed "at a report which should disentangle the main factors in the problem and exhibit them in their proper relation to one another." High speed, it is pointed out, is not important for the greater part of the cargo carried, nor for emigrants, while business correspondence is to an increasing extent transacted by cable, though it is essential that the mail steamers should deliver documents of title to the consignee before the arrival of the goods to which they relate. On the question of routes, that by the Suez Canal is considered preferable. Possibilities of accelerating the ocean and land portions of this route are examined. In Australia the rail journey from Fremantle to Melbourne is hampered by the lack of a uniform gauge. Possible air services are discussed, and in conclusion the Committee expresses the opinion that "the possibility of saving a week by subsidising an air mail from Great Britain to Egypt and a 16-knot sea service to Fremantle, and by obtaining a faster railway service through Australia, requires careful consideration."

Coal Production, Wages and Profits.—The ascertainment for the first quarter of this year of output costs and profits, which include within their scope about 95 per cent. of the collieries of Great Britain, have been delayed somewhat, though the returns now to hand well illustrate the improvement in the industry which then took place. In the following table we give the totals for the first three months of 1923, together with those for the three previous quarters:—

Totals.	1922.			1923.
	Second Quarter.	Third Quarter.	Fourth Quarter.	First Quarter.
Tonnage raised tons	53,261,024	58,717,767	64,550,171	67,099,121
Tonnage disposable tons	48,416,513	53,694,293	58,977,291	61,357,470
Wages £	30,540,289	30,533,993	33,658,099	35,441,768
Net costs* £	45,910,483	46,106,227	50,108,391	50,663,203
Proceeds £	45,875,798	49,013,908	54,603,996	58,156,716
Net profit (+) or loss (—)	34,685	+2,907,681	+4,495,605	+7,493,513

* Total costs, less proceeds of miners' coal sold at special prices.

It is interesting to notice that the increase in wages has been considerably greater than that in net costs. With a greater output, costs other than wages have been proportionately less, and this change is perhaps in part a sign of increasing managerial efficiency. The general position is made much clearer by considering the costs and the proceeds on the basis of the tonnage disposable commercially:—

	Proceeds per Ton.		Wages per Ton.		Net Cost per Ton.		Net Profit (+) or Loss (—) per Ton.	
	s	d	s	d	s	d	s	d
1922.								
First quarter	20	9 90	13	4 08	19	8 28	+1	1 62
Second quarter	18	11 41	12	7 39	18	11 58	—0	0 17
Third quarter	18	3 08	11	4 48	17	2 08	+1	1 00
Fourth quarter	18	6 18	11	4 09	16	11 90	+1	6 28
1923.								
First quarter	18	11 48	11	6 63	16	6 17	+2	5 31

These figures make it quite clear that by the end of March the industry was showing healthy signs of recovery from the depression of last year. Proceeds per ton continued their upward tendency, while the total net cost per ton fell over 5½d as compared with the previous quarter, despite the fact that wages rose over 2½d per ton. Net profits meanwhile increased by nearly 11d per ton, with the result that, according to the terms of the National Agreement, the wages now ruling are considerably better than they were in the period under review. A gratifying feature is that the improvement was caused not only by the fact that

the selling price of coal moved upwards, but also because the production side was more efficiently handled. The following table gives further particulars of the labour position during the quarter as compared with that last year:—

	Number Employed.	Total Manshifts Worked.	Total Manshifts Lost.	Output per Man-shift Worked.	Earnings per Man-shift Worked.
1922.				Cwts.	11/0-18
First quarter	1,020,207	63,236,314	6,171,819	18-23	11/0-18
Second quarter	1,025,592	59,831,062	4,677,252	17-80	10/2-51
Third quarter	1,027,853	65,446,658	5,476,180	17-94	9/3-97
Fourth quarter	1,068,623	71,323,137	5,696,488	18-10	9/5-25
1923.					
First quarter	1,087,733	73,504,058	6,163,833	18-26	9/7-72

The industry has continued to find employment for more workpeople, though this has been accompanied in the period under review by an increase in the output per man-shift worked. Unfortunately, however, this welcome feature did not continue in the month of April. Absenteeism appears to have increased somewhat as compared with the last quarter of 1922, though it is still well below that prevailing in the corresponding quarter last year. On the whole, these returns are satisfactory, and it will be interesting to see to what extent the general improvement has been maintained in recent months.

Australian Port Charges.—Some striking figures showing comparisons between Australian port charges and those levied at home ports have been worked out by the Chamber of Shipping of the United Kingdom in view of the holding of the forthcoming Imperial Economic Conference. In a series of resolutions, the Council of the Chamber, noting the high terminal costs in Australian ports, points out that such charges constitute a serious obstacle to the free development of Australian trade, and urges reductions. In Australian ports dock dues and charges are, it is stated, still 148 per cent. above pre-war. Eighteen months ago a similar state of things prevailed in this country, but "drastic reductions have been made, so that, speaking generally, charges do not now exceed 40 to 50 per cent. above pre-war." Pilotage charges are still very high, both in Australian and New Zealand. As to light dues, it appears that shipowners are being charged twice over for the same services, once by the Federal and once by the State Governments, owing to the latter continuing to levy dues in respect of services now performed by the Federal Government. In Australia the light dues are 225 per cent. over pre-war, whereas in the United Kingdom they are down almost to the pre-war level. In New Zealand these dues have actually been made the subject recently of a further increase. Other costs are also excessive in the Australian trade. Thus bunker coal in Australia costs 125 per cent. more than in 1913 compared with 83 per cent. more in the United Kingdom. The high terminal charges in the Eastern Dominions are, it is evident, a bar to the cheap marketing of their produce, which, moreover, has to compete with that from Canada and North and South America. The distances from Australia and New Zealand are relatively much greater. Freight rates have been reduced, and at present shipping services to Australia are running at a loss. The Australian Government line itself is stated to have made a loss of £2,700,000 in the last two years. This, of course, has to be met out of the pockets of the Australian taxpayer. Finally there is the question of double income-tax. Australia taxes the ships coming to her ports on an assumed profit based on 10 per cent. of the gross earnings. This is a serious obstacle to private enterprise and initiative, on which cheaper transport must depend, and seems to be a most unjust impost, especially in present conditions. The conference in October may do some good if it helps to emphasise the mistaken character of Australian policy in regard to the shipping trade.

The World's Mercantile Marine.—The latest edition of Lloyd's Register Book contains the usual complete particulars of all the seagoing vessels of the world of 100 tons and upwards, and also of the steel and iron vessels

trading on the Great Lakes of North America. It thus includes a full record of upwards of 33,500 steamers, motor vessels, and sailing vessels, of a tonnage of 65,166,238 tons. The number and tonnage of existing vessels which are now or have been classed by Lloyd's is 15,875, of 38,861,967 tons. During the last twelve months there has been an increase in the steam tonnage owned in the world of 992,421 tons, and a decrease in the sailing tonnage of 196,969 tons, making a net world increase of 795,452 tons. The countries with the largest increases are Germany, with 702,665 tons, and Italy with 167,407 tons. The largest decreases are shown by the United States sea-going tonnage, 141,471 tons, and by France, 108,548 tons. There are still nearly two million tons of wood and composite steamers in existence, but such tonnage is of relatively small importance in international trade. The relative positions of the various merchant marines, taking only steel and iron sea-going vessels are shown in the table below:—

Country.	June, 1914. Tons Gross.	June, 1923. Tons Gross.	Difference Between 1923 and 1914. Tons Gross.
Great Britain and Ireland..	18,877,000	19,077,000	+ 200,000
British Dominions	1,407,000	2,219,000	+ 812,000
America (United States) ..	1,837,000	12,416,000	+10,597,000
Austria-Hungary	1,052,000	Nil	..
Belgium	341,000	600,000	+ 259,000
Denmark	768,000	920,000	+ 152,000
France	1,918,000	3,265,000	+ 1,347,000
Germany	5,098,000	2,496,000	- 2,602,000
Greece	820,000	743,000	- 77,000
Holland	1,471,000	2,606,000	+ 1,135,000
Italy	1,428,000	2,788,000	+ 1,360,000
Japan	1,642,000	3,402,000	+ 1,760,000
Norway.....	1,923,000	2,299,000	+ 376,000
Spain	883,000	1,169,000	+ 286,000
Sweden	992,000	1,092,000	+ 100,000
Other countries	2,057,000	2,847,000	+ 790,000
Total abroad	23,637,000	38,862,000	+15,225,000
World's total	42,514,000	57,939,000	+15,425,000

Amongst the principal countries, apart from Germany, Greece is the only one which still shows a reduction in the tonnage now owned as compared with 1914. In 1914 the United Kingdom owned nearly 44½ per cent. of the world's sea-going steel and iron steam tonnage; the present percentage is just under 33. The United States occupy now second place with 12,416,000 tons—equal to 21.4 per cent. Obviously the above figures do not take into consideration the question of the efficiency of the various merchant navies, as in addition to such factors as size, age, type, and speed of the vessels, other circumstances, which do not lend themselves to a statistical analysis, would have to be taken into account. There are 6,913 vessels less than five years old, and their tonnage represents 35 per cent. of the total tonnage in existence. Vessels of 25 years and over amount to 6,551, but their tonnage is less than 12 per cent. of the total. Of the vessels built before 1899, 64 per cent. are of less than 1,000 tons each, and the average size of the others is 2,543 tons, while of the vessels built during the last five years, only 33 per cent. are of less than 1,000 tons each, and the average of the others reaches 4,557 tons. Of the tonnage owned in Great Britain and Ireland, 29.1 per cent. is less than five years old. The merchant navies which have the largest proportion of new tonnage (less than five years old) are as follows:—United States (sea), 57.3 per cent.; Germany, 52.6 per cent.; Holland, 37.8 per cent.; Canada, 36.8 per cent.; Japan, 35.3 per cent.; and France, 34.7 per cent. A great development has taken place in the use of steam turbine engines and of internal combustion engines. There are now 1,386 steamers, of 8,893,749 tons, fitted with turbine engines, and 1,795 vessels (including auxiliary vessels), of 1,666,385 tons, fitted with internal combustion engines, as compared with 730,000 tons and 220,000 tons respectively in 1914. Of the 917 tankers (of 1,000 tons and upwards), with a total tonnage of 5,160,973 tons, 312, of 1,691,257 tons, are registered in Great Britain and Ireland, and 399, of 2,497,625 tons, are registered in the United States. Of the 3,049 steamers fitted for burning oil fuel, 601, of 3,792,676 tons, are registered in Great Britain and Ireland, and 1,709, of 8,798,776 tons, are registered in the United States of America. Less than 69 per cent. of the tonnage of the merchant marine now depends entirely upon coal, while in 1914 the percentage was nearly 89.

Home Crop Prospects.—The monthly report of the Ministry of Agriculture and Fisheries states that the weather during the first half of July was hot and dry, and was very favourable for haymaking and for the ripening of the corn. The latter part of the month was cooler, with some rains which benefited crops, but the ground is hard and dry everywhere, and more rain is much needed for the roots and pastures. Wheat improved considerably during the month, and is the best of the cereals. The ears have filled well, but ripening is frequently reported to be slow. For the country as a whole a yield of 17.6 cwts per acre (½ cwt above the average) is estimated. A few pieces were cut in early districts by the end of the month. In a number of districts straw is reported to be short. Barley also is more promising than a month ago, but is a variable crop. The yield is forecasted at 14.3 cwts per acre, or nearly ½ cwt below the average. Winter oats are nearly everywhere a good crop. On the whole, a yield of 13.4 cwts per acre, which is about the average, is expected. Cutting had commenced in many districts at the date of the reports. As the figures of the approximate area under each of the cereal crops this year, compiled from the annual agricultural returns collected in June last, are now available, it is possible to estimate, from the basis of the estimated yield given above, the total yield of the crops this year. These estimates are given in the table below, in which the final figures of 1922 are included for purposes of comparison. It is to be borne in mind, however, that the forecasts of this year's production are based on estimates made at the beginning of this month, and are consequently subject to modification.

	1922. Acres.	1923. Acres.	Production, 1922. Cwts.	Forecast, 1923. Cwts.
Wheat....	1,967,000	1,741,000	33,478,000	30,642,000
Barley....	1,364,000	1,329,000	19,123,000	19,005,000
Oats.....	2,164,000	1,974,000	25,033,000	26,452,000

Early varieties of potatoes have not yielded well, the tubers being rather small. The recent rains have benefited the main crops, but these, although healthy, are still rather backward, and on present appearances the yield per acre will be about 7 per cent. below the average of the last ten years. The area of potatoes is 467,000 acres, or over 94,000 acres less than last year. The weather during the first half of July was very favourable for haymaking, but showers hindered operations in the latter part of the month. In most districts the bulk of the crops had been secured in excellent condition by the end of the month, but there are a number of reports of heated stacks. The yield of seeds hay is now estimated at 31½ cwts per acre and of meadow hay 21½ cwts per acre, or 3½ cwts and ½ cwt per acre, respectively, above the average. At present the prospects of good second cuts are not promising.

British Sea Fisheries.—The total value of sea fish of British taking returned as landed in England and Wales during June of the current year was £1,072,134, a figure which shows little variation from the £1,036,244 returned in June, 1922. The value for the first six months of 1923 is returned at £6,861,667, in comparison with £6,922,593 in the first half of the preceding year. Of the current total, "wet fish" account for £6,672,400, representing catches of 4,601,427 cwt. The Ministry of Agriculture's return reveals the fact that haddock and cod are by far the most important products of English fisheries, landings of the former, since the beginning of this year, amounting to 984,022 cwt, valued at £1,439,393, and of the latter to £1,272,740, valued at £1,311,601. These two kinds alone account for 40 per cent. of the total takings. During the same period fish weighing 2,185,421 cwt, with a value of £1,586,782, was landed at Scottish ports, the totals for the whole of Great Britain being:—

Jan.-June.	Quantity. Cwts.	Value. £
1923.....	6,786,848	8,259,182
1922.....	7,354,899	8,588,138

Imports of fresh fish amounted to 1,866,131 cwt, valued at £1,991,748. Grimsby heads the list of individual ports, with landings of 267,569 cwt of "wet fish" in the six months, while Hull and Fleetwood are respectively second and third, with totals of 176,427 cwt and 87,686 cwt.

The Foreign Trade of Czecho-Slovakia.—Czecho-Slovakia is first and foremost a manufacturing and exporting country, and the collapse of some at least of its markets has had a serious effect on its trade position. Moreover, almost alone among Central European countries, it has abstained from a policy of "kite flying," and has even erred, if at all, in the opposite direction. In the first six months of 1922 the average quotation for the pound sterling was 236.5 kr, with a rate that was on the whole remarkably stable during the period. Later in the year, however, a considerable appreciation took place in the exchange value of the national currency, which was partly due to the favourable trade balance and partly the result of a deliberate policy. During the half-year which ended in June last, the average exchange rate on Prague was 157.5 kr to the £, and during this period also fluctuations took place only within relatively narrow limits. Bearing these facts in mind, it is not without interest to compare the trade returns for the first half-year of 1922 with those for the corresponding period this year, which have just been published:—

(In Thousands of Czech Crowns.)

	January to June, 1922.	1923.
Exports	10,513,888	5,612,355
Imports	7,497,010	4,071,931
Balance	+ 3,016,878	+1,540,424

The reduction in the favourable trade balance this year, as compared with the corresponding period of last year, is of course explained chiefly by the improvement in the value of the crown, which has made business very difficult, and has necessitated a readjustment of prices within the country. This, in turn, caused a considerable amount of unemployment and short-time, though it speaks well for the Czecho-Slovak people that the crisis has been successfully overcome without any serious labour troubles. The principal articles imported are raw cotton and wool; while coal and iron loom large in the exports of the Republic. The occupation of the Ruhr has been of great immediate advantage to the heavy industries of Bohemia and Moravia. This fact stands out clearly in the following table of exports of iron and iron goods (in waggons of 10 metric tons):—

Destination.	MONTHLY AVERAGE.		
	1922. Fourth Quarter.	1923. First Second Quarter. Quarter.	
Total	1,780	3,319	5,513
Austrian Succession States	970	1,400	1,370
Germany.....	590	1,490	3,037

While exports to the Austrian Succession States show welcome signs of revival, the phenomenal increase in the total exports of iron and steel is accounted for in overwhelming degree by deliveries to Germany. It is, indeed, an ill wind that blows nobody any good! Serious opinion in Czecho-Slovakia is, however, well aware that this state of affairs cannot possibly last for ever, but for the moment increased demand is helping the industry over a very difficult period. The main fact which results from these recent trade returns is that the balance is still favourable to Czecho-Slovakia, though it has been greatly reduced in size as compared with 1922, in consequence of the general readjustment in the price level. It cannot, however, be denied that the future of the country—which comprises within its frontiers over three-quarters of the industries of the former Austro-Hungarian Empire—depends very largely upon the general restoration of normal economic conditions throughout the whole of Central Europe.

The New President of Portugal.—On Monday the Portuguese Chambers, assembled in joint session, elected Senhor Teixeira Gomes President of the Republic by 121 votes to five. Three ballots were taken, a two-thirds majority being requisite for election, but the only formidable competitor of Senhor Gomes among the various ex-Ministers nominated was Dr Bernardino Machado, Prime Minister at the outbreak of the war, and President from 1915 to October, 1917, when he was overthrown and expelled from the country by the Revolutionary Government, of which Dr Sidonio Paes was the head. Senhor Gomes, however, led from the first, and the adverse

minorities ultimately gave in blank voting papers as a sign that they had abandoned their opposition. He inherits and continues the Republican traditions of his family, but he was less definitely a party candidate than any of his opponents. He enters on his four years' term of office early in October, and stands for financial reform and the abatement of the fierce party strife which has repeatedly all but wrecked the Republic. A large landowner and an eminent author, he has represented his country as Minister in London almost continuously since the overthrow of the monarchy, and also at the League of Nations, the Peace Conference, and the Genoa Conference. The chief problems before his Ministers are the achievement of Budget equilibrium by retrenchment and effective direct taxation, the abatement of the conflict over religious education and of labour unrest, a reduction in the cost of living, the stoppage of inflation, and the devising of satisfactory remedies for the catastrophic fall in exchange since the conclusion of the war. British observers of the vicissitudes of our oldest ally will cordially wish him success.

U.S. Cotton Standards.—Our New York correspondent writes:—The Department of Agriculture issued this week regulations for the administration of the Fulmer cotton standards Act, which, as from August 1st, extends the use of United States cotton standards to spot market and foreign transactions. The regulations are set forth in a voluminous document of about 15,000 words, and contain provisions affecting operations of foreign cotton exchanges. An outstanding feature is the provision which permits the owner or custodian of cotton to submit samples to the Department of Agriculture for classification, and makes the department's final certificates stand as *prima facie* evidence in United States courts. The Secretary of Agriculture is authorised to examine and license cotton classers, although those engaged in commercial classing of cotton are not obliged to secure a license. The regulations contain nothing which prevents the purchasing of cotton in the spot markets or in foreign commerce on types or marks, but the law makes it obligatory to use the universal grades when any standards are employed. The bureau of agricultural economics is empowered to establish boards of cotton classers at New York and New Orleans; the board of review will be located in Washington, and will pass upon appeals from classifications in disputes. The regulations explain in detail how samples must be submitted for classifications, and precautions have been taken to prevent fraud. Three different services are contemplated, namely: Informal classification of samples drawn and submitted by individuals indiscriminately; classification for purposes of arbitration of agreed samples submitted by two parties in a dispute; and the classification of samples, the authenticity of which is established by supervision of the storage and sampling of cotton.

Rylands and Sons.—This large textile concern seems to have risen superior to the depressing influences which some of its colleagues are feeling so acutely, thanks to the energetic measures taken two years ago, at the beginning of the "slump." Profits were earned in the first six months of 1923 amounting to £129,591. Recent results are summarised below:—

	Six Months Ended, June 30, 1922.	Dec. 31, 1922.	June 30, 1923.
Net profit	£ 111,955	£ 127,064	£ 129,591
Brought forward.....	146,161	142,316	149,380
Total available	258,116	269,380	278,971
Prof. div., less tax	42,320	44,000	44,760
Ord. div., "	73,480	76,000	77,140
	(10 %)	(10 %)	(10 %)
Balance forward.....	142,316	149,380	157,071

Compared with December 31, 1922, the balance-sheet shows signs of a slight contraction of business. Stock-in-trade is down by £73,000, debtors by £64,000, cash by £100,000—the greater part of this decline being taken up by investments and loans, which have increased by £247,000. Reserves are unchanged, and total £600,000, while issued capital amounts to £3,500,000. A summary of the balance-sheet will be found on another page.

Guinness's Year.—A decrease of over £800,000 in gross profits, accompanied by a reduction of over £600,000 in expenses, has resulted in a decline of £203,000 in the net profits of Arthur Guinness, Son and Co., Limited, for the year ended June 30th last. The net profit, as may be seen from the following comparative record, is the lowest since 1918-19, though it is still more than double that of the last pre-war year:—

	Gross Profit.	Ex-penses.	Net Profit.	Reserve, Depreciation, &c.	Ordin'ry Dividend.	Rate %
	£	£	£	£	£	
1908-9	2,218,160	1,096,522	1,121,638	280,000	700,000	14
1909-10	2,465,713	1,195,090	1,270,623	325,000	775,000	15½
1910-11	2,629,180	1,301,511	1,327,669	335,000	825,000	16½
1911-12	2,541,030	1,328,241	1,212,789	255,000	825,000	16½
1912-13	2,527,237	1,443,119	1,084,118	185,000	825,000	16½
1913-14	2,752,974	1,514,726	1,238,248	235,000	700,000	14
1914-15	4,181,655	2,721,206	1,460,449	585,000	700,000	14
1915-16	5,472,922	3,962,122	1,510,800	531,000	800,000	16
1916-17	4,920,287	3,014,157	1,906,129	235,000	800,000	16
1917-18	4,105,393	2,083,307	2,022,086	235,000	800,000	16
1918-19	5,858,854	3,808,174	2,050,680	285,000	800,000	16
1919-20	12,941,420	9,677,513	3,263,907	735,000	1,000,000	20
1920-21	18,187,514	14,558,324	3,629,190	519,407	1,250,000	25
1921-22	14,570,320	11,691,967	2,878,353	235,000	1,450,000	29
1922-23	13,759,584	11,084,264	2,675,320	235,000	1,800,000	24

Expenses consist mainly of Excise and licence duties, which, in the latest accounts, took £10,854,700, as against £11,460,300 for 1921-22. The reserve fund is credited with £200,000, and £35,000 goes to depreciation, in addition to £7,700 charged as departmental working expenses. In May last the paid-up ordinary stock was increased from £5,000,000 to £7,500,000 by the capitalisation of reserves. The interim dividend was at the rate of 18 per cent. per annum on the smaller capital, and the final distribution is at the rate of 16 per cent. per annum, together with a bonus of 10 per cent., all being paid free of income-tax. The total distribution is equivalent to 36 per cent. on the old capital and 24 per cent. on the new. Taxation absorbs £683,100, as against £673,300 a year ago, and, after payment of £120,000 for preference dividend and £1,800,000 to the ordinary stockholders, there remains a balance of £594,200 to be carried forward, as against £702,300 brought in. The balance-sheet shows total assets of £17,431,800, as against £17,139,800 a year ago. Debtors have been increased by £1,800,000, but stocks have been reduced by £1,828,000 to £5,296,000, while investments have been increased by £603,000.

Bass, Ratcliff, and Gretton.—The accounts of Bass, Ratcliff, and Gretton, Limited, for the year ended June 30th last show that, although gross trading profit was lower by £38,000 than in the preceding year, there was a saving of £68,000 in expenses, and as sundry revenue brought in £4,000 more, there was an increase of nearly £34,000 in the net profit. The following table gives results for a number of years past:—

Yr. ended Jne. 30	1914.	1919.	1920.	1921.	1922.	1923.
	£	£	£	£	£	£
Gross trading profit	749,607	890,294	1,113,121	1,158,172	1,205,795	1,167,135
Expenses	455,611	568,151	817,546	880,771	925,946	857,617
	293,996	322,143	295,575	277,401	279,849	309,518
Sundry revenue	143,153	232,693	282,965	236,894	200,528	204,394
Balance forward	64,593	61,570	60,080	61,970	73,085	66,748
	501,742	616,406	638,620	576,265	553,462	580,660
Deb. interest ..	80,800	80,800	80,800	80,800	80,800	80,800
Bad debts and invest. deprec.	34,266	24,646	43,450	29,980	13,514	43,889
Prof. dividend ..	68,000	68,000	68,000	68,000	68,000	68,000
Ord. dividend ..	204,000	217,600	224,400	224,400	224,400	224,400
Rate	15 %	16 %	11 %	11 %	11 %	11 %
Reserve, &c.	50,000	165,280	160,000	100,000	100,000	100,000
Carried forward	64,676	60,080	61,970	73,085	66,748	63,571

Rents, rates, taxes, &c., took £67,000 less, and £45,000 less was spent on repairs and renewals, but £13,000 more went in depreciation and salaries, and other expenses rose by £31,000. The allowance for bad and doubtful debts shows a jump of over £30,000, while £50,000 is reserved for contingencies, and £50,000 transferred to general

reserve. The ordinary dividend is maintained at 11 per cent., and is again paid free of income-tax. The principal changes in the balance-sheet, which is analysed in another column, are decreases of £567,500 in stock-in-trade and of £431,400 in debtors, and increases of £718,000 in investments and of £206,500 in cash. Goodwill and trademarks still figure at £800,000, and the reserve fund stands at the same amount, but will be increased to £850,000 by this year's allocation.

Broken Hill Affairs.—Shareholders in various mining and ore treatment companies operating in New South Wales, writes our mining correspondent, are having anything but a happy time just now. A brief cabled summary of the annual report of that prominent undertaking, the Broken Hill Proprietary, states that after providing for depreciation a net loss of £106,100 is shown. It may be recalled that this company has become more of an industrial than a mining enterprise, having invested a large amount of share and debenture capital in the installation of an extensive iron and steel works at Newcastle (N.S.W.). During the first half of the year ended May 31, 1922, a small profit was earned—sufficient to provide a dividend of 9d per share; but subsequently the works were closed down owing to the impossibility of operating at a profit. The restart has been attended with the highly unsatisfactory results above indicated. The latter are, of course, due mainly to the onerous conditions imposed by labour—short hours, high wages, heavy taxation. In these conditions the company—despite a protective tariff—cannot even compete in its home market with foreign manufacturers. Now the directors of the Broken Hill Block 10—once the second largest producer on the field—have intimated their decision to discontinue operations and to realise the assets. As the bulk of the company's free resources have been embarked in an unfortunate gold mining venture, there would appear to be no prospect of any substantial liquidation distribution. The failure of the gold mining enterprise is also largely attributable to high costs. Finally, in regard to the Sulphide Corporation, a mining and treatment concern, there has been the news of a fire at the Central mine. The price of the shares has only recovered to a slight extent from the heavy fall which occurred—for, naturally, although the fire is believed to have been extinguished, much damage has been sustained on the property, and some time must elapse before the extraction of ore can be resumed.

The Necessity for Clearer Balance-Sheets.—The time must surely be approaching when company officials will recognise the necessity for giving in balance-sheets as accurate a picture of affairs as possible, not leaving the more material facts to be gathered from a perusal of the directors' report and auditors' certificate. An instance of this is found in the report and accounts of British and Allied Investments Corporation, Limited, just issued. In the balance-sheet investments are shown "at cost," £1,071,020. The auditors cover themselves by stating that, "subject to the depreciation on the investments, as to the amount of which we are unable to form an opinion.," while the directors in their report naively tell us that "The intrinsic value of the investments (quoted and unquoted) is in the aggregate believed to be no less than the total of the amounts at which they stand in the books of the corporation, but the depreciation at market prices of the securities dealt in upon Stock Exchanges, so far as can be ascertained, has increased since last year, and now amounts to approximately £350,000." The italics are ours. It will be interesting to know to what extent this policy is to be followed. Should the report be detached from the balance-sheet, an absolutely erroneous account is shown. However, the next sentence in the report provides us with some measure of hope, for it states that the directors "consider it is in the interests of the shareholders to place to reserve as large a sum as possible," and overleaf we find that this sum is the modest figure of £12,517, which brings the total capital reserve up to £43,000, against which might be placed investments and advances totalling £1,396,335 "at cost." The most illuminating aspect, however, of the report and balance-

sheet of the British and Allied Investments Corporation is found when the accounts are considered as a whole. Assets total £1,075,756 if we consider the depreciation of £350,000 already referred to. But as creditors amount to £980,050, shareholders for their capital of £400,000 appear to have assets worth £95,736! Nor is this a case in which directors can ease their minds by ignoring the fall in security values, pleading that revenue is unaffected, for it is to be noted that revenue, which amounted to £121,546 for the year ended June 30, 1921, had fallen to £66,426 for the year ended June 30, 1923.

Obersea Correspondence.

UNITED STATES.—UNSETTLEMENT IN OIL INDUSTRY —EXPORTS OF FOODSTUFFS—CENSUS RETURNS OF MANUFACTURE.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 27.

CONDITIONS in the oil industry in this country are rapidly growing worse. There has been a great deal of talk about the urgent necessity of curtailing output in order to stabilise petroleum prices, and some efforts have been made in that direction. Nevertheless, production has steadily increased, and for the second week of July it again broke all previous records. Another new high record was established in the week ending July 21st, when, according to estimates made by the American Petroleum Institute, the daily average gross crude oil production in the United States was 2,255,950 barrels, representing an increase of 17,200 barrels over the preceding week. The same authority places the total June production of crude oil in California at 22,667,106 barrels, or an average of 755,570 barrels per day; that exceeded the May output by 60,881 barrels a day. The situation in California, resulting from the enormous production there, is said to be serious, if not critical. Output from the largest pools has continued to increase, and nearly 600 additional wells are being drilled, with prospects that their output will utterly demoralise the market. That the oil situation here is greatly unsettled is plainly evident from nation-wide reductions in prices of crude and gasoline in a season of the year when consumption is heaviest. The largest companies are now handling all the oil they are physically able to handle, so that new production must of necessity be shut in. Many smaller producers are at present offering crude at prices well below the quoted market price, without finding customers. Large refiners generally made another cut of 1 cent a gallon in gasoline prices, effective throughout all districts. Small refiners have cut retail prices fully 5 or 6 cents under those named by the big companies. At present gasoline can be purchased at 7 cents a gallon wholesale in California, and shipped by tank steamers to the Atlantic seaboard at an additional cost of 3 cents a gallon, making the laid-down cost here 10 cents a gallon. The wholesale price in mid-continent markets is 8 cents per gallon, and the freight rate for tank-car shipments to the eastern seaboard is approximately 5 cents a gallon, or a total cost, landed in eastern markets, of 13 cents, as compared with 10 cents for the California product. Naturally, the latter, under such conditions, is rapidly crowding mid-continent gasoline out of the eastern markets, and promises to bring about further reductions in prices.

Details of export trade in foodstuffs, now available for the fiscal year ended June 30, show that as far back as last autumn the decrease in foreign takings of American wheat and flour was largely responsible for the falling off in the year's export trade. The value of eight classes of foods exported in the fiscal year totalled \$803,765,563, representing a decline of \$118,000,000, or 12.8 per cent., from the preceding year. Breadstuffs exports dropped from \$591,299,059 in 1922 to \$451,341,734 in 1923, a loss of \$140,000,000, or 23.6 per cent. Wheat and flour exports for the year had an aggregate value of \$276,006,330, as against \$377,042,609 the previous year, showing a loss of \$101,000,000, or 26.7 per cent. The following table

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER
President
STEVENSON E. WARD

Capital Paid up \$25,000,000
Surplus \$25,000,000
Undivided Profits over \$10,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world bringing them in contact with all phases of commerce and industry in the United States.

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



gives the values of exports of foods for the past two fiscal years, as reported by the Department of Commerce:—

	Twelve Months Ended June 30th.	
	1922.	1923.
	\$	\$
Meats	131,952,836	143,291,899
Dairy products	36,375,097	23,326,903
Animal oils and fats	124,567,317	144,220,168
Grains and prep.	591,299,059	451,341,734
Canned vegetables	3,720,035	4,736,160
Canned fruits	16,373,219	22,479,307
Canned salmon	9,239,217	7,872,135
Cotton oil	8,400,072	6,497,257
Total	921,926,852	803,765,563

The latest census returns of manufacture, just published by the Department of Commerce, furnish interesting data. The statistics, however, will not be found useful as a normal basis for purposes of comparison, because they cover the year 1921, a period of depression in commodity prices and production following the deflation of 1920. Furthermore, comparisons which are made with the years 1919 and 1914 cannot be said to be any nearer a normal basis than are the returns for 1921. The outstanding feature of the 1921 statistics is that they show a big falling off from 1919, the latter year in turn disclosing an enormous gain over 1914, which, it may be recalled, showed a noticeable decrease in production from the preceding census year of 1910. In fact, the present exhibit may be regarded as an exposition of two depressions in American manufacturing, with a peak-year between. The total value of the manufacturing output of 1921 is placed at \$43,653,283,000, representing a decrease of 29.6 per cent. from the peak output of \$62,041,795,000 in 1919, but an increase of 82.4 per cent. over 1914. The latter increase was, partly at least, a gain in value rather than in volume, since prices in 1921 were 27 per cent. higher than those of 1914. The returns show that the average number of wage-earners in 1921 decreased 22.8 per cent. from 1919, and was less than 1 per cent. greater than in 1914. The total number employed in manufacture, 8,257,376, was 2,431,000, or 22.9 per cent. less than in

1919, but 1.7 per cent. above 1914; the percentages, it will be seen, do not differ much from those of the wage earners' returns alone. The conclusion to be drawn from such returns is that the number engaged in manufacture in 1921 and in 1914 was about the same. A somewhat similar showing has been made by this country's foreign trade; that is to say, changes from 1914 to recent years have been largely in value, and not in volume. A summary of the census returns of manufacture for 1921, 1919, and 1914 is given below:—

UNITED STATES CENSUS RETURNS OF MANUFACTURE.

	1914.	1919.	1921.
Number of establishments	177,109	214,383	196,267
Persons engaged	8,117,895	10,688,849	8,257,376
Proprietors and firm members	259,172	250,571	172,871
Salaried employees	962,533	1,438,219	1,137,941
Wage earners (average number)	6,896,190	9,000,059	6,946,564
Salaries and wages	5,342,157,000	13,342,655,000	10,763,442,000
Salaries	1,274,438,000	2,880,868,000	2,563,118,000
Wages	4,067,719,000	10,461,787,000	8,200,324,000
Paid for contract work	198,720,000	452,994,000	451,580,000
Cost of materials	14,358,935,000	37,288,731,000	25,338,617,000
Value of products	23,987,860,000	62,041,795,000	43,653,283,000
Value added by manufacture*	9,628,925,000	24,753,064,000	18,314,666,000

* Equivalent to value of products, less the cost of materials.

The statistics for 1921 do not include establishments with products under \$5,000 in value, or establishments engaged in automobile repairing. A study of the returns from 14 general groups of industries discloses that textiles, chemicals, paper and printing, tobacco manufacturing, and vehicles for land transportation (largely automobiles, presumably) showed the greatest expansion.

FRANCE.—THE FRANC—WHEAT HARVEST—BANK CAPITAL—BOURSE.

(FROM OUR CORRESPONDENT.)

PARIS, August 7.

Now that, as the result of Mr Baldwin's statement, there seems to be no good ground for the nervousness that was undoubtedly felt here a week ago that Great Britain might directly intervene between France and Germany, in a way that could not but be inimical to this country, there has been a resurrection of the feeling of optimism that not even the renewed fall of the franc to within a shade of 80 has been able to suppress. Confidence in the approaching collapse of German resistance in the Ruhr is increasing daily, and the belief that this will be accompanied by a substantial improvement in the position of the franc has been distinctly strengthened by the confirmation that has now been received of the reports that the wheat harvest will far exceed all expectations.

Speaking generally, French opinion regards the present situation of the franc largely with indifference. News-paper abuse of England and the United States that was so common a couple of years ago, when there was scarcely a fluctuation of the franc that was not marked by the appearance of violent attacks against both countries as the alleged responsible causes of the rise in exchange rates, is now conspicuous by its absence. It is pointed out that the adverse trade balance against this country is now smaller than it was before the war, while both imports and exports are steadily increasing in value. Exports to Great Britain, for instance, which had a value of 1,941,838,000 for the first half of last year, amounted to 3,015,636,000 during the first six months of 1923, an increase of over 55 per cent., while imports from Great Britain, which amounted to 1,601,038,000 from January-June, 1922, rose this year to 2,634,805,000, or an increase of practically 65 per cent. A large proportion of the increase in the value of the imports from Great Britain was due, of course, to the increased price, owing to the high exchange, of the combustibles which France is always compelled to purchase from Great Britain, owing to her own chronic shortage of this commodity, and quite independent of any supplies she may draw from the Ruhr or elsewhere. According to the *Journal des Débats*, French imports of combustibles during the first half of 1923 were to the value of 1,683,000,000, as against only 1,154

millions for approximately the same tonnage during the corresponding period of 1922. The 529,000,000 which France has been compelled to spend on imported combustibles this year, in excess of last year, represents almost exactly the deficit of 528,000,000 which constitutes the difference between her imports and exports during the same period (imports, 14,689 millions, exports 14,161 millions). In view of the fact that this adverse trade balance of 528 millions has been more than met, as usual, by the sums spent in France by foreign tourists during the past six months, the *Débats* once more advances the argument that technical and economic factors are in no way responsible for the continued low standing of the franc, which it asserts is due to purely artificial reasons.

It is officially announced that the French wheat harvest, which is now in progress throughout the country, is showing a sufficiently satisfactory yield to enable France to meet the whole of her requirements during the coming year without being obliged to purchase corn from abroad. The importance of this fact needs no comment, and its effect on the situation of the franc, should the official estimate prove correct, may be appreciable. To meet the needs of her population France requires a total supply of 94,000,000 quintals of wheat. Last year's harvest was a poor one, the total yield being only 66,000,000 quintals, and after making all possible economies it was found necessary to purchase from 12½ to 13 million quintals abroad (two-thirds of this amount being obtained from the United States) at a cost of between 950 and 1,000 million francs. The shortage in 1921 was about 5,000,000 quintals, which was purchased from other countries at a cost of 470,000,000. The total area under wheat this year is estimated at 5,500,000 hectares, or an increase of about 750,000 acres on last year's sowings. It is estimated that the yield this year, judging by already proved results, will average at least 14 quintals per hectare, from which it is calculated that the total yield will be between 75 and 80 million quintals. The greater part of the deficit between this quantity and the amount of wheat required to meet the needs of the population will be made up by North African wheat, from Algeria, Tunisia, and Morocco, the total yield from which is calculated as amounting this year to 19,406,200 quintals, as against 9,471,300 quintals last year. Nearly 10½ million quintals have been harvested this year in Algeria alone, as compared with less than 5,000,000 last year. In order to prevent unnecessary foreign purchases of wheat this year, the Government of Algeria has taken steps to reserve for consumption in France all Algerian wheat not required for home consumption. If to this be added the saving of 6,000,000 quintals, which has been achieved by the law compelling millers to mix 8 per cent. of flour derived from rye, rice, barley, manioc, and other substitutes with wheaten flour, and the fact that, since the war, simultaneously with an increase in the consumption of meat, the consumption of bread has diminished, it will easily be seen that French purchases of foreign wheat during the coming twelve months will be an entirely negligible quantity.

An interesting example of the evolution in the mind of the public and of the leaders of the French banking world is seen in the decision that the shareholders of the Banque Nationale de Crédit will shortly be called on to vote on a resolution which proposes to transform the capital of the undertaking from 500 millions to 250 million francs, by reducing the nominal value of the shares from 500f to 250f. It is proposed that shareholders who have fully paid up their shares shall receive back 250f in respect of each share, and that those who have paid up only one-quarter shall pay up the other 250f. New shares, of 250f each, at the rate of two for each old share of 500f fully paid up, will then be given in replacement of the old scrip. The principle of the proposal is undoubtedly a sound one, as it will put an end to the questionable practice of regarding unpaid-up capital as a veritable liquid reserve. As far as French banking practice is concerned, recent experiences have proved that this practice is open to many objections. The difficulties recently experienced by the Banque Industrielle de Chine and the Société Centrale des Banques de Province, in obtaining the enforced payment of the 25 per cent. of their unpaid-up capital, is fresh in the minds of all, and it gave rise to a

belief, which was to some extent well founded, that to regard unpaid-up capital as a more or less liquid asset is illusory.

The policy adopted by the Banque Nationale de Crédit is by no means a new idea, although this undertaking is, I believe, the first Paris concern actually to put it into practice. The Société Générale, whose 500f shares are only 50 per cent. paid up, brought forward a similar project as far back as 1920, but has not yet developed it beyond the stage of a proposal. In the French provinces a lead was given in this direction in 1914, when the Société Nancéienne modified its capital in this sense, while in 1921 the Société Lyonnaise de Reports et Dépôts took a similar course, and both, at the same time, increased their capital. One reason that is actuating the Banque Nationale de Crédit in taking a similar course is undoubtedly based on recent fiscal changes. From the shareholders' point of view the new development is a good one, as it would not only free them from a liability, but would leave them free to invest in other directions their semi-immobilised capital, for which they might otherwise be called on at any moment. Further, on distributable profit amounting to 33,945,360f, the holders of fully-paid 500f shares in the Banque Nationale de Crédit recently received 42f 50c per share, while holders of half-paid-up shares received only 20f (owing to the provision that fully-paid shares receive a first dividend of 6 per cent., the balance being divided equally between both classes of shares). The 500f shares now stand in the neighbourhood of 620f.

On the Bourse, the end of the month settlement revealed a large increase in speculative positions, and the rate for carrying over rose from 4½ per cent. to 5 per cent. The large number of demands for money for this purpose was due, to a great extent, to the suspense in which the market stood while awaiting Mr Baldwin's statement. This, owing to the mystery preserved regarding it, was expected in some quarters to be sensational, and wild rumours were current to the effect that the franc might be expected to drop almost immediately to 100. The statement, when it was actually known, however, proved to be surprisingly milder than the professional section had expected, and it was generally received almost with indifference, so far as its practical effect was concerned. The conclusion drawn was that one direct consequence of the hesitations of the British Cabinet will be to bring about the capitulation of Germany at an earlier date than might have been expected had the Premier's announcement been more definitely anti-French. As matters stand, the Bourse regards the outlook as much more favourable than it was a week ago, and practically no nervousness is now felt as to the possibility of surprises being sprung upon this country in regard to its foreign policy. The belief is that we are now on the threshold of a distinct revival of business, both speculative and otherwise, which can only be favoured by the more settled situation and by the large amount of available capital.

GERMANY.—REPARATIONS—REICHSBANK—STOCKS—PRICES—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, August 7.

The Reichstag reassembles to-morrow to carry through a programme of Financial Reform, prepared hurriedly, which ought to have been prepared deliberately and put through six months ago. The Cuno Cabinet is being assailed from all sides for letting the Reichstag disperse, without doing anything, in the middle of the worst currency crisis so far experienced. It must be said that neither the Reichstag itself nor the public showed any consciousness of the gravity of the crisis. A few days before the dispersal they accepted calmly the news that 40-50ths of the Federal expenditure was being covered by inflation, and were satisfied with the Finance Minister's assurance that real taxation reforms would be put through "in the autumn." Even now the food panic, the riots, and the rise of the dollar to over 3,000,000 marks have not been sufficient to induce the Finance Ministry to submit a real programme of reform. Some newspapers are asking, not very hopefully, whether this time the Legislature

will not force energy and commonsense upon the Executive. The position on the Ruhr becomes daily worse. The new French policy of seizing works with the aim of directly exploiting them upon "regie" principles will, while not profiting France, probably lead to further conflicts. The majority of Germans have come to look upon reparations as beyond settlement, at least until some general convulsion settles the question by wiping it out. The failure so far of the British initiative in France and Belgium has confirmed this belief. Those persons who accept the convulsion theory flatter themselves that Anglo-French opposition will ultimately become acute; in other words, that England will at first directly, but inactively, and later actively, support Germany. This belief naturally weakens what little enthusiasm there is to put the national financial house in order without waiting for a reparations settlement; if England's policy is inspired by fear of an European crash, runs the argument, the nearer the crash appears to be the more effective England's policy (by which is understood an anti-French policy) will become. The recommendation to Germany to cease passive resistance has not been well taken. All parties are against cessation except upon a guarantee of immediate or speedy evacuation; and to cease resistance to a garrison which is to be withdrawn has no meaning.

The increase of the Reichsbank's discount rate from 18 to 30 per cent. will not check the inflation. The Reichsbank, however, gives the usual reason for this step. On April 23, when the rate was raised to 18 per cent., the bank held 6.2 billions out of 8 billions of outstanding Treasury Bills, or 77 per cent.; on July 23 it held 39.1 billions out of 43.5 billions, or 90 per cent. The public will not be tempted to purchase Treasury Bills by the 2½ per cent. per month rate at a time when private credit is as high as 1 per cent. a day, and when the currency, as in July, may depreciate to one-sixth in a month. The inflation for State purposes will therefore continue. The inflation for private purposes, through note-printing against Commercial Bills, must also continue unless the bank refuses to discount altogether; at the present rate of currency depreciation a 30 per cent. rate does not prevent a loan being practically a gift to the borrower. Despite this, the representatives of business on the Bank Committee unanimously opposed the rise in the rate. The Reichsbank's statement for July 23 again breaks all previous records, the note circulation rising by 6,333,082 millions to 31,824,820 millions, while discounted Treasury Bills increased by 9,186,613 millions, and Commercial Bills by 2,869,247 millions. The coming report for July 31 will probably show very much higher figures. Only five weeks have passed (up to the 23rd) since the week's addition to circulation first exceeded 1 billion marks.

Stocks rose rapidly last week, and yesterday, after some uncertainty, closed firm. The "Frankfurter Zeitung's" index for dividend payers for the 3rd inst. shows 90,033,700, against 52,248,700 on July 27 and 376,685 on January 5. In seven months stocks rose about 240-fold, while the dollar exchange rose only about 130-fold. Home Loans yesterday had big rises and were quoted: War Loan 1,000, Fours 39,000, 3½ per cents. 29,000, Threes 275,000, Colonial Fours 380,000, Prussian Threes 38,000, Berlin Fours, 1924, 360, Greater Berlin Fours 5,900. The last is the only municipal loan quoting above 1,000.

The price rise in July was by far the most rapid yet recorded. In February, which hitherto held the record, prices rose over three-fold; in July over seven-fold. The "Frankfurter Zeitung's" index for 98 commodities for the first day of each month is as follows:—

	Food.	Textiles and Leather.	Mine- rals.	Miscel- laneous.	Manu- factured Foods.	All 98.
Mid. 1914	1	1	1	1	1	1
Jan. 1920	20	26	27	11	15	20
Jan. 1922	38	58	52	31	33	42
Jan. 1923	1,758	3,206	2,622	1,778	1,518	2,054
April	5,350	8,590	7,822	6,434	5,315	6,425
July	37,683	61,841	45,301	34,736	29,809	39,898
Aug.	234,828	457,915	407,450	212,135	210,521	286,248

As against an index rise of 617 per cent. the dollar exchange rose 563 per cent., with the result that gold prices which on July 1 were almost exactly those of 1914

are now higher, the dollar exchange index on the first being 261.905, as against the above price index of 286.248. Average gold prices, however, remain below present world-market prices; but the prices of textiles and minerals are probably above. The cost of living (Federal weekly index on the basis of 1 in 1914) rose from 16.180 on July 4 to 71.470 on July 30, which is also the most rapid rise recorded. In the last week, July 23-30, the cost of living rose 81.7 per cent. The price of hematite pig-iron from August 1 was fixed at 26,250,000 per metric ton, ingots from August 3, 31,968,000, bars 46,250,000, thick sheets (5mm and over) 52,124,000. Iron and steel prices in future will not be binding until again fixed, but will change automatically with the exchange of sterling. For iron smelted with English coal a supplement is added.

Business in unoccupied territory is improving. The Prussian Trade Ministry's monthly report describes increased activity in many industries, particularly textiles: but complaints are made of a shortage of fuel, and partly also of raw materials as a result of the rationing of exchange. Unemployment in 40 trades unions with 5,800,000 members fell during June from 6.2 to 4.1 per cent. The latter is about the winter pre-war rates, but is high for summer. Exporters to England complain of serious losses caused by the exchange shortage. The Government compensates them in paper marks for the deducted 26 per cent. of the sterling price; but when they try to convert the marks back into sterling the supply of sterling always proves to be inadequate.

SWEDEN.—CROP PROSPECTS—INDUSTRIAL CONDITIONS—STOCKS AND EXCHANGES.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, July 26.

With the recent hot weather the outlook for the crops has improved very much, and from different parts of the country it is reported that, for the moment, the crop is expected to be at least an average one.

The labour market seems to be returning to a normal state, though the pace of return is slow, and the number of unemployed is being steadily reduced. At the moment the number of unemployed for the whole country is estimated at about 20,000, and would probably be much less if the conflict in the ironwork industry could be settled. Fresh negotiations in this dispute are being carried on, but nothing is known as to probable results. This dispute is hampering other industries. For instance, one of the naval shipyards, suffering from lack of material, made application for permission to import material from England should the conflict not be settled in the very near future. Otherwise, it was stated, the workers would have to be dismissed. No doubt the Gothenburg Exhibition has had some share in reducing unemployment. This exhibition, which proved a great success, seems to have attracted a great deal of interest abroad, and the number of foreign visitors from all parts of the world was very large. Various special exhibitions and congresses have been and will be held in Gothenburg in connection with this Jubilee Exhibition. Interest at the present moment is centred on the International Aero Exhibition, which is the biggest of its kind hitherto held. The English section of it has excited much comment, and is by experts considered the best.

The Riksgränsbanan running from Lukå on the Bothnian Gulf to Narvik in Norway is now fully electrified. The harbours of Lukå and Narvik are the outlets of the big quantities of iron ore exported from the great iron mines in Lapland, and this railway had from 1903 to the end of 1922 carried about 75 million tons of ore to the sea. The line is 460 km. in all and the total cost of electrification is estimated at about 48 million crowns. The electrical power comes from the extensive waterfalls at Porjns, not very far from Kiruna, where the biggest mines are situated. It is due to this railway that the Swedish iron mines in Lapland have been exploited to such an extent and Swedish iron ore has become such a prominent product in our export trade. The electrification of the railway line between Stockholm and Gothenburg has been decided upon, and preparatory arrange-

ments are going on now. It is reckoned that the electrification of the whole line will be completed by the beginning of 1926.

In the timber as well as in the pulp market, the outlook seems favourable, the quantity of timber sold up to the middle of this month being estimated at 575,000 standards. During recent weeks there has been an increased demand for pine, although the prices obtained have been extremely low. Timber sales to Spain and Australia are specially notable as showing a considerable increase, while France has to exercise strict economy in her purchases owing to the rate of exchange.

The Stock Exchange is having a very quiet time now, and the same is the case with the bond market. New bonds amounting to a sum of 62.09 million crowns have been made during the second quarter, the corresponding figure for same period last year being 53.74 million crowns. The Swedish part of the International loan to Austria, amounting to 11 million crowns, which was issued here some time ago, was sold out in about an hour. As to Exchange rates, there is a constant fall in the German mark, and yesterday a million marks could be had for six Swedish crowns in the open market. The official quotation, however, was 9 crowns for same number of marks. The day before (the 27th) there was a sudden drop of 9 ore in sterling value, which was quoted at 17.19 crowns per £, but it regained a little yesterday, when the quotation was 17.23. This sudden fall was due to big sales of what is called "timber pounds," i.e., payments for the timber sales, which are now taking place in the market.

The cost of living is steadily falling. The quarterly index issued by the Board of Social Welfare, including all necessities of life, shows a drop from 177 for April 1st to 174 on July 1st. This reduction is chiefly due to the fall in prices of foodstuffs (especially pork, butter, and eggs), light, fuel, and clothing, while the figure for house rent and taxes remains unaltered. The price of eggs and butter is now at pre-war level. The electrical concern, Asea, has received large orders of generators from Canada and from Russia lately. The Russian order consists of four big generators for a water-power station, to supply Petrograd with light and water.

SWITZERLAND.—SWISS FRANC DEPRECIATION—PALLIATIVES—NEW FEDERAL LOAN—AUSTRIAN LOAN—FEDERAL ADMINISTRATIVE ACCOUNTS.

(FROM OUR CORRESPONDENT.)

GENEVA, July 26.

As a correspondent pointed out in the *Economist* of July 14th, the slight depreciation registered by the Swiss franc during the last few months is essentially the outcome of an important exodus of capital which has taken place. This movement, originally due to the menace of a capital levy, was accentuated by the lowering of interest rates—the official discount rate being reduced in August, 1922, to 3 per cent., and the Lombard rate to 4 per cent., the rate for Bank paper standing at the end of 1922 around 4½ per cent. It would appear that Switzerland, which a short time ago possessed free capital in abundance, was too hasty in reducing its rates. Capital being able to find remunerative employment more advantageously in other countries, Switzerland was powerless to carry out an independent financial policy, and could not prevent the export of capital without taking into account the rates in force abroad. On July 14th, therefore, the National Bank raised its official discount rate to 4 per cent. and the Lombard rate to 5 per cent. As will be observed from the annexed table, the mere anticipation of the rise in the discount rate, which had been foreseen several days before the actual decision was taken, had an immediate effect on the exchanges:—

	Mint Par.	July 10.	July 12.	July 25.
London	25.2215	26.45	26.65	25.72
Amsterdam	208.3193	227.25	222.75	219.60
Stockholm	138.89	151.50	151.0	149.50
New York	5.1286	5.80	5.70	5.59

This appreciation of the Swiss franc continued after July 14th, and is apparently becoming slightly more marked.

The Federal Council, faced with the necessity of floating a 200-million franc loan for the conversion of 6 per cent. Treasury bonds issued in 1921, and falling due at the end of next September, has had to bear the following facts in mind. Whilst a loan of 200 millions was placed last year without difficulty at 4 per cent., the 4 per cent. Federal Railway issue of April, 1923, was subscribed only to the extent of 120 millions of the 200 millions offered. As the Federal Railways required this sum for electrification of their lines, they were compelled to resort to borrowing 75 millions from the Compagnie d'Assurances et de Rentes, Zurich, which supplied them at 3½ per cent., issue price 85. In view of this, a short-term loan is to be offered at 98, carrying 4½ per cent. interest.

There is every reason for expecting that this flotation will present little difficulty, even allowing for the subscription of 25 million francs, in June, representing Switzerland's share of the Austrian 6 per cent. loan. The unprecedented success of this emission is easily accounted for if the issue price, 81, is considered. Another important factor was the earlier issue of other parts of the loan in London, New York, and Amsterdam. Swiss subscribers, noting that the bonds went at once to a premium in these foreign markets, were encouraged to expect a similar result in their case. London and New York financial houses were also considerable subscribers through their agents to the Swiss issue, in the hope of obtaining part of the securities they had failed to obtain elsewhere. The issue was heavily "staggered," applicants not being compelled, as in other countries, to deposit a definite percentage with their application forms. This consideration completely falsified the result, and most fantastic figures have been put forward without any authority whatever, the group of banks responsible for the flotation having made no public announcement on the point.

Is the depreciation of the Swiss franc likely to be arrested by the measures taken by the financial authorities? None would care to give a categorical answer. After all, these are but palliatives in the general situation, and a country's exchanges reflect ultimately its economic conditions. The only effectual and lasting remedy lies in a real improvement of these conditions. If, then, one must admit that one of the essential factors, a fall in the cost of living, has been arrested during the last few months, other symptoms of more favourable conditions are certainly present. In the first place, the accounts of the public services administered by the State show noteworthy progress in the first six months of 1923 as compared with the corresponding period in 1922. Customs receipts increased by 15.6 millions, the postal deficit was reduced from seven millions to two millions, while the loss on telegraph and telephone administration was only 176,831f, compared with 503,089f in 1922. The net receipts of the Federal Railways for the six months at 42.7 were 39.3 millions higher than in 1922. The financial state of the main branches of public administration, thanks to a policy of severe economy, registers, therefore, a change for the better, which will certainly be maintained, provided no sudden heavy fall of the Swiss franc takes place and raises the cost of living. The number of unemployed, again, which was 90,085 a month ago, stood actually at 39,168 at the end of July, having declined by 50,917.

HUNGARY.—COLLAPSE OF THE CROWN—THE FINANCIAL OUTLOOK—QUESTION OF A FOREIGN LOAN.

(FROM OUR CORRESPONDENT.)

BUDAPEST, July 28.

NATURALLY, for the last few days, attention in Budapest and all Hungary has been fixed upon the fall of the crown and its causes. People have been pointing to the estimate of the grain harvest, the sugar crop, the output of coal, the progress in the development of the wool, cotton, and silk industries. And then, just as hope was beginning, came the sudden drop in the currency. Nothing certain is known as to the cause, but that "an enemy hath done this" is the obvious conjecture. A political move on the part of Czecho-Slovakia or Roumania, or both, is at once alleged: Austria and the Czechs want to lower the price

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of wheat in Hungary, Austria for her own sake, the Czechs because the Slovaks have to be fed and there is not enough wheat produced in the country. Meanwhile, all that is actually known is that the selling took place in Vienna. No explanation was attempted either by Count Bethlen or the Finance Minister in the House of Deputies, though both alluded to the unhappy facts. The Finance Minister was more than usually optimistic in his review of recent developments. He deplored the fall of the crown, but hopes that it will improve in the autumn, and could give no convincing reason for the collapse. The Minister stated that he was in favour of free export, but not of free import. He promised new measures regarding the Devisen Centrale and foreign countries, and to give instructions with a view to aiding foreign commerce, but that on no account would he leave free opportunity for speculation in foreign exchanges. Credit should be given to help the development of agriculture, but first of all the crown must be stabilised.

Count Bethlen touched on many matters, and made one very significant statement when speaking of the chances of obtaining a foreign loan. These he believed to be greater than they were a month ago; but if a foreign loan could not be obtained, he said, neither he nor the Foreign Minister would continue to conduct the affairs of the country. Such a statement coming from the Prime Minister of a country speaks for itself, and let us hope it will not be lost sight of by the members of the Reparation Commission, especially the representative of France, whose casting vote it was that caused the rejection of the loan suggested on the last occasion. It may be recalled that in his speech to the Commission, Count Bethlen stated that if the exchange restrictions were removed the crown would undoubtedly collapse, while if they were not removed the economic life of Hungary would be slowly strangled. The only point in which the present position differs is that a partial collapse has come about without the removal of the restrictions on exchange, so that it is actually worse. In the note sent to the Commission asking them to reconsider their verdict, the Hungarian Government declare that they cannot be responsible for preserving order in Hungary unless Hungary is given a chance to live. In this connection it is worth noting that two Communist plots have been discovered quite recently, while, since the fall of the crown, the continued and heavy rise of prices is likely to have the usual effect upon the disorderly elements of the population.

CANADA.—CROP PROSPECTS—GRAIN PRICES—MARKETING SCHEMES—FEDERAL FINANCES—PULPWOOD EMBARGO—PRICES—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, July 15.

This year, in addition to the Dominion Bureau of Statistics and Provincial Governments, the two railway systems, four banks, the Manitoba Free Press, and the Lake of the Woods Milling Company are all issuing periodical surveys of the Western crop, on whose fate the prosperity of the Dominion seems by general admission to hinge, and their latest bulletins all agree that, generally speaking, the crop is faring amazingly well, and there is reasonable assurance of a very abundant, if not a record, yield. There have been some very severe hailstorms, but the crop acreage which they have destroyed is a small part of the total. Many districts report that, thanks to the abnormal wetness of June, they have enough moisture to carry them to harvest; indeed, some report too much moisture. Growth has been very rapid, and in some areas wheat has more than made up for its late start. It is now heading out, and the growth of straw is particularly heavy. This means that the crop will require a relatively

large amount of extra labour to handle it, and no one seems exactly to know where it is to come from. To-day the Ontario farmers are handicapped in their hay harvest for lack of workers, and cherries and other fruit are rotting on the trees for want of pickers. The difficulty is that harvest work in the West does not last more than 2½ or 3 months, and the majority of grain-growing farmers have no use for the services of labourers in winter. Accordingly when there is such a demand for labour in the industrial centres of the United States, there is little inducement for men to join harvest excursions to Western Canada.

Unfortunately for the farmer, the good crop reports have caused grain prices to tumble, and No. 1 Northern October wheat is now selling at less than a dollar per bushel on the Winnipeg Exchange. There is every expectation that it will go lower, and the farmers of Saskatchewan were recently warned by a reasonably competent authority that they need not expect more than 50 or 60 cents net per bushel for their wheat this autumn. The unanimous cry goes up that at this price wheat-growing is a losing game, and there is a clamant demand for an explanation why the prices of farm produce should be back to their pre-war level, or even below it, and the prices of manufactured should still be anything from 60 per cent. to 100 per cent. above it.

However, despite low prices, if Canada can show the same exportable surplus of wheat as she did from the 1922 crop, economic ruin is not an immediate danger. From September 1, 1922, to May 30, 1923, wheat exports were 57 million bushels greater than in the previous year, and the total amount exported is now in the vicinity of 250 million bushels. In this nine-month period exports of flour to the United Kingdom were 160,000 barrels greater than in the parallel period a year before.

The project of a State-operated Wheat Board has now definitely fallen through, but efforts are still being made in Alberta to organise a voluntary pool scheme. The Royal Commission on the Grain Trade is now holding sessions throughout the West, and evidence tendered at some of them serves to confirm the farmers' suspicions that the elevator companies indulge in some strange practices. Meanwhile, the Dominion Government is trying to increase the machinery for handling the export of grain. It has made very large advances to the Harbour Commissions of Montreal and Vancouver, and is constructing a large terminal elevator at Edmonton. A new Grain Exchange is being organised in Vancouver, and that city is making desperate efforts to capture a large share of the Western grain trade.

Serious industrial troubles have once more broken out in the Cape Breton district, and both the miners and steelworkers are on strike. Substantial contingents of troops are patrolling the Sydney area, despite demands of the Trades and Labour Congress for their withdrawal, and industry and trade are paralysed throughout the whole locality.

The Finance Minister has to provide for the retirement of a loan maturing next November. The amount outstanding is \$172,471,000, and in addition there are \$95,000,000 Treasury bills which were extended last year. During the sessions of the Banking Committee he hinted that he contemplated the flotation of a domestic loan, but it is understood that representatives of the bond and financial firms are opposed to this project. They fear that a Federal loan would absorb most of the domestic funds available for investment and tend to weaken prices generally. The impression now is that the loan will be delayed as long as possible, and floated in New York or London, or possibly in both places.

A strong movement of protest has developed in the United States against the Canadian Government's proposed embargo on the export of pulpwood, and it is backed by many influential newspapers, who are roused by the prediction that it will increase the price of newsprint \$10 per ton. There are hints that the American Government might retaliate by placing an embargo upon anthracite coal, and in view of the Nova Scotia strike such action would cause great inconvenience and possibly hardship in Central Canada. It is therefore safe to prophesy that the King Ministry will not move rashly in using the embargo powers conferred upon it.

The weak point in the Canadian situation is in the state of the Governmental finances. The country is overloaded with superfluous physical equipment, but there are districts which can put a reasonable case for fresh railways and public works, and their representatives are rarely backward in pushing it. One or two of the provincial Cabinets have maintained a firm front to these demands, but the rest have weakly yielded time and again, and the King Ministry at Ottawa has shown a deplorable complacency. At present it is trying to make political capital in Western Canada out of the fact that the Senate rejected the Bill embodying the new construction programme of the Canadian National Railways. Undoubtedly to settlers who have been living 40 miles from a railway for years, and feeding on hopes of branch lines, the news of their postponement comes as a severe blow; but a country which is faced as Canada is this year with a deficit of at least 100 million dollars cannot afford any more railways. The war and its aftermath can be pleaded as a partial excuse for the growth of Federal debt and expenditure, but Mr Yorath, the City Commissioner of Edmonton, recently gave some disturbing figures, which showed that in the four Western provinces the spirit of extravagance had shown no abatement since the outbreak of war. Their joint population had only increased from 1913 to 1922 15.32 per cent., the figure in the latter year being 2,479,451. Yet in the same period the gross debt of the four provinces, only a fraction of which could be charged to the war, had climbed from \$62,499,678 to \$264,728,195, or an increase of 323.57 per cent. Their annual revenues had jumped 79.29 per cent. from \$27,509,027 to \$49,321,782, but even then it had failed to keep pace with the annual expenditure, which mounted from \$33,833,854 to \$51,702,321. The provinces east of the Ottawa have long complained that far too much public money was being spent on the development of the West, and now that their representatives dominate the Government at Ottawa, they are making full use of their opportunities.

There has been a welcome increase in the immigration returns, which in the first five months of the calendar year show a total of 39,907 arrivals, which is 43 per cent. better than last year's figures of 27,973. But they are still very disappointing, and there is plain evidence that the United States has now superior attractions for British immigrants. In the first five months of 1922 21,625 British immigrants entered Canada, but in the first fortnight of July, when the new quota season opened, almost 17,000 entered the United States.

The Bank of Commerce index number of wholesale prices shows a minimum of change from mid-May to mid-June. The number for export stands at 153.78, as compared with 153.83; for imports at 167.53, as against 167.92; and the combined number at 160.65, as against 160.87. There has been a heavy break in hog prices, and lesser declines in flour, hides, copper, and silver; these balanced slight "export" increases in the case of wheat, beef, bacon, butter, cheese, and potatoes. In the imports, decreases in the prices of iron, tin, and coke balanced increases in corn, cotton, and rubber.

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129 BRANCHES AT ALL IMPORTANT BUSINESS
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The good crop reports have given a fillip to business in many lines, and wholesalers report that the country storekeepers in the West are buying more freely than for many months, but in many quarters definite indications are being awaited as to harvest results in terms of buying power in relation to the actual prices of goods. Labour is still in a position to demand high wages, and prices of manufactured goods are thereby kept high. The stock markets have been very weak in response to the reaction in New York.

Letters to the Editor.

THE PRINCIPLES OF PAPER MONEY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I thought I might be contributing something towards solving the world's financial problems by giving you my own ideas of the principles governing the use of paper money. To explain these principles, I have adopted the method of showing first how they work in a small imaginary group before explaining the system of working in larger groups. It is probably the best way of helping people to an understanding of elementary economic and financial principles.

Let us, therefore, imagine a small self-contained group of producers, one of them a gold producer, exchanging their products between themselves through the medium of a single trader or exchange agent. Assume that they have developed the habit of measuring and relating values through the use of a common monetary unit equal to a certain weight of fine standard gold.

How would such a small system of exchange be worked if only paper and no gold money be used?

It is really quite simple. The trader having settled the value of each producer's products, takes them over and issues to each man notes signed by himself indicating the value of the products received. If the trader is trusted by the producers, the trader can, instead of issuing notes, open an account for each individual producer, and credit him with the value of the products received. It is not, however, a matter of great importance which method is adopted.

These notes and credits that the trader has issued are titles to a value of products that the trader has accepted for exchange, securities that prove the holder to be the owner of a certain value of stock that is held by the trader. The note is a bearer security, and the credit entry is a registration of the holder's title. The producers are therefore joint owners of the trader's stocks, the trader a trustee for the stocks he holds. Each producer therefore holds a paper security that entitles him to receive from the trader on demand a certain value of his stock-in-trade. The trader's aim is only to hold such stocks as will meet the demands of all the producers.

It is, however, a custom that the trader shall retain for himself a reasonable proportion of the products he has accepted for exchange, as he has to live as well as the producers. He therefore deducts for himself a certain proportion of each product, and gives to the remainder the same value that he gave to the whole.

When the producers, who have now changed to consumers, make their demands, the trader hands over to each his requirements, and either takes back the notes or cancels the credit he has given by debiting each man's account.

If the trader has worked his business properly, he should be left without any stock, and no notes or credits should be outstanding. Thus the operation of exchange should be carried through to the complete satisfaction of everyone in the group without the use of any gold money.

With a large number of groups exchanging between themselves, and a corresponding number of traders, the function of issuing notes and credits in an independent system can only be worked effectively by concentrating the function of issuing notes and credits in a mass organisation, for it is obvious that notes issued by a mass of independent traders would not circulate freely, and also that credits could not be transferred without a system of accounting covering all the groups.

This money-issuing institution issues its own notes (also token coins in place of paper if convenient) on behalf of all traders in denominations of the monetary unit to facilitate transfer. It also issues credit money on their behalf, and transfers it on the order of a money holder, transfer being effected by withdrawing money from one individual and issuing an equal amount to another. The whole system, indeed, is very similar to the British banking system, but with some important differences.

With a number of communities using different gold monetary units and different forms of notes, the acceptance of one another's paper money is a matter of arrangement between communities. The money-issuing houses of each community then accept the money of the other communities. Acceptance, in the case of communities, means that a money-issuing house will accept the paper money of another community, and in the course of transfer issue its own money against the receipt of notes and credits from other communities, at a rate of exchange fixed according to the weight of gold in the respective monetary units. This operation increases the money in active circulation in one community, and decreases it by a corresponding amount in the other. The whole system thus works as if all communities were using the same monetary unit and the same form of notes. Such unconditional acceptance implies that there is no abuse of paper in either system, both as regards money and other kinds of securities.

To proceed further I do not think necessary, for with the aid of these simple principles an expert should be able to work out all the details of a complete financial system for any nation that has developed sufficiently to use paper money. Perhaps I ought to add that I am fully aware of the immense difficulties that have to be faced in their practical application arising mainly out of the ignorance and acquisitiveness of human nature. Still, it is only under the guidance of sound principles that one can hope for ultimate success in finance as well as in other forms of human activity.—I am, sir, your obedient servant,

W. H. NORTON.

4 Rugby mansions, London, W. 14,
August 1st, 1923.

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S SURVEY.

JULY, and August even more than July, are the "off" months in the publishing world. They represent the recoil, before the tide of autumn publications sets in. Moreover, since they are months supposed to be dedicated, by the part of the world that goes on holiday, to relaxation, and few persons regard economic reading altogether in that light, they are a close season for works falling under that heading, to a degree which hardly applies to the rest of the publisher's catalogue.

It is therefore natural that the last six weeks are, from the standpoint of the economic student, comparatively thin. Perhaps the most interesting single volume that has appeared during the period, interesting both to the general reader and to the political or economic student, is the small volume, in the admirable series of Cambridge Economic Manuals, on *Population* (Nisbet and Cambridge University Press, 5s). In this Mr Harold Wright surveys the whole question in a singularly lucid and dispassionate manner, rather setting out the considerations that have to be faced than laying down general and binding conclusions. A better introduction to a most difficult question could hardly be imagined. There are things in it that provoke dissent, and also lively discussion, but that is to say that it is a "live" study. If one makes interest one's test, one might put beside this two other recent volumes that, like it, are political primarily, economic only in the second place — Professor Ramsay Muir's *Politics and Progress* (Methuen, 3s 6d) and Mr Michael Farbman's arresting *Bolshevism in Retreat*

(Collins, 15s), a book of special value because of its clear account of the economic position of pre-war Russia.

The new and revised edition of Professor A. W. Flux's *Economic Principles—An Introductory Study* (Methuen, 12s 6d) is very welcome, since, despite the crowd of works professedly setting out the elements of orthodox economics, there are few at once as clear and as well arranged as this. The student would find it an admirable method of exercising his mind on the general rules he has thence derived, to pass to a study of *Questions on the Principles of Economics*, by E. E. Day and J. S. Davies (Macmillan Co., New York, 6s), a revised edition of a very competent American work; or to the brochure, *Some Aspects of Recent British Economics*, published by the University of Chicago Press—a descriptive treatment of two or three problems of the day by economists of standing. In many respects, economic problems present a rather different, and sometimes a simpler, face to the American student, and the opportunity of comparison is illuminating.

A case in point is the whole Trade Union movement. Mr Selig Pearlman's *History of Trade Unionism in the United States* (Macmillan Co., New York, 9s) shows the labour movement in America as, essentially, at the stage in which our movement was before the formation of the Labour Representation Committee, which precluded the constitution of the Labour Party. It is exclusively concerned with questions of hours and wages, and so far has made a principle of the exclusion, not only of the "intellectual" but of the brain worker. It has nothing to do with politics, and therefore, not by accident, but by design, has little or no political significance. It is very instructive to turn from Mr Pearlman's book to a very valuable piece of research and enquiry conducted by Dr Finer, of the London School of Economics, into the whole apparatus of Industrial Government set up in Germany, under the general title of Works Councils. *Representative Government and a Parliament of Industry* (Allen and Unwin, for the Fabian Society, 7s 6d) is prefaced by a general discussion of the alleged failure of repre-

sentative institutions, in their parliamentary form, very much on the lines familiarised by Mr and Mrs Webb in their latest phase. Dr Finer then turns to examine the efforts made in Germany to find a way out by devising something in the nature of a parliament of industry. His discussion is largely theoretical, but it is none the less interesting for that, although, it must be frankly admitted, his style is not calculated to assist the reader.

Data of permanent interest and value are included in Mr Humbert Wolfe's *Labour Supply and Regulation* (Clarendon Press, 10s 6d), the latest volume in the series of monographs on the economic history of the world war issued by the Carnegie Endowment. The book is a more or less official survey of the working of the Munition Acts, and the whole emergency apparatus designed for dealing with what was inelegantly called the man power problem. It is too official to be very easy reading, but as a work of reference it is excellently carried out. Taken in conjunction with Mr Cole's two volumes on *Trade Unionism and Munitions* and *Workshop Organisation*, the Carnegie Endowment have presented to us a fairly complete picture of the labour problem during the years of the war.

The war, of course, continues to account for at least half of the works that come out, whether directly, as in discussions, in all languages, on its economic consequences, or indirectly, as in such a collection of essays on the League of Nations as *Towards International Justice*, by F. N. Keen, with a preface by Professor Gilbert Murray (Allen and Unwin, 8s. 6d.); or, from another aspect, in the exceedingly useful little volume which Mr A. G. Enock has called *The Problem of Armaments* (Macmillan, 6s). Mr Enock is an engineer by profession, and there is a refreshing realism in his treatment of the whole subject—realism which by no means excludes idealism. He is quite aware that the remedy for the evils he sets out is to be found in the human intelligence. His book is a storehouse of invaluable statistical material, well arranged, so that it can be read and understood, and not merely looked

at with a dazed sense that these figures may mean something to somebody else.

Of sternly practical works there are a certain number. Two that deserve some special mention are Mr. Philip Burt's careful analysis of the *Principal Factors in Freight Train Operating* (Allen and Unwin, 10s 6d) and Mr R. Osborne's account of *How to Organise and Conduct an Export and Import Business* (Ellingham Wilson, 4s). Both of these ought to be very useful. Of *Accountancy Simplified*, by Henry G. Purnell (Lee and Co., 6s 3d), and *One Thousand Questions and Answers on Company Law* (by Henry A. Ashton. London Financial Service, 5s), the same can be said.

Professor Parker Willis' study of the *Federal Reserve System* (Ronald Press Company, New York, \$10, with an introduction by the Hon. Carter Glass) is likely to rank as the standard work on a subject of extreme interest and importance, outside the United States as well as inside.

MILK AND WATER ECONOMICS.*

PROFESSOR ACHILLE VIALATE, of Paris, gave in August, 1921, some lectures which have now been published as a volume in the Institute of Politics' publications of Williams College, Williamstown, Mass. A survey of world affairs leading up to the war is presented, and the facts are well marshalled, but when the Professor reaches the heart of his subject his energy seems to be exhausted. The latter part of the book is disappointing. Instead of dealing vigorously with the needs of the present troublous times, the author contents himself with setting down a number of vague platitudes. After having shown, in the historical part of the book, how patriotism, nationalism, imperialism prevented the development of economic internationalism, and created instead an atmosphere in which world war was more than a possibility, the author asks, "Are we to see, now that the war is over, economic imperialism continued, perhaps intensified?" It is, he points out, a dangerous eventuality. "For the present, at least," he remarks, "over-excited national feelings tend clearly in that direction.... In a world where peace offers but an insecure outlook, such feelings are natural; whatever the strength of economic tendencies, they cannot prevail against these feelings." We are to "wish and hope" such feelings will subside, and that people will understand the necessity of "resuming and extending the movement of economic internationalism which was begun during the preceding period, and which imperialism had held in check." Surely something more than wishing and hoping is needed, something other than "the adoption of a general policy of moderate protection" which the author favours. He has nothing to say of rectifying the mistakes of Versailles. He mentions that the League of Nations in 1920 called an international financial conference at Brussels, but does not explain that the common-sense of the economists was ignored. The bibliography at the end of the book has some remarkable omissions, some of the leading authors not being mentioned.

BOOKS RECEIVED.

- Currency and Credit.* By R. G. Hawtrey. Second Edition. (London) Longmans, Green, and Co. 15s net.
- Statistical Method.* By Truman L. Kelley. (New York) The Macmillan Company.
- Obtainable from Messrs Macmillan and Co., Limited, London.
- Foreign Affairs.* An American quarterly review. (New York) Council on Foreign Relations. \$1.25.
- The Mauritius Almanac and Commercial Handbook for 1923-4.* (Port Louis) The General Printing and Stationery Company, Limited.

* "Economic Imperialism and International Relations During the Last Fifty Years." By Professor Achille Vialate. (New York) The Macmillan Company. 1923. 9s net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
August 22.

ACCOUNT.
August 23.

MARKETS all round the Stock Exchange present a brighter appearance than they have been doing lately. The reason for the change of front is not easy to locate. At the back of men's minds, however, there is obviously increased anticipation of some kind of settlement being arrived at in connection with the Anglo-French-German relations. The meeting of Monsieur Poincaré with Lord Robert Cecil is regarded of greater importance than the noisy scene in the Reichstag on Wednesday last. This week's Cabinet discussions are expected to be fruitful in the direction of peace. The death of President Harding caused no ripple in any department of the Stock Exchange. Cables of sympathy and of acknowledgment passed between the chairmen of the London and New York Stock Exchanges.

The carry-over of this week showed that the bear position is still extensive in a good many parts of the House. Stagnation in trade continues to force money into the Consol market. Apprehensions of a rise in the Bank rate are not so much as mentioned. There is a seasonal, but none the less welcome, cessation of new issues, and this factor enables existing stocks to become more firmly placed into the hands of permanent holders.

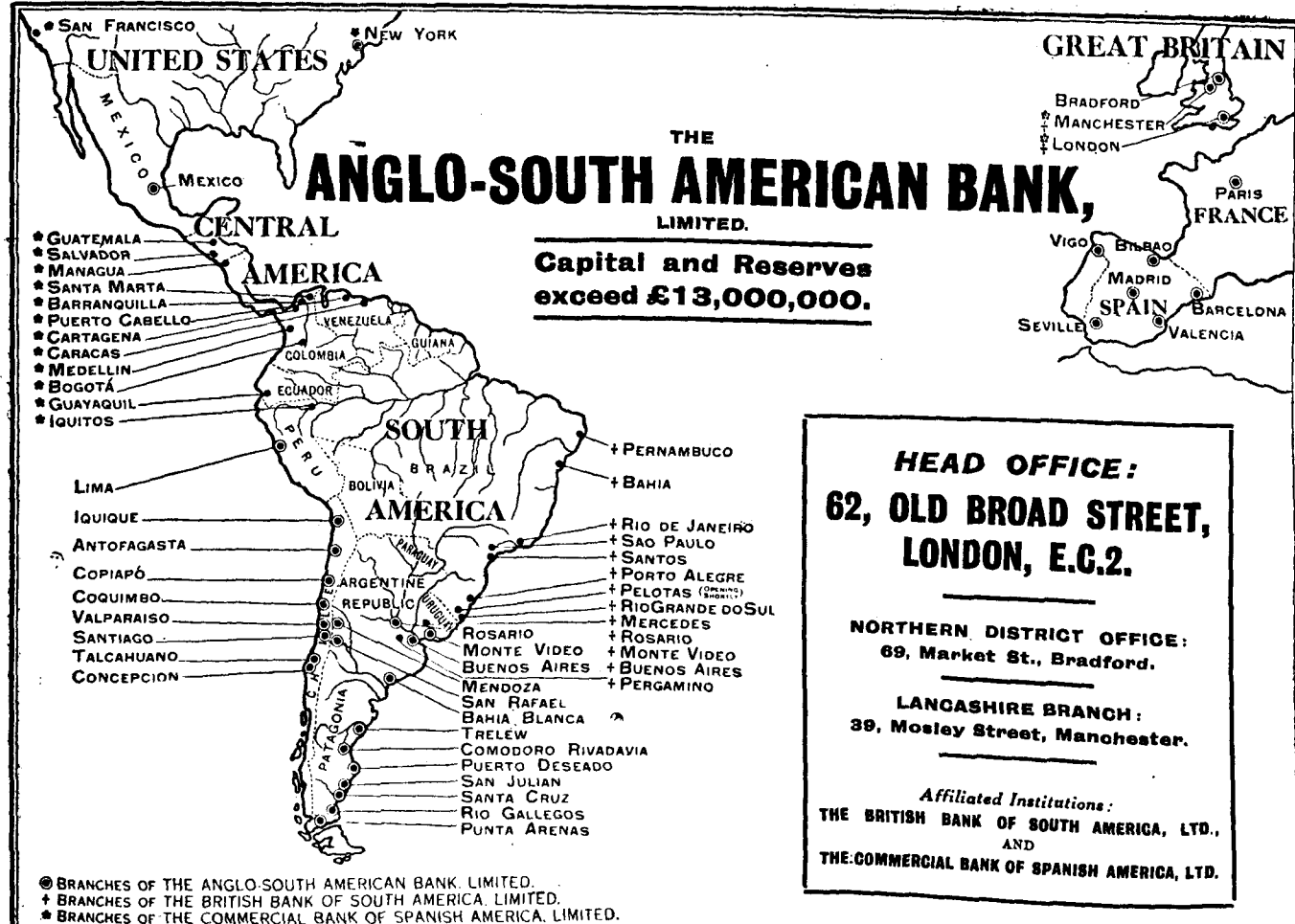
While the War Loan pursues a steady upward course, rises in Conversion Loan, Funding, and Victory Bonds have been substantial. Up to the present the search for absolute security has not yet overflowed into such channels as those for Colonial stocks and Home Railway prior-charge securities, though the market in the latter is certainly better in tendency. India Government stocks are hardening.

Demoralisation of the mark by the million at a time has a far less effect nowadays than used to be the case when the mark fell 20 to 50 points in a day. French bonds are scarcely affected by it; Germans naturally remain a nominal market. The French railway issues rose in the earlier part of the week and maintained most of the improvement, while French Government bonds are moving narrowly. Chinese issues remain weak as a whole; Austrian Sixes, after a dip to a discount, recovered to about 2 premium. South American bonds are quiet, and of the new issues there are still discounts on the scrip of the Dutch East Indies and the Manchurian loans.

Home Railways followed the upward course set by the Consol market. London, Midland and Scottish led the way with sharp recovery. The preferred stocks, now ex-dividend, are better; and of the Undergrounds, Metropolitan stand out as the firmest spot. The junior stocks of the various lines are better, and the market is beginning to attract more public attention. Canadian Pacific put on a dollar or two, other American railroad shares and bonds also advancing. Canadian and Mexican Railway stocks are dormant. Argentine Railways continue to feel the depressing effects of the rate of exchange. San Paulos have fallen, and Leopoldinas went with them.

The rubber market is one of the firmest in the House. A rise in the price of the produce rounded-up the bears, and the handful of shares in which there is still a free market showed good rallies. The oil market has thrown off much of its acute flatness. Prices enjoyed an all-round advance, due principally to bear covering, to which was added a little buying on the part of people who had bought stock much higher up, and who consider the time has arrived when it seems well to average. London and Scottish Assurance Corporations responded to the offer of the Northern Assurance Company to purchase the shares of the former at £7 per share. Other insurance shares are steady, but the banking market is still under something of a cloud, and prices tend to droop. There is nothing doing in the shipping list. Indo-China deferred and Royal Mail are lower.

The new shares of the Imperial Tobacco Company became marketable in the middle of the week, all the certificates having now been despatched to their proprietors. The price is firm, and British-American Tobacco shares have once more crossed £5. Such speculative favourites as Courtalds and Associated Portland Cement are better in consequence of the prevailing brighter tendency. Guinness gained 20 points on the dividend



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announcement, and held most of the rise. This assisted Watney deferred and some of the other brewery stocks. Hudsons Bays and Egyptian Land shares hold their previous levels. The catering and stores group is hard, Harrods being assisted by the improvement to 3 per cent. in the interim dividend. Cable stocks, after being acutely weak, rallied from the worst, and Marconis touched 2½ before they reacted a little. Iron, steel, and armament shares are moving narrowly and somewhat irregularly. Workman Clark debentures stand about 50. Electricity supply shares, in spite of increased interim dividends in several cases, are slightly irregular, the firmest features being the shares in the City and County companies. Interest in gas stocks has ebbed to a minimum.

The Kafir market received a little support from the Cape, while it was reported that Paris had turned a buyer of some of her favourites. This made prices a trifle better. Rhodesians have been enlivened by a sharp rise in Globe and Phoenix, while Cam and Motor, Selukwe, and one or two others of this class went ahead briskly on professional support. Diamond and copper shares have relied upon the orders from Paris for their fluctuations, and Paris has been a buyer on balance. The tin share markets remain in a sleepy condition, and the holiday mood is reflected in most of the sections of the mining markets other than those just mentioned.

Various stocks connected with Ireland have been transferred this week from purely British sections of the Stock Exchange Official List into others which comprise the securities of British Possessions.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liabilities.
Amount previously recorded	£ ..	200,663,567 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED AUG. 4, 1923.				
April 1, 1923, to Aug. 4, 1923, £3,800,000 ..	£ ..	200,000 ..	£ ..	200,000 ..

To the Public—					
City of Rangoon Municipal Corporation £300,000 5½ % Debentures to Bearer (rep. at par Sept. 1, 1953), at 98½ ..					
	300,000	..	295,500	..	15,000 .. 280,500
Total offered to the public....					
	..	..	295,500	..	15,000 .. 280,500
To Shareholders only—					
Bank of New Zealand, 750,000 New Ord. £1 Shares at par ..					
	750,000	..	750,000	..	750,000
Total offered to shareholders only ..					
	..	..	750,000	..	750,000
Total offered for subscription to date in—					
1923 ..	£201,909,067	1922 ..	£573,675,650		
1922 ..	502,528,887	1921 ..	388,978,203		
1921 ..	146,859,781	1920 ..	367,549,656		
1920 ..	272,385,547	1919 ..	1,036,059,951		
1919 ..	426,553,533	1918 ..	1,393,381,441		
1918 ..	874,928,005	1917 ..	1,318,596,010		
1917 ..	1,078,634,048	1916 ..	585,436,853		
1916 ..	363,763,600				

The City of Rangoon.—Issue of £300,000 5½ per cent. debentures at 98½ per cent. This loan has been created with the sanction of the Government of India, and is secured upon the rates, taxes, and dues imposed and levied in the City of Rangoon. Under the City of Rangoon Municipal Act (Burma Act VI. of 1922) provision is made for the attachment of the municipal fund in the event of default in payment of principal or interest of the loan. The unredeemed loans of the corporation and the amount at credit of sinking funds on March 31, 1923, amounted to £802,100 and £261,400 respectively (conversion rate taken at 18 ad per rupee). The issue is repayable at par in 1953, but the yield to the investor cannot be described as over-generous.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price Last Week.	Latest Price.	Rise or Fall.	
War 4½, 1925-28 ..	95½ ..	95½ ..	..	..
Loans 5½, 1929-47 ..	100½ ..	101½ ..	+ 1	..
4½, 1929-42 ..	100½ ..	101½ ..	+ 1	..
Funding Loan 4½ ..	91½ ..	93 ..	+ 1½	..
Victory Bonds 4½ ..	92½ ..	93½ ..	+ 1	..
Conversion Loan 3½ ..	78½ ..	79½ ..	+ 1	..
Consols 2½ ..	58½ ..	58½ ..	..	..
Irish Land Stock 2½ ..	58½ ..	59½ ..	+ 1	..
Local Loans 3½ ..	66½ ..	68 ..	+ 1½	..

Banks.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Barclays B (£1, f.p.d.) ..	23½ ..	23½ ..	..	..
Chartered Bk of India 19½ ..	19½ ..	19½ ..	..	..
Lloyds (£5 with £1 paid) ..	23½ ..	23½ ..	..	..
London Joint City & Midland (£12 with £4 paid) ..	8½ ..	8½ ..	..	..
Nat. Bank of Egypt (£10) ..	22½ ..	22½ ..	..	..

Colonial and Foreign Railways.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Antofagasta Cons ..	83½ ..	84½ ..	+ 1	..
B.A. and Pacific ..	79½ ..	77 ..	- 2½	..
B.A. & Gt. Southern ..	81½ ..	78½ ..	- 3	..
Buenos Ayres West ..	74 ..	72½ ..	- 1½	..
Canadian Pacific ..	158 ..	158 ..	..	..
Central Argentine ..	69 ..	67 ..	- 2	..

Foreign Government Securities.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Argentine 5%, 1886-7 ..	99 ..	99 ..	..	..
Belgian 3½ ..	66 ..	66 ..	..	..
Brazil 5% Fund, 1914 ..	71½ ..	71 ..	- ½	..
Chilian 4½, 1895 ..	86 ..	86 ..	..	..
Chinese 5%, 1912 ..	102½ ..	102½ ..	..	..
Chinese 5%, 1912 ..	68 ..	68 ..	..	..
Egyptian 4% ..	74½ ..	73 ..	- 1½	..
French 5% ..	26 ..	26½ ..	+ ½	..
Do 4% ..	20½ ..	21 ..	+ ½	..
Greek 4%, 1884 ..	44½ ..	44½ ..	..	..

Telegraphs.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Anglo-American "A" ..	22½ ..	22½ ..	..	..
Marconi Wireless ..	24½ ..	24½ ..	..	..

British Railways.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Great Western, Ord. ..	111½ ..	111½ ..	..	..
Do Def. ..	86 ..	86½ ..	+ ½	..
London & North-Eastern ..	87½ ..	86½ ..	- 1	..
5% Pref. Ord. ..	31½ ..	33½ ..	+ 2	..
Do Def. Ord. ..	102½ ..	105½ ..	+ 3	..
Metropolitan ..	68½ ..	69½ ..	+ 1	..
Metropolitan District ..	47½ ..	48½ ..	+ 1	..

American Railroads.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Chesapeake & Ohio ..	63 ..	65 ..	+ 2	..
Erie ..	15 ..	14 ..	- 1	..
Do 4% 1st Pref. ..	20 ..	24 ..	+ 4	..

Miscellaneous.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Aerated Bread (£1) ..	1½ ..	1½ ..	..	..
Amal. Cottons (£1) ..	3½ ..	3½ ..	..	..
Anglo Persian Oil (£1) ..	3½ ..	3½ ..	..	..
Armstrong (Sir W.G.) and Co. (£1) ..	1½ ..	1½ ..	..	..
Ass. Phind. Cement (£1) ..	1½ ..	1½ ..	..	..
Barker, John (£1) ..	2½ ..	2½ ..	..	..
Bham Small Arms (£1) ..	1½ ..	1½ ..	..	..
Brazil Traction (£100) ..	48½ ..	48½ ..	..	..
British-American Tobacco (£1) ..	4½ ..	5½ ..	+ 1	..
Burmah Oil (£1) ..	4½ ..	4½ ..	..	..
Coats (J. and P.) (£1) ..	3½ ..	3½ ..	..	..
Courtaulds (£1) ..	2½ ..	2½ ..	..	..
Cunard (£1) ..	1½ ..	1½ ..	..	..
Dorman, Long (£1) ..	1½ ..	1½ ..	..	..
Unipol Rubber (£1) ..	1½ ..	1½ ..	..	..
Fine Cotton Spinners (£1) ..	2½ ..	2½ ..	..	..
Forestral Land (£1) ..	1½ ..	1½ ..	..	..
Furness, Withy (£1) ..	1½ ..	1½ ..	..	..
Highlands and Lowlands Rubber (£1) ..	1½ ..	1½ ..	..	..
Hudson's Bay (£1) ..	5½ ..	5½ ..	..	..

Mines.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Brakpan (£1) ..	3 ..	2½ ..	- ½	..
Broken Hill Prop. (£1) ..	1½ ..	1½ ..	..	..
Chartered (£1) ..	1½ ..	1½ ..	..	..
Cons. Gold Fields (£1) ..	1½ ..	1½ ..	..	..
Crown Mines (10) ..	2½ ..	2½ ..	..	..
De Beers Prop. (£25) ..	12½ ..	13½ ..	+ 1	..
East Rand Prop. (£1) ..	3½ ..	3½ ..	..	..
Geduld (£1) ..	3½ ..	3½ ..	..	..
Gov. Gold Areas (£1) ..	5½ ..	5½ ..	..	..

GOVERNMENT RETURNS, &c.				
NATIONAL DEBT.—(Million £.)				
	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.
Funded Debt ..	588	318	315	315
Term Annuities ..	30	22	22	22
4½ War Stock ..	16	13	13	13
4½ War Stock ..	16	13	13	13
4½ War Stock ..	16	13	13	13
National War Bonds ..	2,091	2,047	2,040	1,985
4½ Funding Loan ..	409	409	405	401
4½ Victory Bonds ..	360	357	348	335
5½ Conversion Loan ..	..	..	..	266
5½ Treasury Bonds ..	..	..	..	24
Do by tender 5% ..	..	..	..	166
Do by tender 4½% ..	..	..	..	40
Do 4%, 1931-33 ..	..	..	..	8
Treasury Bills ..	15	961	1,107	1,107
Exchequer Bonds ..	20	392	323	319
Nat. Savings Certs. ..	..	138	267	274
Other Debt ..	..	23	23	285
American Loan ..	..	944	1,306	1,181
Temporary Advances ..	1	51	51	51
Other Capital Liabilities ..	654	5,872	8,033	7,829
Total Liabilities ..	711	5,921	8,079	7,876

POSITION OF THE FLOATING DEBT.				
	Aug. 5, '22.	Mar. 31, '23.	Aug. 4, '23.	Movement week ended Aug. 4, '23.
Advances by Bank of England ..	164,445,000 ..	193,897,500 ..	5,000,000 ..	5,000,000
Advances by Public Debt Office ..	740,555,000 ..	616,045,000 ..	596,725,000 ..	5,750,000
Treasury Bills outstanding ..	905,000,000 ..	809,942,500 ..	805,076,500 ..	3,480,000
Total Floating Debt ..	1,810,000,000 ..	1,619,885,000 ..	1,606,801,500 ..	1,606,801,500

TREASURY BILLS AND BONDS BY PUBLIC TENDER.				
	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
June 29, 1923 ..	40,000,000	49,445,000	2 5 4 8 2	nil
July 6 ..	30,000,000	39,185,000	3 10 2 0 2	nil
July 13 ..	30,000,000	42,315,000	3 1 0 9 5	nil
July 20 ..	30,000,000	42,925,000	3 1 10 9 3	nil
July 27 ..	30,000,000	50,940,000	3 0 2 9 9	nil
Aug. 3 ..	35,000,000	55,375,000	3 4 4 9 5	nil
Aug. 10 ..	30,000,000	52,405,000	3 2 2 5 9	nil

CURRENCY NOTES ACCOUNT.—(000's omitted.)				
	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.	
Mar. 29, 1922 ..	300,351	14,255	5,000	28,500
June 28 ..	295,374	13,338	8,000	28,500
Sept. 27 ..	289,127	12,648	7,000	27,000
Dec. 27 ..	301,337	12,872	7,000	27,000
Mar. 28, 1923 ..	285,616	12,318	7,000	27,000
June 27 ..	286,503	12,516	7,000	27,000
Aug. 2 ..	291,745	12,589	7,000	27,000
Aug. 9 ..	294,101	12,430	7,000	27,000

PUBLIC INCOME AND EXPENDITURE.				
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.				
	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Aug. 4, 1923.	Total Receipts into the Exchequer from Apr. 1, 1922, to Aug. 5, 1922.	RECEIPTS. Week Ended Aug. 4, 1923. Week Ended Aug. 5, 1922.
Balances in Exchequer on 1st April ..	£ ..	£ ..	£ ..	£ ..
Bank of England ..	5,442,665	9,963,424	..	..
Bank of Ireland ..	1,375,502	1,210,106	..	..
REVENUE ..	6,818,167	11,173,530	..	..
Customs ..	116,900,000	43,655,000	44,317,000	2,052,000
Excise ..	143,850,000	47,037,000	49,476,000	1,063,000
Motor Vehicle Duties ..	23,383,000	5,167,000	5,167,000	392,000
Estate, &c., Duties ..	12,000,000	19,480,000	21,081,000	1,110,000
Stamps ..	20,000,000	6,860,000	4,942,000	50,000
Land Tax, House Duty & Mineral Rights Duty ..	3,000,000	450,000	520,000	..
Property & Income Tax ..	261,000,000	70,965,000	94,510,000	6,971,000
Super-Tax ..	58,000,000	17,280,000	17,280,000	7,715,000
Excess Profits Duties, &c. ..	12,000,000	..	954,000	..
Corporation Profits Tax ..	20,000,000	7,010,000	5,167,000	330,000
Post Office ..	52,600,000	16,500,000	17,550,000	1,500,000
Crown Lands ..	900,000	320,000	280,000	..
Interest on Sundry Loans ..	12,500,000	5,772,648	3,517,666	72,516
Miscellaneous ..	12,500,000	5,192,894	14,490,931	200,776
Ordinary Receipts ..	40,000,000	16,227,827	20,069,667	26,196
Special Receipts ..	818,500,000	260,233,369	281,384,264	15,243,063
Revenue ..	818,500,000	260,233,369	281,384,264	15,243,063
Total, Inc. Balance ..	..	267,051,536	292,557,794	..
OTHER RECEIPTS ..	..	..	..	..
Temporary Advances Repaid:—	..	..	..	..
Bullion ..	..	65,000	800,000	..
Under the Unemployment Insurance Acts, 1921 ..	..	3,170,000	2,500,000	293,000
Money Raised by Creation of Debt:—	..	..	..	..
(a) For Capital Expenditure Issues:—	..	..		

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 8, 1923.

ISSUE DEPARTMENT.

	£		£
Notes issued	145,563,110	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion ..	125,813,110
145,563,110			145,563,110

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities ..	46,783,731
Reserve	3,506,357	Other securities	68,723,507
Public deposits	10,427,839	Notes	19,471,945
Other deposits	108,317,879	Gold and silver coin ..	1,832,711
Seven-day & other bills ..	6,819		
136,811,894			136,811,894

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

	Amount, Aug. 8, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,506,357	+	23,275
Public deposits	10,427,839	+	5,811,080
Other deposits	108,317,879	+	3,817,667
Government securities ..	46,783,731	+	3,751,226
Other securities	68,723,507	+	6,726,883
Reserve	21,304,656	+	996,986
Note circulation	125,091,165	+	548,955
Coin and bullion	127,645,821	+	245,941
% of reserve to liabilities ..	18%	+	1%

Date	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
July 4	127,624,465	126,976,730	143,242,534	140,759,097	20,397,735	14%
11	127,622,694	126,409,635	116,540,838	116,540,838	20,963,059	17%
18	127,637,077	125,786,350	122,733,837	119,111,229	21,600,727	17%
25	127,640,338	125,717,465	109,845,510	116,189,787	21,672,843	17%
Aug. 1	127,640,838	126,621,700	118,543,672	115,819,368	20,769,138	17%
8	127,645,821	126,091,165	118,745,718	115,507,238	21,304,656	18%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to July 4	17,096,434	805,828	1,458,937	19,361,199
July 11	607,704	33,620	64,606	705,930
18	620,461	31,555	55,714	707,730
25	528,105	30,411	49,695	608,211
Aug. 1	607,802	30,806	49,664	688,272
8	474,976	29,283	55,476	559,735
Total to date 1923	19,935,482	961,503	1,734,092	22,631,077
Do 1922	20,852,868	987,410	1,737,452	23,577,730
Increase or decrease in 1923 ..	- 917,386	- 25,907	- 3,360	- 946,753
%	- 4.3 %	- 2.6 %	- 0.1 %	- 4.0 %
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922 ..	+ 2,512,421	- 85,505	- 196,014	+ 2,230,902
%	+ 8.3 %	- 5.1 %	- 6.5 %	+ 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to August 4.			
BIRMINGHAM	69,304,100	73,217,000	+ 3,912,900
BRIGHTON	45,058,000	36,693,000	- 8,365,000
BURTON	194,908,700	191,496,700	- 3,412,000
BULL	31,268,800	33,833,700	+ 2,564,900
LEADS	34,166,400	32,764,200	- 1,402,200
LIVERPOOL	25,475,700	26,127,000	+ 651,300
MANCHESTER	260,573,100	273,367,200	+ 12,794,100
NEWCASTLE-ON-TYNE ..	464,981,200	461,120,300	- 3,860,900
NOTTINGHAM	58,041,300	62,909,900	+ 4,868,600
STAMFORD	20,795,800	19,583,000	- 1,212,800
STAFFORD	29,078,800	36,102,700	+ 7,023,900

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Canada, Roumania and Egypt appeared in the *Economist* of July 21; Bulgaria and Lithuania in July 28; Russia, Italy, Belgium, and Austria in August 4.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Aug. 3, 1923.	July 27, 1923.	July 20, 1922.	Aug. 4, 1922.
Assets.				
Total gold reserve	3,109,670	3,113,550	3,099,720	3,071,920
Legal tender notes and silver reserve ..	84,060	86,450	83,700	131,260
Bills discounted for member banks	805,440	760,540	805,830	399,800
Bills bought in open market	182,630	176,860	183,120	150,500
Government obligations owned	93,790	96,280	97,960	497,350
All other resources	66,540	66,470	66,430	66,090
LIABILITIES.				
Government deposits	41,580	34,780	34,430	16,930
Other deposits	1,902,970	1,861,780	1,908,090	1,868,100
Federal Reserve Notes in actual circulation ..	2,187,730	2,194,870	2,216,930	2,140,120
F.R.B. Notes in actual circulation	1,560	1,610	1,300	62,050
All other liabilities	17,900	17,950	17,500	21,940
Capital and surplus	327,870	328,000	328,080	320,990
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined ..	77.3%	78.2%	76.5%	79.6%

BANK OF FRANCE.—In francs (000's omitted).

	Aug. 9, 1923.	Aug. 2, 1923.	July 26, 1923.	Aug. 1, 1922.	Position May 28, 1914.
Assets.					
Gold coin and bullion	5,537,892	5,537,881	5,537,874	5,530,590	3,730,825
Of which held abroad	1,864,345	1,864,345	1,864,345	1,948,367	1,948,367
Silver coin and bullion	294,073	293,917	293,741	205,409	632,650
Discount and advances	4,640,233	5,142,311	4,592,213	4,203,566	2,327,775
Advances to the State	23,400,000	23,700,000	23,000,000	..	..
LIABILITIES.					
Notes	37,426,071	37,339,190	36,923,324	36,449,878	5,811,875
Government deposits	16,971	16,556	32,477	73,665	131,700
Private deposits	2,011,125	2,262,506	2,039,429	2,210,643	845,950

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	July 14, 1923.	July 7, 1923.	June 30, 1923.	June 23, 1923.	July 15, 1922.
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40
Notes in circulation	11,291	12,049	13,088	10,779	4,978
Bankers' deposits	5,514	6,760	5,029	4,949	5,810
Assets.					
Gold coin and bullion	533	533	533	533	132
Gold certificates	10,091	10,091	10,091	10,091	8,235
Subsidiary coin	125	125	125	125	..
Bills discounted (domestic)	2,406	2,972	3,285	2,031	..
Do (foreign)	603	691	759	516	..
British Govt. Treasury Bills ..	1,300	1,900	..	..	..
Loans and advances to the Government	2,850	2,600	1,700	2,500	2,200
Other loans and advances	..	..	2,500	1,000	27
Investments	17	17	17	9	1,000
Ratio of cash reserves to liabilities to public	63.9%	60.3%	59.3%	68.4%	78.9%

BANK OF SPAIN.—In pesetas (000's omitted).

	Aug. 4, 1923.	July 28, 1923.	July 21, 1923.	July 14, 1923.	Aug. 5, 1922.	Position May 30, 1914.
Assets.						
Gold	4,525,772	2,525,769	2,525,773	2,525,766	2,525,429	5,211,775
Silver	663,265	666,678	665,817	663,011	647,649	728,600
Loans and discounts	2,109,701	2,053,329	2,059,560	2,067,625	2,145,269	800,725
Treasury bills	344,475	344,475	344,475	344,475	344,474	344,475
LIABILITIES.						
Circulation	4,179,023	4,122,085	4,131,546	4,157,324	4,169,430	901,550
Deposits	1,043,564	1,023,938	1,025,757	1,003,028	1,160,696	477,500

NATIONAL BANK OF GREECE.—In drachmas (000's omitted).

	June 15, 1923.	May 31, 1923.	May 15, 1923.	April 30, 1923.	June 15, 1922.
Assets.					
Gold and balances	1,664,776	1,691,166	1,505,543	1,511,798	1,389,171
Government loans	4,091,670	4,096,070	4,097,248	4,096,330	2,702,164
Government securities	1,922,021	1,916,919	1,764,572	1,561,732	815,290
LIABILITIES.					
Notes in circulation	4,430,967	4,296,068	4,115,159	3,966,063	1,484,388
Government deposits	262,838	230,898	189,042	216,419	1,099,050
Private deposits	1,301,658	1,350,216	1,278,109	1,213,908	862,331
Ratio of cash reserves to liabilities to public	1,023,546	1,023,156	1,021,975	1,023,929	1,010,817

BANK OF JAPAN.—In yen (000's omitted).

	July 7, 1923.	June 30, 1923.	June 23, 1923.	June 16, 1923.	July 8, 1922.	Position May 30, 1914.
Assets.						
Cash and bullion	1,102,710	1,100,882	1,099,219	1,097,917	1,221,261	221,330
Discounts	179,950	309,309	200,955	182,453	77,248	41,740
Advances	179,392	188,643	187,276	184,455	167,881	70,540
LIABILITIES.						
Notes	1,193,578	1,371,294	1,239,168	1,211,938	1,173,472	362,270
Govt. deposits	853,624	829,477	823,000	832,728	706,054	87,340
Other deposits	50,763	54,038	53,639	41,173	58,238	11,440

IMPERIAL BANK OF GERMANY.—In marks (000's omitted).

	July 31, 1923.	July 23, 1923.	July 14, 1923.	July 31, 1922.	Position May 30, 1914.
Assets.					
Gold and bullion	124,412,315	124,530,549	124,071,107	110,044,860	1,635,184
Treasury notes	3,987,474,460	3,444,803,902	3,160,988,494	11,083,023	943,484
Bills discounted	720,663,214	530,771,008	40,971,287,533	..	60,784
LIABILITIES.					
Notes in circulation	4,359,737,859	3,182,820,868	25,491,738,742	189,791,722	2,013,264
Deposits	278,570,676	204,021,161	16,927,077,344	39,976,216	842,344

NETHERLANDS BANK.—In florins (000's omitted).

	Aug. 6, 1923.	July 30, 1923.	July 16, 1923.	July 1, 1922.	Position May 30, 1914.
Assets.					
Gold	581,793	581,794	581,794	581,791	605,954
Silver	10,748	10,934	10,821	10,491	8,239
Discounts and advances	316,693	329,756	336,612	345,443	379,304
LIABILITIES.					
Notes in circulation	952,110	949,210	933,460	947,502	983,092
Deposits	27,045	34,981	30,289	27,395	36,338

SWISS NATIONAL BANK.—In francs (000's omitted).

	July 31, 1923.	July 23, 1923.	July 14, 1923.	July 31, 1922.	Position May 31, 1914.
Assets.					
Gold	525,651	525,363	525,016	524,659	519,409
Silver	101,411	102,621	102,282	102,347	115,282
Discounts and advances	26,805	27,064	28,013	28,943	12,138
LIABILITIES.					
Notes in circulation	880,025	834,011	844,910	865,852	875,926
Deposits	60,638	111,059	118,002	82,463	231,385

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	National Provincial and Union Bank of England, Limited.	National Bank, Limited.	Westminster Bank, Limited.	Williams' Bank, Limited.	Total.
Average Weekly Balances, July, 1923.											
Assets.											
Coin, bank and currency notes, and balances with the Bank of England ..	6,845	33,167	1,508	2,232	36,905	51,907	28,391	3,892	27,533	4,169	196,549

GOLD AND SILVER PRICES.

1923.		Gold. Per Ounce.		Silver—Per Ounce.		Date.	Silver.
				Cash.	Forward.		Cash.
		s	d	d	d		d
August	4..	90	2	30 $\frac{7}{8}$	30 $\frac{3}{8}$	Aug. 17, 1917	44
	6..					16, 1918	48 $\frac{13}{16}$
	7..	90	3	31	30 $\frac{11}{16}$	15, 1919	59
	8..	90	4	30 $\frac{15}{16}$	30 $\frac{3}{8}$	13, 1920	59 $\frac{1}{2}$
	9..	90	3	30 $\frac{15}{16}$	30 $\frac{3}{8}$	12, 1921	37 $\frac{1}{2}$
	10..	90	2	31	30 $\frac{3}{8}$	11, 1922	34 $\frac{1}{2}$

	Rate.	Applications.	Allotments.			Allotments.	Average Rate.
		Rs.	Rs.	%		Rs.	
Bills	1/4	31,00,000	..	..	Bills.	..	..
					Calcutta..	..	..
					Bombay..	..	..
					Madras ..	..	..
					Karachi..	..	..
Def. T.T. ..	1/4 7/8	5,00,000	5,00,000	100	T.T.	..	..
	1/4 3/8	125,00,000	..	..	Calcutta,	..	..
Imm. T.T..	1/4 3/8	8,00,000	..	..	Def. ..	5,00,000	16'0625
					Imm. ..	..	..
					Bombay,	..	..
					Def. ..	..	..
					Imm. ..	..	..
					Madras	..	..
					Def. ..	..	..
					Imm. ..	..	..
					Karachi,	..	..
					Def. ..	..	..
					Imm. ..	..	..
		169,00,000	5,00,000			5,00,000	

Next week 30 lacs will be offered.

NOTICES.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at High street, Watford, under the management of Mr F. C. Footner.

Imported from Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
United States	2,173	Poland	47,500
British West Africa	22,203	Germany	1,550
British South Africa	567,935	Netherlands	48,689
Other countries	765	United States	896,173
		British India	67,386
		Other countries	657
Total declared value of		Total declared value of	
	593,076	imports	1,061,755

Messrs Samuel Montagu and Co. write as follows on August 8th :—

GOLD.

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

Country.		ParValue.	Usance.	Year, 1923.	Rate.
Ecuador	Sucres to £1	1000	Sight London	Aug. 4	14.77
Venezuela	Bolivares to £1	25.25	"	Aug. 8	24.20
Colombia (Bogota) ..	Pesos to £20	100	"	Aug. 6	97.00
Nicaragua	Cordobas to £1	4.8665	"	July 18	4.80
San Salvador	Colones to £1	9.73	"	July 27	9.50
Guatemala	Pesos to £1	90.23	"	Aug. 4	286.50
Costa Rica	Colones to £1	10.45	"	July 11	20.15
Bolivia	Pence to Bolivianos	19.20	"	June 23	16.00

The South African Banks quote the following rates:—

T.T.	Union of South Africa.		Union of South Africa.	
	From July 13, 1923.		From July 11, 1923.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling. (a)
Demand	par	1½% prem.	1½% dis.	8% dis.
30 days	1½% dis.	18% "	14% "	8% to 10% "
60 days	1½% "	17% "	2½% "	14% "
90 days	1½% "	17% "	2½% "	14% "
120 days	2½% "	18% "	3½% "	14% "
	2½% "	18% "	4% "	16% "

† Plus ad valorem duty.

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

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tra-lia.	New Zeal'nd.	Aus- tra-lia.	New Zeal'nd.	Aus- tra-lia.	New Zeal'nd.	Aus- tra-lia.	New Zeal'nd.
T.T.	..	..	..	..	..	..	..	..
Sight	..	..	..	..	..	..	..	..
Cable	..	..	..	..	..	..	..	..
On demand ..	98½	98½	101½	101½	98½	..	100½	100½
30 days	98	98	100¾	100¾	98	98½	99½	99½
60 days	97½	97½	..	..	97½	97½	99	99
90 days	97	97	..	..	97	97½	98½	98½
100 days	..	..	..	..	97½	97	98½	99

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tra-lia.	New Zeal'nd.	Aus- tra-lia.	New Zeal'nd.	Aus- tra-lia.	New Zeal'nd.	Aus- tra-lia.	New Zeal'nd.
T.T.	"	"	"	"	"	"	"	"
Sight	"	"	"	"	"	"	"	"
Cable.....	"	"	"	"	"	"	"	"
On demand..	98½	98½	101¼	101¼	98½	98½	100¾	100¾
30 days.....	98	98	100¾	100¾	98½	98½	99½	99½
60 days.....	97½	97½	"	"	98	97½	99½	99½
90 days.....	97	97	"	"	97½	97½	99½	99½
100 days....	"	"	"	"	97½	97	98½	99

INDIAN TREASURY BILLS.

	March 31, 1923. Rs.	August 4, 1923. Rs.
Outstanding with public	21,63,45,000	7,66,50,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,28,45,000	57,31,50,000
India Office, August 8, 1923		

GOLD AND SILVER PRICES.

NOTICES.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at High street, Watford, under the management of Mr F. C. Footner.

The directors of the Bank of Liverpool and Martins, Limited, announce that they have entered into a provisional agreement with the directors of the Cattle Trade Bank, Limited, under which, subject to the consent of the Treasury (which has since been obtained) and to the consent of the shareholders of the latter bank, the Bank of Liverpool and Martins, Limited, acquire the business of the Cattle Trade Bank, Limited, as from July 1, 1923.

The London Joint City and Midland Bank announces the opening of new offices at 21 and 22 High street, Tring; 106 Whitechurch road, Cardiff; Yew Tree House, Bucknell, Salop. and Pentre Voelas, near Bettws-y-Coed.

ANALYSIS OF BALANCE-SHEETS.

ARTHUR GUINNESS, SON, AND CO

			June 30, 1923.					
LIABILITIES.			Compared with June 30, 1922.		ASSETS.		Compared with June 30, 1922.	
	Amount.		£			Amount.	£	
Prof. stock	2,000,000	..			Purchase money, &c.	5,900,139	..	+ 23,98
Ord. shares	7,500,000	..	+ 2,500,000		Casks	690,540	..	- 59,68
Creditors	4,721,234	..	- 17,462		Book debts	2,987,624	..	+ 1,800,37
Prof. dividend ..	70,714	..	+ 2,031		Stock	5,295,988	..	- 1,827,78
Exc. prop. res. account	nil	..	- 430,122		Investments	1,195,655	..	+ 603,00
Corp. prof. tax reserve acct.	295,634	..	+ 295,634		Cash	1,361,834	..	- 247,91
Reserve	900,000	..	- 2,300,000					
Profit and loss ..	1,944,198	..	+ 241,910					
Total	17,431,780	..	+ 291,99		Total	17,431,780	..	+ 291,99

BASS, RATCLIFF, AND GRETTON.

LIABILITIES.		June 30, 1923.	ASSETS.		June 30, 1923.
	Amount.	Compared with June 30, 1922.		Amount.	Compared with June 30, 1922.
	£			£	
Creditors	2,355,383	— 116,191	Cash	68,444	.. + 206,53
4 1/2 % deb. stock	1,360,000	.. ..	Investments ..	1,781,469	.. + 718,191
3 % deb. stock	560,000	.. ..	Bills receivable	8,610	.. — 28,380
Pref. stock	1,360,000	.. ..	Debtors	1,355,544	.. + 431,387
Ord. shares	2,040,000	.. ..	Stocks	1,690,030	.. — 567,765
Reserve	800,000	.. ..	Freehold brew-		
Profit and loss..	326,771	— 3,177	eries &c.....	1,201,681	.. + 24,380
			Licensed pro-		
			perty, &c.....	1,298,376	.. — 69,044
			Goodwill	800,000	.. ..
Total	8,802,154	— 119,368	Total	8,802,154	.. — 119,368

RYLANDS AND SONS, LIMITED

LIABILITIES.		June 30, 1923.		ASSETS.		Compared with Dec 31, 1922.	
	Amount.	£	Compared with Dec. 31, 1922.		Amount.	£	Compared with Dec 31, 1922.
8% cum. pref. shs.	1,500,000	..	£	Land, buildings, and plant	628,361	..	+ 3,011
Ord. shares	2,000,000	..	..	Stock-in-trade	1,458,544	..	+ 73,576
Reserve fund	250,000	..	..	Debtors	1,585,416	..	+ 64,005
Insurance contingency fund	350,000	..	..	Investments and loans	1,599,781	..	+ 247,277
Staff consideration fund	216,023	—	550	Cash and bills	314,016	..	— 100,839
Deposit accounts.	229,230	..	2,194				
Creditors	761,894	..	+ 438				
Profit and loss bal.	278,971	..	+ 9,591				
Total	5,586,118	..	+ 11,672	Total	5,586,118	..	+ 11,672

RHODESIAN GOLD OUTPUT.

Month.	1920.	1921.	1922.	1923.
	£	£	£	£
January	211,851	233,794	204,066	261,310
February	250,020	288,225	248,225	237,018
March	199,881	134,932	257,356	311,379
April	208,934	282,396	265,591	232,765
May	403,255	225,841	273,562	245,870
June	194,194	238,200	247,161	253,226
July	313,126	279,269	263,918	..
August	241,270	266,151	271,142	..
September	231,226	271,452	240,846	..
October	248,085	363,374	255,619	..
November	282,237	306,636	251,646	..
December	272,470	267,005	240,084	..
Total Gold	3,056,549	3,217,275	3,111,469	..

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

The Bank of England gold reserve against its note issue on the 1st instant was £125,811,595, as compared with £125,808,795 on the previous Wednesday. Indian bazaar inquiry being still upon a small scale, most of the moderate amount of gold on offer this week will probably be taken for the United States of America. Gold valued at \$2,624,000 has been received in New York from London, and 20,000,000 gold marks from Germany. Sir William Joynton-Hicks announced last week that gold to the value of £3,817,232 had been saved from the wreck of the "Laurentic," and that operations were being continued.

SILVER.

The market continues to be quiet, and prices to move within narrow limits. China has been working both ways, and though the Indian bazaars have bought small quantities for shipment, they have also been sellers of silver for forward delivery. This is noteworthy, considering that, on the whole, the monsoon has been not unfavourable. Reuter thus summarises the position up to the end of July :—" The monsoon was late everywhere except in Bengal. The rainfall was adequate, except in West Madras, Western Bengal, portions of the United Provinces, Rajputana, Baluchistan, and the dry zone of Upper Burma. In the latter tract the protracted drought caused anxiety regarding cotton and sesamum. There was some damage to crops by heavy rainfall and floods in parts of Madras, Bengal, and Assam. Agricultural operations were retarded in Central India." The news from Bombay is quite good. The returns of the Mexican silver production for the six months ending June last are at the rate of 90,000,000 ounces per annum.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	July 15, 1923.	July 22, 1923.	July 31, 1923.
Notes in circulation	17,494	17,487	17,572
Silver coin and bullion in India	8,726	8,819	9,004
Silver coin and bullion out of India ..		2,432	2,432
Gold coin and bullion in India			
Gold coin and bullion out of India....			
Securities (Indian Government)	5,751	5,751	5,751
Securities (British Government).....	585	485	385

No silver coinage was reported during the week ending 31st ultimo. The stock in Shanghai on the 4th instant consisted of about 27,200,000 ounces in sycee, 32,500,000 dollars, and 1,280 silver bars, as compared with about 27,200,000 ounces in sycee, 32,000,000 dollars, and 950 silver bars on the 28th ultimo.

MINING OUTPUT STATISTICS FOR JULY, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Crude Works.	Mill.	Total.		
Gold.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Akoko Main Reef	360	..	..	301	1,180	..
Ashanti	7,545	..	..	5,834	24,786	..
Associated	6,054	..	..	6,826	..	..
Balaghat	4,050	4,000	2,826	216	3,042	..
British Platinum	..	..	542 (platinum)	118 (gold)	..	..
Cam and Motor	15,800	..	..	..	37,050	15,868
Champion Reef	5,442	20,132	1,878	971	2,849	..
El Oro	35,850	..	..	..	\$162,791	5,376
Frontino and Bolivia	2,020	..	..	..	8,256	..
Golden Horseshoe	9,708	..	..	..	23,737	2,558
Ivanhoe	15,084	..	..	..	4,923	..
London & Rhodesian (June)	4,082	..	..	..	2,690	..
Marmajito	510	..	..	..	2,240	..
Mennies Cons.	1,500	..	..	..	3,070	..
Mysore	15,900	35,799	8,763	1,600	10,363	..
Nundydoo	10,277	12,665	4,879	564	5,443	..
Oreogum	14,500	1,500	9,053	145	9,198	..
Oreogum Cons.	..	..	..	..	\$100,000	..
Resende	6,200	770	..	..	3,266	6,735
South Kalguri	6,939	..	..	..	(a) 14,144	2,523
St John del Rey	..	..	..	..	36,500	..
Taqah and Abou (March 14th to June 30th) ..	27,390	..	..	..	13,935	62,095
Tomboy	17,500	..	..	..	\$77,000	4,449
Transvaal & Rhodesian	..	..	..	..	..	..
Fred	1,550	..	..	..	4,464	..
Waihi Grand Junction (4 weeks to July 14th) ..	7,970	..	2,431 (gold)	6,075 (silver)	..	..

(a) Par value. (b) Including premium.

	Output.	Other Notes in Return.
Tin.	Tons.	
Aramayo	22	Silver, 104,000 ozs.
Deebok Dredging	30	..
Er Lands Nigeria	20	..
Geevor	24	Black tin, realised £2,732.
Gopeng	713	Est. value, £7,325; est. costs, £1,940.
Gurum River	6	Value, £1,027; cost, £730.
Idris	384	..
Ipon	32	..
Jantar	12	..
Kaduna Synd.	89	Est. value, £8,750.
Kaduna Pros.	30	Shipped 30 tons.
Kamunting	30	Value at £3,208; gross profit, £2,042.
Kinta	323	Value, £3,702; cost, £2,691.
Lahat	119	Value, £12,655; cost, £2,691.
Malayan	40	..
Mongu	60	..
N. Nigeria Bauchi ..	193	Black tin; alluvial, 20 tons.
Pahang Cons.	315	Value, £3,738; cost, £250.
Pengkalen	..	Gross profit, £175.
Pusing	16	Est. value, £1,750; est. cost, £815.
Rambutan	498	Shipped 43 tons.
Rayfield	91	..
Renong	224	Value, £2,450; cost, £1,867.
Ropp	228	Est. value, £5,321; est. cost, £3,775.
Siam	80	Est. value, £3,790; est. cost, £1,640.
Southern Perak	70	Est. value, £9,275; est. cost, £2,975.
Sungei Best	593	Value, £6,476; cost, £4,458.
Tekka	..	..
Tekka-Taipung	..	..
Tongkah Harbour ..	..	..
Tronoh	..	..
Coal.		
Chinese Engineering ..	84,044	Week ended July 21st.
Clydesdale	19,079	Coalbrook; 24,541 tons Blackhill.
Dundee	42,882	..
East Kent	4,481	Week ended Aug. 4th.
Largo	46,339	..
Middleburg Steam Co. ..	25,010	..
Natal Navigation	35,042	..
Northern Natal	23,839	..
Schoongezicht	22,636	..
South African (Witbank) ..	63,129	..
South Rand	12,423	..
Tweefontein	76,214	..
Vereeniging	52,261	Brickworks, £6,181.
Vryheid	26,663	..
Wanika	33,004	Coke sales, 14,415 tons.
Miscellaneous.		
Akim	..	1,336 carats; gold, 177 ozs.
Keeley Silver	..	124,381 ozs.
New Vaal River	..	Diamonds registered, 854 carats, valued at £5,801.
Rhodesia Broken Hill	642	Lead.
Transvaal Silver	..	40,902 ozs.
Copper.		
Kafue (June)	22	Copper, containing 956 ozs silver.
Tanganyika	5,720	..
Poderosa	430	Metric tons, assaying 30 per cent. copper.

BRITISH AUSTRALIAN BROKEN HILL.—Fortnight ended July 28th.—5,801 tons crude ore produced, 1,180 tons lead concentrates, containing 726 tons lead and 32,338 ozs silver; also 970 tons zinc concentrates, assaying 7 per cent. lead, 85 oz silver per ton and 46 per cent. zinc. Carbonates raised, 195 tons. One day's stoppage.

BROKEN HILL SOUTH.—Four weeks ended June 2nd.—Crude ore treated 15,440 tons, assaying 12.0 per cent. pb., 5.7 ozs ag., 12.3 per cent. zn., producing the following concentrates:—Lead concentrates 1,181 tons, assaying 63.8 per cent. pb., 19.4 ozs ag., 7.0 per cent. zn.; current slime, 579 tons, assaying 56.1 per cent. pb., 35.0 ozs ag., 9.3 per cent. zn.; total, 2,394 tons, assaying 62.0 per cent. pb., 23.2 ozs ag., 7.6 per cent. zn. Slime zinc flotation plant—10,121 tons residues, assaying 4.0 per cent. pb., 1.7 ozs ag., 13.6 per cent. zn., producing the following concentrates:—2,643 tons, assaying 9.8 per cent. pb., 5.0 ozs ag., 43.4 per cent. zn. Dump slime treated 9,729 tons, assaying 13.5 per cent. pb., 7.1 ozs ag., 14.6 per cent. zn., producing the following concentrates:—2,376 tons, assaying 40.1 per cent. pb., 23.6 ozs ag., 18.0 per cent. zn. In addition to the above, 1,421 tons of classified sands from the dump slime, assaying 5.4 per cent. pb., 3.5 ozs ag., 13.2 per cent. zn., were passed to the table concentrator, producing the following concentrates:—56 tons, assaying 61.3 per cent. pb., 19.6 ozs ag., 7.9 per cent. zn. Despatches of zinc tailings:—8,049 tons net to Amalgamated Zinc.

ELBROTHALYTIC ZINC COMPANY OF AUSTRALASIA.—Production during four-weekly period ended July 25th:—3,143 tons zinc silicate, silver lead product for shipment to Port Pirie for realisation, containing 550 tons lead, 80,000 ozs silver.

MESSINA (TRANSVAAL).—July.—Mines, ore hoisted, 12,605 tons; concentrates produced, 1,035 tons, containing 375.8 tons copper. Smelter, 573.4 tons matte, containing 328.3 tons copper; blister, 64.8 tons, containing 64.4 tons copper. Probable shipment during August of blister copper, matte, and concentrates containing 500 tons copper.

MOUNT LYELL.—Cable: "During the four-weekly period ended July 25th there were smelted:—Mount Lyell ore, 312 tons; North Lyell ore (direct to smelters), 264 tons; concentrates, 2,130 tons. The converters produced 404 tons of blister copper, containing:—Copper, 400 tons; silver, 7,748 ozs; gold, 122 ozs. The mill treated 10,344 tons of ore, and produced 3,041 tons of concentrates. Furnace ran 15 days. Furnace blown out July 27th to permit accumulation of sinter. Recent irregular running necessary pending an increase output from sintering plant, full equipment of which is nearly complete. Expect to resume smelting August 6th."

MOUNT MORGAN.—Four weeks ended July 24th.—Treated 4,888 tons Mount Morgan ore, 302 tons Many Peaks ore, 3,888 tons concentrates, and 11 tons of purchased ore and secondary products. Produced 377 tons blister copper, containing 373 tons copper and 4,567 ozs gold. Concentrator treated 16,510 tons ore for a production of 5,769 tons of concentrates, containing 319 tons copper and 3,831 ozs gold. In addition to above production, have matte on hand containing 21 tons copper and 206 ozs gold. Production again affected by shortage of miners and to some extent influenza epidemic.

NORTH BROKEN HILL, LIMITED.—For the month of July, 16,550 tons of crude ore were treated. Produced 3,510 tons lead concentrates, averaging 64 per cent. lead, 29 ozs silver per ton, and 8 per cent. zinc; also 2,980 tons zinc concentrates, averaging 48 per cent. zinc; 6 per cent. lead; and 7 ozs silver per ton.

SAN FRANCISCO MINES OF MEXICO.—July.—Ore treated, 7,500 tons; lead concentrates produced, 1,670 tons; zinc concentrates produced, 1,680 tons. Estimated net smelter return on lead, \$78,395 U.S. currency; on zinc, \$21,790; total net smelter return, \$100,185; operating expenses, \$42,260; estimated operating profit, \$57,925; capital expenditure (including development), \$36,000.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	June, 1923.			July, 1923.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares) :						
Brakpan	12,660	14,368	2,011	12,450	14,646	2,034
City Deep	65,000	118,729	47,034	66,000	120,068	47,706
Consolidated Main Reef	90,000	164,726	55,226	100,000	181,255	67,791
Crown Mines (10s shares)	42,000	62,911	3,367	52,500	80,930	14,039
Durban Roadpoort Deep	216,000	297,912	83,157	218,000	329,355	87,308
East Rand Proprietary	31,500	46,090	5,054	31,700	45,179	3,375
Ferrelle Deep	130,000	136,588	1,959	130,000	128,857	4,213
Geduld Proprietary	31,500	37,780	6,013	29,500	36,041	3,766
Geldenhuis Deep	65,500	104,450	41,804	67,500	104,840	40,799
Glyn's Lydenburg	59,800	61,899	1,719	57,800	59,273	480
Goch, New	3,600	6,279	987	3,932	6,866	9
Government Areas	17,500	17,597	1,377	16,100	16,227	1,404
Kleinfontein, New	147,000	276,500	147,717	149,000	279,156	149,286
Knight Central	44,600	48,850	643	49,800	49,831	565
Langlaagte Estate	27,700	24,455	1,743	..	..	..
Luijckx Estate	97,500	126,465	30,871	97,300	126,751	32,455
Meyer and Charlton	19,199	17,216	1,636	19,199	17,216	1,636
Modderfontein B.	35,000	36,609	21,120	14,300	34,714	20,103
Modderfontein Deep Levels ..	63,000	136,007	72,178	66,000	139,067	74,057
Modderfontein East	43,600	103,776	65,465	44,200	105,646	67,220
Modderfontein, New (24 shs.) ..	27,000	53,344	13,175	28,000	48,809	15,624
New State Areas	116,000	234,186	140,566	118,000	241,044	146,154
Nourse Mines	10,500	9,878	364	..	..	..
Primrose, New	46,500	63,905	7,263	47,800	61,725	8,750
Randfontein Central	21,000	19,551	1,575	21,000	19,219	1,454
Robinson (45 shares)	189,000	226,272	40,068	196,000	225,512	40,191
Robinson Deep	12,500	16,458	4,105	13,400	15,538	4,520
Rose Deep	75,000	102,994	36,353	71,600	99,908	35,770
Simmer and Jack	55,400	56,782	10,502	56,100	58,321	12,286
Spring Mines	64,300	59,855	5,016	68,000	109,292	3,816
Sub-Nigel	52,000	102,191	43,212	54,200	108,292	47,670
Transvaal Gold Mining Estates	9,800	25,200	6,258	9,800	26,249	6,785
Van Ryn	15,210	24,959	3,306	15,800	25,338	4,189
Van Ryn Deep	32,610	36,217	8,090	34,450	38,710	8,056
West Rand Consolidated	61,000	120,855	61,084	63,000	123,814	63,057
Witwatersrand Deep	94,700	75,533	11,208	99,700	72,402	10,792
Witwatersrand (Knight's) ..	35,200	41,752	4,079	36,000	42,615	4,522
Woluter	42,900	53,404	10,008	42,600	52,559	9,474
Woluter	44,700	49,913	9,056	39,200	46,533	7,367
Woluter	33,600	33,869	3,080	30,600	32,991	3,420

£ 4s 9d per fine oz. £ 4s 6d net per fine oz. £ 4s 9d per fine oz.
 £ 4s 7d 3d net per fine oz. * Loss. £ 4s 9d per fine oz.
 † May and June.

Reports and Notices.

GOVERNMENT STOCKS, &c.

VENEZUELA 3 PER CENT. DIPLOMATIC DEBT, 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft for £4,300 15s 4½d, being the moiety of the first fortnightly instalment of the debt service payable to the council in respect of the half-year ending December 31st, 1923.

CONSOLIDATED EXTERNAL DEBT OF COLOMBIA.—The Council of Foreign Bondholders notify the payment of the August instalment of the debt service in respect of the half-year ending December 31st, 1923.

MISCELLANEOUS.

ISAAC HOLDEN AND SONS.—The directors' twenty-fourth annual report, as at June 30th last, shows a trading profit of £109,843, as compared with £181,126 in the previous period. After various deductions have been made for taxation and debenture interest, £55,000 placed to depreciation and insurance funds, and interim dividends have been allowed for, a balance (including amount brought forward, £24,984) of £105,232 remains (last year, £75,677). Preference shares absorb a further £4,146, and it is proposed to pay a final dividend of 2s per share, free of tax (making 15 per cent. for the year), to transfer £25,000 to that £25,000 first mortgage debenture stock has been purchased during the year, and recommended that £32,762 from the reserve fund be applied in writing off the balance of goodwill.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

b) Week ended Aug. 3, 1923.	Miles Open.	Week Ended Aug. 5, 1923.			Aggregate 31 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,679	441,000	326,000	767,000	7,841,000	11,037,000	18,878,000
London & North-Eastern ..	6,651	697,000	685,000	1,382,000	13,407,000	22,932,000	36,339,000
London & South-Eastern ..	6,657	739,000	751,000	1,490,000	14,930,000	23,400,000	38,080,000
London, Mid., & Scottish ..	6,362	1,026,000	825,000	1,849,000	19,750,000	28,376,000	47,651,000
Midland & S.W. Junction ..	2,115	568,200	119,800	688,000	9,929,200	3,594,800	13,524,000
Midland & S.W. Junction ..	613	2,200	1,225	3,425	37,939	41,424	79,363
Metropolitan (c)	79½	33,036	3,261	36,297	1,002,430	113,780	1,116,210
Underground E.R. (c) ..	..	..	..	234,325	..	..	130,297
+ 2,459 ..	..	..	..	41,860	..	..	1,248,503
Lon. & Sub. Group (c) ..	..	..	..	4,161	..	..	113,735
Belfast & Co. Down (b) ..	80	7,004	1,122	8,126	165,357	37,115	202,472
Dublin and S. East. (b) ..	160	9,796	2,457	12,253	175,987	107,379	283,366
Midland Gt. West. (b) ..	538	13,950	10,134	24,084	297,881	455,511	753,392

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or —	1923.	+ or —
INDIAN.							
				Rs.	Rs.	Rs.	Rs.
Assam Bengal	14 weeks	July 7	1,049	2,39,170	+ 16,677	30,99,711	+ 29,366
Barsi Lt. Ry.	15 weeks	14	118	19,900	+ 44,100	4,56,900	+ 1,94,700
Bengal & N. Western	14 weeks	7	67	6,16,542	+ 11,387	94,40,405	+ 2,79,939
Bengal Nagpur	14 weeks	7	2,727	15,46,000	+ 60,000	2,07,63,500	+ 2,75,000
Bombay, Bar. & C.I.	18 weeks	Aug. 4	2,994	15,60,000	+ 3,22,000	3,97,88,000	+ 10,81,000
Burma	14 weeks	July 7	1,342	6,37,246	+ 74,968	99,71,038	+ 213,774
Delhi, Umballa & Kalka	18 weeks	Aug. 4	239	91,000	+ 3,585	17,93,647	+ 58,340
East Indian	18 weeks	4	2,856	28,11,000	+ 1,68,000	5,74,41,000	+ 25,97,000
G. Indian Peninsula	18 weeks	4	1,644	19,33,500	+ 1,25,700	4,72,46,587	+ 21,27,290
Malabar & S. Mahr.	14 weeks	July 7	3,028	14,75,000	+ 43,382	2,12,58,104	+ 2,46,360
Mohak'd & Kumaon	14 weeks	7	259	57,300	+ 7,645	8,60,087	+ 52,064
Do Lucknow-Breilly	14 weeks	7	314	56,083	+ 15,450	10,65,149	+ 87,715
South Indian	14 weeks	7	1,890	10,55,802	+ 76,817	1,40,48,990	+ 4,67,334
CANADIAN.							
				\$	\$	\$	\$
Canadian National ...	30 weeks	July 31	22,680	6,967,195	+ 771,372	139170885	+ 15,706,631
Canadian Pacific	30 weeks	31	13,539	5,004,000	+ 408,000	95,964,000	+ 5,205,000

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Year.	Pre-vious.
	Interim or Final.	Date of Payment.	Method of Payment.		
Banks.					
Bank of Hamilton	3%	Sept. 1	Quarterly	£2/15	p.s.
Bank of Toronto	3%	Sept. 1	Quarterly	£2/15	p.s.
Guernsey Banking	4 1/2	Sept. 1	Quarterly	£2/15	p.s.
Industrial Bank of Japan	10	Sept. 1	Less Jap. tax	40	..
Tea and Rubber.					
Dharmat Tea, Deid.	15 1/2	Sept. 1	Less tax	20	..
Ellie Tea (Ceylon)	15 1/2	Sept. 1	Less tax	20	..
Sumatra Cons.	15 1/2	Sept. 1	Less tax 4/11 1/2 in £	1/6 p.s.	nil
Sumatra Prop.	15 1/2	Sept. 1	Less tax 4/11 1/2 in £	1/6 p.s.	nil
Vallambrosa	15 1/2	Sept. 1	Less tax	4	..
Vauxhall Rubber (Ceylon)	15 1/2	Sept. 1	Less tax	4	..
Mining.					
Deebeck Dredging	6 p.s.	Aug. 21	Less tax	..	..
Rambutan	8 p.s.	Aug. 21	Less tax	..	..
Other Companies.					
American Trust	6 p.s.	Sept. 1	Less tax	5	5
Atlantic Trust	8 1/2	Sept. 1	Tax free	11	11
Bass, Ratcliffe, and Gretton	8 1/2	Sept. 1	Tax free	5	..
Belfast Ropework	5	Sept. 1	Less tax	5	..
Bennett Distilleries	2 1/2	Sept. 1	Less tax	..	..
Birmingham Canal Navigation	1 p.s.	Sept. 1	Subject to tax	..	..
Bradford Dyers' Association	1 1/2	Sept. 1	Less tax	..	..
Brighton and Hove General Gas	11 1/2	Sept. 1	Less tax	..	..
Do "A" Ord.	8 1/2	Sept. 1	Less tax	..	..
Bristol Waterworks, 10% Max.	5 1/2	Sept. 4	Less tax	..	..
Do 7% Max.	5 1/2	Sept. 4	Less tax	..	..
British Oil and Cake Mills	7 1/2	Sept. 4	Less tax	..	..
City of Westminster Properties	10 p.s.	Aug. 27	Less tax	..	..
Clarkson's Old Brewery	10 p.s.	Aug. 27	10 p.s. Tax free	2 1/2	..
Dublin and Wicklow Manure	10	Aug. 14	Less tax	..	..
Eastern Smelting, Fred.	10	Aug. 14	Less tax	..	..
Eastman Kodak of N. Jersey	11 1/2	Sept. 1	Quarterly	..	..
Edinburgh American Land	14	Sept. 1	Less tax	..	..
Edinburgh, Dundee, & Co., Invest.	4 1/2	Aug. 1	Less tax 4/9 1/2 in £	9	..
Exeter Gas Light, Orig.	10	Aug. 1	Less tax	..	..
Do New Ord.	7	Aug. 13	Less tax	..	..
Fife Linoleum	10	Aug. 13	Less tax	15	..
George Routledge and Sons	10	Aug. 13	Less tax	10	..
Grantham Gas	10	Aug. 13	Less tax	5	..
Grantham Water	2 1/2	Aug. 15	Less tax	13	10
Greenless and Sons	7 1/2	Sept. 15	3% Less tax	..	..
Hall and Woodhouse	6	Sept. 15	Less tax	..	..
Harrods, Limited	6	Sept. 15	Less tax	..	..
Hart and Levy	10	Sept. 15	Less tax	15	..
Heywood and Co.	10	Sept. 15	Less tax	..	..
Illinois Car and Equipment	1 1/2 p.s.	Sept. 29	Less tax 4/6 in £	5	..
J. and J. Cunningham	24	Sept. 29	Tax free	18	18
J. P. Restaurants	10	Aug. 27	Tax free	..	..
Laugham Hotel	10	Aug. 27	Tax free	..	..
Law Land	5	Sept. 1	Less tax	..	..
Leatherhead, etc., Water, Orig.	10	Sept. 1	Less tax	..	..
Do 7%	7	Sept. 1	Less tax	..	..
Linen Thread	6	Aug. 25	Tax free	..	..
Linoleum Manufacturing	5 1/2	Sept. 11	Tax free	9 1/2	..
London Parcels Delivery	5 1/2	Sept. 11	Tax free	..	..
London Pavilion	5	Oct. 3	Less tax	..	..
M. B. Foster and Sons	10	Oct. 1	Tax free	10	10
Milner's Safe	10	Oct. 1	Less tax	10	10
Mitchells and Butler	6 1/2	Sept. 1	Less tax	..	..
New Hocknell Colliery	18 p.s.	Sept. 1	Tax free	..	..
Old Albion Brewery	3 1/2	Sept. 1	Less tax	6	6
Plummer, Roddis	5 1/2	Sept. 1	Less tax	..	..
Pullman Co.	2	Aug. 15	Less tax	..	..
Railway Investment, Deid.	2	Aug. 25	Less tax 4/7 in £	7 1/2	6 1/2
Regent's Canal and Dock	1	Aug. 25	Less tax	10	10
Rylands and Sons	1	Aug. 25	Less tax	10	10
Scottish Northern Invest.	(a) 10	Aug. 25	Less tax	..	..
South Suburban Gas	6	Aug. 25	Less tax	..	..
Status Investment	6	Aug. 25	Less tax	7 1/2	5
T. and B. H. Arrowsmith	16 p.s.	Aug. 25	Less tax	..	..
Tunbridge Wells Gas, Cons. Ord.	13	Aug. 15	Less tax	..	..
Do "B"	10 1/2	Aug. 15	Less tax	..	..
Do "C" and "D"	10	Aug. 15	Less tax	..	..
United Grain Elevators	1 p.s.	Sept. 1	Less tax	..	..
Wakenfield Gas Light	2 1/2	Sept. 1	Less tax	..	..
Waste Heat Co., Generating	1 1/2	Aug. 31	Less tax	..	..
West Cheshire Water	12 1/2	Aug. 31	Less tax	..	..
William Hancock, Def.	12 1/2	Aug. 31	Less tax	10	10
W. T. Henley's Telegraph	1 p.s.	Sept. 1	Less tax	..	..

(a) The directors intimate that there has been recovered from the Inland Revenue certain amount of United Kingdom income-tax in respect of the payment of Dominion income-tax up to February 5th last, which, in terms of the Income-Tax Act, falls to be made over to the stockholders. This payment will be made along with the interim distribution at the rate of 7s 1 1/2 per £100 of preference stock held and 16s 6d per £100 of ordinary stock held.

STOCK CONVERSION AND INVESTMENT TRUST.—The dividends announced for the two half-years ended June 30th by the London and North Eastern Railway Company will, after payment in full of the 3 per cent. first charge (North-Eastern Consols), permit of a dividend of £2 17s 3d per cent. on the deferred charge stock.

UNITED TURKEY REP.—The directors have decided to pay forthwith all arrears of dividend on the preference shares to June last.

OIL OUTPUTS.

THE UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, July 25, 1923, amounted to 710 tons.

BRITISH BURMAH PETROLEUM COMPANY.—Production of crude oil by this company and the Rangoon Oil Company for the month of July amounted to 63,857 barrels.

STEAUA ROMANA COMPANY (BUCHAREST).—Approximate fields' gross production for the month of July was 17,850 tons.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—Total production during July, 105,182 barrels, or approximately 15,026 tons, including St. Helen's Petroleum Co., Limited, 47,201 barrels = 6,756 approximate tons; Kern Trinidad Oilfields, Limited, 7,821 barrels = 1,117 approximate tons; and Kern Romana, Limited, 1,379 barrels = 197 approximate tons.

APEX (TRINIDAD) OILFIELDS.—Estimated gross production of crude oil for the month of July was 59,601 barrels, equal to approximately 8,500 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 9,200 tons.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Harvesting of winter crops in the United Kingdom is now proceeding under ideal weather conditions, and with regard to wheat, returns so far are very satisfactory, being up to average both in quality and weight. On the other hand, barley and oats are less favourably mentioned. Spring crops generally have derived great benefit from recent rains. Trading is still more or less at a standstill on the London market, owing to the difficulty in obtaining deliveries from the docks, and prices meanwhile are quite nominal, while the few lots actually available realise very full rates. Native wheat of the old crop is mostly out of supply, only inferior sorts offering at 11s to 11s 6d, while limited supplies of new rule at 10s to 10s 4d per 112 lbs, free on rail. Imported nominally easier in view of lower c.i.f. quotations, but values are difficult to quote with any degree of accuracy, as there is practically nothing workable. In the cargo section, business was again of a meagre character, the few sales effected being at lower prices. Steamers of No. 2 Northern Manitoba October-November, also January, sold at 42s 6d to Italy, and Rosafé 6 1/2 lbs on passage at 39s 9d per 480 lbs. Crop reports from the principal exporting countries remain favourable, while harvesting and threshing on the Continent, also Roumania, indicates a good out-turn. The export of wheat from South Russian ports has assumed more liberal proportions, and several steamers have been chartered during the week, prompt to November shipments to Continental ports. Flour in good demand at 1s per sack decline for home milled. London standard straight run quoted at 39s, patents 41s to 42s, town households 37s per sack, delivered in Metropolitan area. New country straights 30s to 31s per sack, delivered to London stations. Imported in small supply, and prices firm for available lots. Manitoba patents range from 37s to 40s, Minneapolis good patents 39s 6d, Australian 36s 6d to 37s 6d. Soft winters 36s to 39s per 280 lbs, ex store. Millers' offals firm. Broad bran quoted 6s 6d, ordinary ditto 5s 6d to 5s 9d, middlings 9s, bags included, ex mill, light oats 7s 3d, powdered oat husks 5s 9d, feed oatmeal 8s 9d, ground oats 13s 9d per cwt, free on rail. Barley: English quiet, old crop quoted at 8s to 10s, new ditto 8s 6d to 9s 4d per 112 lbs., free on rail as to sample. Imported steady. Californian quoted 42s to 44s 6d, Australian chevalier 41s to 48s, New Zealand 33s to 45s as to sample, all landed, per 448 lbs. Karachi 28s,



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KHARKOV: 24 Rimarskaya.
TIFLIS: 38 Rustaveli Prospekt.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend of Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefer.	Ordinary.	Rate.			
Banks.					Amount.	Amount.	Rate.			
Guernsey Banking	June 30	£ 4,586	£ 23,724	£ 28,310	£ ..	£ 13,750	27 1/2	£ 11,000	£ 3,560	£ 3,086
Breweries.										
Arthur Guinness	June 30	702,288	2,011,910	2,714,198	120,000	1,800,000	24 1/2	200,000	594,198	2,252,475
Bass, Ratcliffe, and Gretton	June 30	66,748	389,223	455,971	68,000	224,400	11 1/2	100,000	63,571	386,063
Clarkson's Old (Barnsley)	June 30	4,058	20,818	24,876	3,900	9,750	15 1/2	6,000	5,226	21,959
Mitchells and Butlers	June 30	220,419	404,471	624,890	60,000	269,118	10	75,600	220,772	412,801
William Hancock	May 31	14,589	42,398	56,987	20,700	20,000	10	..	16,287	45,137
Canals and Docks.										
Regent's Canal and Dock	June 30	1,358	6,927	8,285	..	6,791	1	..	1,494	6,858
Rubber.										
Sumatra Proprietary	April 30	..	3,194	3,194	..	2,459	2 1/2	..	695	Dr 5,528
Vallambrosa Rubber	Mar. 31	1,609	11,788	13,397	..	6,325	16 1/2	..	7,072	6,819
Textiles.										
Isaac Holden	June 30	24,984	150,200	175,184	8,224	32,625	15 1/2	80,000	54,335	137,837
Rylands and Sons	June 30	149,380	129,591	278,971	45,712	76,188	10	..	157,071	111,955
Tramways.										
Tyneside Tramways	June 30	175	1,213	1,388	601	..	..	500	287	2,121
Trust.										
Atlantic	June 30	876	13,948	14,824	..	9,109	5	2,500	3,215	13,312
Status Investment	June 30	6,309	£17,132	23,441	..	11,250	7 1/2	5,000	7,191	13,424
Other Companies.										
Frederick Braby	June 30	35,764	62,060	97,824	10,150	46,857	15	..	40,817	..
Jones' Sewing Machine	May 31	26	11,152	11,178	3,900	5,250	7 1/2	1,000	1,028	5,895

* Half-year. † Free of Tax. § Including £3,249, E.P.D. adjusted and recovered.

Persian 24s 9d, No. 4 Canadian Western 25s 6d, ex ship, the latter landed terms 27s, American malting, 48 lbs, 25s 3d, ex ship, Danubian, landed, 28s 6d, all per 400 lbs. Maize dull and tendency easier. Plate, ex ship, quoted 32s, landed 39s per 480 lbs. Oats: English old crop nominal, with new quoted at 8s to 10s 3d per 112 lbs, free on rail. Imported quiet, and business confined to the few lots actually workable. Plate, ex ship, quoted 21s 3d, landed 27s 6d, No. 2 Canadian Western, ex ship, 26s 3d, landed 30s, No. 3 ditto, ex ship, 25s 3d, landed 29s 6d, No. 1 Canadian feed, ex ship, 24s 6d, No. 2 ditto 24s, New Zealand, landed, 39s to 40s per 320 lbs. Oatmeal: London made easier, but Scottish firm. London made, all cuts, quoted 17s 6d, rolled oats, also whole groats, 17s 6d, flaked 18s, ex mill, ordinary Scottish oatmeal 20s 6d to 21s, and American, all cuts, 17s to 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to Aug. 4	Cwts. 33,269	Cwts. 78,727	Cwts. 92,228	Cwts. 5,262
47 weeks to Aug. 4	16,867,631	16,007,037	12,295,849	10,799,921
Average price of English wheat per cwt.	11 5	12 6	17 5	19 9

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.	Cwts. 38,413	Cwts. 8,667	Cwts. 5,712	11 6	8 4	10 9
July 28	38,413	8,667	5,712	11 5	8 3	10 0
Aug. 4	33,269	5,920	11,419	..	..	..
1919	25,461	4,639	4,775	17 1	20 8	19 11
1920	5,263	1,461	2,697	20 0	23 10	22 8
1921	92,233	16,764	25,158	16 9	12 9	11 6
1922	78,729	2,543	9,427	12 8	10 7	11 10

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent writes on August 9th:—Pig-iron: In view of the holiday conditions now prevailing, there is practically no business doing, except for small parcels required by consumers for immediate consumption. Prices are nominally at 102s 6d for No. 3 Cleveland G.M.B., but the price for mixed numbers 6d for No. 3 is down to 98s per ton. There have been three furnaces stopped, which makes five less than at the other three furnaces. There is no alteration in price, but makers end of June, and all these were on hematite pig-iron. Manufactured iron and steel: There is no alteration in price, but makers are complaining of the scarcity of orders, and in many instances production is being drastically reduced. Steel ship plates, £10; production is being drastically reduced. Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £10. Iron ore: The strike at Bilbao still continues, but there is no buying, as most works have sufficient in stock or coming forward against contracts to keep them going for some weeks yet. The price of best rubio is nominal at 23s per ton, c.i.f.

Our Sheffield correspondent writes:—The holiday season being in full swing, business transactions are at the minimum, and

there is a sagging tendency in all branches of iron and steel. Makers generally report continued shrinkage of orders, and owing to the keenness of competition, severe work can only be secured by accepting unremunerative prices. The result is that most steel works are being run without profit or at a loss, and consequently the outlook for holders of industrial shares is extremely black. Acid basic billets were last week reduced ten shillings to £12 10s per ton, and this week soft basic billets have been re-

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AUTHORISED CAPITAL ...	£10,000,000
SUBSCRIBED CAPITAL ...	£8,916,660
PAID-UP CAPITAL ...	£2,229,165
RESERVE FUND ...	£2,893,335
UNCALLED CAPITAL ...	£6,687,495
	£11,809,995

Board of Directors.

William Referson Arbuthnot, Esq. Solomon B. Joel, Esq., J.P.
Sir David M. Barbour, K.C.S.I., K.C.M.G. Horace Peel, Esq.
Rt. Hon. the Earl of Selborne, K.G. James S. Shiel.

duced from £8 10s to £8 5s. The crucible steel branches have little to do, the state of exchanges having deprived Sheffield of the former trade done in such material with European countries. Best South Yorkshire hards are quoted at 22s per ton at pits. There is quite a slump in small boiler fuel.

Our Glasgow correspondent writes:—During the past week there has been a rather better business doing in iron and steel (raw and manufactured), but it can hardly be said that the tone ruling is any cheerier than that which obtained for over a month back. The bulk of the rolling mills, which have of late undergone a thorough overhaul, are pretty well engaged on plates and sections, but it is complained that the outputs are not being made good by the deliveries, either on home or export accounts. Ship plates on Monday were cut by 5s a ton to £10, and sections also by 5s a ton to £9 15s; boiler plates remain at £13—all delivered at Glasgow stations. Export inquiries for black sheets and galvanised sheets keep firm at £12 10s and £18 17s 6d respectively. Scotch pig-iron is in request from Pacific ports in the United States—about 2,000 tons were sent hither last week—and the home inquiries for foundry sorts are the turn more active. Scotch hematite has yielded 3s 9d at £5 12s 6d, while No. 1 foundry pig stands at £5 10s, and No. 3 at £5 5s. Electrolytic copper, c.i.f. Glasgow, has dropped 7s 6d at £65 7s 6d, pig-lead 10s at £24 12s 6d, and virgin spelter, c.i.f. Glasgow 15s at £32 12s 6d. Coals flat on collapse of Continental demand. Best qualities back from 2s to 2s 6d a ton on the week.

Our Cardiff correspondent writes:—The South Wales collieries were idle this week until Thursday morning, and consequently there was no market at Cardiff until that day. Business, however, towards the end of the week was comparatively quiet. The stocks have been almost completely depleted during the holidays, and it is doubtful whether the total production for the current week will amount to more than about 450,000 tons, compared with a normal week's output of over 1,100,000 tons. Prices, however, have been stationary for practically all classes of coal. For prompt positions, salesmen are accepting current quotations, but several of them are refusing to enter into further future contracts owing to the unsettled conditions in Europe. France continues the chief buyer of South Wales coals. The returns for July show that the exports to France absorbed 43 per cent. of the total exports of the South Wales ports, and that in only one other month this year have the requirements of France been more than they were in July. The total shipments in that month were 2,561,000 tons, of which France took 1,092,878 tons, Italy 300,698 tons, South America 353,791 tons, and British coaling depots 214,729 tons. The agitation of the tipplers against the working of the third shift is less active, and at the moment there is no immediate danger of any labour trouble.

The approximate current quotations are as follows:—Best Admiralties, 30s to 31s; second Admiralties, 28s to 30s; best drys, 28s 6d to 29s 6d; black veins, 28s 6d to 29s 6d; Western Valleys, 27s 6d to 28s 6d; Eastern Valleys, 25s to 27s 6d; best bunker smalls, 20s to 22s; ordinary cargo smalls, 16s to 18s; anthracite big vein large, 50s to 55s; machine-made cobbles, 60s to 62s 6d; French nuts, 60s to 62s 6d; stove nuts, 60s to 65s; rubbly culm, 15s to 15s 6d; coke for export, 55s to 60s; inland blast-furnace coke at ovens, 30s to 35s; patent fuel, 32s to 34s; pitwood, ex ship, 32s to 32s 6d.

The tinplate industry is this week at a standstill, owing to the annual week's holiday, and there was virtually no market on Tuesday. Prices are nominally unchanged, but the recent fall in the values of the Belgian and French francs has stimulated the importation of French and Belgian blooms, billets, and bars.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The wool textile industry generally presents a very dull appearance at the moment, and in view of the poor state of trade during the last few months, most firms are taking advantage of the local holidays to close their mills for at least a fortnight. In some cases there is very little new business for the operatives to start on after the holidays, and from the standpoint of employment, the outlook is decidedly depressing. It is an undoubted fact that the whole industry is suffering from the strangulation of German trade, and until some settlement is arrived at in connection with Reparations and the Ruhr, it is difficult to see how there can be any real improvement in conditions here. Wool values remain fairly steady, the Continental and American demand for wool in the bale and for matchings being sufficient to keep the raw material market firm. On the other hand, demand for tops and yarns is very restricted, and the bulk of the business transacted is of a picking-up character by users who are prepared to buy when prices look particularly attractive. The gap between selling price and replacement cost, however, is very wide, and this is causing a good deal of concern. Quotations do not show much change on the week, but they can only be regarded as nominal, there not being sufficient business to test the market. Spinners complain about the lack of new orders, and in the Botany section, in particular, things are bad generally. Continental competition is still being felt, both in yarns and piece goods, and while the advantage of lower conversion costs and depreciated exchanges rests with the Continental producers, there cannot be much development in the West Riding industry. The demand for piece goods is spotty, and prices leave much to be desired.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—August 2, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	..	..	..	..	..	..	..	..	..	..	..	..
Georgia do.....	..	..	..	..	..	..	..	..	..	..	..	..
American.....	Ord	G O L M	Mid	G M	W F	G O L M	W F	G O L M	W F	G O L M	W F	G O L M
Brazilian.....	Mid	M F	Fr	G F	Gd	Fne	M F	Fr	Gd	M F	Fr	Gd
Peruvian.....	..	..	..	..	..	..	..	..	..	..	..	..
Paraguay.....	..	..	..	..	..	..	..	..	..	..	..	..
Macao, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Mosoro, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Ceara.....	..	..	..	..	..	..	..	..	..	..	..	..
Maranhão, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
São Paulo.....	..	..	..	..	..	..	..	..	..	..	..	..
Egyptian.....	Fr	G F	Fr	Gd	Fne	Fr	G F	Fr	Gd	Fr	G F	Fr
Upper.....	..	..	..	..	..	..	..	..	..	..	..	..
Sakelaris.....	..	..	..	..	..	..	..	..	..	..	..	..
Brown.....	..	..	..	..	..	..	..	..	..	..	..	..
Peruvian.....	..	..	..	..	..	..	..	..	..	..	..	..
Rough.....	..	..	..	..	..	..	..	..	..	..	..	..
Moderately Rough.....	..	..	..	..	..	..	..	..	..	..	..	..
Smooth.....	..	..	..	..	..	..	..	..	..	..	..	..
Tangut.....	..	..	..	..	..	..	..	..	..	..	..	..
Mitad.....	..	..	..	..	..	..	..	..	..	..	..	..
West Indian, &c.....	..	..	..	..	..	..	..	..	..	..	..	..
Do.....	..	..	..	..	..	..	..	..	..	..	..	..
African, East, &c.....	950	1050	1200	1300	1400	1500	1075	1250	1450	1625	1825	2025
Do.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Surtee.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Broach.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bhowanagar.....	825	875	925	975	1025	1075	950	1000	1050	1100	1150	1200
Machine Ginned Comra. No. 1.....	835	885	935	985	1035	1085	960	1010	1060	1110	1160	1210
Machine Ginned Comra. No. 2.....	..	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Khandah.....	835	885	935	985	1035	1085	960	1010	1060	1110	1160	1210
Machine Ginned Comptah.....	1050	..	..	..	..	..	..	..	..	..	..	..
Machine Ginned Bengal.....	760	800	840	880	920	960	800	840	880	920	960	1000
Machine Ginned Soinde.....	750	790	830	870	910	950	790	830	870	910	950	990
Tinnivelly.....	1185	1225	1265	..	..	..	1230	1270	..	..	..	..
Madras, Western.....	985	1025	1065	1105	..	..	1005	1045	..	..	..	..
Madras, Northern.....	..	..	..	..	..	..	..	..	..	..	..	..
M. G. Cocoonada, Red.....	Fr	1065	..	..	..	..	1030	..	..	..	..	..
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, August 9

Business throughout the market continues to be disorganised by the violent fluctuations in raw cotton rates, and until prices are steadier there is not much hope of an increased turnover. The feeling is gaining ground that many customers are in more urgent need of fresh supplies of goods, and the demand from day to day is persistent. There is considerable nervousness, however, as to further changes in values. The stiff rise at the beginning of this week has not been maintained, although American crop advices continue unsatisfactory. Inquiry in piece goods for India has been arranged chiefly in light fabrics, but most of the offers have been impracticable. The turnover for China remains unimportant. Rather more business has been offered for some of the Near Eastern outlets. American yarns have been very irregular in quotation when tested, and buying has been restricted. There has not been much activity in Egyptian counts. Bids as a rule in export numbers have been too low.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Aug. 9, 1923.	Previous Weeks in 1923.				
		Price, Aug. 2, 1923.	Price, July 26, 1923.	Price, July 19, 1923.	Price, July 12, 1923.	Price, July 5, 1923.
Raw Cotton—Fully Mid. American.....	14.60	14.01	15.01	15.71	15.92	15.75
— Sakelaris Fully Good Fair.....	..	..	..	..	..	..
— Egyptian.....	15.90	15.85	15.50	15.65	15.75	15.90
Yarns—32's twist.....	20 1/2	20 1/2	21 1/2	22 1/2	23 1/2	23 1/2
— 40's twist.....	20 1/2	20 1/2	21 1/2	22 1/2	23 1/2	23 1/2
— 60's twist (Egyptian).....	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	30	29	30	31	32	33
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	33	32	33	34	35	36
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	17	18	18	18	18
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16	16	16	16	17	17

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(II.) Compared with Previous Years.

	Price, Aug. 9, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....	14.80	12.25	8.95	28.43	19.73	23.63
— Sakelaris Fully Good Fair.....	..	..	..	..	..	..
— Egyptian.....	15.90	16.75	16.00	70.00	30.50	30.19
Yarns—32's twist.....	20 1/2	19	17	55	42	53 1/2
— 40's twist.....	20 1/2	18	15 1/2	59 1/2	41 1/2	53 1/2
— 60's twist (Egyptian).....	28 1/2	27 1/2	30	98	61	65
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	30	30	31	85	60	64
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	33	30	30	61	59	62
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	18	17	17	9	48	36
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	16	16	16	42	31	32

VEGETABLE OILS AND OILSEEDS.

Markets this week have been to a large extent under the influence of the holiday, and what little business has been done has been to emphasise the easier tendency noted of late. Demand for oils of all descriptions is within narrow compass, home consuming industries and foreign buyers alike apparently being content to mark time. Raw linseed oil, in the absence of effective support, has eased off to £36 per ton naked, ex Hull mill, the lowest figure touched this year. Cotton oils are quiet at the lower level of values, which have stimulated some buying of crude Egyptian, but on the whole demand is only moderate.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

As no hide auction was held this week in Bermondsey, prices remain as last quoted, with a firm tendency in all home markets. The decline seems to have been arrested, and this in itself is a good sign as showing tanners have confidence in the future. Business in imported hides has been checked by the holidays, and Liverpool reports rather a dull market. Cables from the River Plate report a weaker market for regorifics, and sales of Argentine ox are reported to have been made on a basis of 73d, c.i.f. Fray Bentos saladeros are also reported to have sold at 8d, with regorific ox at 8 1/2d. Dry hides have attracted little attention this week, few tanners being in a buying mood. The American position is cabled as steady, with best heavy packer hides selling at 15 cents.

The demand for sole leather has been trivial this week, as most of the Midland shoe factories are closed. A few parcels of dry hide bends have, it is true, gone out, whilst orders have been booked for forward delivery. Prices remain firm, and tanners are not at all disposed to give away the meagre margin of profit they can just obtain by the most rigid economy.

Sampling has been going on in upper leathers, and once the holidays are over there will probably be a demand for cheap glacé kid and patent leathers. Chrome calf of home origin is still badly affected by German imports, whilst carriers of E.I. kips have received very few orders for their specialities of late.

Few shoe factories have opened this week, but from what I hear, the fine weather has induced a good deal of buying, and retailers have in some cases cleared stock which they expected to carry over until next season.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, August 10.

Business proceeded on quiet lines throughout the great part of the week, holiday influence being asserted, and in several directions no serious attempt to resume operations was made. Amongst fibres there was a good call for jute at the opening, and prices responded where influenced by higher cable advices from Calcutta, but a depressed tone set in later, as spinners were not inclined to follow any appreciation in price, while demand for manufactured goods does not improve. First grade, new crop, sold £23 5s to £22 2s 6d. Manila hemp dull, and was not influenced by the fact of weekly receipts of 19,000 bales being 20,000 less than previously expected. Italian hemp firmly held, and liberal transactions are recorded by wire in local markets. There was some inquiry for No. 3 cleaned Rangoon rice for the Levant, where it appears that a steady drainage has been made upon the local stocks, an average of 400 tons daily being kept up for some little time past, but there is nothing fresh to add with regard to the European position. General tone is steady after the recent clearance of floating parcels to Germany of two stars Rangoon, but buyers are reticent. Rubber took an upward turn on increased speculative operations, but assumed a quieter state of affairs, as little or no response was forthcoming from America. Straits shipments to all parts during July amount to 16,800 tons, Para receipts for the same period being 1,141 tons. Cuban sugar stock totals 4,940 tons, against 590,000 last year.

SUGAR.—There was decidedly more tone about the market towards the close, and with regard to refined descriptions on spot, traders became better interested, and previous quotations were repeated all alone the line. British refiners recorded a fair clearance. Messrs Tate and Lyle's cubes, 60s 6d, 61s 6d; granulated, fine and coarse grain, 57 7 1/2d; No. 1, 57s 4 1/2d; No. 2, also London, 57s 1 1/2d; ditto, September, 56s; October, 53s 6d; November-December, 50s. Yellow crystals, spot, 52s 7 1/2d. Brown to good yellow pieces, sold, 47s, 49s; fine white, 53s. Imported kinds offered in only moderate

quantities, while handicapped upon the question of delivery occasioned by the strike, and though inquiries were more numerous, business was naturally hampered. American granulated, spot, quoted 55s; also fine Dutch and Czechoslovakian, with forward positions for same purely nominal, as definite offers are generally found wanting. White Java, spot, 52s 6d to 53s, as to quality. Regarding ditto for arrival, same may be summed up in afloat parcels, while quoted 21s 6d, c.f. and i., London, irrespective of position of steamer. Hungarian crystals, spot, quoted 52s to 52 1/2d, with delivery uncertain. Raw refining kinds remain a dead-letter. Fair support was forthcoming in the terminal market, and a steadier tone predominated. August, sold, 23s 3d, 23s 10 1/2d; December, 20s 3d, 20s 10 1/2d cwt.

COFFEE.—Spot market generally slow, but sellers adhere to previous asking prices. Future, firmer. September and December quoted 54s per cwt.

COCOA quiet, and Accra weaker forward, with business in F/F grade, October-December and November-January, at 29s 9d to 29s 6d cwt. f.o.b. terms.

TEA.—Market quietly steady pending resumption of auctions next week.

RICE.—There is nothing fresh to add in this market, and the position of Burma grain to Europe shows no change. There is some business stirring in Spanish for shipment at recent level of prices. Two stars, Rangoon, spot, new crop, 13s 6d, and August, 12s 9d, c.f. and i., London. Rangoon beans, H.P., August-September, new crop, quoted 10s 3d, f.a.q. 6s 6d. Madagascar butter beans, new crop, spot, 14s; afloat, 13s. Japanese peas dull. Spot, 23s 3d; September-October, 20s cwt.

PEPPER.—Pepper market remains quiet, but steady. Fair black Singapore, spot, 3 1/2d; August-October, 3 1/2d; Aleppo, spot, 4 1/2d; Tellicherry, 4 1/2d; white Singapore, spot, 5 1/2d; Muntok, 6d; ditto, L.C.H., August-October, 6d; Lampong, black, October-December, 3 1/2d. Zanzibar cloves, spot, 1s 1 1/2d; August-October, 1s 1 1/2d; September-November, 1s 1 1/2d. Fair flake Singapore tapicca, spot, 3 1/2d; fine Java, 4d per lb. Fair Penang seed pearl, spot, 27s; sago flour, August-October and September-November, value 12s. Desiccated coconut steady. Fine cut, spot, 37s; medium, 37s 6d; halves, July-August, sold, 35s 3d; August-September, quoted 36s; September-October, 36s 3d cwt. Ginger dull.

JUTE.—Market generally steady, despite weakness cabled from Calcutta for baled, and a moderate demand prevailed. First grade new crop, August-September to October-November, Continent, sold, £22 2s 6d to £22 7s 6d; lightning grade, ditto, quoted £21 ton. Hessians slow, unaltered. Twills dull. B, August-September, 63s 6d 100 bags.

HEMP.—There is no movement in Manila kinds, and quotations were nominally unaltered. J grade, August-October, £31; K and L, £27 10s; and M, £26 10s ton. African sisal unaltered.

SHELLAC.—Market stronger, with a good demand. T.N., spot, 270s; August, sold, 265s to 272s 6d; October, 260s to 265s; December, 260s cwt.

COPRA.—Firm but quiet, and market somewhat sensitive. F.M.S. Straits, August-October and October-December, Rotterdam, sold, £24 10s to £24 7s 6d; Ceylon, August-September, quoted £26; Dutch E.I. ditto, £24 10s; Cebu, £23 15s; Manila, £23 7s 6d. Palm kernels, August-October, Liverpool, sellers, £16 17s 6d; August-September, Hull, sold, £16 15s ton.

RUBBER.—Slightly unsettled and weaker on cessation of buying. Standard plantation crepe and sheet, spot, and August, sold, 15 1/2d to 15 1/2d, and 15 1/2d; September, 15 1/2d; October, 15 1/2d to 15 1/2d; October-December, 16 1/2d, 15 1/2d, and 16 1/2d; January-March, 16 1/2d, 16 1/2d, and 16 1/2d. To New York, standard estate sheet, August-September, sold, 15 1/2d; September-October, buyers, 15 1/2d per lb, c.f. and i. Wild steady, unaltered.

GAMBER.—Market fully steady forward, and block, August-October, quoted 34s cwt., c.f. and i. terms.

EGG PRODUCTS.—There is a moderate demand for hen liquid yolk and hen albumen, and market is steady. Prime hen liquid, spot, 85s; August-September, 72s 6d cwt. Dried yolk, spot, 10 1/2d; hen albumen, spot and forward, 3s 5 1/2d per lb.

DRIED FRUIT.—With no improvement in demand, business was of a retail character. Of currants, Pyrgos half-bags quoted 53s; Gulph, 58s; good Vostizza, 67s to 71s; Australian, 63s to 66s. Sultanias: good Smyrna, 6

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THE MONEY MARKET.

MONEY was not over plentiful at the beginning of the week, and Thursday was awaited with some apprehension, owing to the prospect of heavy Excise payments, added to the direct taxes and balance-sheet withdrawals. In fact, the market only avoided the Bank of England with some difficulty, after having bid up to 3½ per cent. for money on that day. It was probably saved by the extreme stagnation of the discount market, where the scarcity of commercial bills was once more a cause of general comment.

apricots, 7s to 11s. Pea-hes, 8s to 12s. Pears, 12s to 14s 6d. Tomatoes remain dull. Spanish threes, 6s 6d; Italian, 7s per dozen. Meats in continued quiet request despite very reasonable rates ruling.

OILS.—Lined quiet and easier. Spot, net, naked, quoted 40s 6d; August, 37s 3d; September-December, 35s 3d; January-April, 33s. Rape dull. Crude, spot, 38s 6d; refined, 41s 6d. Cotton quiet. Crude Egyptian, spot, 36s; common edible, 43s; deodorised (in barrels), 47s 6d. China-wood nominal. Hankow, spot (barrels), 103s; July-August, 92s 6d. Coconut inactive. Ceylon, spot, 47s; August-September, 38s 6d; Cochin, ditto, quoted 46s. Soy quiet. Oriental, barrels, July-August, 34s 9d. Japan fish nominal. Cod quiet. English, spot, 34s. Ground-nuts quiet. English, crushed, naked, spot, 43s; deodorised, barrels, 52s. Turpentine quiet and easier for near, but distant firmer. American, spot, 71s 6d; September-December, 72s 6d; January-April, 73s 6d. Rosin easier. American, grade B, 13s; F, 13s 3d; G, 13s 3d; H to I, 13s 3d; WG, 16s; WW, 17s per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil firmly held. First pressure, spot, to August, quoted 56s; second pressure, 55s, and pharmaceutical 61s per cwt.

OILSEEDS.—Lined quiet and easier. Bold Bombay, afloat, £19 5s; small Bombay, ditto, £18 12s 6d; Calcutta, afloat, £18 12s 6d; August-September, sold, £18 17s 6d to £18 15s. Plate, afloat, £18, paid; July-August, £17 17s 6d; January-February, £15 15s. Rapeseed lower. Toria, August-September, £15 5s; real bold Ferozepore, ditto, £15; Jamba, £11 10s. Cottonseed steady. Egyptian black, new October, £10 2s 6d; and white, £9 15s, to Hull. Bombay, August-September, £9 5s; December-January, £8 12s 6d. Gingly seed quiet. Large Bombay, afloat, Continent, 30s, £21 15s. Chinese, October-November, £21, Continent. Ground-nuts dull. Coromandel, machine-dried, August-September, £20 7s 6d. Chinese decorticated, f.a.q., October-December, £21; East African, August-September, £19 10s. Soy beans quiet. Manchurian, August-September, £11 2s 6d. Castorseed easier. Bombay, July-August, £19 per ton.

METALS.—Tin: The market ruled steady at the week's opening session at a slight advance on previous close, but only a small turnover resulted. Standard, cash, changed hands at £182 10s, and three months at £183 5s to £183. Business was reported in the East on the basis of £188 15s on c.i.f. terms. Later the market became firmer on higher cable advices from the East, combined with a good demand. Standard, cash, moved up to £184 12s 6d, with three months fluctuating between £183 15s, £185 7s 6d, and £185 10s. Further sales in the East occurred at £189 c.i.f. On Thursday prices, after opening easier, subsequently eased, closing, however, firmer on balance. Fair sales transpired, including cash at £185 5s to £184 12s 6d to £184 15s, and three months, £185 10s to £186 10s to £185 10s to £185 11s 3d. An easier

tone was apparent on the following day, standard cash sold at £184; and three months, £184 15s to £185 5s to £184 15s. English ingots, £184 15s to £185. The market for copper displayed irregularity, but prices were firmer on balance, while a fair business was concluded. Standard cash sold at £64 12s 6d to £65, and three months £65 10s to £65 7s 6d and £65 12s 6d. The advance, however, was not maintained, and subsequently transactions were at £64 15s, and three months £65 12s 6d to £65 7s 6d. Rates opened easier, but improved at Thursday's market, finally settling down with very little change. Standard cash sold at £64 7s 6d to £64 12s 6d, and three months £65 5s to £65 2s 6d and £65 7s 6d to £65 6s 3d. At the final meeting prices ruled in favour of buyers. Standard cash being sold at £64 5s down to £64, and three months, £65 to £65 2s 6d to £65. Electros, £70 to £70 10s; best selected, £67 5s to £68 15s. Strong sheets, £98, and wire bars, £70 10s per ton. Lead steady at £24 to £23 15s, as to position. Spelter dearer at £31 10s to £31, as to position. Antimony quiet. Ordinary brands, £30 to £32. Aluminium quiet, home trade, £115; export, £120.

METROPOLITAN CATTLE.—August 9.

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

Beasts—Herefords	7 4	Beasts—Heavy Bulls	nominal
Short-horns	7 2	Canadian	7 0 to 7 2
Devons	7 6	Sheep—Downs	10 4 to 10 6
Norths	nominal	Ewes	8 4
Scottish	nominal	Crossbred	8 8
Irish	nominal	Scottish	nominal
Fat Cows	4 9 to 5 6	Lamb—Downs	11 4 to 12 6

LONDON POTATO MARKETS.—August 9.

	Per Cwt.			Per Cwt.		
English (new) Sharpe's	s	d	s	d	s	d
Express	7	6	..			
Eclipse	6	0	to 7 0	Epioures	5	0 to 5 6

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Bonuses have been allotted to all with Profit Policies
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A full report will be sent on application to:—

48 Gracechurch Street, London, E.C.3.

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			INDIA RUBBER—lb—s d			PROVISIONS—s d			SPICES—Pepper, lb—s d			
0000A—Duty, British grown			Alces, fine E.L., per cwt	10 12 6	Para, fine, hard spot	1 3 8	Butter—per cwt.	nom	Singapore, fair white	8 2 0	Black Singapore	8 2 0
25s. ad. foreign 28s. cwt.	4 1 5		Cape, good to fine	4 0 0 0	Plantation crepe	1 3 8	Irish creamery	nom	White Siam	8 2 0	Black Siam	8 2 0
Trinidad, per cwt.	47 5 6		Balsam Peru	9 7 0			Do factory	nom	Pimento	8 2 0	Black Siam	8 2 0
Grenada	38 0 45		Capivi	1 4 1 6			Argentine	141 3 166 8	Ginamon—1st sort	8 11 0	Black Siam	8 2 0
Ceylon, plantation	61 8 83		Japan, refined	5 54 3 64			Dutch	146 0 160 0	Onnamon—1st sort	8 11 0	Black Siam	8 2 0
Guayquil	63 8 70		Cardamom, Ceylon	3 8 6 6			New Zealand	150 0 165 0	Do 2nd	8 11 0	Black Siam	8 2 0
Bahia, finest	49 8 51		Candrian's, China pr lb	4 8 4 3			Danish	165 0 174 0	Do 3rd	8 11 0	Black Siam	8 2 0
COFFEES—British grown			Gaster-oll	8 95 8			Bacon, engd.—Irish	114 8 118 8	Cassia Lignea	45 0 0	Black Siam	8 2 0
Es. Ad. foreign 28s. cwt.	85 1 6		Gum Benjmn, Sum. cwt	6 0 10 8			Danish	172 0 174 0	Cloves—Zanzibar	1 12 0	Black Siam	8 2 0
Es. India fine good	85 1 6		Oil of Brazil	10 10 8			Beacon, engd.—Irish	114 8 118 8	Panang	3 2 0	Black Siam	8 2 0
Do good to fine	110 8 120 8		Do do ord	10 10 8			Canadian	101 8 113 0	Amboyne	1 7 8	Black Siam	8 2 0
Costa Rica, ord. to mid	83 0 105 0		Do fair to good	6 0 10 8			American	98 0 98 0	Ginger—per cwt.	1 7 0	Black Siam	8 2 0
Good to fine	110 8 125 0		Ipecacuanha	7 6 0 0			Hemp—Irish	nom	Cochin, small rough	85 0 0	Black Siam	8 2 0
Central American, gd.			Jalap	7 6 0 0			Canadian	125 0 0	Do wormy	75 0 0	Black Siam	8 2 0
ord. to mid	78 8 88 8		Musk pod, China	80 0 0			American	112 0 120 0	Japan	75 0 0	Black Siam	8 2 0
Mid. to fine	93 8 100 0		Oil of Clove	10 0 11 6			Lead—Irish bladder	65 8 65 8	Jamaica, ord. to go. dis	8 175 8	Black Siam	8 2 0
Columbian, ordinary	64 8 66 8		Aniseed	1 9 1 11			Do 2nd	65 8 65 8	Mace	1 6 2 2	Black Siam	8 2 0
Do good to fine	110 8 125 0		Peppermint, H.G.H.	2 6 26 8			Fork—per 8 lb	6 0 6 8	Nutmegs, good to fine	1 14 7 4	Black Siam	8 2 0
Do gd. ord. to low	70 8 85 8		Ethiob, China, fr to m	3 6 4 8			Beef—Frozen per 8 lb	1 6 3 8	Small to medium	8 10 8 0	Black Siam	8 2 0
Do mid. to fine	93 8 107 0						Beef—Frozen per 8 lb	1 6 3 8	Chillies—per cwt	70 8 80 0	Black Siam	8 2 0
CHEMICALS—			DYE STUFFS, &c.				Chesee—per cwt.	nom	TALLOW—per cwt.	40 0 0	Black Siam	8 2 0
Acid, citric	1 7 1 7 1/2		Galls, China, per cwt	58 0 0			New Zealand	108 8 112 8	Good mutton	39 0 0	Black Siam	8 2 0
Nitric	8 24 0 4		Galls, India, Bengal	nom			Eng. Cheddars	96 0 115 0	Do 2nd	39 0 0	Black Siam	8 2 0
Oxalic	8 24 0 4		Madras, dry leaf	0 7 6 0			Oxshires	96 0 115 0	Beef	39 0 0	Black Siam	8 2 0
Sulphuric	1 2 1 3		Gambier, block	nom			Dutch	96 0 115 0	TAPIOCA—per lb	1 6 2 2	Black Siam	8 2 0
Foreign	1 2 1 3		Onch, ord. to fair	40 0 45 0			Waga, pr 183—English	16 0 20 0	E. I. Flake, fair, spot	8 31 8	Black Siam	8 2 0
Alum lump	1 2 1 3		DYEWOODS—				Irish	19 0 16 0	Medium Pearl	8 31 8	Black Siam	8 2 0
Do ground	1 2 1 3		Brazil	18 0 0			FLOUR —28 lb		Seed	27 0 0	Black Siam	8 2 0
Ammonia, carb.	35 35 35		Fustic, Jamaica	10 0 0			Eng. straight ex mill	38 0 0 0	TEA —duty 6d, British		Black Siam	8 2 0
Muriatic, white	30 35 35		China	10 0 0			Broken No. 1	12 0 0	Foreign per lb	1 4 1 7 1/2	Black Siam	8 2 0
Sulphate	17 18 18		Lime Wood	28 0 0			Broken No. 2	12 0 0	Pekoe	1 4 1 7 1/2	Black Siam	8 2 0
Ammonia, lump	80 85 85		Logwood, Campeachy	10 10 8			Broken No. 3	12 0 0	Broken Pekoe	1 4 1 7 1/2	Black Siam	8 2 0
Powder	80 85 85		Honduras	10 10 8			Broken No. 4	12 0 0	Orange Pekoe	1 4 1 7 1/2	Black Siam	8 2 0
Ashe, pot.	70 80 80		Jamaica	9 8 0			Broken No. 5	12 0 0	Broken Orange	1 4 1 7 1/2	Black Siam	8 2 0
Pearl do	80 85 85		Sepang Ceylon	15 0 0			Broken No. 6	12 0 0	Pekoe Bouchong	1 4 1 7 1/2	Black Siam	8 2 0
Bleaching pwr. p.m.	9 10 10						SAGO —Pearl, per cwt	24 0 0	Timber—ex yd.		Black Siam	8 2 0
Borax, gran.	22 0 0		FLAX—spot—c.f.	8 8 8 8			SHELLAC—per cwt	24 0 0	Swedish 3 x 9 ft. std.	30 0 0	Black Siam	8 2 0
Do crystals	22 0 0		Riga 2K	8 8 8 8			Orange, first marks	32 0 34 0	Do 2 x 7	24 10 0	Black Siam	8 2 0
Do powder	22 0 0		Pernau H/D	77 0 0			Second, fair to fine	290 0 310 0	Can't Spruce Dis.	22 0 0	Black Siam	8 2 0
OREM —			Silnets U/A Medium	92 0 0			TN Orange	286 0 277 8	Pitchpine, per load	8 15 0	Black Siam	8 2 0
Iron	82 6 95 8		FRUIT —				Black, Lac. A.O.	281 0 0	Rio Deals, per std.	32 0 0	Black Siam	8 2 0
Calomel	1 13 4 11		Oranges, Val. selected	0 0 0 0			Butter	33 0 0	Teak, per load	20 0 0	Black Siam	8 2 0
Iodine, dry	1 8 8 5		Do	0 0 0 0			Black, (TN)	280 0 260 0	Hidrae Malig. logs, c.f.	0 19 0	Black Siam	8 2 0
Nitrate of Soda, p.m.	13 10 14 0		Do Naples, boxes	6 16 0			MILK —per lb		African	8 6 0	Black Siam	8 2 0
Potash			Lemons, Naples, cases	9 8 0 0			China—Blue Elephant	22 0 0	American Oak Bds.	8 6 0	Black Siam	8 2 0
Chlorate, net	8 44 8 44		Do	14 0 0			Canton	29 0 31 0	Do Ash	8 6 0	Black Siam	8 2 0
Promote	1 5 1 6		Do Sicilian boxes	7 0 18 5			Russak	12 0 13 0	English Oak Planks	8 6 0	Black Siam	8 2 0
Do Foreign	1 5 1 6		Do	4 2 0 0			Re-rolled	8 0 0 0	Do Ash	8 6 0	Black Siam	8 2 0
Sulphate	18 18 18		Do	4 2 0 0			Italian—Baw, fr. Milan	32 0 34 0	TOBACCO—		Black Siam	8 2 0
Sulphate	18 18 18		Do Malaga cases	9 8 0 0				58 0 58 0	Duty 8/2—10/4 per lb.		Black Siam	8 2 0
Sulphate	18 18 18		Grapes Liabon, boxes	14 0 19 6			SHELLS —M-O-P, per cwt	13 15 0	Virginia leaf	8 2 0	Black Siam	8 2 0
Sulphate	18 18 18		Almeria	8 0 0 0			Manila, bold	15 0 0	Common to fine	1 3 2 0	Black Siam	8 2 0
Sulphate	18 18 18		HIDES —Wet salted—				Macassar	15 0 0	Strips	8 2 0	Black Siam	8 2 0
Sulphate	18 18 18		Australian	8 6 8 7			Sydney	9 10 0	Kentucky leaf	1 8 0 0	Black Siam	8 2 0
Sulphate	18 18 18		West Indian	8 6 8 7			W. Australian	9 10 0	Common to fine	1 3 2 0	Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7			Bombay	9 10 0	Strips	8 2 0	Black Siam	8 2 0
Sulphate	18 18 18		Libon	8 6 8 7			SUGAR —per cwt duty 25s. ad.		China	8 2 0	Black Siam	8 2 0
Sulphate	18 18 18		Oporeo	8 6 8 7			per cent. polarisation	8 2 0	Borneo and Sumatra	1 7 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Dry & Drysalted Cape	8 6 8 7			B. I. C. polarisation	nom	Bedford	1 6 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Madagascar	8 6 8 7			Crystallized	nom	Havanna	1 6 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7			Java c.f. white, June/July	21 6	East Indian	0 6 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Bugloss, Singapore	8 6 8 7			REFINED —London—		Cigars, duty 15/7 per lb	2 0 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Penang	8 6 8 7			Yellow Crystals	52 7 8	WOOL—per lb		Black Siam	8 2 0
Sulphate	18 18 18		E. I.	8 6 8 7			Crushed	68 0 68 0	English, Scotchdown, wad.	1 0 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Market Hides, London	8 6 8 7			Granulated	57 15 57 7	Lincoln hoo	1 0 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Artichoke, per cwt	8 6 8 7			Crystallized	57 15 57 7	Queensland, sud sup. cmb.	1 0 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Do light	8 6 8 7			Java c.f. white, June/July	21 6	N.S.W. gray, super	2 0 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Do ord. or heavy	8 6 8 7			PORTLAND CEMENT —		N.Z., grey, h-ft. 60-6	2 0 0 0	Black Siam	8 2 0
Sulphate	18 18 18		Do light	8 6 8 7			Best English, per ton				Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7			delvd, London	58 0 63 6			Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	8 2 0
Sulphate	18 18 18		Do	8 6 8 7							Black Siam	

	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 3, 1923.	July 27, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills) ..	3½	3½	3½	3½	..

The Bank return showed decreases of £1,263,000 in the note circulation and £2,000 in the stock of gold, and an increase of £1,261,000 in the Reserve. There were small cross entries in the securities, and the Other deposits were £703,000 higher on balance.

The circulation of currency notes shows a reduction of £3,066,000 to £291,035,000, which includes £1,457,000 for notes called in but not yet cancelled. The fiduciary issue is now £240,128,000, which is £30,055,800 below the maximum.

THE STOCK MARKETS.

While the Stock Exchange thoroughly approved the firm tone of the British Note to France, the latter produced an unsettling effect upon the markets. Business has fallen to a very low ebb, and the reply of the French Government is awaited with intense interest. Gilt-edged stocks, after early firmness which was supported by foreign buying, have fallen away, and the foreign market has been particularly dull. The Home Railway market has been neglected, but Argentine Rails have recovered and American Rails show some slight improvement. Rubbers have been firm, and strong support has been forthcoming for tea shares, but oils have been featureless. In the miscellaneous section quietness has prevailed with few and irregular movements. In the mining department, though business has been at a minimum, there has been a firmer tendency.

THE COMMODITY MARKETS.

August, the first half at least, is usually a slack period for the commodity markets, and if to this is added the uncertainty arising from the political position and, as far as the produce markets are concerned, the congestion at the London docks owing to the strike, some understanding of the state of the commodity markets may be obtained. The flatness of the pig-iron market is intensified by the holidays, while trade in manufactured iron and steel is so quiet that many works are reducing output owing to lack of orders. Our Sheffield correspondent writes in pessimistic vein. Business in Welsh steam coal has not recovered after the holiday interruption. Conditions in the Manchester cotton trade have been very difficult, sellers not being able to accept the idea of values put forward by buyers. The wool textile industry is passing through an exceptionally quiet period, and all business is of a hand-to-mouth character. The hide market is dull, but our correspondent mentions that the export branch of the boot trade is good. British refined sugar is down, but tea has made a fresh upward movement. There is no marked demand for coffee or rice, while rubber displayed some slight weakness. Prices are depressed in vegetable oils and oilseeds.

FOREIGN EXCHANGES.

In the foreign exchange market business is again restricted and depressed by Anglo-French tension and the German situation. The Brussels rate, which, it will be remembered, had reached 105.15 at the close of the 10th, showed a sharp recovery on Saturday down to 101.80 on the announcement of the introduction of severe exchange restrictions and the arrangement of a credit to be given by French banks to the Belgian National Bank. A further slight recovery followed on Monday, but since then the rate has been somewhat uncertain, and yesterday morning the quotation had risen again to 102.50 on the report that the loan negotiations are not proceeding as

smoothly as was expected. In Paris there was a steady upward tendency until the middle of the week, when the rate stood just below 84. Since then there has been a decided recovery, coinciding with the apparent change in attitude towards the British Note, and by yesterday morning the quotation at 82.20 seemed inclined to go lower. There has been much foolish talk in the French Press of attempts abroad, and especially in London, to depreciate the French franc. It is unnecessary to reply to these suggestions, and it is perhaps enough to point out that the political situation, the infectious nature of Belgian uneasiness, and anticipations of the effect at this time on the French rate of a substantial advance to Belgium are quite enough to account for the recent movements. It is unfortunate for France that this relapse should have come at a time when excellent harvests, releasing the country from the necessity of buying corn from abroad, would otherwise have been a very favourable factor. In Paris the forward quotation remains at about 5½ centimes per month above spot. In Brussels it has moved from 3 centimes below to 6 centimes above. The Berlin rate, at which, of course, the business done is very small, moved down sharply on Monday to 13,000,000 marks, and showed further recovery on the following day. After two days' relative stability, it moved up again yesterday morning to 18,000,000 marks, about the same as a week ago. The forward quotation at 4,500,000 per month above spot is merely nominal. The Italian rate has been steady, with a slight downward tendency, and at 106.12½ yesterday morning compares favourably with the quotation of 107.75 a week ago. In dollars business remains restricted, and the market has been rather weak, the rate falling away quietly from \$4.57 on the 10th to \$4.56½ yesterday morning. Forward rates are about the same at 1½ cent. per month above spot. Among neutral currencies, Amsterdam, after being rather higher, ends the week unchanged at 11.60. The Swiss rate at 25.20 has moved in our favour, although there has been a reaction again from the figures of 25.25 quoted earlier in the week. The Madrid rate has further depreciated to 33.70, as compared with 33.50 a week ago, and the last return of the Bank of Spain again shows a heavy increase in the note issue and in discounts. In Northern Europe Christiania, after recovering to 27.50, from 28.11 on the 10th, on the announcement that a \$20,000,000 credit had been arranged in the U.S.A., has reacted again slightly to 27.62, but is still considerably better than last week's quotations. Copenhagen has also moved from 24.94 to 24.55, while Stockholm is about the same at 17.16, and Helsingfors is also unchanged at 165. In Central Europe Vienna remains unchanged at 325,000, and Budapest is also stationary. Warsaw, also, after being higher, shows at 1,200,000, the same quotation as last week. New Polish exchange regulations have gone far to permit free dealings again, but their exact meaning is not as yet understood on this side. Prague, at 156, is unchanged. Bucharest, however, has moved up rather rapidly from 940 to 1,125 on the release of "blocked" balances. In the East the rupee is rather cheaper at 1s 4d, while the yen has moved from 2s 1 31-32d to 2s 1 18d. The silver market has been very quiet, with a slightly higher tendency in prices. Hong Kong and Shanghai are both unchanged at 2s 3d and 3s 0½d respectively. In South America the announcement of new exchange regulations in Brazil has had little effect on the rate, which has fallen from 51½d to 5 5-32d. Buenos Ayres, however, shows a slight recovery from 38½d to 39½d, and Montevideo is also ½d dearer at 38½d, while Valparaiso has appreciated from 36.70 to 36.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 11th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	5,490	From Revenue	14,927
Interest, &c., on Debt	2,034		
Sundries	87		
Added to Exchequer Balances ..	691		
Debt Reduction	6,645		
	14,927		14,927

Revenue produced £14,927,260, as against £13,722,000 for the corresponding period a year ago. Customs contributed £2,302,000, Excise £924,000, while £6,319,000 came into the accounts from property, income and super-

tax. The week's operations decreased the National Debt by £6,644,919, and caused the following changes:—

	Min. £		Min. £
Bank of England Advances ..	5,000	Public Department Advances ..	650
Treasury Bills	678	National Savings Certificates ..	100
Sundries	1,717		
	7,395		750

The floating debt was reduced by £5,030,000 to £800,046,500.

FINANCIAL YEAR, 1923-24 (April 1 to August 11, 1923).

	£		£
Total Expenditure ..	283,297,241	Raised by Revenue ..	275,160,629
		Net Borrowings.....	5,405,499
		Decrease in Balances	2,731,113
Total	283,297,241	Total	283,297,241

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found reports of the meetings of the following companies:—Mitchells and Butlers and Watney, Combe, Reid. The chairman of the latter discussed the effect of the reduction in the price of beer, and stated that in May and June consumption had not been increased thereby. Since then "beer-drinking weather" has produced "satisfactory" results. We would call the attention of those interested in the subject to the remarks of Mr Waters Butler, at the meeting of Mitchells and Butler, on Prohibition, on which he spoke at some length.

A FRANK STATEMENT OF BRITISH POLICY.

WHATEVER may be said of the detail of the British Note to France and Belgium, published on Monday, there can be no manner of doubt that it clears the air, and brings the discussion down to fundamentals. We are of opinion that for reasons to be mentioned later, the British Government have missed a great opportunity by not making a more generous offer in regard to the Allied debts. But the tone of the preceding correspondence, which is published in the same White Paper, and in particular the truculent character of the French reply of July 30th, shows quite definitely that under M. Poincaré's guidance the French Government would not agree to any settlement which could have been accepted by the British Government. Mr Baldwin has, therefore, bluntly stated as forcibly as possible the grounds of British objection to French policy.

The most important sentence in all this important Note, and perhaps also the most unexpected, is that in which the British Government bluntly declares that the occupation of the Ruhr is illegal—i.e., is not justified under the Treaty of Versailles. This view, which we have put before our readers on several occasions, is the safest ground for the British Government to take. It is true that in maintaining it Mr Baldwin has to make some very awkward explanations. For example, in an earlier document M. Poincaré reminds the British Government that the latter had so far raised no objection on the score of illegality either in December or January last. It is but a poor answer to say, as the British memorandum says, that we kept quiet on the subject in order not to embarrass our friends; but it is a curious view of our international responsibilities to appear to differ with our Allies merely on a matter of expediency when really we were of an opinion that they were committing an act of aggression, and a breach of the Treaty of Versailles. An even more awkward corner to turn is the fact that we joined with the French in the spring of 1921 in occupying Dusseldorf, Duisburg, and Ruhrort, before even the first payment had become due under the Treaty of Versailles. We will not attempt to improve upon the official defence of that action, which,

we are told, is not inconsistent with the British view of the present action. "The action then taken or threatened was never claimed to be in pursuance of the Reparation clauses of the Treaty. The Allies jointly decided to threaten Germany with the occupation of further territory just as they might have threatened her with a renewal of war, for her failure to perform her Treaty obligations, some of which had no connection whatever with Reparations." Such an admission as this will lay the Government open to a great deal of cynical criticism both at home and abroad, but we sincerely congratulate the Government on having had the courage to disencumber itself of this particular entanglement left to it by its predecessor. The paragraphs in which the legality issue is now raised are succinct but forcible. It is denied *in toto* that the measures authorised by the Treaty under paragraph 18 of Annex II. of the Reparation Chapter include the military occupation of territory. "Such occupation forms the subject of the special provisions of Part 14 of the Treaty, dealing with Guarantees. It is the right to occupy the left bank of the Rhine and the bridge-heads, which has been given to the Allies 'as a guarantee for the execution of the Treaty.'" Moreover, Article 430 particularly stipulates that if the Reparation Commission finds that Germany refuses to observe the whole or part of her obligations under the Treaty with regard to reparations, the whole or part of the occupied territories, which may already have been evacuated, "will be immediately re-occupied." It would have been idle to stipulate expressly for such re-occupation in case of default on reparations, if the Allies had already an unlimited right to occupy any German territory under another clause of the Treaty.

The issue once being joined on fundamentals, the Government has not hesitated to speak frankly on other aspects of the question. The French and Belgian notes both emphasise the right of the Reparations Commission to deal with the assessment of Germany's capacity. The British Government does not challenge this view, and, indeed, in the hope of getting to a common agreement, they were ready to accept the Reparations Commission as the official arbiter on the question of ability to pay. But in their last Note they point out that in the absence of an American representative, France and Belgium are in a position, with the aid of the casting vote of the French chairman, to override the British and Italian representatives, "and it is notorious that in these circumstances the Commission has become in practice an instrument of Franco-Belgian policy alone."

In its main contentions the Note is very ably drawn, and will command general approval throughout the English-speaking world. M. Poincaré, for example, asks how it would be possible to estimate Germany's capacity to pay better than the Commission that fixed Germany's debt in 1921, and he adds in support the anonymous estimate by an American expert made during the Peace Conference. But the Note bluntly points out the difference between an estimate of the amount due and an estimate of Germany's ability to pay; and after mentioning two or three other fantastic estimates made at the Peace Conference, adds, "The truth, of course, is that at that time there was no experience of attempts to establish and enforce inter-State obligations of such magnitude, to which experts could look for guidance. It is precisely because such experience has become available during the last five years that a fresh enquiry is urgently called for."

But even of more immediate as well as of ultimate importance is the effort made by Great Britain to ascertain what the intentions of France and Belgium were in the Ruhr, and on what terms they would modify their occupation if passive resistance ceased. Both Belgium and France declare in these documents that their object is not to obtain, and that they do not expect to be able actually to collect from the Ruhr any large amount of Reparations, but to create in Germany the "will to pay" by subjecting the economic and political organisation of the Reich to such inconvenience "that it would prefer the execution of the Treaty of Peace to this inconvenience." But M. Poincaré does not limit himself to creating the will to pay, for far from regarding this as a free will, he proposes to stay in the Ruhr until the last mark is paid. The British Government believed that they were in line with the French and Belgian intentions

when they assumed that "the occupation would naturally terminate from the moment that guarantees or pledges, less economically harmful, and more effectively productive, than the occupation of the Ruhr, should have been not merely devised and obtained, but seen to be satisfactorily operating." But this suggestion was met by blank refusal. This fact was not clear from Mr Baldwin's recent and incomplete statement in the House. But it fully justified his pessimism on that occasion, for it finally makes impossible any successful outcome to the present discussions unless and until there is some change of policy in France. The British Note points out that the determination to remain in the Ruhr until payment is complete, when read in conjunction with the intention of France to adhere to the London Schedule of Payments, means that the Ruhr would be occupied for not less than 36 years, and seeing that this schedule is almost impossible of fulfilment, probably for ever. The Note says that "such a situation, of which the political, quite apart from the economic, consequences could only be described as disastrous, cannot but be viewed by his Majesty's Government with the greatest concern. It would vividly conjure up the danger of international relations being affected in a manner threatening—to use the words of the eleventh article of the Covenant of the League of Nations—to disturb international peace, and the good understanding between nations upon which peace depends. His Majesty's Government cannot believe that the French and Belgian Governments will be able to reconcile the opinion of the world to the indefinite maintenance of so perilous a situation."

The wording of this last paragraph foreshadows quite clearly that the British Government recognise their duty to raise the whole question at the forthcoming Assembly of the League of Nations, a duty that will be considerably easier now that there has come into power in Germany a Government, an item of whose policy is to apply for membership of the League. It would therefore seem that in all human probability the next act in the drama will take place at Geneva. The result may be to split the League, but there will be no further misunderstandings over false issues, and it will at all events show how world opinion is divided, and what its efficacy may be.

The publication of these documents is so important, and so much to be welcomed in restoring complete freedom to Great Britain, that we are the more regretful that they should be marred by an inadequate policy in regard to the Inter-Allied debts. On this question a separate memorandum reiterates that Great Britain is prepared to limit its claims against Germany and its former Allies to 14.2 milliards of gold marks, which is the figure at which the Treasury now estimates the present value of our debt to the United States. But to fix a minimum in this way is precisely the fault for which we criticise M. Poincaré. Great Britain declares that we must have 14.2 milliards, France says she must have 26 milliards for her devastated areas over and above what she is to pay to Great Britain, while Belgium, who quite properly recalls the phrases in which the Allies solemnly declared during the war that full reparations should be paid to her, puts her minimum at 5 milliards. Thus quite apart from the claims of Italy and the Balkan Allies, we arrive at 45 milliards as the figure that Germany must pay, regardless of her capacity. If the Reparations total is to be assessed in this way, why waste time talking of how to assess Germany's capacity? The doctrine that we must have from some third party whatever we pay to America—the doctrine of the ill-starred Balfour note—is a futile attempt to pass on to the United States any odium we may incur when putting pressure on France or Germany; it puts us in a false position in Europe by making it appear that we are indifferent whether we get cash from our late enemies or our late allies, and it effectively bars the only line of approach to a settlement. Indeed, it denies to France what we demand for Germany, namely, that her payments should depend on capacity to pay—for if Germany defaults, France, who will be poorer, will have to pay us more. Nor is the argument in respect of material damage done to Great Britain much more convincing. The Government very unwisely attempt to show that war pensions are just as important as material damage, and that damage by land has no prior claim over any other material damage.

"Sunken ships and cargoes rotting at the bottom of the sea may not shock the eye like the ruined villages of France and Belgium. But they are equally material damage caused by German aggression, and represent equally heavy losses of national wealth." Such arguments are thoroughly disingenuous. The British shipping community far more than made up for its losses by the enormous freights charged to the world not merely during, but in the two years after the war. The loss of life involved, of course, stands in a special category, but the actual loss of ships and cargoes cannot be compared with the disturbance lasting over many years endured by a large civil population whose means of livelihood were destroyed not merely in actual battle, but by deliberate and calculated destruction behind the lines. The idea that part of the money needed to restore the devastated areas of France and Belgium should be passed via Great Britain to the Treasury of the United States Government is repugnant to the instincts of all European peoples, and we believe also to the people of this country. If Great Britain is to fight once more for a settlement, and there remains the bare possibility that the mobilisation of opinion at Geneva may afford such an opportunity, Great Britain must be ready to accept the doctrine that any receipts from Europe which may help us to pay the United States must rank after the claims of the devastated areas.

It is impossible to say as yet whether the note of August 11th will or will not bring us nearer to peace in Europe. On the surface, it means the end of the Entente, for the positions taken by the French and British Governments are irreconcilable. But the effect of so fundamental a challenge to the French viewpoint, combined with a reconsideration in France of the financial possibilities which the note will undoubtedly arouse in France, may have unexpected consequences. Meanwhile, we await the next step which, if France offers no open reply, will presumably be made before long in London if Mr Baldwin can keep his Diehards quiet.

BRITAIN'S OVERSEAS TRADE.

THE July trade returns contain, as usual, an analysis of the countries of origin and destination for the first six months of the year. For comparative purposes these figures, too, are rendered less valuable by the exclusion during the second quarter of the year of the direct foreign trade of the Irish Free State. Before examining in detail the half-yearly figures of the direction of our overseas trade for the first half of the year, we may put on record the principal features of the ordinary statistics for the month of July. We have repeatedly stressed the fact that comparison of the monthly figures with those of the corresponding months of last year is now completely vitiated by the changes made in connection with the Irish figures. But for what they are worth we reproduce those for July and the seven months:—

MONTH OF JULY.				
	1922.	1923.	Increase or Decrease in July, 1923.	
Imports	£ 81,736,827	£ 76,818,334	— 4,918,493	% 6.0
British exports	60,418,626	59,503,850	— 914,776	— 1.5
Re-exports	8,316,638	8,799,983	+ 483,345	+ 5.8
Total exports	68,735,264	68,303,833	— 431,431	— 0.6
Excess of imports over total exports	13,001,563	8,514,501	— 4,487,062	— 34.4

SEVEN MONTHS ENDED JULY 31.				
	1922.	1923.	Increase or Decrease in 1923.	
Imports	£ 568,846,950	£ 615,568,899	+ 46,721,949	+ 8.2
British exports	412,180,431	442,182,877	+ 30,002,446	+ 7.3
Re-exports	63,988,158	72,663,767	+ 8,675,609	+ 13.6
Total exports	476,168,589	514,846,644	+ 38,678,055	+ 8.1
Excess of imports over total exports	92,678,361	100,722,255	+ 8,043,894	+ 8.7

As compared with the June figures imports show a decline of £12½ millions, while exports are £3¼ millions lower and re-exports £2 millions lower. Exactly how far the strike of dock labourers is responsible for the disappointing appearance of these figures it is impossible to say, but it has undoubtedly been an adverse influence. The July imports of sugar, for example, amounted to 1,561,075 cwts, as against 3,387,946 cwts in June. Meat imports dropped from 2,765,915 cwts to 2,327,666 cwts, butter imports from 484,990 cwts to 419,133 cwts, and cheese imports from 291,717 to 165,564 cwts. The value of total imports of food, drink, and tobacco shows a decline in value of £9 millions as compared with June, imports of raw materials are £2½ millions lower, while imports of manufactured goods are less than a million lower. On the export side food, drink, and tobacco figure at £3,131,400 as against £3,940,000 a month ago, raw materials at £10,835,400 against £11,539,600, and manufactures at £44,733,700 against £46,533,800. Imports of bullion and specie figured at £4,228,100 as against £3,292,100 in July, 1922, and exports £5,192,900 against £10,400,700.

Turning to the figures of the direction of trade, they are, as we have already stated, upset by the separation of the statistics of the Irish Free State. Our imports for the second quarter of the year from the Irish Free State are shown as £10,141,300, while exports thither were £6,883,200 and re-exports £1,862,630. It has been pointed out in the *Board of Trade Journal* that these totals cannot be taken as fully representative of the normal volume of trade between the two countries, since the effect of such anticipatory imports into the Irish Free State as may have taken place shortly before the establishment of the Customs boundary between Southern Ireland and the rest of the British Isles will gradually manifest itself in increased exports from this country of dutiable goods, the major part of which will be classed with re-exports. Other reasons why it is impossible to treat the figures of the June quarter's trade as a complete guide to the change in our trade returns resulting from the separate administration of Southern Ireland are that important sections of the trade are seasonal in character, and the seasonal variations need to be ascertained, and, as a further point, the very fact of the separate political existence of the Irish Free State may result in enlarged direct trade with other countries taking the place of trade carried on via Great Britain. The values omitted from our accounts through the separate treatment of Southern Ireland have not yet been made public by the authorities of the Irish Free State. It is stated that the omission on the import side is quite important, amounting probably to from 25 to 30 per cent. of the value newly recorded and shown above. For exports, however, the correction is small. Of imports from the Irish Free State during the quarter at least £8 millions, we are told, fall under food, drink, and tobacco. The exports of British goods to the Irish Free State are much more varied in character than the imports and re-exports. Flour and refined sugar, with a variety of other articles of food, represent an important aggregate. Coal also figures largely, although possibly not so much so as might be supposed, the value of the quarter's shipments to Southern Ireland having fallen short of £500,000. Apparel and textile fabrics make up also a total exceeding in value either coal, flour, or sugar. This information, which is given in the *Board of Trade Journal*, cannot be extracted from the monthly returns, for reasons best known to the compilers. But we fail to understand why a line cannot now be added in the case of the principal articles showing our trade with Ireland as is done in the case of other countries.

In making comparisons from the figures shown in the following tables, the omission of the direct foreign trade of the Irish Free State in the second half of the last period must be borne in mind. The amount, however, is probably not very large. The table below shows our imports from and exports to the principal European

countries in the first half of each of the past three years and of 1914:—

JANUARY TO JUNE. (000's omitted.)												
	Imports from				Exports to							
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.		1914.	1921.	1922.
France	23,929	30,831	25,625	30,034	14,364	24,479	28,406	28,975	£	30,975	20,339	20,339
Netherlands	11,493	25,730	19,539	21,378	8,127	21,354	22,512	20,339	£	20,339	20,339	20,339
Denmark	12,054	20,048	18,015	21,675	2,995	4,265	5,560	6,511	£	6,511	6,511	6,511
Spain	6,873	14,552	12,456	13,013	3,686	9,136	7,797	7,103	£	7,103	7,103	7,103
Germany	39,531	11,794	12,015	16,320	18,890	6,958	14,231	20,797	£	20,797	20,797	20,797
Switzerland	5,775	9,518	11,168	10,024	2,084	2,407	4,675	3,467	£	3,467	3,467	3,467
Belgium	11,469	18,487	10,937	13,255	6,507	9,972	13,030	13,195	£	13,195	13,195	13,195
Sweden	5,309	8,381	6,513	8,686	3,757	4,644	5,176	6,467	£	6,467	6,467	6,467
Norway	6,081	5,745	6,081	6,081	5,919	6,281	6,281	6,281	£	6,281	6,281	6,281
Italy	4,527	4,452	5,379	7,030	7,437	5,520	10,794	10,909	£	10,909	10,909	10,909
Portugal	1,490	3,268	2,950	2,640	1,600	3,749	3,625	4,566	£	4,566	4,566	4,566
Finland	2,373	2,758	3,496	3,496	1,624	1,240	1,816	1,816	£	1,816	1,816	1,816
Czecho-Slovakia	2,803	2,537	4,245	4,245	963	413	426	426	£	426	426	426
Greece	676	1,477	1,523	2,017	1,851	2,656	2,178	1,873	£	1,873	1,873	1,873
Russia	15,282	298	1,246	1,952	8,505	186	1,764	1,293	£	1,293	1,293	1,293
Latvia	598	1,077	2,458	2,458	285	491	501	501	£	501	501	501
Austria	799	985	2,628	2,628	1,675	910	1,351	1,351	£	1,351	1,351	1,351
Hungary	3,803	19	745	977	2,188	1,109	1,585	485	£	485	485	485
Roumania	1,770	184	662	839	1,573	3,394	1,034	1,379	£	1,379	1,379	1,379
Turkey in Europe	652	359	616	696	1,833	2,446	2,017	1,692	£	1,692	1,692	1,692
Estonia	282	531	530	530	3,613	640	443	443	£	443	443	443

Perhaps the most interesting figures here are those relating to Germany. The figures for the first quarter showed that our imports were £8,287,000, so that in the second quarter we have taken £8,643,000. Exports to Germany in the first quarter, however, were £12,254,700, so that we have only sent £8,544,000 in the second quarter. Re-exports to Germany show the same trend, the first quarter's total being £6,327,400 and the second £4,061,000. The *Board of Trade Journal* supplements these figures with some statistics for various classes of goods, which compare the half-year's trade with that for the full year 1922. Very few items were imported at a lower rate than the half of the imports of 1922, the only goods which showed such a decline being iron and steel and manufactures thereof, aluminium hollow ware, crude zinc, and fabric gloves. In several branches, imports, during the first half of 1923, approached within 20 per cent. in value the total imports during the whole of 1922, such being electrical goods, cotton manufactures, and paper and cardboard. Imports of woollen and worsted manufactures in the first half of this year were actually greater than in the full year 1922.

The principal features on the exports side were the heavy increase in exports of coal and coke, of pig-iron and iron and steel plates, all of which exceeded in value the corresponding exports for the whole of 1922. On the other hand, there was a considerable falling off in the rate of exportation of tops and yarns, and of other textiles. Both features are closely bound up with the disturbance consequent upon the occupation of the Ruhr. Apart from raw and waste cotton, raw and waste wool, crude rubber, gums and resins, and raw coffee, all other branches of re-exports to Germany showed a marked falling off in comparison with the rate last year.

In trade with other European countries, our imports in the majority of cases show an appreciable increase in comparison with the first half of 1922, but on the export side the upward movement is by no means general.

In the next table we show our trade with other foreign countries:—

JANUARY TO JUNE. (000's omitted.)												
	Imports from				Exports to							
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.		1914.	1921.	1922.
United States	70,447	153,088	112,451	104,175	17,769	23,687	25,120	31,899	£	31,899	31,899	31,899
Argentina	18,004	37,720	30,418	35,013	9,645	16,332	10,993	14,554	£	14,554	14,554	14,554
Cuba	2,724	3,218	7,359	6,858	890	1,461	626	1,398	£	1,398	1,398	1,398
Brazil	5,183	3,011	4,776	3,686	4,034	6,404	4,636	5,692	£	5,692	5,692	5,692
Mexico	985	5,782	4,524	2,946	389	2,896	955	1,271	£	1,271	1,271	1,271
Japan	2,047	4,968	4,173	3,723	5,146	9,670	13,745	12,472	£	12,472	12,472	12,472
Peru	1,976	3,253	4,149	3,255	794	14,691	682	833	£	833	833	833
Chile	1,180	2,651	2,692	2,632	706	1,628	12,885	8,197	£	8,197	8,197	8,197
Uruguay	2,996	3,345	2,399	3,238	2,569	3,574	2,217	1,333	£	1,333	1,333	1,333
Colombia	1,564	4,305	2,296	3,060	1,127	1,881	1,353	3,474	£	3,474	3,474	3,474
Turkey in Asia	1,402	1,210	830	830	807	1,013	1,553	1,553	£	1,553	1,553	1,553
Egypt	11,858	138	149	492	4,936	75	104	496	£	496	496	496

The most satisfactory feature of this table is the decline which it discloses in our adverse trade balance with America. If re-exports are included, the adverse balance for the past three months was £18½ millions, as against £24½ millions in the first quarter. In the first and second

quarters of 1922 the figures were £34 and £42 millions respectively, and in the same quarters of 1921 £68 and £50½ millions respectively. Egypt returns to this table after an absence of a few years. Both imports and exports show an increase in comparison with last year. There is a substantial increase in our imports from China, but our exports thither show a sharp decline.

The next table shows trade with British Possessions:—

JANUARY TO JUNE.
(000's omitted.)

	Imports from				Exports to			
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.
Australia.....	21,431	41,997	36,815	34,234	17,711	24,898	27,569	29,112
New Zealand..	16,068	29,438	27,443	29,172	4,689	8,332	7,148	9,850
India & Ceylon..	22,615	29,270	22,625	36,830	36,676	60,749	46,291	47,131
Canada.....	9,899	23,051	18,972	21,240	9,580	10,465	11,619	13,586
Egypt.....	12,153	15,872	..	..	8,468	7,705	..	..
South Africa..	7,179	9,302	10,068	7,732	10,830	16,306	12,664	13,573
West Africa..	3,394	5,709	5,685	6,494	5,931	5,830	5,799	6,021
Straits Settlements	7,134	3,751	3,637	4,426	2,612	4,924	3,620	3,862
West Indies..	1,373	3,707	3,007	3,341	1,233	2,078	1,539	1,699

On the imports side, Australia and South Africa are the only exceptions to a general increase, which is most pronounced in the case of India. Among exports there is an increase in every instance.

The final table gives re-exports to the principal countries:—

JANUARY TO JUNE.

	1914.	1920.	1921.	1922.	1923.
United States.....	18,210,000	38,449,000	10,813,000	10,376,000	17,576,000
Germany.....	11,396,000	14,106,000	10,374,000	10,226,000	10,388,000
France.....	6,206,000	28,368,000	4,710,000	10,224,000	10,494,000
Belgium.....	4,140,000	12,095,000	3,828,000	5,973,000	4,983,000
Netherlands.....	2,615,000	6,925,000	3,942,000	3,512,000	2,631,000
Australia.....	..	2,666,000	1,281,000	2,695,000	2,004,000
Canada.....	..	3,628,000	890,000	1,529,000	1,453,000
Italy.....	507,000	3,392,000	703,000	863,000	1,095,000
Sweden.....	452,000	2,901,000	871,000	825,000	934,000
India and Ceylon.....	..	1,456,000	1,456,000	757,000	568,000
South Africa.....	..	1,413,000	602,000	605,000	668,000
Denmark.....	261,000	2,348,000	649,000	556,000	895,000
Norway.....	272,000	970,000	334,000	377,000	432,000
Japan.....	108,000	1,289,000	427,000	189,000	153,000
Russia.....	4,556,000	2,956,000	98,000	186,000	612,000
China.....	..	190,000	103,000	100,000	82,000

The feature here is the substantial increase in re-exports to the United States and the reduction in the case of Belgium and Holland.

THE POSITION IN THE COAL TRADE.

THE position in the coal trade of the United Kingdom at the moment is one of uncertainty. The first half of the year was a period of steady improvement. During 1922 prices had been stabilised approximately on the basis of the cost of production. In those costs that of labour was the chief factor. Of the total costs, wages represented about 67 per cent., and it was practically stationary at that proportion in consequence of the operation of the minimum wage clause, which secured for the miners a minimum of 20 per cent. above their new 1921 standard wages. One of the consequences of restored stability in prices was a steadier and slowly expanding inland and foreign demand for coal. In the earlier months of the present year that normal increase was stimulated by the abnormal demand from Continental Europe which followed the occupation of the Ruhr by France and Belgium. The virtual cessation of production in the occupied districts drove Germany, Holland, Belgium, France, and to a smaller extent Italy, to the United Kingdom for increased supplies, and so great was the pressure of these emergency Continental requirements that Great Britain found it impossible to meet them, and orders, representing in the aggregate some millions of tons, were diverted to the United States and to other sources of supply. Prices had naturally advanced by leaps and bounds. Between the lowest figures ruling before the occupation of the Ruhr and the highest figures reached when the Continental demand was at its height there was in some cases a difference in f.o.b. export quotations of between 12s 6d and 15s per ton. The ex-

pansion in volume of trade was as remarkable as the expansion in the proceeds of the industry. The following table gives the total quantity exported as cargo and bunkers, the average f.o.b. price, and the total f.o.b. proceeds:—

	Foreign Cargo and Bunker Exports. Tons.	Average F.o.b. Price. s d	Total F.o.b. Proceeds. £
January.....	7,331,162	22 5	8,223,083
February.....	7,307,178	23 2	8,474,749
March.....	8,624,382	24 7	10,593,112
April.....	8,269,881	26 1	10,777,695
May.....	9,244,855	27 7	12,740,537
June.....	8,149,656	27 2	11,071,143
Totals.....	48,927,114	25 3	61,880,319

In this improvement all the exporting districts of the country participated; but the share of the North-Eastern and Scottish ports was greater than that of the Bristol Channel ports, and this disproportionate distribution was due to the circumstance that the most active of the foreign markets were those which normally derive their supplies from the Yorkshire, Durham, Northumberland, and Scottish East Coast coalfields. Thus, Germany, in the first half of the current year, took nearly three times the quantity of coal she did in the corresponding period last year, Belgium also nearly three times, and France about half as much again. The extent of the abnormality of this Continental demand will be, perhaps, better illustrated by comparing the cargo exports to these four countries in the first half of the current year with those for the corresponding half of 1913. In the case of Belgium they show an increase of 242 per cent., in that of Holland of 168 per cent., in that of Germany 78 per cent., and in that of France 49 per cent. The total volume of the cargo export trade of the United Kingdom in the first six months of 1923 was 39,800,000 tons, compared with about 37,000,000 tons in the first half of 1913, representing an increase of only about 8 per cent. The great increase, therefore, in the European demand has been nearly balanced by a contraction in the demand from the more distant markets, and if the European requirements this year had been normal, the general situation in the coal export trade would have been hardly more satisfactory than it was in 1922.

The actual course of the market, however, tested to the full the productive capacity of the industry under the Seven Hour Act. In the first three months of the year the production of the United Kingdom was about 71 million tons, and in the second quarter about 70 million tons, giving an annual output at the rate of 282 million tons, compared with the pre-war 1913 record output of 287½ million tons. In full working weeks the production has been astonishingly uniform. The average for the 26 weeks is about 5,400,000 tons; the highest weekly output 5,825,000 tons; and the lowest full week output 5,327,000 tons. The employers have tried to increase production by employing more labour. During the half-year the number of persons employed was increased by about 30,000, and at the end of June the total number engaged in the industry was about 50,000 more than in 1913. Moreover, the low wages earned by the workmen stimulated exertion, and in some of the coalfields the output per shift per hewer equalled that of 1913. It is quite possible that the output would have been greater in the first half of the year if better facilities had been available for the shipment of coal. The supply of tonnage was abundant, but the two-shift system in the tipping and trimming of coal artificially restricted the effective shipment capacity of the docks, and particularly those of South Wales. This system was naturally an impediment to the production of coal. The tippers and trimmers were eventually persuaded in South Wales to work a partial third shift; but that shift was not inaugurated until after the pressure of the Continental demand had been considerably relaxed, and the workmen are now agitating for the restoration of the two-shift system. The general impression left by the experience of the first five months of the year is that the collieries had reached their maximum productive power under the Seven Hour Act and under the existing organisation of the industry. The expansion in the demand from abroad coincided with a steady increase in the requirements of the inland market, and over the whole of the half-year the

proportion of the output retained for home consumption was about 66 per cent. compared with a pre-war proportion of 68 per cent. In both markets, however, the demand is now lagging. There has been a heavy drop in prices, and the disturbing effects of the Ruhr problem are so great that no one cares to express an opinion as to what course the market will take during the next few months. All are waiting on events.

The improved state of trade in the first half of the year yielded the employers substantial increases in profits and the workmen a substantial increase in wages. In the two months of November and December, 1922—probably the best months last year—the net surplus available for distribution as wages in the proportion of 83 per cent. and in profits of 17 per cent. was approximately £4½ millions; the audit for March and April last showed a surplus of £8½ millions. The extent to which wages have benefited from the improvement in trade may be gathered from the following facts:—In the first two months of the year the total wage bill for the country was at the rate of £134½ millions per annum, compared with about £91 millions actually paid out in 1913; during July and August, however, the wages bill, on the strength of the March-April audit, represents an annual sum of £154½ millions. Thus in July and August the total wage bill will be nearly 70 per cent. in excess of that paid in 1913, compared with an excess of only about 48 per cent. at the beginning of the year. The proceeds of the industry during May and June will govern the general wage rate in September and October, and although the audit for that period will not be completed for another two or three weeks, sufficient is already known of costs and prices to anticipate a further net increase in the wages bill during September and October.

The miners do not dispute these facts, but they quarrel with their incidence. They complain that it is only the wealthier coalfields that have profited from the improvement in trade. In Lancashire, Cheshire, and North Staffordshire, North Wales, South Staffordshire, and Salop, Cumberland, Bristol, Forest of Dean, the Newburgh district of Somerset and Kent the general wage rates have remained stationary at the minimum. In Monmouthshire and South Wales the general wage rate has been increased from 28 per cent. to 37.62 per cent. on the 1915 standard; in Scotland from 125.4 per cent. to 178.41 per cent. on the 1888 standard; in Northumberland from 98.72 per cent. to 138.55 per cent. on the 1879 standard; in Durham from 97.02 per cent. to 123.40 per cent. on the 1879 standard; and in the Eastern Federated area from 49.61 per cent. to 58.56 per cent. on the 1911 standard. These five coalfields employ roughly 80 per cent. of the total labour of the industry, and absorb roughly 86 per cent. of the total wage bill of the industry. It is with a view of improving the wages of the 20 per cent. who still remain at the minimum that the Miners' Federation of Great Britain is agitating for a revision of the terms of the national wages agreement. The movement for the service of notices to terminate that agreement has been abandoned for the time being; the vote of the better-paid districts has swamped that of the lower-paid districts; but the national executive was authorised unanimously by the recent annual conference to agitate for a revision of the terms of the national agreement relating to the distribution of the surpluses and to the minimum wage. An application has been made to the coal-owners for a higher minimum and for a larger percentage proportion of the surplus, and it is now receiving the consideration of the constituent districts of the Mining Association of Great Britain. An examination of the latest audit figures shows that the profits earned in the larger coalfields are considerably in excess of those earned under pre-war conditions, and doubtless a strong case can be made out for the institution of a more variable ratio which will give the workmen a larger percentage proportion of the proceeds on a rising market, but a lower proportion on a falling market. The difficulty, however, is to separate this factor of profit distribution from such other factors as outputs, costs, and prices, and that difficulty is aggravated by the determination of the workmen to oppose any increase in working hours. If a compromise could be arranged conceding to districts the right by local agreement to work extra hours, then a settlement of the distri-

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bution of proceeds on the basis either of a higher percentage proportion to labour, or on that of a ratio that would vary in accordance with the general condition of the trade, would probably be found easy of achievement; but it is unlikely that the owners will agree to any increase in the minimum wage, apart from such allowances as they may find practicable from time to time under the subsistence wage clause.

THE WHITE CROPS OF THE YEAR.

MIDDLE August sees the white crops of the year in rapid process of harvesting in the British Isles, in Canada and the United States, while in the other seven of the ten principal countries the greater part of the harvest labours are over as we write. The estimates of crop yields are by this time of a reasonable authenticity, though mathematicians with a sense of humour—need one name others than Professor Bowley and Mr. Udney Yule—may yet present the Statistical Society with “verified mendacity curves” for Canada and the United States respectively. It requires, indeed, less keen an observation than theirs to note that as July comes round the real estate agencies and the transport agencies of the Dominion acquire an optimism which they think it worth while to cable. In the United States another curve is necessary. Here pessimism is wont to stalk, though not unchecked. A journal before us remarks how “the crop reporter of our esteemed contemporary has commenced his ravages.”

The International Institute of Agriculture has done much to make Canadian and American reports reliable, while the American official first estimate of July 11th, with reports from some 40,000 correspondents up to July 1, is an extremely valuable document.

The total wheat yields of the ten chief countries for 1923 look like reaching 1,427,000,000 cwt. This is about 43 millions more than last year, but the yearly increase in wheat consumption is about 50 millions, and world production certainly shows no symptoms of getting ahead of wants. If to-day there are stores of unsold old wheat pressed on sale, it is for the depressing reason that immense populations to whom the money exchange is badly adverse have undoubtedly been underfed. Wheat harvest exceeds the average per acre in India, Spain, Italy, and Canada, and equals an average in the United States, Argentine, Australia, and Germany. The British and French estimates are quasi-official, but cannot be regarded as final.

Barley is a crop which is grown for different uses, so that returns are still very far from what the statistician desires. Thus the British 24,000,000 cwt includes possibly as much as 14,000,000 cwt for the brewer and distiller, while India's 64,000,000 cwt are of feeding barley only. In Spain there is a large area of barley grown for horses. The year at first looked to be against barley growers, but there was an improvement in June, and July was ideal for this crop. Report runs that malt-

ing barley will be scarce, so that protective legislation will be a work of supererogation. On the other hand, pigs should have plenty of barley meal.

Oats in Canada have done better, relatively speaking, than in the United States, 120 to 360 rather than 150 to 330 is the usual ratio. British, French, and German fields have benefited from a warm and rainy July. Rye is the smallest of the white crops now that Russia, which used to grow 430,000,000 cwt, is out of the running. But a world production of 197,000,000 cwt is not negligible, and in an immediate, concrete case the 103,000,000 cwt grown this year in Germany will much reduce the call of her 60 million people for wheat bread.

Unit—Millions of Cwt.

Country.	Wheat.	Barley.	Oats.	Rye.
British Isles	31	24	60	1
France	163	20	180	14
Germany	43	32	79	103
Spain	73	40	10	12
Italy	103	4	8	2
Canada	197	36	150	19
U.S.A.	438	96	330	43
Argentina	103	3	15	1
Australia	56	2	3	1
India	220	64	1	1
Total	1,427	321	836	197

If we have ten leading countries able to supply us with a probable and more or less official estimate of the year's four white crops there are ten other countries which are more or less "dark horses." The merchant keen on enterprise has plenty of scope. Five of these countries, Russia, Mexico, Anatolia, China, and Persia, are considerable growers of cereals, though Mexico mainly is felt to fail us when we come to maize, and neither Persia nor Anatolia count for much except with regard to barley. China sometimes ships a little wheat, and sometimes imports a good deal of flour; more trade, it is thought, might be done.

The other five countries, Roumania, Bulgaria, Egypt, Mesopotamia, and the regions once constituting the Austro-Hungarian empire, are only out of the crop tables temporarily and for political reasons. Roumania and Bulgaria, with undoubted wheat surpluses, have to face the prospect of dangerous riots if an effort is made to ship grain thereby in the view of the town populations forcing up the home price. Egypt and Mesopotamia are in a transition state from British statistical to "popular" control, and Austria-Hungary is at present a welter of confused returns from the various independent new countries.

On the whole, the news from this region, recently so distraught, is hopeful. Agriculture looks like proving the mainstay and peaceful refuge not only of the republic of Czecho-Slovakia, but also of the Jugo-Slavian State, while Hungary is favoured with a fine season and is said to have resumed the export of flour from her famous mills. The crops of Poland are said to be a full average of wheat, barley, and rye, but to be deficient of oats and potatoes.

Nature has not been unkindly to the Continent this season, but there is a general failure to employ a sufficiency of fertilisers, and it must not be forgotten that the prairie return of an acre of wheat is only 780 lbs of grain. The happiest of Continental agriculturists in a time of impoverishment and adverse money exchanges are possibly those who grow sugar beet and brewing barley in alternate years. These crops are each other's natural complement in a remarkable manner; the beet yields 14 to 16 per cent. of sugar, and it fertilises the soil for the barley next year. The alternation makes for a clean agriculture, and both the sugar and the brewing barley have an assured sale; are, indeed, for the most part, bespoken before the crops are harvested.

CHINA'S FINANCES.—I.

EARLIER this summer the China Consortium issued a statement of its policy, preceded by a paragraph informing the public that instructions had been issued to the Group Representatives at Peking to examine with the four Ministers of their respective Governments, Great Britain, France, the United States, and Japan, the existing floating debt of China, with a view to formulating in due course a comprehensive scheme of debt consolidation. No announcement has since been made as to the progress of

this enquiry, but on August 1st Mr McNeill stated in the House of Commons that it had been decided neither to enlarge the scope of the Conference on the Customs surtax, so as to consider and frame general measures for the recovery of China, nor to substitute for that Conference another to consider measures for re-establishing political and financial order in China. It is desirable to examine the possible relationship of these two facts.

The Customs Conference referred to by Mr McNeill is the conference which, according to the terms of one of the agreements concluded at the Washington Conference, is to meet within three months of the ratification of the Washington Treaties, "on a day and at a place to be designated by the Chinese Government," to "consider the interim provisions to be applied before the abolition of likin" and "to authorise the levying of a surtax on dutiable imports as from such date, for such purposes, and subject to such conditions as it may determine." Two interpretations have been given to this agreement, the mere statement of which would occupy the space available for this article. It must suffice to say that while one lays most emphasis on the fact that the Conference is to consider the tax known as likin (an inland tax on goods in transit, the annual value of which has been most recently assessed at over \$42,000,000), the other emphasises most the opening words of the annexe to Article 1 of the agreement, which is stated to have been arrived at "with a view to providing additional revenue to meet the needs of the Chinese Government." Considerable practical importance attaches to the question as to which of these interpretations is correct, because the more closely the levying of a surtax is related to the abolition of likin the weaker the argument for imposing it in present circumstances. Conversely, the nearer the surtax is related to China's financial straits the stronger, from the viewpoint of the framers of the Treaty, does the argument become.

Everybody is aware of the fact that China's finances are in a bad way. Unfortunately, pending the completion of the Consortium's examination, no accurate statement of their position can be made. It is possible to estimate the country's revenue at amounts varying from \$472,838,584, the estimate contained in the 1916-17 budget, to \$557,031,236, the estimate of the second year of the Republic, 1913-14. Estimates, naturally, have also been made of its expenditure, the amounts in the two years referred to balancing to a cent. Actually, however, as stated in the 1923 China Year-Book, no budget published since the establishment of the Republic has been other than a pious expression of hope that the revenue and expenditure would correspond with the estimates, and how far this hope has fallen short of realities is shown by recent statements by the Ministry of Finance, which acknowledge that there is a monthly deficit at Peking of over \$8,000,000—a conservative estimate.

Similarly, no reliable statement can be made of China's indebtedness. The debt secured on the Customs and Salt revenues is an ascertainable amount, and according to Chinese official figures totals £120,694,032 and 164,438,290f, or at \$8 to the pound and \$0.165 to the franc (the conversion rates used in the last official Chinese statement) \$992,684,575.42. The unsecured debt, however, is at the present time variously computed. According to one official Chinese reckoning it totals \$489,000,000, of which \$249,000,000 is domestic and \$240,000,000 foreign debt; according to another, that of Mons. G. Padoux, Adviser to the Chinese Government, the total is \$570,000,000. None of these figures include railway loans, which are secured on the railways themselves with additional specific guarantees.

Now, until quite recently, it has been supposed, in China at all events, that the surtax referred to would be used to consolidate this unsecured debt. In the terms of the treaty the surtax is to be levied "at a uniform rate" of 2½ per cent. *ad valorem*, provided that in the case of certain articles of luxury, which in the opinion of the special conference can bear a greater increase without unduly impeding trade, the total surtax may be increased, but may not exceed 5 per centum *ad valorem*, and on the basis of the estimated additional revenue which this will produce, plus the increased revenue consequent on the recent revision of the import tariff to an effective

5 per cent., plus increased collection of duty due to the development of trade, a consolidation scheme has been worked out. It is not necessary at this stage to examine its merits, but merely to state its principal proposals, which are (a) the lumping together of domestic and foreign unsecured indebtedness, (b) the issue of consolidation bonds to a nominal amount not exceeding 625 million dollars, bearing interest at 7 per cent. from October 1st next, (c) amortisation in 12 years, (d) the use as security of the Customs revenue, helped out for the first few years by the salt revenue. These proposals were put forward by M. Padoux on the assumption that the special Conference provided for in the Washington Treaty would meet and reach a decision by the end of this year.

Mr McNeill's statement in the House of Commons at the beginning of the month did not include any indication as to whether this is contemplated or probable, but it raises important questions as to what policy H.M. Government intends to pursue at the Customs Conference. The consolidation of unsecured debts can hardly be regarded as any other than a "general" measure "for the recovery of China." Its two-fold objects, the restoration of Chinese credit and the freeing of revenue at present pledged for administrative purposes, would certainly seem to correspond with the Washington Treaty as described in the Annexe to Article 1, that, namely, of "providing additional revenue to meet the needs of the Chinese Government." Yet Mr McNeill's statement is open to the interpretation that consideration of such general measures is not to be part of the Conference's work. It is possible, of course, that the statement had in view general measures of a different order, some attempt, for example, to settle the prolonged controversies of North and South China or to minimise China's standing army, the estimated strength of which is 1,332,835 men. But if that was not the case we are thrown back upon alternative inferences, of which one is that H.M. Government's intention is to restrict the work of the Conference to an examination of the problem of likin, and either to grant the surtax as an interim provision for such partial abolition as present circumstances may allow, or to decide to withhold it altogether on the ground that, in the present state of China, the likin question is unapproachable. In which case, what becomes of the unsecured debt? The other inference is that the Consortium has entered upon, and is making satisfactory progress in, negotiations for the consolidation of the unsecured debt, and that the Conference will not be concerned with finance, but with the selection and recommendation of other uses for the surtax, a beginning of likin reform in the shape of an abolition of what are known as coast-trade duties and other constructive and administrative reforms. In that case, Mr McNeill's statement may be regarded as preparatory to a statement by the Consortium announcing the results of the instructions issued to its representatives last July. It is desirable that the public should know as soon as possible which of these inferences is correct.

LATIN-AMERICAN NOTES.

(BY OUR CORRESPONDENT.)

COLOMBIA.—But for the unexpected fall in the price of coffee (rendered additionally serious on account of the lateness and smallness of the crop), it would have been possible to chronicle the continued economic progress of Colombia, thus confirming the optimism of 1922. None the less, the sound reputation—re-established within the past few years, and carefully sustained during the first completed year of General Pedro Nel Ospina's office as Chief Executive—for the observance of financial obligations has been justified, if not entirely without the call for some sacrifice upon the part of the Administration, such as the postponement of certain much-needed public undertakings. Financial requirements have tempted the Administration towards the issue of paper currency as a relief of financial difficulties; but these proposals have been put aside as being contrary to national interests. A counter-suggestion to establish a Government bank was adopted, the institution being successfully brought into operation towards the middle of last year. The Government subscribed 50 per

cent. of the shares to the value of \$5,000,000, utilising for the purpose part of the indemnity received from the United States in regard to the 1903 invasion and separation of Panama from the parent (Colombia).

With a population of six millions the national foreign debt of Colombia represents \$3.56, and the foreign \$4.74, *per capita*, the total national debt amounting to \$7.21, and the total *per capita* debt of the country to \$8.39 (the latter representing foreign loans guaranteed by the Governments—national and provincial—and municipalities, and internal loans raised by the Federal Government). Colombian indebtedness compares favourably with that of other Latin-American States, as, for instance, Venezuela, with a total *per capita* debt of \$8.45 (population, 2,850,000), Peru, \$9.38 (population, 4,700,000), and Paraguay, \$9.63 (population, 1,000,000), among the smaller Republics; and with Argentina \$117.94 (population, 9,000,000) and Uruguay \$131.00 (population, 1,564,000) among the larger States. The principal of the Colombian Consolidated External Debt has been reduced by amortisation since 1905, when it stood at £2,687,800 to £1,279,500, while the sinking fund has been brought up to 6½ per cent. of the reduced principal.

It may be remembered that at the beginning of the current year the necessary funds were provided to pay the balance of 30 per cent. of the arrear coupon certificates outstanding of the Consolidated External Debt of 1896, in addition to the December instalment in respect of the last half of 1922. The Government is now in a position to consider the conversion and unification of the Internal Debt, a policy that, for some time past, has been urged by foreign financiers. The Colombian budget for 1923 estimates the national revenues and expenditure at approximately 24,776,605 pesos. It is not improbable that some of the provinces may, in the near future, appear in the market as borrowers to develop local enterprises, among them the Departments of Antioquia and Cauca. The economic future of the country seems exceptionally bright, and the remaining three years of office allotted to General Nel Ospina are looked forward to with a feeling of security and hopefulness that appears to be well founded, both President and Congress devoting themselves to the levelling of expenditure with national revenues.

URUGUAY.—The high *per capita* debt of Uruguay, amounting to \$131.00, is in some degree a reflex of the effects sustained by the Republic from trade depression, particularly in regard to the frozen meat industry. Low exchange of the peso (which, during 1922, fell from a par value of 51d to 43d) and inadequate Government revenue have also played their part. All through the war, and for one year after, Uruguay enjoyed a run of exceptional prosperity, being enabled to extend credits aggregating \$67,250,000 to the Allied nations, and being enabled at the same time to borrow upon terms yielding a little over 5 per cent. The Government has latterly endeavoured to restore its fallen financial fortunes by imposing a system of heavy taxation, but has still been unable to avoid borrowing in order to cover current deficits. At the end of last year (1922) national indebtedness had attained a total of £27,500,000 (sterling). Of the Republic's foreign debt it is estimated that about 35 per cent. is in the hands of native holders. Economic conditions have somewhat improved since last year, when the position was such that the appointment of a Financial Advisor and a complete reform of taxation were suggested. The prospects for the season's wool-clip are bright, and, good rains having fallen, high hopes concerning cattle and agriculture are held. Official estimates of Customs' exports have been several times exceeded lately, and their value is considerably in excess of imports.

BRAZIL.—The sugar industry of Brazil—especially in the main cultivation district of Pernambuco—upon which, with coffee, the economic prosperity of the country largely depends, appears to have enjoyed on the whole a prosperous season. The total Brazilian sugar crop this year has been estimated at 635,000 tons, rather above that of the previous year. Early in October, and partly through November next, deliveries abroad will take place, but little of the produce may find its way to the United Kingdom, although, next to France, we still retain the greater part of the freight trade of the country. The United

States has now become the principal market for Brazilian sugar, and is expected to take all the Demerara quality, say, about 450,000 sacks (of 60 kilos), of 94, 95, and 96 deg. polarisation. This would represent a production of about 27,000 metric tons, at a price of between 10 and 11 milreis per 15 kilos, or, say, about 3.3 cents (gold) per lb, at the rate of exchange of 9 milreis to the dollar. The majority of the Pernambuco factories passed into the hands of an American syndicate in the autumn of 1920, the price paid being close upon £1,000,000.

The State of Sao Paulo is now fast revivalling that of Pernambuco in point of output, having increased its production from 298,590 bags, worth 6,665:940\$000, in 1910-11 to 528,821 bags, worth 33,971:161\$000, in 1919-20. This State now has working, in addition to 16 large central mills, nearly 2,000 small sugar factories situated in various districts. Sao Paulo sugar seldom finds its way abroad, being mostly consumed locally in addition to quantities imported from adjoining States such as Santos, Pernambuco, and Alagoas.

Notes of the Week.

The New German Cabinet.—The collapse of the mark and the wave of popular discontent at the phenomenal increase in prices of recent weeks demanded a victim, and on Sunday last Dr Cuno's Cabinet resigned. The late Chancellor was a business man rather than a politician, and had proved himself unable to win the effective support of the majority of the members of the Reichstag. More important still, however, was the feeling which was prevalent among the mass of the people that the late Government had neither the imagination nor the capacity necessary to tackle the many problems that pressed for solution, and in the wave of discontent and rioting which threatened at one moment last week to overthrow all ordered government in the country, the demand for Dr Cuno's resignation became widespread. His place as chancellor is taken by Herr Stresemann, a Parliamentarian of long experience, who was formerly a very prominent member of the rather chauvinistic National Liberal party, but who has been of recent years one of the leading lights of the People's Party, which, as is well known, represents the industrial interests in the modern Reichstag. Perhaps the most significant feature of the new Cabinet is that it embodies in some measure the idea of the so-called "Great Coalition," containing representatives of all parties except the intransigent German Nationalists and the Communists. The new Chancellor is a man who, without personally resembling the late Herr Erzberger, belongs to his class. He is a vigorous natural politician of a type rare in Germany. The choice of Dr Hilferding as Finance Minister also opens up new possibilities. The former Finance Minister, Herr Hermes, was hopelessly inert. He opposed obstructively all the devices recommended by the "Reichswirtschaftsrat" and by outside authorities for maintaining the real revenue undiminished in times of currency depreciation, but he had no alternative ideas of his own. Herr Hilferding, on the other hand, is a Socialist, and has always stood for an active policy of experiment. He believes in calculations on a gold basis, and in the establishment, as a first measure, of a gold-backed currency of limited amount, which would circulate side by side with the paper mark. This policy, which is based more or less on the model of Soviet Russia, should be followed up, in Dr Hilferding's opinion, by a reorganisation of the Reichsbank, and by the building up of a larger exchange reserve, which could, of course, only be provided by private business. The new Finance Minister appears to be quite convinced of the fundamental need of balancing the budget, and recently stated that without the stabilisation of the paper mark, the adoption of calculations on a gold basis would only accelerate the break-up of German financial organisation. The taxation reforms carried through the Reichstag just over a week ago by Dr Cuno, which are described by our Berlin correspondent elsewhere in this issue, will be put into operation by the new Government, but for our part we are sceptical as to the possi-

bility of genuine financial reconstruction in Germany so long as recourse must be had to the printing press to provide the wherewithal to pay the men in the Ruhr. The recent improvement in the Mark only shows how narrow is the market, and how open it is to psychological influences. At the same time, a Cabinet comprising members of the Industrial group, of the Catholic centre and of the Social Democrats is certainly on a broader basis than was that of Dr Cuno. There have already been signs, however, that the new Coalition may not prove quite so solid as to justify the optimism which now appears to characterise some important sections of German opinion while although Herr Stresemann may be more capable, we doubt whether he is more honest than his predecessor. From certain points of view, however, a change may well prove desirable for its own sake. On the one hand, the wave of despondency which swept across the country recently seems already to have passed, while the new Chancellor may possibly be in a better position to negotiate with the French as he does not share the direct personal discredit of having stood up to Poincaré on the issue of passive resistance in the Ruhr. A coalition of industrialists and Social Democrats may be in a better position to "deliver the goods," while Herr Stresemann's public repudiation of the suggestion that Germany would gain from a rupture of the Entente is perhaps hardly less significant than the announcement that the new Government will endeavour to obtain Germany's admission to the League of Nations.

The Irish Elections.—Our Dublin correspondent writes:—Ireland, and particularly Dublin, is deeply preoccupied with preparations for the General Election on the 27th instant—with its big dock strike, or lock-out, in Dublin, and with its equally important farm labourers' strike in Co. Waterford. The public was shaken out of its preoccupations by the arrest on Wednesday of de Valera at his first attempted public meeting. The secret of his whereabouts had been well kept, but his candidature and his intended speech had been loudly heralded. Scarcely had he stepped on the platform at Ennis before the audience of some thousands was surrounded by troops, supported by an armoured car, and the arrest effected. Someone fired on the troops, who replied with shots in the air, and in the resultant stampede there were a few minor casualties. Seeing the great public desire for peace and the approach of the elections, there was some hesitation of opinion as to the wisdom of the Government's action. But in truth it was inevitable—and yet it was a signal act of high-principled and courageous executive policy. Whether or not it is good electioneering is another matter—a consideration very properly not taken into account. But Irishmen believe in and respect firmness, and, to a greater extent than is sometimes believed, logic also. Outrage, arson, and bloodshed have wracked the country for some 12 months; they were let loose by de Valera's faction, preluded by his announcements, justified by his occasional pronouncements. His lieutenants have been executed, imprisoned, interned. Could he, the prime mover, be allowed to step out of his hiding, and shed his outlawry by participating in an election under a Constitution which he repudiates and under the protection of a Government to which he has made no submission, no surrender of illegally held—and used—arms? If the Government had not acted, its forbearance would have been attributed to fear; and, indeed, forbearance towards an actively contumacious outlaw could not well be distinguished from a nerveless fatuity. But it is not the first time this Government has taken its stand upon principle, regardless of results. Immediately after the election the National Loan and the Ulster Boundary question will be the two big issues, each presenting its own special difficulties. There are widespread apprehensions that the British Government may profess itself unable to carry out its obligations under the Treaty in regard to the Boundary Commission. Grave as the consequences would be for the Irish Free State, a failure to comply with the Treaty would be peculiarly unfortunate for Great Britain in its reactions upon her prestige and moral position, both in European affairs and in the bi-lateral activities of the pending Imperial Conference which is to meet in October. Not much good can be done by discussing it in advance, save so far as

may be necessary to prepare the public mind for the possibility. The better opinion here inclines to the view that the sober non-politician mind of Great Britain would greatly resent being put in the position before the world of failing to make good its formally pledged faith. It does not altogether forget the deplorable results of the unconstitutional holding up of the Home Rule Act of 1914, and it would not relish the recurrence of analogous episodes to-day.

The Mexican Settlement.—The necessary preliminaries to the recognition at Washington of President Obregon's Government were completed on Wednesday by the signature of the records of the Conference between the representatives of the two Powers which has been in session at the Mexican capital. The Agreement is understood to provide (1) that the provisions of the Carranzist Constitution relating to the Federal ownership of land bordering the coast or navigable rivers and of petroleum rights shall not be interpreted to the prejudice of concessions granted before its enactment; (2) that where they have been thus interpreted, compensation shall be given; (3) that a commission shall settle claims for compensation by Americans against Mexico and by Mexicans against the United States. These latter arise from the occupation of Vera Cruz and the Pershing expedition. A satisfactory conclusion of the Conference has been fully expected, but the final result is no less welcome on that account. The United States Government and the oil interests have received the assurances which the repeated decisions of the Mexican Supreme Court had failed to give them, and the impulse given by the recognition of Mexico to foreign trade and investment will no doubt react beneficially on other countries of Spanish America.

Mexican Oil and Recognition.—It is generally known that the resumption of diplomatic relations between the American and Mexican Governments has been dependent upon the improvement of relations between the oil companies and the Mexican Government. At the time of the last Presidential elections there was at least one American oil magnate who was diverted from the Democratic to the Republican banner by the declaration of the late President Harding that he would uphold the rights of Americans in Mexico. The oil interests made it plain that Article 27 of the Carranza Constitution of May, 1917, under which mineral rights were nationalised by what amounted to confiscation, was the bar to recognition of the Obregon Government. There are some who say that the decline in Mexican production and the failure to develop new oil territory are merely part of an attempt by the oil companies to frighten President Obregon out of this pernicious Article 27. There is no doubt that the Mexican President was in a difficult position. The Supreme Court of Justice had advised him that Article 27 was irrevocable. Yet he did his best to compromise by introducing legislation which confirmed titles to oil lands acquired prior to May, 1917. Unfortunately, this Petroleum Bill defined an oil claim as one which did "not exceed 2,000 hectares," and "confirmation" as requiring "a new contract with the Government" on such terms as the Government might impose, and, as a prior condition to "confirmation," the renouncement by foreign owners of their right to protection from their Governments. Clearly, this was vague and objectionable to American oil companies, and three months ago a joint Commission of Mexican and American representatives met to consider a solution of the problem. Despatches from Mexico City indicate that a way round Article 27 has been discovered. Two Presidential decrees have been issued dealing with oil "denouncements." It may be recalled that Carranza had given effect to his confiscatory Article 27 by permitting "denouncements" or "locations," under almost any pretext, on oil lands held by foreigners, and by refusing to issue drilling permits where a "denouncement" had been filed. The two new decrees of President Obregon are reported to authorise, first, the granting of permits for drilling wells outside the proven areas without "denouncement," and secondly, the issue of permits for drilling without "denouncement" on property owned prior to May, 1917. The American Com-

missioners are said to have recommended to Washington the acceptance of this arrangement, and if Mr Doheny, chairman of the Mexican Petroleum Company, which is the largest producer in Mexico, and Mr Walter Teagle, president of Standard Oil, which is the largest buyer of Mexican oil, are satisfied with the decrees, it may be taken that President Coolidge will find no obstacle to recognition. The British Government will no doubt follow suit. The palmy days when Lord Cowdray and the Mexican Eagle Oil Company were a power in Mexican politics have long since passed. The Foreign Office learnt its lesson in 1913, when an untimely British recognition of Huerta led almost to a rupture with President Wilson. Merely from an oil point of view it is doubtless fitting that Great Britain should follow the United States in this matter. The petroleum industry in Mexico is valued, according to official Mexican figures, at one billion dollars, of which 57.7 per cent. is owned by Americans, 33.8 per cent. by British, 6.1 per cent. by Dutch, and 1.1 per cent. by Mexicans. Here is an obvious case where oil decides politics. Nevertheless, it should not be forgotten, when recognition comes, that Mexico under the more stabilised Government of President Obregon is a market for manufactured goods and a source of supply of raw materials which British trade can ill afford to neglect.

China and the Powers.—On Friday of last week a Note was presented to the Peking Government, signed by the representatives of sixteen Powers (including Mexico and Cuba!), demanding compensation for the Shantung railway outrage, guarantees against the recurrence of similar excesses, and the dismissal of the three officials through whose negligence it took place—the Tuchun of Shantung, the military commander of the district, and the commandant of the railway police. The Note is emphatic, but is not backed by the only measure which, in the opinion of the foreign residents, can make it effective—the strengthening of the foreign garrisons in China. Besides, the Peking Government is paralysed and virtually headless, and though it recognises the Tuchuns in theory as its subordinates, it has no power over them. Indeed, its reply states that it "postpones" the dismissals in question. The proposed conference of the Powers on the position generally, to which we refer elsewhere, having apparently fallen through, the only solution before the public at present is that suggested by Brigadier-General Clarence Bruce in Wednesday's *Times*. It derives special weight from his experience in the British forces in China during the Boxer rising and for many years subsequently in the Chinese service. He maintains that the Powers should tell the Peking Government that they intend to protect the Treaty rights of their subjects, and to this end offer to help it to police the railways and waterways, and to get rid of the militarism, falsely so called, of the Tuchuns. Two years would be allowed for the complete submission of these leaders, and thereafter the Powers would give all necessary assistance in suppressing them and in cutting off the supplies of arms for fresh bands of brigands. The Tuchuns' armies are merely coolies or bandits in uniform, and will not fight as fighting is understood nowadays. The Powers should also provide funds to employ the disbanded troops in railway extension and other needed public works; and an international commission, including financial experts, should meet shortly at Peking. He also expresses his conviction that China can only be held together by a restored Monarchy. Any such proposal would certainly be opposed by large sections of the British and American public, as well as by the educated Chinese, whom many Western observers regard as the chief hope of China. Otherwise, General Bruce's suggestions seem excellent on the whole, provided that the Peking Government retains sufficient vitality to respond. Two years, however, is a long time to wait for the submission of the Tuchuns, which will only take place peaceably if their armies are paid off and it is made worth their while. Funds for these purposes can hardly be provided by the Powers without some guarantee of repayment, and this can only be furnished by such an extension of the foreign control of Chinese finance as to secure that the provincial revenues shall reach Peking. How can this control be made effective except by an adequate military force,

stiffened by foreign troops, or, at least, organised by foreign officers and containing foreign elements, though under the flag of the Chinese Republic? A precedent may be found in the suppression of the Taiping rebellion.

The Outlook in Peru.—A correspondent writes:—It is announced that the Peruvian Constitution of 1919 has been amended to permit the re-election of President Augusto Leguia on the approaching expiration of his term of office. He represents one of the great families who have hitherto controlled the Government, and whose rivalries have been the cause of many revolutions; he has himself been actively concerned in two at least, and he anticipated the retirement of his immediate predecessor by exposing him on the ground that he aimed at maintaining his power by force. But he is a reformer with large schemes of popular education and economic development, who has given proof of his political ability by his promotion of the establishment of regional assemblies to modify the excessive centralisation of the machinery of the Government. Peru took a long step towards democracy in 1919 by the extension of the franchise, and the mestizo class, now preponderant both in the population and the electorate, probably requires a strong President until its political education is more advanced. Finance is the great problem of the rulers of Peru, and on this the latest report from H.B.M. Consul at Callao is not encouraging. A large proportion of the population, especially in the capital, depends on the spending capacity of the Government, and the vast resources of the country cannot be developed without foreign capital and enterprise. President Leguia has done his best to attract it; irrigation, under American superintendence, is progressing, great railway developments are contemplated, and, if the reorganisation of the army and navy under French and American officers respectively, has been temporarily suspended, that is all the better for the peace of the Pacific Coast. President Leguia's re-election ensures the stability necessary for development, as that of President Gomez has in Venezuela.

Shipping Freight Index.—The downward course of freights for whole cargoes was continued in July, our index number recording a further fall of 4 points following a decline of 9 points in June. The weakness of rates was widespread, as will be seen from the table below:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (avg. 1898-1913).	100	100	100	100	100	100	100
Average 1913	110.03	113.09	123.37	106.29	117.38	127.89	116.34
Feb., 1920..	814.31	529.89	757.52	744.81	587.02	712.16	690.95
Dec., 1920..	268.90	277.17	244.10	256.79	286.72	347.18	280.14
Dec., 1921..	160.06	164.07	163.72	144.43	141.25	166.47	156.67
Sept., 1922..	143.00	115.60	122.48	129.48	124.52	135.31	128.40
Nov., 1922..	148.89	124.56	134.22	130.86	130.47	138.49	138.95
Jan., 1923..	132.05	126.47	124.85	120.20	142.14	150.44	132.69
Feb., 1923..	149.60	116.85	123.93	117.83	134.49	144.21	131.15
Mar., 1923..	163.55	124.30	130.43	125.40	125.36	135.31	134.06
April, 1923..	142.72	133.38	137.32	133.77	134.06	124.63	134.31
May, 1923..	134.91	140.03	143.05	126.99	134.48	120.18	133.27
June, 1923..	131.77	111.04	124.56	125.50	133.90	118.84	124.27
July, 1923..	132.42	107.20	118.67	122.44	126.10	114.83	120.28

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade.....	135.43	+ 5.53	North America.....	107.20	- 3.84
Bay-outwards.....	139.45	+ 11.01	S. America-outwards.....	112.03	+ 7.16
Bay-homewards.....	140.33	- 9.67	S. America-homewards.....	125.31	- 15.35
Mediterranean-outwards.....	138.23	- 0.16	India-outwards.....	116.20	- 1.40
Mediterranean-homewards.....	103.65	- 8.32	India-homewards.....	128.68	- 4.72
			Far East, &c.....	126.10	- 7.80
			Australia.....	114.83	- 4.01

It will be observed that rates for homeward cargoes are lower throughout. In certain instances, e.g., grain from U.S.A., and nitrates from Chile, most of the scant volume offering is being carried by liners in "parcels" at rates lower than those possible for shipowners to accept for

whole cargoes. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1920.	1921.	1922.	1923.
January.....	545.42	194.59	131.60	114.05
February.....	593.90	164.54	135.76	112.73
March.....	588.24	162.17	135.53	115.23
April.....	519.40	147.48	129.46	115.45
May.....	480.60	158.42	125.12	114.55
June.....	463.16	165.73	117.45	106.82
July.....	384.43	169.87	114.52	103.39
August.....	350.96	170.60	113.16	..
September.....	360.27	154.47	110.37	..
October.....	394.80	141.85	114.42	..
November.....	340.33	136.47	119.43	..
December.....	240.79	134.66	117.39	..
Mean for year..	438.52	158.40	122.02	..

The July figure is the lowest recorded, and is little more than 3 per cent. above the 1913 average.

Coal, Iron, and Steel Production.—According to statistics issued by the National Federation of Iron and Steel Manufacturers, the production of pig-iron in July amounted to 655,100 tons, and of steel ingots and castings to 624,300 tons. The steel production is the lowest for any month this year, while the number of furnaces in operation fell from 222 to 206 during the month. Exports of iron and steel which had been 424,500 tons in May, and 365,100 tons in June, fell in July to 307,700 tons, the lowest level reached since September last year. These disappointing results, while to some extent due to holiday influences, are mainly due to the uncertainty of the Ruhr situation. It is rumoured, for instance, that the French, having pursued the policy of requisitioning coke, will proceed to requisition the iron and steel stocks in the Ruhr. The extent of these stocks is the subject of widely varying estimates, but their existence and the possibility of their liquidation in the near future is causing some anxiety. Another interesting subject of speculation is the question as to how long it will be before the Ruhr coke stocks are exhausted. Even the French metallurgists themselves doubt M. le Trocquer's optimistic estimate that they will not be exhausted until January, while neutral observers estimate that the stocks will not last beyond the beginning of October. Whether the French by that time will have managed to work the ovens themselves is quite an open question, but if not, either French production, which is now practically back at pre-occupation level, will have to be curtailed, or greater quantities of coke will have to be imported, with a consequent increase in price. Coal production in the four weeks ended July 28th averaged 5,015,000 tons, a rate considerably less than in the previous period, but for the week ended August 4th, the output was slightly better at 5,253,600 tons. Exports, while not so high as in May, were a little higher than in June, and amounted to 6,767,000 tons (of which 1,295,000 tons went to Germany, 1,699,000 tons to France, and 625,000 tons to Italy). The decline was, therefore, due rather to a reduced home demand, partly on account of lessened demands for industry and for domestic purposes, on account of the hot weather, than to reduced exports. Exports of metallurgical coke in July amounted to 234,600 tons, of which 155,300 tons were sent to Germany.

Japan's Foreign Trade.—Our Tokyo correspondent writes:—At the close of the first half-year Japan's foreign trade shows a larger adverse balance than ever experienced since the beginning of her commercial relations with the outside world. Last year began with a tremendous excess of imports over exports. During the fifth and sixth months there was a recovery of balance, and in the second half-year exports exceeded imports, so that the total balance for the year was not as great as expected. But during the past six months imports have resumed their excess, and have reached a total adverse balance of 394,000,000 yen. Compared with last year's trade for the same period, the totals are as follows:—

	1922.	1923.
Exports.....	735,944,000	713,888,000
Imports.....	1,105,706,000	1,107,978,000
Total.....	1,841,650,000	1,821,866,000
Balance.....	369,762,000	394,090,000

It is calculated, however, that if the adverse balance for Korea, Formosa, and other dependencies be taken into account, the total for the empire's trade will not be less than 450,000,000 yen. The decline in exports is ascribed to failure of American demand for raw silk, together with persistence of the boycott against Japanese goods in China, to say nothing of futile attempts to take advantage of European conditions created by French occupation of the Ruhr. Some of the decline must also be attributed to artificial expansion of prices and cost of production in Japan, which in some measure accounts for the disappearance of copper and coal from the export lists. Other important items showing a decrease are cement and cotton textiles. On the other hand, there is an increase in raw cotton imports by a value of 92,350,000 yen. Exports usually improve in the second half of the year, but there will have to be an unprecedented demand in America and China, the two chief markets of Japan, if the year is not to end with a balance less favourable than last year. The authorities are endeavouring to decrease prices by improving efficiency and facilities of transport in trade. The embargo on export of gold still obtains, though import bills have to be paid, which makes the embargo not very real. The money eventually comes out of the specie held abroad, however, which is showing a steady decline. At present the total gold holdings of the nation amount to 1,792,000,000 yen, as compared with 2,000,000,000 after the war: 643,000,000 yen belongs to the Government, and 1,149,000,000 yen to the Bank of Japan. Of the total, 1,203,000,000 yen is in Japan, and the balance, amounting to 589,000,000 yen is abroad, mainly in England and America.

Motoring Costs.—A correspondent writes:—Motoring is cheaper to-day than it has ever been. Taking into account the quality of to-day's cars and the number of accessories included in the purchase price, the price of the present-day vehicle is considerably less than it was in 1914. The price of tyres has fallen till they are now actually below the pre-war figure, without having regard to the fact that the present cord tyre is vastly superior and has double the life of the 1914 canvas type. Lubricating oil, the least important item, has also fallen, but not quite to pre-war level. The recent reduction of 3½d. a gallon in the price of petrol brings it practically to where it was on the outbreak of war. The following figures show the fluctuations in the price of petrol since 1914:—

	Per Gal.		Per Gal.
July, 1914.....	1 8	October, 1920.....	4 0
May, 1916.....	2 10	January, 1921.....	3 5
September, 1917.....	4 0	June, 1921.....	2 11
December, 1917.....	3 6	August, 1921.....	2 5
February, 1919.....	2 10	September, 1922.....	2 0
February, 1920.....	3 8	July, 1923.....	1 8
August, 1920.....	4 3		

There are two reasons for the recent drop. One is that the large companies have been piling up huge stocks due to over-production in the United States. The other is that so many small petrol distributing companies outside the combine have started in business during the last few years, and these have been selling at a price considerably below that charged by the big companies. It may be that we are in for a petrol war, and the reduction in price may be an endeavour to squeeze out the smaller firms. If so, the consumer will ultimately have to pay.

Niger Company's Troubles.—A year ago the Niger Company presented accounts for the two years to December 31, 1921, showing a most unfortunate state of affairs. The report for 1922 is little more consoling. Trade conditions in West Africa continued to be unfavourable, and further heavy losses were incurred by the company and its associates. The net result is an increase of £77,560 in the debit to profit and loss, which now stands at £914,261. The accounts are of small value for comparative purposes, Lord Leverhulme having subjected them to much the same treatment as those of Lever Bros., i.e., "the directors have adopted in the profit and loss account the principle of treating the associated companies.....as if they were branches of the business." There has evidently been some shouldering of each other's burdens as between Lever

Bros. and the Niger Company—at least, that is how we interpret the statement: "In addition to making certain allowances to the [Niger] company and to some of the associated companies, Messrs Lever Brothers, Limited (the majority ordinary shareholders), have caused to be passed on to one of the associated companies shares which have been included in the accounts at their estimated value, and the excess over the par value has been applied towards losses of the associated companies." This high finance leaves the shareholder entirely in the dark as to the real results of the year's trading, and though he may be encouraged to hear that "the directors have made a valuation of the assets of the company, and are satisfied that the figures in the balance-sheet represent the true value of the assets," he will note that the auditors are unable to express an opinion as to the value of certain of the most important items. As far as the present balance-sheet is comparable with its predecessor, the most important changes seem to be a welcome fall of £1,059,000 in creditors, which now stand at £2,527,000, and reductions of £389,000 and £647,000 respectively in debtors and stock-in-trade. The most important asset consists of interests in other companies and investments, £3,738,000, about which the auditors are so reticent. A summary of the balance-sheet will be found in another column.

Transvaal Gold Output.—The total gold output of the Transvaal mines in July was 754,306 fine ounces, a slight decrease on the previous month's figures, but an improvement of 23,671 ounces in comparison with July, 1922. The total for the first seven months of this year was 5,270,855 ounces. Monthly figures from 1917 onwards are shown below:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January.....	782,634	714,182	676,059	670,503	651,593	639,728	764,469
February.....	781,321	659,759	636,728	625,330	558,137	539,788	704,970
March.....	787,091	696,281	712,379	707,036	671,123	671,123	761,586
April.....	742,778	717,000	694,944	686,979	681,382	511,338	743,651
May.....	779,385	741,317	724,995	699,041	687,776	629,786	786,564
June.....	753,724	727,696	702,379	715,957	678,490	675,697	755,309
July.....	757,839	736,199	725,497	736,099	689,555	730,635	754,306
Total (7 months)	5,390,775	4,992,434	4,872,981	4,840,945	4,618,056	3,187,184	5,270,855
August.....	736,658	740,210	706,669	702,083	711,526	752,490	..
September.....	738,731	708,206	698,558	682,173	691,026	747,089	..
October.....	751,290	679,764	723,722	662,472	707,825	778,159	..
November.....	722,839	658,701	677,970	633,737	704,256	764,476	..
December.....	722,419	641,245	650,191	632,215	681,847	790,712	..
Total (12 months)	9,018,084	8,418,292	8,336,091	8,153,625	8,114,516	7,020,111	..

Although production has fallen away slightly from the maximum of May last, the year's output is still the highest since 1917. The number of natives employed has lately tended to diminish in the gold and diamond, but to increase in the coal mines, as the following table proves:—

	Dec. 1922.	Jan. 1923.	Feb. 1923.	Mar. 1923.	April 1923.	May 1923.	June 1923.	July 1923.
Gold mines.....	176,834	181,985	182,983	181,473	178,137	175,591	170,865	166,443
Coal mines.....	11,001	14,664	14,717	14,710	15,040	15,176	15,598	16,020
Diamond.....	1,253	1,222	1,227	1,273	1,860	2,668	3,063	2,893
	189,088	197,871	198,927	197,456	195,237	193,955	189,526	185,356

The number of natives employed by members of the Witwatersrand Native Labour Association and contractors continues to fall, the decrease since February last being 13,571, or 7 per cent.

Transvaal Gold Mining Estates.—One redeeming feature of mining shares, writes our correspondent, is that they often provide an exemplification of the adage anent the darkest hour. For each of the past five half-years the directors of this "outside" Rand enterprise have been under the necessity of intimating to the shareholders that no dividend could be paid. During the past week the shares have constituted one of the few active features in the market as the outcome of persistent buying on behalf of Cape operators, which raised the price from 8s 6d to 11s 6d. The reason for this demand has yet to transpire over here. It may be recalled that last year the shares were rushed up to 17s on the news of rich developments—only to fall back sharply when it became ascertained that the high-grade ore was not readily amenable to treatment. Perchance history may repeat itself. The report for the year ended March 31st last made a poor showing, albeit financial results were not really quite what they appeared.

The tonnage crushed was much the same as in the preceding period, but the increase in average yield proved insufficient to counterbalance the decline in the price of gold. Costs were practically maintained at the 30s level, owing to the expenditure of a largely increased amount upon prospecting. Thus the net profit came out at the insignificant figure of £1,600. Unfortunately, the extra exploratory work failed to open up extra ore, the reserves declining by 48,000 tons to 625,800 tons, although the grade recovered slightly to 6.3 dwts. It is evident that the company is being pressed by the Union Government to perform an amount of prospecting really in excess of its financial resources. The manager urges that such work in the district—the Lydenburg, north of the Transvaal—is becoming increasingly the task of a big, powerful organisation. The results so far, however, have not been such as to attract much capital.

Oversea Correspondence.

UNITED STATES.—DEATH OF PRESIDENT HARDING—CONFIDENCE IN MR COOLIDGE—GOVERNMENT COTTON REPORT—UNITED STATES STEEL EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 6.

THE sudden death of President Harding came as a great shock to the entire country, but has caused no unsettlement in any direction, no pronounced weakness in markets for securities or commodities, and no apprehension—such as may have been felt at other times when a Vice-President became President—regarding the administration of the Government by his successor. Financial, banking, and business interests throughout the United States have expressed their confidence in President Coolidge. They consider him eminently fitted for the Presidency. The late President Harding established a precedent by making the Vice-President a member of his Cabinet. Mr Coolidge regularly attended the Cabinet meetings, and is therefore probably more thoroughly familiar with the duties devolving upon the Chief Executive, and with the many problems confronting the Government, than any Vice-President who, heretofore, has suddenly become President. He has already indicated his desire to retain the present members of the Cabinet, and his intention to carry out the major policies of the Harding administration. A study of his past acts and utterances makes it reasonably certain that he will be strongly opposed to all forms of radicalism, to governmental interference with legitimate business, and to all price-fixing nostrums and other artificial measures, lately suggested by the farm bloc and others, to control the marketing of agricultural products. The new Chief Executive is known to favour a revision of the tax laws, particularly a lowering of surtaxes as advocated by Secretary of the Treasury Mellon, while his views regarding the tariff, the railroads, the maintenance and upbuilding of an American merchant marine, the coal situation, and other domestic problems are in line with those of the Harding administration. As to international matters, President Coolidge, in so far as it is possible to judge from his previous public speeches, is not an isolationist, but believes this country should do its full share in helping to bring about more normal economic conditions in Europe.

All stock, cotton and grain exchanges were closed last Friday as a mark of respect to the deceased President. Since then, markets generally have been characterised by calmness, barring active trading and sensational advances in raw cotton, due to further unfavourable crop advices. On the Stock Exchange dealings have been light in volume, with only slight additional recessions in values. For many weeks the stock market has been declining, the downward movement culminating in another severe break early last week which carried average

prices of both industrial and railroad shares to new low levels for this year.

The Government's cotton report, estimating the condition of the growing crop at 67.2 per cent. of normal, on July 25th, was a great surprise to the trade, which had expected a condition of at least 70 per cent. Private estimates had ranged from 68.6 to 71.7 per cent. The Government's latest estimate shows a loss of 2.7 per cent. since June 25th, and compares with a ten-year average of 72.4 per cent. on July 25th. According to the Department of Agriculture, the condition of 67.2 forecasts a yield of 143.9 pounds per acre, or a total production of 11,516,000,000 bales of 500 pounds gross, representing an increase of 116,000 bales over the production estimated by the department a month ago. The Crop Reporting Board of that department states that the average yield of the last eight years was 6 per cent. below the July 25th forecast of the crops, and that the yield equivalent used this August is 3.7 per cent. below that of August a year ago. Only a few States showed improvement in condition since June 25th.

During July spot cotton continued to decline, and closed at 22.45 cents a pound, or nearly 9 cents below the season's high level reached last March, about half of that drop occurring in the last week of July, the final month of the old crop year. Futures had also weakened, the October option selling, for months past, at a discount of fully 4 cents under July. The immediate effect of the Government's unexpectedly low condition estimate was a wild scramble to buy, which caused an advance of more than \$5 a bale here, and about \$7 a bale in New Orleans. Much of the hasty purchasing represented covering by shorts, who had overstayed their market, notwithstanding the decline of at least 10 cents a pound which had occurred in futures since the end of last winter. After a slight reaction the market resumed its upward trend, and in the past day or two scored a further advance of more than \$6 a bale, making a net rise of over \$14 a bale since publication of the Government report. The latest upturn has been due to complaints of rapid deterioration in the south-west, owing to protracted hot, dry weather, and reports of increased weevil activity in eastern States of the cotton belt. Another bullish influence in the recent trading was the exceptionally light supply of old cotton remaining on August 1st, the world's carry-over of American cotton amounting to only 2,573,000 bales, according to Secretary Hester, of the New Orleans Cotton Exchange; that is one of the smallest totals, if not the smallest, ever carried over into a new crop year. More significance would perhaps be attached to that fact if consumption of cotton were larger, or if indications pointed to increased consumption in the near future. Cotton mill production has been steadily curtailed in the past two or three months, and it is reliably estimated that August consumption in this country will be reduced to the extent of more than 150,000 bales; some 15,000,000 spindles in cloth and yarn mills will be directly affected this month by the short-time movement, which means partial idleness for at least 200,000 operatives.

While it was generally expected that net earnings of the United States Steel Corporation for the quarter ended June 30th would make an exceptionally good showing, the actual results were much better than most trade and financial interests had predicted. The net profits amounted to \$47,858,181, as compared with \$34,780,000 in the first three months of this year, and \$27,286,945 in the June quarter of 1922, and are the most favourable reported since the third quarter of 1920, when net earnings, aggregating \$48,051,540 were the largest for any three months' period since the world war. After deducting taxes and charges, the surplus available for dividends for the June quarter of this year totalled \$29,864,112, which was equivalent, after preferred dividends, to \$4.63 a share earned on the \$508,302,500 common stock. That compares with \$17,518,051 in the quarter ended March 31, equivalent, after preferred dividends, to \$2.20 a common share, and with \$11,196,355, which, after the preferred distribution, left a sum equal to only 96 cents a share on the common stock in the second quarter of 1922. After allowing for the regular dividends, the corporation reported for the past June quarter a balance of \$17,205,412, from which it appropriated \$10,000,000 for plant improvements

and extensions, carrying to profit and loss account a surplus of \$7,205,412. The detailed statement for the second quarter of 1923, compared with the first quarter of this year and the second quarter of 1922, follows:—

	June 30, 1922.	Mar. 31, 1923.	June 30, 1923.
Net earnings*	27,286,945 ..	34,780,069 ..	47,858,181
Dep., sinking fund, &c.....	11,067,432 ..	12,252,744 ..	13,029,797
Net income	16,219,513 ..	22,527,325 ..	34,828,384
Int. U.S.S. bonds	5,023,158 ..	5,009,274 ..	4,964,272
Balance	11,196,355 ..	17,518,051 ..	29,864,112
Pref. dividends	6,304,919 ..	6,304,919 ..	6,304,919
Com. dividends	6,353,781 ..	6,353,781 ..	6,353,781
Surplus	*1,462,345 ..	4,859,351 ..	17,205,012
Res. for imp.....	.. ..	.. ..	10,000,000
Surplus .....	.. ..	.. ..	7,205,412

* Deficit.

May was the best month of the past quarter, showing net earnings of \$17,698,675, as against \$14,399,988 in April, but profits for June declined to \$15,759,518; the total for June, nevertheless, was the largest reported for any month, with the exception of last May, since October, 1920.

The corporation's net earnings for the first half of the current year totalled \$82,638,250, as compared with \$46,626,930 in the corresponding period of 1922. After taxes and other charges, there remained a balance of \$47,382,163, equivalent, after preferred dividends, to \$6.83 a share on the common stock; in the first six months of last year the amount left out of earnings for the common stockholders was equal to only 88 cents a share.

Judge Elbert H. Gary, chairman of the board of directors, considers the present situation in the steel industry as very satisfactory, from the standpoint of a manufacturer. There has been some diminution in new business during the past 30 or 40 days, but that is regarded as only natural for the summer months. New orders are not quite keeping pace with shipments at present, but if they continue at the current rate, with the large tonnage on the books unfilled and unshipped, there will be enough business, he says, to keep the United States Steel Corporation operating at practically full capacity for a long period.

FRANCE.—THE BRITISH NOTE—IRON AND STEEL OUTPUT—PRICES—GOVERNMENT'S SHIPPING VENTURE.

(FROM OUR CORRESPONDENT.)

PARIS, August 14.

IT may be stated without hesitation that the publication of the text of Lord Curzon's Note, in which the British Government's views on the whole present situation of the reparations and inter-allied debts questions are set forth in detail, has had the effect of a bombshell on French opinion. It was certainly not expected that Great Britain would have expressed her views so "brutally" (to use a word that has frequently appeared here in the comments of the Paris Press on the Note) in regard to the debt owing by this country to her Ally; but the point in the Note that has caused the deepest disappointment is undoubtedly that in which the British Government denounces the French and Belgian advance into the Ruhr as illegal. French and Belgian jurists (including M. Poincaré himself) on this point naturally take a diametrically opposite view to that expressed by the British law officers, and it is generally recognised here that it is round this question that the decisive stages of the controversy will be fought out. So far as the debt owing by France to Great Britain is concerned, the attitude of the French Government is perfectly simple, whether we agree with it or not. France, as M. Poincaré and his principal lieutenants have repeatedly declared, has not, and never has had, any intention of repudiating her liability, but she insists that unless her creditor either assists her to collect what is owing to her by Germany, or allows her to use her own methods to secure satisfaction from that quarter, it is unfair to ask her to pay until her devastated regions are at least put on their feet and again rendered productive.

A point in the whole situation that is frequently overlooked, is that Lord Curzon's latest Note to France, although addressed to the official representatives of the French Government, will have the effect of a direct appeal to the French electorate as a whole. The next French General Elections are fixed for the coming month of May. There is already a widespread belief that the result of those elections will be a marked trend to the Left, which would in all probability mean a resumption of the old Caillaux policy for *rapprochement* between France and Germany, in replacement of the existing Entente Cordiale (if the latter can still be said to exist). The French are undoubtedly deeply dissatisfied with British policy in regard to Tangiers and several other questions, and Lord Curzon's latest Note will prove valuable ammunition, not only to M. Poincaré himself, but to M. Herriot, who may be regarded as the present advocate of the old Caillaux section, the party that is looking to the coming General Election to bring it back to power.

The statistics issued by the Comité des Forges for the period ending July 1st show that on that date there were 106 French blast furnaces in operation, as against 99 on June 1st, 88 on May 1st, 77 on April 1st, 90 on February 1st (a fortnight after the occupation of the Ruhr), and 116 on January 1st. In addition to these, there were on July 1st 64 blast furnaces "ready to operate" and 48 under construction or repair. Of the 71 blast furnaces in activity in the East of France and in Alsace-Lorraine on July 1st (compared with 66 on June 1st), "some," it is stated, were not operating to their full extent. Of the total number of blast furnaces in France, seven were again started up during June (of which three were in the East of France, two in Alsace-Lorraine, one in the South-West, and one in the West), so that the total still shut down through want of coke is ten, in comparison with the total number in activity on January 1st. The output of cast iron in June was 447,013 tons, or an increase of 53,585 tons during May, and a decrease of 66,275 tons as compared with the output in December, the last normal month. The output of steel during June reached 427,400 tons, an increase of 39,151 tons on the figures for May and also of 12,803 tons on the December figures. The June figures, in fact, were higher than any since October last year, so the Comité des Forges states that it is evident that French metallurgists have been able, within a period of six months, more than to make up for the still very large deficit in the output of the Lorraine steel plants. The Lorraine plants (liberated territory only) during June produced 152,088 tons of cast iron (against 133,785 tons in May and 219,137 tons in December), and 139,689 tons of steel (as against 112,125 tons in May and 147,914 tons in December). The total output of cast iron in France during June was 8 per cent. less than in January and 12 per cent. less than in December last, while the total output of steel was 4.8 per cent. more than in January last and 2.4 per cent. more than in December last.

The index figure for wholesale prices at the end of July, which has just been announced by the Statistique Générale de la France, shows a slight reduction, as compared with that for June. The details, based on 100 as the figure for the period 1901-1910, are as follows:—

	1923.	End of June (Corrected).	End of July (Provisional).
General index figure (45 categories).....	472.3	470.1	470.1
Foodstuffs (whole of 20 categories).....	449.8	445.6	445.6
Vegetable foods (8 categories)	414.8	408.4	408.4
Animal foods (8 categories)	472.3	464.3	464.3
Sugar, coffee, cocoa (4 categories)	474.2	482.5	482.5
Raw materials (whole of 25 categories)....	490.4	489.8	489.8
Minerals and metals (7 categories).....	440.1	451.0	451.0
Textiles (6 categories)	637.0	616.6	616.6
Various (12 categories)	446.5	448.9	448.9

The general figure for the end of May was 469.9, for the end of April 479.5, while for the end of 1922 it was 418.4. In other words, the average increase in wholesale prices, as compared with the period 1901-1910, was equal to 370.1 per cent. at the end of July, as against 372.3 per cent. at the end of June and 318.4 per cent. at the end of 1922. Food prices have naturally fallen at this time of the year, with the exception of coffee, &c., the rise of which is obviously due to the exchange factor. The drop

in textile materials was unfortunately largely nullified by a rise of almost equal extent in minerals and metals. The index figure representing the retail prices of 13 categories of foodstuffs in Paris is returned for the end of July as 3,446 (or an increase of 221 per cent. on 1914), as against 3,562 (or an increase of 231 per cent. on 1914) at the end of June.

A report recently presented to the Chamber by M. Charles Leboucq, on behalf of the Finance Commission of the Lower House, sets forth in a striking manner the results of the French Government's experience as an owner of merchant shipping during and after the war. The report shows that the Government shipping department expended a total sum of 1,998 million francs on the purchase, construction, and maintenance of merchant shipping vessels (of which only 476,000,000 francs was in respect of maintenance). The vessels in question, under the liquidation scheme, were sold for a total of 190,000,000 francs, leaving a net loss of 1,808,000,000 francs to be met by the taxpayers. In a word, the fleet of merchant ships "fetched" within a shade of 10 per cent. of their actual cost. Even on this basis, apparently, the loss of any return on the money so invested has not been taken into account, so that it may be stated as a fact that the Government's venture in merchant shipping since the beginning of the war has cost the country an actual loss of 2,648,000,000 francs.

GERMANY.—TAXES AND INFLATION—STOCKS—PRICES—TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, August 14.

THE taxation reform so hurriedly passed last week promises on paper an enormous yield. A newspaper estimate, in which, however, no data are given, states that the new income-tax payments will yield 60 billions, the Ruhr levy 40 billions, the motor-car levy 15 billions, the industrial tax 60 billions, or approximately 120 millions gold, and the agriculture tax 108 billions, or 216 millions gold. Of this sum 150 billions are due to be paid before the end of August. The taxes are:—1. Income-tax. In July the advance quarterly income-tax payments for 1923 were multiplied, beginning with the August quarter, 25 times, and the corporation income-tax 35 times. Both taxes are assessed on the much lower incomes and profits of 1922; and the multiplication aimed at adjusting the yields to the much higher incomes of this year. Ten days ago the Cabinet's plan was to increase the multiples to 100 and 140 fold respectively. Under the influence of the mark crash of last week, however, the multiples have been fixed at 400 and 600 respectively. 2. Ruhr Levy. On August 25th, October 5th, and January 5th each taxpayer, whether individual or corporate, will pay double the above multiplied payments; that is to say, respectively 800 and 1,200 times their original income-tax instalments, as a special levy. 3. The motor-car tax, which we reported last week, has been increased fifty times. For a 25 h.p. car this works out at about 900 million marks. 4. Industrial tax. All industrial concerns for the next six months will pay weekly a sum equal to twice the sum deducted from their workmen's wages for income-tax. 5. Agriculture tax. This is intended as a counterpart to the industrial tax. All agricultural land will pay monthly 1½ gold marks per 2,000 gold marks of valuation. The valuations are on the same basis as those of the Defence Levy (*Wehrbeitrag*) of 1913. In addition there is a Tax Interest Law, which empowers the Finance Minister to impose penalties for any delayed payments sufficient to compensate the State for loss due to future currency depreciation. The different rates of the beer tax have been raised as from August 15th by between eight and nine fold. The sales tax, hitherto payable quarterly, has been made payable monthly, except for persons with turnovers in 1922 of less than 1,500,000 marks. The new "fixed value" paper-mark loan will be opened to subscription to-morrow. It is issued in bonds varying from \$1 (4.20 gm) to \$1,000 (4,200 gm). No limit is put upon the amount; but the law providing for "fixed value" interest payments assumes that the total will not exceed 500,000,000 gm.

It is difficult to criticise the above taxation scheme. The plan to assess in gold-marks or index marks, which

would alone guarantee any fixed real yield, has not been adopted, except in the case of the tax on agriculture, though the Finance Minister is given power to adapt the Ruhr levy rates for October and January to further currency depreciation. The "fixed mark" plan could not be adopted because owing to past neglect there was no time to work out a satisfactory scheme. The enormous estimated paper-mark yields represent very small real values; but it is not certain that even these will be realised. The 150 billions due for payment within little more than a fortnight is worth, at the lowest mark value of last week, only \$30,000,000. The 150 billions is, nevertheless, more than three times the whole note circulation of 43½ billions reported on July 31st; and the 500,000,000 gm "fixed value" loan would have a value of about twelve times the note circulation. The Government, it would seem, is attempting to obtain from taxes and the loan sums which are infinitely greater than its past liabilities; but this only expresses the fact that the currency outstanding against past liabilities has shrunk in value to almost nothing. However, the deficits that have been piling up since the end of July, though particulars are not as yet available, together with the increase in note circulation representing these deficits, will be enormously greater than those of earlier months. Apparently no one expects that the vast tax yields will meet the needs of the case, even if they are fully realised, because the Reichstag had to authorise the Government last week to raise credit by the issue of no less than 800 billion marks Treasury bills. The effect of the sudden enthusiasm for taxation is enormous on the money market and the stock market, no less than on the individual. Millions of income-tax payers who according to law were obliged five days ago to make payments increased 25 to 35 times before August 15th, learned on the 11th of the month that they must make payments increased 400 to 600 times before the same date, and that ten days later they must make additional folded payments increased 800 or 1,200 times. These payments are, of course, not excessive when compared with the currency depreciation which has taken place since the tax assessments were made; but the amount of money in circulation, vast in itself, is so small when measured by the same depreciation that it is a mystery how the payments can be made at all. Apparently the Finance Ministry sees this, because it announces that in view of "technical difficulties" the Finance Offices will be content if they get the Income-tax and Ruhr Levy payments, due on August 15th and August 25th, before August 31st. By this time enormous additional sums will have been turned out from the printing press.

A change in the Reichsbank directorate is expected. The newspapers are clamouring for Herr Havenstein's resignation. The Reichsbank has fixed its gold buying price at \$640 for 1 kilogramme of fine gold, and will pay in paper marks at the Bourse dollar rate. Hitherto the Bank has periodically fixed its paper mark price for gold. The Bank is printing notes at the rate of 8 billion marks a day, but the shortage is none the less acute. The Municipality of Berlin is obliged to reissue low-value notes surcharged, and the private banks are issuing unit checks of one and five millions each. Fifty million marks Reichsbank notes will soon be issued. The Customs gold surcharge is raised from to-morrow to 42,579,900 per cent., which is nearly 300 per cent. above the rate of August 8th. Henceforth the surcharge rate will be fixed each week on the basis of the preceding week's dollar exchange, instead of as heretofore on the average exchange of the preceding three weeks. The pressure on the Reichsbank in the last week of July was hardly as extreme as was expected. Commercial bill discounts increased by 4,383,879 millions, Treasury bills by 14,655,266 millions, and circulation by 11,769,991 millions. The Bank disposed of another 20,000,000 gold marks abroad, thus reducing the gold reserve to 596,351,000 gold marks.

The Bourse yesterday was weak as a result of the drop in the exchange and of realisations by taxpayers. Most stocks lost about 30 per cent. as compared with the highest quotations of last week, while a few lost considerably more. Last week saw an all-round rise, which was the most violent so far experienced. The *Frankfurter Zeitung's* index for home dividend-payers showed 259,823,700 for August 10th, as against 90,033,700 on the

3rd and 376,685 on January 5th. Bank shares and shares of native companies with foreign interests rose rapidly. Home loans, on an average, nearly doubled their quotations, but dropped again yesterday, when the quotations were: War Loan, 2,000; Fours, 60,000; Three and a-Half per Cents., 50,000; Threes, 500,000; Colonial Fours, 450,000; and Prussian Consolidated Threes, 48,000. The decline of home paper mark loans on an improvement in the exchange is a new feature.

Prices went up rapidly last week. Coal (Ruhr Foerkohle) from 5,188,000 marks to 23,267,000 marks a ton, and foundry coke from 7,845,000 marks to 35,385,000 marks. The official cost of living index number for August 6th is 149,531, as against 1 in 1914. This compares with 71,475 on July 30th and 16,180 on July 4th. The increase in the last week was 109.2 per cent., the biggest as yet recorded. The foreign trade report for June, as compared with May, shows:—

(In Metric Tons).

	Imports.		Exports.	
	June.	May.	June.	May.
Total	4,806,600	4,013,100	889,700	929,900
Food, &c.	259,900	266,900	75,800	96,100
Raw and half-finished materials	4,423,900	3,630,300	525,300	525,300
Manufactured wares	121,700	112,200	288,500	308,300

Coal imports in June were 3,000,000 metric tons, against 2,500,000 metric tons in May. The import of iron ore remains very small, being only 180,000 metric tons, or one-fifth of the monthly average for 1922. June exports of rolling mill products and iron wares were 59,171 metric tons, against 81,734 metric tons in May and a monthly average of 193,015 metric tons in 1922; while exports of machinery totalled 18,247 metric tons, against 24,570 metric tons and 39,914 metric tons respectively. The decline in machinery exports is a very serious blow to the foreign balance of payment, and is one cause of the extreme shortage of foreign exchange.

GREECE.—FINANCES—PUBLIC DEBT—THE LOAN FOR THE REFUGEES—EXCHANGES AND BOURSE—CIRCULATION AND BANK DEPOSITS.

(FROM OUR CORRESPONDENT.)

ATHENS, July 28.

IN the absence of the Parliament, the Finance Bills for the financial years 1922-1923 and 1923-1924 have been ratified this year by law decrees. Compared with the Budget statement for the period 1921-1922, which was voted by the National Assembly in April, 1922, these statements show the following increases both as to revenue and expenditure:—

	REVENUE.		
	(In Millions of Drachmæ.)		
	1921-1922.	1922-1923.	1923-1924.
Ordinary	715	1,472	3,031
Extraordinary	1,004	2,827	910
Total revenue....	1,719	4,299	3,941
	EXPENDITURE.		
	1921-1922.	1922-1923.	1923-1924.
Ordinary	1,400	2,033	2,961
Extraordinary	1,997	2,830	3,663
Total expenditure	3,397	4,863	6,624
Deficit	1,678	564	2,683

The extraordinary revenue of the years 1921-1922 and 1922-1923 was derived chiefly from internal loans, the latter year including the forced loan of 1,550 million drachmæ. On the other hand, the extraordinary revenue for 1923-1924 contains a sum of 400 million drachmæ, estimated amount of the first instalment of the levy on capital imposed early this year, 90 millions representing the value of German deliveries in kind, and 250 million drachmæ, proceeds of internal loans. The service of the public debt (interest, ordinary and extraordinary sinking fund, and various charges) for the three periods under review amounts to 415, 1,053, and 1,565 million drachmæ respectively. These items include a provision for difference on exchange for the service of loans in gold of 150, 354, and 759 millions for each of the respective years. On

the expenditure side, extraordinary expenditure in connection with the Ministries of War and Marine, arising out of the state of war, accounts for 1,479 millions in 1921-1922, 1,644 millions in 1922-1923, and 1,738 millions in 1923-1924.

The Greek public debt on April 1, 1923, is analysed as follows:—

	Drachmæ.
Loans in gold (at par of exchange)	1,341,935,378
Foreign advances "	370,192,956
Loans in drachmæ "	5,366,145,768
Floating debt.....	371,076,041
Banknotes issued against Allied credits not realised.....	801,908,135
Total debt	8,251,258,278

The Council of the League of Nations having decided to lend its assistance to the proposal that a loan should be raised in aid of refugee settlement, the Governor of the National Bank has been summoned to Geneva, and, after having visited Paris, is now in London for the purpose of making negotiations for the eventual issue of the loan. Though Colonel Procter, Deputy High Commissioner for Refugees of the League, estimated that an amount of £10,000,000 is the minimum required for the settlement of the refugees, and his report on the economic conditions of Greece, and the guarantees offered for the service and the reimbursement of the proposed loan, are entirely satisfactory, the Council of the League has pronounced for an amount of £6,000,000 only, which is obviously insufficient for the settlement of 860,000 destitute refugees.

With the signing of the peace, foreign exchanges hardened appreciably. This is attributed to speculation. It seems, however, that it is partly due also to a real demand from trade and the general public. Little by little the opinion has been formed that foreign exchanges should rise. The present high levels do not appear, however, to be justified. In spite of a decision of the members of the Stock Exchange, supported by the banks, for an extension of the suspension of business in the Stock Exchange (which was closed on June 13th after the collapse of foreign exchanges), the Government has ordered an immediate opening of the bourse, believing that this action would exercise a lowering influence on exchange rates. This did not happen, however, since it is the movements of exchange rates that regulate the prices of stocks in the bourse. Both exchanges and stocks have risen.

The growth of bank deposits and bank notes circulation in Greece is shown in the following tables:—

	BANK DEPOSITS (in millions of drachmæ.)			
	Dec. 31, 1914.	Dec. 31, 1918.	Dec. 31, 1920.	Dec. 31, 1922.
National Bank of Greece ..	296	603	1,191	2,074
All other Greek banks	180	661	1,076	1,517
In all	476	1,264	2,267	3,591
	CIRCULATION (in millions of drachmæ.)			
	Dec. 31, 1914.	Dec. 31, 1918.	Dec. 31, 1920.	June 15, 1923.
	293	1,375	1,910	3,698
				4,861

The amount of 4,861 drachmæ on June 13th represents the maximum authorised issue of banknotes. Of this amount, 1,400 millions have been issued against foreign exchange and Allied credits, and 113 millions, by virtue of a recent law, covered by foreign exchange. The balance is covered partly by gold and commercial bills and partly by State bonds.

NORWAY.—THE CENTRALBANKEN—NEW LOAN?—PAPER TRADE WAGES—CROP PROSPECTS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, August 7.

A COMMITTEE was appointed to look into the affairs of Centralbanken for Norge, our biggest bank, which, as may be remembered, was in difficulties some time ago. The committee has now published its report. It does not seem to have found anything new with which to reproach the different directors, and it should be particularly emphasized that there is no trace of fraudulent acts on the part of any of them. But it must be owned that the remunerations which have been disclosed as

having accrued to the members of the board in many cases are too big, even extravagant, and could have been justified only if excellent results had been achieved. Still, the remunerations always have been within the limits of the terms agreed to. Otherwise the said bank seems to be plodding on, and will, it is hoped, recover, if only gradually.

The tone of the stock market is firmer, on the whole, though, of course, the season necessarily limits the extent of transactions effected. There has been a good deal of talk lately about the big Government loan to be launched. It is hinted that there is a prospect of obtaining the loan on better terms in London than in New York, but at the same time the idea of borrowing in the home market has not been abandoned; on the whole, the Government seems to be in no hurry in the matter.*

On the 15th inst. the wages tariff of one of our principal industries, the paper industry, expires. For a month negotiations about a new tariff have been going on without any result. A proposal for an agreement made as a preliminary by the conciliator was rejected yesterday by both parties. The next step will be for the conciliator to prohibit stoppage of work until fresh negotiations have been attempted. Though the opinions of the employers and the employed are rather divergent, there is no doubt that earnest endeavours will be made to avoid stoppage of work. The difficulty is, however, that the question is not one so much of wages as of authority. At one of the paper mills two men were dismissed seven months ago, because they were found unsuitable for the work. One of them a year earlier had been the head of the local trades union, and the workers considered his dismissal as an act of revenge on the part of the mill manager, and all the 70 men of the mill struck work and would not resume it until the men had been reinstated. This the manager has refused to do, and so the mill has been standing idle for seven months. This question has been inseparably linked to the question of a fresh tariff. Of course, it is a most important one, as it really involves the question who is to be the leader of a factory—the proprietor or the workers, or even one of the workers. The issue, therefore, is awaited with keen interest. The lack of really statesmanlike labour leaders is felt very much under such circumstances.

Plenty of rain with warm weather has prevailed during the last four to five weeks, causing the vegetation to advance quickly. Haymaking is in full swing, but owing to the dry, cold weather in the early summer the crop of hay will be poor in most districts. If there is warm weather for another month the prospects for a good harvest of cereals and potatoes are good.

ARGENTINA.—BUDGET—FOREIGN TRADE AND EXCHANGE—PUBLIC FINANCE.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, July 25.

SINCE writing a month ago, the Deputies have sanctioned both the debit and the credit side of the 1913 Budget Estimates, which are now before the Senate for approval or revision. Provision for expenditure totalling close on \$635,000,000 Arg. paper would be met by various novel forms of taxation and by additional import dues. Taxation of absentee landlords, a tax on passages, on portable securities, and on banking deposits, were all calculated to stir up bitter and in most cases very warrantable protest. Indeed, in the case of the banks and insurance companies such formal protest has already been made to the Senate. There is, however, good reason to think that of all the measures subsidiary to the general Budget Law of 1923, measures which in their totality compose the imposing part of the Budget, only the addition to the import duties will become law. For there has just been published the new Income Tax proposals, bearing the imprimatur

of the Minister of Finance, and prefaced by the statement that it is intended to bring the same into force as from January 1, 1924. It is therefore logical to presume that this year's administrative finance will again be met by means of the monthly appropriations known as "duodecimos," the Senate turning down the farrago of impositive novelties, which have the added drawback of applying only to the Federal capital and to the national territories; in practice to foreign capital only, and more especially to such as is highly organised and domiciled in Buenos Aires.

For this reason no good purpose is to be served by going into details, while a certain amount of ill-feeling may be saved by explaining that neither the Budget as passed by the Deputies, nor the Income Tax as outlined by the Minister of Finance, can yet be considered as within the region of practical politics. The latter is inevitable, but not necessarily next January, since its imposition on the lines suggested, more or less between night and morning, is impracticable if the tax is to be as generally charged, as the Ministerial proposal published in the Argentine Press states will be the case. There is no machinery ready even for the purpose of drawing up the preliminary estimates of private incomes, and the only concrete figures on which the taxgatherers could to-day operate with any certainty are those of the limited companies—who are down to pay 2 per cent. per annum on their "gains, dividends, or profits" (utilidades, ganancias, ó dividendos). It will be a complicated and an arduous task, in a wide agricultural and pastoral country such as is Argentina, to prepare even the skeleton form on which such an inherently novel tax must be introduced. And one cannot for a moment suppose that the Government would sanction such a law before some means of equitable distribution of the burden had been prepared. Next year, 1924, should see the decennial Census established by the Constitution taken by the Government. Whether this task will or will not be accomplished is hard to foretell, but it is self-evident that with the Income Tax in view the moment is particularly opportune for carrying out, at one and the same time, a census of population and an estimate of individual incomes, based on the inclusion of the necessary questions in the general Census paper.

Pending definite decision regarding these weighty matters, official finance stands just where it did in October, 1922, with such addition as compound interest may have caused to accrue to the debit side of the account. Figures covering the totals of Argentine import and export trade during 1921, 1922, and the first five months of 1923, have at length seen the light. They are not at all encouraging, the total balance against Argentina over the whole period named being no less than \$120,000,000 gold. Goods, import and export, have been valued on their actual not on their tariff figures, and, while admitting that such calculations must be considered rather in the nature of estimates than as concrete ciphers covering current trade, the impression they give is that the actual quotation for the Argentine dollar is by no means fortuitous. Unless there is a sharp reduction of imports during the remainder of the year, and an equally pronounced diminution of official expenditure, there is small hope of the sterling or the U.S. dollar losing their present appreciation in this market. Indeed, if the pronounced decline in wheat, and the probable fall in maize, is not arrested, matters may even be worse. There is the valuable wool clip as an offset, it is true, but this is likely to be small as well as choice, and its assumed value of \$100,000,000 gold will not be a very important factor, compared with wheat at a shade under pre-war prices. Nor is much to be looked for in the direction of foreign loans. The Senate has just authorised Government to borrow \$150,000,000 gold at 6 per cent. interest, and 1

per cent. amortisation, issue price to be not less than 92. The Minister of Finance has, however, declared that the present state of the market—i.e., London and New York—is unfavourable to long-term borrowing, and the operation boils down to the mere granting of authority to renew the loan due in New York at the end of September for \$50,000,000 U.S. In plain language, Argentina has missed her market, hence no amelioration of exchange conditions must be looked for in the direction of large and easy foreign credits. Strict official and private economy can alone react on the international exchanges as they affect finance and trade between Argentina, Great Britain, and the United States, and it would be hazardous to say that there is at the moment any sign of such economy on the horizon.

It is this state of affairs which lends particular weight to Art. 53 of the general Budget law. Therein the Government is authorised to withdraw gold from the Conversion Office against delivery of an equivalent amount in paper at the standard rate of \$227.27 paper per \$100 gold, and to use this gold for the purpose of meeting payments due on the foreign debt services. Passed by the Deputies, this clause has not yet had attention in the Senate. If it is so passed, though but a "facultative clause," it will quote the words of the Minister of Finance, it will materially modify the immediate possibilities of the exchange market. Merely as an instance of what might be possible, one may point out that a Press article openly suggested that it would then be feasible to pay off the U.S. loan above referred to, gaining the exchange difference between par and the current quotation of 130.30. The subject is too delicate to discuss at greater length, and one feels sure that the Government is fully alive to the extreme dangers that even the "facultative" existence of such a clause legally sanctioned might bring in its train. Meanwhile, the matter of consolidation of the internal floating debt remains in abeyance, though this cannot continue indefinitely. The Government finds no difficulty in renewing at 4 per cent., though the market rate for commercial business is from 5 to 7 per cent., but this facility is not a true guide to the Argentine monetary position. As a matter of fact, Government Treasury bills, as well as the bills issued by the State Railways Department, are at the present time circulating from hand to hand in settlement of ordinary commercial obligations. Amounts as low as \$5,000 paper have been mentioned. The State Railway bills—which, though they may be considered as carrying the moral guarantee of the national Government, are not a direct charge on the national treasury—are extended for six months, renewable for five periods, and bear interest at 6 per cent. Discount of these documents becomes more and more confined to the essentially national banks, and to financial institutions willing to run the risk of a long lock-up of funds against a correspondingly high rate for the accommodation they grant. Hence there is a growing feeling that the lesser of two evils would be for the Government to face the situation boldly and carry through its expressed intention of paying off these obligations and replacing them by a bond issue, an operation which will call for \$500,000,000 paper at the very least. There is no doubt regarding the desire of the present Government to stick to sound currency principles, but the present state of affairs is not calculated to help towards that end, and one can already note a tendency to financial anarchy in the provinces, particularly in Mendoza, where the issue of so-called "letras de tesorería" for amounts from \$1 upwards has led to a severe admonition on the part of the Conversion Office, since it is now clear that in the province named two currencies exist, with a 5 per cent. premium on the national as opposed to the provincial dollar. The matter has been thus treated at length, not because the danger is imminent, but solely in order that those having practical experience of Argentine finance, and interests to protect, may realise how essential it is that the National Government should have every support when endeavouring to adhere to a sound currency system. For many theoretical plans which appear attractive on paper take no account of the lessons of the past, or that tendency to undue optimism in matters financial which is characteristic of all new and progressive nations in this part of the world.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.3

Capital Authorised ... £3,000,000
Paid Up Capital ... 1,050,000
Reserve Fund and Undivided Profits 1,352,105

Branches:

INDIA, BURMAH, SIAM, CEYLON, STRAITS SETTLEMENTS, CHINA, and PORT LOUIS, MAURITIUS.
The Bank buys and sells Bills of Exchange, Issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Fixed Deposit Rates will be quoted upon application.
On Current Accounts interest is allowed at 2 per cent. per annum on daily balances.

Letters to the Editor.

THE FINANCES OF NICARAGUA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of May 19th last appears, under the heading of "Latin American Notes, By a Correspondent," a statement about Nicaragua and its finances which has just come to my attention. In the interest of the real situation permit me to state that nearly every one of the dozen details mentioned is a total misrepresentation, or so misleading as to approximate it. As the principal bonded debt of Nicaragua, the sterling loan of 1909, is held in England, for the sake of the bondholders, as well as of the Republic, a correct statement of the facts is due.

The correspondent says "a financial commission appointed by the United States has taken complete charge of the country's finances." This is such an overstatement as to be misleading. There are Americans co-operating with the Government, financial advisers, if one pleases, but they do not have complete charge. The Nicaraguan legislative and executive financial administration is fully functioning.

"Twelve years after the introduction of currency reform Nicaragua now finds itself in rather worse economic condition." This is absolutely not so. Twelve years ago the Republic's finances were in a bankrupt condition. The interest and sinking fund payments on the bonds of 1909, mentioned above, were defaulted. The total of the debts of and claims against the Republic on January 1, 1912, was \$32,236,223.51, an impossible amount for a country of the size and resources of Nicaragua to pay. In the eleven years since the interest and sinking fund on the bonds of 1909 have been paid in full, including arrears, and the floating debts and claims have been settled, readjusted, partly paid in cash, and the balance funded into five per cent. bonds. The total indebtedness of the Republic (on March 31, 1923) is now \$9,294,780.90. The currency reform of 1912-13 replaced an irredeemable paper currency which from 1902 to 1910 had depreciated from a value of 50 cents gold to the peso to eight cents, and in the year 1911 to five cents. It was replaced by a new monetary system in 1912-13, devised by a commission composed of Mr F. C. Harrison, of London, late Treasurer-General of India, and Mr C. A. Conant, of New York, the leading American monetary economist of his day. So if the currency reform produced a worse economic situation, as charged, a well-known English expert was half responsible. But the reverse has happened. The currency of Nicaragua stood the test of 1920-21, the only money in all Latin-America which did not slump to a discount in terms of the dollar, and to-day remains at par with gold. The economic situation is not worse, but far better, your article to the contrary notwithstanding.

"The Government handed over to an American banking firm the whole of the railways," says your correspondent. A half-truth is more of a misrepresentation than a complete misstatement. They were "handed over," it is true, but for a money consideration—a sale for cash. The financial and economic situation of Nicaragua has so much improved that the Government is now buying the railways back, also for cash.

* \$20 millions Kingdom of Norway 6 per cent. External Gold Bonds were offered at 96½ in New York on August 15th, due August, 1923.—Ed. Economist.]

"The control of the national bank and the collecting of internal taxes on liquor and tobacco, together with all other custom house duties" were also "handed over to an American banking house," continues the article. The facts are that at the request of the Republic of Nicaragua an American banking group established the national bank, taking 51 per cent. of the stock and the management, while the Government took 49 per cent. of the stock. The collection of the internal taxes is done by the Government itself. No banking house took over the custom houses. The Government did appoint an American Collector-General of Customs, who has had charge since, whose duty is to pay the interest and sinking fund charges on the British sterling loan of 1909, and on other bonded obligations, and the balance to the Government. By reason of this security the British bondholders gave up all the liens and security for their loan, except that on the customs, and even reduced the rate of interest by 1 per cent., by which the Republic saved enough to pay the whole expense of collecting the customs duties, including the salary of the Collector-General, in respect to which your article makes an odious and incorrect comparison with that of the President.

"The rate of interest charged by the bank (national) is now $1\frac{1}{2}$ and 2 per cent. per month," says your correspondent with comment about "ruinous terms." The minimum rate in Nicaragua charged by any money-lender is 1 per cent. a month, high enough, but common in countries threatened with revolutions and lack of security to both life and property. Your correspondent has the banks mixed. A commercial bank in Nicaragua with British capital did charge $1\frac{1}{2}$ per cent. per month (for which they incidentally had justification under the circumstances), but the national bank has a fixed rate of 1 per cent. Many private banks charge 2 and even 3 per cent. per month. Security in Nicaragua has improved, but it is not the same as in Great Britain.

Your article speaks about a loan, "the only one offered was from the United States" (there was no other offer), whose terms were so onerous, 8 per cent. at 75, that it was rejected. As international loans have gone, an 8 per cent. loan was not so bad, only the other terms were never fixed, something under 90 being talked of but not consummated. That Nicaragua can even enter upon negotiations for a loan bespeaks an improvement.

You can get the facts about Nicaragua, which will refute your correspondent, from the annual report of the Corporation of Foreign Bondholders, whose secretary you can consult about the undersigned. The real situation is so at variance with what you published that it should be stated for the sake of the British investors who subscribed the loan of 1909 to Nicaragua, and who voluntarily reduced the rate of interest by 1 per cent. by reason of the present "control" over the country's finances. His article refutes itself. A country which on January 1, 1912, defaulted the debt charges on its bond, and can now be even seriously considered for an additional loan of any kind, is certainly in better economic condition.

Actually, this year's business is in much better shape. Exports are increasing, the money circulation is having a healthy growth, and the economic situation is much, much better. You must remember that Nicaragua is not an England, for instance. It was only 25 years ago that the H.M.S. "Sheerwater" had to go there to collect a British claim at the cannon's mouth. It is a far cry from that to present conditions about British debts, as stated above.—Respectfully,
CLIFFORD D. HAM,
Collector-General of Customs,
Republic of Nicaragua.

Our correspondent, writing under date July 30th, replies as follows to the comments of Mr Ham:—

Objection is taken to my statement that "A Financial Commission appointed by the United States has taken complete charge of the country's finances."

The National Bank of Nicaragua was established by a New York banking corporation, which took over the railways and steamboats of the country, and, by an agreement between the Governments at Washington and Managua, they assumed control of all revenues, including internal taxes on tobacco and liquor, together with all

Customs House duties. All these financial departments are administered by American collectors..... Could the Americans have assumed a more complete control?

With regard to economic conditions, Customs receipts declined from C\$1,237,593 in 1914 to C\$990,168 in 1921. The product and distribution of the country's revenues fell from C\$4,456,396 in 1920 to C\$2,794,029 in 1921. Imports fell from C\$6,393,068 in 1917 to C\$5,309,903 in 1921. Exports fell from C\$12,409,471 in 1919 to C\$8,070,949 in 1921. (See Corporation of Bondholders' Report for 1922, pages 263, 274, 275, and 276.)

Was I not justified in saying that "Nicaragua now finds itself in rather worse economic condition"? There is nothing in my article in the *Economist* to suggest that the railways were handed over for "love." Any intelligent reader would naturally assume that cash, or some other consideration, accompanied the transaction. The salary of the Nicaraguan President is \$5,000, while that of the American Customs Collector-General (Mr. C. D. Ham) is \$15,000. Is there anything, therefore, incorrect in my statement that one salary is three times as much as the other? The figures given by Mr Ham amply substantiate my statement that the rate of interest charged by the National Bank, is now $1\frac{1}{2}$ and 2 per cent. per month, while the British Consul, Mr T. I. Rees, says: "At present the country is suffering from scarcity of currency in circulation..... The result is that usurious rates of interest are being charged by private money-lenders. The situation seems to call for immediate ameliorative measures on the part of the National Bank of Nicaragua, the only bank of issue in the country." (This is an American institution.)

Here, again, I ask whether there is the slightest exaggeration in my description in the *Economist* of these terms being "ruinous"?

Our correspondent adds that he quotes the report of the Corporation of Foreign Bondholders in support of his statements, and reminds us that practically the whole of the statements upon Nicaragua in the Corporation's Report are derived from Mr Ham's own official report, which is quoted *in extenso*.

Books and Publications.

SILVER DURING THE WAR.*

In the economic organisation of the war silver played in some ways, perhaps, a more vital part than gold. Gold, it is true, was extraordinarily useful in connection with the financing of purchases in the United States before that country entered the war, but dollars were also obtainable by selling securities and by borrowing. The financing of our war effort in the East, on the other hand, was more closely dependent upon the provision of actual rupees in India, which could be obtained in the main only by shipping silver.

In the book before us Dr Pailhas describes how the war reacted upon the demand for silver, and how that demand was met, and he considers also the general position as regards production of silver before and during the war. Many of our readers are familiar with the general history of the silver market during the war. They will recall how the price of silver rose after an initial period of quietness, and how, when the difficulties in the way of providing rupees to finance the Eastern campaigns threatened to become insurmountable, timely help was obtained from the United States Government, which, by virtue of powers granted under the Pittman Act, was able to place at our disposal 200,000,000 ounces of silver out of the Treasury reserves. The continued rise in the price of silver during 1919 and the first quarter of 1920 was mainly caused, as the author shows, by heavy and continued demands from China. At the beginning of the war there were unusually large reserves in the banks at Shanghai and Hong Kong, and this silver formed an important part of the supplies which became available for India. With the revival of Chinese trade, China became thirsty for silver, but her thirst could not be assuaged till after the

* *L'Argent-Métal: La Hausse des Cours de 1914 à 1920.* By André Pailhas. Paris: Librairie générale de Droit et de Jurisprudence, 1922. 15 fcs.

war, because the bulk of the supplies of new silver were controlled by the American and British Governments. It was not till 1919 that China really got a chance to buy. The state of affairs which resulted when the silver contents of the token coins of the principal countries exceeded in value the nominal value of the coins is fresh in the minds of all. Many countries, among them the United Kingdom, reduced the proportion of silver in the coins, and some other countries, notably Germany, decided upon the total withdrawal of silver from circulation. Thus the magnitude of the rise in the price of silver led to an enormous increase of supplies, and a violent slump of prices. Silver has suffered a sharp set-back as a component of the currency of Europe, and has become more than ever the metal of the East.

Dr Pailhas also gives us an interesting survey of the conditions of supply of silver in the principal producing countries before and during the war. He points out that, unlike gold which is mined principally for its own sake, silver is largely a by-product. Few mines are exploited exclusively for the production of silver, which is found chiefly in association with gold, copper, lead, and zinc; and sometimes with tin, nickel and cobalt. Mexico was the largest producer of silver before the war, but output was affected by the revolutionary state of the country, and during the war by scarcity of cyanure of sodium necessary for reducing the silver-bearing ores. Until 1918, therefore, Mexico yielded first place to the United States, whose output remained fairly steady during the war, owing especially to the strong demand for copper and other metals, the ores of which are argentiferous. The Canadian output, which had been falling for some years, owing to the exhaustion of the deposits in the cobalt area, continued to fall during the war, while production in Australia was checked by the cutting off of the market for zinc concentrates and lead. On the whole, the world's production fell substantially from 224.4 million ounces in 1913 to 166.7 million ounces in 1916, after which there was some recovery. The heavy demand for silver during the latter part of the war, and during the period up till March, 1920, coincided, however, with a time of abnormally low output from the mines.

The volume under review is a welcome addition to the library of books which are appearing on various aspects of the economic history of the war.

EVERYBODY'S MONEY.*

THE question of currency reform seems to be coming to the fore once again in the United States as a political issue, and this bright little volume should do much to enlighten the "sovereign people" on the fundamentals of the case. Mr McCullough dedicates his book to the distressed peoples of the world, and exposes the dangers which result from treating a scientific problem in accordance with the dictates of political prejudice and superficial expediency. Historical examples are drawn upon to add point to the argument, while the English reader will be interested in a short non-technical outline of the working of the Federal Reserve system.

The author is no fanatical devotee of the "good old American dollar," and the purpose of this little volume is to popularise Professor Irving Fisher's plan for "stabilising the dollar" in terms of the general price-level. He is not afraid of being an advocate of what has been called the "dancing dollar," and the institution of Professor Fisher's "goods dollar"—a term which smacks somewhat of Soviet Russia—he characterises as "the only scientific and foolproof solution" of the problem of the monetary standard.

This little book is a simple *exposé*, and, especially in its final chapter, which is entitled "The National Standard of Value," perhaps rather too simple. While it is not designed for the serious student of economics, it should be of considerable value to the non-technical reader, though one still fears that the ideal short textbook on monetary science has yet to be written.

* "Everybody's Money: What it is, What it does, What should be done with it." By E. McCullough. Putnam's.

RISK IN BUSINESS.*

"THE connecting thread which runs through all the material is the influence of uncertainty." Thus writes Professor Charles O. Hardy in the preface to his book on "Risk and Risk-Bearing," a new volume in the series entitled "Materials for the Study of Business," which the University of Chicago Press is publishing. The author goes on to describe his book as "a study of the influence of uncertainty on business affairs." Admitting the importance of certainty in business management, Professor Hardy nevertheless agrees that there are definite limits to the application of scientific method in business. Perhaps those limits are not so narrow as they once were. Walter Bagehot's humorous but accurate passage on conditions as he knew them comes to mind: "Most men of business love a sort of twilight. They have lived all their lives in an atmosphere of probabilities and of doubt, where nothing is very clear, where there are some chances for many events, where there is much to be said for several courses, where nevertheless one course must be determinedly chosen and fixedly adhered to. They like to hear arguments suited to this intellectual haze."

Professor Hardy's book is a strictly matter-of-fact manual. There is no humour in it: none of those little whimsical turns which help a student's reading. Its style is massively informative. It is all good, solid, instructive matter. Despite its lack of touches of relief, those who want to understand business should derive much help from these pages. While linked by the thread of a consideration of the influence of uncertainty, the topics undoubtedly cover an extensive and diverse field. They include business forecasting, management of capital, securities, speculation in both stocks and commodities, hedging, and the various kinds of insurance. Life, fire, and miscellaneous property insurances are separately treated, as also are guarantee and suretyship. The two final chapters deal with the risks of labour and social aspects of risk-bearing respectively. Altogether, the work is a comprehensive introduction to a most important aspect of business affairs. It is written, of course, from the American standpoint, and the references are to American practices, but these do not differ fundamentally from the methods followed in this country.

BOOKS RECEIVED.

Lord Shaftesbury. By G. L. Hammond and Barbara Hammond. (London) Constable and Co., Limited. 12s net.

Statistics and their Application to Commerce. By A. Lester Boddington. Second Edition. (London) H. F. L. (Publishers), Limited, 12s 6d net.

Stock Exchange Ten Year Record, 1923. (London) F. C. Mathieson and Sons. 25s.

This exceedingly useful publication needs little introduction to our readers. As a ten-year record of Stock Exchange prices and dividends it is without equal. Where par values have been altered, relative prices are shown. This is the fifteenth issue, and covers the years 1913 to 1922 inclusive.

L'Etat et Le Progrès Social. (Paris) Les Presses Universitaires de France. 7f.

Swiss Exporter. July, 1923. (Zurich) 7 Ramistr.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET.	ACCOUNT.
August 22.	August 23.

The firm tone of the British Government's Note to France was thoroughly approved by the Stock Exchange, but its immediate effect upon markets was one of unsettlement, which was not lessened by the fall of the German Cabinet. The gilt-edged market was inclined at first to be quite firm, being supported by foreign buying, but later on prices weakened, and business became very slack. Public interest is now at a low ebb, and although towards the end of the week there was a disposition to take a more hopeful view of the political outlook, most departments have remained completely idle. Prices of

* "Risk and Risk-Bearing." By Charles O. Hardy. (Chicago) University of Chicago Press. 1923. \$3.50.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL £20,000,000
ISSUED CAPITAL £15,592,372
RESERVE FUND £8,250,000
DEPOSITS (30th June, 1923) £295,905,730

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168, Fenchurch Street, London, E.C. 3.

Funding and Conversion loans have dropped, the latter on sales for exchange into 5 per cent. War Loan. The foreign market has been very idle; French Government loans and some of the railway sterling bonds have declined; Brazilian bonds, too, were weak, on the President's Budget statement to Congress. Austrian Sixes recovered at one time to 2½ premium, but receded later.

Home Rails have been neglected, and such movements as have taken place have been downward. The foreign railway market has brightened a little, a feature being the recovery in Argentine Rails and a rise of 2½ points in United of Havana. American Rails have been a little better, and Canadian Pacifics are a point higher on balance.

The rubber market has shown a steady tone and firmness in some cases, while tea shares have been well supported, with a resultant upward movement in prices. Oils, on the other hand, have been quiet, with no particular feature. There has been very little business in industrials. Tobacco shares have lost their activity, and elsewhere movements have been small and insignificant. Hotel shares have met with a certain amount of favour, and iron and steel shares have been steady, but textiles have been idle. Bank shares have moved irregularly, and the shipping section has been featureless, but in the telegraph group Marconis have improved slightly. Niger preference fell sharply on the publication of the report, to which reference is made in a Note of the Week.

In the mining markets the tone has been better than in recent weeks, but business remains at a minimum. In the Kaffir section, Government Areas and Rand Mines advanced, but diamond shares were inclined to give way.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 201,909,067	£ ..	£ ..	£ ..

NATIONAL SAVINGS CERTIFICATES.			
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED AUG. 11, 1923.			
April 1, 1923, to Aug. 11, 1923, £3,900,000	£	£	£

To Shareholders only—			
Cromlix Rubber Estate and Produce, 10,000 shares, £1, at 22s 6d	10,000	11,250	5,000
Total offered to shareholders only	10,000	11,250	5,000
Total offered for subscription to date in—			
1923	£202,020,317	1922	£573,675,650
1922	505,332,637	1921	388,978,203
1921	152,658,080	1920	367,549,656
1920	274,718,416	1919	1,036,059,361
1919	892,917,730	1918	1,393,381,441
1918	919,033,872	1917	1,318,596,010
1917	1,090,168,650	1916	585,436,853

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War Loans	101.10	101.10	—
5% 1925-47	101.10	101.10	—
4% 1925-47	101.10	101.10	—
3% 1925-47	101.10	101.10	—
2% 1925-47	101.10	101.10	—
1% 1925-47	101.10	101.10	—
0% 1925-47	101.10	101.10	—
Conversion Loan 3% 1925-47	101.10	101.10	—
Consols 2½%	101.10	101.10	—
Irish Land Stock 2½%	101.10	101.10	—
Local Loans 3%	101.10	101.10	—

Banks.			
	Price Last Week.	Latest Price.	Rise or Fall.
Barclays B (£1, 10s)	244.00	244.00	—
Chartered Bk of India	194.00	194.00	—
Lloyds (£5 with £1 paid)	238.00	238.00	—
London Joint City & Midland (£12 with £2 paid)	88.00	88.00	—
Nat. Bank of Egypt (£10)	228.00	228.00	—
Nat. Bank of S. Africa (£10)	54.00	54.00	—
Nat. Prov. & Union of England (£20, with £4 paid)	104.00	104.00	—
Standard of S. Africa (£20, with £5 paid)	104.00	104.00	—
Westminster Bank (£20, with £5 paid)	178.00	178.00	—

Colonial and Foreign Railways.			
	Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons	84.00	84.00	—
B.A. and Pacific	77.00	77.00	—
B.A. Gt. Southern	78.00	78.00	—
Buenos Ayres West	72.00	72.00	—
Canadian Pacific	160.00	160.00	—
Central Argentine	67.00	67.00	—
Leopoldina	23.00	23.00	—
Mexican Railway	104.00	104.00	—
Do 1st Pref.	29.00	29.00	—
Do 2nd Pref.	19.00	19.00	—
San Paulo	131.00	131.00	—
United Havana	69.00	69.00	—

Foreign Government Securities.			
	Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7	99.00	99.00	—
Belgian 3%	66.00	66.00	—
Brazil 5% Fund, 1914	71.00	71.00	—
Chilian 4%, 1895	86.00	86.00	—
Do 7½%	102.00	102.00	—
Chinese 5%, 1912	66.00	66.00	—
Egyptian 4%	73.00	73.00	—
French 5%	264.00	264.00	—
Do 4%	21.00	21.00	—
Greek 4%, 1884	44.00	44.00	—
Japanese 4%	103.00	103.00	—
Do 4% 1910	69.00	69.00	—
Mexican Cons. 1899	17.00	17.00	—
Peruvian Corp. Pref.	27.00	27.00	—
P.L.M. 6%	84.00	84.00	—
Portuguese (New)	30.00	30.00	—
Russian 5%, 1906	64.00	64.00	—
Spanish 4%	70.00	70.00	—
Seine (Dept.) 7%	97.00	97.00	—
Siamese 7%	107.00	107.00	—

Telegraphs.			
	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A"	224.00	224.00	—
Marconi Wireless	214.00	214.00	—
Marconi Canada	14.00	14.00	—
Marconi Marine	17.00	17.00	—

British Railways.			
	Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord.	111.00	109.00	—
Do Def.	86.00	86.00	—
London & North-Eastern	86.00	86.00	—
5% Pref. Ord.	86.00	86.00	—
Do Def. Ord.	33.00	32.00	—
London, Mid., and	105.00	103.00	—
Metropolitan	69.00	68.00	—
Metropolitan District	48.00	48.00	—

American Railroads.			
	Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio	65.00	65.00	—
Erie	14.00	14.00	—
Do 4% 1st Pref.	24.00	24.00	—
Southern	35.00	35.00	—
Do Non-cum Pref.	72.00	73.00	—

Miscellaneous.			
	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1)	1.00	1.00	—
Amalg. Cottons (£1)	3.00	3.00	—
Anglo Persian Oil (£1)	3.00	3.00	—
Armstrong (Sir W.G.)	3.00	3.00	—
Ass. Portland Cement (£1)	1.00	1.00	—
Barker, John (£1)	2.00	2.00	—
Bham Small Arms (£1)	1.00	1.00	—
Brazil Tracoin (£100)	48.00	47.00	—
British-American Tobacco (£1)	5.00	5.00	—
Burnish Oil (£1)	4.00	4.00	—
Coats (J. and P.) (£1)	3.00	3.00	—
Courtauld's (£1)	3.00	3.00	—
Cunard (£1)	1.00	1.00	—
Dorman, Long (£1)	1.00	1.00	—
Dunlop Rubber (£1)	1.00	1.00	—
Fine Cotton Spinners (£1)	2.00	2.00	—
Forestal Land (£1)	1.00	1.00	—
Furness, Withy (£1)	1.00	1.00	—
Highlands and Lowlands Rubber (£1)	1.00	1.00	—
Hudson's Bay (£1)	5.00	5.00	—

Mines.			
	Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (£1)	2.00	2.00	—
Broken Hill Prop. (8)	1.00	1.00	—
Chartered (£1)	1.00	1.00	—
Cons. Gold Fields (£1)	1.00	1.00	—
Crown Mines (10)	2.00	2.00	—
De Beers Def. (£24)	1.00	1.00	—
East Rand Prop. (£1)	1.00	1.00	—
Geduld (£1)	2.00	2.00	—
Gov. Gold Areas	1.00	1.00	—
Hudon's Bay (£1)	5.00	5.00	—

ANALYSIS OF BALANCE-SHEETS.

THE NIGER COMPANY, LIMITED.

December 31, 1922.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Ord. shares	1,250,000	Cash	47,227
8% cum. pref.	1,500,000	Shares in asso-	27,748
6% cum. pref.	1,500,000	ciated cos. &	—
10% non-cum. pref.	262,817	Investments	86,475
5% deb. stock	179,375	Debtors	37,028
8% notes	2,500,000	Stock-in-trade	388,842
Creditors	2,527,264	Freehold land, &c.	646,693
Insurance re-	—	Profit and loss	83,464
serve	17,435		77,560
Depreciation ac-	—		—
count	61,117		—
Total	8,298,009	Total	8,298,009

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

COMPANY MEETINGS, &c.

MITCHELLS AND BUTLERS, LIMITED.

CHEAPER BEER—TRADE'S CONTRIBUTION.

LORD ASTOR AND THE LICENSING TRADE.

PROHIBITION'S UNDERHAND METHOD.

The thirty-sixth annual general meeting of the shareholders of this company was held at the White Horse Hotel, Birmingham, on the 16th instant, under the presidency of Mr W. Waters Butler.

The Chairman, in moving the adoption of the report and accounts, said: Ladies and gentlemen,—Last year, when moving the adoption of the report, I assured the shareholders that our business was never in a sounder condition, and that its prosperity would be increased with a revival in the general trade of the country. While it is still true that your business could not be on a firmer foundation, and your manufacturing conditions could not be surpassed, and also that your properties were never in a better state of repair and so fully prepared for a trade improvement, I regret the general industrial position has not tended to improve, but rather, we are told by members of the Government, there are indications of it becoming worse during the coming winter. Whether beer is looked upon as part of the daily diet of the majority of the people, or as a semi-luxury, the consumption must ebb and flow with the fluctuations in the industrial position of the country, and, of course, with the price of the commodity itself.

BEER DUTY.

Consumers have been loudly complaining—and rightly so—at the cost of the article, and appeals have been made to the Government of the day to decrease the excessive amount of beer duty, so that its price could be within the depleted purchasing power of the consumer, but it was not until the Budget of this year that any reduction took place. As to the part of the reduction which could be borne by the brewer, many wild and untrue statements were made, mainly due to those uttering them being totally ignorant of the technicalities of the manufacture or the cost of the production of beer. Their arguments were mainly based upon the fact that some breweries which in pre-war days did not enjoy prosperity, had during the war, and since, made their capital profit-earning, a change which I think cannot be said to be exclusive to the brewing industry. I question if, taking industries generally, a lower rate of profit is made on the capital employed in any of them than that of brewing.

BREWING TRADE'S CONTRIBUTION.

No one was more anxious that beer should be made cheaper than the brewing trade, and more willing to make a fair contribution towards that end. Few people realise the conditions which have been imposed upon the brewing trade in connection with the reduction of beer duty, which takes the form of a rebate of £1 per bulk barrel, leaving the duty per barrel of standard gravity to times greater than the pre-war duty. This rebate is on the bulk barrel, and not based on the strength of the beer, as has always been the case, and thus gives a greater preference to those who chiefly produce weak beers, a category in which your company cannot be placed, for it is well known that the ales and stouts we produce are far above the average strength. The aim of the Chancellor was that all qualities of beer should be reduced 1d per pint, which is equal to 24s per bulk barrel, but of the 24s the State should only find 20s, leaving 4s per bulk barrel to be contributed by the trade, and it was to be distinctly understood that no attempt would be made to recover that amount by lowering the strength of the beer. In the case of this company that contribution of 4s per bulk barrel represents an annual charge in excess of £120,000, which will only be recouped by a large increase in our barrelage, as we do not intend to reduce the high quality of our product. The Prime Minister made the statement that brewery profits for the last ascertained year came out at 11s 8d per barrel on the existing output, and expressed the view that a contribution of 4s per barrel was a very fair sum, taking one brewery with another. Notwithstanding that this amount represented fully one-third of the average profit—which is by no means an excessive profit—an amendment was put forward that brewers should be called upon to bear 10s per barrel, or practically equal to the whole of their current profit.

COMPANY'S MODEL HOUSES.

I am glad to say that on several occasions deputations have

been appointed by bodies interested in the question of the improved public-house to visit Birmingham, and it has been a great source of pleasure to me—as I am sure it will be to you—to know that surprise has been expressed at the splendid type of houses owned by this company. It has more than once been said by these visitors that they did not know such model houses existed. I feel confident the shareholders of this company desire that their directors should continue this policy, which on many occasions has had the support of true temperance reformers. I am not, of course, referring to the prohibitionist who covers himself with the veneer of a temperance reformer.

LORD ASTOR'S CRITICISMS.

It is very discouraging to find a man of the standing of Lord Astor taking advantage of a meeting of the Charity Organisation Society—at which one would have thought the speeches would have been concerning the work of the society—to deliver a tirade not only against the licensed trade and the consumption of alcoholic beverages, but particularly against the advocates of the reformed public-house, who, he said, were generally those who got profits by the sale of intoxicants, and that the movement had no influence whatever but for the fact that the trade was spending money on its advocacy. I had the pleasure of working with Lord Astor as a member of the Liquor Control Board, and then felt he was a true temperance reformer, but now he appears to be progressing towards the Prohibition camp, if he has not already arrived in it. It would be interesting to me to know why he, as a member of the Liquor Control Board, was a party to the improvement of public-houses, when many thousand pounds of public money were rightly spent—and are still being spent—in improving the public-houses of Carlisle? So far as I am aware, there has been no protest on the part of Lord Astor. He knows the trade is doing its utmost to support such a movement because they recognise that the demand for the improved public-house is a proper one, and is put forward by prominent men, who, so far as I am aware, have not the slightest pecuniary interest in the trade, but have at heart the interests of the nation quite as much as Lord Astor, but have not the persecuting character which I deeply regret he exhibits.

Surely it is an insult to such men to say their advocacy is due to the spending of money by the trade.

METHODS OF ENEMIES OF THE TRADE.

Lord Astor states that brewers in this country find it more difficult to fight openly under their trade banner, and are organising themselves to catch the unwary. I only wish that the enemies of the trade would come out into the open, and not shelter themselves under such banners as that of "The Temperance Council of the Christian Churches," and the "Strength of Britain Movement," and not make use practically every Sunday of a column in a prominent newspaper, such as the *Observer* is, for furthering teetotal propaganda, the editor of which declines to insert the comments of those who disagree with the views set forth. As Lord Astor says, the people who provide the funds were those who proposed the policy, so I suppose one can assume that his Washington correspondent and his medical correspondent must express views in accord with those of their paymaster.

Let us be thankful that this writing to order is not common to the Press of this country, and that it is an exception to find a prominent newspaper shutting out opinions with which the owner disagrees.

Personally, I am sorry to refer so forcibly to the remarks and actions of Lord Astor, because at one time I formed the opinion that he was as anxious as I am, and the vast majority engaged in the trade are, to support any movement for facilitating the sale of fermented beverages under conditions conducive to sobriety. His latest declarations, however, and his aiding, financially and otherwise, methods such as were used by the Anti-Saloon League in America, give me the impression that he and Lady Astor, while not declaring it openly, have Prohibition as their ultimate goal.

AMERICA AND THE LICENSING TRADE.

Lord Astor has charged the licensed trade with carrying on anti-American propaganda. He may rest assured that America and Americans will not be unfairly criticised by the licensed trade, but when fanatical and well-remunerated Americans come over here and preach fairy tales—a stronger term could be applied—about the success of their great experiment, while disinterested persons state, and produce evidence, that it is otherwise, he must not get peeved when the licensed trade in this country aids in spreading the truth.

Of course, what really annoys Lord Astor is the exposure of the growing failure of Prohibition in the States.

PROHIBITION AND DRUNKENNESS.

I do not want to trouble you again with my views as to Prohibition and what it would mean if imposed upon this country, but in support of the statements I made to you last year of the increasing drunkenness taking place, a remarkable article appeared in the *Westminster Gazette* in March last, written by Mr. Arthur Sherwell, whom I regard as a great and earnest student of the temperance question, but who certainly cannot in any way be looked upon as a writer having a tendency favourable to the licensed trade. In that article he gives the results of his inquiries into the arrests for drunkenness in 26 of the 50 largest cities in America. The figures are official, and were supplied to him by the Chief of Police in each of the cities concerned. He endeavoured to obtain authoritative figures for each of the 50 cities, but the attempt was not fully successful. In some cases no information whatever was forthcoming, and in others the information sent in was too slight and imperfect to be of any use. The police reports of the 26 cities show that in 1922 there were 254,000 arrests for drunkenness, or 1,500 more than in the year 1918, the last complete year of licensed sale in America. He states, the "stream of tendency" indicated is very clearly set in the direction of reaction. In nearly every case the increase was substantial, and in no fewer than one-half of the cities the arrests in 1922 were actually higher than the arrests in 1918. In the majority of these cases they were very substantially higher. He goes on to say that there is much evidence to suggest that "the stream of tendency" towards increase is not confined to the large cities of America; the figures very plainly suggest that alcoholic liquor is still a factor in American social life.

Prohibition in the States was brought about by the methods of the trickster, such as were practised by the Anti-Saloon League of America, which has its counterpart in the United Kingdom Alliance in this country, founded to bring about Prohibition—its telegraphic address is "Prohibition." It is evident the Alliance has now come to the conclusion that honesty of purpose will not advance its object; so much so, that when the only Prohibitionist Member of Parliament who had the sincerity to proclaim to his constituents that he was a Prohibitionist and appealed for their votes as such—I refer to Mr. Scrymgeour, the Member for Dundee—introduced his Prohibition Bill in the House of Commons (it only received 14 votes) the United Kingdom Alliance refused him the support he had the right to expect. One can only assume that the refusal was due to the extreme annoyance they felt that one of their own persuasion should so honestly, but so foolishly, in their eyes, expose their plottings.

Thus it comes about that we find avowed prohibitionists seeking a cover for their movements under such a body as the Temperance Council of the Christian Churches.

There has been lately received from His Majesty's Ambassador at Washington a memorandum on the effects of Prohibition in the United States, which is mainly based on statistics supplied by the opposing factors, as well as by the Federal Prohibition authorities,

but contains little information founded upon any investigation by the British Embassy at Washington.

CRIME AND MORTALITY FIGURES IN U.S.A.

Information by an American Department of State shows that deaths from alcoholism were in 1921 over 72 per cent. of those of 1918 (the last year of licence), and are rapidly increasing at a far greater rate than they were decreasing when so-called "wet" conditions prevailed. The Federal Unit of the United States Treasury agrees that criminal statistics indicate that crime is quite as prevalent as before the adoption of Prohibition, and the Department of Commerce shows that between July, 1917, and July, 1922, the number of persons detained in State prisons increased from 72.4 to 74.5 per 100,000 of the population, while during the same period the ratio of Federal prisoners per 100,000 of the population increased from 3 to 5.1, or 70 per cent. increase, plainly indicating that the form of crime now prevalent is of a much more serious character than formerly.

LABOUR PARTY'S REPORT.

Recently a special committee of the Labour Party presented a report on the liquor trade to the Labour Conference, but so far as I and others have been able to ascertain, the conference neither received, considered, nor adopted the report. It does not make any definite recommendations.

The report gives one the impression that it was drawn up by someone who held decided views against the consumption of alcohol in any form. For instance, when referring to the Drink Bill, a statement is made that: "If the labour and capital and the enterprise and managerial ability now put into the drink traffic could be diverted to the production of something of more durable utility to the community, it cannot be doubted that both the wealth and the well-being of the nation would be greatly increased." Surely an argument like that would apply to the production of bread itself. Like much teetotal propaganda, the report presents an alluring picture of what could be done with the money now spent upon alcoholic refreshments if all became abstainers, and diverted their expenditure in other directions. Nothing is said as to the way in which the millions of taxation, which represent fully one-half of the cost of alcoholic beverages, are to be made good. The expenditure upon alcoholic beverages is dealt with as if it were wasteful and sinful. Seeing it is stated that probably three-quarters of the total quantity of alcoholic beverages are consumed by 9,000,000 British manual wage-earning families, this report appears to hold up to odium the working classes, those representatives were responsible for the inquiry.

The committee state that they "see no sign that the British people are at all likely to be willing to vote, even by a mere majority, for a measure of National Prohibition in any space of time that we can usefully consider. We need only say that, as far as Great Britain is concerned, we deprecate the absorption of the time and energy of reformers in what we regard as, within view, an impracticable measure."

THE TRADE AND LICENSING REFORM.

The statements in the Labour Report concerning the attitude of the Trade, and the opinion of the committee thereon, would appear to give the impression to an ordinary reader that the Trade opposes reasonable reform, and that its financial strength prevents the bringing about of any reform, which view is utterly wrong. The Trade rightly resents the methods of so-called reform which would result in licensees being deprived of their living, and owners having their properties confiscated. As stated earlier in my remarks, I freely acknowledge that the growth of the improved public-house must be slow unless the clearing away of the ill-adapted and redundant licences is accelerated, which can take

place by the State or municipalities acquiring the properties with full consideration for those who suffer by the change of ownership, a policy which, as you are aware, I favour, but which in these days, I am afraid, is unacceptable.

The only course remaining, therefore, is for the licensing authorities to make application to the Secretary of State, for which the Licensing Act expressly provides, for power to borrow the necessary funds on the security of the compensation levy, the whole of which they raise annually from the owners of licensed property. Why this power is not made use of I am at a loss to understand, for the money could be easily raised, and a great and rapid advance in licensing reform would come about by its utilisation?

NECESSITY FOR ATTACK.

Ladies and gentlemen,—Let me again strongly urge upon you and all our shareholders to take your part in the defence of the industry in which you are interested, for never were our enemies more in earnest to bring about your ruin, or more unscrupulous in their attacks. I urge those engaged in our industry to attack and not to simply act on the defensive—a position we have too long occupied. We have, in the past, rather looked upon our enemies as cranks, poor harmless fanatics, with few taking notice of their utterances; and have, as it is said, allowed the lie to have a start, thinking no one would accept it as the truth. But repeat a lie often enough, and give it a wide circulation, then it appears to gain the label of truth. That has gone on long enough. Do not be convicted by default. We are carrying on a legalised trade and doing our best to meet a public need, and will resent in no uncertain manner the slanderous statements and un-English tactics imported into this country by alien parasites who take advantage of that hospitable spirit which is so characteristic of our people. Old England is not yet "down and out," and can still fight its battles, although heavily handicapped at times by those within its gates, whose bitter prejudices, while permitting them to praise, sympathise, and even render aid to the enemies of our country, blind them to the requirements and sufferings of those among whom they live. These cankers on our nation's growth have to be eradicated, and the kill-joy depression which we could not avoid during the war has to make way for the freer, more bracing, and fraternal spirit of our youth. All engaged in the industry with which we are proud to be connected intend to exert to the uttermost all the power they possess to restore a "Merrie England," and in doing so will not stoop to unworthy tactics, but will demand fair play.

With these remarks, ladies and gentlemen, I beg to move the adoption of the report, and will ask Lieut.-Col. H. S. Staveley-Hill to second the resolution.

Lieut.-Col. H. S. Staveley-Hill seconded the resolution, which was carried unanimously.

WATNEY, COMBE, REID, AND COMPANY, LIMITED.
RESULTS OF THE YEAR "HIGHLY SATISFACTORY."

The ordinary general meeting of Watney, Combe, Reid, and Company, Limited, was held, on the 13th inst., at the Charing Cross Hotel, Strand, London, Mr H. Cosmo O. Bonsor (the chairman) presiding.

The Chairman said: Gentlemen,—I think we may all say that our balance-sheet and accounts are highly satisfactory. We have had a prosperous year. On the debtor side of our balance-sheet certain reserves which appeared in the 1922 balance-sheet have disappeared and are replaced by the increase in the deferred stock capital.

I am indebted to Mr Spyer, a shareholder, for writing to me and asking me certain questions. We mention in our report that during the year we have reduced our prior charges by £72,000. Mr Spyer calls our attention to the fact that the £36,000 of debenture stock purchased does not appear in the balance-sheet or in the profit and loss account. He is perfectly right; the £36,000 of debenture stock was purchased out of the ordinary income.

Mr Spyer also asks how our Government securities are valued. They are not valued at all when the amount in our books is less than the market value. As a matter of fact, if we were to realise our Government securities to-day there would be an appreciation of over £30,000. You will observe also that our sundry creditors stand high, the reason being that we owe the Government for both income-tax and corporation profits tax due on January 1st last. Under an arrangement we have not paid them, pending the settlement of our claim for repayment of excess profits duty. The difference between the balance-sheet figure of 1922 and that of 1923 is some £200,000, and if you look at the profit and loss account you will see that the rates and taxes show a reduction of practically that amount on what was in the 1922 account.

Our sundry creditors are also larger in consequence of the fire at Mortlake.

COBHAM UNITED BREWERIES.

On the credit side of our accounts you will see that there is a big increase in freeholds and leaseholds and in trade invest-

ments. The trade investments are up in consequence of our having acquired during the year the whole of the share capital of the Cobham United Breweries, Limited. That company will now go into liquidation, and the figure will be added to our freeholds and leaseholds in the next balance-sheet. During the current year we have purchased several houses on the Duke of Westminster's estate. The leases were getting short, and we have acquired the freeholds. We are absolutely satisfied that this is a most excellent investment, although it took up a considerable amount of cash. On the whole, I think you will consider that our figures are satisfactory.

Turning to our report, you will see that we recommend the same dividends as last year, and we also recommend that out of the year's income £200,000 should be carried to reserve, and that any repayment of excess profits duty should be carried to the same reserve. Those sums will be invested in our business, if they have not already been so invested. That reserve, therefore, will not be a cash reserve. I think you will appreciate that a business like ours cannot possibly stand still—we must either progress or go backwards. We all wish, naturally, to progress, and there are only two ways that I know of of finding the money for progressing. One of those ways is by the provision of fresh capital—a thing which I think the shareholders, and certainly the board, would deplore. The other is to set aside a certain amount of the profits of the year for maintaining the business and for going ahead. Under the 1904 Compensation Act we lost a certain amount of trade each year, and it is our object always, if we can, to replace it. There is another way of spending these undivided profits—namely, in developing our existing channels of business by rebuilding and improving our present public-houses, and increasing their attractions and giving the facilities to which the public are entitled. That is the policy which we are pursuing.

CHEAPER BEER AND ITS EFFECTS.

Among our shareholders it is possible that there are some who never read the papers at all, and it is more than probable that others who do read the papers have short memories, and, looking into the Budget, they probably recollect that 6d was taken off the income-tax and 1d off a pint of beer, but they do not go into the question of how that penny was to be provided for. In case any shareholder does not understand it, I may say that a penny a pint means 24s a barrel, and the arrangement was that the Government would give a rebate of 20s per barrel and the trade were to find the additional 4s. That is, of course, a serious burden, but it was pointed out that an increased consumption would assist the trade to recover that 4s. When we issued our report we had before us the results of May and June, and I am bound to say that they were not at all encouraging. Since then, however, we have had "beer-drinking" weather, and our trade has certainly crept up in a very satisfactory way. It will average itself over the year, and we shall be able to tell you more about it when we meet 12 months hence. I beg to move: "That the report, balance-sheet, and accounts for the year ended June 30, 1923, as submitted, be approved and adopted."

Mr Charles J. Phillips (deputy-chairman) seconded the motion, which was carried unanimously.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Aug. 11, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
4½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	16	13	13	13	13	13	13	13
4 & 5% War Stock	..	2,091	2,047	2,040	1,996	1,953	2,071	2,071	2,071
National War Bonds	..	649	1,509	1,476	1,413	1,201	971	971	956
4% Funding Loan	..	..	409	409	405	401	401	400	400
4% Victory Bonds	..	..	360	357	348	335	335	335	335
3½% Conversion Loan	..	..	..	..	..	266	690	687	686
5-15 year Treas. Bonds	..	..	..	..	23	24	24	24	24
5% Treasury Bonds	..	..	..	..	..	381	166	166	166
5% Treasury Bonds	..	..	..	..	..	..	40	40	40
Do by tender 5%	..	..	..	..	..	..	69	69	69
Do by tender 4½%	..	..	..	..	..	..	84	108	108
Do 4%, 1931-35	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	596
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Natnl. Savings Certs.	..	138	267	274	285	342	350	354	357
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
American Loan	..	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	222	194	204
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,668
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,735

POSITION OF THE FLOATING DEBT.

	Aug. 12, '22.	Mar. 31, '23.	Aug. 11, '23.	Movement week ended Aug. 11, '23.
Temporary Advances Outstanding—				
Advances by Bank of England	165,895,500..	193,897,500..	204,001,500..	5,000,000
Advances by Public Deposits	726,765,000..	616,045,000..	596,045,000..	650,000
Treasury Bills outstanding ..	..	..	..	..
Total Floating Debt	892,660,500..	809,942,500..	800,046,500..	5,030,000
* Includes £91,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £30,000,000 in Treasury Bonds and Treasury Bills dated from Aug. 20-Aug. 25 were opened on Aug. 17, 1923, and the total amount applied for was £46,000,000. Tenders for Monday to Friday bills at £99 4s 4d, and above in full, and for Saturday bills at £99 4s 6d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £30,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
July 6, 1923.	30,000,000	39,185,000	3 10 2-02	100
July 13, 1923.	30,000,000	42,315,000	3 1 0-95	100
July 20, 1923.	30,000,000	42,925,000	3 1 10-93	100
July 27, 1923.	30,000,000	50,940,000	3 0 2-99	100
Aug. 3, 1923.	35,000,000	55,375,000	3 4 4-95	100
Aug. 10, 1923.	30,000,000	52,405,000	3 2 2-59	100
Aug. 17, 1923.	30,000,000	46,000,000	3 1 8-21	100

Tenders will be received on Aug. 24, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Mar. 23, 1922.	300,351	14,255	5,000	28,500	19,450	159	261,479	177
June 28, 1922.	295,374	15,338	5,000	28,500	19,650	163	254,312	250
Sept. 27, 1922.	285,127	12,648	7,000	27,000	21,150	166	246,456	169
Dec. 27, 1922.	301,537	12,972	7,000	27,000	21,150	159	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	173	241,294	190
June 27, 1923.	286,503	12,516	7,000	27,000	22,450	173	242,446	123
Aug. 9, 1923.	294,101	12,430	7,000	27,000	22,450	167	249,226	155
Aug. 16, 1923.	291,035	12,493	7,000	27,000	22,450	169	246,919	159

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from	RECEIPTS.	Week Ended Aug. 11, 1923.	Week Ended Aug. 12, 1923.
Balances in Exchequer on 1st April:—					
Bank of England	5,442,665	9,963,424			
Bank of Ireland	1,375,502	1,210,106			
REVENUE.					
Customs	116,900,000	45,957,000	46,355,000	2,302,000	2,038,000
Excise	143,850,000	47,961,000	50,630,000	924,200	1,154,000
Motor Vehicle Duties	13,250,000	3,491,000	2,657,000	108,000	118,000
Stamps	52,000,000	20,380,000	23,771,000	900,000	690,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	460,000	520,000	10,000	..
Property & Income Tax	261,000,000	77,284,000	101,622,000	6,319,000	7,112,000
Super-Tax	58,000,000	17,750,000	17,750,000	470,000	..
Excess Profits Duties, &c.	12,000,000	954,000	954,000	..	..
Corporation Profits Tax	20,000,000	7,330,000	5,427,000	320,000	260,000
Post Office	52,600,000	18,100,000	18,800,000	1,500,000	1,850,000
Crown Lands	900,000	320,000	280,000	..	..
Interest on Sundry Loans	12,500,000	5,836,607	3,517,666	63,959	..
Miscellaneous	12,500,000	5,550,850	14,590,931	357,956	100,000
Ordinary Receipts	40,000,000	17,730,172	20,539,667	1,502,345	500,000
Special Receipts	818,500,000	275,160,629	295,106,264	14,927,260	13,722,000
Total, Inc. Balance		281,978,796	306,279,794	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	65,000	800,000	..	..	..
Under the Unemployment Insurance Act, 1921	3,170,000	2,500,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Acts, 1921 and 1922	1,750,000	1,650,000	..	..	..
Under the Housing Act, 1914	..	13,000	..	..	..
(b) Under the Unemployment Insurance Act, 1921	270,000	1,450,000	..	..	..
(c) For other Issues: By Treasury Bills	886,625,000	1,093,041,000	53,412,000	50,482,000	..
By National Savings Certificates	17,150,000	32,498,000	700,000	750,000	..
By Exchequer and National War Bonds	..	20	..	..	..
By Treasury Bonds—5-15 year, 1925-35	..	61,547,782	..	..	..
5% 1927	..	50,144,608	..	..	..
4% 1931-33	29,202,627	..	..	6,019,355	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	11,869	..	..	..
(d) Ways and Means Advances	303,703,500	318,490,500	3,000,000	2,000,000	..
Anglo-Persian Oil Company—Dividends on Shares acquired	50,081	243,012	50,081	..	..
Repayments—In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	161,028	172,628	..	..	..
Debt Issues under Section 59 (4) of the Finance Act, 1920	..	265,460	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	162,425	..	..	..
Total	1,594,132,038	1,869,266,098	72,089,341	72,973,355	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24.	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Aug. 11, 1923.	Week Ended Aug. 12, 1923.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	510,000,000	132,102,534	122,859,103	2,033,716	8,007
Sinking Fund	40,000,000	15,813,547	2,111,044	..	287,384
Road Fund	12,650,000	..	1,333,999	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	861,316	1,620,000	..	500,000
Payments to Northern Ireland Exchequer	3,000,000	1,253,042	547,811	25,594	..
Land Settlement	1,500,000	189,472	499,862	42,401	2,329
Other Consolidated Fund Services	2,972,000	1,121,307	1,051,891	..	..
Supply Services	440,565,000	129,844,979	143,735,674	5,430,055	6,850,000
Expenditure	821,035,000	283,297,241	271,652,340	7,591,766	7,647,720
OTHER ISSUES.					
Temporary Advances—Bullion	5,000	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	84,909	..	..	..
Under the Unemployment Insurance Act, 1921	270,000	1,600,000	..	..	..
Issues to meet Capital Expenditure—Under the Telegraph (Money) Acts, 1921 and 1922	2,550,000	2,000,000	250,000	..	..
Under the Housing Act, 1914	..	13,000	..	..	..
Unemployment Insurance Act, 1921—Repayment of amounts borrowed	3,027,000	2,030,000	1,517,000	..	..
Redemption of Debt—Treasury Bills	906,680,000	1,248,369,000	54,080,000	64,265,000	..
Principal of National Savings Certificates	13,250,000	10,250,000	600,000	450,000	..
Principal of Exchequer Bonds paid off	..	19,612,188	..	..	..
Principal of National War Bonds paid off	17,005,096	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	269,036	9,444,601	..	..	..
Ways and Means Advances Repaid	293,599,500	299,896,500	7,350,000	550,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.	..	243,012	..	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..	..
Balances in Exchequer—Bank of England	1,520,044,978	1,865,311,206	71,396,766	72,912,720	..
Bank of Ireland	2,653,782	2,018,233	548,169	115,365	..
Bank of Scotland	1,433,272	1,936,668	142,406	176,000	..
Total	4,687,054	3,954,892	690,575	60,635	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923. Treasury, August 13, 1923.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 15, 1923.

	£	Government debt	£
Notes issued	145,566,845	11,015,100	..
		Other securities	8,734,900
		Gold coin and bullion	125,816,845
	145,566,845		145,566,845
BANKING DEPARTMENT.			
Proprietors' capital	14,553,000	Government securities	45,835,601
Reserve	3,524,193	Other securities	69,119,962
Public deposits	10,416,839	Notes	20,738,015
Other deposits	109,020,800	Gold and silver coin	1,827,408
Seven-day & other bills	6,154		..
	137,520,986		137,520,986
* Including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts.			
	Amount, Aug. 15, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,524,193	+ 17,836	+ 6,713
Public deposits	10,416,839	- 11,000	- 3,752,151
Other deposits	109,020,800	+ 702,921	+ 2,567,016
Government securities	45,835,601	+ 948,130	+ 3,206,799
Other securities	69,119,962	+ 396,455	+ 10,498,498
Reserve	28,565,423	+ 1,260,767	+ 969,193
Note circulation	124,828,830	+ 1,282,335	+ 567,400
Coin and bullion	127,644,253	+ 1,568	+ 236,593
% of reserve to liabilities	184%	+ 1%	+ 1%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
July 11, 1923.	127,622,694	126,409,635	119,579,190	116,540,838	20,963,059	17 1/4
18, 1923.	127,637,077	125,786,350	122,733,837	119,111,229	21,600,727	17 1/4
25, 1923.	127,640,308	125,717,465	109,846,510	116,189,787	21,672,843	18
Aug. 1, 1923.	127,640,838	126,621,700	118,543,672	115,819,368	20,769,138	17 1/4
8, 1923.	127,645,821	126,091,165	118,745,718	115,507,238	21,304,656	18
15, 1923.	127,644,253	124,828,830	119,437,639	114,955,563	22,565,423	18 1/4

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
January 1 to July 11, 1923.	17,704,138	839,448	1,523,543	20,067,129
July 18, 1923.	620,461	31,555	55,714	707,730
25, 1923.	528,105	30,411	49,695	608,211
August 1, 1923.	607,802	30,806	49,664	688,272
8, 1923.	474,976	29,283	55,476	559,735
15, 1923.	533,899	27,825	52,033	613,757
Total to date 1923.	20,469,381	989,328	1,786,125	23,244,834
Do 1922.	21,442,269	1,016,614	1,791,574	24,250,457
Increase or decrease in 1923.	- 972,888	- 27,286	- 5,449	- 1,005,623
	- 4 1/2 %	- 2 1/2 %	- 0 2 %	- 4 1 %
Total for year 1922.	32,780,635	1,574,661	2,806,165	37,161,191
Total for year 1921.	30,268,214	1,660,165	3,002,179	34,930,559
Increase or decrease in 1922.	+ 2,512,421	- 85,505	- 196,014	+ 2,230,902
	+ 8 1/2 %	- 5 1 %	- 6 5 %	+ 6 3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to August 11.			
BIRMINGHAM	71,565,930	74,485,990	+ 3,120,000
Bristol	49,922,000	37,545,000	- 8,377,000
DUBLIN	200,094,700	196,504,400	- 3,590,300
LIVERPOOL	35,271,500	34,732,300	- 539,200
LEEDS	34,857,800	33,379,700	- 1,478,100
MANCHESTER	25,998,400	24,487,800	- 1,510,600
LIVERPOOL	268,360,700	279,593,300	+ 11,232,600
MANCHESTER	478,147,400	473,032,200	- 5,115,200
NEWCASTLE-ON-TYNE	59,704,400	64,845,200	+ 5,140,800
NOTTINGHAM	21,285,500	20,068,800	- 1,216,700
SHEFFIELD	29,724,800	36,844,300	+ 7,119,500

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Canada and Roumania appeared in the Economist of July 21; Bulgaria and Lithuania in July 28; Russia in August 4; Greece, Germany, Denmark, Finland, Portugal, Esthonia, and Czechoslovakia in August 11.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Aug. 10, 1923.	Aug. 9, 1923.	July 27, 1923.	Aug. 1, 1923.
RESOURCES.				
Total gold reserve	3,121,640	3,109,670	3,115,550	3,071,640
Legal tender notes and silver reserve	77,480	84,060	86,450	130,530
U.S. Government bonds	825,100	806,440	760,540	382,160
Bills discounted for member banks	177,410	182,630	176,860	146,800
Bills bought in open market	90,210	93,790	96,280	4

NATIONAL BANK OF EGYPT.—In £ (000's omitted).

Assets.	June 30, 1923.	May 31, 1923.	April 30, 1923.	June 30, 1922.	Position May 31, 1924.
Gold	3,364	3,359	3,362	3,359	1,571
Government securities	39,474	39,786	39,459	38,046	2,084
LIABILITIES.					
Notes in circulation	27,781	27,297	28,618	28,334	2,400
Government deposits	9,230	9,496	9,559	4,216	2,315
Other deposits	11,446	11,446	11,387	12,632	2,660

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

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	July 31, 1923.	July 20, 1923.	July 10, 1923.	June 30, 1923.	June 20, 1923.
Gold	46,857	46,793	44,993	43,877	43,849
Silver	34,756	34,716	37,199	39,813	39,795
Foreign coin (a)	2,952	5,117	5,985	5,865	5,117
Advances to the Govt.	41,905,000,000	3,706,000,000	3,322,000,000	29,965,000,000	26,705,000,000
Private loans and discounts	11,489,379,111	1,055,691,039	965,492,886	938,262,170	853,314,805
LIABILITIES.					
Notes in circulation	44,787,090,588	3,883,105,857	3,890,296,655	35,666,490,722	29,147,072,161
Deposits	10,426,387,778	1,095,932,092	936,627,142	613,258,321	648,193,860

(a) Gold marks.

BANK OF LATVIA.—In gold francs (000's omitted).

Assets.	Aug. 8, 1923.	Aug. 1, 1923.	July 25, 1923.	July 18, 1923.	Nov. 22, 1922.
Total cash	14,899	14,186	13,554	12,506	3,085
Gold and precious metals	15,792	15,789	15,788	15,785	12,993
Of which held abroad	3,744	3,744	3,744	3,766	3,766
Foreign banks	59,557	58,972	55,868	54,885	53,924
Discounts and loans	21,315	20,965	20,841	19,846	9,551
LIABILITIES.					
Note circulation	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,000	10,000	10,000	10,000	8,000
Government deposits	33,596	34,315	32,573	32,075	16,697
Other deposits	38,695	36,925	35,255	33,537	16,995

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Aug. 8, 1923.	July 31, 1923.	July 22, 1923.	July 15, 1923.	Aug. 8, 1922.
Gold	63,059	63,054	63,062	63,080	63,683
Other coin and notes	19,171	18,183	21,256	21,462	16,949
Foreign credits	349,936	350,237	278,435	276,281	281,722
Bills	1,218,630	1,210,145	1,198,765	1,211,284	941,222
Govt. advances	4,568,608	4,568,608	4,493,548	4,504,894	4,587,058
LIABILITIES.					
Notes in circulation	5,691,683	5,579,929	5,549,912	5,598,563	4,911,115
State credits	573,107	573,107	298,047	293,046	333,888
Deposits	331,481	649,544	678,817	584,332	625,849

LONDON RATES.

	Aug. 10, 1923.	Aug. 11, 1923.	Aug. 12, 1923.	Aug. 13, 1923.	Aug. 14, 1923.	Aug. 15, 1923.	Aug. 16, 1923.	Aug. 17, 1923.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—								
60 days' bankers' drafts	3 1/2	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
3 months' do	3 1/2	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
4 months' do	3 1/2	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
6 months' do	3 1/2	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
Discount (Treasury Bills)—								
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.		%	%	%	%	%	%	%
July	13	2 1/2	3 1/2	3 1/2	3 1/2	4	4	4 1/2
	20	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
	27	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
Aug	3	2 1/2	3 1/2	3 1/2	3 1/2	4	4	4 1/2
	10	2 1/2	3 1/2	3 1/2	3 1/2	4	4	4 1/2
	17	2 1/2	3 1/2	3 1/2	3 1/2	4	4	4 1/2
	24	2 1/2	3 1/2	3 1/2	3 1/2	4	4	4 1/2

OVERSEAS BANK RATES.

Changed.	Changed.
Amsterdam	July 18, 1922 .. 4
Athens	Jan. 14, 1923 .. 7 1/2
Berlin	Aug. 2, 1923 .. 30
Brussels	Jan. 22, 1923 .. 5 1/2
Bucharest	Sept. 4, 1920 .. 8
Budapest	July 5, 1923 .. 18
Calcutta	June 28, 1923 .. 4
Christiansburg	May 1, 1923 .. 6
Copenhagen	Oct. 16, 1922 .. 8
Helsingfors	May 1, 1923 .. 8
Lisbon	Oct. 1, 1923 .. 8
New York Federal Reserve	Feb. 21, 1923 .. 4 1/2
Madrid	Mar. 23, 1923 .. 6
Paris	Mar. 11, 1922 .. 5
Rome	May 28, 1923 .. 5 1/2
Soňa	July 11, 1922 .. 5 1/2
Stockholm	June 14, 1919 .. 6 1/2
Swiss Bank	July 1, 1922 .. 4
Tokio	July 14, 1923 .. 4
Vienna	Nov. 18, 1919 .. 6
Warsaw	Sept. 2, 1922 .. 8
Warsaw	Feb. 1923 .. 12
Irish	July 5, 1923 .. 5

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Bonador	1000	Sight London	Aug. 11	14.77
Guatemala	25.25	"	Aug. 8	24.20
Colombia (Banco)	100	"	Aug. 6	97.00
Nicaragua	4.8666	"	Aug. 28	4.85
San Salvador	90.25	"	Aug. 11	286.50
Costa Rica	10.45	"	Aug. 11	20.15
El Salvador	19.20	"	June 23	16.32

RATES OF EXCHANGE.

London on	Usance	Par.	Aug. 18, 1923.	Aug. 10, 1923.	Aug. 17, 1923.
Paris	francs to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Berlin	marks to £1	T.T.	20.43	20.43	20.43
Vienna	krone to £1	T.T.	24.02	24.02	24.02
Prague	krone to £1	T.T.	24.02	24.02	24.02
Warsaw	zloty to £1	T.T.	20.43	20.43	20.43
Budapest	forint to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Constantinople	piastres to £1	T.T.	110	110	110
Sofia	levas to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Belgrade	dinas to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Amsterdam	florin to £1	T.T.	12.107	12.107	12.107
Brussels	francs to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Christiansburg	krone to £1	T.T.	18.159	18.159	18.159
Copenhagen	krone to £1	T.T.	18.159	18.159	18.159
Helsingfors	mark to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Reval	E. marks to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Riga	Lat. rubl. to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Greece	drachmas to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Italy	lire to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Switzerland	francs to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Madrid	pesetas to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Lisbon	escudos to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
Algeria	piastres to £1	T.T.	25.22 1/2	25.20 1/2	25.20 1/2
New York	dollars to £1	Cable	4.8666	4.8666	4.8666
Montreal	dollars to £1	Cable	4.8666	4.8666	4.8666
Buenos Ayres	pesos to £1	T.T.	47.624	47.624	47.624
Rio de Janeiro	pesos to £1	T.T.	47.624	47.624	47.624
Montevideo	pesos to £1	T.T.	47.624	47.624	47.624
Valparaiso	pesos to £1	T.T.	47.624	47.624	47.624
Lima	soles to £1	T.T.	47.624	47.624	47.624
Bombay	rupees to £1	T.T.	10 to 1	10 to 1	10 to 1
Madras	rupees to £1	T.T.	10 to 1	10 to 1	10 to 1
Hong Kong	dollars to £1	T.T.	10 to 1	10 to 1	10 to 1
Shanghai	taels to £1	T.T.	10 to 1	10 to 1	10 to 1
Singapore	dollars to £1	T.T.	10 to 1	10 to 1	10 to 1
Yokohama	yen to £1	T.T.	10 to 1	10 to 1	10 to 1
Manila	dollars to £1	T.T.	10 to 1	10 to 1	10 to 1
Mexico	pesos to £1	T.T.	10 to 1	10 to 1	10 to 1

† Rate for previous day.

§ Sellers.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Aug. 17, 1923.	July 19, 1923.	July 26, 1923.	Aug. 2, 1923.	Aug. 9, 1923.	Aug. 16, 1923.
Call money	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days' mixed coll)	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Bank acceptances:—						
Members—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Rates of Exchange.	Par Level.	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 9, 1923.	Aug. 16, 1923.
London—					
Cables	Dollars for £1	4.8666	4.8666	4.8666	4.8666
Cheques	"	4.8666	4.8666	4.8666	4.8666
Paris	Cents for 1 franc	19.30	19.30	19.30	19.30
Brussels	"	19.30	19.30	19.30	19.30
Switzerland	"	19.30	19.30	19.30	19.30
Italy	"	19.30	19.30	19.30	19.30
Berlin	"	19.30	19.30	19.30	19.30
Vienna	"	19.30	19.30	19.30	19.30
Madrid	"	19.30	19.30	19.30	19.30
Amsterdam	"	19.30	19.30	19.30	19.30
Copenhagen	"	19.30	19.30	19.30	19.30
Stockholm	"	19.30	19.30	19.30	19.30
Athens	"	19.30	19.30	19.30	19.30
Montreal	"	19.30	19.30	19.30	19.30
Yokohama	"	19.30	19.30	19.30	19.30
Hong Kong	"	19.30	19.30	19.30	19.30
Shanghai	"	19.30	19.30	19.30	19.30
Buenos Aires	"	19.30	19.30	19.30	19.30
Rio de Janeiro	"	19.30	19.30	19.30	19.30
Valparaiso	"	19.30	19.30	19.30	19.30

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From July 13, 1923.		From July 11, 1923.	
	London on South Africa.		South Africa on London	
	Buying.	Selling.	Buying.	Selling.
				(a)
T.T.	..	1 1/2 % prem.	1 1/2 % dis.	8 % dis.
Demand	par	1 1/2 % "	1 1/2 % "	8 % dis. "
30 days	1 % dis.	1 1/2 % "	2 1/2 % "	8 % dis. "
60 days	1 1/2 % "	1 1/2 % "	2 1/2 % "	8 % dis. "
90 days	2 % "	1 1/2 % "	2 1/2 % "	1 1/2 % "
120 days	2 1/2 % "	1 1/2 % "	3 % "	1 1/2 % "

(a) No discount allowed on sales of T.T. or demand drafts under £100.

† Plus ad valorem duty.

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.								
	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.
T.T.	..	..	..	..	..	..	..	..
Sight.	..	..	..	..	..	..	..	..
Cable.	..	..	..	..	..	..	..	..
On demand	98½	98½	101½	101½	98½	..	100½	100½
30 days	98	98	100	100	98½	98½	99½	99½
60 days	97½	97½	..	..	98	97½	99½	99½
90 days	97	97	..	..	97½	97½	99	99
100 days	..	..	..	..	..	..	..	..

the effect of depleting Indian sterling resources." The last three returns to hand are as follows:—

(In Lacs of Rupees.)

	July 22, 1923.	July 31, 1923.	Aug. 7, 1923.
Notes in circulation	17,487	17,572	17,534
Silver coin and bullion in India	8,819	9,004	9,067
Silver coin and bullion out of India	2,432	2,432	2,432
Gold coin and bullion in India	5,751	5,751	5,751
Securities (Indian Government)	485	385	284
Securities (British Government)			

No silver coinage was reported during the week ending 7th inst. The stock in Shanghai on the 11th inst. consisted of about 27,200,000 ounces in sycee, 34,000,000 dollars, and 790 silver bars, as compared with about 27,200,000 ounces in sycee, 32,500,000 dollars, and 1,280 silver bars on the 4th inst.

NOTICES.

Barclays Bank, Limited, have opened a new branch at 78 High street, Sevenoaks, under the management of Mr N. Pick. The Bank of Montreal announce that Mr F. E. Meredith, K.C., of Montreal, has been elected to the board of directors.

The Union Bank of Australia, Limited, have opened a branch at Pukekohe, New Zealand.

We are informed that as from the 6th inst. the business of the Tata Industrial Bank, Limited, will be carried on under the name of the Central Bank of India, Limited, with whom they have become amalgamated as on that date. Meanwhile, the business continues to be conducted as before.

A branch of the Bank of Liverpool and Martins, Limited, has been opened at 135 Chester road, Sunderland, under the management of Mr Septimus Harvey.

MINING OUTPUT STATISTICS FOR JULY, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cy. Works.	Mill.	Cy. Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Abbottston	7,540	..	..	..	(a) 15,985	..
Associated Northern	454	..	..	..	1,750	110
Lonely Reef	5,625	..	..	..	3,876	(b) 7,868
Mexico Mines	13,385	..	..	..	\$211,010	\$80,660
North White Feather	366	..	..	..	261	..
Oroville Dredging	19,739	..	..	..	\$100,452	..
Nechi (18 days to Aug. 1st)	..	..	..	..	\$16,933	..
Pato (18 days to Aug. 3rd)	..	..	..	..	\$17,128	..
Oroya Links	5,230	..	..	..	(a) 18,891	..
Planet Arcturus	5,000	..	..	..	7,315	..
Santa Gertrudis	10,249	..	..	..	..	\$22,692
Shamya	57,000	..	..	..	30,900	6,006
Waihi	16,338	..	..	..	..	..

(a) Par value. (b) 89/ net per fine oz.

	Output.	Other Notes in Return.	
		Short tons blister copper; 2,339 ozs gold; 4,912 ozs silver.	Blister copper.
Copper.	Tons.		
Falcon	247	..	..
Namaqua	230	..	..
Tin.	..	..	..
Boro	54	..	..
Briseis	35	..	..
Bischi	53	..	..
Jos	153	..	..
Lower Bischi	94	..	..
Nigerian Cons. (June)	9	..	..
Premier Hydraulic	114	..	..
Rukuba	2	..	..
Tin Fields of Nigeria	4	..	..
Yarde Kerri	3	..	..
Coal.	..	..	..
Chinese Engineering	83,497	..	..
Chislet	1,788	..	..
East Kent	2,050	..	..
Miscellaneous.	..	..	..
Burma Ruby	..	..	..

Reports and Notices.

GOVERNMENT STOCKS, &c.

EGYPTIAN GUARANTEED 3 PER CENT. LOAN.—The dividend on this loan, due on September 1st next, will be paid by Messrs N. M. Rothschild and Sons on the following Monday and on each succeeding day (Saturdays excepted) between the hours of 11 and 2. Printed forms to be applied for and the coupons left three days for examination.

UNITED STATES OF BRAZIL 4 PER CENT. LOAN OF 1911 FOR \$4,500,000 NOMINAL CAPITAL.—The dividend on this loan, due on September 1st next, will be paid by Messrs N. M. Rothschild and

Sons on the following Monday and on each succeeding day (Saturdays excepted) between the hours of 11 and 2. Printed forms to be applied for and the coupons left three days for examination.

AMALGAMATED PRESS (1922), LIMITED.—The report for the year to June 30th last shows a profit of £531,595. After deducting £10,000, transferred to pensions and allowances fund, and £25,000 to reserve fund, together with interim dividends amounting to £155,276, the directors recommend a final dividend of 25 per share, making 15 per cent. for the year. It is stated that the net sales of the company's periodicals and magazines are satisfactory, and that the revenue from advertisements was the largest in the history of the business. The directors regret to have to record the great personal loss sustained by the death of Lord Northcliffe, the founder of the firm, who, though he retired from active participation in the business in 1915, continued his interest in the company to the last.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Date of Payment.	Method of Payment.	Last Year.	Previous Year.
Banks.						
Banco Español, &c.	3%+	..	..	..	6	7
British Liners	16	..	..	..	..	..
National of Egypt	8/ p.s.*	Sept. 3	..	..	..	..
Railways.						
Canadian Pacific	24%	Oct. 1	Quarterly	..	..	..
Darjeeling Himalayan	8%	..	..	..	..	..
Shahdara Light	9	..	..	..	..	..
Southern Punjab	5%+	Sept. 12	Less tax	2/11 in 2	..	..
Waterford and Tramore	4%	Sept. 1	Less tax	..	..	..
Insurance.						
New Zealand	7/9 p.s.	Aug. 14	..	..	..	..
Tea and Rubber.						
Devitural Rubber	3%+	Sept. 7	..	..	..	..
Ella Tea of Ceylon	15%+	..	..	..	20	..
Langat River	5%+	Aug. 16	..	..	..	..
Mocha Tea of Ceylon	23%+	..	..	..	30	..
Mining.						
Keeley Silver	8%+	Sept. 15	..	..	..	..
North Broken Hill	2/ p.s.	Sept. 28	Less tax	..	..	..
Other Companies.						
African & Eastern Trade Corpn.	49%+	..	..	..	8	nil
Albion Steam Coal	5%	..	Less tax	..	..	..
Altrincham Gas, Ord.	9/3 p.s.*	Aug. 15	Less tax	..	..	..
Do New	7/ p.s.*	Aug. 15	Less tax	..	..	..
Amalgamated Press	2/ p.s.*	..	..	..	15	..
Arnott and Co.	4 p.s.*	..	Less tax	..	..	..
Bagots, Hutton, and Co.	3%	..	Less tax	..	..	..
Bell (Oldham)	1/ p.s.	..	..	..	..	..
B. Morris and Sons	5%	Aug. 18	..	..	..	..
Boddington's Breweries	10%	Aug. 16	Less tax	..	..	..
Bristol and S. Wales Waggon ..	5%	..	..	..	64	..
Burgons	..	..	..	..	..	..
Caledonian Trust	13%	Sept. 1	Less tax	..	..	..
California Petroleum	9%	..	..	..	..	..
Cannock and Co., Limerick	8%	..	..	..	..	..
Cardiff Exchange and Office ..	6%	..	Tax free	..	10	9
Central Hotel	..	..	..	..	10	..
Claudius Ash, Sons, and Co.	5%	..	..	..	..	..
Coatbridge Gas, Orig.	£144	Aug. 21	Less tax	..	..	..
Colonial Securities Trust, Ltd.	£9/19/6	Aug. 21	Less tax	..	..	..
Crown Brothers	5%	..	..	..	..	..
Crowe, Wilson	2/6 p.s.	..	..	..	..	..
Devon (Oldham)	..	..	..	..	..	..
East Worcestershire Waterworks	3%	..	..	..	..	..
Fernhill Collieries	..	..	..	..	124	..
Glasgow American Trust	..	..	..	..	74	74
Goodlass, Wall, and Co.	..	..	..	..	124	64
Henry Briggs, Son, and Co.	..	..	..	..	2/ p.s.	..
Horne Bay Water (1877-79 and 1906) ..	7	..	..	..	..	..
Heywood and Co.	..	..	..	..	15	..
Humber Graving Dock	4%	Aug. 31	Less tax	..	4	..
International Invest. Trust, Ltd.	5%	Sept. 4	Less tax	..	..	..
J. and P. Coats, Limited	38%	Sept. 29	Quarterly	..	..	..
John Anderson's Royal Polytechnic ..	5%	..	..	..	..	..
John Oakey and Sons	24%+	Sept. 1	Less tax	..	..	..
Limmer Asphalt	15%	Aug. 24	Less tax	..	..	..
Maidstone Gas	49%+	..	..	..	..	..
Merchants' Warehousing	6%	..	..	..	84	..
National Lead	2%	Sept. 29	4%	..	10	10
Owen and Robinson	6%	..	..	..	..	..
Park (Royton, near Oldham)	4/ p.s.	..	Tax free	..	6	..
Penarth Pontoon	5%	..	..	..	..	..
Pennsylvania Water	12%	Oct. 1	Quarterly	..	..	..
Pim Brothers	5%	..	..	..	..	..
Pontypridd Markets	..	..	..	..	..	..
Powell Duffryn Steam Coal	5%	Sept. 11	Less tax	..	..	..
Rugby Gas, Original	12%	Aug. 28	Less tax	..	..	..
Do Additional	12%	Aug. 28	Less tax	..	..	..
Scottish Western Invest.	12%	..	..	..	..	..
Sheffield Gas, "A," "B," & "C" ..	24%+	..	..	..	..	..
Southern Pacific Co.	£14 p.s.	Oct. 1	..	..	..	..
Southgate and District Gas, Ord.	10%	Sept. 4	Less tax	..	..	..
Do Additional	7%	Sept. 4	Less tax	..	..	..
South Metropolitan Electric	4%	Aug. 31	Less tax	..	..	..
South of England Dairies	10%	..	..	..	..	..
State (Rochdale)	13 p.s.	..	Tax free	..	74	..
Swan, Hunter, and Wigham	..	..	..	..	..	..
Richardson	3%+	Aug. 31	Tax free	..	..	..
Taunton Gas Light, Cons. "A" ..	3%	Sept. 30	..	..	..	..
Do Yellow and New Ord.	7%	Sept. 30	..	..	..	..
Third Scottish-American Trust ..	43%+	..	..	..	82	82
Todd, Burns and Co.	6%	Sept. 1	Less tax	..	..	..
Waller and Son	..	..	..	..	..	..
West Surrey Water, 1877, 1888, 1901 ..	3/ p.s.	..	Tax free	..	17	..
Do 1869	7	..	..	..	..	..
William Bayliss	10	..	..	..	..	..
William Hollins and Co.	24%+	Sept. 20	..	..	10	..
Wilson Bros. Bobbin	..	..	..	..	..	..
Worthing Gas Light	5%	Aug. 29	Less tax	..	8	10
Wye (Ring)	13 p.s.	..	..	..	..	..

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended Aug. 10, 1923.	Miles Open.	Week Ended Aug. 12, 1923.			Aggregate 32 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,679	442,000	201,000	643,000	8,283,000	1,123,800	19,521,000
London & North-Eastern	6,661	673,000	589,000	1,262,000	14,080,000	2,352,000	37,601,000
Do same period 1922	6,657	688,000	629,000	1,317,000	15,404,000	2,399,000	39,397,000
London, Mid., & Scottish	6,962	914,000	637,000	1,551,000	20,180,000	2,901,000	49,202,000
Southern	2,115	511,600	87,800	599,400	10,440,000	1,682,000	14,123,400
Midland & S.W. Junc.	63	2,094	898	2,992	40,033	42,322	82,355
Metropolitan (c)	793	32,257	3,092	35,349	1,034,687	115,872	1,151,559
Underground E.R. (c) ..	..	..	..	26,139	..	..	104,158
London & Sub. Group (c) ..	..	..	..	2,939	..	..	110,796
Belfast & Co. Down (b) ..	80	7,121	1,129	8,250	172,478	38,244	210,722
Dublin and S.-East. (b) ..	160	10,660	2,655	13,315	186,647	110,034	296,681
Midland Gt. West. (b) ..	538	12,671	9,159	21,830	310,552	464,670	775,222

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
				Rs.	Rs.	Rs.	Rs.
Assam Bengal	15weeks	July 14	1,049	2,45,746	+ 19,799	33,45,457	+ 9,567
Barsi Lt. Ry.	16weeks	21	118	54,900	+ 24,300	5,11,800	+ 1,70,400
Bengal & N. Western	15weeks	14	67	5,91,760	+ 21,463	1,01,32,720	+ 1,97,934
Bengal Nagpur	15weeks	14	2,727	15,21,000	+ 22,000	2,22,84,000	+ 2,97,000
Bombay, Bar. & C.I.	18weeks	Aug. 4	2,994	15,60,000	- 3,22,000	3,97,88,000	- 10,81,000
Burma	15weeks	July 14	1,342	6,42,643	+ 80,365	1,06,13,681	+ 1,33,409
Delhi, Umballa & Kalka	18weeks	Aug. 4	239	91,000	- 3,585	17,93,647	- 58,340
East Indian	19weeks	11	2,856	26,17,000	- 2,41,000	6,00,58,000	+ 23,56,000
G. Indian Peninsula	18weeks	4	3,164	19,35,500	- 1,25,700	4,72,46,387	- 21,27,290
Madras & S. Mahr.	15weeks	July 14	3,028	13,80,000	- 62,536	2,47,74,276	- 1,52,784
Rohilk' & Kumaon	15weeks	14	259	55,482	- 7,144	9,45,569	- 59,208
Do Lucknow-Breilly	15weeks	14	314	57,134	- 12,702	11,22,283	- 1,00,417
outh Indian	16weeks	21	1,890	9,13,822	+ 9,900	1,59,43,221	+ 3,15,826
CANADIAN.							

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefec.	Ordinary.	Rate.				
Canals and Docks.		£	£	£	£	£	%	£	£	£	%
Humber Graving Dock	June 30	..	6,000	6,000	..	6,000	4	..	..	5,408	4
Gas.											
Coatbridge	June 30	3,424	13,584	17,008	..	11,150	14½	..	5,858	..	..
Maldstone	June 30	12,078	14,452	26,530	..	10,659	8½	547	15,324	8,962	7-4
Portsea Island	June 30*	28,996	29,474	58,470	..	18,682	..	..	39,788	25,278	..
Rossendale Union	June 30*	378	4,742	5,120	..	4,308	..	253	559	..	..
Iron, Coal, and Steel.											
Henry Briggs	June 30	24,334	184,769	209,103	..	98,362	15½	\$75,679	35,062	..	..
Trusts.											
Third Scottish American	July 2	24,731	35,539	60,270	..	26,468	8½	5,750	28,052	33,086	8½
Waterworks.											
East Worcestershire	June 30*	2,559	5,573	6,132	..	1,047	3½	400	4,685	3,593	6½
Other Companies.											
Amalgamated Press (1922)	June 30	..	531,595	531,595	38,780	407,658	15	35,000	50,157	..	..
Cardiff Exchange and Office	June 30	3,824	4,138	7,962	..	3,000	10½	..	4,962	..	..
Claudius Ash	Dec. 31	6,403	4,590	10,993	..	..	..	..	10,993	Dr 80,974	..
Merchants' Warehousing Co.	June 30	32,293	8,022	40,315	..	3,713	10	3,000	33,602	..	..
Niger Company	Dec. 31	Dr 806,701	Dr 77,560	Dr 914,261	..	..	..	..	Dr 914,261	Dr 853,321	..
Owen and Robinson	May 31	5,251	4,666	9,917	2,100	2,100	6½	500	5,217	3,866	7½
Wilson Bros. Bobbin Co.	July 14	8,418	24,608	33,026	..	22,800	8	5,000	5,226	35,013	10
* Half-year. † Free of tax. ‡ Two years. § Capitalised.											

* Half-year.

† Free of tax.

‡ Two years.

§ Capitalised.

29s, No. 3 ditto ex ship 25s 3d, landed 28s, No. 1 Canadian feed ex ship 24s 6d, No. 2 ditto 24s, New Zealand A grade 38s 6d, B grade 37s 6d, landed, all per 320 lbs. Oatmeal in moderate demand respecting London made. All cuts, ready delivery, quoted 18s 6d. Rolled oats, also whole groats, 18s 6d, flaked 19s, ex mill. As soon as deliveries from the docks of oats become normal, buyers will be able to obtain supplies on the basis of 16s, and can now cover their requirements at the figure until the end of the year. Ordinary Scottish oatmeal quoted 20s 6d-21s, and American, all cuts, 17s-17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923	1921-1922	1920-1921	1919-1920
Estimated sales of home-grown wheat—				
1 week to Aug. 11	Cwts. 33,301	Cwts. 69,668	Cwts. 212,837	Cwts. 8,910
48 weeks to Aug. 11	16,900,932	16,076,705	12,508,686	10,808,831
Average price of English wheat per cwt.	11 2	12 5	16 10½	20 8

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Aug. 4	Cwts. 33,269	Cwts. 5,920	Cwts. 11,419	11 5	8 3	10 0
11	33,301	9,108	11,474	11 2	8 0	9 6
1919	19,891	4,936	9,998	17 1	21 0	22 0
1920	8,893	1,857	11,561	20 8	23 8	21 6
1921	212,837	25,421	39,287	16 0	13 9	11 1
1922	69,673	6,564	11,803	12 6	10 7	10 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent writes on August 16th as follows:—Pig-iron: The flatness of the market is intensified by the holiday period, and there is practically no business doing except for small quantities for immediate requirements. The quotation for No. 3 Cleveland G.M.B. is now 19s 6d, whilst East Coast mixed numbers hematite is firmer at 99s, with No. 1 at 99s 6d. The reduction in the output of hematite has not had any appreciable effect on the market yet. Manufactured Iron and Steel: Trade is very quiet indeed, and a good many works are reducing output owing to lack of orders. Most of the works in this district will be idle next week for the local holidays. There is a reduction of 10s in the price of steel rails, soft billets and fish-plates. The quotations are now as follows:—Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £9 10s. Iron ore: There is practically no new business doing, but the continued strike at Bilbao is causing some anxiety to local ironmasters. However, they have sufficient to keep them going for a little while along with other ores from the Mediterranean. Prices are nominal on the basis of Best Rubio at 23s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—The depressed conditions of the steel trade are being accentuated by the effect of the holiday period. About half the existing open-hearth plant is in operation, but makers' order books are fast approaching depletion, and next month will be a critical period, as, should buying fail to revive, a wholesale stoppage of furnaces is inevitable. There are no signs of such a movement, and the refusal of steelmakers to buy scrap

suggests that they are none too confident. Prices are still on the down grade, as makers can only secure business by offering concessions. Local soft wire rods have been reduced 10s to £12 10s. Work in the railway axle, tyre, and spring departments continues to increase, mainly owing to orders from the home railway companies, and the prospects for makers of such material are considered good. Work for overseas railways is limited in quantity. A limited amount of armament work is on hand, and further orders for naval shells have just been received. The market for steam coal is firmer as regards the export trade, and, with forward inquiry brisk, prices are being strongly held. The home trade is quiet in all sections, as manufacturing requirements are decreasing. Current prices per ton at pits are:—Best South Yorkshire steams, 21s; best Blyth steams (f.o.t.), 23s; Durhams (f.o.t.), 25s; rough slacks, 11s 6d; nutty slacks, 10s; smalls, 7s to 8s; best hand-picked branch, 32s 6d; Barnsley best Silkstone, 26s 6d.

Our Glasgow correspondent writes:—Demand for Scotch pig-iron has slackened off a bit this week, and as stocks are steadily on the increase, there has been a revival of the rumour that some furnaces may be closed down. Prices are very unsteady. Scotch hematite is called £5 12s 6d to 15s; No. 1 foundry, £5 10s; and No. 3, £5 5s (each on trucks at makers' yards), and it is stated that producers, for a fair line, would probably yield a little in each connection. An exceptional inquiry, on export account, has sprung up for galvanised material, and sheets have been advanced by fully 5s a ton at £10 a ton. Black sheets are also in improved request (for shipment), and are harder in tendency. Bar iron is more frequently asked for (for shipment), and crown sorts are

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readily bringing £13 a ton. Boiler plates remain firm all the same at £13; ship plates, £10; sections (5s down) at £9 15s; and 4-in. plates, £12 10s—all delivered Glasgow. Structural steel is more actively sought after, and makers advise that prospects are expanding. The feature of the week, possibly, is the development of the positions in sugar machinery and in marine engineering generally. Sir William Arrol intimated on Monday the booking of a contract, involving about \$1,000,000, for the construction of a dam and power house for the Hollinger Consolidated Gold Mine. And in general, additional increased bookings are registered by bolt and nut riveters, pipe and tube makers, waggon builders, and locomotive engineers (the last-named arrangements are not up to expectations). The coal market has lost ground this week, because of it transpiring that the German and French consumers were failing to meet their engagements on cargoes forwarded. Quotations have given way by 2s 6d a ton since Monday.

CUMBERLAND IRON.

Bessemer mixed numbers continue to stand at £5 12s 6d per ton, delivered at Glasgow and Sheffield, and £5 15s per ton, delivered at South Wales ports and at Birmingham. Special brands of low phosphorus iron are likewise in small request by high-class steel manufacturers in the Midlands. Makers of manganese alloys holding substantial delivery orders, are in a strong position, though there is not much new business being booked, and ferro commands £18 per ton delivered at home works, and £20 for export, with spiegel steady at £10 at home works, and £9 10s for export. There is only a local absorption of the native hematite iron ore, and with so few furnaces in blast, there has, of course, been a considerable shrinkage in production. Most of the privately-owned mines are closed, and the remainder are not raising average outputs. Prices are a little easier, but sorts of low phosphorus ore being quoted at 24s to 26s per ton, and ordinary kinds 19s 6d to 21s 6d per ton. The steel trade is very dull. No rail orders are being obtained, and the rail mill does not work oftener than once in six weeks. Heavy sections are £9 10s to £10; lighter sections, £10 10s to £11; and billets, £8 per ton. The coal trade has been adversely affected by the labour troubles at the South of Ireland ports, and cross-Channel shipments are rarely above 8,000 tons

per week. Had the Whitehaven collieries been producing, short time would have had to be worked at all the pits. Users are clamouring for concessions, but, so far, prices have been maintained, best round being 27s 6d; house nuts, 26s; and washed nuts, 24s per ton. In the local landsale market, best house is 38s 2d at pit; gas coal, 29s at works; best steam, 30s; and washed steam 29s per ton, delivered. The coke trade alone is flourishing. Part of the make is going to the local furnaces smelting ordinary iron at 29s to 33s, according to carbon content, and between 2,000 tons and 3,000 tons weekly to the Continent at 34s to 40s per ton, f.o.b. East Coast coke supplies average about 8,100 tons per week.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The wool textile industry is passing through an exceptionally quiet period, and this has been emphasised during the past week on account of mills in the Bradford district being closed for the annual holidays. In many cases firms are taking an extended holiday on account of the slackness of trade, and it will be another week before all the mills resume. In the circumstances, business is of a hand-to-mouth character, and there is not enough doing in any section to test prices. The one bright feature is the way in which wool continues to sell. Inquiry on Continental account is still well maintained for merinos, and some Yorkshire firms are still interested in crossbreds. The demand for home-grown wool is also good, and in this department prices are very firm, with holders adopting a more or less independent attitude. Probably little will be done in the way of new business until the position has again been tested in London, where the colonial wool sales re-open on September 4.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Many are discussing the likely course of wool values during the forthcoming colonial season, and already buyers are beginning to leave for Australia in readiness for the opening of the season at the

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended July 31.		Seven Months Ended July 31.	
	1922.	1923.	1922.	1923.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,552,548	7,220,497	58,837,083	54,111,787
B. Feeding stuffs for animals	317,893	366,931	2,812,330	3,322,267
C. Meat	10,208,036	8,162,212	61,241,133	67,835,197
D. Animals, living, for food	211,077	941,787	1,245,745	5,085,609
E. Other food and drink, non-dutiable ..	12,505,195	10,779,677	82,129,221	86,138,026
F. " " dutiable ..	6,941,710	6,828,717	55,935,035	64,185,867
G. Tobacco ..	1,033,451	886,696	10,789,645	9,032,531
Total, Class I	38,769,910	35,187,511	272,961,392	289,912,294
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	..	1,157	20	4,347
B. Other non-metallic mining and quarry products and the like	543,381	469,203	3,021,241	3,263,005
C. Iron ore and scrap	411,639	643,202	2,657,161	4,951,896
D. Non-ferrous metalliferous ores and scrap	554,756	931,655	3,708,989	7,180,954
E. Wood and timber	3,916,109	5,308,025	16,311,192	21,830,404
F. Raw cotton and cotton waste	6,806,029	3,134,892	45,760,419	39,753,630
G. Wool, raw and waste, and woollen rags	4,945,224	2,772,785	40,969,958	37,463,222
H. Silk, raw, knubs and noils	116,540	68,299	1,131,869	893,300
I. Other textile materials	826,440	671,199	5,649,151	6,526,555
J. Oils, seeds, nuts, oils, fats, resins, gums ..	3,149,974	3,420,560	22,150,147	27,210,291
K. Hides and skins, undressed ..	979,316	1,074,300	8,141,192	9,389,889
L. Paper-making materials ..	936,953	1,163,721	4,773,814	6,072,429
M. Rubber ..	432,627	799,751	3,931,934	5,999,957
N. Miscellaneous raw materials and articles mainly unmanufactured ..	585,339	632,370	4,853,872	5,542,292
Total, Class II	24,237,027	20,991,119	163,121,169	176,082,171
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	3,342	73	16,817	8,170
B. Earthenware, glass, abrasives, &c.	534,988	543,468	3,939,126	4,126,696
C. Iron and steel and manufactures thereof	696,224	1,155,565	5,798,549	7,866,258
D. Non-ferrous metals and manufactures thereof	1,629,919	1,594,153	9,980,733	14,071,461
E. Cutlery, hardware, implements, and instruments	470,513	460,436	3,596,622	4,043,170
F. Electrical goods and apparatus ..	110,337	149,157	725,477	1,254,750
G. Machinery	635,002	619,556	4,652,127	5,462,984
H. Manufactures of wood and timber ..	243,652	396,044	2,226,812	2,645,703
I. Cotton yarns and manufactures ..	534,678	652,563	3,888,231	5,011,984
J. Woollen and worsted yarns and manufactures ..	805,086	1,099,184	5,110,341	6,591,510
K. Silk and silk manufactures ..	1,686,163	2,384,108	12,392,424	12,276,870
L. Manufactures of other textile materials	899,102	1,204,783	5,995,545	7,863,720
M. Apparel ..	1,107,637	1,225,841	8,006,647	9,524,801
N. Chemicals, drugs, dyes, & colours ..	831,976	796,356	6,186,112	7,659,502
O. Oils, fats, and resins, manufactured ..	3,676,005	3,644,934	25,504,794	21,471,878
P. Leather and manufactures thereof ..	847,214	834,901	6,251,192	6,863,765
Q. Paper and cardboard ..	1,128,908	968,601	6,469,270	7,151,437
R. Vehicles (including locomotives, ships, and aircraft) ..	558,729	356,621	3,965,310	4,819,607
S. Rubber manufactures ..	467,244	326,661	3,469,733	3,142,770
T. Miscellaneous articles, mainly or wholly manufactured ..	1,712,000	1,854,526	13,068,395	14,997,228
Total, Class III	18,578,719	20,271,551	131,136,257	146,854,268
Total	54,728	144,492	191,424	660,234
IV.—Animals, not for food	96,443	223,661	1,367,708	2,059,942
V.—Parcel post, non-dutiable articles ..	81,736,827	76,818,334	568,846,950	615,558,899

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM.

(Value F.O.B.).

	Month Ended July 31.		Seven Months Ended July 31.	
	1922.	1923.	1922.	1923.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	212,983	311,702	1,865,061	2,341,705
B. Feeding stuffs for animals	143,988	101,716	1,104,348	1,007,452
C. Meat	62,406	91,156	562,203	717,269
D. Animals living, for food	3,735	11,736	15,379	80,631
E. and F. Other food and drink	1,881,347	2,042,925	13,983,867	15,176,338
G. Tobacco	501,396	569,138	3,260,029	3,696,208
Total, Class I	2,805,856	3,131,373	20,790,887	23,019,603
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,579,538	8,841,301	36,427,301	59,256,731
B. Other non-metallic mining and quarry products and the like	175,266	102,496	977,198	1,016,139
C. Iron ore and scrap	54,073	32,075	373,305	323,118
D. Non-ferrous metalliferous ores and scrap	516,215	118,806	3,949,886	1,439,981
E. Wood and timber	36,393	40,970	200,256	244,095
F. Raw cotton and cotton waste	112,764	92,971	574,457	1,039,697
G. Wool, raw and waste, and woollen rags	749,273	789,229	4,333,817	6,034,341
H. Silk, raw, knubs and noils	4,756	10,782	42,549	71,859
I. Other textile materials	68,407	59,596	547,410	551,424
J. Oil seeds, nuts, oils, fats, resins, and gums ..	368,390	394,554	3,254,034	3,430,702
K. Hides and skins, undressed	114,501	136,529	1,043,176	1,563,465
L. Paper-making materials	109,729	79,748	671,944	922,850
M. Rubber	3,775	13,455	56,199	80,965
N. Miscellaneous raw materials and articles mainly unmanufactured ..	147,930	122,935	1,760,281	2,762,218
Total, Class II	8,041,012	10,835,447	54,211,813	78,538,488
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	447,181	902,896	2,666,595	4,725,342
B. Earthenware, glass, abrasives, &c. ..	854,742	1,043,592	6,415,329	6,677,465
C. Iron and steel and manufactures thereof	4,656,582	5,820,025	35,015,731	42,869,08
D. Non-ferrous metals and manufactures thereof	966,460	1,175,789	6,705,746	8,454,733
E. Cutlery, hardware, implements, and instruments	572,533	601,034	3,694,067	4,082,779
F. Electrical goods and apparatus	526,274	587,087	4,243,449	4,733,711
G. Machinery	3,191,402	2,969,568	23,164,727	26,992,377
H. Manufactures of wood and timber ..	76,880	127,526	708,577	927,999
I. Cotton yarns and manufactures	17,986,234	14,168,254	108,415,657	103,573,12
J. Woollen and worsted yarns and manufactures	5,400,434	5,710,176	33,894,246	36,328,612
K. Silk and silk manufactures	221,533	172,478	1,356,284	1,076,422
L. Manufactures of other textile materials	1,796,162	1,795,707	12,891,121	13,685,811
M. Apparel	1,806,532	2,343,364	11,875,090	14,132,98
N. Chemicals, drugs, dyes, & colours ..	1,444,613	1,739,561	11,860,201	14,860,06
O. Oils, fats, & resins, manufactured ..	435,843	517,888	3,331,884	3,968,73
P. Leather and manufactures thereof ..	417,304	449,352	2,841,034	3,258,92
Q. Paper and cardboard	544,101	579,716	3,528,415	4,793,41
R. Vehicles (including locomotives, ships, and aircraft)	4,504,457	1,376,187	33,125,089	19,331,91
S. Rubber manufactures	384,977	414,746	2,983,665	3,112,44
T. Miscellaneous articles mainly or wholly manufactured	2,211,088	2,239,263	15,350,853	16,798,64
Total, Class III	48,455,062	44,733,709	330,003,760	334,584,31
IV.—Animals, not for food	80,897	111,943	856,579	613,40
V.—Parcel Post	1,035,800	691,378	6,317,392	5,626,88
Total	60,418,626	59,503,850	412,130,431	412,182,87

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CANNED GOODS.—The market for sardines is steady, and a moderate demand prevailed, while there is now a better selection of the finer grades available. French 18 oz, quoted 15s 6d; quarter-tins, 7s; Portuguese quarters, 2s 6d to 3s 3d; ditto 12 oz, 5s to 5s 6d; ditto 18 oz, 9s 6d to 11s per dozen tins. Lobster was accorded steady support, with only light supplies on offer. Fancy halves quoted 16s to 16s 5s, with second quality 15s. General steadiness characterised the market for salmon, and with sustained inquiries business during the week proceeded with fair freedom. 1 lb flat reds, labelled, quoted 55s to 58s; ditto, tall, 41s 6d to 42s 6d; 1 lb flat pink, 24s 6d; ditto, tall, 23s 6d; cases of 96 half-pounds, 29s to 31s. There was a decided improvement in demand for most descriptions of canned fruits, which resulted in fair transactions at full prices. Singapore pine of fair quality, on spot, 5s 10d. Californian apricots, 7s to 11s; peaches, 8s to 12s; pears, 12s to 14s 6d. Tomatoes remain dull of sale. Spanish threes quoted 6s 6d; Italian ditto, 7s per dozen tins. Only quiet trading resulted in meats at steady rates.

OILS.—Lined seed firmer. Spot, net, naked, quoted 40s 6d; August, 38s; September-December, 36s 9d; January-April, 34s. Rape dull. Crude, spot, 37s 6d; refined, 40s 6d. Cotton easier. Crude Egyptian, spot, 34s 6d; common edible, 43s; deodorised (in barrels), 45s. China-wood nominal. Hankow, spot (barrels), 99s; August-September, 90s. Coconut steadier. Ceylon, spot, 42s; August-September, 38s 6d; Cochin, ditto, quoted 46s. Soya quiet. Oriental, barrels, July-August, 34s 6d. Japan fish nominal. Cod quiet. English, spot, 34s. Groundnuts quiet. English, crushed, naked, spot, 42s; deodorised, barrels, 51s. Turpentine firm forward. American, spot, 71s 9d; September-December, 72s 9d; January-April, 74s 3d. Rosin quiet. American, grade B, 13s; F, 13s 3d; G, 13s 3d; H to I, 13s 3d; WG, 16s; WW, 17s per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil lower. First pressure, spot, quoted 51s; second pressure, 50s, and pharmaceutical 56s per cwt.

OILSEEDS.—Lined irregular. Bold Bombay, afloat, £19 10s; small Bombay, ditto, £18 10s; Calcutta, afloat, £18 10s to £18 15s; August-September, sold, £18 8s 9d to £18 15s. Plate, afloat, £17 11s 3d; July-August, £17 7s 6d; January-February, £15 16s 3d. Rapeseed firmer. Toria, August-September, sold, £15 10s; real bold Ferozepore, ditto, £15 10s; Jamba, £11 15s. Cottonseed quiet. Egyptian black, new October, £10 5s; and white, £9 15s, to Hull. Bombay, August-September, £9 5s; December-January, £8 10s. Gingly seed quiet. Large Bombay, afloat, Continent, sellers, £21 10s. Chinese, October-November, £21, Continent. Groundnuts dull. Coromandel, machine-dried, August-September, £20 5s. Chinese decorticated, f.a.q., October-December, £20 17s 6d; East African, August-September, £19 10s. Soya beans quiet. Manchurian, August-September, £11 2s 6d. Castorseed easier. Bombay, July-August, £18 10s per ton.

METALS.—Tin: Opened easier in sympathy with lower Eastern advices, but a fair business was effected at the decline, especially for distant positions. Standard cash sold at £182 10s, and three months, £182 10s to £183 10s. Eastern cables reported sales on the basis of £187 5s, c.i.f. Slight irregularity was subsequently apparent, though prices were firmer on balance with sustained inquiries for forward dates. Standard cash sold up £184 12s 6d; three months fluctuating between £184 10s to £185 10s and £185 5s. Further sales occurred in the East at the advanced rates, £188, c.i.f. At Thursday's market values ruled firmer though closing below the best. Standard cash sold at £185 17s 6d to £184 15s, and three months, £186 10s to £186 17s 6d to £186. On the following day near position were firmer, but three months after improvement marked a setback, while closing with no material change on balance. Cash sold at £185 15s, and three months, £186 10s to £186 5s to £186 15s, down to £186. English ingots quoted at £185 15s to £186 5s. Copper in fair demand, but prices easier in view of lower cables from the United States. Standard cash sold at £64, and three months £64 15s to £64 10s. Quiet conditions continued to prevail, and prices showed slight irregularity, forward positions being most in request. By the middle of the week standard cash was dealt in at £63 15s, and three months £64 10s to £64 11s 3d. On the following day rates proved fully steady, with business on a moderate scale. Standard cash sold at £64 to £63 18s 9d, and three months £64 15s to £65 to £64 15s. A larger business transpired on Friday, and tendency of prices in buyers' favour. Cash sold at £63 12s 6d, and three months, £64 12s 6d to £64 7s 6d. Electro, £69 5s to £69 15s; best selected, £66 15s to £68 5s. Strong sheets, £98. Wire bars, £69 15s per ton. Antimony quiet. Ordinary brands nominally £30 to £32; special, £31 10s to £35. Aluminium: Home trade, £115; export, £120. Lead quiet, steady, at £24. Spelter dearer at £32 15s to £32 5s, according to position.

METROPOLITAN CATTLE.—AUGUST 16.

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

Beasts—Herefords	6 10 to 7 2	Beasts—Heavy Bulls	7 0 nominal
Shorthorns	6 8 to 7 0	Canadian	7 0
Devons	7 0 to 7 4	Sheep—Downs	9 4 to 10 0
Norfolk	nominal	Ewes	6 4
Scottish	nominal	Crossbred	9 0 to 9 4
Irish	6 4 to 6 8	Scottish	nominal
Fat Cows	5 0 to 5 6	Lamb—Downs	10 8 to 12 0

LONDON POTATO MARKETS.—AUGUST 16.

English (new) Sharpe's	Per Cwt. 5 d 5 d	Epicures	Per Cwt. 5 d 5 d
Express	7 6		
Eclipse	6 0 to 7 0		

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.		DRUGS—		INDIGO—		PROVISIONS—		SPICES—	
0000 Duty, British grown	£ 44	Alpaca, fine E.I., p. wt. 100	£ 128 8	Para, fine, hand spot	1 3 8	Butter—per cwt.	164 0	Singapore, fair white	£ 54 8
25.44 foreign 25.44 cwt.	£ 57 0	Cape, good to fine	40 0	Plantation crepe	1 3 8	Irish creamery	164 0	Black Singapore	£ 54 8
Creola	38 0	Balaio, Peru	1 6 9			Do factory	140 0	White Siam	£ 54 8
Grenada	38 0	Capivi	1 6 9			Do Australian	140 0	Pimento	£ 54 8
Ceylon, plantation	69 85	Camphor	1 6 9			Argentine	146 0	Oleum—1st sort	£ 54 8
Guayaquil	53 70	Japan, refined	3 5 2			New Zealand	168 0	Do 2nd	£ 54 8
Bahia, finest	44 8 45 8	Oardamons, Ceylon	3 5 2			Danish	178 0	Cassia Lignea	£ 45 18
COFFEE—British grown		Cashew, China	3 5 2			Beacon, engd.—Irish	126 0	Penang	£ 3 8
25.44 foreign 25.44 cwt.	£ 45 0	Castor-oil, China	95 8			Do 2nd	126 0	Amboyia	£ 3 8
25.44 Foreign, 25.44 cwt.	£ 45 0	Castor-oil, India	95 8			Canadian	110 8	Ginger—per cwt.	70 0
Do good to fine	110 0	Gum Benjun, Sum. cwt.	6 0 8			American	85 106 0	Oleum, small rough	£ 80 0
Do good to fine	110 0	Olibanum	6 0 8			Hams—Irish	126 0	Do wormy	£ 80 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Canadian	126 0	Japan	£ 70 0
Do good to fine	110 0	Opium, drops	6 0 8			Do American	112 0	Jamaica, ord. to good	£ 175 0
Do good to fine	110 0	Opium, drops	6 0 8			Lard—Irish	63 0	Mace	£ 7 6
Do good to fine	110 0	Opium, drops	6 0 8			American boxes, 5lb	63 0	Nutmegs, good to fine	£ 14 1 7 1/2
Do good to fine	110 0	Opium, drops	6 0 8			Port—per 5 lbs	6 4	Oil—medium	£ 10 8
Do good to fine	110 0	Opium, drops	6 0 8			Beef—Irish	1 10 4	Oil—per cwt.	70 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Scotch	6 4 8	TALLOW—per cwt.	
Do good to fine	110 0	Opium, drops	6 0 8			Do New Zealand	108 0	Good mutton	£ 41 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Eng. Cheddar	108 0	Beef	£ 39 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Obeshire	120 0	TAPOOA—per lb	£ 34 8
Do good to fine	110 0	Opium, drops	6 0 8			Do Dutch	45 0	Do Flake, fair, spot	£ 34 8
Do good to fine	110 0	Opium, drops	6 0 8			Do Eggs, or 129—English	16 0	Medium Pearl	£ 0 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 1st	16 0	Seed	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 2nd	16 0	TEA—duty 6d, 100 lbs	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 3rd	16 0	foreign 8d per lb	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 4th	16 0	Indian and Ceylon	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 5th	16 0	Pekoe	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 6th	16 0	Broken Pekoe	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 7th	16 0	Orange Pekoe	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 8th	16 0	Broken Orange	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 9th	16 0	Pekoe Soucheong	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 10th	16 0	TIMBER—ex, yd	£ 47 6 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 11th	16 0	Swedish w/3 x 9, Plstd.	£ 30 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 12th	16 0	Do 2 1/2 x 7	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 13th	16 0	Do 2 1/2 x 6	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 14th	16 0	Do 2 1/2 x 5	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 15th	16 0	Do 2 1/2 x 4	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 16th	16 0	Do 2 1/2 x 3	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 17th	16 0	Do 2 1/2 x 2	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 18th	16 0	Do 2 1/2 x 1	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 19th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 20th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 21st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 22nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 23rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 24th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 25th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 26th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 27th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 28th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 29th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 30th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 31st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 32nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 33rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 34th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 35th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 36th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 37th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 38th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 39th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 40th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 41st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 42nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 43rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 44th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 45th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 46th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 47th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 48th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 49th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 50th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 51st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 52nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 53rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 54th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 55th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 56th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 57th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 58th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 59th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 60th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 61st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 62nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 63rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 64th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 65th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 66th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 67th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 68th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 69th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 70th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 71st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 72nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 73rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 74th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 75th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 76th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 77th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 78th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 79th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 80th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 81st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 82nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 83rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 84th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 85th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 86th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 87th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 88th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 89th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 90th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 91st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 92nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 93rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 94th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 95th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 96th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 97th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 98th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 99th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 100th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 101st	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 102nd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 103rd	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 104th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 105th	16 0	Do 2 1/2 x 0	£ 28 0
Do good to fine	110 0	Opium, drops	6 0 8			Do Broken 106th	16 0	Do 2 1/2 x 0	

maturity or interest payment, are nearly always disappointed, but nevertheless spring eternal in the market's breast. Caution was induced, on the other hand, by further weakness in the New York exchange, with its possible reaction on the psychology of the Bank of England.

	Aug. 24, 1923.	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 3, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	5 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a decrease of £551,000 in the note circulation, and a corresponding increase in the reserve. Government and other securities rose by £620,000 and £933,000, and so, in spite of the transfer of nearly five millions to the Public deposits, presumably through tax payments, Other deposits were less than three millions lower. The circulation of currency notes shows a contraction of £4,267,000 to £286,768,000, which includes £1,455,500 for notes called in but not yet cancelled. The fiduciary issue is now £235,862,700, which is £34,321,100 below the maximum.

THE STOCK MARKETS.

Although a fairly cheerful tone has prevailed in the stock markets business this week has remained on a small scale, the only sections where any kind of activity has prevailed being the gilt-edged market and the tea and rubber departments. In the case of the former War Loan and Conversion Loan have been the centre of attraction, but prices of other gilt-edged stocks have been firm. The fluctuations of the franc have disturbed the foreign bond market, but Home Rails, though quiet, have been inclined to improve. In the industrial section textiles have been the best feature; oil shares have been steady, but mines have been quiet.

THE COMMODITY MARKETS.

Markets are still under the depressing influence of the holiday season and the political situation on the Continent. Owing to local holidays, our Middlesbro' correspondent reports, there has been no market this week in pig-iron, and the steel works in the district are closed. Tin moves up and down, but copper is slightly depressed. The fluctuations in raw cotton rates have been disturbing, and at the moment a most uncertain feeling prevails with regard to future developments in the Manchester cotton trade. In spite of the prolonged holidays and apathy of buyers, wool values are fairly firm. Wheat prices were inclined to be easier, while sugar quotations were lower. A good demand for linseed oil, coupled with the buying of seed by crushers, contributed to a marked advance in the oil. At the Bermondsey hide market on Thursday a decided weakness in prices was noticeable.

FOREIGN EXCHANGES.

In the foreign exchange market business has continued restricted, with considerable fluctuations in Continental rates. In the earlier part of the week the dollar showed a decided downward tendency, moving quietly from \$4.56½ on the 17th to \$4.55 on the 21st. Since then it has been somewhat irregular on slightly higher levels, and yesterday morning was again quoted rather higher at \$4.55½. The outlook is uncertain. On the one hand, the recent habit of anticipating the autumn fall and the extreme dullness of trade might suggest that the lowest point for the time being had been reached. On the other, it is possible that a good many food and raw material purchases have still to be made, in spite of bad trade, while serious trouble

in Europe might at any time be reflected in a further fall. Forward rates, at ½ cent per month over spot, show no change on the last two weeks. In sympathy, as usual, with the dollar, the Dutch rate has moved against us, from 11.58½ fl to 11.57½. The mark in the early part of the week, perhaps through fear of the drastic taxation proposals of the new Government, moved up rapidly to a rate at one time on the 21st as high as 45,000,000. From this there was a sharp recovery on the following day to 23,000,000, coinciding with the announcement of the resignation of Herr Havenstein from the Reichsbank; and since then there has been a further quiet recovery to 20,000,000, as compared with 16,500,000 a week ago. Little or no business, however, is done at these rates, and the position in the absence of a Reparation settlement seems almost hopeless, although the new Government, by its taxation proposals and the issue of a new gold loan, is making what would seem a sincere effort to stem the tide. Forward marks are quoted nominally, as last week, at about 4,500,000 marks per month above spot. The Paris rate, on the expectation of a more conciliatory reply from M. Poincaré, moved steadily down from 82.60 on the 17th to just under 80 on the 21st. Since then there has been a very natural reaction, although yesterday morning the rate was a little better at 81.15. At the same time, there is a feeling of uncertainty, since the last French Note, in spite of its apparently friendly tone, would seem to have produced a deadlock, and the weight of Budget difficulties, with the inevitableness sooner or later of heavy taxation or further inflation, appears already to be having its effect in sending French money abroad. The Belgian rate has also shown some recovery from 103.90 to 101.40, although hardly so much as might have been expected in view of the coming Belgian loan in Paris. Forward rates in Paris are slightly narrower at 4½ centimes per month above spot; in Brussels they are unchanged at 6 centimes above. The Italian rate also shows a slight recovery from 106½ to 105½. Spain, after reaching 34.25 on the 21st, has improved to 34.05, as compared with 33.60 a week ago. At the same time, the most recent bank return shows a considerable reduction in note circulation. Switzerland, on the other hand, has reacted again, moving up on the week from 24.95 to 25.20. In Northern Europe Stockholm is practically unchanged. Christiania, after a recovery, is up again to 27.95, slightly above last week's figure. Copenhagen, on the other hand, is rather better at 24.42, and Helsingfors has fallen ½ mark to 164½. In Central Europe, Vienna remains unchanged, and Warsaw at 1,000,000 shows a distinct improvement. Prague has dropped about 1 kr to 155, and Bucharest, after being down to 950, is at 1,025, considerably better than a week ago. In the East, the rupee, as the result partly of conditions normal at this time of the year, partly of bad trade prospects, has fallen from 15 4 1-32d to 15 3 31-32d. The yen, however, is slightly dearer at 25 1-25-32d. The silver market is extremely dull, with a slight downward tendency. Shanghai has fallen from 35 1d to 35 0½d, Hong Kong from 25 3¼d to 25 3d. In South America, Brazil dropped suddenly after the withdrawal of the exchange regulations so recently introduced, but whether as the result of this or of the Government's rumoured coffee plans is not clear. Yesterday the quotation was just under 5d, as compared with 5½d a week ago. Buenos Ayres, after being lower, recovered on news that a further loan had been arranged in the U.S.A. to meet repayments there now falling due, but the rate at 38½d was lower than the 39 1-32d quoted a week ago. Montevideo at 38½ was unchanged. Valparaiso at 37 pesos showed a depreciation of ½ peso.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 11th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	9,450	From Revenue	18,019
Interest, &c., on Debt	409	From Exchequer Balances	508
Sinking Fund	750		
Sundries	785		
Debt Reduction	7,133		
	18,527		18,527

Excise brought in £8,010,000 as against £10,675,000 in the corresponding period a year ago. Customs yielded £1,580,000, while Property, Income, and Super Tax contributed £4,270,000. The week's operations decreased

the National Debt by £7,133,081, and caused the following changes:—

	Min. £		Min. £
Public Departments	9,950	Treasury Bills	2,769
National Savings Certificates	10,000	Sundries	2,867
			2,867

The floating debt was reduced by £7,255,000 to £792,791,500.

FINANCIAL YEAR, 1923-24 (April 1 to August 18, 1923).

	£		£
Total Expenditure ..	294,690,733	Raised by Revenue ..	293,179,331
Net Repayments	1,727,582	Decrease in Balances	3,238,984
Total	296,418,315	Total	296,418,315

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,600	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,600	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On a later page of this issue will be found reports of the meetings of the Niger Company, Limited, and of Claudius Ash, Sons, and Co., Limited. At the former, Viscount Leverhulme strongly criticised the Colonial Office policy in West Africa. At the latter, the chairman mentioned the formation of a Dental Trade Association to stop "the suicidal policy of price-cutting."

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world.

A DISAPPOINTING REPLY.

It is difficult to understand the enthusiasm expressed in Paris for the latest of M. Poincaré's Notes, or the assumption that it contributes anything towards maintaining the Entente. It certainly sets out the oft-repeated arguments and assumptions of the French Government forcefully and with considerable repetition; but it contains nothing that could conceivably modify the opinion of anyone who has understood the British case. The best that is claimed for it in responsible quarters here is that it refrains from adopting an injured or discourteous tone—a real cause for satisfaction, seeing that the British Government has taken the responsibility of calling a spade a spade—that it publicly repeats that France has no annexationist aims and will modify the form of her occupation if Germany ceases passive resistance, and that M. Poincaré is ready to go on talking.

But for any substantial contribution towards finding a way of reconciling the viewpoints of France and Great Britain we look in vain, for the Note is considerably less favourable than the forecasts in the Paris Press which preceded it. We had been led to believe that M. Poincaré was going to say that since Great Britain had whittled down what she expected to obtain in respect either of Reparation or of Allied debt, the French Government would make some advance towards a settlement by offering not merely to modify the character of the Ruhr occupation if passive resistance ceased, but also to end the evacuation altogether if France could secure an absolute certainty of payment by some other means. Unfortunately there is no sign of this in the Note, which does little more than reiterate what M. Poincaré said in January last, together with the assertion that the occupation of the Ruhr will only be brought to an end in proportion as Reparation payments are actually made. But Great Britain, having committed herself to the view that the occupation of the Ruhr is illegal, cannot become a party to an arrangement under which the military occupation of the Ruhr continues as a pledge for payment of Reparations. The road, therefore, to an agreement remains completely blocked.

Nor does the scheme of payment from which so much was expected help us at all, for throughout the Note

there runs as a sort of self-hypnotising refrain "our firm resolve, declared a hundred times, not to give up one centime of our Reparation claim, which is sacred (!), and which is comparable with no other claim; there is in addition our resolve not to abandon the pledge which we hold until after the complete payment of Reparations." M. Poincaré's idea of negotiation is simple, and leads direct to the one and only possible end. As a matter of fact, the Note contains no scheme at all, but repeats the plan of January last, with a very slight variation, viz., that France will only claim C bonds so far as she is asked to pay her debts, whereas in January she offered to cancel C bonds so far as she was let off her debts. But in either case this way of putting the case is in effect a way of placing the responsibility for the final total of the demand on Germany fairly and squarely upon the shoulders of the United States. Great Britain has now said that all she requires, either from Germany or from her Allies, is 14.2 milliard gold marks. If the German debt were fixed at 50 milliards, our share would be 11 milliards, or 550 million sterling, leaving a comparatively small balance to be paid as inter-Allied debt. The outstanding obligations of the European Allies towards America, however, amount nominally to nearly 25 milliard gold marks. Great Britain's declaration in her last Note means in effect that we are prepared to use the whole of the amount which we may hope to get from Germany in order to pay America. If the European Allies adopted the same point of view, and were content to use their respective shares of the 50 milliard gold marks in order to repay their respective American debts in full, it would eat up most of Germany's Reparation payments, leaving only a small balance for the restoration of Europe, which would have to be carried out, as it is now being carried out, at the expense of the taxes of France, Belgium, and Italy. France says categorically that she is not prepared to accept this principle, and maintains that however distasteful it may appear she is entitled to add to the bill against Germany the full total of what America and Great Britain ask her to repay.

The dilemma may be best illustrated by a simple table for the purposes of which we will assume that the American Government is willing to grant to European Governments the same funding terms as were granted to Great Britain:—

	(Milliard Gold Marks.)			
	Present Value of Debt to U.S.A. Claimed from Germany.	Amount Claimed from Germany for Reparation.	Share of 50 Milliards on the Spa Per centages.	
Great Britain.....	14.2	nil	11	
France.....	10.0	26	26	
Italy	5.5	?	5	
Belgium	1.2	5	4	
Other (excluding Russia)....	5	?	4	
Total.....	31.5	31	50	

If Great Britain asks the Allies to make up the balance of three milliards which remains over and above her share of Germany's payments, the table means that Great Britain and the United States will ask for 20 milliards from the European Allies out of 39 milliards remaining to them out of Germany's payments—leaving only 19 milliards to cover claims, which are 31 milliards for France and Belgium alone. It is this sum which worries M. Poincaré, and makes him unwilling to surrender his theoretical claims against Germany. M. Poincaré is, however, far from generous in his treatment of the British offer. He concedes grudgingly that we are entitled to ask for repayment of our debts, but claims that even if France gets from Germany the money to pay her debts as well as the cost of restoration, she will have sacrificed more than Great Britain—a curious argument, which forgets that we have theoretical claims for inter-Allied debts amounting to some 25 milliards (excluding Russia), as well as to Reparations for various forms of material damage, for which we shall get no return at all.

But while the main financial argument is directed more against America than against England, the Note also challenges, as we think with great force, the suggestion of Great Britain that we should get 14 milliards either

from Germany or from France, implying that the more Germany fails to fulfil her obligations the more heavily shall we come down on our former Ally. The only argument that we have ever heard in favour of this view is that if Germany fails to pay, we may assume that it is the result of France's action, and she may therefore be reasonably asked to make good Germany's debt in return for the luxury of having destroyed Germany's economic existence. But this, of course, is making a very sweeping assumption, and so long as there is to be any *Entente* at all between the two nations, we cannot possibly base our policy on such a principle. We prefer to think that the British Government's statement is intended to help to make precise the elements of the problem, as, indeed, it has already done, and that it is not Great Britain's last word.

But while the Note does not make a sufficiently substantial advance to enable Great Britain to make any further offer, the significance of the last fortnight has been the evidence of a desire across the Channel to prevent a breach in the *Entente*—evidence that is shown more in the attitude of the Press and in the tone of M. Poincaré's last speech than in the actual suggestion of the present Note. As we have said, we do not see that the Note gives much opening to Great Britain, but it does afford an opportunity for making innumerable debating points in reply to many misleading and unsound arguments. We can, therefore, well believe that it will be followed by a diplomatic wrangle, which, if conducted in a fair spirit, may clear up many confused points at issue. But, in any case, neither the French nor the British Notes have yet approached the practical difficulty of carrying the settlement into effect, even if it could be arrived at between the Allies. It would, however, be a waste of time for the Foreign Offices to indulge in arguing on points of detailed criticism, or to enlarge upon the many subjects which would open up if the settlement were in sight, unless by so doing it may be cleared up whether M. Poincaré literally means what he says when he asserts that the military occupation of the Ruhr will only cease when the last mark has been paid by Germany—a point on which, in spite of the Note, Paris opinion still seems doubtful. If he literally means this, there is nothing to be done but to invite France formally to submit the question of her legal position in the Ruhr and the interpretation of the Treaty of Versailles to the International Court of Arbitration.

AN INQUEST ON THE WAR.

If the object of history were utilitarian, one would be driven already to write off as useless most of the labour and expense that has been devoted since the outbreak of the European war, and particularly since the armistice, to publishing first-hand information upon the causes of the catastrophe. The grand historical "lesson" of the war has been that even the most sensational consequences of political lines of action and points of view do not prevent the particular views from being maintained, or the actions from being repeated, by the closest spectators and even participants in those events which might have been expected to serve as an example. On the contrary, one folly seems to call forth another to cap it, and that within a few months or years of its perpetration. Thus Germany, after having given herself full time to realise the immense evil which she had incurred by provoking the intervention of Great Britain through the invasion of Belgium, deliberately completed her own ruin by provoking the intervention of the United States through the launching of the unrestricted U-boat war. And now France, having seen Germany defeated and herself saved from destruction by the intervention of unexpected Allies, through the imponderable but mighty influence of Germany's moral isolation, is herself braving moral isolation in the world in the belief that she has worked out a plan as incapable of failure as Hindenburg, Ludendorff, and Von Tirpitz's calculations for securing by force certain concrete objectives. Yet if every educated Frenchman were to read,

mark, learn, and digest the contents of the Carnegie Foundation's last two volumes of German documents,* it is most unlikely that that would lead the French nation to reconsider its position, or that it would modify the French Government's policy. Politics are governed by conscience or passion, but hardly by logic, whose thin stream is swamped by the mass of data and the mass of individual minds concerned. The art of history is as powerless to prevent future political disasters as tragedy is to lessen the number of catastrophes in the relations between one human being and another. Yet so long as men write, act, and go to see tragedies, they will write and read history—and for the same reason.

These two massive and at first sight formidable volumes recreate some of the most poignant scenes in the tragedy of the war. They consist of translations into English of the reports of the First and Second Sub-committees of the Committee appointed by the German National Constituent Assembly to inquire into the responsibility for the war, together with the stenographic minutes of the Second Sub-committee and supplements thereto. The reference of the First Sub-committee was to ascertain the responsibility for causing the war, and that of the Second the responsibility for not ending it sooner. The bulk of the volumes is occupied by the oral evidence taken by the Second Sub-committee. Nearly all the chief actors on the German side were heard:—Dr von Bethmann-Hollweg, the Imperial Chancellor; Count von Bernstorff, the Ambassador at Washington; Dr Zimmermann, the Secretary of State for Foreign Affairs; Dr Helfferich, director of the Deutsche Bank and Secretary of State for the Interior; Marshal von Hindenburg; General Ludendorff; and other persons less celebrated but still very near the centre of affairs. The witnesses not only delivered statements, but answered questions put to them by members of the Sub-committee; and since the Sub-committee represented different points of view (as is indicated by the fact that one member sent in a minority report, more favourable to the ex-Imperial Government than that of his colleagues), the great questions under discussion were ventilated with a thoroughness and a frankness which probably have seldom been paralleled. Considering the vast extent of the relevant data, it is possible that all the cards have not even here been put upon the table; but only a very prejudiced reader could persuade himself that there had been any kind of collusion for the suppression of facts or the distortion of conclusions. It may be said, of course, that at the time when this investigation was made Germany had nothing left to lose by drawing a veil over her war record. It might require greater moral courage on the part of the victorious nations if they were to imitate her example. Yet we should collectively be in a stronger moral position than we are to-day if we were to clear up as drastically as the Germans have done the conduct of our Governments during the war years.

Bulky, however, though it is, the material published in these two volumes by no means covers the whole field of the two Sub-committees' references. The proceedings, here recorded, of the First only relate to the attitude of the German Government towards the steps taken by the Hapsburg Monarchy against Serbia; they do not touch the relations of Germany during the days before the war with Russia, France, Belgium, and Great Britain. Similarly, the proceedings of the Second Committee, as given in these columns, are confined to President Wilson's Peace move of 1916-17, and the behaviour of the German Government in regard to it. How many volumes it would require to cover the entire field of both references with the same thoroughness, it would be difficult to conjecture. Meanwhile, we may be well content with what we are here given; for it throws a flood of light upon the views and actions of Germany, or, rather, of particular Germans whose different views and actions came to stand for those of Germany by an often violent resolution of forces, which spreads far beyond the events directly under consideration.

As regards these actual events, the findings of the Sub-committees (in which most readers will agree with them on the basis of the evidence presented) distribute censure

* "Official German Documents Relating to the World War," translated under the supervision of the Carnegie Endowment for International Peace, Division of International Law. (Oxford University Press, New York.) 1923. 2 vols., pp. xvi. + 1,360. 7s. 5d.

with a notably different emphasis from that of the popular verdict of the world. They find the guilt of the German Government in July, 1914, to have been considerably less, and in December, 1916-January, 1917, considerably greater, than it is represented as being in the ordinary legend.

The evidence here presented would appear to exonerate Germany almost conclusively from the charge of having taken the initiative after the Sarajevo murders, and still more from having seized the opportunity to bring on a world-war under cover of Austrian claims for damages against Serbia. The worst that Germany can be accused of at this stage is that she refrained from controlling Austria's proceedings against Serbia—a policy which may have been mistaken, but was deliberately adopted in the belief that control would mean acceptance of responsibility, and that without being effective in the last resort it would destroy Germany's chances of staving off trouble between Austria and Russia. There seems also (oddly enough) to have been incompetence in the official machine; for, in spite of their general policy, the German Government would evidently have liked to obtain some modification in the wording of the Austrian ultimatum to Serbia, if only their representatives at Vienna had managed to communicate the text to them in time. Certainly, from the beginning they appear to have regarded an Austro-Serbian war as inevitable, but genuinely to have believed that the conflict could and would be localised, and to have considered that such a local conflict (in their view, precipitated by the Hapsburg Monarchy in order to preserve its existence) was no affair of theirs. Was this attitude, asks von Bethmann-Hollweg, abnormally criminal, according to the standards of the time? "America conducted the Spanish War, England the Transvaal War, Russia the Japanese War, France countless colonial wars, Italy the war with Tripoli.....In none of these cases was it permitted to bring the dispute before a forum of the Great Powers.Even in 1914 war was not yet condemned as a legitimate means of national self-assertion. That war against Serbia was contemplated for the solution of the Austro-Serbian difficulties may be theoretically condemned by the adherents of pacifism, but except by way of repudiation of their own history, cannot be branded as a crime by those Governments whose statesmen appended their signatures to the Treaty of Versailles." In other words, where would England stand to-day had the Transvaal happened to be in Europe and Serbia in South Africa?

On the other hand, the findings of the Second Sub-committee (endorsed by seven out of the eight members) are unexpectedly severe:—

"1. In the general situation which was brought about by the peace move of Wilson in the winter of 1916-7, certain conditions existed which made it possible to reach the point of peace parleys. The Imperial Government did not avail itself of these possibilities.

"2. The reasons why the above-mentioned opportunities were not taken advantage of are to be found in the resolution regarding the commencement of the unrestricted U-boat warfare of January 9, 1917."

On an earlier page the Sub-committee analyse the errors of judgment on which this resolution was based, and add that "the preparation of the opinion.....was not entered into with the care which was necessarily imposed by the tremendous importance of the question." The experts consulted were "in no event.....leading authorities in the matters of commercial or political relations which were in question. Experts in matters which were of a peculiarly material nature, such, for instance, as the shipping trade, were not called upon to testify at all." On such information, the supposedly scientific chiefs of the German Army and Navy confidently staked their country's fate and their own reputation. And the Chancellor, who let them do it? Of the witnesses examined, he is at once the most interesting, pathetic, and unsatisfactory, yet perhaps he has set his finger on the most important factor: "The machinery of war morale.....restricted the freedom of movement of Governments in our case just as it did in the cases of the other Powers.....If it is your desire, not only on the occasion of this investigation with regard to the American mediation, but in the ordinary course of your investigations concerning the possibilities of peace, to probe not only individual occurrences but the great interconnected whole, I venture to call your



attention once more, and as the result of my own experiences, to the extraordinary fatality which rested like a weight on the external and internal history of every country."

CHINA'S FINANCES.—II.

In a previous article it was regarded as desirable that the public should be given as early information as possible in regard to the position of the Government in relation to China's financial problems. In this one it is proposed to show why. In doing so no attempt will be made to advocate any particular policy. All that will be aimed at will be an accurate statement of the factors affecting the future of Chinese securities.

The first of these factors is the relation of China's indebtedness to its resources. In relation to her population, the debt is a small one. It works out at less than five dollars per head. And China's population is an exceedingly industrious one very lightly taxed. A recent estimate puts the taxation per head as low as \$1.20, which is about one-sixth of the average taxation per head in French Indo-China, little more than an eighth of that paid in Siam, just over one-twelfth of the amount paid in Japan. It is probable that this estimate is far too low, for the average Chinese is subject to a variety of exactions which cannot be classed as taxes, but which have the same effect. Even so, however, China remains a very lightly taxed country. And in natural resources it is the richest in the Far East. Very exaggerated statements have been made in regard to China's wealth, especially her mineral wealth, yet that wealth is unquestionably very great. Many authorities, indeed, would say that it has barely been scratched.

On the other hand, relatively to the financial resources of the Republic, as at present administered, the debt, as has already been shown, is a big one—so big that without foreign assistance it appears to be unmanageable. It does not follow, however, that when the unmanageable—that is to say, the unsecured—part of the debt has been provided for, all will be well, for the causes of the existing discrepancy between resources and liabilities may continue. The possibility of their doing so is the second factor which must be taken into consideration. The inability of the present Chinese Government to meet its obligations is due in part to neglect, in part to misappropriation of resources, but mainly to revenues which ought to flow to Peking being withheld from it. And they are withheld because, ever since the overthrow of the Manchus, the Chinese have been unable to decide where sovereignty in their State lies. Thus at bottom, as M. Padoux's preface to his debt consolidation scheme recognises, the present financial situation in China is a constitutional question.

It follows that money lent to China before the question has been satisfactorily settled, or is in a fair way to being settled, will be associated with certain risks. Of these the first is a continuation of the present factional strife. Reasonably or unreasonably, a large section of Chinese, roughly speaking the South, regard all the financial help that has been given to the North as help given not to China, but to momentarily dominating groups. The reorganisation loan of 1913 was regarded as help given to

Yuan Shih-k'ai and his entourage. The money which was subsequently lent by Japan, and is part of the unsecured debt, was regarded as help given to the Anfu party, and all the strife that has brought China to her present unsatisfactory state is, to a very considerable extent, the consequence of rebellion first against Yuan, and then against the Anfu leaders. Money lent to the party at present uppermost would certainly be regarded by parts of China in the same hostile way, unless it was lent with their full knowledge and approval.

It is necessary to indicate what a continuance of the present factional strife may mean for trade, industry, and the railways, and the best indication of that is what it has meant already. Making all due allowance for the tendency of Europeans resident in China to exaggerate the importance of recent events, there can be no doubt that foreign life and property are not nearly as safe there today as they were even five years ago. There is also no doubt that in certain lines, such as sugar, oil, cigarettes and machinery, all of which necessitate foreigners travelling in the interior, trade has become exceedingly difficult, and that practically all lines of business are suffering from illegal taxation, and the liability of goods in transit to seizure by armed brigands. Nor can it be disputed that even in the Treaty ports the foundation of business, namely, contracts, is becoming weaker. This is partly due to the influx into trade of new types of Chinese differing greatly from the old types, but it is also due to the increasing disrespect for law and the capacity of administrators to apply it. Due in part to the same cause is an increasing unrest in the small but growing industrial population, an unrest which is transmitted with surprising rapidity and sympathy to vagrant sections of the population that have no regular employment, but find a market for their labour first in one area and then in another.

China's railways are suffering from present conditions also. At the end of last year default on three railway loans was averted by the narrowest possible margin. The loans were those of the Canton-Kowloon, the Tientsin-Pukow and the Hukuang railways. The first has never done much more than pay its operating expenses, but the Government had always made up the deficiency. At the end of last year, however, the deficit was not made good until the very last moment, when payment was made possible by the £80,000 received in connection with the renewal of the Skoda loan. The Tientsin-Pukow Railway has hitherto provided a large surplus revenue, and the coupons have been promptly met. But at the end of 1922, though the line earned \$7,000,000, there was not a penny available to pay the interest and amortisation for the half-year. Default would have been unavoidable had not a powerful Chinese coal company come to the rescue. In the case of the Hukuang Railway, it was only at seven in the morning of the day on which the coupon was due in London, i.e., December 14th, that the wherewithal was found to pay it, and that was discovered in a book balance between the Customs and Salt of \$800,000. Of the various securities for this line, only certain salt taxes in the province of Hupeh and Hunan have been available through the Salt Gabelle, a partially foreign-officered administration, and the salt revenue pledged is equal to little more than half the interest requirements. The position of the Peking-Mukden line, which is very much better than any of the above, is none too good, for the reason that Chang Tso-lin, the Tuchun or military governor of Manchuria, one of the principal figures in Chinese factional strife, has taken possession of the northern section of the railway, retains the greater part of the rolling stock, and annexes the whole of the receipts. For similar reasons the Peking-Hankow Railway's position is dubious. There is ample revenue, though for three years past it has decreased, but it is entirely in the hands of the Chinese administration, which is nominated by the dominant military faction.

With these facts before them, readers are in a position to appreciate that a good deal turns upon the next step taken by the Powers in China. Unless the Washington Treaties prove abortive, action has got to be taken, and, as already shown, it may assume different forms. If it takes the form of withholding the 2½ per cent. surtax on the ground that the likin problem is unapproachable, then either China's unsecured debt must remain unsecured or it must be secured by a loan from the Consortium or some

other security. If the Consortium lends, it must lend either with or without the approval of the factions at present opposed to the dominant faction, and if it does so without approval, civil strife is likely to continue with an aggravation of the evils indicated above. On the other hand, the surtax may be granted, in which case it must either be used to consolidate the unsecured debt or for other purposes. If it is used for the former, responsibility for reactions on China's internal affairs will rest directly upon the Powers; if for other purposes, and unaccompanied by a loan from the Consortium on the only other security available, namely, the Salt Gabelle, China's revenue will be increased, but the main problems of the situation will remain untouched. The remaining possibility is a grant of the surtax for specified objects other than consolidation of debt, accompanied by a loan from the Consortium for the latter object. In that case, the arrangements of the Consortium and the Powers would dovetail. Even if the former acted alone, it would do so through the Legations, and to that extent its arrangements would bear an official character, in which connection may be recalled the fact that, in the statement issued in the beginning of July, the Consortium claims to be "an appropriate instrument" for giving effect to the undertaking given by the Powers "to respect the sovereign rights of China.....and maintain for herself an effective and stable Government." As so much depends upon the nature of any arrangements, it is important that H.M. Government's intentions should be clearly defined. For the consequences of the next step taken by the Powers in China are unlikely to be neutral in character. They are much more likely to be very good or very bad.

THE VEGETABLE OIL INDUSTRY.

THE oilseed crushing industry of Great Britain has been well provided with raw material, the imports of oilseeds and nuts and kernels in the first six months of the year being unusually heavy and 33 per cent. higher than a year ago. Gross imports were 949,449 tons and re-exports 24,474 tons, the net being 924,975 tons, or 234,346 tons in excess of the same period of 1922. Taken as a whole, it is, however, problematical whether there has been a corresponding increase in the trade in vegetable oils, or that the bright prospects entertained in the opening months have been fully realised. Nevertheless, despite depression which has been felt in both home and foreign sections of late months, and the inevitable effects of economic chaos in Continental countries, English crushers appear to have held their own. The intrinsic position of the industry is quite sound. The crushing and extracting mills and refineries, which underwent considerable extension during the war years, were never better equipped or adapted to supplying the needs of the consuming trades, and those engaged in their business conduct have no fears as to the future when Europe has finally quitted the wilderness and reached the Promised Land. No one doubts that, under something approaching normal conditions, the great markets now more or less dormant will again respond and absorb the products which the English oilseed crushing industry is able and ready to supply.

Notable features have been the largely-increased imports of cottonseed (313,869 tons), principally from Egypt and India, and of soya beans from Manchuria, the arrivals of the latter exceeding 103,000 tons, the largest figure for many years, and 200 per cent. greater than a year ago. Copra, ground nuts and palm kernels at 236,756 tons, chiefly derived from British possessions overseas, also show a substantial increase. It is satisfactory to note that this branch of the industry, which was wrested from the Germans during the war, has been maintained at so steady a level. The production of edible oils has, in consequence of the foregoing imports, been on an increased scale, and markets have been found for a considerable proportion on the Continent, in Holland and elsewhere, the exports of this class of oil, refined and unrefined, showing an advance of fully 100 per cent. as compared with the first half of last year. Most varieties have been able to compete effectively with American cotton oil.

Soya bean oil made in British mills has, however, had again to face strong competition from that from the East, large quantities of which have been pressed for sale in European markets. Palm kernel oil appears to have been in good demand and a large foreign trade done, America taking some portion.

Linseed and linseed oil are in a category by themselves, and have claimed more than ordinary attention from the fact that the United States have been in the market for very large supplies of seed in competition with Great Britain and the Continent, which also have taken increased quantities, Britain's import in the six months being 231,800 tons, or 39,000 tons more than in the corresponding half of last year. The interesting thing, however, is that at the end of the first six months more than two-thirds of an estimated world supply (Argentine and Indian) had already been shipped, and that by the end of July only 350,000 to 400,000 tons remained for shipment to meet requirements until the arrival of the new crops at the end of the year. America has been estimated to need the oil from a million tons of seed, 600,000 tons of which the Plate would be called upon to supply, and of which 500,000 tons have already been shipped, against only 150,000 tons a year ago. America's domestic yield was around 300,000 tons, or 50 per cent. more than in 1922, when, in addition to seed, considerable quantities of linseed oil were imported from Europe, principally from this country. A probable consumption of 340,000 tons of linseed oil this year, as compared with only 266,400 tons last year and 252,000 tons in 1921, appears to have been called for by the fact that there are extensive arrears of painting to be caught up, and that trade in manufactures in which linseed oil plays a part is good, and reflects the increased purchasing power of the people during a wave of unprecedented prosperity. Not only, therefore, has America had to import larger quantities of seed, but also linseed oil to supply markets bare of that commodity because of Western mills without stocks being unable to get supplies of seed. A good deal of oil was bought on American account in March and April in England for May-August shipment, and, no doubt, has helped to swell the figures of export which, for the six months January-June, stand at 22,433 tons to all destinations, though this is only about 50 per cent. of the U.K. export for the first half of 1922, when 43,788 tons were shipped, about 80 per cent. being destined for America. Latterly, however, America, with her mills again producing, has been out of the market, and with a small demand from home and Continental consumers, markets have been much easier and have witnessed a fall from £52 per ton naked ex Hull mill in mid-April, the highest point this year, to £38 at the end of July, the then lowest. There are suggestions of a revival of the American demand, which last year, and to a smaller extent this year, meant so much to the English industry, but this, of course, depends upon the capacity of America to absorb as much as estimated, and the ability of English oil to jump a tariff barrier of 3.3 cents per pound, or \$78.40 per long ton, equivalent to about £16 per ton, or 40 per cent., plus sea freight on oil at £40 per ton ex mill.

Our exports of vegetable oils of all kinds manufactured or produced in Great Britain in the six months were 54,924 tons of unrefined, against 57,921 tons and 8,414 tons of refined, against 7,046 tons in the corresponding period of last year. Next to linseed oil the largest exports were of cotton and palm-kernel oils. On the other hand, we imported considerable quantities of oil from abroad, viz., unrefined 47,077 tons, against 57,990 tons, and refined 7,216 tons, against 10,039 tons, all net after deducting re-exports. These imports consist very largely of palm, coconut, olive and soya oils, mostly unrefined, and account for 80 per cent. of the gross imports. The oil equivalent (based on the commercial yield) of the oilseeds and nuts and kernels imported and retained in Great Britain in the half-year is estimated at 260,505 tons which, with net imports of oil from abroad of 54,293 tons, gives a total of 314,798 tons. Deducting exports of English oil, 63,338 tons refined and unrefined, we get a net figure of 251,460 tons, which compares with 207,937 tons at the corresponding date last year, which would indicate that this country is supplied with vegetable oils at about the level of normal requirements. Larger imports of butter, margarine and animal fats have also to be taken into consideration, as

they have an important bearing on the edible oil trade. The net imports of these items, including also lard, oleo and stearine, but excluding fish oils, amounted to 251,938 tons in the half-year, against 193,525 tons, an increase of 58,413 tons as compared with a year ago, butter and margarine together accounting for no less than 47,865 tons of the increase. With more seed going into the mills production of oilcakes and meals has been more than ample to satisfy a reduced demand from the agricultural industry. At the same time net imports of foreign-made oil-cake at 159,528 tons were 14,000 tons higher, while our exports at 29,138 tons were 7,314 tons up.

This season's yield having been shipped to within a comparatively small balance, attention is now being directed to the new and growing crops. Argentina has a larger area under linseed, stated to be about 30 per cent. more, while American farmers, encouraged by a tariff of 30 cents per bushel on imported linseed, have about 80 per cent. more, and the prospects for the harvest are reported to be favourable. India is in the midst of reaping her present crop. With regard to cottonseed the bulk of the old crop of Egyptian has been disposed of, and offers are now being made of the new for October loading. The tendency of both linseed and cottonseed and oilseeds generally is to lower values, following wheat, as usual, in view of the prospects of plentiful supplies in the coming year. New Plate linseed is offering for early loading at almost identically the same figures as a year ago, but actual business has not begun, and in no direction does there appear to be any disposition to force matters or anticipate requirements at the present stage, especially in view of the poor trade in oils and the generally unsettled or uncertain outlook in the consuming markets.

TEA PLANTATION COMPANIES IN 1922.

DURING the past year the tea growing industry has enjoyed a marked measure of prosperity, especially if regard is paid to the recent history of the industry. It is only two years ago that tea growing undertakings were facing one of the most disastrous years within memory. Government control had left the industry with what might almost be termed ruin in front of it. Large stocks of low grade teas had been gathered together, which could not be sold owing to the consumers' distaste for the commodity which a paternal Government thought should be taken. All this has now past, however. Companies have been pursuing a policy of finer pluckings, and in consequence providing better teas, the demand for which is increasing both in home and overseas markets.

The general statistical position of the progress made in the industry may perhaps be best gathered from a study of the following table of tea imports and exports:—

IMPORTS and EXPORTS of TEA.

From—	1913.			1921.			1922.		
	Lbs.	Lbs.	Lbs.	£	£	£	£	£	£
India	203,456,657	286,585,218	254,956,972	7,839,223	14,872,077	16,142,209			
Ceylon	110,936,427	118,755,568	111,662,324	4,179,462	6,654,729	7,280,074			
China	16,272,548	4,645,074	11,066,353	613,147	246,570	740,509			
Dutch Indies	32,052,717	37,027,383	38,900,821	1,072,515	1,307,957	1,689,533			
Other countries	2,322,115	568,759	2,233,519	78,558	30,486	123,449			
	365,043,464	447,583,002	418,819,789	13,782,906	23,111,819	25,975,774			
Re-exports	57,555,651	34,734,686	41,971,002	2,808,940	1,964,022	2,755,35			

These figures, however, are interwoven to a considerable extent with the stocks on hand in this country. Last year the crops of India, Ceylon, and the Dutch East Indies fell short by some 60,000,000 lbs of the offtake, and in consequence the stocks of tea in the United Kingdom, which at June 30, 1921, amounted to 218,250,000 lbs, and at June 30, 1922, to 170,500,000 lbs, were reduced at the same date this year to 126,500,000 lbs. But this last figure excludes teas held in the Irish Free State.

As usual with our company group articles, we have selected a few representative undertakings, and from the information revealed in reports and accounts, and also with the aid of that gleaned from other sources, attempted to survey the financial side of the industry for 1922.

The following table shows crops and financial results over a period of three years of 13 selected undertakings:—

	Crop.		Results.		Crop.		Net Profits.		Crop.		Net Profits.	
	1920.	1921.	1920.	1921.	1920.	1921.	1920.	1921.	1920.	1921.	1920.	1921.
	Lbs.	£			Lbs.	£	Lbs.	£	Lbs.	£	Lbs.	£
Amalgamated Estates	5,442,184	89,423	Loss		4,381,050	44,634			4,941,409	158,233		
British Indian	1,650,987	24,178			1,226,499	16,293			1,511,911	43,137		
Ceylon Plantations	4,896,727	65,811	Profit		4,167,041	167,345			4,674,383	128,502		
Chubwa	2,494,521	32,063	Loss		1,813,322	16,943			2,214,328	56,793		
Cons. Tea and Lands	17,689,878	240,598			13,376,272	166,667			14,855,638	425,065		
Dooars	4,978,093	46,347			3,122,721	64,853			3,962,461	128,526		
E. I. Tea and Produce	2,327,970	79,706			2,178,750	650			2,454,590	16,316		
Eastern Produce	5,320,669	34,839			4,594,868	98,215			4,522,084	104,762		
Jhansie	1,314,911	18,949			2,627,337	39,026			2,977,720	84,655		
Jokai	2,661,689	30,502			5,807,528	108,651			7,719,257	222,902		
Lungia	7,603,926	73,112			1,599,972	6,646			2,240,463	59,714		
Nadeem	5,566,834	21,272			3,879,124	27,006			4,223,150	89,767		
Yatiantota	620,161	30,559			460,017	14,956			525,443	8,191		

The increased profits shown above are mainly the results of better prices obtained for the commodity together with lower working costs. This trend is illustrated by excellent statistics given in the reports and accounts of a few of the older companies. Thus we find that for 1917 the Jokai company was able to record production costs at 7.73d per lb, which, however, by 1921 had grown to 12.25d, although for the year under review these were reduced to 10.59d. In 1917 this company sold its tea at 11.31d, showing a profit of 2.18d per lb. The selling price was nearly the same in 1920—11.41d—and the result was a serious deficit, but with the price in 1921 increased to 16.67d per lb, a profit result of 4.42d was obtained. In 1922, with the further reduction in costs and the increased sale price of 17.59d, a result of 6.80d per lb profit is shown. The average price realised by the Jhansie company works out at 16.59d, as compared with last season's average of 14.75d per lb, while the cost of production was 8.68d, as against 10.65d for 1921. Dooars in an interesting table records production cost at 10.33d in 1921, as against 8.55d in 1922. It is a pity, perhaps, that other companies cannot see their way clear to publish statistics of this nature.

In the following table we analyse the balance-sheets of the companies included in our group:—

	Capital, including Debentures	Reserves	Profits and Credits	Estates and Property	Cash and Investments	Total Assets
Amalgamated Estates	£ 898,350	£ 408,606	£ 271,192	£ 772,650	£ 508,688	£ 1,680,316
British Indian	77,325	86,784	12,030	56,562	66,282	176,139
Ceylon Plantations	527,120	182,367	118,937	478,185	193,207	828,436
Chubwa	106,000	94,250	33,222	106,000	47,457	235,473
Consol. Tea and Lands	2,550,000	1,031,529	227,379	2,026,644	802,306	3,808,908
Dooars	348,000	191,034	53,409	286,251	138,496	592,443
East Indian Tea and Produce	249,250	nil	148,740	283,306	3,022	418,663
Eastern Produce	405,000	213,807	85,922	448,636	88,458	704,737
Jhansie	115,000	164,010	17,227	128,333	71,491	296,236
Jokai	396,500	430,872	68,069	412,980	110,372	885,440
Lungia	375,000	17,555	20,206	274,655	15,940	412,761
Nadeem	540,000	97,985	43,137	456,352	108,772	683,457
Yatiantota	221,630	11,000	2,189	201,960	15,687	236,654

It may be complained that this is a very rough-and-ready method of measuring the position of these companies. The most we claim for these figures is that it enables a comprehensive view of the financial trend, position, and methods of finance to be examined, and also places the inquirer on the path to follow up any unusual method of accounting revealed by our figures.

Our final table shows recent dividends and the trend of share prices:—

Company.	Am't of Share	Dividend for Year 1920.	Dividend for Year 1921.	Dividend for Year 1922.	Price End of July, 1914.	Price End of Aug., 1922.	Price Aug. 23, 1923.
Amalgamated Estates	10	% Nil	% 15	% 15	92	88	142
British Indian	5	1	15	30	64	71	142
Ceylon Plantations	1	124	30	30	54	34	23
Chubwa	5	5	15	30	172	154	23
Cons. Tea & Lands	10	Nil	10	25	15	162	283
Dooars	1	Nil	274	324	34	24	34
East Indian	1	Nil	Nil	Nil	34	74	23
Jhansie	5	6	18	40	7	94	234
Jokai	10	6	20	40	16	19	45
Lungia	1	Nil	Nil	Nil	24	44	14
Nadeem	1	Nil	10	224	3	14	24

The figures given in the above table are sufficiently eloquent by themselves to describe what has been happening in the tea share market, and latest reports indicate the possibility of further advances. But at the moment there are two matters which are causing a certain amount of

concern: the shortage of labour, with the difficulty of recruiting it, and the prevalence of mosquito blight amongst the tea bushes, with the failure, so far, to find an effective method of eradicating it.

An interesting sidelight on tea production in the Dutch Indies was shown by the recent remarks of the chairman of a company operating in that quarter, who pointed out that "had prices throughout the year been good, and had the Java teas profited by such favourable conditions as was the case with Indians and Ceylons, the result for the year would have been satisfactory, but, unfortunately, Java-grown teas have to labour under the great disadvantage of a preferential tariff in this country and in some of the Colonies, and cannot realise any such high prices as Indian and Ceylon teas, which benefit by the preferential tariff."

With reference to the future, the chairman of the Indian Tea Association is not very optimistic as to the prospects for the current season at least. "Weather conditions," he says, "have so far been unfavourable, but it would be difficult, and possibly unwise at this stage, to venture a prediction as to how the 1923 crop is likely to pan out." On the other hand, the area of demand is increasing. "Russia," we are told, "is said to have bought 1,000,000 lbs of tea last year, and as her purchases in 1916 of British and Dutch grown tea amounted to 90,000,000 lbs, the gradual resumption of dealings with that country, of which there are some evidences, will afford the means of absorbing any surplus production we may have. Further, it is of interest to find that our work in France, with a view to extending the consumption of tea there, is progressing satisfactorily, and we hope shortly to start an extensive campaign in America."

RUBBER AND RESTRICTION.

(FROM AN AMERICAN CORRESPONDENT.)

THE announcement of the Restriction Enactment caught the dealers in New York heavily short. As usual, they were quick to change their position, and bought steadily without much regard to prices, until they were covered, and had secured substantial stocks both for spot and futures. Speculators for the rise accompanied the upward movement, which was assisted materially by a somewhat belated recognition of the fact that the American consuming demand was at that time considerably larger than anticipated, and by the pronounced change from the pessimistic business sentiment which had existed for so long.

American manufacturers, almost unanimously, adopted a benevolently neutral attitude towards restriction. As consumers they might have been expected to oppose strongly such an arbitrary interference between buyers and sellers, but they took the broad view, as they had done on many previous occasions. They recognised that an indefinite continuance of the 7d to 9d levels must entail disaster to a large proportion of estates, a consequent, though perhaps temporary, reduction in supplies, and an eventual upward swing of the pendulum which would again carry prices to harmful limits. They therefore contented themselves with expressing the view that the increased demand would of itself establish a sufficiently remunerative price for the growers, and that restriction was unnecessary in itself, and, on the other hand, certain to play into the hands of speculators, and thus lead to greater instability in the market than ever.

The Rubber Growers' Association, at an early stage, had given assurances to the American manufacturers that the object of the plan was to promote stability and ensure sufficient supplies for all consumers at around 1s 3d, and that precautions would be taken to prevent prices running away. The association delegates who visited America in the spring appear to have taken a less optimistic view of the probable consumption here this year, and subsequent events amply justify their more cautious views in this respect, as well as in the necessity for maintaining some such control as is afforded by restriction.

The course of market prices has been instructive. The heavy buying and speculative demand carried London to

1s 6d in January, February about the same, March about 1s 5d average, April 1s 4d, early May 1s 3d, when a rather sharp decline to 1s 1d to 1s 2d took place, and, with some moderate fluctuations, the market remained around those levels until recently. In the light of the ascertained facts here, the above tendency is clearly explained.

In the first quarter of the year American consumption was proceeding at record limits, and showed every appearance of continuing almost indefinitely. Arrivals were heavy, but readily absorbed. Manufacturers were buying throughout January, and then, having secured the bulk of their estimated requirements until June, became cautious at the high levels then reached, though the general opinion was that considerably higher prices would rule in the second half of the year. Motor and truck output and sales to the public increased rapidly (in January to March, 1923, the total output was 872,565, as compared with 386,195 in the corresponding period of 1922), there was great industrial activity, something like a boom on the Stock Exchange, and the general business sentiment was distinctly optimistic.

In April warnings and cautious views began to be voiced in influential quarters, and the difficulties of the European political and economic conditions to be realised more clearly. About the same time the heavy arrivals of rubber, and the exceptionally large shipments from the East (far beyond those justified by official Restriction limits) became noticeable. April and May consumption continued in satisfactory volume, but June showed a sharp decrease. Meantime consumers had been asking themselves whether they had not been grossly misled by Restriction, and serious complaints of trickery and sharp practices against the growers and British colonial authorities were heard. The fears of speculative manipulation appeared to have been only too correct, consumers' purchases were found to be on much higher levels than current quotations, and inventory losses had to be faced. It was found that an exceptionally long winter had delayed actual tyre consumption by about two months, and that the public demand was substantially smaller than anticipated.

To add to the difficulties of an already unpleasant situation, manufacturers had to meet a cut in prices which was without warning suddenly forced on them by the one really prominent concern which had aggressively opposed, politically and otherwise, the whole restriction plan. This, and the pronounced change in general business sentiment, as evidenced by the slump in Stock Exchange values, and the normal seasonal slowing down of business, resulted in a sharp reduction in consumption, which now appears likely to continue until well into the winter. Almost all manufacturers find themselves over-bought, many (and amongst them some of the larger consumers) have had to apply to their suppliers to postpone deliveries for which they had contracted, and some have been reselling their purchase contracts. Unless the fundamental conditions change, it seems unlikely that they will be buying again in any sufficient volume to affect prices for several months.

It is somewhat strange that one point of considerable importance has not apparently been realised by tyre manufacturers until recently. It was known that the output and sale of new cars and trucks was greatly increasing. About 2,026,000 were manufactured between January and June as against only 1,151,000 in the same period of 1922, but this large output has thrown a number of the older cars out of use. A new car requires an initial outfit of five tyres, but their mileage life has been increased by improvements in manufacture and by the vastly better roads, on which enormous sums have been spent by the State authorities. The result, while facilitating motor transport, has assisted the average mileage run materially. Until recently it was believed an old car used up three and a-half tyres per annum; experience now shows very little more than two, entailing a big reduction in actual consumption. Manufacturers had calculated that some 55-60,000,000 tyres would be required this year; they made in the first six months about 30,000,000, but find that something like 10,000,000 were unsold to the public at the end of June. The *India Rubber World* now estimates the demand at rather less than 46,000,000 for the year.



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Except for a small demand on a hand-to-mouth basis, which occasionally appears and is quickly filled, consumers cannot be induced to show any interest in the market. Rightly or wrongly, many of them consider they were tricked over restriction, and the whole subject is unpopular. They feel their worst anticipations as to the power it placed in the hands of speculators have been filled, and their resulting losses have been a distinctly unpleasant experience. They have been using a far larger proportion of reclaimed to compensate for their higher costs and lower selling prices. They point to the present condition of the London market, in which speculative manipulation appears as the only outstanding element, and express the confident expectation that long before they themselves will be buying again the London market will have been forced to liquidate its bull accounts. Whether this happens or not remains to be seen, but consumers here are certainly sore over the manner in which they consider they have been treated, and the present conditions of their own business are anything but encouraging. Their complaints against the administration of restriction may be more easily understood by considering the January to June arrivals here during the last few years:—

	Plantations.	Other Grades.
	Tons.	Tons.
1919.....	95,844	17,685
1920.....	134,403	17,486
1921.....	71,522	7,390
1922.....	24,001	6,357
1923.....	178,947	11,092

The 178,947 tons of plantations include about 31,000 tons received from Europe, but the direct shipments from the East, which purported, so far as British production was concerned, to have been reduced by 40 per cent., in fact showed a large increase. The absence of any official straightforward expansion of these facts has been commented on adversely, and consumers are unlikely to take restriction seriously until they see that Eastern shipments for a more prolonged period do in fact conform to the limitations called for.

While the present business outlook certainly cannot be considered as optimistic, there seems no reason why growers should be unduly depressed about the future. Doubtless there will be some consuming demand and a more satisfactory business in the autumn or winter, and though the present conditions of all the markets are far too much affected by an altogether premature speculative bull movement, particularly for the October-December position, there is no reason to suppose that the balance of the current year's crop cannot be successfully marketed at an average price of about 1s 1d, which should be sufficient in the present economic conditions to give growers a reasonable return over their cost of production. Next year's conditions cannot be intelligently discussed at present, but it should not be forgotten that 1924 will bring another Presidential election, which usually makes for hesitation and a cautious attitude in all business on this side of the Atlantic.

Notes of the Week.

The Irish Elections.—Our Dublin correspondent writes:—On Monday next, August 27th, the General Election will take place. It is generally anticipated that the result will be a sweeping endorsement of the Government's policy of upholding the Treaty and the Constitution, and of dealing firmly and, if necessary, severely with all, whether Republicans or revolutionaries or anarchists, who do not eschew violence and content themselves with a lawful and orderly advocacy of their respective views. But while its policy is secure of endorsement, the Government itself is not so obviously secure. The election itself is most novel in its conditions. Every man and woman of 21 years and upwards can vote—and the voting is on the system of proportional representation. There are some 29 constituencies to return 158 members out of 372 candidates. The system is designed, and the conditions of the election tend, to provide representation for middle views and minority interests. Its introduction in Great Britain has been hitherto successfully opposed on the ground that under the system of Party Government it is best to have a working majority, and that Party Representation tends too little to regimentation and more to loosely linked groups. Be that as it may, the system is certainly valuable in a country engaged in "finding" itself, in discovering its own political centre of gravity, the nature, value and weight of its several constituent elements, as is the case of Ireland to-day. The Government Party, which is putting up the most candidates, will almost certainly return the largest number of members, but possibly, nay probably, not a clear majority of the new Dail. But from the University members, the Farmers' Union members, the "Business men" candidates, and the better type of Independents the Government is sure to obtain the necessary support. The Republicans, too, may assist by, as usual, declining to take their seats. Labour is not expected to receive any notable accession of strength, in spite of the extended franchise. Its ranks are disordered by the disruptive influence and tactics of Mr Jim Larkin. It suffers, too, in Dublin, at least, from the selfishness of its tactics—it is becoming recognised as one of the "rings" restrictive of the free play of enterprise, and contributing directly and indirectly to the high prices and bad housing which it continues to exploit in seeking the support of the large population of suffering poor. In sum, then, the result of the General Election will be political stability. After that, by degrees the delirium of the de Valeras and the wild women and the red flaggers will subside. The innumerable problems, external and internal, of the newly launched nation will be in strong hands.

Work of the Reparation Commission.—His Majesty's Stationery Office has issued this week, at the price of 5s, a voluminous report on the work of the Reparation Commission for 1920 to 1922. It has been compiled by the Commission's general secretary, in accordance with a decision of the Commission itself, and will be found to be an indispensable book of reference to all who attempt to follow the intricacies of the reparation question. Its eleven chapters deal with the duties and organisation of the Commission, with German payments and deliveries of securities, shipping, coal, dyestuffs, and other deliveries in kind, with the valuation of damage, and the financial clauses of the Treaty of Versailles. There are, in addition, over a hundred pages of appendices, containing a mass of information as regards claims, deliveries, decisions, proceedings of the Commission, &c. It is, in fact, a mine of information, and appears to be adequately indexed. Considerable space is also devoted to dealing with Austria and the work of the Austrian section. It is not possible in a brief space to review even cursorily the contents of so large and important a volume; but we shall no doubt have occasion to make reference to it when discussing the reparation problem.

Building Trade Arbitration.—In April last a deadlock appeared to have been reached in the building trade, but good sense intervened, and the thorny question of working hours, which was the real stumbling-block in the way of an agreement, was referred to arbitration. The employers demanded a 47-hour week, while the operatives stood for the existing 44-hour week, with only 41½ hours weekly in December and January, though they were not necessarily opposed to a "spread-over" throughout the year, provided only that there should be no extension of the hours of work in districts where unemployment was excessive. Sir Hugh Fraser, who was appointed arbitrator, has this week issued his award, which, naturally enough, represents a compromise between the two extreme views. It provides that the present rule whereby 41½ hours are worked weekly in December and January shall be rescinded, and that the 44-hour week shall proceed throughout the year, except during the period of statutory summer time (approximately 21 weeks), when the working time shall be extended to 46½ hours weekly by adding half an hour to each of the first five working days of the week. It is specially provided, however, that nothing in this award shall prevent the retention of the 44-hours' week throughout the year in any area by mutual agreement between the employers and the operatives concerned. The award, which has been warmly welcomed by the assessors of both parties to the dispute, is to come into force on September 17th next, and an appeal for its loyal observance has been endorsed by the principal officials of the National Allied Building Trades Employers and by the National Federation of Building Trades Operatives alike. Sir Hugh Fraser, in announcing his final decisions, commented upon the goodwill which had been present on both sides during the course of the arbitration. It appears that a satisfactory solution to a dispute in which the *amour-propre* of both parties had become deeply involved has at last been found, and a success of this kind is all the more to be welcomed, in that it adds greatly to the prestige of the machinery of arbitration, upon which our hopes of industrial peace so largely centre.

Employment in July.—Employment conditions on the whole changed slightly for the worse during July. According to the *Ministry of Labour Gazette* the percentage of members of trade unions reported as unemployed at the end of July was the same as that reported at the end of June; but the percentage of unemployed among all workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland rose from 11 per cent. at the end of June to 11.3 per cent. at the end of July. These latter percentages make allowance for the inclusion of "a due proportion of claimants to benefit in respect of systematic short time." The innovation of including such short-time claimants for benefit (which was introduced in June) vitiates comparison with previous periods. The table appended shows the trade union percentage of unemployed month by month over a number of years:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.								
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	11.1
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	..
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	..
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November...	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December...	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

On July 30th the total number of workers registered as unemployed was approximately 1,235,000, of whom 930,000 were men. The corresponding figure for the end of June was 1,226,000, of whom men represented 934,000. The principal industries in which a decline in employment is

noted were the wool textile trades, coal and iron mining, and the iron and steel industry. Some improvement was reported in brickmaking and building.

Cost of Living.—The Ministry of Labour's calculations of the cost of living of a working-class family show that in July, for the first time this year, a slight upward movement took place, as will be seen from the following table:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	85.90	120	125	165	92	78
February "	90	120	130	151	88	77
March "	90	115	130	141	86	76
April "	90.95	110	132	133	82	74
May "	95-100	105	141	128	81	70
June "	100	105	150	119	80	69
July "	100-105	105-110	152	119	84	69
August "	110	115	155	122	81	71
September "	110	115	161	120	79	..
October "	115-120	120	164	110	78	..
November "	120-125	125	176	103	80	..
December "	120	125	169	99	80	..

It will be seen that a slight upward movement at this period of the year is not unusual. The change in the general index figure is due entirely to food. Retail food prices on July 31st were 65 per cent. above the pre-war level, as compared with 62 per cent. at the end of June. This is reported as having been due to increases in the average prices of potatoes, butter, and eggs. Sugar became a little cheaper during July, while movements in other principal articles of food were unimportant.

Legal Immunity of State-Owned Shipping.—The International Maritime Committee, which has been in session at Gothenburg during this month, has arrived at an agreement upon the important question of the immunity, demanded by international law or comity, and accorded by the private law of all, or nearly all, civilised States, to ships which are owned or chartered by or otherwise navigated under the direction of the Government of another sovereign independent State. Thus in our Admiralty Court such a ship cannot be arrested for damage done by her in collision or to secure an award for salvage services rendered. The owner of the ship injured by collision and the salvor are at the mercy of the foreign Government, except in so far as the Courts of that foreign State may grant relief against its Government. Towards the end of the recent war, when so many States either bought or chartered or "directed" shipping tonnage, this rule of immunity became a source of great inconvenience and occasional injustice. As one of the members of our Court of Appeal remarked in a case where the Portuguese Government successfully pleaded the rule against a claim for salvage services rendered to a Portuguese Government-owned ship, the remedy may be that in future Portuguese Government ships may find themselves left on the mud. The rule agreed upon by the International Maritime Committee, which, though not official, is a very representative and effective body, is that claims against State-owned ships or ships navigated on State account, as well as against their passengers and cargoes, shall avail and be brought in the same manner as against private-owned ships and their passengers and cargoes; with this reservation, that in the case of warships or ships owned by States or navigated on their account for public but non-commercial purposes the claims against such ships or against their cargoes (destined for public but non-commercial purposes) can only be brought in the appropriate Courts of that State. It now remains to be seen whether the International Convention can be concluded, which would be required to give effect to these recommendations. They do not propose the complete abolition of the rule of immunity, but they would have the important result of placing the State as *trader* on the same footing, as regards the legal proceedings incidental to navigation, as the private shipowner. That the rule for immunity may operate as an inconvenient privilege is

perhaps evidenced by Article 281 of the Treaty of Versailles, which provides that: "If the German Government engages in international trade, it shall not in respect thereof have, or be deemed to have, any rights, privileges, or immunities of sovereignty." This is equally sound doctrine for other Governments disposed to indulge in commercial activities.

Taxation of Shipping Profits.—Considerable satisfaction is felt at the action of the Government in introducing a provision into this year's Finance Act to facilitate the carrying into effect of the principle that ships should be subject only to such taxation on profits as is imposed by the country to which they belong. The shipping industry has objected strongly to the practice of levying income-tax at ports in various countries at which a ship may call during a voyage. The British Government levied income-tax on the foreign owners of regular liners. In recent years similar taxation has been imposed in the overseas Dominions, and at foreign ports to an increasing extent, and much inconvenience and expense has resulted. The United States, in its legislation of 1921, took the first step towards adjusting matters by providing for the exemption from taxation of the income of non-resident shipowners where the shipowners' own country granted an equivalent exemption in favour of American owners. Then a few months ago the committee of experts appointed by the League of Nations, which reported on double taxation, favoured this method of reciprocal exemption as the simplest and most effective remedy. The step which has now been taken by the British Government is an acceptance of the American offer of reciprocity, and is regarded as having averted the development of a shipping tax war. It has therefore been welcomed in shipping and commercial circles. The Council of the Chamber of Shipping of the United Kingdom, at a recent meeting, adopted a resolution expressing satisfaction, and the British National Committee of the International Chamber of Commerce has passed a similar resolution. Some time may elapse before the system of reciprocal exemption can be brought fully into operation, but it should result eventually in shipowners' profits being taxed only under their own flag.

American Crop Position.—Our New York correspondent writes:—Some features of the Government's crop report of August 1st were a distinct surprise to the grain trade, but the report as a whole did not make an unfavourable exhibit. Losses sustained during July in estimated yields of certain crops were largely offset by gains in the prospective harvests of others. As compared with the July 1st forecast, the latest estimate indicates increased yields of corn, oats, barley, tobacco, flaxseed and cotton, and smaller harvests of wheat, rye, potatoes, and hay. Similar changes are disclosed by a comparison with last year's actual harvests, corn, oats, barley, flaxseed, and cotton showing increases, while wheat, rye, potatoes, rice, hay, and peaches promise lighter yields. The five cereal crops combined show an increase over the July 1st estimate of 113,000,000 bushels, and a gain of 123,000,000 bushels over last year's harvest. The heaviest falling off last month was in wheat; the Department of Agriculture, on August 1st, estimated the total wheat yield at 793,000,000, or 28,000,000 less than a month ago, and comparing with 862,000,000 harvested last year. An analysis of the report shows that the aggregate prospective yield in Kansas, Oklahoma, Nebraska, the Dakotas, Minnesota, and Montana, which are the principal surplus producing States, is some 42,000,000 less than that indicated a month ago, and 135,000,000 bushels below last year's actual harvest. With the carry over, it is figured that the United States will have this year about 895,000,000 bushels of wheat available for domestic consumption and seed requirements and for export this season, which points to a surplus of some 200,000,000 bushels, after allowing for a normal carry over into the next crop year. The indicated corn crop of 2,982,000,000 bushels is fully 20,000,000 more than the trade had been expecting; that total shows a gain of 105,000,000 over the July 1st estimate, and if realised would be 91,000,000 bushels more than was harvested last year.

Such a large increase in the prospective yield was considered as a bearish factor, but in view of the light carry over from the 1922 crop the larger harvest this year is not likely to prove burdensome. The following table gives the Government estimates of the principal crops in bushels, unless otherwise stated, together with the July 1st estimates, last year's harvests, and record yields:—

	1923.		1922.		1923.		Record Yields.
	Forecast.	Harvest.	Forecast.	Harvest.	Forecast.	Harvest.	
Winter wheat	568	586	586	586	760	760	(1921)
Spring wheat	225	276	235	235	356	356	(1918)
All wheat	793	862	821	821	1,026	1,026	(1915)
Corn	2,982	2,891	2,877	2,877	3,208	3,208	(1920)
Oats	1,316	1,201	1,284	1,284	1,593	1,593	(1917)
Barley	202	186	198	198	256	256	(1918)
Rye	65	95.5	68.7	68.7	96	96	(1922)
Total, 5 cereals..	5,358	5,235	5,245	5,245	5,821	5,821	(1915)
White potatoes.....	380	451	382	382	451	451	(1922)
Sweet potatoes.....	93	110	93.7	93.7	110	110	(1922)
Tobacco	1,474	1,325	1,425	1,425	1,582	1,582	(1920)
Flaxseed	19	11.7	18.0	18.0	29	29	(1902)
Rice	33	42.0	35.1	35.1	52	52	(1920)
Hay	97	113	99.0	99.0	113	113	(1922)
Cotton	11.5	9.8	11.4	11.4	16.1	16.1	(1914)
Peaches.....total	47.3	56.7	48.4	48.4	64.0	64.0	(1915)

The Department of Agriculture says that the value of this year's crops decreased approximately \$500,000,000 last month. That loss, however, is purely theoretical, as was the July estimate of \$1,200,000,000 increase in their value over that of last year's harvests. Only one of the principal crops, namely, wheat, has been gathered, and not all of that has been marketed. Furthermore, the Department has been basing its valuations on market prices prevailing a month or so ago. Actual prices, which will be realised when the crops are sold, are apt to differ widely from the July quotations. Cotton alone has advanced sharply this month. And it is by no means certain that the present indicated yields of crops still growing will be harvested; they may be larger or smaller. It is apparent, therefore, that any estimates made now of the total value of this year's crops are practically worthless.

A New American Quarterly.—A very important and interesting addition to quarterly literature has recently appeared in New York under the title of "Foreign Affairs." This production contains contributions by some of the best informed of American writers; it also gives evidence of careful research in the references to sources of material at the end of the volume, which relate not merely to books and official documents, but also to public documents which have been unofficially printed or summarised in the Press. It is so important that we in this country should understand America's attitude to foreign affairs, that this review is to be welcomed, and we hope that it will have a considerable circulation in Great Britain. The June number deals with the situation in the Far East, public opinion in Scandinavia, the Polish-Lithuanian dispute, Austria's relations with Germany and Italy, Yugo-Slavia, Italy's Mediterranean policy, the attitude of the American farmer to foreign affairs, a commentary on British war policy in relation to the Western Front by an American staff officer, and a discussion of the world's Iron and Steel Industries in relation to the Ruhr. This last article somewhat exaggerates the part which the iron and steel industry plays in politics, but the article gives a very succinct account of the present balance of international steel power. The writer is much impressed with the probability in the future of keen competition between what he calls the three primary units, viz., the United States, Great Britain, and the Rhineland. In spite of the wide distribution of iron ore in the world, he does not expect to see any other areas supplant these three, but between them he sees the probability of over-production and a fight for markets. "The foreign markets gained by the United States during the war were rapidly recovered to a large extent by the Germans and English—aided by depreciated exchange and by the necessity, in the absence of strong markets at home, of securing foreign markets at any cost. The battle is well under way, and is probably far from its climax. The struggle

is quiet, but in deadly earnest." There is, moreover, at least one assertion of fact that is open to challenge, for in the course of his argument he declares that "Since the war the European Governments, including the English, have retained a large measure of control through embargoes, preferential tariffs, bounties, and in certain cases even direct participation. The United States Government alone since the war has left the business exclusively in private hands." The fact is, of course, that the British Government got out of the iron and steel business within five months of the Armistice, almost as soon as the United States Government, and since that time has interfered less. There was, for example, a considerable period during which prices in America were held by the United States Steel Corporation at a figure agreed between it and the Ministry of Commerce. In Great Britain there had been no understanding, either secret or overt, between the Government and the trade as to prices or production, and there has been nothing in the way of a tariff or bounty. On the contrary, the most striking move of the last year or so has been the deputation from Sheffield, which went to Washington and put the case before Congress for not imposing too high a tariff against the cutlery industry of Great Britain. In these and other ways the articles in "Foreign Affairs" will provoke controversy. But they are not less but more important on that account. They undoubtedly represent some of the best informed of American thought in relation to world affairs.

Gold and Silver Production in U.S.—From the statement issued by the Bureau of the United States Mint, with the co-operation of the Geological Survey, we have compiled the following statement of the final estimate of refinery production of gold and silver in the United States during the calendar year 1922:—

	Gold.		Silver.	
	Ounces.	Value.	Ounces and Value.	
Alaska	345,630	7,144,800	770,232	
Arizona	169,704	3,508,100	4,627,738	
California	712,157	14,721,600	3,095,480	
Colorado	324,456	6,707,100	6,018,781	
Idaho	22,891	473,200	5,791,413	
Michigan	73,443	1,518,200	360,811	
Montana	160,044	3,308,400	9,682,304	
Nevada	19,553	404,200	8,287,704	
New Mexico ..	23,728	490,500	764,031	
Oregon	320,402	6,623,300	150,347	
South Dakota ..	19	400	121,427	
Texas	107,175	2,215,500	653,657	
Utah	9,394	194,200	15,465,202	
Washington	73,840	1,526,400	219,398	
Philippines			27,994	
Total for all States.....	2,363,075	48,849,100	56,240,048	

Silver is valued at \$1.00 per ounce, as provided by the Pittman Act of April 23, 1918, for domestic product. Compared with 1921 these estimates indicate a reduction of \$1,218,200 in value of gold production and an increase of 3,187,607 ounces of silver product. The country's record production occurred in 1915, the figures being \$101,035,700 gold and 74,961,075 ounces silver.

Progress in Finland.—Last year, according to the Report of the British Consul at Helsingfors, just published by the Overseas Trade Department, the exports of Finland largely exceeded her imports, and the mark rose in value, through the influx of foreign currency, and even tended to stabilisation. The staple industries, especially timber and paper pulp, were active, the export of butter and cheese showed a notable increase, labour troubles were slight and unemployment rare. The Budget for 1923 shows a substantial surplus of ordinary revenue over ordinary expenditure, owing partly to increased taxation since the war; the receipts from State forests, sawmills, railways, and the Government production of yeast and alcohol, considerably exceeded the estimates, and made up about one-third of the total. The deficit on extraordinary expenditure was to be met out of the capital reserve. A loan of 200 million Finnish marks (roughly about £1,112,000) was placed at home and in Sweden, and was to be spent chiefly on railway extension. The National Debt was diminished by 55.9 million marks,

or nearly 3 per cent., and the floating debt to the Bank of Finland extinguished. Considerable sums were provided in the Budget for railways, schools, and the extension of peasant proprietorship. Of the exports, over 37 per cent. in value went to Great Britain, and more than 10 per cent. to France. Of the imports, Germany had the largest share, nearly 33 per cent. Great Britain followed with about 21 per cent., but while the imports from both countries increased, the British share increased more than the German. An opportunity for its further increase is given by the relatively lower quality of the German goods and the uncertainty attending their prices and delivery at the due date; but British exporters are warned that, as the Finnish mark becomes more stable, the Finnish buyer will regain confidence in it, and that they must not insist on immediate cash. There is a good opening for certain classes of textiles, especially printed calico and better-class linens, linoleum, oil cloth, and the chemicals used in the paper and pulp industries. Electrification and railway extension are progressing, and the railways are resuming the use of coal. Wages are high, owing to the immense increase in the cost of living, which in Finnish marks is nearly 1,050 per cent. above the pre-war rate. Future labour troubles, therefore, seem not improbable, but, considering the sufferings of the country from the war and internal disorder, the progress made since the achievement of independence is conspicuous and eminently gratifying.

Agricultural Plans in New Zealand.—Our Christchurch correspondent writes:—The winter months in New Zealand are usually made the occasion of numerous conferences and discussions among the farmers. The present winter coming after the fairly favourable season of 1922-23, and looking towards an even better season in 1923-4, has produced discussions of more than ordinary interest. The slump of 1920 was a great shock, especially in districts where farming had been rather speculative. The immediate impulse under such conditions was to withhold produce from the market until more favourable conditions appeared likely. Schemes of collective control of marketing were brought up in most of the main industries, the example of Bawra being always present to the minds of the producers. The first effective scheme was widely advocated under the name of a compulsory Meat Pool, and extravagant expectations were raised among farmers. It was often inferred that the pool would be of sufficient strength to control selling prices on the London market in favour of the local producers. The Meat Export Control Board, which was set up as a statutory body, was given the widest possible powers under a skeleton empowering Act; but as a matter of fact, the board has acted very cautiously, and has not attempted to justify the extravagant claims that were often made for it. The chairman has definitely disavowed any intention of carrying over surplus production from one year to another, or of attempting in any similar way to sidetrack the market. The artificial boom conditions have left the rural industries in a sober mood. Many districts have suffered heavily from unwise speculation, and it is probable that there is still trouble in store for many farmers and farmers' undertakings. But the farming community as a whole is facing the prospect of falling prices by attempting to reorganise and reconstruct both individual practice and collective organisation. The Dominion president of the Farmers' Union is able to report greatly increased membership in every branch of the union. Moreover, increasing interest is shown in the economic aspects of farming. The Meat Export Control Board will apparently be paralleled next season by a Dairy Produce Board working on similar lines. There has been much discussion also of more difficult problems, particularly shipping and banking. In both cases definite schemes have been put forward—for a joint shipping control vested in the State and a co-operative farmers' organisation to own and operate refrigerated transport, and for an agricultural bank backed by the State. The difficulties involved in both proposals are very great, and the opposition to both is solid, but the proposal for agricultural credit associations at least is being pushed very vigorously, and has been

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endorsed enthusiastically by every branch of the Farmers' Union. The dangers of a land bank undertaking ordinary deposit and exchange banking business are sufficiently obvious; but a good case can be made out for some better organisation of the present haphazard system of providing the fixed mortgage capital required on farms. At present the market for such dealings is quite unorganised, and the farmer is forced to borrow for relatively short periods on unfavourable terms. Around these schemes there is building up an organised solidarity among the farmers that has never existed before. It is possible that this new spirit may be reflected in the emergence of a new political party, and it is certain that experiments will be tried in co-operative organisation of marketing, and probably of credit.

American Cotton Crop Statistics.—Important statistics relating to the American cotton crop and compiled by Mr. H. G. Hester, the secretary of the New Orleans Cotton Exchange, have just been received from the United States. The report, which is made up to August 1st, places the world's carry-over of American cotton at 2,573,000 bales, which is the smallest carry-over of cotton since the Southern States became an important producer of the staple. The carry-over for the previous year was 4,879,000 bales. Lint cotton included was 2,396,000 bales, as against 4,547,000 last year. The net decrease in carry-over of lint and linters was 2,306,000 bales. The total carry-over in the United States is given as 1,630,000 bales, against 2,955,000 for the previous season. For the season, the consumption of cotton in America Mr. Hester places at 12,613,000 bales, as against 12,829,000 bales for the previous season. The total carry-over in the cotton belt was 947,000 bales, and the total quantity held on plantations and in uncounted towns in the South was put at 184,000 bales, as against 964,000 a year ago. Mr. Hester announces that the commercial crop of the season was 11,283,000 bales, compared with 11,653,000 bales the previous year. Actual growth was 10,424,000 bales, against 8,442,000 bales. He states that during the last five years, which includes the season just closed, the boll weevil has cost the American farmers of the South not less than 1,500,000,000 dollars, which is estimated exclusive of the several hundred millions of dollars spent for seed which went to waste. The average price of cotton last season was placed at 24.06 cents a lb, against 17.78 cents for the previous season, 16.08 cents a year before last, and 38.21 cents in 1919-20. The total value of the crop last year, including the seed, Mr. Hester estimates at 1,571,299,839 dollars, against 1,173,833,582 dollars in 1921-22.

Workman, Clark Debentures.—We understand that debenture holders in Workman, Clark, and Co., Limited, are to hold a meeting at noon on August 28th, at Winchester House, to consider the lamentable position of their security. This is the natural sequence to the letter issued last week by the trustees for the debenture stockholders. When these debentures were originally offered to the public in February, 1920, there were several points about the prospectus which we suggested might be clearer. To some extent the minor defects in the prospectus were offset, as far as the majority of investors were concerned, by the fact that the Northumberland Shipbuilding Company guaranteed the principal and interest of the stock. Like many other boom flotations prospectus anticipation and directors' realisation present striking contrasts. Assets once so substantial have proved to be elusive, while the guarantee which provided a star feature in the prospectus is sadly tarnished. The trustees' report tells us that "the present position has been brought about by the

serious slump in the shipbuilding industry, and by the conversion of assets which were at the date of the debenture issue in readily realisable form, and the reinvestment of the proceeds in 'B' preference shares of the Northumberland Shipbuilding Company and in acquiring the whole of the shares in John Watson, Limited, colliery proprietors, and 99 per cent. of the shares in the Lanarkshire Steel Company, Limited." The italics are ours. It appears to us to be rather a strange procedure to sell "readily realisable" assets and to replace them by a purchase of a block of shares of the Northumberland Shipbuilding Company. As far as the debenture stockholders of Workman, Clark, and Co. are concerned, it certainly has the effect of weakening the position of that company. Why it should have been necessary to purchase shares in the guaranteeing company is a point which directors will probably clear up at the meeting. Further on the report proceeds to state that "as the result of our investigation of the Northumberland Shipbuilding Company, Limited, we are satisfied that nothing can at present be recovered from that company in respect of its guarantee. The only result of any attempt to enforce the guarantee would be the appointment of a receiver on behalf of the debenture holders of the Northumberland Company, for whom you also act as trustees and whose claim would rank in priority to your guarantee." This is clearly a case in which interested parties should have presented to them a complete and detailed statement of the exact position of each company drawn up by independent auditors. These auditors could work under the instructions of a small committee of debenture holders. The trustees, in a further communication dated August 21st, resent certain criticisms which have been levelled at them in connection with their proposed scheme. If certain critics have departed from the correct course, and have made charges against the trustees which cannot be substantiated, it is to be deplored. We would, however, remind the trustees that the last words as to whether their proposals or other proposals are to be accepted rest with the debenture holders.

The Mexico North-Western Railway.—A new chapter in the history of this enterprise is opened by the announcement that, at the request of a considerable number of holders of its three issues of bonds, a committee has been formed to study the position and devise a scheme of reorganisation. To invest this body with adequate authority, bondholders are invited to deposit their bonds immediately, either with the Bank of Scotland or the Canadian Bank of Commerce. The company, one of a well-known group whose headquarters are at Toronto, was formed in 1909 to acquire extensive timber lands in Chihuahua, and three railroads giving access to them, and now owns or controls more than 3,000,000 acres of forest and about 512 miles of railway line. In that year and subsequently it sold £5,600,000 50-year 5 per cent. first mortgage bonds, in 1912 £750,000 10-year 6 per cent. cumulative income bonds, and in 1914 £1,671,000 prior lien 5 per cent. bonds. Owing to the interruption and damage caused by the revolution, no interest has ever been paid on the income bonds, and the other two issues have been in default since 1913 and 1914 respectively. The share capital, nominally \$25,000,000, was issued with the bonds, and not paid for in cash. Since 1914 the line has been under a receiver, and is now fully restored and working, but his last report, summarised in these columns on April 7, while hopeful as to the remoter future, indicated that interest payments could not be resumed for several years, even on the prior lien bonds. The market for the timber has been restricted by depression in the adjacent States of the American Union, the settlers have mostly left, and fresh settlements have been discouraged by the new land laws of the State of Chihuahua. The brighter outlook in Mexico, however, offers opportunities of which the committee, if strongly backed by the bondholders, may take immediate advantage, while the receivership is costly and necessarily slow

in action. The committee includes two directors of the Bank of England, the company's London agent, and several representatives of investment companies, and its chairman, Mr E. R. Peacock, who will shortly visit Mexico on other business, may be able to promote the company's interests if effective backing is given at once. The prior lien bondholders are desirous that any advantage gained shall profit all three classes of bondholders, who, indeed, are probably to a considerable extent identical. The company has a claim against the Mexican Government of \$7,000,000 for damage during the revolution. The bonds and shares have fallen steadily since 1913, except for a brief revival at the close of the world war, and have recently been further depressed by apprehension of an assessment, which seems to be unfounded. Holders will do well to deposit their bonds at once.

African and Eastern Trade Corporation.—The accounts for the year 1922 of the African and Eastern Trade Corporation make a considerably better showing than those of the previous year. A year ago the profit and loss account showed a trading loss, including commitments and depreciation of stocks, of £1,794,800, and £1,750,000 was transferred from general reserve, the balance carried to the balance-sheet being £41,000 after payment of preference dividend. At the same time £1,500,000 from the reserve was also allocated to writing down investments in allied and subsidiary companies. The report now issued states that owing to the complicated nature of the computation in connection with the excess profits duty adjustment a final settlement has not been reached, but taking into account the adjustment so far accomplished, there is a trading profit for the year of £739,800. This permits of a payment of an 8 per cent. dividend on the ordinary shares, after allocating £200,000 for depreciation of stocks and paying the preference dividend for the year, the balance carried forward being £242,400. In view of the uncertainty of the general trade outlook, the directors have transferred £300,000 from the reserve to make "ample provision for future contingencies" and have also transferred £650,000 from reserve to reduce further the book values of investments in subsidiary companies, some of whose trading results have been "affected adversely" by the trade depression. A sum of £250,000 is also set aside to meet claims during the next three years for income-tax on excess profits duty repayments, so far received by the corporation and credited to subsidiary companies. As a result of these transfers, the general reserve fund stands now at £2,000,000, as against £3,220,000 a year ago, and £6,452,200 two years ago. In the balance-sheet investments in allied and subsidiary companies show a reduction of only £240,000 to £6,609,200, while miscellaneous investments are £56,000 higher at £111,200. Advances to allied companies have dropped from £2,638,400 to £1,410,900. An analysis of the balance-sheet will be found in a later column.

Free State Linen.—A Belfast correspondent writes:—Although the manufacture of linen is mainly confined to Northern Ireland, it is evident that the Irish Free State Government intend to do their utmost to give encouragement to the concerns manufacturing this textile in the other counties of Ireland. Hence one of the measures passed by it during the final sittings of the recent session was to repeal the existing duties on German dyes and facilitate their import by the granting of licences to all *bond-fide* users. At present the demand for linen goods is chiefly for costume fabrics in their many shades, and this new measure will enable textile manufacturers in the Free State to extend their range of these cloths. Hitherto this branch of the trade has been almost entirely in the hands of Belfast concerns, but now firms, such as the Greenmount and Boyne Weaving Company, which has works in Dublin and Drogheda, will be able to compete on very advantageous terms for the great world demand for these fabrics.

Oberzee Correspondence.

UNITED STATES.—RESTRICTED GRAIN DEALINGS—
COMMODITY PRICES FALLING—RAILWAY
EARNINGS—STEEL CORPORATION'S FIGURES—
COAL PROBLEMS.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 13.

It is evident from Washington advices that the administration of the new Grain Futures Act will entail a heavy expense to the Federal Government and to grain dealers throughout the country, and will undoubtedly increase the burden of taxpayers, directly and indirectly. Under regulations that have been issued commission houses are required to report all sales of 500,000 bushels or more, which means additional expense to such firms in compiling the reports, and a large increase in the number of Government employees to handle the returns. And ultimately the increased expense will be passed on to producers and consumers, for whose benefit the Grain Futures Act was passed, according to its sponsors. The latter, as well as Department of Agriculture officials, insist that neither the Statute nor the regulations issued to carry out its provisions were designed to eliminate short selling. Whatever was intended, the enforcement of the Act has served to discourage legitimate speculation in grain in all American markets, for both long and short account, and has already worked positive injury to the farming community.

Commodity prices went still lower in July, continuing the recession which has been under way since last February. *Bradstreet's* index number on August 1st was \$12.8201, representing a decline of 2 per cent. from July 1st. A similar decline from the preceding month was recorded on July 1st and on June 1st. As compared with March 1st, the present index figure shows a net decline of 8 per cent., although it is 6.3 per cent. above August 1, 1922, and 20.8 per cent. higher than the low point of June, 1921, but 38.5 per cent. under the peak of February, 1920. As compared with August 1, 1914, this month's index figure is 47.2 per cent. higher. With the exception of advances in provisions and livestock and relatively smaller gains in miscellaneous products the trend of commodity prices generally in July was downward. Nine groups, led by textiles and hides and leather, reacted, others in the list including grains, coffee, sugar, lard, cotton, wool, jute, pig-iron, non-ferrous metals, coke, crude petroleum, vegetable oils, and some grades of lumber. In all 20 articles of common use advanced, 39 declined, and 47 remained unchanged. Compared with August 1st of last year, 61 products are higher, 36 lower, and nine unchanged.

For the month of June net operating income of the 194 Class I. railroads of the United States totalled \$87,742,000, equivalent to an annual rate of return of 5.47 per cent. on their tentative property valuation. In May of this year their earnings were at the annual rate of 6.33 per cent. on their investment. For June, 1922, the same carriers reported net operating income of \$76,271,000, or at the rate of 4.86 per cent. per annum. June operating revenues aggregated \$541,163,000, representing an increase of \$69,129,000, or 14.6 per cent., over that month last year, while operating expenses of \$416,908,000 were \$43,629,267, or 11.7 per cent., larger. The falling off in June as compared with May was caused principally by a decrease in earnings of western railroads. For the first six months of the current year net operating income of all Class I. railroads in this country totalled \$443,912,000, or at an annual rate of return on their tentative property valuation of 5.64 per cent., as compared with \$349,069,000, or 4.53 per cent., for the same period of 1922, showing an increase of \$94,843,000. From September 1, 1920, to July 1, 1923, during which period the railroads have been operating without any Government guarantee, their average annual rate of return on the tentative property valuation has been only 3.94 per cent. The first six months of 1923 were the best half-year experienced by the railroads since before the war, and the outlook for the second half is considered favour-

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able, especially since the volume of traffic continues abnormally large. During the week ended July 28th cars loaded with freight on all railroads in the United States numbered 1,041,044, exceeding the loadings of the previous week by 12,117 cars and establishing a new high record.

The United States Steel Corporation's report, showing a decrease of 475,498 tons in the amount of unfilled orders on its books at July 31st, was in line with general expectations. The reduction brings the corporation's unfinished business on that date down to 5,910,763 tons, the smallest total reported at the end of any month since July of 1922. Its plants are now said to be operating at slightly more than 90 per cent. of capacity, and it is calculated that the unfilled orders are sufficient to keep the corporation's mills employed at the present rate for the remainder of this year, without taking into account new business which will develop.

The United States Coal Commission has made a further voluminous report on conditions in the anthracite coal industry of this country. Among the outstanding features of this report is a renewal of the recommendation that the President of the United States be specifically authorised to intervene whenever a stoppage of anthracite production is threatened. The Commission suggests that the renewal date of the anthracite agreement be fixed far enough from that of the bituminous agreement to prevent suspension of mining in both industries at the same time. Another recommendation is that the operators organise in much the same way as the United Mine Workers have done, in order that they may have an organisation functioning throughout the year, instead of merely at the time when a new agreement is being negotiated. Elimination of the long day is urged; no limit is suggested as to the length of the working day, probably because the eight-hour day already prevails quite generally throughout the industry. The Commission expresses its opinion that the right of discharge and discipline should rest with operators, subject to appeal and prompt review by a conciliation board in cases where the discipline is claimed to have been un-

reasonable or unjust. No reference is made in this second report to the "check-off" system, which proved to be the main issue in the recent controversy between anthracite operators and miners, and which caused the breaking off of negotiations between them for a new agreement to replace the contract expiring on August 31st. Under the "check-off" system which is in force in bituminous fields operated by union labour the union assesses 5 cents a ton on all coal mined by union labourers. The mine owners or operators are obliged to deduct that assessment from the workers' pay envelopes and turn it over to the union authorities. In short, the operators are compelled to act as the union's collecting agent for the latter's dues and fines imposed upon its members, amounting to many millions of dollars annually. The United Mine Workers are now insisting upon the adoption of that system in the anthracite industry. So far the operators of anthracite mines have absolutely refused, with the result that a deadlock was reached some time ago in the negotiations. Indications, however, are that efforts to reach an agreement will be renewed shortly. At any rate, Washington advices state that President Coolidge is likely to take a firm stand in the matter, in order to prevent a strike or suspension of mining in the anthracite industry on September 1st.

FRANCE.—THE WEAKNESS OF THE FRANC—FOREIGN TRADE—TAXATION RETURNS.

(FROM OUR CORRESPONDENT.)

PARIS, August 21.

THE situation created by what continues to be regarded here as Lord Curzon's astounding Note to France remains pretty much as it was a week ago, and so far there is little indication of any development in the direction of bringing about any definite agreement between the two Allies. Matters have not been rendered more easy of solution by what is generally looked upon here as the renewed attack on the Belgian and French francs by mysterious financial interests in London, who are openly accused of having adopted this means of bringing pressure to bear on the French Government, for the purpose of persuading it to evacuate the Ruhr. On the one hand it is alleged that the fall of the franc (which dropped to within a shade of 83 to the £ on Saturday) was the result of deliberate action on the part of large holders of German marks in London, who hope to recover at least a part of their heavy losses by forcing the French to let Germany off more easily than M. Poincaré's pronouncements have hitherto given reason to expect. The more sober section of opinion, on the other hand, as represented by the *Temps*, recognises that the recent heavy drop in the franc was due to the existence here of large stocks of francs belonging to foreign holders. These foreign balances in France are estimated in reliable quarters as amounting to something in the neighbourhood of 12,000,000,000f, and it is recognised that they form, in reality, a mass of foreign floating credits, which can be utilised, from one day to the next, for speculative purposes. The theory voiced by the *Temps* is that many of the holders of these balances, "discouraged either by political events or by losses already suffered, and alarmed by the monetary bankruptcy of Germany, have sold out their francs."

In view of the alarm that has undoubtedly been caused by this latest drop in the franc, the Finance Minister, M. de Lasteyrie, has thought fit to issue a statement in which he insists that last week's collapse can in no way be attributed to economic causes. Enumerating the various factors one by one, he points out that taxation is coming in extraordinarily well (as will be seen from the details given below); that railway earnings for the first seven months of the year have been 190,000,000f in excess of the corresponding period of 1922; that savings bank deposits have been, during the same period, 265,000,000f more than for the first seven months of last year; that the adverse balance in French foreign trade amounts still only to 2.90 per cent., or practically the same as in 1922 (as compared with 15 per cent., which was the normal adverse balance on French foreign trade before the war); that even this deficit is more apparent than real, as it will be more than met by the expenditure of foreign

tourists in France; that the advances made by the Bank of France to the State, "which are generally considered abroad as the thermometer of our financial situation," and which stood at 25,900,000,000f in 1920, have successively fallen to 25,200,000,000f in 1921 and to 23,600,000,000f in 1922, and now stand at 23,700,000,000f. The Finance Minister insisted further that the recent further fall in the franc can only be ascribed to speculative influences, "some of which have undoubtedly been inspired by the desire to bring pressure to bear on the general policy of France."

The French foreign trade returns for the first seven months of 1923, which were issued on Monday, indicate that during July the total volume of exports and imports showed a balance against this country of nearly 192,000,000f, as compared with an adverse balance of 79,000,000f in June. In May, it may be recalled, a surplus of exports valued at 78,000,000f was recorded. The figures for the first seven months of the year, taken as a whole, show an excess of imports totalling 719,681,000f, as compared with nearly 1,000 million francs during the corresponding period of 1922. "Visible" exports, according to the official figures, continue to drop, the falling-off of nearly 200,000,000f recorded in June having been increased last month by, in round figures, another 57,000,000f. Imports during July increased by about the same amount. It must not be overlooked, however, that these figures comprise only exports recorded on consular invoices, and do not include the "invisible" exports which take the form of purchases and expenditure on hotels, &c., effected by foreign tourists visiting France, which, at this time of the year especially, amount to a very substantial sum. The detailed figures for the seven months, as compared with the corresponding period of 1922, are as follows:—

	First Seven Months of		Increase in 1923.
	1922.	1923.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	3,087,697,000	3,978,283,000	+ 890,586,000
Raw materials	7,278,289,000	10,879,212,000	+ 3,600,923,000
Manufactured goods ..	2,266,142,000	2,447,612,000	+ 181,470,000
Total	12,632,128,000	17,305,107,000	+ 4,672,979,000
Exports—			
Foodstuffs	944,410,000	1,767,176,000	+ 822,766,000
Raw materials	2,974,840,000	5,168,410,000	+ 2,193,570,000
Manufactured goods ..	7,018,768,000	8,746,415,000	+ 1,727,647,000
Total	11,639,460,000	16,585,246,000	+ 4,945,777,000

The return shows that not only has the value of the raw material imported during the first seven months of the year increased by almost exactly 50 per cent., as compared with the corresponding period of last year, but that the weight increased by over 1½ million tons, while the weight of the same category of exports increased by 1,219,204 tons. The weight of manufactured goods imported during the seven months decreased by 78,281 tons, while that of the same category of imports increased by 294,501 tons. The increase in values has, of course, been much greater than in weight, owing to the rise in prices. While the weight of the total imports has increased by 7 per cent., and that of the exports by 15 per cent., the increase in the value of the imports amounted to 37½ per cent., and of the exports to 42 per cent., as compared with the corresponding period of 1922. The total amount of coal and other combustibles imported during the seven months was 17,287,535 tons, as compared with 16,704,642 tons during the same period in 1922. In spite of her largely increased industrial requirements, and of the cessation of deliveries of German reparation coal, &c., France imported during the first seven months of the year only 600,000 tons of combustibles more than during the corresponding period of 1922, the extra quantity required having been obtained through the largely increased production of the French coalfields. Purchases of coal from Great Britain during the seven months amounted to 2,063,978,000f, as compared with 1,357,545,000f during the first seven months of last year.

The yield from taxation during July amounted to 2,057,021,600f, of which 1,919,070,000f was obtained from normal sources, the balance of 137,951,600f being

the yield from exceptional resources, such as the tax on war profits (87,331,000f), liquidation of war stocks (9,987,000f), &c. The yield from indirect taxation and State monopolies during the month was 39,363,000f in excess of the latest of the revised Budget estimates and over 232½ million francs (or 16 per cent.) in excess of the amount received in July, 1922. The tax on turnover produced over 258½ million francs during the month, the highest figure that has been reached since the creation of this impost, the amount received from it in July having been nearly 13½ millions in excess of Budget estimates and over 48½ millions (or 31 per cent.) more than in July last year. This tax may now be regarded as fairly established, in spite of the ceaseless opposition met with from Chambers of Commerce and other influential bodies. Thanks to a modified system of assessment, under which small traders are now enabled to "compound" by paying a fixed sum every year (and thereby avoid the irritating special bookkeeping which was insisted upon when the tax was first instituted), the tax on turnover is now proving much more palatable to those most interested, and there is little doubt it will henceforward prove, as its inventor, M. Klotz, predicted, one of the main sources of revenue. Registration duties produced nearly 384½ millions during July, or 23,409,500f in excess of Budget estimates. The weak spot, as may be expected, was the yield from Customs, which was under 130 millions, or nearly 13½ millions below Budget estimates (but still 9,880,000f in excess of the yield in July, 1922). The reason for this, of course, is to be found in the high rate of exchange against this country. On balance, the revenue for the first seven months of the current financial year has yielded 40,790,000f more than the revised estimate on which (after allowing for the largely increased revenue from taxation already in sight) the Finance Minister finally balanced his Budget a few weeks ago. The year has also shown an increased revenue of 1,117,208,000f as compared with the first seven months of 1922.

G E R M A N Y.—CABINET—TAXATION—CURRENT FINANCES—EXCHANGE—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, August 22.

CONDITIONS show no sign of real improvement. The Stresemann Cabinet has been, on the whole, well received, and the cash crisis, assuming that the new mark collapse does not go further, has been overcome by the increase of the Reichsbank printers' daily note production to 46 billion marks. This is Herr Havenstein's figure. Newspapers state variously that the bank is helped by 40 or by 80 private printing firms. The supply of food in the cities is also somewhat better, but there are still long queues outside certain kinds of provision shops. That the local food supply is governed by the currency is shown by the fact that the considerable mark improvement of last week brought large deliveries of food to the cities. The Cabinet is considering a programme of new measures, of which one will be the creation of a new exchange fund, stated unofficially at 200 to 500 gold marks, to be supplied by business voluntarily; if not voluntarily, then by confiscation, under obligation to reveal holdings of foreign currencies under oath. This is a makeshift measure, because ultimately the question is whether the permanent intakings of foreign exchange are sufficient to meet needs, and they do not seem to be. Import restrictions, which were announced but not imposed by the former Cabinet, are also being considered.

The taxation programme described last week is in a shaky condition. It is condemned as impracticable by some good authorities like the former Minister, August Muller, who as a Socialist stands in principle for the severe direct taxation at which the programme aims. The view of these authorities is that the taxes can be got in only by means of a large increase in inflation, in addition to the normal increase conditioned by the price-rise. The big concerns, which have real values in abundance, but which owing to the extraordinarily small buying power of the 100 billion marks now believed to be in circulation are always hard up, have begun to (as is popularly put)

"mobilise the mark," to raise credits for payment of their taxes just as they raised credits for payment of their private liabilities. This seems to be inevitable; but as the credits mean more inflation, the ultimate end of the process is that the taxes, like the private liabilities, will be paid by the permanent sufferers, the paper mark interests. The Reichsbank is indeed restricting credits, and is further now discounting some bills—not all—on a sort of qualified "Wertbeständig" principle. It requires its debtors to take 80 per cent. of the loss caused by any future mark depreciation as measured by the dollar exchange. The paper mark repayment of the paper mark debt will increase to the extent of 80 per cent. of the dollar's rise. This system is not satisfactory to business, because the bank does not undertake to reduce its paper mark claims if the dollar falls. Further, as long as all banking business is not "Wertbeständig," the system is paradoxical. The Reichsbank, while making large paper mark profits on the bills, does not increase its paper mark payments to its own creditors, so that the public will continue to lose from the currency depreciation, the only difference being that the profit will go to the Reichsbank instead of to the borrowers. Herr Havenstein rightly pointed out long ago that "Wertbeständigkeit" could not be adopted in only half of a bank's business, but the furious outcry against him compelled him to act against his judgment. The outcry can, indeed, be understood. On December 31st last business owed the Reichsbank on bills and advances 760 milliard marks. On August 7th it owed 36 billion marks. The debt to the bank at the former date was about \$100,000,000. The present debt of nearly 36 billions is about \$6,000,000.

The floating debt in the first ten days of August nearly doubled. It rose from 63,686,604 to 118,681,286 millions. Revenue received was 1,781,202 millions, against expenditure of 67,224,944 millions. The loss on railways alone was 18,378,880 millions. The floating debt is now just 100 times that of December 31st last. The whole debt, having risen from 1,886 milliards to 119,681 milliards, has shrunk in gold value from approximately 158 million to 24 million dollars. The Reichsbank statement for August 7th shows an addition to the circulation of 18,731,954 millions, the total being 62,326,692 millions. This rate of addition has since been far exceeded. Seven billions were added to discounted commercial bills, and nearly 26 billions to Treasury Bills. The Bank's free gold reserve remained unchanged at 596,351,000 gold marks. While very large sums will undoubtedly be received in taxes during the next weeks, the reichsmark's reputation does not seem to have been strengthened. As the inflation rate increases, the vast expected nominal tax yields dwindle in real proportions, and play an ever smaller role. New York on Monday sold the mark at below 7 millions to the dollar, apparently on the basis of the doubling of the floating debt. Exchange is still severely rationed. In free sales the dollar yesterday temporarily fetched about 8 millions, but the official rate was kept down to under 6 millions.

The price rise continues. While prices in general were rapidly catching up on the foreign exchanges, the tax measures, the increased railway and post rates, and sharp increases in coal prices tended to throw the price level farther up, and many commodities are at present far above world market price. The extremely high coal prices—which were this week raised 63 per cent., after being trebled only a week earlier—is the reason given for high gas and tram charges. Business is demanding a further reduction of the coal tax, which early this year was cut from 40 to 30 per cent. of the selling price. The *Frankfurter Zeitung's* provisionally issued half-monthly commodities index shows a rise between the beginning of August and the 16th from 283,599 to 894,637 (basis 1 in 1914), the dollar exchange index on the 16th being 785,714. The textiles index number was 1,250,845, minerals 1,228,881, both not far short of double pre-war gold prices.

Judged by employment reports, the condition of business in unoccupied territory is slowly improving. There are signs of a return of working capital shortage. Practically all calculations by big concerns are now made directly on the basis of the dollar or sterling exchange, and the use of commodities as currency for estimating the value of marks is increasing. A Berlin Court last week

fined a culprit 600 pounds of coal, and a Berlin district municipal council formally leased a swimming bath to a club at the daily rent of "the price of thirty large mugs of light beer as charged at Aschinger's beer-house in the Alexanderplatz." Two more judicial decisions that mortgagees need not accept repayment in paper marks have been given. Newspapers report that a Munich gentleman is testing further application of this principle by suing the Government for gold mark interest on 10,000 marks invested in pre-war loan stock. The *Boersen-Courier* has begun to give stock quotations in dollars and cents.

ITALY.—RESTRICTION ON SALE OF OCCUPIED HOUSES—EXEMPTION FROM TAXES TO FOREIGN LOANS—SUCCESSION DUTY—INCREASE OF FAILURES.

(FROM OUR CORRESPONDENT.)

TURIN, August 4.

AFTER my last letter, a group of interesting Royal decrees has been published in the *Gazzetta Ufficiale*. The War Rents Restriction Acts encouraged the sale of flats, and even of single rooms, to tenants as a means of escaping the ruin with which restrictions threatened the landlords. Proprietors, who received nothing, or almost nothing, as the net rent of their houses, were very glad to sell them piecemeal to their tenants; and tenants rejoiced in the hope of escaping future increase of rent, when freedom would be reintroduced in the rent-market, by the payment of a somewhat liberal capitalisation of present rents.

Rent restrictions were abolished by the Royal Decree of January 7, 1923; but the Arbitration Committees did not allow landlords to increase rents at will, with the result that piecemeal sales were encouraged. When tenants, owing to shortage of money, were unable to purchase flats or rooms occupied by them, a middleman took charge of the affair. He purchased the house as a whole, and, by threats of selling the rooms to other people—who, as landlords, would have the right of evicting the present tenants, compelled tenants, however unwilling, to purchase at a high price. A decree of July 7, 1923, proposes to stop these speculative operations. In the event of sale, the new landlord is bound to respect current leases, and tenants cannot be evicted by new landlords.

The praise justly given to the Royal Decree of December 16, 1922, exempting from Italian income-tax all loans issued in foreign countries for the purpose of importing new capital into Italy, gave place to criticism when the regulations were published recently. These prescribe that borrowers (1) must exhibit a public deed of loan; (2) indicate the use to which the proceeds of the loan will be applied; and (3) within six months of the provisional approval of the Finance Minister, give proof that the loan has been issued in conformity with the regulations. Then only will exemption be accorded; but it is always open to revocation if the proceeds are applied to purposes other than the original ones, or if other regulations are unobserved.

It is feared that those restrictions will somewhat limit the usefulness of the exemption-decree as a means of promoting the introduction of foreign capital in Italy, and it is earnestly hoped that, in his usual experimental way, the Finance Minister will simplify the procedure.

I have repeatedly called attention to the loud complaints aroused by the extraordinary severity of the succession duty, which comprises the taxes known in Great Britain as estate, succession, and legacy duty.

The rates are as follows, and fall on the amount severally received by heirs and legatees:—

Lire.	Father and Son.	Grand-father & Grand-son.	Consorts (Husband and Wife).	Brother & Sister.	Uncle and Nephew.	Grand Uncle and Grand Nephew and Cousins.	Other Relations, & Strangers.
1,000..	Exempt	Exempt	Exempt	8-40	10-80	21-20	21-60
5,000..	1-80	1-80	5-40	9-60	12	14-40	22-80
10,000..	2-40	2-40	6	10-80	13-20	15-60	24
50,000..	3-60	4-80	9-60	14-40	19-20	28-80	42
100,000..	4-80	6	12	16	21-60	32-40	48
500,000..	10-80	12	19-20	25-80	28-80	39-60	62-40
1,000,000..	15-80	18	26-40	32-40	36	48	70-80
5,000,000..	21-60	25-20	34-40	39-60	45-60	57-60	78
10,000,000..	25-20	28-80	36	43-20	50-40	62-40	81-60
50,000,000..	28-80	32-40	39-60	46-80	54	67-20	86-40
Over 50,000,000..	32-40	36	43-20	50-40	57-60	72	90

In certain cases additional taxes are imposed, and when it is remembered that debts are not wholly deducted, that valuations are often very high, and that money, jewels, and furniture are valued at fixed rates, it is not surprising that heirs or legatees frequently prefer to relinquish their rights wholly to the benefit of the exchequer.

When the present Minister took charge of his office hopes were held of a betterment, but, as time went on, it was feared that nothing would come out of these. Suddenly Signor De Stefani proposed in the Cabinet Council that the succession duty should be wholly abolished in the family group, and the proposal was unanimously carried. It appears that this category comprises parents and sons, brothers and sisters, and husband and wife. The succession duty is to be retained only between uncles, nephews, cousins, and strangers, but rates will be reduced in these cases.

The reform is a bold one. Perhaps 85 per cent. of the present yield of the tax is to be given up. As the yield was in the present year about 300 million lire, the sacrifice on the part of the exchequer is considerable. Signor De Stefani briefly sums up the reasons in favour of the abolition of the tax: (1) The reinforcement of the family institution; (2) the injustice of the existing tax, which leaves scot-free almost all movable wealth and bearer securities, and which bears almost exclusively on real property; (3) the injustice of a tax which weighs more on the South than on the North of Italy, as in the South the wealth consists in very large measure of land and houses, which cannot escape taxation; (4) the stimulus which should thereby be given to savings.

As in other countries, the war had a beneficial effect on the number of failures, but this result was really quite abnormal. Profits were high enough to allow even inefficient men and badly managed enterprises to prosper. In 1921 the laws of competition re-asserted themselves, and failures increased. The increase is progressing in 1923:—

	1921.	1922.	1923.
January	82	132	402
February	71	258	367
March	99	332	437
April	114	261	431
May	96	288	473
	462	1,371	2,110

While the average figures of 1912-1915 have not as yet been reached, progress towards a normal elimination of the unfit is noteworthy.

DENMARK.—EXCHANGE—NATIONALBANK—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, August 21.

THERE is no great change in the state of the markets, but generally the tone is better than a month ago owing to the decline in the foreign exchange quotations. It is generally believed that this decline is not a temporary phenomenon. During the last fortnight the krone rate has recovered considerably, and apart from the circumstance that dollars, &c., had been forced too high owing to the nervous apprehension of a further rise usually experienced in a rising market, several positive reasons for the reaction which has now set in may be enumerated.

The prospects of good crops have had some effect. Everything points to at least average yields, and for several crops a yield beyond the normal is anticipated provided nothing unforeseen happens. Further, the balance of trade for the second quarter of the year shows an improvement on the first quarter. A very important point in dealing with the present economic situation is the fact that for June the balance of trade shows a figure of only Kr. 5,000,000, against Denmark, the imports amounting to Kr. 141,000,000, against exports Kr. 136,000,000. For May the corresponding figures were Kr. 154,000,000 and Kr. 134,000,000, and for April Kr. 168,000,000 and Kr. 115,000,000. The deficit on the balance for these two months was accordingly Kr. 20,000,000 and Kr. 53,000,000 respectively, which is considerably more than for June. The figures for one or two months, however, are hardly a sufficient basis to build upon, but the general belief is

that the second half of the year will show a better balance than the first, for which the excess of imports was Kr. 184,000,000.

At the same time, it is noted with regret that prices have shown a tendency to rise still further. This, however, does not apply to wholesale prices, which were unchanged in July, the index of the *Finanstidende* showing the unchanged figure of 207 as for August 1st. But the rise is apparent from the last official figure for the cost of living, which for the beginning of July was 204, as against 198 six months earlier.

From all that can be gathered, it may be said that in Danish trade circles there is a general understanding that unnecessary rises in price should be avoided, and, as regards the krone rate, this fact is not disadvantageous. Quite apart from this, the *Finanstidende* writes that the present outlook for the Danish krone does not appear unfavourable, and the paper is of opinion that it should not be impossible to recover within the near future the decline of the last few months. It has been proposed by an economist to write down the krone to 70 per cent., but as far as can be judged this idea does not appeal to the population, which no doubt still counts upon the regaining of the old parity. But these problems will be treated by the exchange conference convened by the Nationalbank and opened last week. This conference includes 34 representatives of the various trade organisations, &c., as well as a number of the theorists who have taken a special interest in exchange conditions.

The financial year of the Nationalbank closes on July 31st, and early this month the bank reported that the accounts would this time not show a surplus, owing to the earnings as per profit and loss account being absorbed by writing off and placing to reserves in consequence of the sacrifices made by the Nationalbank in support of the Landmandsbank. Various special reserves have also been absorbed, while all losses estimated in the above connection have been covered without touching the reserve fund and the dividend regulation fund. The amounts of these funds are Kr. 11,300,000 and Kr. 30,700,000 respectively, as against a share capital of Kr. 27,000,000.

At the same time the bank reports that in accordance with the provision of the charter an amount will be paid to the shareholders—out of the dividend-regulation fund—and that in view of the satisfactory general position and prospects of the bank, it will be proposed at the meeting of representatives that this payment should be 10 per cent. of the capital, corresponding to last year's dividends.

The amount of Danish trade with England in a number of important lines of business is shown by the statistics for the first half of 1923 now published. The following figures of export to the United Kingdom should be mentioned:—

	January-June.	1922.	1923.
Bacon	1,000 kilos	52,267	79,641
Beef and veal, unsalted ..	1,000 kilos	2,898	2,768
Butter, in casks and boxes ..	1,000 kilos	29,612	44,474
Eggs, fresh	1,000 scores	13,639	16,102

In all these lines, with the exception of unsalted beef and veal, the exports have been more than in the corresponding half of 1922. But also on the import side progress is reported. For instance, the imports of British coal have been somewhat more than last year. The total coal imports have been 1,478,393 tons in January-June, 1923, against 1,155,166 tons during the corresponding period last year, and of this only 11,658 tons emanated from Germany.

JUGOSLAVIA.—TAXATION—NATIONAL DEBT—EXPORTS—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

BELGRADE, August 7.

DURING the last two months the Government has been busy passing a number of long-delayed laws. Two of the most important are the Army Law, which reduces military service from two years to 18 months, and the Civil Service Law, which provides improvement in the status and pay of Government servants. An attempt has been made to improve communications by the introduction of a fortnight's enforced labour *per capita* annually for

the repair of roads, as the previous tax of two dinars per head was quite inadequate. In order to increase revenue a temporary reform of taxation, which is to last 12 months, has been passed. Land taxation has been increased 500 per cent. (from 10 to 60 dinars per hectare), and general taxation 30 per cent., while indirect taxes are also heavier. The increase in direct taxation is expected to yield over 500 million dinars.

Commercial and financial relations with other countries also show signs of improvement. Following the commercial agreement with Austria, a similar pact, on the basis of reciprocal treatment, has been signed with Poland. The question of the repayment of war debt has been discussed, and it has been decided to send a delegation to enter into negotiations with America and England. If, as in the case of England, the interest should be fixed at 4½ per cent., annuities and interest together would amount to about 50 million dollars. This, with the annuities and interests on other loans, would make an annual total of over 90 million dollars. Such a sum, which would equal one-twelfth of the Budget as planned for 1923-4, would be a very heavy burden, but should at the same time do much to increase the financial prestige of the country abroad.

Much of this useful work has been held back by party bickerings, muddled administration, and the political tension in Croatia. The reduction in the number of officials, which was to have effected considerable savings in the Budget, is going on very slowly, and many accusations of partisanship are being brought forward. The Budget is not yet passed, and the State has been living on monthly credits since June.

Commerce is much livelier. Export duties on maize, straw, clover, and wurzels have been rescinded, while duties on wheat, rye, pigs, lard, and flour have been greatly reduced. These reductions, together with the financing of exports by the National Bank, have already led to a considerable improvement in foreign trade. This is particularly the case since March, though, unfortunately, only the statistics for January and February are as yet available. From these it can be seen that the increase is both in value and in tonnage.

	1922.	1923.	1922.	1923.
	Mill. Dinars.	Mill. Dinars.	Tons.	Tons.
January	247	329	134,429	186,924
February	196	384	105,169	166,841

The improvement has been specially noticeable in the exports of maize, flour, prunes, fruit, vegetables, wine, cordage, horses, pigs, cattle, and meat.

These facts and the prospects of an excellent harvest, which promises an increase of 30 per cent. on that of last year, have reacted favourably on the exchange, and the sterling rate for dinars has fallen from 460-470 in April to 420-440 in July. Side by side with this there has been a noticeable fall in the cost of living. The total index number of the principal articles of popular consumption, which is now issued by the *Economic Review*, of Belgrade, stood at 93.6 in the first week of July last, as compared with 100 at the beginning of March. The fall was most noticeable in fruit and vegetables and in meat products.

BULGARIA.—EXCHANGE REGULATIONS—GOVERNMENT POLICY—EXPORTS.

(FROM OUR CORRESPONDENT.)

SOFIA, August 17.

At the beginning of this month the Government issued new regulations restricting dealings in foreign exchange. Purchases can only be made for genuine trade purposes, the authenticity of which must be established by the production of the necessary documents, such as invoices, bills of lading, &c. An exception is made, however, for private buying of foreign currencies, though only on a small scale, for travelling expenses—when the requisite passport must be produced—and for the settlement of private debts abroad. In addition, foreign firms are free to purchase foreign exchange in Bulgaria in so far as their leva balances are sufficient to cover the operation; but advances in leva to firms or to private persons residing abroad are not permitted. Heavy penalties are enacted in the event of these new regulations not being complied with.

As far as the effectiveness of the regulations is concerned, it can only be stated that foreign currencies have been steadily rising since the end of July, although speculation on a large scale has become practically impossible. The only real consequence so far is that the nervousness of the public has been greatly calmed. The Bulgarian exchange market being a very small one, every accidental modification in the supply and demand sharply influences the rates. Moreover, as the lev has no real quotation at any foreign bourse (excepting Constantinople), the restoration of the accidentally disturbed balance takes a relatively long time.

The fusion of the "bourgeois" elements for closer co-operation to oppose a possible combination of agrarians and communists is generally regarded as most significant. The outcome, however, will very largely depend upon the attitude the Government and the new coalition will adopt towards the problems of compulsory land distribution, of compulsory labour services and the various other economic questions left over by the late agrarian Government. Detailed proposals do not as yet appear to have been made, and good intentions alone do not provide a sufficient indication of the probable policy of the new Government. In fiscal matters, however, it seems unlikely that the policy of the agrarians will be much modified.

During the last few weeks the question of reforming, or, rather, of enlarging the National Bank's credit system has been much discussed. Larger credits will be opened to the Bulgarian tobacco and grain exporters on very easy terms. No decision, however, has been taken concerning the extension of industrial and general trade credits. A partial solution of this very important question of credits will most likely prove to be of little use in the consolidation of the general economic situation. The really efficient remedy against the prevailing scarcity of money, the easy mobilisation of trade paper by means of larger discounting on moderate terms, has not yet come up for discussion, and this is a regrettable omission.

The recent fall of the lev has stimulated export transactions in grain, and exported rose-oil has been sold at satisfactory prices. The buying season for tobacco has not yet begun, but active business is very probable in view of the excellent crop, which is somewhere in the neighbourhood of 35,000,000 kgrs.

CANADA.—CROP REPORTS LESS OPTIMISTIC—WHEAT POOL SCHEME—BUSINESS CONDITIONS—PRICES—BANK LOSSES—HIGH TAXATION—BRITISH COMPETITION IN TEXTILES—THE FUEL SITUATION—PROFITS OF TOURIST TRAFFIC—STOCK AND BOND MARKETS.

(FROM OUR CORRESPONDENT.)

OTTAWA, August 13.

THE crop reports from the West have now shed their flavour of exuberant optimism, and abatements of varying degree in the earlier estimates are being made. The *Manitoba Free Press* goes so far as to say that during the past three weeks the very favourable crop prospects have vanished. In Manitoba itself, where very heavy loss is reported from the triple causes of rust, heat and the sawfly, practically every locality has been affected by one or other, and in the central and southern areas the goods yields in sight a month ago have been cut in half already. It is also stated that the wheat heads are not filling to the top. Saskatchewan has not suffered so many calamities, and the crop experts report excellent stands of wheat in many districts, but rust has already done considerable damage, and there have also been premature frosts whose effects cannot be immediately estimated, but are expected to be serious. Cooler weather has mitigated the danger of rust, but apparently Saskatchewan, taken all round, will not have more than an average wheat crop. The bright spot in the picture is Alberta, where a better crop than in 1915 is still claimed. There has been a little damage from grasshoppers and hail, but the province is practically free from rust, and the heads are being well filled. Cutting of wheat has already commenced in the earlier districts, but it will not be general till August 20th. Labour is exceedingly scarce, and workers are demand-

ing from \$4 to \$4.50 per day. The straw is very heavy, and the farming community in the West unites in predicting that with the impaired yield the crop will be a dead loss to them. In the East the grain harvest is well advanced, and the yields are variable.

The western farmers are going ahead with their plans for a voluntary co-operative wheat pool, and have taken out a charter for the marketing corporation. Mr Aaron Shapiro, the well-known California expert on co-operative marketing, has begun to address meetings in Alberta, and the numbers who attend them and promise support indicate that there is a widespread demand for a new system of marketing. Mr T. A. Cramer, the ex-Minister of Agriculture, who is now president of the United Grain Growers, Limited, has issued a statement calculated to throw cold water upon the project, but many farmers have developed a fear that United Grain Growers, Limited, although professedly functioning for their benefit, is a very valuable ally of the Winnipeg Grain Exchange, inasmuch as its officials have condoned many of the abuses charged against that institution. Their suspicion about the existence of serious abuses in the grain trade has been confirmed by the disclosures made to a Royal Commission now perambulating the country, before which disturbing evidence about fraudulent practices in weighing grain and false bottoms in elevators has been tendered. Apart from their distrust of the methods of the elevator companies, the farmers think that if they can control the outflow of wheat in the autumn months they can improve the aggregate price realised for the crop. Their expectations in this connection are probably exaggerated, and although Mr Shapiro has had amazing success as a propagandist of co-operative methods in the United States, it is hard to see how he can bring any scheme to effective fruition this autumn. However, he will probably sow seed which will next year result in a revolution in wheat-marketing.

The setback to the western crop has naturally come as a disappointment to manufacturers and merchants, who were counting on an increased flow of orders from rural storekeepers in the West. Plainly, the volume anticipated will not now materialise, but the forestry and mining industries continue to be very active, and the trend of business is regarded as fairly satisfactory. Many factories are working at full capacity, and the motor manufacturers are still doing a brisk export trade. While the southward exodus still goes on, because workers claim that wages in the States are on a much more favourable basis than in Canada, a certain number of artisans have been coming back to Canada, and in some trades there is an actual scarcity of labour.

The index number of prices compiled by Prof. Mitchell, of Toronto, shows no decided trend in price movements for the time being. At the end of July the index stood at 176.4, a decline of .8 as compared with the end of June. The figure for July, 1922, was 165.3; for July, 1920, 269.4, and for July, 1913, 117.3. The comparison between the fate of foodstuffs and manufactured goods is illuminating. Between July 31, 1920, and July 31, 1923, the index figure for 20 foodstuffs fell from 314.2 to 187; in the same period the figure for 20 manufactured commodities fell from 224.6 to 165.7. The objections of the consumer to the high prices of manufactured articles still continues, and even in prosperous communities there is little freedom in buying. Some authorities discern signs of a very substantial decline in prices of manufactures in the near future, but even this welcome development will not help the farmer much unless there is some healing of the European situation. The primary cause of the economic disabilities of Canada lies in the impairment of the chief market for her exports, and if she had not happened to lie alongside the richest country in the world her condition to-day would have been very unhappy.

Following close upon the action of the directorate of the Union Bank, the Standard Bank, a smaller institution which operates chiefly in Ontario, has made confession of parallel losses and difficulties, and has taken the same course as the Union. A substantial sum has been taken from the reserve to meet losses already incurred and provide for doubtful debts, and a new general manager has been appointed. The end of such episodes

is apparently not yet, for the *Financial Post*, of Toronto, states that there are disturbing rumours abroad about other banks, and demands that they clear the air by frank and immediate readjustments on the same lines as those taken by the Union and Standard Banks.

The business community is complaining bitterly about the heavy incidence of taxation, and while Mr Fielding may derive satisfaction from the fact that during the first quarter of the present fiscal year the collections of Customs and Excise have risen from \$81,741,000 to \$99,367,000, the taxpayer points out that the Federal taxes of Canada approximate \$44 per head, as compared with \$33 per head in the United States, and that the administration at Washington has been able to budget for a reduction of 150 million dollars in taxation this year.

The textile manufacturers are making strong complaint upon the adverse effects of the British competition which has been made possible by the tariff reductions of the last two Budgets. They declare that the local market is being flooded with British goods at prices which they cannot meet, and that as a result many factories are now running on short time. Although the tariff cuts were very slight, and in no case were more than 3 or 4 per cent., their effect has been quite marked, for British shipments to Canada of cotton goods in June totalled 3,501,800 square yards, as compared with 661,600 yards in June, 1920, and 1,985,100 yards in June, 1921. The textile manufacturers have set on foot a vigorous propaganda to ameliorate this situation from their point of view, and next session the Government will be faced with strong pressure for a restoration of the old scale of protection.

The fuel situation is still causing acute concern. In the anthracite field in the United States another strike seems inevitable, and, as the domestic stores of anthracite south of the boundary are very low, an embargo is a very probable contingency. Accordingly, Central Canada is looking for possible supplies elsewhere. The railway companies, as a temporary concession, have made a special freight rate on Alberta coal to Ontario points of \$7 per ton, which is well below the cost of haulage, but, while it ought to enable the Alberta coalowners to sell their coal in Toronto at \$14 per ton, which is well below the current price of American coal, the concession is limited in its application to 4,000 tons. If, however, an American embargo develops, it may have to be made permanent, and there will also be a good market for Welsh coal if it can get up the St Lawrence before the freeze-up.

Quebec and British Columbia, partly through their natural amenities, and partly through their refusal to adopt Prohibition laws, have been deriving very substantial benefits from tourist traffic chiefly coming from the United States, and Canada is more and more becoming a playground for the American people. It is calculated that the tourists will this year bring 30 million dollars into British Columbia, and all the summer resorts on the St Lawrence are crowded.

Paralleling the weakness in New York for which the German troubles and the death of President Harding were responsible, the bond and stock markets in Canada have shown a tendency to lower levels, and the volume of transactions has been slight. The bond dealers, however, anticipate considerable activity in the autumn months.

Recently the Government sold an issue of \$22,500,000 Canadian National Railway Equipment bonds backed by the State guarantee to a strong and representative syndicate of Canadian financial houses. At the accepted price of 97.887 the Government is borrowing at a cost of 5.35 per cent., and the bonds are being offered to the public at prices to yield 5.10 to 5.21 per cent. according to maturity. This represents one of the most important transactions completed in Canada by public tender, and the fact that the issue was oversubscribed a few hours after the books were opened indicates a strength in the domestic bond market which is bound to influence Mr Fielding in his selection of markets for the heavy Government borrowings which are ahead this autumn. It is reported that owing to the outcry in London over the King Ministry's replies to the Grand Trunk shareholders and the Grand Trunk Pacific debenture-holders, and the threat of an organised boycott against Canadian issues Mr Fielding has abandoned the idea of

offering any early Canadian Government loans in the London market. Such threats as have lately been transmitted over the cables simply tend to stiffen Canadian opinion in support of the Government's action, and as it is known that New York will offer a very cordial reception to issues of the Canadian Governments and municipalities, the threat of a boycott in London does not present any real terrors, and simply disturbs good relations between the Dominion and the Mother Country. Naturally, Canadians do not like the accusations of bad faith which are being hurled at their Government, and there is a demand that further efforts be made to convey the true facts of the case of the unfortunate Grand Trunk and Grand Trunk Pacific shareholders.

AUSTRALIA.—COMMONWEALTH FINANCE—TAXATION.

(FROM OUR CORRESPONDENT.)

MELBOURNE, July 9.

AN approximate statement of the Commonwealth revenue and expenditure (gross figures before deducting payments to the States) for the financial year ended June 30, 1923, shows totals comparing with the Budget estimate (after giving effect to reductions in taxation) and with the previous year as follows:

	1921-22.	Estimate. 1922-23.	Approx. Result. 1922-23.
Revenue.....	£ 63,985,796	£ 58,407,000	£ 63,837,093
Expenditure.....	£ 64,195,699	£ 61,112,443	£ 61,707,935

The last year has resulted in a surplus of £2,129,058, instead of the estimated deficit of £2,705,443. This is due to the Customs and Excise revenue, which has realised £32,872,128, or nearly £5½ millions more than the estimate, and about £5½ millions more than in 1921-22, when it was £27,630,359. On the other hand, the Commonwealth income-tax has been inelastic, the receipts being £12,904,517, against the estimate of £13,150,000.

An important feature of the Customs revenue is that it is based upon increased imports, which in turn are partly the after-effect of the heavy borrowing of Australian Governments in London and New York in the 1921-22 financial year. With a high tariff, the indirect result of the flotation of Australian loans in London is virtually to transform about 17 per cent. of the proceeds of loans into Commonwealth Customs revenue, and thus to increase the funds available for ordinary expenditure. During the 11 months ended May 31, 1923, imports into Australia have increased by over £30 millions, as compared with the corresponding period of the previous financial year, and this accounts for the buoyant state of Commonwealth finance.

The total taxation in all forms collected by the Commonwealth Government for 1922-23 is £49,885,018. Adding direct taxation by the six State Governments (exact amounts not being yet available) the total is raised to about £67½ millions, against £67,361,729 for 1921-22, and £70,318,921 for 1920-21.

The attempt to convert the Commonwealth 5 per Cent. War Loan of £38,700,000, maturing on September 15, 1923, into a new 5 per cent. loan with a 25 years' currency at £99 per cent. (yielding £5 15 5d per cent.) did not meet with the success hoped for, only £17,200,000 being converted. The long term was suitable to life assurance offices, and some other classes of investors, but to a great extent Australian investors in Government securities prefer a short term. In addition, the various State Governments have been making fresh issues locally since January to a substantial total at 5 to 5½ per cent., free of both State and Commonwealth income-tax, while the Commonwealth 5 per cent. is subject to Commonwealth income-tax. The Government is now offering a 5 per cent. five-year loan at £98 (yielding £5 9s 3d per cent.), both for cash subscription and for conversion if desired by holders of the maturing 5 per cent. loan, including those who converted a few weeks ago into the 25-year loan. Holders of another War Loan, 4½ per cent., due 1925, are offered conversion at par into the new 5 per cent. five-

year loan. It is hoped that the whole of the loan maturing in September will be provided for locally without recourse to London, especially as the Treasurer announces that "there is in the Treasury a large sum of money available to pay off a portion of the loan."

The results of the Commonwealth shipping speculation, as announced by the Premier, Mr Bruce, in Parliament, are that the whole line, now valued at £12,766,588, is proposed to be written down to £4,718,155, a depreciation of £8,048,438, and that the transactions of the line for the whole period of its existence (seven years) have left a loss of £2,645,761. In arriving at these figures, however, it appears that the profit on the working of enemy vessels under control was £1,837,516, an item really irrelevant to the Commonwealth Government's own operations, while, on the other hand, the line is exempt from taxation. The true loss is consequently materially heavier than is indicated by the figures shown above. The announcement has been received without surprise in business circles. Part of the fleet is now for sale.

The question of a rearrangement of the financial relations between the Commonwealth and the six States has made some progress, but has not yet reached finality. The Commonwealth Government proposal that a discontinuance of its capitation payments (25s per head) to the six States should be accompanied by a restriction of Commonwealth income-tax to incomes over £2,000 per annum was not accepted by the States at the recent Conference, and a fresh scheme was then drawn up, under which the Commonwealth would cease to collect income-tax from individuals, but would tax companies at a flat rate not exceeding 2s 6d in the pound. At present the Commonwealth income-tax on companies is 2s 5d in the pound on that portion of their profits which is not distributed in dividends, the dividends being taxed as part of the shareholders' individual incomes at whatever rate is applicable on the graduated scale. To arrive at an equitable result a readjustment would be required of the State income-taxes, which as regards companies are usually charged on the full amount of their profits, the shareholder not being charged on the dividends. This, however, would not meet the objection that the proposed rate of Commonwealth income-tax on companies, 2s 6d in the pound, is higher than the shareholders in many cases are subject to as individuals (small shareholders with small total incomes being probably exempt), and that they would consequently be contributing indirectly at an excessive rate. The scheme has received a partial assent in principle from most of the States, though New South Wales has not agreed. Since it was drawn up, however, a fresh objection has come to light, as the estimated results upon the finances of the Commonwealth and the States, being based upon one or two financial years only, are not sufficiently representative to form a sound basis for calculation. Further consideration of the whole subject will therefore be required before the scheme can be adopted by the Commonwealth and State Parliaments, and it will probably be adjourned for at least a year. Apart from some saving in Commonwealth administration, which may be counterbalanced by the States after their own finances are rearranged to make good the loss of revenue to them from the discontinuance of the Commonwealth capitation payments, the scheme does not promise any reduction in the total weight of taxation falling upon the Australian public. As, moreover, the Commonwealth Government continues to show a tendency, which dates from pre-war times, to extend the scope of its activities, including schemes to provide the States with money to spend on road-making for the relief of unemployment, and the construction of railways by the Commonwealth Government itself under circumstances that will lead to a substantial annual loss, the tendency in future years may easily be the other way. The whole scheme is simply a working arrangement between the various Governments, but under this Constitution the Commonwealth has complete power to modify or discontinue the capitation payment to the States at its own discretion. The proposed duration of the scheme is five years, but the leader of the Labour Opposition has announced in the Commonwealth Parliament that that party, when it comes into power, will take whatever action it deems necessary.

Letters to the Editor.

RAILWAY ELECTRIFICATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The electrification of some of the main line railways in England has been recently considered in connection with schemes for reducing unemployment, but this association with the unemployment problem, important as it is, should not be allowed to obscure or prejudice the essentially inherent factors of the case for electrification. A strong case can be made out, altogether apart from the employment aspect, based on the substantial grounds of better service to the British public and increased profits to the railway companies. Other countries appear to be going rapidly ahead in this direction, especially the U.S.A. and France. Italy, Holland, and Switzerland have already completed large schemes, and others are in progress. Switzerland, in fact, hopes to have the whole of her railways electrified by 1928. In Germany the schemes completed and in progress total 800 miles, in Austria 500 miles, and in Sweden 280 miles. It cannot, therefore, be objected that electrification is only suited to those countries which are of a mountainous character, or deficient in coal supplies, although, of course, these special conditions may reinforce the arguments in its favour.

The main difficulties in this country are probably a deeply rooted conservatism in favour of the steam locomotive, and some hesitation on the part of the railways in view of the many demands for expenditure in other directions, including station improvements, new docks and harbours, and other extensions. However, even in this country, conservatism, or whatever it is that has hitherto damped enthusiasm, is gradually giving way. Those electrification schemes which have already proved so successful and profitable, mainly in connection with suburban traffic, such as the Liverpool and Southport line, the Tyneside lines, and those of the London suburbs, have encouraged some of our leading railway engineers to contemplate the possibilities of main line conversion. In fact, a scheme for dealing with the main line between London and Brighton and Portsmouth has been under consideration at intervals for many years, but has not yet materialised.

The late chairman of the London, Brighton, and South Coast Railway, in his address to the shareholders in February of last year (*Economist*, 18/2/22, 365), emphasised the importance of proceeding with the work of converting the Brighton main line as soon as possible; but although the company had received very favourable reports as to the financial results to be expected, the time was not then quite opportune for obtaining the necessary capital for the complete scheme, including the line to Portsmouth. However, it was decided to go on with the more urgent suburban part of the programme.

Another eminent railway authority, Sir Vincent Raven, has pointed out, in connection with the proposal to electrify the main line between York and Newcastle, that there would be an annual saving of 500,000 tons of coal, and a further saving due to the fact that a lower-grade fuel could be used in an electric power station. On technical grounds, the electric locomotive has several advantages, resulting in lower maintenance costs and greater efficiency. The maintenance costs, indeed, of the whole system are less, whilst the traffic facilities are increased. In regard to goods traffic, too, there would be several advantages, as Sir John Aspinall and others have fairly conclusively demonstrated.

It has been estimated that there are electrification schemes in this country involving an expenditure of approximately £50,000,000. The early placing of contracts for the whole or greater part of this important work would have very far-reaching effects on British industry, direct and indirect, and these effects would be cumulative and reciprocal. It would put heart into many of our manufacturers and their workers, and contribute much to that restoration of confidence and stability so anxiously looked for on the commercial horizon. It is not too much to say that the results of such increased employment would reverberate throughout the industrial world; and, besides this, our railways, which are so

closely linked up with industrial prosperity, would be more up-to-date and efficient, and possibly be enabled substantially to reduce their charges, considerably increase their traffic, and go ahead with other necessary improvements and extensions, such as harbour and dock construction and other railway work, which have had to be postponed hitherto. No doubt it is a difficult problem for the railway companies to decide which programme of work to proceed with first, but electrification would seem to merit a high place.—Yours, &c.,

Bebington, August 14th.

W. G. CASS.

Books and Publications.

CHINA TO-DAY.*

"EXHAUSTIVE views and extensive information." This is President Li Yuan Hung's comment, given in the original Chinese, and accompanied by his seal, sign-manual and portrait, which serves as the frontispiece of this imposing volume; but, even though backed by Presidential authority, the phrase is far from adequate. The book is at once an encyclopædia, a gazetteer, a "Who's Who" of several hundred Chinese officials, politicians, and generals—all but half-a-dozen mere names otherwise to the Western reader—and a compendium of the history of the Chinese Republic. The amount of information given is marvellous, and has not, as in most year-books, been subjected to stringent condensation. There are admirable descriptions of the geography and geology, of the fauna, vegetation, and forestry, the language, the religions, the progress of education and medicine, the national resources, the railways and waterways, the commerce and industry, the army and navy, the Government, the currency, the opium problem, "Greater China," and the chaos of Chinese finance. The Customs tariff is given in full; there is a list of the foreign officials, and the Chinese Eastern Railway, with its political and financial complications, has a section to itself. Two articles deal respectively with the Shantung negotiations and the work of the Washington Conference. Students of the present situation will probably devote their attention mainly to the articles on the military position and the finance of the Republic. The first governs the second; the army, well organised and centralised by Yuan Shih-Kai, has been broken up by the revolution into conflicting hosts, under independent leaders displacing or dominating the provincial Governors, now sometimes recognised perforce as "Inspectors-General" by the Peking Government. All the leaders agree that disbandment is necessary, but none are ready to begin it. Last year the total monthly expenditure of the Peking Government exceeded \$9,200,000, of which the military portion was over \$5,685,000. The monthly revenue, derived from stamps, the taxes on mining, income, wine, and tobacco, and the Peking octroi was \$231,000. No revenue now comes from the provinces, and the Customs and salt surpluses are always ear-marked for special purposes in advance. The provinces are unlikely either to resume their remittances, or to start disbandment and so permit the Peking Government to do likewise. The total indebtedness (of which elaborate details are given, with lists of all external and internal loans and Treasury bond issues) last September was \$1,906,000,000. But it is less than \$5 per head of population. The people have money, and were the credit of the Central Government restored, they might even provide enough to pay off the whole sum.

* "The Chinese Year Book, 1923." Edited by H. G. W. Woodhead, C.B.E. (Tientsin) Published for the Proprietors by the Tientsin Press, Limited. (London) Simpkin, Marshall, Hamilton, Kent, and Co., Limited. Pp. 1,243. 35s net.

WORKSHOP ORGANISATION.*

As most people know, the Trade Union movement of this country is at present in a highly self-conscious and self-analytical frame of mind. The more thoughtful of Trade Union leaders recognise that the real difficulties in the way of the "back to the union" campaign, which is at present being carried on, are not merely or even mainly

* "Workshop Organisation." By G. D. H. Cole. Published for the Carnegie Endowment by the Clarendon Press. 7s 6d.

external. The actual economic situation does present tremendous problems to organised labour. There are an immense number of men who have fallen out of the ranks for the simple reason that they cannot keep up their Union contribution. But behind this economic depression is a deep-seated doubt in the minds of those who use their minds as to the function of Trade Unions. If, as recent experience seems to suggest, they can only serve their members when trade is good, and collapse when it is bad, is there not something altogether wrong with them? It may be in their organisation; it may be in their ideas; it may be in their leadership. The answers differ; the questions are universal.

The question about the basis has been brought up, very sharply, by the dispute about the railway shopmen. Are they to be assimilated with the railway servants, or are they to maintain, section by section, their association with the craft unions to which they severally belong? Should the workers organise themselves in relation to the industry in which they work, or in relation to their own special skill? Or, a further question, is the most feasible unit to be found by taking the local unit, the shop?

From the standpoint of those who set this last question, Mr G. D. H. Cole's monograph in the series published for the Carnegie Endowment is of permanent interest. He is there, of course, describing war-time experiences, but those experiences show, as he says, that "the somewhat rigid official organisation of the Trade Unions presents no obstacle to the rapid growth of fresh forms of organisation under an appropriate stimulus from the economic environment." The actual workshop control movement, as seen during the war, was a rank-and-file movement; a local movement, originating separately in each area, in response to particular local conditions—not quite the same, for instance, in Glasgow as in Sheffield or in Coventry—and a spontaneous movement.

The experiment was carried furthest in the metal trades, which have become "what the textile trades were in the early days of large-scale industrialism, the key group of capitalist industry, and the place of the most important experiments in organisation." Of its working, Mr Cole gives a singularly interesting account. His style is not appetising, but the facts he has to describe, and of which he probably possesses an unique knowledge, are, in themselves, highly important and suggestive. His volume is, in this sense, an admirable corrective, for anyone who wants to get the war-time industrial picture illuminated by a true sense of proportion, to the more definitely official accounts which comprise the other volumes in the series. Here you see how the Munitions Acts, and so forth, looked to the workers. History requires to take in that point of view, and to record the experiments in which it found expression. But those experiments have a more than historic interest.

VOCATIONAL EDUCATION.*

DR LINK writes of the educational work being done and attempted in connection with industry in the United States with the authority of one who has had years of direct experience of it. In this volume he is, however, more concerned to investigate and set out the general principles which should underlie such an effort, and to draw a line between the sort of education that ought to be provided nationally and the sort for which industry, in so far as it profits directly by it, can be legitimately called upon to bear the responsibility. Having done that, he proceeds to discuss the ways in which such industrial education can be carried out. He writes with conspicuous good sense. Even those who disagree fundamentally with his entire conception of education will find much that is worth pondering over in his pages. Very interesting, for instance, is his frank discussion of one great difficulty in industrial training, even in its most limited interpretation; that presented by the fact that there is no clear conception of what is wanted. For instance, he says: "One of the valuable by-products of the vestibule school has been the revelation, time and again, that no standard method for doing certain tasks had been worked out. Each new worker has had to learn his task from the individual next him, with the casual instruction which the

* "Education and Industry." By Henry C. Link, with a Foreword by George E. Roberts. The MacMillan Company. 9s.

foreman was able to give. This has generally been the case, in spite of the fact that piece rates and the time studies on which they are based assume a standard way of doing a job to which all individuals should conform. Another preliminary, which must be carried through if vocational education, whether in the school itself or in relation to the factory or workshop, is to be conducted intelligently is the preparation of vocational surveys, such as have, for instance, been carried through by the education authorities of the State of Indiana. "The efforts made in the field of industrial education will continue to fall wide of their mark unless they are based upon adequate information about the characteristics of industrial life."

BOOKS RECEIVED.

The Anglo-American Year Book, 1923. (London) American Chamber of Commerce in London. 15s net.

This useful volume contains commercial directories of American and British houses engaged in Anglo-American trade, which cannot fail to be of value to the British merchant who wishes to get in touch with American houses doing business over here. An extensive report on Anglo-American trade for 1922 showing the principal items of merchandise which are passing between these two countries, as well as an article on English law for Americans, written by a well-known authority, are important features.

Economics for Commercial Students. By Albert Crew. Sixth Edition. (London) Jordan and Sons, Limited. 5s net.

Stock Exchange Investments for Non-Residents. (Free of British Income-tax.) (London) Fredk. C. Mathieson and Sons. 6d.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. ACCOUNT.
September 5. September 6.

FAIRLY cheerful conditions have prevailed in the stock markets, but apart from gilt-edged stocks and some of the more speculative sections the amount of business has been of small volume. The account was arranged comfortably, and a feeling of quiet optimism appears to prevail as to the outcome of international political developments. There has been a steady demand for British Government stocks under the lead of 5 per cent. War Loan, with Conversion Loan a close second in favour. The fluctuations of the franc have been a disturbing influence in the foreign bond market, and European issues have been irregular, while Brazilian stocks have been depressed by a further break in the value of the milreis. Chinese bonds, on the other hand, have moved upward.

The tone in the Home Railway market has been fairly steady, but price changes on the week are of little consequence. The principal features have been provided by the London Group under the lead of Metropolitan and Districts. Canadian Pacifics have shed a point, but Grand Trunk Pacific 4 per cent. debentures have gained that amount. Among foreign rails, Argentines moved irregularly, but there was an advance in Mexican Railway preferences. In the industrial markets business has still been on a very small scale, but the tone has been quite cheerful. Textiles have been one of the best features, Calico Printers advancing sharply on the announcement of a dividend of 12½ per cent., as against 7½ per cent. a year ago. A number of small improvements were also registered for other textile issues. Tobacco shares, too, have again been in some demand, with a resultant hardening of prices. Shipping issues have been idle, and engineering and iron and steel descriptions very quiet. There was a moderate amount of business in bank shares, but price changes were insignificant.

Oil share prices remain fairly steady, but there is little outside support. Rubbers are still strong, but business is showing signs of dwindling. Tea shares maintain their activity, with an all-round improvement in prices.

In the mining sections prices are inclined to move upward, but here, again, business is on a restricted scale. Tin shares have strengthened in sympathy with a rise in the metal, but other base metal issues were inclined to react.

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

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 202,020,317	£ ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED AUG. 18, 1923.

April 1, 1923, to Aug. 18, 1923, £3,850,000	Dr 50,000	Dr 50,000	
To Shareholders only—			
London Merchant Bank, 19,000 7% Pref. Shares, £5 ("A" Shares), at par	95,000	95,000	
Total offered to shareholders only	95,000	19,000	
Total offered for subscription to date in—	95,000	76,000	
1923	£202,065,317	1922	£273,675,650
1922	505,732,637	1921	388,978,203
1921	152,658,080	1920	367,549,656
1920	274,718,416	1919	1,036,059,951
1919	892,917,730	1918	1,393,381,441
1918	919,033,872	1917	1,518,596,010
1917	1,090,168,650	1916	585,436,853

The Proprietors of Hay's Wharf, Limited.—Authorised share capital £2,000,000. Six per cent. cumulative preference shares of £1 each to the number of 990,007 and 800,000 £1 ordinary shares have been issued. Included in this undertaking is the old-established transport business of Pickford's, which Hay's Wharf purchased some years back. During the week 500,000 preference shares have been placed at 19s 9d per share, and to comply with Stock Exchange regulations the directors of Hay's Wharf have inserted an interesting and informative statement of the company affairs in the Press. Net profits are given from 1917, while net assets, exclusive of goodwill, are valued at £1,742,382. The preference capital has first claim upon profits, as the company has no debenture debt. Provision is made that without the sanction of an extraordinary meeting, at which shareholders will have the right of voting, the company will not be entitled to borrow any sums exceeding in the aggregate £1,000,000. This is a good industrial preference share, with plenty of information available—a useful supplementation in these days, when companies are prone to drop the veil of dignity over their detailed affairs.

The West African Diamond Syndicate.—Authorised capital £500,000. Capital issued consists of £120,000 in £1 shares. The company was incorporated in August, 1923, primarily to work "diamondiferous" areas in West Africa. No contracts have yet been entered into; certain negotiations are in progress for the acquisition of the whole of the diamond interests of Akim, Limited, for a sum of £250,000, payable in fully-paid shares of the syndicate. The Akim "diamond" properties comprise a 20 square mile diamondiferous area, on which production has commenced on a small scale. These details are taken from an announcement made in the Press to comply with Stock Exchange regulations.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War 3½%, 1925-28 .. 95½ .. 95½ ..			
Loans 4½%, 1925-45 .. 96½ .. 97 ..			
5%, 1925-47 .. 101½ .. 101½ ..			
4½%, 1925-42 .. 101½ .. 102 ..			
Funding Loan 4½% .. 92½ .. 92½ ..			
Victory Bonds 4½% .. 83 .. 83 ..			
Conversion Loan 4½% .. 80½ .. 80½ ..			
Consols 2½% .. 58½ .. 58½ ..			
Irish Land Stock 2½% .. 60 .. 60 ..			
Local Loans 3% .. 67½ .. 68 ..			
Aust. 6% 1931-41 .. 105 .. 105 ..			
Canada 4½% 1920-25 .. 99½ .. 101 ..			
India 3½% Stock .. 69½ .. 70½ ..			
Do 7% 1926-31 .. 120 .. 121 ..			
Do 5½% 1932 .. 101½ .. 101½ ..			
N.S.W. 5½% 1922-32 .. 101 .. 101 ..			
Nigeria 6% 1924-34 .. 113 .. 113 ..			
U. of S.A. 6% 1920-40 .. 106 .. 106 ..			
Victoria 5½% 1924-34 .. 101 .. 101 ..			
W. Aust. 6% 1930-40 .. 104 .. 104 ..			

Banks.

Barclays B (£1, f.p.d.)	24½ .. 24½ ..
Chartered Bk of India	194 .. 194 ..
Lloyds (£5 with £1 paid)	248 .. 248 ..
London Joint City & Midland (£12 with £2 paid)	88 .. 88 ..
Nat. Bank of Egypt (£10)	22½ .. 22½ ..
Nat. Bank of S. Africa (£10)	52 .. 6 ..
Nat. Prov. & Union of England (£20, with £4 paid)	110 .. 11 ..
Standard of S. Africa (£20, with £5 paid)	102 .. 102 ..
Westminster Bank (£20, with £5 paid)	178 .. 178 ..

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Branches and Agencies throughout the World.

General Manager and Secretary,
HUGH LEWIS.



Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons .. 85½ .. 86½ ..			
B.A. and Pacific .. 78½ .. 79 ..			
Brazil 5% Fund, 1914 .. 69 .. 69 ..			
Chilian 4½%, 1895 .. 89 .. 89 ..			
Do 7½% .. 103½ .. 103½ ..			
Chinese 5% 1912 .. 66 .. 67 ..			
Egyptian 4% .. 73 .. 73 ..			
French 5% .. 24½ .. 25½ ..			
Do 4% .. 19½ .. 20½ ..			
Greek 4%, 1884 .. 44½ .. 45½ ..			
Leopoldina .. 22½ .. 23 ..			
Mexican Railway .. 10½ .. 11 ..			
Do 1st Pref. .. 29½ .. 34 ..			
Do 2nd Pref. .. 19 .. 20 ..			
San Paulo .. 130 .. 129 ..			
United Havana .. 71½ .. 71½ ..			
Argentine 5%, 1886-7 .. 99 .. 99 ..			
Belgian 5% .. 66 .. 66 ..			
Brazil 5% Fund, 1914 .. 69 .. 69 ..			
Chilian 4½%, 1895 .. 89 .. 89 ..			
Do 7½% .. 103½ .. 103½ ..			
Chinese 5% 1912 .. 66 .. 67 ..			
Egyptian 4% .. 73 .. 73 ..			
French 5% .. 24½ .. 25½ ..			
Do 4% .. 19½ .. 20½ ..			
Greek 4%, 1884 .. 44½ .. 45½ ..			
Japanese 4% .. 101½ .. 102 ..			
Do 4% 1910 .. 69 .. 70 ..			
Mexican Cons. 1899 .. 57 .. 59 ..			
Peruvian Corp. Pref. .. 27 .. 27 ..			
P.L.M. 6% .. 81 .. 82½ ..			
Portuguese (New) .. 30 .. 31 ..			
Russian 5%, 1906 .. 64 .. 64 ..			
Spanish 4% .. 69½ .. 70½ ..			
Seine (Dept.) 7% .. 93 .. 95 ..			
Siam 7% .. 108 .. 107½ ..			

Telegraphs.

Anglo-American "A" .. 23½ .. 23 ..	Marconi Canada .. 3 .. 3 ..
Marconi Wireless .. 24½ .. 24½ ..	Marconi Marine .. 1½ .. 1½ ..
Great Western, Ord. .. 109½ .. 110 ..	Southern, Ord. "A" .. 34½ .. 34½ ..
Do Def .. 86 .. 86 ..	Do Ord. "B" .. 12 .. 12 ..
London & North-Eastern .. 82½ .. 82½ ..	Do Pref. Ord. .. 84½ .. 85 ..
5% Pref. Ord. .. 85½ .. 86 ..	Do Def. Ord. .. 37½ .. 37½ ..
London, Mid. and .. 103½ .. 103½ ..	Underground Electric (Edo) .. 22½ .. 22½ ..
Scottish, Ord. .. 103½ .. 103½ ..	Do "A" (1) .. 75 .. 75 ..
Metropolitan .. 68½ .. 71 ..	Do Inc. Bds. (£100) .. 99½ .. 100 ..
Metropolitan District .. 48½ .. 49 ..	

American Railroads.

Chesapeake & Ohio .. 65 .. 65 ..	Southern .. 36 .. 36 ..
Erie .. 16 .. 16 ..	Do Non-cum Pref. 73 .. 73 ..
Do 4% 1st Pref. .. 24 .. 27 ..	

Miscellaneous.

Aerated Bread (£1) .. 1½ .. 1½ ..	Imperial Tobacco (£1) .. 3½ .. 3½ ..
Amal. Cottons (£1) .. 48 .. 48 ..	Linggi Plants (£1) .. 1½ .. 1½ ..
Anglo-Persian Oil (£1) .. 3½ .. 3½ ..	Lipton (£1) .. 1½ .. 1½ ..
Armstrong (Sir W.G.) .. 38 .. 38 ..	Liver Bros 7% Cmp (£1) .. 1½ .. 1½ ..
Ass. Pland. Cement (£1) .. 1½ .. 1½ ..	Do 8% Cmp A Pr (£1) .. 1½ .. 1½ ..
Barker, John (£1) .. 2½ .. 2½ ..	Do 20% Cmp Pr Ord (5) .. 1½ .. 1½ ..
B'ham Small Arms (£1) .. 4½ .. 4½ ..	Lister (£1) .. 1½ .. 1½ ..
Brazil Traction (£100) .. 47½ .. 47½ ..	Robinson Oilfields (£1) .. 58 .. 58 ..
British-American .. 51 .. 51 ..	Loyds (J & Co. (£1) .. 4 .. 4 ..
Tobacco (£1) .. 44 .. 44 ..	Magadi Soda (£1 Ord.) .. 1½ .. 1½ ..
Burnham Oil (£1) .. 44 .. 44 ..	Mexican Eagle (£10) .. 1½ .. 1½ ..
Coats (J. and P.) (£1) .. 3½ .. 3½ ..	Pekin (2) .. 1½ .. 1½ ..
Courtaulds (£1) .. 3½ .. 3½ ..	Rubber Plantations .. 1½ .. 1½ ..
Cunard (£1) .. 48 .. 48 ..	Investment (£1) .. 1½ .. 1½ ..
Dorman, Long (£1) .. 48 .. 48 ..	Shell Transport (£1) .. 3½ .. 3½ ..
Dunlop Rubber (£1) .. 48 .. 48 ..	Smithfield & Argentine .. 1½ .. 1½ ..
Fine Cotton Spinners (£1) .. 2½ .. 2½ ..	Meat (£1) .. 1½ .. 1½ ..
Forestal Land (£1) .. 1 .. 1 ..	United Dairies (£1) .. 1½ .. 1½ ..
Furness Withy (£1) .. 1½ .. 1½ ..	United Serdang (2) .. 1½ .. 1½ ..
Highlands and Lowlands Rubber (£1) .. 1 .. 1 ..	United Tobacco (£1) .. 3 .. 3 ..
Hudson's Bay (£1) .. 5½ .. 5½ ..	Vallambrosa (2) .. 1½ .. 1½ ..
	Vickers (£1) .. 16½ .. 16½ ..
	Watney Def. Suk .. 164 .. 164 ..

Mines.

Bakpan (£1) .. 24 .. 24 ..	Knights .. 14 .. 14 ..
Broken Hill Prop. (8) .. 1 .. 1 ..	Modderfontein (10) .. 4 .. 4 ..
Chartered (£1) .. 1 .. 1 ..	Modderfontein "B" (20) .. 1 .. 1 ..
Cons. Gold Fields (£1) .. 24 .. 24 ..	Modderfontein, Deep (5) .. 2 .. 2 ..
Crown Mines (10) .. 24 .. 24 ..	Premier Def. (26) .. 6 .. 6 ..
De Beers Def. (£24) .. 13 .. 13 ..	Rand Mines (5) .. 2 .. 2 ..
East Rand Prop. (£1) .. 2 .. 2 ..	Selukwe .. 1 .. 1 ..
Geduld (£1) .. 24 .. 24 ..	Rio Tinto (25) .. 35 .. 35 ..
Gov. Gold Areas £1 .. 5 .. 5 ..	Spring Mines (£1) .. 24 .. 24 ..

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending August 15, 1923, amounted to 711 tons.

MEXICAN EAGLE OIL COMPANY.—Production for the week ended August 11, 1923, was 138,000 barrels.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended Aug. 17, 1923.	(c) Week ended Aug. 18, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 33 Weeks 1923.	Total Receipts.
Great Western .. 3,679	3,750,000	313,000	688,000	1,551,000	2,543,000	20,209,000	38,845,000
London & North-Eastern .. 6,661	6,030,000	641,000	1,244,000	1,468,000	2,412,000	20,209,000	38,845,000
Do same period 1922 .. 6,657	6,350,000	719,000	1,354,000	1,603,000	2,471,000	20,209,000	38,845,000
London, Mid., & Scottish .. 6,962	826,000	785,000	1,611,000	2,101,000	2,978,000	50,813,000	14,692,200
Southern .. 2,115	464,900	103,900	568,800	1,090,500	3,786,500	14,692,200	84,900
Midland & S.W. June .. 63	1,373	1,250	2,623	41,406	43,572	1,186,000	7,478,500
Metropolitan (c) .. 79	31,005	5,457	34,462	1,065,692	120,329	112,100	1,340,000
Underground E.R. (c) ..			7,969			117,300	218,800
London & Sub. Group (c) ..			6,586			309,400	309,400
Belfast & Co. Down (b) .. 80	6,958	1,165	8,123	179,436	39,409	802,800	802,800
Dublin and S.-East. (b) .. 160	9,836	2,916	12,752	196,483	112,950		
Midland Gt. West. (b) .. 538	15,506	12,093	27,599	326,058	476,763		

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
INDIAN.					
Assam Bengal .. 16 weeks	July 21	1,049	Rs. 2,56,512	+ 48,941	35,83,910 + 21,300
Barsi Lt. Ry. .. 17 weeks	28	118	1,51,000	+ 1,24,200	6,62,800 - 45,200
Bengal & N. Western .. 16 weeks	21	67	5,78,000	+ 25,151	1,07,10,720 - 1,31,700
Bombay, Bar. & C.I. .. 17 weeks	28	2,758	13,86,000	+ 72,000	2,51,42,000 + 4,07,000
Burma .. 19 weeks	Aug. 11	2,994	15,39,000	+ 2,52,000	4,13,27,000 - 13,33,000
Delhi, Umballa & Kalka .. 16 weeks	July 21	1,342	6,05,498	+ 43,220	1,12,19,179 - 90,100
East Indian .. 19 weeks	Aug. 11	239	89,000	+ 12,225	19,40,036 - 13,100
G. Indian Peninsula .. 20 weeks	18	2,856	27,67,000	+ 1,79,000	6,28,25,000 + 21,77,000
Madras & S. Mah. .. 19 weeks	11	3,164	19,52,500	+ 81,000	4,91,98,887 - 22,98,100
Rohilk'd & Kumaon .. 17 weeks	July 28	3,028	12,75,000	+ 89,070	2,54,14,276 - 3,06,000
South Indian .. 17 weeks	21	259	49,500	+ 1,045	9,80,165 - 75,200
Do Lucknow-Breilly .. 16 weeks	21	314	54,890	+ 9,992	1,17,17,727 - 1,13,800
Do South Indian .. 17 weeks	28	1,890	8,66,094	+ 42,287	1,68,09,311 + 2,73,500

CANADIAN.

				\$	\$	\$	\$
Canadian National .. 32 weeks	Aug. 14	22,680	5,152,177	+ 436,555	15,443,059	+ 17,759,100	
Canadian Pacific 32 weeks	14	13,539	3,565,000	+ 54,000	10,302,700	+ 5,472,000	

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

COMPANY MEETINGS, &c.

THE NIGER COMPANY, LIMITED.

CHAIRMAN'S CRITICISMS OF COLONIAL OFFICE.

The forty-third ordinary general meeting of the Niger Company Limited, was held on the 21st instant, at the Cannon Street Hotel, Cannon street, London, E.C., the Right Hon. the Viscount Leverhulme, the governor of the company, presiding.

The secretary (Mr E. A. Enfield) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that he and his colleagues had hoped to have been able to put a better report before the meeting, but conditions in West Africa were such as to have rendered a restoration to pre-war prosperity still a "vision of things hoped for but not yet seen." He was able to report some improvement on the previous statement, but the Niger and associated companies were still in the condition of failing to produce any dividends for the shareholders, or even quite to realise their ordinary working expenses. He was confident that the value of the assets of the Niger and associated companies, as a going concern, was not less than the amount at which they appeared on the books of the company.

The trading losses of the associated companies had been dealt with, and in the opinion of the directors the capital of those companies was intact. Sales of merchandise had been well maintained during 1922, as also had the amount of produce purchased. The withdrawal by the Government on April 1st last of the concessions made to mining companies would tend to increase the revenue the Niger Company received jointly with the Government from rents and royalties. He could well understand shareholders of the Niger Company, and other West African companies, asking themselves the question, "What is wrong with West Africa?" He ventured to suggest that the answer could truly and faithfully be found in the Colonial Office system of government, which had inflicted on that unhappy outlying portion of the British Empire an autocratic, bureaucratic

form of government that was repudiated a century and a-half ago by this country's then North American colonies, and since that date by Canada, Australia, New Zealand, and South Africa in turn. If the trade and commerce of West Africa was to resume its former normal channels, the present export duties should be at once and without hesitation promptly withdrawn, and he claimed that that question, and also the question of the reduction of railway charges, were so urgent that they should be dealt with prior to the proposed visit of Mr Ormsby-Gore, the Under-Secretary of State for the Colonies, to West Africa.

Mr H. R. Greenhalgh (the vice-chairman) seconded the motion, and after a considerable discussion it was carried.

CLAUDIUS ASH, SONS, AND CO., LIMITED.

SATISFACTORY PROSPECTS FOR CURRENT YEAR.

The eighteenth annual general meeting of Claudius Ash, Sons and Co., Limited, was held, on the 21st instant, at 5 to 12 Broad street, Golden square, London.

Mr George Edwards, J.P. (chairman of the company), presided, and, in moving the adoption of the report, said that the result of the last year's trading was a little better than that of the previous twelve months, but the past two years had been very disappointing and, for reasons beyond control, the worst that the company had experienced. They were engaged in a scientific business of international importance, but the past year's trading was carried on under conditions in many respects similar to those which had prevailed during 1921, which are adverse to the advancement of the company's interests, the chief causes being the continued general commercial depression, the further deflation of foreign exchanges and adjustments of stock values so as to be in agreement with current cost prices.

With regard to the home business, the demand for dental treatment had fluctuated with the rise and fall of the country's state of prosperity. As a nation we were not blessed with sound teeth, and at last those in authority were giving close attention to this important branch of hygienics for the public welfare. As from January 1st last they had joined their Canadian business to that of the Temple Pattison Company, Limited—the largest dental retailers in Canada—under the title of Ash-Temple Company, Limited. That company had a chain of branches stretching across Canada to Vancouver, and the important step taken in that British Dominion

would, the board felt, have good results in the further development of their manufactures. Owing to the further depreciation of foreign exchanges, the company's export trade had been retarded, and, in fact, business with some countries had been practically closed to them. With regard to the fall in cost prices, he believed the general opinion of the commercial world was that prices had now about reached rock bottom. The present approximate stabilisation had opened the way for placing retail prices on a fair basis, for which object a Dental Trade Association had been formed, thus stopping the suicidal policy of price-cutting, while providing for the fullest measure of service to the profession.

The current year's prospects showed an improvement over 1922, and, while not indulging in any undue optimistic forecasts, the board felt justified in proposing the payment on the ordinary shares of a half-year's interim dividend in respect of the year 1923 at the rate of 5 per cent. per annum, less income-tax, to be paid on September 25th next.

Mr W. H. Ash, J.P. (deputy-chairman), seconded the motion, which was carried unanimously.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills dated from Aug. 27-Sept. 1 were opened on Aug. 24, 1923, and the total amount applied for was £62,360,000. Tenders for Monday to Thursday bills at £99 4s 4d, about 83 per cent., and above in full, and for Friday and Saturday bills at £99 4s 7d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £40,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
July 13.....	30,000,000	42,315,000	£ 8 d	nil
July 20.....	30,000,000	42,325,000	3 1 0-35	nil
July 27.....	30,000,000	50,940,000	3 0 2-99	nil
Aug. 3.....	35,000,000	55,375,000	3 4 4-95	nil
Aug. 10.....	30,000,000	52,405,000	3 2 2-59	nil
Aug. 17.....	30,000,000	46,000,000	3 1 8-21	nil
Aug. 24.....	40,000,000	62,360,000	3 1 9-18	nil

Tenders will be received on Aug. 31, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.				
				Gold and Silver Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1922.								
Mar. 29.....	300,351	14,255	5,000	28,500	19,450	15-9	261,479	177
June 28.....	295,374	15,338	5,000	28,500	19,650	16-3	254,312	850
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16-6	246,456	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15-9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17-3	242,446	123
Aug. 16.....	291,035	12,493	7,000	27,000	22,450	16-9	246,919	159
Aug. 23.....	286,768	12,356	7,000	27,000	22,450	17-2	242,543	131

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £390,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - - - Fmk. 252,000,000

Deposits and Cheque Accounts (30/6/23) - - - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Aug. 18, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term. Annuities	30	22	20	19	18	16	15	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071
National War Bonds	649	1,509	1,476	1,413	1,201	971	971	956	956
4% Funding Loan	350	357	348	335	335	335	335	335	335
4% Victory Bonds	409	409	405	401	401	400	400	400	400
5-15 year Treas. Bonds	23	24	24	24	24	24	24	24	24
5% Treasury Bonds	381	166	166	166	166	166	166	166	166
5% Treasury Bonds	40	40	40	40	40	40	40	40	40
Do by tender 5%	8	69	69	69	69	69	69	69	69
Do by tender 4%	84	108	108	108	108	108	108	108	108
Do 4%, 1931-33	15	961	1,107	1,107	1,121	878	719	616	599
Treasury Bills	20	392	319	289	185	150	150	150	150
Exchequer Bonds	138	267	274	285	343	350	354	357	357
Natnl. Savings Certs.	23	23	23	23	23	23	23	23	23
War Expnd. Certs.	944	1,306	1,181	1,133	1,087	1,071	1,070	1,070	1,070
Other Debt	51	51	51	51	51	51	51	51	51
American Loan	1	204	243	205	154	147	194	194	194
Temporary Advances	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,661
Other Capital Liabilities	57	49	46	47	49	66	67	68	67
Total Liabilities	711	5,921	8,079	7,876	7,693	7,721	7,835	7,730	7,728

POSITION OF THE FLOATING DEBT.

	Aug. 19, '22.	Mar. 31, '23.	Aug. 18, '23.	Aug. 18, '23.
Temporary Advances Outstanding—				
Advances by Bank of England	153,045,500..	193,897,500..	194,051,500..	9,950,000
Advances by Public Deposits	153,045,500..	616,045,000..	598,740,000..	2,695,000
Treasury Bills outstanding	874,745,500..	809,942,500..	792,791,500..	7,255,000
Total Floating Debt	1,180,836,500..	1,619,885,000..	1,585,583,000..	19,900,000

* Includes £17,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Aug. 18, 1923.	Receipts, Week Ended Aug. 18, 1923.	Receipts, Week Ended Aug. 19, 1923.
Balances in Exchequer on 1st April:—				
Bank of England.....	5,442,665	9,963,494	..	..
Bank of Ireland.....	1,375,502	1,210,106	..	..
REVENUE	6,818,167	11,173,530	..	..
Customs	116,900,000	47,537,000	1,586,000	1,743,000
Excise	143,850,000	55,971,000	61,305,000	8,010,000
Motor Vehicle Duties	13,250,000	3,491,000	2,657,000	10,675,000
Stamp, &c., Duties	52,000,000	21,340,000	960,000	2,300,000
Stamps	240,000,000	7,240,000	250,000	250,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	460,000	530,000	10,000
Property & Income Tax	261,084,000	81,084,000	3,800,000	4,700,000
Super-Tax	58,000,000	18,220,000	1,064,000	5,322,000
Excess Profits Duties, &c.	12,000,000	954,000	..	..
Corporation Profits Tax	20,000,000	7,690,000	5,737,000	360,000
Post Office	52,600,000	19,350,000	20,050,000	310,000
Crown Lands	900,000	320,000	1,250,000	1,250,000
Interest on Sundry Loans	12,500,000	5,930,221	3,517,666	93,614
Miscellaneous	12,500,000	5,697,731	146,881	357,144
Special Receipts	40,000,000	18,848,379	20,571,939	32,272
Revenue	818,500,000	293,179,331	317,355,680	22,249,416
Total, Inc. Balance	..	299,997,498	328,529,210	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion	65,000	800,000	..	..
Under the Unemployment Insurance Act, 1921	3,330,000	2,500,000	160,000	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1921 and 1922	1,750,000	1,650,000	..	..
Under the Housing Act, 1914	12,000	13,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	950,000
(b) Under the Unemployment Insurance Act, 1921	270,000	1,450,000	..	..
(c) For other Issues:—				
By Treasury Bills	930,969,000	1,143,287,000	44,344,000	50,246,000
By National Savings Certificates	17,850,000	33,298,000	700,000	800,000
By Exchequer and National War Bonds	..	20	..	..
By Treasury Bonds—				
5-15 year, 1925-35	..	61,543,782	..	..
5% 1927	..	52,648,508	..	2,503,900
4½% 1932	29,202,627	..	..	..
4½% 1931-33	..	11,869	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	..	..	..
(d) Ways and Means Advances	305,563,500	319,740,500	1,850,000	1,250,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired	50,081	243,012	..	..
Repayments:—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	161,028	172,628	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	6,562,500
Do Issues under Section 59 (5) of the Finance Act, 1920	..	162,425	..	..
Total	1,589,204,734	1,953,827,914	65,072,702	84,561,816

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

BRANCHES OF THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

BRANCHES OF THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

BRANCHES OF THE COMMERCIAL BANK OF SPANISH AMERICA, LIMITED.

EXPENDITURE AND OTHER ISSUES.

EXPENDITURE.	Estimate for the Year 1923-24.	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1923, to Aug. 18, 1923.	Apr. 1, 1922, to Aug. 19, 1922.	Week Ended Aug. 18, 1923.	Week Ended Aug. 19, 1922.
National Debt Services—					
Interest, &c.	310,000,000	132,511,639	126,897,597	409,105	2,100,277
Sinking Fund	40,000,000	16,563,547	750,000	779,000	774,000
Road Fund	12,650,000	2,890,044	2,107,999	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	861,316	2,020,000	..	400,000
Payments to Northern Ireland Exchequer	3,000,000	1,253,042	671,639	..	123,828
Land Settlement	1,500,000	189,472	499,862	..	..
Other Consolidated Fund Services	2,972,000	1,126,691	1,051,891	5,387	..
Supply Services	440,565,000	139,291,979	151,735,674	9,450,000	8,000,000
Expenditure	821,035,000	294,690,733	284,988,662	11,393,492	11,398,105
OTHER ISSUES.					
Temporary Advances—					
Bullion	5,000	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	84,909	..	..	..
Under the Unemployment Insurance Act, 1921	270,000	2,000,000	..	400,000	..
Issues to Meet Capital Expenditure—Under the Telegraph (Money) Acts, 1921 and 1922	2,550,000	2,000,000	..	..	..
Under the Housing Act, 1919	12,000	13,000	..	12,000	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	950,000	..
Unemployment Insurance Act, 1921—Redemption of Debts	3,027,000	2,030,000	..	..	..
Treasury Bills	948,255,000	1,303,689,000	41,575,000	55,320,000	..
Principal of National Savings Certificates	14,000,000	10,650,000	750,000	400,000	..
Principal of Exchequer Bonds paid off	..	19,612,188	..	..	..
Principal of National War Bonds paid off	17,005,096	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	269,036	9,444,601	..	..	..
Ways and Means Advances Repaid	305,399,500	313,996,500	11,800,000	14,100,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	50,081	243,012	50,081	..	..
Old Sinking Fund, 1910-11 issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..	..
Balances in Exchequer—					
Bank of England	1,959,911	1,962,555	693,871	55,678	..
Bank of Ireland	1,619,272	2,047,831	186,000	111,172	..
Total	3,579,183	4,010,386	877,871	55,494	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.
Treasury, August 20, 1923.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 22, 1923.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
145,567,330		11,015,100	
		Other securities	8,734,900
		Gold coin and bullion	125,817,330
145,567,330			145,567,330

BANKING DEPARTMENT.

Proprietors' capital	£	Government securities	£
14,553,000		46,455,601	
Reserve	3,542,272	Other securities	70,052,667
Public deposits	15,325,258	Notes	21,290,510
Other deposits	106,197,257	Gold and silver coin	1,825,946
Seven-day & other bills	6,937		
139,624,724			139,624,724

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

	Amount, Aug. 22, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best	3,542,272	+ 18,079	+ 34,791
Public deposits	15,325,258	+ 4,908,419	+ 3,132,637
Other deposits	106,197,257	+ 2,823,543	+ 700,767
Government securities	46,455,601	+ 620,000	+ 2,602,399
Other securities	70,052,667	+ 932,705	+ 5,710,436
Reserve	23,116,456	+ 551,033	+ 702,812
Notes in circulation	124,276,820	+ 552,010	+ 823,180
Gold and silver	125,817,330	+ 977	+ 225,972
% of reserve to liabilities	19%	+ 1%	+ 1%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
July 18, 1923.	127,637,077	125,786,150	122,733,837	119,111,229	21,600,727	18 1/4
Aug. 1, 1923.	127,640,308	125,717,465	122,733,837	119,111,229	21,600,727	18 1/4
Aug. 8, 1923.	127,640,308	125,717,465	122,733,837	119,111,229	21,600,727	18 1/4
Aug. 15, 1923.	127,640,308	125,717,465	122,733,837	119,111,229	21,600,727	18 1/4
Aug. 22, 1923.	127,640,308	125,717,465	122,733,837	119,111,229	21,600,727	18 1/4

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
January 1 to July 18, 1923.	18,324,599	871,003	1,579,257	20,774,859
July 25, 1923.	528,105	30,411	49,685	608,211
August 1, 1923.	607,802	30,806	49,685	688,272
August 8, 1923.	474,976	29,283	55,476	559,735
August 15, 1923.	533,899	27,825	52,033	613,757
August 22, 1923.	511,333	26,244	49,289	586,866
Total to date 1923.	20,980,714	1,015,572	1,835,414	23,831,700
Do 1922.	21,965,577	1,043,639	1,841,639	24,850,255
Increase or decrease in 1923.	- 984,863	- 27,715	- 6,225	- 1,018,803
	= 4 1/2 %	= 2 1/2 %	= 0 3/4 %	= 4 1/4 %
Total for year 1922.	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921.	30,268,214	1,660,166	3,002,179	34,930,559
Increase or decrease in 1922.	+ 2,512,421	- 85,505	- 196,014	+ 2,330,902
	= 8 1/2 %	= 5 1/2 %	= 6 1/2 %	= 6 1/2 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to August 18.			
BIRMINGHAM	73,075,930	76,401,800	+ 3,325,870
BRISTOL	47,129,000	38,680,000	- 8,449,000
DUBLIN	205,772,900	201,635,000	- 4,137,900
LIVERPOOL	36,272,200	35,840,900	- 431,300
LONDON	35,940,800	34,367,800	- 1,573,000
MANCHESTER	26,573,500	25,212,000	- 1,361,500
NEWCASTLE-ON-TYNE	276,616,600	288,456,000	+ 11,839,400
NOTTINGHAM	493,459,800	486,164,300	- 7,295,500
Sheffield	61,542,200	67,430,300	+ 5,888,100
SWANSEA	21,930,100	20,640,500	- 1,289,600
Wolverhampton	30,644,000	37,726,300	+ 7,082,300

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Canada and Roumania appeared in the *Economist* of July 21; Bulgaria and Lithuania in July 28; Greece, Denmark, and Estonia in August 11; Italy, Egypt, and Poland in August 18.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

Reserves.	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 3, 1923.	Aug. 18, 1922.
Total gold reserve	3,120,880	3,112,640	3,109,670	3,066,430
Legal tender notes and silver reserve	74,190	77,480	81,060	131,420
Bills discounted for member banks	801,440	823,100	806,440	382,490
Bills bought in open market	173,190	177,410	182,630	149,600
Government obligations owned	89,840	90,210	93,790	488,620
All other resources	66,910	66,680	66,540	66,600
LIABILITIES.				
Government deposits	30,040	21,910	41,580	32,940
Other deposits	1,872,390	1,882,860	1,902,970	1,814,030
Federal Reserve Notes in actual circulation	2,231,820	2,224,360	2,187,730	2,142,300
F.R.B. Notes in actual circulation	1,550	1,570	1,560	58,130
All other liabilities	18,660	18,510	17,900	21,710
Capital and surplus	328,260	328,040	327,870	321,380
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined	77.3%	77.3%	77.3%	80.2%

BANK OF FRANCE.—In francs (000's omitted).

Assets.	Aug. 23, 1923.	Aug. 16, 1923.	Aug. 9, 1923.	Aug. 2, 1923.	Position May 28, 1924.
Gold coin and bullion	5,537,942	5,537,912	5,537,892	5,531,080	3,730,825
Of which held abroad	1,864,345	1,864,345	1,864,345	1,948,367	..
Silver coin and bullion	4,416,802	4,416,802	4,416,802	4,416,802	..
Discount and advances	23,400,000	23,400,000	23,400,000	23,400,000	..
Advances to the State	37,111,555	37,265,406	37,426,071	36,050,884	5,811,875
Government deposits	12,424	14,787	16,971	27,597	183,700
Private deposits	2,004,271	1,952,044	2,011,125	2,111,317	846,960

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

LIABILITIES.	July 28, 1923.	July 21, 1923.	July 14, 1923.	July 7, 1923.	July 28, 1922.
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	11,009	11,042	11,291	12,049	6,427
Notes in circulation	5,061	5,352	5,514	5,760	5,555
Bankers' deposits	..	..	..	..	..
Assets.					
Gold coin and bullion	533	533	533	533	218
Gold certificates	10,092	10,091	10,091	10,091	8,927
Subsidiary coin	125	125	125	125	218
Discounts (foreign)	2,591	2,604	2,406	2,972	310
Do	488	547	603	691	..
British Govt. Treasury Bills	1,000	1,000	1,300	1,900	2,200
Loans and advances to the Government	2,350	2,600	2,850	2,600	..
Investments	17	17	17	17	1,000
Ratio of cash reserves to liabilities to public	66.8%	65.5%	63.9%	60.3%	78.6%

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Aug. 18, 1923.	Aug. 11, 1923.	Aug. 4, 1923.	July 28, 1923.	Position May 30, 1924.
Gold	2,525,789	2,525,779	2,525,772	2,525,769	2,521,413
Silver	661,160	660,992	663,265	666,678	646,264
Loans and discounts	2,089,990	2,126,447	2,109,701	2,053,329	2,133,034
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation	4,170,643	4,202,992	4,179,023	4,122,085	4,169,394
Deposits	1,054,980	1,063,983	1,043,564	1,023,938	1,161,442

BANK OF JAPAN.—In yen (000's omitted).

Assets.	July 21, 1923.	July 14, 1923.	July 7, 1923.	June 30, 1923.	July 22, 1922.	Position June 30, 1924.
Cash and bullion	1,105,060	1,103,403	1,102,710	1,100,882	1,283,602	821,320
Discounts	128,568	130,955	179,965	309,309	70,714	41,740
Advances	172,768	170,500	179,392	188,643	145,796	70,540
LIABILITIES.						
Notes	1,166,687	1,151,952	1,193,578	1,371,294	1,128,056	562,270
Govt. deposits	823,830	825,611	853,624	894,477	711,566	87,340
Other deposits	48,613	53,630	50,763	54,038	80,796	11,440

IMPERIAL BANK OF GERMANY.—In marks (000's omitted).

Assets.	Aug. 7, 1923.	July 31, 1923.	July 23, 1923.	Aug. 7, 1922.	Position May 30, 1924.
Gold and bullion	125,050,000	124,412,315	124,530,549	1,004,858	1,635,160
Treasury notes	2,668,526,000	3,987,474,460	3,444,803,902	16,598,678	943,460
Bills discounted	10,198,712,000	7,206,321,564	5,307,175,008	230,704,072	60,780
LIABILITIES.					
Notes in circulation	62,326,922,227	43,994,737,859	31,824,820,868	205,275,341	2,013,860
Deposits	38,043,513,000	27,857,076,807	20,402,161,387	44,056,158	842,340

† This total now includes token coin at its face value. \$ Gold.

RUSSIAN STATE BANK.—Note-Issuing Department.

(In chervonetz—000's omitted.)			
	Aug. 16, 1923.	Aug. 1, 1923.	July 16, 1923.
ASSETS.			
Gold in coin and bullion	6,982	6,140	5,431
Silver in bullion	73	74	74
Foreign bank notes	896	551	379
Drafts in sterling (less 10%)	401	397	394
Bills (less 10% discount)	4,995	4,113	2,975
Securities covering advances on goods (less 10%) ..	3,580	3,130	3,130
LIABILITIES.			

BANK OF LATVIA.—In gold francs (000's omitted).

	Aug. 15, 1923.	Aug. 8, 1923.	Aug. 1, 1923.	July 25, 1923.	July 18, 1923.	Nov. 22, 1922.
Assets.						
Total cash.....	15,282	14,899	14,886	13,554	12,506	3,085
Gold and precious metals.....	15,792	15,792	15,789	15,788	15,785	12,993
Of which held abroad.....	3,744	3,744	3,744	3,744	3,744	22,466
Foreign banks.....	59,155	59,537	58,972	55,868	54,886	9,551
Discounts and loans.....	21,904	21,315	20,965	20,241	19,846	4,005
Liabilities.						
Note circulation.....	23,000	23,000	23,000	23,000	23,000	8,000
Capital paid up.....	10,000	10,000	10,000	10,000	10,000	16,697
Government deposits.....	33,418	33,596	34,315	32,573	32,075	16,995
Other deposits.....	40,225	38,695	36,925	35,255	33,537	

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

	Aug. 15, 1923.	Aug. 8, 1923.	July 31, 1923.	July 22, 1923.	Aug. 15, 1922.
Assets.					
Gold.....	63,063	63,059	63,054	63,062	63,719
Other coin and notes.....	20,280	20,280	20,280	20,280	16,625
Foreign credits.....	345,622	349,936	350,237	278,435	280,932
Bills.....	1,224,945	1,218,630	1,210,145	1,198,765	989,841
Govt. advances.....	4,568,608	4,568,608	4,568,608	4,493,548	4,537,073
Liabilities.					
Notes in circulation.....	5,650,371	5,694,683	5,679,929	5,549,912	4,955,739
State credits.....	373,107	373,107	373,107	373,107	333,902
Deposits.....	541,238	531,481	649,344	608,817	549,799

LONDON RATES.

	Aug. 17, 1923.	Aug. 16, 1923.	Aug. 15, 1923.	Aug. 14, 1923.	Aug. 13, 1923.	Aug. 12, 1923.
Bank rate (changed from 3% July 5, 1923)	4 %	4 %	4 %	4 %	4 %	4 %
Market rates of discount—						
60 days' bankers' drafts.....	3 1/2 %	3 1/2 %	3 1/2 %	3 1/2 %	3 1/2 %	3 1/2 %
3 months' do.....	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %
4 months' do.....	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %
6 months' do.....	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %	3 1/4 %
Discount (Treasury Bills)—						
3 months'.....	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %
Loans—Day to day.....	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %
Short.....	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %
Deposit allowances: Banks.....	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %
Discount houses at call.....	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %
At notice.....	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %	2 1/2 %

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.		%	%	%	%	%	%
July	20.....	2 1/2	3 1/2	3 1/2	4	4	4 1/2
	27.....	2 1/2	3 1/2	3 1/2	4	4	4 1/2
Aug	3.....	2 1/2	3 1/2	3 1/2	4	4	4 1/2
	10.....	2 1/2	3 1/2	3 1/2	4	4	4 1/2
	17.....	2 1/2	3 1/2	3 1/2	4	4	4 1/2
	24.....	2 1/2	3 1/2	3 1/2	4	4	4 1/2

OVERSEAS BANK RATES.

Changed.			Changed.		
Amsterdam	July 18, 1922	.. 4	Madrid	Mar. 23, 1923	.. 5
Athens	Jan. 14, 1923	.. 7 1/2	Paris	Mar. 11, 1922	.. 5
Berlin	Aug. 2, 1923	.. 30	Prague	May 28, 1923	.. 4 1/2
Brussels	Jan. 22, 1923	.. 50	Rome	July 11, 1922	.. 4 1/2
Bucharest	Sept. 4, 1920	.. 6	Sofia	June 14, 1919	.. 4 1/2
Budapest	July 5, 1923	.. 18	Stockholm	July 1, 1922	.. 4 1/2
Calcutta	June 28, 1923	.. 4	Swiss Bank		
Christiania	May 1, 1923	.. 6	places	July 14, 1923	.. 4 1/2
Copenhagen	May 1, 1923	.. 6	Tokio	Nov. 18, 1919	.. 8
Helsingfors	Oct. 15, 1922	.. 8	Vienna	Sept. 2, 1922	.. 9
Lisbon	May 1, 1923	.. 8	Warsaw	Feb. 1, 1923	.. 12
New York Federal Reserve	Feb. 21, 1923	.. 4 1/2	Irish	July 5, 1923	.. 5

RATES OF EXCHANGE.

	London on	Usance	Par.	Aug. 25, 1922.	Aug. 17, 1923.	Aug. 24, 1923.
Paris.....	francs to £1	T.T.	25-22 1/2	58-60-65	82-90-85-00	81-02-07
Berlin.....	marks to £1	T.T.	24-05	8100-8400	147,000,000	152,000,000
Vienna.....	krone to £1	T.T.	24-05	40000	120,000,000	120,000,000
Prague.....	krone to £1	T.T.	24-05	125-128	156-158	156-158
Warsaw.....	zlotys to £1	T.T.	20-43	40,000	110,000,000	110,000,000
Bukarest.....	lei to £1	T.T.	25-22 1/2	530-570	1,100-1,125	1010-1015
Budapest.....	kr. to £1	T.T.	24-02	7500	75,000,000	75,000,000
Constantinople.....	piastres to £1	T.T.	110	760-775	820-840	835-855
Sofia.....	levas to £1	T.T.	25-22 1/2	750-800	520-560	500-550
Belgrade.....	dinas to £1	T.T.	25-22 1/2	360-370	420-445	425-445
Amsterdam.....	florin to £1	T.T.	18-107	11-44-45	11-59-60	11-57-58
Brussels.....	franc to £1	T.T.	25-22 1/2	61-75-85	103-90-104-10	101-00-10
Christiania.....	krone to £1	T.T.	18-159	26-05-10	27-77-82	27-90-95
Stockholm.....	krone to £1	T.T.	18-159	16-70-73	24-53-58	24-36-38
Copenhagen.....	krone to £1	T.T.	18-159	20-70-73	24-53-58	24-36-38
Helsingfors.....	F. marks to £1	T.T.	25-22 1/2	206-208	164-165	164-165
Reval.....	F. marks to £1	T.T.	25-22 1/2	1,150-1,600	1550-1600	
Riga.....	Lat. rub. to £1	T.T.	25-22 1/2	1,160-1,180	1150-1200	
Greece.....	drachmes to £1	T.T.	25-22 1/2	142-147	260-270	248-253
Italy.....	lire to £1	T.T.	25-22 1/2	102-102 1/2	106-108	105-108
Switzerland.....	franc to £1	T.T.	25-22 1/2	23-43-47	25-18-21	25-18-21
Madrid.....	pesetas to £1	T.T.	25-22 1/2	28-76-79	33-58-63	33-52-65
Lisbon.....	escudos to £1	T.T.	53-4	97-100	97-100	97-100
Alexandria.....	piastres to £1	T.T.	4-8 1/2	4-47-47 1/2	4-53-53 1/2	4-53-53 1/2
New York.....	dollars to £1	Cable	4-8 1/2	4-47-48	4-66-67	4-66-67
Montreal.....	dollars to £1	Cable	4-8 1/2	4-47-48	4-66-67	4-66-67
Buenos Ayres.....	pesos to £1	T.T.	47-62 1/2	43-44-45	39-39 1/2	38-38 1/2
Rio de Janeiro.....	pesos to £1	T.T.	47-62 1/2	43-44-45	39-39 1/2	38-38 1/2
Montevideo.....	pesos to £1	T.T.	47-62 1/2	43-44-45	39-39 1/2	38-38 1/2
Valparaiso.....	pesos to £1	T.T.	47-62 1/2	43-44-45	39-39 1/2	38-38 1/2
 Lima.....	soles to £1	T.T.	10-10	10-10	10-10	10-10
Calcutta.....	ster. to rupee	T.T.	10-10	10-10	10-10	10-10
Bombay.....	ster. to rupee	T.T.	10-10	10-10	10-10	10-10
Madras.....	ster. to rupee	T.T.	10-10	10-10	10-10	10-10
Hong Kong.....	ster. to dollar	T.T.	10-10	10-10	10-10	10-10
Shanghai.....	ster. to dollar	T.T.	10-10	10-10	10-10	10-10
Singapore.....	ster. to dollar	T.T.	10-10	10-10	10-10	10-10
Yokohama.....	ster. to yen	T.T.	10-10	10-10	10-10	10-10
Manila.....	ster. to dollar	T.T.	10-10	10-10	10-10	10-10
Mexico.....	pesos to dollar	T.T.	10-10	10-10	10-10	10-10

† Rate for previous day.

‡ Sellers.

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London on August 15th the following are the Moscow quotations for Tchervonetz:—

1615 Roubles 1923 issue to the Tchervonetz.
1560 " 1923 " " £ sterling.
338 " 1923 " " £ dollar.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Aug. 17, 1923.	July 19, 1923.	July 26, 1923.	Aug. 2, 1923.	Aug. 9, 1923.	Aug. 16, 1923.
Call money.....	3 1/2 %	5 %	5 %	5 %	4 1/2 %	4 1/2 %
Time money (90 days' mixed coll.)	4 1/2 %	5 1/2 %	5 1/2 %	5 1/2 %	5 1/2 %	5 1/2 %
Bank acceptances:—						
Members—eligible, 90 days.....	3 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %
Non-members—eligible, 90 days.....	3 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %
Ineligible, 90 days.....	3 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %	4 1/2 %
Commercial accept., 90 days.....	4 %	5 %	5 %	5 %	5 %	5 %

Rates of Exchange. New York on—

	Par Level.	Aug. 17, 1922.	Aug. 2, 1923.	Aug. 9, 1923.	Aug. 16, 1923.
London—					
80 days.....	Dollars for £1	4-8666	4-4650	4-5325	4-5312
Cable.....			4-4875	4-5688	4-5675
Cheques.....			4-4850	4-5663	4-5650
Paris.....	Cents for 1 franc	19-30	7-9460	5-6750	5-6750
Brussels.....	Cents for 1 franc	19-30	7-5450	4-59	4-59
Switzerland.....	Cents for 1 franc	19-30	19-10	17-88	18-29
Italy.....	Cents for 1 lire	19-30	4-5450	4-34	4-27
Berlin.....	Cents for 1 mark	23-83	0-0925	0-0001	0-00039
Vienna.....	Cents for 1 krone	20-26	15-56	14-11	13-79
Amsterdam.....	Cents for 1 guilder	40-96	39-00	39-32	39-32
Copenhagen.....	Cents for 1 kroner	26-80	17-42	18-25	18-35
Christiania.....	Cents for 1 kroner	26-80	26-49	26-62	26-69
Stockholm.....	Cents for 1 krona	26-80	17-42	18-25	18-35
Athens.....	Cents for 1 drachma	19-30	3-20	1-75	1-75
Montreal.....	Cents for Can. \$1	100	99-9375	100	97-73
Tokyo.....	Cents for 1 yen	49-85	47-75	48-75	48-93
Hong Kong.....	Cents for H. Kong \$	..	57-96	51-85	51-85
Shanghai.....	Cents for 1 Shing. taal	..	77-50	69-60	69-60
Calcutta.....	Cents for 1 rupee	..	29-15	30-50	30-50
Buenos Aires.....	Gold pesos for \$100	103-65	121-10	130-00	134-00
Rio de Janeiro.....	Cents for 1 milreis	32-42	13-35	10-25	10-05
Valparaiso.....	Cents for 1 peso	20-60	12-75	13-00	12-40

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.		Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires.....	Sucres to \$1	10-00	Sight London	Aug. 18	14-75
Venezuela.....	Bolivares to \$1	25-25	"	Aug. 22	24-60
Colombia (Bogota).....	Pesos to \$20	100	"	Aug. 6	97-00
Nicaragua.....	Cordobas to \$1	4-8665	"	July 28	4-85
San Salvador.....	Colonos to \$1	9-73	"	Aug. 18	9-45
Guatemala.....	Pesos to \$1	80-23	"	Aug. 18	284-00
Costa Rica.....	Colonos to \$1	10-45	"	Aug. 3	20-05
Bolivia.....	pesos to Boliviano	19-20	"	July 21	16 1/2

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From July 13, 1923.	From July 11, 1923.
London on South Africa.		
Buying.....		
Selling.....		
South Africa on London.		
Buying.....		
Selling.....		

	1 1/2 % prem.	1 1/2 % dis.	8 1/2 % dis.
T.T. Demand.....	1 1/2 %	1 1/2 %	8 1/2 %
30 days.....	1 1/2 %	1 1/2 %	8 1/2 %
60 days.....	1 1/2 %	1 1/2 %	8 1/2 %
90 days.....	1 1/2 %	1 1/2 %	8 1/2 %
120 days.....	1 1/2 %	1 1/2 %	8 1/2 %

(a) No discount allowed on sales of T.T. or demand drafts under £100.

BRITISH BANK FOR FOREIGN TRADE state that because of the Continental situation and the slow recovery of Russia, the board does not recommend a dividend, but proposes applying £23,000 to writing down the value of investments and provision for bad debts, carrying forward £20,243. A dividend of 5 per cent. was paid of the previous year, being the first since 1914.

GLOSSOP GAS.—Directors recommend dividends on original £10 shares at rate of 10 per cent. per annum, on original £5 shares at rate of 10 per cent. per annum, on new £10 shares at rate of 7½ per cent. per annum, on "B" £10 shares at rate of 7½ per cent. per annum, and on "C" £10 shares at rate of 7 per cent. per annum, carrying forward £2,825.

HADFIELD, LIMITED.—It is announced that no interim dividend will be paid on the ordinary shares. For the year 1922 an interim dividend of 2½ per cent., free of tax, was paid.

INTERNATIONAL PAINT AND COMPOSITIONS COMPANY announce an interim dividend of 3 per cent. on the preference shares, but state that no interim dividend will be made on the ordinary shares. No interim dividend was paid on the ordinary shares last year, but at the end of the year a distribution of 3 per cent. was made.

LEEDS FORGE COMPANY announce that no dividend will be paid on the cumulative preference shares for the past half year.

PORTSEA ISLAND GAS LIGHT.—Directors recommend dividend for half-year at following rates per annum:—£15 per cent. on "A" and "B" shares, £12 per cent. on "C" shares, £10 per cent. on "D" and "E" shares, and £5 per cent. on 5 per cent. (maximum) stock, payable, less tax, Sept. 1st.

MOSE EMPIRES, LIMITED. state that the results are not such as to justify the board in paying a dividend on the ordinary shares of the company at this time.

Reports and Notices.

Messrs Read and Brigstock announce the removal of their offices from 5 Lothbury, E.C. 2, to larger premises at English House, 58 Gresham street, E.C. 2.

Mr William Murray and Mr Clive Latham Baillieu have accepted seats on the board of the New Zealand Loan and Mercantile Agency Company.

The Anglo-Scottish Trust, Limited, announces the removal of its offices from 5 Lothbury, E.C. 2, to English House, 58 Gresham street, E.C. 2.

GOVERNMENT STOCKS, &c.

GUATEMALA 4 PER CENT. EXTERNAL DEBT.—The Council of Foreign Bondholders have received the balance required to complete the service of the above debt for the year 1923-24.

VENEZUELA 3 PER CENT. DIPLOMATIC DEBT OF 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft for £4,390 15s 4½d, being the moiety of the second fortnightly instalment of the debt service payable to the council in respect of the half-year ending December 31, 1923.

MISCELLANEOUS.

MINERALS SEPARATION.—The report for the year ended December 31st last show an excess of expenditure over income of £18,812, due to the fact that large plants for the use of the company's coal cleaning and briquetting processes, and for the new ore reduction process, had not yet been in full operation, and further, to the fact that the general situation as regards the metal industries had shown very little improvement. Considerable progress, however, was made during the year, especially in regard to perfecting of the company's coal processes. The first plant for the new coal briquetting process was erected in France at Nantes by La Compagnie Francaise des Mines Powell Duffryn, and was put into operation last month. The results were excellent, and the advantages claimed for the new system have been completely substantiated. The progress of the business in Spain has continued, and several new installations for the use of the company's coal cleaning methods are being successfully operated. In regard to the South African business, before the end of the current year the results of the working of the process at the Modderfontein Deep Levels, Limited, may be available, and the directors are confident that the results obtained will induce other companies to take advantage of the saving of gold which the adoption of the process affords. In Northern Rhodesia, Copper fields of great value are being opened up under the company's auspices, in the development of which this company has a large interest. In the balance-sheet investments in Conversion Loan (at cost) stand at £301,571; National War bonds (at cost) £69,566; investments, £115,015; cash at bank and in hand, £3,517. The debit to profit and loss account for the year, through the refund of income-tax and appropriation fund adjustments, has been reduced to £5,898.

CALICO PRINTERS' ASSOCIATION, LIMITED.—After providing for corporation profits tax, £597,306 for maintenance, depreciation, repairs, renewals and upkeep, and £128,000 for debenture interest, the accounts for the year ended June 30, 1923, show a net profit of £800,408, which, with £237,371 brought forward from last year, makes the total to the credit of the profit and loss account £1,037,779. Out of this sum an interim dividend for the half-

year ended December 31, 1922, amounting to £75,402, has already been paid on the preference shares, leaving £962,177; the directors have resolved to recommend to the shareholders that £150,000 be placed to the credit of the reserve account, £150,000 to the credit of the reserve for equalisation of dividends, and £100,000 to the credit of the employees' benefit fund, and that a dividend be declared on the preference shares for the half-year ended June 30th last at the rate of 5 per cent. per annum (less income-tax), and on the ordinary shares for the year ended June 30th last a dividend at the rate of 10 per cent. per annum, together with a bonus of 2½ per cent. (both less income-tax), leaving the sum of £235,432 to be carried forward.

MINING OUTPUT STATISTICS FOR JULY, 1923.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Ozs.	Tons.	Ozs.	Ozs.	£	£
Hampton Celebration	512	..	..	..	..	400	..
Jumbo Tip-Top	1,269	..	..	..	383	..	276
Mexicoan Corporation	105,125	..	..	..	..	68,208	..
Oroya Links	3,230	..	..	..	..	19,181	..
Ouro Preto	7,700	..	..	..	..	11,045	..
Prestea	6,110	3,611	..	..	2,449	10,220	..

(a) Par value.

	Output.	Other Notes in Return.	
		Tons.	Ozs.
Tin.	Tons.		
Berenguela	25	..	..
Naraguta	50	..	..
South Bukuru	6	..	..
Coal.	Tons.		
Chislet	5,030	..	..
Witbank	67,008	..	..

BRITISH AUSTRALIAN BROKEN HILL.—For the fortnight ending Aug. 11th:—7,270 tons crude ore produced, 1,280 tons lead concentrates, containing 785 tons lead and 32,896 ozs silver; also 960 tons zinc concentrates, assaying 75 per cent. lead, 85 ozs silver per ton, and 45 per cent. zinc. 195 tons carbonates raised. One day's stoppage.

BROKEN HILL PROPRIETARY.—Report for four weeks ending August 15, 1923:—Iron and steel works.—Coke ovens: Produced 23,876 tons of coke. No. 2 blast furnace: Produced 9,693 tons of pig iron. No. 3 blast furnace: Produced 14,542 tons of pig iron. Open hearth: Produced 23,797 tons. Blooming mill: Produced 21,493 tons. Rail mill: Produced 12,615 tons. 18-inch mill: Produced 7,039 tons. 12-inch mill: Produced 2,573 tons. 8-inch mill: Produced 1,304 tons. Rod mill: Produced 4,999 tons. Steel foundry: Produced 651 tons of castings. Iron Knob: Shipped 33,789 tons. Broken Hill (underground): Position unchanged. Ore-dressing mills: Produced 187 tons of lead concentrates and 5,499 tons of slimes. Zinc separation plant: Produced 1,453 tons of zinc concentrates. Slimes flotation plant: Produced 1,805 tons of lead concentrates and 3,638 tons of zinc concentrates.

BROKEN HILL SOUTH.—For the six weeks ended Aug. 11th:—29,910 tons of crude ore and 11,261 tons of dump slime were treated, and produced 8,221 tons of lead concentrates, assaying 58 per cent. lead and 24 ozs silver per ton, also 4,008 tons of zinc concentrates, assaying 43 per cent.

BURMA CORPORATION.—During July, 19,207 tons of ore were mined. 21,370 tons of ore were milled in the treatment plant, producing 10,449 tons of lead concentrates. 11,615 tons of lead-bearing material were smelted in the blast furnaces, producing 4,339 tons hard lead for treatment in the refinery. Refinery products were 3,654 tons refined lead and 403,481 ozs refined silver. Tonnage milled includes retreatment 2,625 tons tailings. Of silver production 23,000 ozs were recovered from treatment of copper matte. Experimental zinc plant produced 924 tons zinc concentrate, assaying 83 ozs silver, 54 per cent. lead, 47 per cent. zinc. In addition to the above, 200 tons antimonial lead were sold and shipped, and 250 tons copper matte produced ready for shipment from the treatment of accumulated smelter by-products.

SULPHIDE CORPORATION.—During the four weeks ended on July 28, 1923, 3,705 tons of ore and 822 tons of slimes were milled at the Central Mine, producing 841 tons of lead concentrates (including 112 tons from the de-leading plant), which assayed 46 ozs silver, 68 per cent. lead, together with 1,400 tons zinc concentrates, assaying 13 ozs silver, 6 per cent. lead, and 47 per cent. zinc per ton.

ZINC CORPORATION.—July:—Lead concentrator treated 15,257 tons of ore, producing 3,397 tons of lead concentrates, assaying 63.3 per cent. lead and 4,940 tons of zinc middlings.

ANALYSIS OF BALANCE-SHEETS.

AFRICAN AND EASTERN TRADE CORPORATION.

December 31, 1922.			
LIABILITIES.	Compared with Dec. 31, 1921.	ASSETS.	Compared with Dec. 31, 1921.
Amount.	£	Amount.	£
6% cum. "A"	300,000 ..	Factory build- ings, &c.	1,021,448 .. + 48,599
6% cum. "B" .....	.. ..	Property	501,725 .. + 114,328
pref.	2,599,933 ..	Office furniture ..	8,368 .. + 6,137
Ord. shares	5,560,369 ..	Stock of goods, &c.	1,969,899 .. + 23,990
Acceptances	788,148 .. + 470,454	Shipments in transit outward ..	137,584 .. + 61,353
Sundry creditors ..	2,118,815 ..	Produce in trans- it ..	.. ..
Advances by bank- ers	nil ..	and in store	264,310 .. + 9,043
Allied cos.	378,454 .. + 239,030	Sundry debtors ..	1,845,108 .. + 1,046,201
Depreciation fund ..	290,696 .. + 27,502	Cash and bills	277,110 .. + 117,851
Insurance fund	256,943 .. + 10,674	Investments	6,720,306 .. + 184,656
General reserve	2,000,000 .. + 1,220,000		
Profit and loss	452,456 .. + 411,463		
Total	12,745,858 ..	Total	12,745,858 ..

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Dis- tribution.	Appropriation.			Corresponding Period Last Year	
					Dividend.		Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.
					Prefce. Amount.	Ordinary. Amount. Rate.			
Breweries.		£	£	£	£	£	%	£	%
Kay's Atlas	June 30	26,948	15,579	42,527	2,995	11,816	12½	27,716	18,939 12½
Gas.									
Barnet District Gas and Water ..	June 30*	18,758	23,403	42,161	..	12,619	..	24,542	10,263 ..
Gloucester Gas Light	June 30*	17,502	6,244	23,746	..	4,731	5	19,015	5,796 5
Leatherhead	June 30	568	4,282	4,850	..	2,525	7½	2,325	4,257 6½
Wolverhampton	June 30*	43,213	24,813	68,026	1,113	5,729	5	12,357	48,827 5
Iron, Coal, and Steel.									
J. Stone	Dec. 31	128,755	155,875	284,630	27,000	60,040	10	50,000	147,590 ..
John Spencer	June 30	30,739	55,048	24,309	3,319	..	..	27,628	.. ..
Walter Scott	June 30	2,225	67,674	69,899	36,000	6,875	2½	21,931	5,093
Rubber, &c.									
Port Dickson-Lukut (F.M.S.)	Mar. 31	5,481	12,549	18,030	..	12,323	5	..	5,707 5,917 ..
Textiles.									
Copestake, Crampton	June 30	Dr 33431	37,380	3,949	..	..	..	3,949	19,220 ..
Teotal, Broadhurst, Lee	June 30	34,972	145,924	180,896	15,125	62,347	10	50,000	53,424 160,790 10
Trusts.									
Glasgow American	June 30	628	9,153	9,781	2,721	4,082	7½	1,500	1,478 7,981 7½
Hampstead Garden Suburb	Mar. 31	560	596	1,156	..	..	..	500	656 994 ..
Waterworks.									
Luton	June 30*	8,939	3,962	12,901	..	3,474	4	..	9,427 5,805 4
Wrexham and East Denbighshire	June 30	5,479	7,987	13,426	5,479	4,675	4 9	15	3,257 6,471 4 9
Other Companies.									
Aberdeen University Press	June 30	1,740	766	2,506	893	919	12	..	694 1,896 12
African & Eastern Trade Corp'n ..	Dec. 31	41,003	539,774	580,777	128,322	210,061	8	..	242,394
Charles Roberts	June 30	124	138,130	138,254	..	63,883	10½	60,000	14,371
Minerals Separation	Dec. 31	12,914	Dr 18,812	Dr 5,898	..	..	..	..	5,898 3,129 ..
Wolseley Sheep Shearing Machine	Dec. 31	12,197	Dr 2,790	9,407	..	..	..	..	9,407

* Half-year.

† Free of tax.

‡ Four years ended June 30th.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Although weather conditions have been rather unsettled, harvest- ing operations made fair progress in Southern localities, but in the North and West rains retarded the ripening of cereal crops. So far new crop wheat shows excellent quality, and average yields are anticipated in most districts. Winter oats are also favourably mentioned both as regards quality and weight. General course of trade was again on a limited scale, while hampered by the question of delivery, but with the settlement of the dock strike, conditions should become normal during next week. English wheat of the new crop is somewhat sparingly offered, and rates firm at 40s to 41s 6d per 4½ cwt, free on rail. Imported some- what irregular, but forward quotations ruled firm in sympathy with higher c.i.f. offers. No. 1 Northern Manitoba arrived quoted 47s 9d, Australian 47s, choice white Karachi 43s, Rosafe 62½ lbs 44s 6d, all ex ship, terms per 496 lbs. The cargo section displayed more activity, and the following changed hands:—Wheat: Rosafe, 62½ lbs August shipment 41s to 41s 6d, early September 41s 4½d, and No. 1 Northern Manitoba afloat 46s 3d per 480 lbs. Maize: Steamers of La Plata afloat sold 32s 6d to 32s 9d, early September 32s 1½d, September-October 32s 4½d to 32s 6d. No. 6 yellow African mid-September 31s 10½d, September-October 31s 10½d to 32s 4½d per 480 lbs. Barley: Dan-Bess-Kustendji August-Sep- tember 10th, sold 25s 6d per 400 lbs. Flour in good request, but home milled reduced by 1s per sack. London standard straight run quoted at 38s, patents 40s to 41s, town households 36s per sack delivered. Country straights 31s delivered to London stations. Imported firm and sparingly offered. Manitoba patents range from 37s to 41s 6d, Minneapolis good patents 40s 6d, Australian 36s to 37s, and soft winters 36s to 39s, all per 280 lbs, ex store. Barley: English steady, and malting descriptions range from 40s to 49s, and feeding sorts 28s to 35s per 4 cwt, free on rail. Imported maintained. Californian 40s to 42s, Chilean brewing 39s to 42s as to sample per 448 lbs landed terms. Persian 24s 9d, No. 4 Canadian Western 25s 9d, American malting 48 lbs 25s 9d all ex ship. Danubian 28s, Karachi 26s 6d, both landed per 400 lbs. Maize firm to arrive, but landed parcels easier. Plate ex ship 33s, ditto landed 34s 6d, No. 2 white flat African 34s, No. 6 yellow 33s ex ship, all per 480 lbs. Oats: English firm at 21s 6d to 20s per 3 cwt, free on rail as to sample. Imported firm for arrival, but landed easy. Plate ex ship 21s 6d, ditto landed 22s 9d, No. 2 Canadian Western ex ship 25s 6d, ditto landed 27s, No. 3 ditto ex ship 25s, landed 26s 6d, No. 1 Canadian feed ex ship 24s, No. 2 ditto ex ship 23s 6d, New Zealand A grade 38s, ditto B grade 37s, both landed all per 320 lbs. Oatmeal easier. London made all cwt, quoted 18s, whole groats, also rolled oats 18s, flaked oats 18s 6d ex mill. Ordinary Scottish oatmeal 20s to 21s, and American all cwt 17s to 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to Aug. 18	Cwts. 67,932	Cwts. 63,291	Cwts. 368,335	Cwts. 17,950
49 weeks to Aug. 18	16,968,864	16,139,996	12,877,021	10,826,761
Average price of English wheat per	s d	s d	s d	s d
cwt.	9 8	12 3	15 7	21 1½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Aug. 11	35,301	9,108	11,474	11 2	8 0	9 6
18	67,932	9,524	43,629	9 8	8 3	8 7
1919	39,343	17,246	28,211	17 2	23 4	22 3
1920	17,943	8,486	28,439	21 1	21 9	20 9
1921	368,336	40,146	60,366	15 7	15 9	11 6
1922	63,291	7,368	15,798	12 3	12 10	11 6

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent writes, on August 23rd, as follows:—Pig-iron: Owing to the local holidays, there has been no market this week, and very little, if any, new business has been transacted. No. 3 Cleveland G.M.B. is to-day quoted 101s per ton, whilst East Coast hematite mixed numbers are obtainable at 98s 6d per ton, with No. 1 at 99s per ton. Manufactured iron and steel: The steel works in this district have been idle all this week, on account of the holidays, but will restart on Monday next. Prices remain at last week's levels. Steel ship plates, £10; steel ship angles, £9 10s; iron bars, £12; steel rails, £9 10s. Iron ore: There has been no new business in ore, and the nominal price of best rubio is unchanged at 23s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—Steelmakers, who by hold- ing off the market, have forced down the prices of hematite pig, are now somewhat perturbed by the damping down of a number of blast furnaces engaged on that material, as it may involve the raising of quotations. Having little bought, they are now putting out enquiries for considerable parcels. Whether this step will lead to a revival of buying is, however, uncertain, as there is still an absence of substantial business in crude steel. The stocktaking at the end of June yielded unsatisfactory results at most of the steel works, and an unremunerative year appears to be in store for many firms. In the crucible steel trade business continues on a very restricted scale, with practically nothing selling to the Continent. A few of the small firms which are conducted on up-to-date lines, and well managed, are contriving to work at a profit. A feature of the coal trade is the growth of stocks of small fuel, particularly in Lancashire, although this remark does

not apply to coking and slacks, which is still in demand. Cobbles and nuts are also quiet, and the home consumption of steam coal has been declining for some time past. There is, however, a fair demand on export account. Very little house coal is selling. Having regard to the lessened demand, prices may be described as firm. Quotations per ton at pits are:—Best hand picked branch, 30s to 31s; best Barnsley Silkestone, 26s to 27s 6d; South Yorkshire steams, 21s to 22s; best Blythe steam, 22s 6d to 23s; best Tyne steam, 20s to 21s; rough slacks, 11s to 12s 6d; smalls, 7s to 9s.

Our Glasgow correspondent writes:—It is pointed out by experts that, given industrial peace at home and political peace on the Continent, there is considerable opportunity offering for ship-building expansion, chiefly because of the big break that has taken place of late in prices of fuel. A prominent shipbuilder says that two tons of coal are consumed in the making of one ton of steel, and that as coal for manufacturing purposes has declined by from 10s to 15s a ton, the gain to the consumer, on the basis stated, is between 20s and 30s a ton. Engineers and others interested argue that rate concessions should be made in their favour, but producers do not move, owing, it seems, to a want of confidence in the course of events on the Ruhr, their progress being veiled in obscurity. A large trade is passing in sheets (black and corrugated) for export to Australia. There is a moderate turnover in Scotch pig-iron; 1,100 tons were despatched last week to the United States, and negotiations are afoot for the shipment of an additional quantity. Belgium firms are said to be offering plates here at £7 10s, but the sellers do not press the transactions. Home producers are asking £11 for steel bars, £10 for channels, £13 to £14 for boiler plates, £12 to £12 10s for hoops, and £9 5s to £9 10s for heavy rails. Tube makers are busy, and so are bolt, nut, and rivet makers.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says: The market still presents a somewhat slack appearance, due to the break caused by the prolonged holidays and the general apathy of buyers. The demand for wool on export account has been quieter, but values are firm all round; indeed, most holders are now inclined to ask higher prices for the comparatively small stocks unsold. The belief is fairly general that wool values at the September auctions in London will be maintained, or even advanced, compared with the rates ruling at the last series, and there is evidently a desire to wait for a lead before undertaking new commitments. Home-grown wools are also selling remarkably well, and prices being paid at the auctions are well above the ideas of Bradford users. For example, Cheviot hogs were making round 22d at Edinburgh this week, a price of little use in Bradford at the present time. However, there is a strong feeling of confidence in the future of wool values, and no doubt a good deal of speculative buying is being indulged in by those who hope to see a profit later in the season. In the West Riding, however, trade is disappointing, users showing a marked disinclination to do anything further than just carry on with their current requirements. Forward buying is out of favour, though at to-day's prices of tops and yarns one might be tempted to operate on the strength of the wool position. There is so much uncertainty regarding developments on the Continent, however, that most firms prefer to play for safety, and business is accordingly confined within narrow limits. Quotations for tops and yarns do not show much change, but they are more or less nominal, and the actual price depends on the position of the seller. The piece goods trade remains quiet, with demand favouring the cheaper fabrics, especially woollens.

COLONIAL WOOL.

(FROM A SPECIAL CORRESPONDENT.)

According to information received from Australia by the last mail, the rains reported by cable at the end of June and early July were general, greatly relieving the anxiety of pastoralists regarding the future. Since then a fair amount of rain has fallen, and while we expect it will somewhat delay shearing, rain is never objected to, particularly in early spring. It should have a beneficial effect upon lambing, and also help to wash out of the grown fleece a fair amount of dust and earthy matter, which should be to the advantage of buyers when they go on their rounds of inspection and valuation. An adequate amount of rain in spring is beneficial for the sheep themselves, as well as to their fleeces and the pastures. All our information indicates that the clip will be smaller than last year. We see that the latest estimate of the shortage is 400,000 bales. We are not disposed to accept this, although it will no doubt have been made in good faith. We expect the figures will have been based upon the results of the shearing of early sheds, but later shearings will in all probability not show the great shrinkage in weight per head that is seen in the earlier shearings. All the same, we think there will be a decline of around 250,000 bales, possibly more, and pastoralists and Australian selling brokers are naturally optimistic regarding the outlook, feeling satisfied that high prices will continue to be forthcoming. That will depend a good deal upon the European political situation; in fact, developments in that direction will be the most potent influence upon raw material values in the near future. We should certainly have great faith in the future of wool values if there was the slightest improvement in the European situation,

but notes, interviews, and negotiations have not yet done anything to remove trading difficulties. Everyone knows that Germany in particular is in need of raw material, yet the depreciation of the mark makes one wonder how soon German currency will cease to be recognised, and sterling or dollar currency introduced.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—August 17, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	d	d	d	d	d	d	d	d	d	d	d	d
Georgia do.....	d	d	d	d	d	d	d	d	d	d	d	d
American.....	Ord	G O L M	Mid	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	G M M F
Brazilian.....	Mid	M F Fr	G F	Gd.	Fne	M F Fr	Gd.	Fne	M F Fr	Gd.	Fne	M F Fr
Pernam.....	1486	1536	1561	1586	1651	1195	1280	1350	642	757	927	
Parahyba, Rio Grande, &c.	1486	1536	1561	1586	1651	1195	1280	1350	642	757	927	
Macedo, &c.	1486	1536	1561	1586	1651	1195	1280	1350	642	757	927	
Mossoro, &c.	1486	1536	1561	1586	1651	1195	1280	1350	642	757	927	
Ceara.....	1486	1536	1561	1586	1651	1195	1280	1350	642	757	927	
Maranhão, &c.	1486	1536	1561	1586	1651	1195	1280	1350	642	757	927	
São Paulo.....	1461	1511	1561	1586	1651	1185	1265					
Egyptian.....	Fr.	G. F.	Fr.	Gd.	Fne	Fr.	G. F.	Gd.				
Upper.....	1570	1630	1650	1670	1695	1325	1400	1525		900	1200	
Sakellariadis.....	1550	1625	1645	1765	1865	1500	1725	2025				
Brown.....	1570	1630	1650	1695	1785	1375	1500	1700		900	1300	
Peruvian.....	M F Fr	G F	Gd.	Fne	M F Fr	Gd.	Fne	M F Fr				
Rough.....	1425	1525	1575	1575	1575	1250	1375			1000		
Moderately Rough.....	1511	1586	1636	1686	1736	1245	1420	1570		700	950	
Smooth.....	1511	1586	1636	1686	1736	1245	1420	1570		677	967	1092
Tangus.....	1511	1586	1636	1686	1736	1245	1420	1570				
Midland.....	1525	1575	1625	1675	1675	1150	1450					
West Indian, &c.	1475	1575	1650	1650	1650	1300				2300	2900	
Do Sea Island.....	1150	1300	1400	1500	1600	1100	1275	1475		625	825	1025
African, East, &c.	1486	1496	1506	1586	1651	1145	1220					
Do West.....	1486	1496	1506	1586	1651	1145	1220					
East Indian.....	G F	Fr.	Gd.	Fne	S'n	Fr.	Gd.	Fne				
Machine Ginned Surtee.....	1120	1160	1200	1240	1280	1065	1105	1185		730	755	805
Machine Ginned Broach.....	890	940	990	1040	1090	955	1005	1085		569	619	694
Machine Ginned Bhowanagar.....	900	950	1000	1050	1100	965	1015	1095		575	625	700
Machine Ginned Comra. No. 1.....	900	950	1000	1050	1100	965	1015	1095		575	625	700
Machine Ginned Comra. No. 2.....	900	950	1000	1050	1100	965	1015	1095		575	625	700
Machine Ginned Khandeish.....	1115	1155	1195	1235	1275	1075				635		
Machine Ginned Comptah.....	895	945	995	1045	1095	965	1015	1095		575	625	700
Machine Ginned Bengal.....	815	855	895	935	975	795	835	915		478	528	603
Machine Ginned Solade.....	1250	1290	1330	1370	1410	1235	1275			830	855	
Tinnivelly.....	1050	1090	1130	1170	1210	1010	1050			695	720	
Madras, Western.....	1255					1075				670		
Madras, Northern.....	1130					1035				695		
M.G. Coconada, Red.....												
China, Smyrna, &c.												



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MANCHESTER, August 23.

There has been no change in the conditions prevailing in the market during the past week. Numerous complaints have been met with from producers, and there is no doubt that there are great difficulties to be met with in arranging fresh contracts. The fluctuations in raw cotton rates have been very disturbing, and at the moment a most uncertain feeling prevails with regard to future developments. It would be almost impossible for more ups and downs to take place in raw material rates than at the moment. The report of more beneficial rains in Texas has been welcomed. Recent estimates being made indicate that the crop will be short of 11,000,000 bales, which is considered totally inadequate to meet the world's requirements. Lancashire is not at all pleased with the position, for it is realised that the yarn and cloth turnover will continue to be of small extent until it is possible to purchase raw material cheaper. Most producers of piece goods have had another poor week. A large percentage of the offers have had to be turned down. Current prices are distrusted, and a fall in values is expected in the autumn.

(I.) Comparative Statement of the Cotton Trade.

	Price, Aug. 23, 1923.	Previous Weeks in 1923.				
		Price, Aug. 16.	Price, Aug. 9.	Price, Aug. 2.	Price, July 26.	Price, July 19.
Raw Cotton—Fully Mid. American .. per lb	15.38	15.43	14.60	14.01	15.01	15.71
— Sakellariadis Fully Good Fair .. per lb	16.35	16.30	15.90	15.85	15.50	15.65
Yarns—32's twist .. per lb	21	21	20 1/2	20 1/2	21 1/2	22 1/2
— 40's twist .. per lb	21	21	20 1/2	20 1/2	21 1/2	22 1/2
— 60's twist (Egyptian) .. per lb	29	29	28 1/2	28 1/2	28	28 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	30	30	30	30	30	31
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	34	34	33	32	33	34
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	18	18	18	17	18	18
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs ..	16	16	16	16	16	16

(II.) Compared with Previous Years.

	Price, Aug. 23, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	15.38	12.88	9.68	23.22	19.74	26.03
— Sakellariadis Fully Good Fair .. per lb	16.35	18.00	16.00	66.00	30.00	30.19
Yarns—32's twist .. per lb	21	20 1/2	17 1/2	51 1/2	41 1/2	55 1/2
— 40's twist .. per lb	21	20 1/2	16 1/2	47 1/2	40 1/2	55 1/2
— 60's twist (Egyptian) .. per lb	29	28 1/2	29 1/2	90	61	65 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	30	30	30	80	60	70
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	34	32	29	67	58	67
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	18	18	17	46	35	40
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs ..	16	16	16	30	30	35

VEGETABLE OILS AND OILSEEDS.

Rather steadier conditions have ruled, and all round there is a better tone in the oils section. A good demand for linseed oil from the consuming trades, coupled with the buying of seed by crushers, contributed to a marked advance in value, spot oil advancing to £39 per ton naked, ex Hull mill. This level has been barely maintained, and business is not so active, but the undertone is firm. Linseed has rallied somewhat, and is dearer, but attention is still confined to the Indian crop, which is moving off moderately well. Old crop Plate, of which there is a large balance left for export, in contradiction of official estimates, is neglected so far as crushers in this country are concerned, but some speculative interest has been shown in the new crop, which will begin shipment in December or January.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

There was a decided weakness at the Bermondsey hide market on Thursday, although the best class of ox were steady. These made from 6 1/2d to 8 1/2d per lb, and seconds from 5 1/2d to 7d, slight declines of 1/2d in two classes being noted. Best cows were withdrawn, but seconds sold from 5 1/2d to 5 3/4d per lb. Best calf made from 5 1/4d to 11 1/2d, several declines of 1/2d to 3/4d being noted. Lambs sold from 2s 1d to 6s 6d, and pelts from 3s 7d to 6s each. The imported hide market is quiet, the only item of importance being a sale of a parcel of Argentine ox at \$37 1/2, and a few cows for Liverpool at 5 1/2d s.w. I hear, too, that about 16,000 Liebig hides have been sold at 8 1/2d, and 8d for Fray Bentos ordinaries. Dry River Plate hides are weaker, sales of B.A. Americanos having been made at 9 1/2d. Cables from New York report the Chicago packer hide market as easier, with heavy native steers selling at 14 cents, and light cows at 1 1/2 cents. Prices bid show from one to one and a-half cents below last figures.

The boot trade seems fairly well employed, although much more might be done if trade was really brisk. Makers of ladies' shoes and sports footwear appear to be the best off, as some Leicester makers have large orders on their books for football, golf and tennis shoes. The export trade seems improving, orders having come in even from the United States of late.

OVERSEAS PRODUCE MARKETS.

Mining Lane, Friday, August 24.

SUGAR.—A weaker tone characterised this market, and there was a fair inquiry for refined goods, chiefly British, as, from a grocery point of view, imported descriptions form but a poor selection. Messrs Tate and Lyle's cubes quoted 57s to 58s, as to quality; crushed, 55s; granulated, fine and coarse grain, 55s 1 1/2d; No. 1, 54s 10 1/2d; No. 2, also London, 54s 7 1/2d. Of imported, American, also fine Czecho granulated, spot, sold, 53s 6d. White Java, spot, sold, 49s to 50s, as to sample; ditto, float, 21s; and July-August, 20s 6d, c.f. and i., London. Raw refining kinds inactive, and more or less nominal. 150 tons Madras cane-jaggery, afloat, sold, 14s 3d, c.f. and i., London. Czecho granulated, November-December, quoted 21s 6d, f.o.b., Hamburg. Fine Dutch granulated, November-December, quoted 21s 6d, f.o.b., Amsterdam, and prompt, 27s 6d. Terminal market easier for near, but forward positions firmer. August delivery sold, 23s to 22s; September, 21s 9d to 21s 6d and 21s 9d; December, 20s 9d to 21s 6d and 21s 1 1/2d; March, 21s to 21s 7d to 21s 3d. Cuban stocks stand at 457,700 tons, against 513,200 at same time last year. Liquid glucose, spot, 30s 6d.

COFFEE.—The market continued quiet but generally steady, with main attention still centred upon the finer qualities. Nairobi, bold sizes, sold 78s to 86s; East India, bold Naidoodatum, 99s. Future delivery idle, and general position quiet nominal.

COCOA.—Market still very quiet, with but retail transactions with regard to spot parcels. Accra, F/F quality, November-January, sold, 30s 3d, f.o.b. terms.

TEA.—At resumption of Indian auctions, 24,830 packages were brought forward, and all the better liquoring descriptions experienced a ready sale at firm to occasionally dearer prices, while the commoner kinds sold fairly well at mostly steady values. 15,900 packages Ceylon were also submitted, the chief feature being strength of demand for all the finer grades, and which cleared at mostly 1 1/2d to 1d per lb advance, while common and medium appreciated 1/2d to 1d per lb. Java and Sumatra cleared readily at full to dearer rates. There is a good, steady demand for new season's China and Monings, sold, 10 1/2d to 1s; good Keumuns, 1s 4d to 1s 6d, with finer parcels 1s 8d to 2s per lb in bond.

RICE.—Recent quotations are maintained despite general quietness of demand owing to reserved offers on the part of shippers, and who are assisted by steady inquiries in local Burmese markets. Two stars, Rangoon, spot, quoted 13s 9d to 14s, with business in afloat lots at 12s 9d, c.f. and i. terms, London. Spanish selling moderately for shipment at recent lower rates, and Au. sub-September, steamer, sold, 18s 3d, c.f. and i., U.K. Siam and Saigon unaltered. Broken kinds meet with poor support. Madagascar butter beans nominal on spot, and shipment quoted 13s. Japanese peas quiet. Spot, 23s; September-October, 20s 3d per cwt.

SPICE.—Pepper is a steady but quiet market. Fair black Singapore, spot, quoted, 4d; October-December, London, standard, 3 1/2d; Aleppo, spot, 4 1/2d; Tellicherry, 4 1/2d; white Singapore, 5 1/2d; Muntok, 6d; ditto, October-December, London, standard, 5 1/2d; and f.a.q., to Continent, 5 1/2d. Ceylon, spot, 4 1/2d. Zanzibar cloves, spot, 1s 0 1/2d to 1s 1d; August-October, 1s 0 1/2d; October-December, 1s 0 1/2d. Tapioca market quiet. Fair Singapore flake, spot, 3 1/2d; fine Java, 4 1/2d per lb. Singapore, August-October, Havre, 25s 9d; fair Penang seed, spot, 28s; sago flour, September-November, value, 11s 7 1/2d. Desiccated coconut firm. Spot, halves, quoted, 38s 6d; July-August, sold, 38s; August-September, 38s; September-October, 38s 6d cwt. Ginger dull, at late rates. Nutmegs and mace quiet of sale.

JUTE.—Quiet and easier. First grade, August-September, Continent, sold, £21 10s to £21 2s 6d; September-October, £21 5s to £21 1s; October-November, £21. Lightning grade, August-September, £20; September-October, £19 15s; October-November, £19 15s ton. 10-oz Hessians, August-September, 25s; October-December, 23s 6d; 8-oz, August-September, 19s 3d; October-December, 19s 100 yards. A twills, August-September, 71s 6d; B, ditto, 63s; sugars, 75s; flour, 75s 6d; salts, 52s 6d per 100 bags.

HEMP.—Manila generally steady, but there is ample room for improvement in demand. J grade, August-October, sold, £30; K and L, £25 10s; M, £24 10s. African sisal, No. 1 Tanganyiki, afloat, quoted £36; and shipment, £36 per ton. Italian steady, unaltered, but quiet of sale.

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was still plentiful, and in the morning three months' bank bills were placed below 3 per cent. Later on, however, the tone was made slightly firmer by the Treasury Bill allotment.

	Aug. 31, 1923.	Aug. 24, 1923.	Aug. 17, 1923.	Aug. 10, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3 1/16	3 1/8	3 1/8	3 1/8	..

The Bank return showed an increase in the circulation, and a consequent decrease in the Reserve, of £327,000. Government and Other securities had between them declined by a million, and a million and a quarter had been added to Public deposits. Other deposits were thus 2½ millions lower. Currency notes outstanding were reduced this week by £1,699,000 to £285,069,400, which includes £1,454,000 for notes called in but not yet cancelled. The fiduciary issue is £234,165,400, or £36,018,400 below the maximum.

THE STOCK MARKETS.

The amount of business passing in the Stock markets this week has again been large for the time of year, and although some of it has been of a professional nature, there has been no small amount of genuine investment buying. The Græco-Italian friction has so far had little effect upon the gilt-edged market, but the foreign market has given way a little. War Loan and Conversion Loan have been strong, the latter rapidly recovering the amount of dividend deducted from the price on Tuesday. Home Rails scored a temporary advance in the middle of the week, but Argentine and Brazilian rails have been weak. There was considerable activity in tea and rubber shares, while bear repurchases have strengthened oil share prices. Industrials generally are quiet, and mining markets have been irregular, with occasional small spurts.

THE COMMODITY MARKETS.

A slightly better tone is discernible in the reports from the various commodity markets this week. Cumberland and Middlesbrough pig-iron has come in for more inquiry, and in Middlesbrough steel works have been started after ten days' inactivity. Our Sheffield correspondent, however, describes the situation there as critical, and wholesale stoppages are believed to be imminent. The best feature is railway steel, in which work is fairly steady. The Cardiff coal market is depressed, but tinplate business has appreciably improved. Bradford is awaiting with interest the September wool sales, at which it is expected that values will be maintained. Raw cotton prices have moved irregularly, but in Manchester there has been a more hopeful feeling, though prices are still a stumbling-block in the booking of foreign orders. In vegetable oils and oil-seeds recent price advances have been maintained, but leather prices have been weak and business quiet. Copper prices have been easy, but there has been more activity in lead with steady prices. There has been strong competition at the tea auctions, and prices have been fully maintained, and in the sugar market business has been steady. Wheat quotations have again given way a little.

FOREIGN EXCHANGES.

The foreign exchange market is still completely under the influence of the Reparation controversy, and rates are as uncertain as before. After a slight recovery at the end of last week, as the result of the announcement of Herr Hilferding's vigorous financial policy, the Mark continued to depreciate, and on Thursday slumped suddenly to 55,000,000. Yesterday morning, however, there was a recovery to about 50,000,000. These fantastic figures find their explanation in the last return of the Reichsbank, which shows that within one week's time the note circulation was almost doubled, while the figures for Government expenditure rose to 365 million marks between August 10th and 20th, as compared with 117 million during the preceding ten-day period. In the earlier part

of the week the Paris rate, as the result of slightly more optimistic views of a settlement, fell to 79.15. Since then, however, it has moved up again gradually to 80.70 yesterday morning, as compared with 81 a week ago. For Brussels the quotation has shown a decided recovery from 101 on the 24th to 95.10 on the 28th, partly on the expectation of the Belgian Note, partly on the conclusion of the loan from France, and partly through the operation of a more strict exchange control. Since then there has been a reaction again up to 98.90 yesterday morning. It is interesting to note that neither in Brussels nor in Paris has the loan been welcomed with unmixed satisfaction, Belgian opinion in part at least regretting this further obligation to follow the lead of France, while in Paris there are very reasonable enquiries how the Belgian exchange can be supported without unwelcome pressure on the Paris rate. In Paris forward rates are quoted unchanged at 4½ centimes per month above spot, in Brussels the rate has widened from 6 to 10 centimes per month above. Italy, after some slight improvement, has reacted sharply as the result of the controversy with Greece, and the lira stood yesterday at 106½, as compared with 105½ a week ago. Until Wednesday, when it rose again to \$4.55½, the dollar rate had shown a sagging tendency, and yesterday morning it again fell slightly to \$4.54½. On the whole, apart from unexpected political events, no further fall of any importance need be expected for the time being, although any decided move in favour of sterling is hardly yet due. At 1/16 cent per month over spot forward rates are unchanged. Among neutral rates Amsterdam has moved against us in sympathy with the dollar from 11.58½ to 11.56½. Spain, on a much better bank return, has improved from 33.85 to 33.72½. Switzerland has moved little, but at 25.20 is slightly more adverse than the quotation of 25.21 a week ago. In Northern Europe Stockholm, following the dollar, has moved down from 17.11 to 17.05, Christiania at 27.95 has depreciated slightly, and Copenhagen has moved up from 24.39 to 24.47. Helsingfors at 164½ is practically unchanged. In Central Europe Vienna remains stabilised at 325,000, Prague is unchanged at 154½, and Belgrade at 435, while Warsaw is very slightly better at 1,100,000. As was to be expected, the Athens rate has had a sharp move up to 260. Bucharest at 985 is rather better. In the East the rupee shows an improvement from 1s 3 3/4 to 1s 4 1/8, and Yokohama is also slightly dearer at 2s. 1 3/4. Silver has moved very slightly with some buying from China, and little on offer from the Continent. Hong Kong is 1d cheaper at 2s 3d, and Shanghai also 1d down at 3s 0½d. In South America Rio, after being lower, is now 5d, rather better than last week, Buenos Ayres has dropped away again from 38 25-32d to 38½d, Monte Video at 38d is 1d lower, and Valparaiso has depreciated from 37 to 36.60 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 25th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	5,900	From Revenue	13,011
Interest, &c., on Debt	327		
Sinking Fund	946		
Sundries	1,611		
Debt Reduction	4,080		
Added to Exchequer Balances ..	147		
	13,011		13,011

Revenue was about £1,000,000 below the corresponding period of last year at £13,010,900. The decline was primarily due to nothing coming in from Special Receipts, as against £834,500 in the corresponding period. Property and Income-tax yielded £4,225,000, and Super Tax £490,000, against a combined total of £5,048,000 a year ago. Excise produced £1,532,000, against £1,404,000, and Customs £3,100,000, against £3,114,000. Expenditure at £8,784,000 compares with £7,049,900 in the corresponding period of 1922. The week's operations reduced the National Debt by £4,080,000, and caused the following changes:—

	Min. £		Min. £
Public Departments	8,100	National Savings Certificates ..	950
Sundries	190	Treasury Bills	4,160
	8,290		4,210

The floating debt was reduced by £3,920,000 to £788,871,500.

FINANCIAL YEAR, 1923-24 (April 1 to August 25, 1923).

Total Expenditure ..	£ 303,474,763	Raised by Revenue ..	£ 306,190,264
Net Repayments	5,807,582	Decrease in Balances	3,092,081
Total	309,282,345	Total	309,282,345

ESTIMATES for YEAR 1923-24.

Ordinary Expenditure ..	£ 801,013,000	Ordinary Receipts ..	£ 778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the meetings of the following companies:—Bank of New Zealand, Amalgamated Press, Minerals Separation, and Vereeniging Estates. The chairman of the Bank of New Zealand made his customary survey of economic conditions in the Dominion, and at the meeting of the Amalgamated Press, Sir George Sutton gave some interesting advertising statistics. The speech of the chairman of Minerals Separation was devoted mainly to the subject of coal briquetting, which is one of the company's principal operations.

EUROPE'S NEW STORM-CLOUD.

Does the Belgian Note provide any hope of the dispersal of the clouds which hang over Western and Central Europe? Diplomats concentrating on this all-important question have had their attention rudely distracted this week by a sharp and menacing thunderclap from the Near East, that great gathering-ground of storms. This new storm threat is the more startling because, with the Lausanne Treaty at last signed, the world was beginning to weigh up the chances of a durable peace in the Near East resulting from a settlement which, while it satisfied no party entirely, offended no party vitally. Briefly stated, the story of the new European complication is as follows. While the Italian delegates on the International Frontier Commission were proceeding from Janina on Monday last to the section of the Græco-Albanian frontiers which was then in course of delimitation, their car was fired on by an armed band near Delsinaki, a Greek village some twelve miles from the actual frontier, and all its occupants were killed. On Wednesday the Italian Minister at Athens handed in a remarkably strong verbal note to the Greek Government, and demanded an answer within twenty-four hours. Full and official apologies; a solemn funeral ceremony attended by all the members of the Greek Government; a full salute of twenty-one guns to the Italian flag; an exhaustive inquiry to be made on the spot with the assistance of the Italian military attaché; capital punishment for all those found guilty; and an indemnity of 50 million lire—these were the six points which Signor Mussolini thought fit to impose on the Greek Government. On Thursday the Athens Government accepted the first two demands, and even declared their readiness to accord military honours to the Italian flag, but stated that the other demands infringed the sovereignty and the honour of the country.

Inevitably a parallel between the events of this week and the 1914 story of Serajevo, Austria, and Serbia, leaps to the mind. Fortunately, however, the parallel is far from being exact, and it is worth while to consider the chief elements in the present situation which distinguish it from that of July, 1914. First and foremost, the world has had an unprecedentedly bitter lesson of what may be meant by the "incalculable consequences" which arise from an incident of this kind, if it is allowed to develop. We cannot believe that even the dauntless heart of Signor Mussolini is really prepared to allow the world to face once again a menace of unlimited tragedy. Secondly, although we sympathise to the full with Italian horror and anger at the crime from which Italy has suffered, the crime is in essence one aimed at all the

Allied Powers, for it was visited upon one delegation of a mission sent by the Conference of Ambassadors of the Allied Powers. Thus, when the first burst of natural passion is past, we trust that Signor Mussolini will see the wisdom, both from the world point of view and from his own, of acting in consultation with his Allies, who are, technically at any rate, concerned directly with this incident, and who, through the Ambassadors' Conference, have already sent a strong Note to Greece. The principal difference, however, between the pre-war position and the present lies in the existence both of this Ambassadors' Conference and of the League of Nations, with its machinery designed to operate in precisely such a case as has now arisen. It has been frequently said that, had some such opportunity for rapid personal interchange of international views existed in 1914, the conflagration in the Near-East might have been localised, and even stamped out. Whether that was true of 1914 we shall never know. But we can hardly believe that, with all the consequences of the great war before their eyes, and with all the opportunities that exist to-day for international consultations and concerted international action for securing just retribution, the Italian Government will so precipitate matters as to apply a match to the powder-magazine of the Balkans before exhausting all peaceful methods of obtaining legitimate satisfaction. At the moment, it must be remembered, the degree of Greek responsibility, if any, for the crime remains unassessed. Italy's Allies will without question stand solid behind her claim for recompense up to the limits of justice, and have already demanded an inquiry into the affair. On a sympathetic British support of all reasonable demands, Italy should be the more disposed to rely, since in recent months a considerable degree of harmony has developed between the two Governments on the Ruhr and Reparation problems. Moreover, the prompt Greek acceptance of some of Italy's demands indicates a desire to accord such justice. Clearly this is a case for international investigation, and for the use of the new international machinery for securing justice while maintaining peace.

It is believed that Greece is about to appeal to the League. Will Italy agree to submit her case also? No doubt internal factors tempt Signor Mussolini to gain prestige by drastic action in tune with popular passion. In the long run, we believe, he would attain more durable credit both abroad and at home by tempering firmness with restraint, and by evincing a clear appreciation of his responsibility in averting those "incalculable consequences" which develop so rapidly when once the smouldering fires of the Near East are kindled, and which may so speedily pass beyond control. Thus, while the atmosphere is electric, and the situation more than a little critical, we refuse as yet, in spite of the mobilisation of the Italian fleet, to take the tragic view, or to surrender a confident hope that wisdom will overrule national indignation sufficiently to allow international machinery to get to work. In this hope we return, in the next article, to a consideration of the question posed in our opening sentence.

THE BELGIAN NOTE.

It is not easy to assess the value of the new elements which the Belgian Note has introduced into the interminable discussions of the Ruhr and Reparation problems. But this much may at any rate be said, that it is far from being a barren contribution, and that a comparison of the French Note with the Belgian results is an impression decidedly favourable to the latter. It is cleverly written; it is friendly; it contains one or two sound arguments (especially as regards priority), the force of which our Government might concede; it shows some willingness and ability to understand the British position, even where it cannot agree; and on one point, to which we shall return in a minute, opens up important possibilities. The keynote is struck in an early passage in which the revised British gross demand is appreciated as a considerable sacrifice—a conception which contrasts rather strikingly with the view of it expressed or implied by M.

Poincaré, who does not regard it as a concession. Then, again, the Note goes far towards meeting the British position on the question of material damage, and explicitly recognises lost shipping tonnage as legitimately falling within that category.

Before we come to the paragraph in the Note which we regard as the most important, there are one or two points which call for notice. The chief of these is the long reference to the priority question. The reference in the British Note to the question of Belgian priority "has produced," it is stated, "a most painful impression in Belgium." The question is therefore gone into in considerable detail, and the Belgian Government very forcibly shows that, so far from making no concessions at all, Belgium has, in fact, accepted numerous modifications of the Treaty arrangements which have affected in a very important way her priority claims. A section of the British Press has apparently read this passage as constituting an increased priority demand on the part of Belgium. That reading is neither fair nor correct. The Belgian demand of to-day represents a considerably lower figure than her original priority claim. And, it must be remembered, when "priority" was first granted, Brussels quite naturally regarded the word as expressing very much what we mean by the phrase "first mortgage." In private business, so Brussels might argue, the original claim of the holder of the first mortgage is not whittled down if the total value of the property, on which the mortgage is taken, happens to depreciate. So Belgian priority on German reparations, strictly speaking, should not in justice have been whittled down, because extravagant expectations of total German payments had to be modified. But, for reasons of political expediency, Belgium has as a matter of fact agreed to some writing down of her claims. Whether she might wisely have gone further in that direction is one on which the British and Belgian Governments may perhaps disagree. But, in our view, the British Government might achieve an initial step towards agreement by frankly admitting the general force of the argument on this point which the Belgian Note develops with considerable ability. From another point of view it was somewhat unfortunate that the British Government stated its inability to see any reason to modify the Spa percentages. For herein they are open to a charge of inconsistency, for the simple reason that they have themselves, in the case of the British claim, suggested departing from those percentages in certain circumstances.

We come now to the passage dealing with the Ruhr occupation. As was only to be expected, Belgium stands with France in upholding the legality of the occupation and in her determination not to evacuate in return for "mere promises." But this passage deserves very careful study, for it reveals a position essentially more hopeful than that of M. Poincaré. Here it is:—"The Belgian Government, therefore, could not admit that the intention should be imputed to it, even indirectly, of prolonging this occupation indefinitely, if not in perpetuity, or of refusing to examine the suggestion of the British Government relative to the putting into operation in Germany, under an inter-Allied supervision, of certain productive pledges, since the Belgian Government has received no precise information with regard to them, is ignorant of the nature and possible yield of those pledges, and sees itself compelled, in default of agreement between all the Allies on that point, to maintain the sole guarantee which it has taken." If that sentence is taken at face value, it indicates that Belgium is not unprepared to examine the substitution of "productive guarantees"—that is, of proper inter-Allied control with a view to securing Reparation payments, for the present régime in the Ruhr. The importance of this grows when it is taken in conjunction with the speech of the new German Chancellor. Elsewhere there is also a definite statement of willingness to modify the present form of occupation, should passive resistance cease. We do not wish to over-stress the importance of this passage; but it is, in any case, far more promising and helpful than M. Poincaré's blunt statement that the military occupation of the Ruhr will continue until Germany has paid all she owes.

The Belgian Note concludes by suggesting "that the problem has sufficiently advanced for amicable and dis-

creet conversations between the Allies' Ministers to take place, not, of course, in the form of a Conference properly so-called." In the light of the Belgian Note, we agree. The recent interchange of Notes has cleared the air, but its continuance promises little. On the other hand, the ground has obviously not been sufficiently cleared for a formal conference to have any hope of success. But, if our reading of the Belgian Note is correct, "amicable discreet conversations" might reveal more common ground than is supposed to exist between the British and Belgian viewpoints. The French Note suggested hopeless deadlock. The Belgian Note suggests a more favourable atmosphere, and at least some hopeful material to work on. The really important task for our Ministers at the moment is to cultivate this atmosphere, and reconnoitre the ground which appears might become common between London and Brussels. Possibly it is through the latter city that an approach to an agreed solution may at last be found. We trust that the British Government will concentrate on this new and faintly hopeful element in the position.

THE FEDERAL RESERVE SYSTEM.*

THIS is an important book, and perhaps no one in the world was better fitted to write it than Mr Parker Willis. For he saw the conception and the development of the Federal Reserve System from its earliest stages, having been appointed as expert to the House of Representatives Committee on Currency and Banking in 1912, and having served since under the Federal Reserve Board in more than one capacity.

The book covers the whole history of the system up to the present time. Of its vast length (1,528 pages, exclusive of the main appendices and index) more than one-third is devoted to a history of the passage of the Act. All is described in detail, the various alternative schemes that were put forward, the fluctuating fortunes of the measure ultimately selected, the different sources of opposition to it, the contributions made by individuals to its ultimate success. In particular, the importance of the personal initiative of President Wilson in insisting that a banking reform measure should be carried is forcibly brought out.

Many readers will find this part of the book too long. Nevertheless, it is a real advantage that the facts should be on record. Anyone who studies the Federal Reserve Act cannot fail to wonder what was the purpose in the minds of those who framed some of its provisions, and he will often find the solution in Mr Parker Willis's pages. Thereby he will gain a better understanding of the measure than could otherwise be obtained.

The second part of the book, occupying nearly 300 pages, deals with the organising of the system. Much of it is of rather limited interest, though it throws useful light on one or two questions, such as the friction between the governors of the Federal Reserve Banks (meeting in periodical conference) and the Federal Reserve Board. Some of the alternative schemes of 1913 would have included representatives of member banks on the central authority, but the Act left the central authority, the Board, to be composed exclusively of Presidential nominees. Except for the *ex officio* members, the Secretary of the Treasury and the Controller of the Currency, the members have a fixed tenure for a term of years, and have not hitherto had any pronounced political bias. Nevertheless, the views of the Board on the one hand and of the governors, who are practical bankers, on the other, have by no means always coincided, and the tendency has sometimes been for the governors to usurp some of the functions of the Board. Mr Parker Willis looks forward to a future reform of the constitution of the Board, possibly by giving the financial and banking community a share in the duty of making the appointments (p. 1,499).

It has been said at one time of the Papacy, at another of the Austro-Hungarian Empire, that if it did not

* "The Federal Reserve System." By H. Parker Willis. With an introduction by Hon. Carter Glass. (New York) The Ronald Press Company. \$10.

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exist it would have been necessary to invent it. The same might have been said of the Bank of England. One of these indispensables seems to have perished beyond all hope of re-invention. The problem of inventing a Papacy has not arisen in modern times. But the problem of creating a counterpart of the Bank of England arises in one country after another. In America, as elsewhere, it has been found extremely difficult to devise a balance of authorities capable of evolving and maintaining as wise a tradition as the chartered oligarchy, autocratic, incredible, but efficacious, by which credit is ultimately controlled in the City of London.

The third and remaining part of Mr Parker Willis's book gives us a history of the Federal Reserve system for the eight years that it has been in operation. The affairs here dealt with are of a wider and more living interest. The Federal Reserve system may be regarded primarily as a rediscounting machine, and that aspect of it is discussed at considerable length. Three chapters, which are devoted to Commercial Paper, Trade Acceptances, and Bank Acceptances, will be of interest to many English readers for the light they throw upon American credit machinery, and incidentally on the failure to establish a satisfactory practice in the use of acceptances.

Light is thrown also on the conception of an elastic currency, which played so considerable a part in the framing of the Federal Reserve Act. Mr Parker Willis regrets the disappearance of the original provision of the Act, which allowed Federal Reserve notes to be issued against nothing but commercial paper, not even against gold itself, though a 40 per cent. gold reserve had to be held, in addition to the 100 per cent. reserve of paper. As he points out, the provision was nullified from the beginning by the power given to any Federal Reserve bank by depositing gold to reduce its liability for outstanding notes and to receive back a corresponding amount of collateral. The amendment which permitted the issue of notes against gold merely put an end to the useless formality of thus buying back collateral.

But it is difficult to see the advantage that Mr Parker Willis anticipated from the provision which was thus evaded. To him, apparently, an elastic currency is one that is covered dollar for dollar by commercial paper. No doubt it is through the backing of commercial paper that the rediscount rate is made effective. But does the ideal of elasticity demand that the rediscounting authority have power to contract the currency down to nil? This cannot be what is in Mr Parker Willis's mind. For he contemplates Federal Reserve notes circulating alongside other forms of currency. When the Bill was being framed in 1913 the Secretary of the Treasury, Mr McAdoo, put forward an alternative scheme for withdrawing all gold certificates, greenbacks, and national bank notes, and substituting for them a uniform issue of "national currency notes" with a 50 per cent. gold backing. This proposal was rejected, apparently on the advice of Mr Parker Willis himself (pp. 203-4). On the other hand, he says (p. 1,523) that some such unification of the currency was hoped for from the Act.

It certainly would be a great reform, though it is difficult to see how it can be achieved without further legislation. The elasticity or inelasticity of the currency apparently depends on the choice of the public between the alternatives of using gold certificates, which require a 100 per cent. gold reserve, and Federal Reserve notes, which require no more than a 40 per cent. reserve. The public have no reason for preferring either medium to the other, and their choice is therefore entirely arbitrary and fortuitous. It might, indeed, be influenced by the banks, but who is to guide the action of 30,000 independent banks? This ridiculous position has not so much practical importance now that the Federal Reserve notes themselves are covered dollar for dollar with gold (with a margin left over against deposits). But it is very remarkable that Mr Parker Willis has not found room in his 1,500 pages to mention it.

Space would not allow us to refer to all the topics arising in Mr Parker Willis's very instructive history. One which has a very special interest at the present time is that of the rediscount rate.

We find that in 1919-20 the disastrous delay in raising the rediscount rate was due to the hesitation of the Federal Reserve Board and the Treasury, the governors of the banks being anxious to take this step. When he comes to the actual raising of the rate to 7 per cent. in June, 1920, and the tremendous reaction that followed, Mr Parker Willis hesitates what conclusion to draw. Some virtue he is willing to attribute to the rise in the rate, but he seems to be puzzled by the fact that the fall of prices preceded the contraction in the actual volume of credit outstanding. Here he seems to have been misled by the quantity theory in its crude form, and to have disregarded the all-important correction which needs to be made at a time of depression for the stagnation of balances or reduced rapidity of circulation. He does not realise that, when the volume of trade borrowing is affected by a change in the discount rate, there is an immediate reaction upon money incomes, which is independent of any change in the outstanding quantity of purchasing power.

It may be added that this book is well turned out, and, being printed on thin paper, is remarkably compact for its length. The index, however, is rather sketchy.

TEXTILE MACHINERY TRADE.

For the two years 1921 and 1922 our foreign trade in textile machinery enjoyed a boom which was remarkable in that it began just when the great slump in the country's general trade set in during the closing months of 1920. Rather more than two years ago the *Economist* called attention to the beginning of the boom, and it will now be interesting to take stock of the position and see how results compare with preceding years. Here is a general view of the foreign trade for the past 28 years:—

BRITISH EXPORTS AND IMPORTS OF TEXTILE MACHINERY.

5-year Averages.	British Exports.		Imports.	
	Tons.	1,000 £.	Tons.	1,000 £.
1895-99	..	6,406 ..	..	..
1900-04	..	5,036 ..	..	165†
1905-09	167,900 ..	7,485 ..	2,500 ..	180
1910-14	150,100 ..	7,097 ..	3,300 ..	250
1915-19	54,100 ..	4,803 ..	1,900 ..	339
Single Years.				
1919	65,920 ..	8,427 ..	3,166 ..	778
1920	63,314 ..	9,159 ..	4,091 ..	1,098
1921	157,044 ..	25,113 ..	2,949 ..	709
1922	155,156 ..	21,573 ..	2,386 ..	584

* Not recorded. † Four years to 1904.

It will be seen how disastrously the great war affected our exports, reducing them to about a third of their former tonnage. Previously, the best year for the trade had been 1908, when 190,560 tons were shipped, worth £8,829,000. The trade's worst recorded year, as far as volume of exports is concerned, was 1918, when the 36,531 tons shipped were worth £3,943,000.

There was some recovery in the two succeeding years, but it was not till the close of 1920 that the great upward bound began. Exports for the last three months of that year were :—

	Oct., 1920.	Nov., 1920.	Dec., 1920.
Tons	3,800 ..	9,900 ..	13,900
Value	£541,000 ..	1,600,000 ..	2,207,000

In two months exports had grown from a rate of 45,600 tons a year to that of 166,800 tons a year. And for two years thereafter the rate of exportation kept up remarkably well, as the above table shows. Whether 1922 must be looked upon as marking the end of the boom we shall see later.

It will, in any case, be interesting to see which countries have contributed most to the absorption of our great shipments of last year, and to note how their purchases compare with those of the pre-war year 1913—remembering that in 1922 prices were roughly three times what they were in 1913 :—

EXPORTS OF TEXTILE MACHINERY.

To—	1913.		1922	
	Tons.	1,000 £.	Tons.	1,000 £.
France	12,630 ..	736 ..	12,127 ..	2,044
Other European countries..	64,091 ..	3,354 ..	18,189 ..	2,919
British East Indies	76,721 ..	4,090 ..	30,316 ..	4,963
China and Hong-Kong	50,437 ..	2,001 ..	62,231 ..	7,980
Japan	3,382 ..	138 ..	19,797 ..	2,529
U.S.A.	19,688 ..	803 ..	22,765 ..	3,089
South America	3,939 ..	251 ..	7,042 ..	1,206
Australia	12,879 ..	531 ..	8,019 ..	929
Other countries	1,417 ..	64 ..	2,849 ..	440
	9,611 ..	404 ..	2,137 ..	437
	178,074 ..	8,282 ..	155,156 ..	21,573

It will be seen that in 1922 France took almost as great a quantity as in the pre-war year, at nearly three times the price. Other European countries, however, absorbed little more than a third of the pre-war quantities, and even the value was lower, despite the enormous rise of prices in the meantime.

Among the remaining countries, China and Hong-Kong stand out prominently with a jump from 3,382 to 19,797 tons—a six-fold increase in quantity, accompanied by an 18-fold increase in value, from £138,000 to £2,529,000. Japan, too, exceeded her pre-war quantities, while it is encouraging to note that even the United States purchased nearly double the 1913 quantity.

The outstanding position of India as a customer in this trade is remarkable. In 1922 she took over a third of the entire shipments, whether measured by volume or value. She has, of course, been a considerable purchaser of textile machinery from us for a generation past. But usually her share has been about a fourth of the exports. Here are the figures for three widely separated pre-war years and two post-war years :—

	India.	Other Countries.	Total.
£	£	£	£
1898	1,293,000 ..	5,335,000 ..	6,628,000
1908	2,025,000 ..	6,804,000 ..	8,829,000
1913	2,001,000 ..	6,281,000 ..	8,282,000
1921	8,867,000 ..	16,246,000 ..	25,113,000
1922	7,980,000 ..	13,593,000 ..	21,573,000

In view of these facts, it is somewhat surprising that the Lancashire cotton trade has not felt the effect more severely than it has yet done.

Even in the present year Indian purchases are keeping up tolerably well, but total shipments to overseas markets show a marked tendency to decline. France is taking less, but other countries in Europe are absorbing considerably more, so that business with Europe on the whole is better this year than last. But shipments to China and Hong-Kong have fallen off heavily—from 10,480 tons for the first seven months of last year to 4,489 for the same period this year. A few other countries show a similar tendency, and the net result this year has been as follows :—

1923.	Tons.	Value.
January	16,425 ..	2,035,313
February	12,450 ..	1,498,591
March	12,829 ..	1,554,504
April	11,915 ..	1,423,016
May	13,376 ..	1,534,668
June	10,012 ..	1,152,702
July	9,357 ..	1,029,415

The fall from 16,425 to 9,357 tons is striking, particularly when it is realised that in March last year exports were as high as 18,323 tons. In the year before the war monthly shipments averaged about 15,000 tons, so that we have witnessed so far this year a descent from slightly above the pre-war figures to a level markedly below them.

At the same time, prices have been shrinking. Exports in January last year averaged £148 per ton. In January this year they were worth £124 per ton, and in July had declined to little over £110 per ton. Nevertheless, even this latter price is seen to be tremendously high when contrasted with the average export value of 1913, which was but £46 per ton.

Taking a broad view of the results achieved to July this year, it looks as though the boom in the industry is decidedly on the wane. Still, there does not seem to be any ground for undue pessimism. Even if our shipments settle down at about 10,000 tons a month, that will be at the rate of 120,000 tons a year. This is nearly double the figures recorded for 1919 and 1920, though considerably below the pre-war years.

BRANCH SHOP COMPANIES.

In our issue of July 21st we reviewed the accounts of a number of companies engaged in retail trade in London, and now propose to supplement this with a brief survey of the reports of several retail companies whose business is run on somewhat different lines, namely, that of a large number of distributing centres with centralised management. Our list comprises eleven branch shop companies, including four grocery concerns, three drapers, and two men's outfitters. In most cases the latest reports refer to the year 1922, but in one or two instances come down to a later date. On the whole the results disclosed by the accounts are better than in the previous year, when the fall in commodity prices necessitated a severe writing down of book values. Only two companies, however, have raised their rate of dividend, while one has reduced it, as may be seen from the record below :—

	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922
Bobby and Co	%	%	%	%	%	%	%	%	%	%	%	%	%
Charles Baker and Co.	nil	5	7 1/2	6 1/2	3	7 1/2	8	8	12 1/2	25	10	5	12 1/2
Home and Colonial (A.)	nil	20	20	20	25	30	30	30	30	30	15	25	22 1/2
Hope Brothers	5 1/2	6	6	6	5	4	6	8	10	15	10	6	10
International Tea Stores	7	6	6	6	5	4	6	8	10	15	10	6	10
Lipton	6	6	6	6	5	4	6	8	10	15	10	6	10
Maynards	10	10	10	10	10	10	10	10	10	10	10	10	10
Maypole Dairy (Def.)	100	200	212 1/2	162 1/2	100	100	20	40	50	100	30	20	20
Parke's Drug Stores	nil	nil	nil	4	6 1/2	4	7	7 1/2	10	10	10	7 1/2	7 1/2
Pim Bros.	7	7	7	7	7	7	7	7	7	7	7	7	7
Plummer, Roddis	5	5	6	8	5	5	7 1/2	8	10	12	10	10	10

* Free of income-tax.

The only company to make a reduction is the Home and Colonial, but it should be mentioned that this concern two years ago raised its capital from £100,000 to £400,000, and the latest rate is considerably higher than that paid two years ago when the capital was first increased. The deferred capital of the Maypole Dairy was

also increased two years ago from £1,233,300 to £2,158,300. On the whole the dividend list is a fairly good one from the shareholders' point of view, considering general conditions during the past few years. Net profits also make quite a favourable showing, as may be seen from the summary below :—

	1913.	1916.	1917.	1918.	1919.	1920.	1921.	1922.
Bobby and Co.	19,456	30,058	23,595	32,249	51,136	44,400	52,900	75,704
Chas. Baker & Co.	17,634	16,967	14,990	21,207	97,314	16,954	3,047	10,651
Home & Colonial	179,486	256,877	226,156	235,650	249,230	267,023	309,875	341,969
Hope Brothers	41,553	51,780	58,171	64,353	116,043	67,552	37,173	76,487
Internat'l. Tea	132,733	140,889	206,741	156,831	240,974	251,581	305,020	366,717
Lipton	140,286	238,530	354,044	380,270	378,229	162,155	205,710	281,057
Maynards	10,716	26,512	43,332	80,468	148,427	86,508	54,250	41,046
Maypole Dairy	482,585	449,950	736,354	703,169	1,069,577	962,969	551,808	463,383
Parke's Dg. Sts.	4,326	5,159	6,675	12,234	15,979	7,383	6,613	7,730
Pim Bros.	18,366	27,726	29,472	23,445	34,725	27,449	Dr 6,377	13,330
Plummer, Roddis	20,787	22,635	20,351	22,111	36,887	16,852	21,878	26,674

* Eighteen months.

Only two companies show a decrease, namely, Maynards and Maypole Dairy. Both show a very heavy falling away in recent years. The aggregate profits for all the companies show an increase of £163,000, as compared with the previous year, but a decrease of £206,000 as compared with 1920. If the figures for the Maypole Dairy be excluded, however, a substantial increase over the 1920 figures is shown. The best record since the end of the war is that of the two grocery companies, the Home and Colonial and the International Tea Company's Stores. A substantial increase is also shown by Lipton's. At the annual meeting Sir Thomas Lipton mentioned that "working expenses have been lighter, particularly railway freights.....Following our usual policy of selling at the lowest possible prices, our rate of profit has been very small, and had we not been able to reduce our expenses of distribution, we could not have placed such satisfactory results before you." He also stated that the company's trade in the United Kingdom last year was larger than in any previous year, and there was again an increased tonnage in turnover. On the other hand, the further fall in values affected stocks, and "profits have been reduced accordingly." The Maypole Dairy report speaks of "severe" competition in some of the company's speciality goods. In the report of Bobby and Co. it is pointed out that the company's trading last year covers a much larger area than hitherto, and includes new businesses, with increase of capital, and though the total profit earned is greater in amount, the percentage of net profit is at a lower rate.

In the next table we show the main items of the balance-sheets :—

	Total Liabilities.	Reserves.	Leases, Property, &c.	Stock in Trade.	Goodwill.	Cash & Investments.
Bobby and Co.	£1,270,710	£50,000	£680,249	£282,350	£33,155	£5,001
Chas. Baker and Co.	481,658	25,560	103,819	272,589	40,000	25,447
Home and Colonial	2,976,640	566,885	690,512	902,095	374,240	932,916
Hope Brothers	992,164	100,000	215,546	387,018	250,000	61,718
International Tea	2,708,688	284,906	747,668	677,718	626,675	194,100
Lipton	5,362,188	427,893	2,209,337	1,266,867	?	495,718
Maynards	544,252	102,322	133,426	74,819	nil	245,719
Maypole Dairy	5,033,820	792,453	2,769,075	571,027	422,900	891,507
Parke's Drug Stores	140,795	26,243	12,073	58,049	12,151	16,233
Pim Bros.	463,672	65,000	*150,000	109,760	?	5,611
Plummer, Roddis	534,032	66,000	230,013	118,425	50,000	15,604

* Includes goodwill.

Except in the cases of Lipton's and Pim Brothers, goodwill is distinguished from the property item. Bobby and Co. have added £8,000 to goodwill, and freehold premises have also risen by £100,000, the company having added considerably to its freehold property, and it is stated that extensions are still in progress in several towns. The goodwill of the Home and Colonial Stores has been reduced by £297,000. The report explains that a revaluation of the company's plant, machinery, premises, &c., was made in 1921, and a large excess over book values was shown after adjustment of the depreciation reserves. A portion of this excess was utilised in writing down goodwill. The book value of leasehold properties has been increased from £366,700 to £690,600, while freehold properties and trading investments now stand at £311,900, as against £235,700 a year ago. The International Tea makes no reduction in goodwill, which stands at the rather high figure of £626,700, but freeholds have increased from £587,100 to £678,300. On this matter the chairman said at the meeting that "our freeholds have increased owing to the natural expansion

of our business.....and I would tell you, as I have told you before, that the bulk of these freeholds are worth a great deal more than they stand at in the balance-sheet—I daresay double, some of them." Stock-in-trade has been reduced further in every case except Bobby and Co., where there is an increase of £45,000, owing presumably to developments referred to above. Liptons have also made a revaluation of property, plant, &c., and a portion of the surplus disclosed has been applied in writing off the expenses of an issue of 9 per cent. preference shares, and depreciation of foreign currencies, and in writing down trade investments, a balance of £26,100 remaining being placed to the credit of a special reserve. Total reserves, however, are lower owing to the disappearance of an item of £100,000 for India and Ceylon reserve account, of which no mention is made in the latest report. The reserves of Chas. Baker and Co. show a drop of £50,000, but this is apparently largely a matter of bookkeeping, the leasehold redemption fund having been reduced by over £41,000, while the property item is £40,000 lower. In most other cases reserves have been increased, though the total in more than one instance still looks inadequate.

We conclude with a table of share prices and yields :—

Description.	Share.	Present Amount.	Price July 30, 1914.	Price July 31, 1920.	Price July 31, 1921.	Price July 31, 1922.	Price Aug. 1, 1923.	Present Yield.
Chas. Baker, 8% cum. pref.	£	70,000	5 1/2	5	4 1/2	4 1/2	4 1/2	8 1/2
Home & Col., 6% cum. pref.	£	900,000	5 1/2	5	4 1/2	4 1/2	4 1/2	8 1/2
Do 15% cum. pref.	£	250,000	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	17 1/2
Do 15% cum. ord.	£	250,000	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	17 1/2
Hope Bros.	£	300,000	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	12 1/2
Do 5% cum. pref.	£	300,000	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	12 1/2
Internat. Tea, 6% cum. pref.	£	600,000	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	17 1/2
Do 7% cum. "A" pref.	£	250,000	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	17 1/2
Lipton, Limited, Ord.	£	1,250,000	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	17 1/2
Maypole Dairy, def.	£	2,158,332	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	17 1/2
Pim Brothers	£	150,000	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	17 1/2
Plummer, Roddis	£	175,000	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	17 1/2

Prices do not show much variation from year to year, and are mostly very slightly higher than they were a year ago. Pim Bros. is an exception with a considerable decline, which seems rather difficult to explain in view of the increase in profits shown above. The yield on these shares, however, is still not unduly high. In fact, in view of the nature of the businesses undertaken by the companies under review, the range of yields is quite moderate. The outlook is obscure, but it can at least be said that it is not so black for retail concerns, trading in necessities, as it is for manufacturers and merchants depending upon foreign markets.

EUROPEAN TRADE POLICIES.

(BY A DUTCH CORRESPONDENT.)

A STUDY of the recent development and present tendencies of the trade and tariff policies of the leading Continental countries must necessarily lead—given the extreme complexity of the subject and the lack of generally adopted scientific systems—to different kinds of observations and conclusions. It might be deduced from a certain group of facts that the tendencies towards Protection, economic nationalism and isolation, which were the main characteristic features of the world trade policy in the post-war period, instead of diminishing are showing signs of growing strength and expansion. In several countries tariff revisions have been prepared, or have already been put into force, and in most cases they mean a higher tariff wall. The adoption of the system of double (maximum and minimum) tariffs, the application of "co-efficients" on import duties, the collection of the Customs duties on a gold basis by a growing number of countries, special measures of restriction taken even by countries which, such as Holland, till now declined to proceed to Protectionist measures, and last, but not least, the policy of narrow and aggressive egoism, with the menace of reprisals, leading to new tariff wars between different countries—these are indeed scarcely encouraging indications for a progress towards a sound international trade policy.

Even the programme and the aims of the International Tariff Conference, convened by the Economic Commission of the League of Nations, to be held in October next at Geneva, shows clearly that the expectations of the advocates of reforms and changes are very limited. The organisers of the said Conference do not intend to deal with the tariff systems, with the questions relative to Free-trade and Protection, and with the general financial and trade policy of the various Governments. The Conference will confine its activities to the formal questions connected with the application of the existing tariff systems, such as the quick publication of all laws, decrees, &c., relating to tariff matters, the procedure with regard to the import licences, and a number of other questions of a technical kind.

However, in recent months two important factors have made themselves felt, which seem to justify a somewhat less pessimistic view as to the outlook for international trade policy. The first of these factors is the very considerable extension which the system of trade agreements and commercial treaties between the different countries has undergone during the last few months, leading to a partial correction of the system of protective tariffs, and resulting in a mitigation of the adverse effects of these tariffs upon the international trade position. The second factor in question is the undoubtedly growing opposition to the exaggerated protective measures even in the leading Protectionist Continental countries, such as France and Italy, in which the Protectionists seemed during the last few years to be all powerful. A short review of the main features of the recent and actual position of the trade policy in the various countries of the European Continent will throw some light upon this double aspect of the present situation.

The French Government has been preparing a revision of the "nomenclature" of the customs tariff in conformity with the changed requirements of trade and industry, as well as some other changes in the tariff system. The Government intends to maintain the specific tariffs and to confine the collection of *ad valorem* duties to a very restricted number of articles, a policy which is supported by interested trade circles. It is, however, believed in French trade quarters that the present moment is still not ripe for a definite settlement of the tariff question, and a provisory solution is suggested, consisting in the application of "co-efficients" on the import duties, varying automatically in accordance with exchange movements. It is further considered advisable to follow the British, Canadian, and American example by granting a certain particular protection to the French key industries. The prospects of a general revision of the French trade policy in a liberal direction are rather poor, but, on the other hand, many commercial treaties and trade agreements have been concluded during the last twelve months, e.g., with Italy, Czechoslovakia, Finland, Canada, and recently with Belgium, in order to support an expansion of French foreign trade. The French Government has, however, recently proceeded to a step which was bound to result in a serious menace for important branches of the French export trade. In a recent speech, delivered at Montpellier, M. Chéron, the French Minister of Agriculture, has announced a forthcoming increase in the import duties on wine, in order to give a more effective protection to the French production, which is experiencing considerable difficulties in home and foreign markets. This statement included the probability of the denunciation of the *modus vivendi* with Portugal, and of the trade agreement with Spain, and consequently of a new tariff war with those countries. The *modus vivendi* with Portugal expired on June 15th last, and so far no agreement has been arrived at as to its prolongation. The provisory agreement with Spain expired in August, but the declarations of M. Chéron, above referred to, are considered by the Spanish Press as an indication of a forthcoming denunciation of the trade agreement between the countries, and stress is laid on the necessity of preparatory measures being taken by Spanish export industries for the eventuality of a new tariff war between Spain and France. Even if it proves possible to prevent the outbreak of such a war, these events show clearly that ultra-Protectionism results in continuous menace to the peaceful economic relations between different countries. The danger has

been realised in French trade quarters, and the projects of M. Chéron have been vigorously attacked at the recent meetings of several Chambers of Commerce, and of other important trade organisations.

Belgium has since the war abandoned her former comparatively liberal trade policy. The revision of the Belgian tariff means a further extension of the protective system, which initially has been mainly confined to an attempt to prevent dumping by depreciated exchange countries. Like France, Belgium faces the danger of a tariff war. The Belgian Government has lately notified the Czechoslovak Government that it intends to levy on nearly 30 commodities imported from Czechoslovakia the same import duties as in the case of the imports of these articles from Germany. This means an increase in the respective import duties on the Czechoslovak commodities in question of 100 per cent. The Belgian Government based this measure on the anti-dumping law of April 8, 1922, by virtue of which the tariff measures applied against Germany may be extended to other countries. From the Belgian side it has been pretended that the said measure of the Belgian Government is but a "représaille" necessitated by the alleged unfair treatment of Belgian industries by the Czechoslovak Government with regard to the import licences for manufactured commodities. The Czechoslovaks, however, deny the validity of this argument, and emphasise that the policy of the Belgian Government would be bound to lead, if maintained, to a serious conflict.

The trade policy of Italy has since the war shown growing Protectionist tendencies, which resulted in the Alessio Tariff of 1921. The opposition to the exaggerated Protectionist measures, which this tariff provoked, was initially very weak, but it has recently become more vigorous, as the adverse effects of Protectionism upon the price situation and upon the position of the Italian export trade became evident. The present Italian Government has already found it necessary to make some concessions to the change of public opinion regarding the tariff question. So far as Italian trade policy is concerned, the most important present issues are the question of the commercial treaties and the revision of the Customs tariff. As to the first point, it may be stated that the Italian Government has made serious attempts to fight the difficulties of the Italian export trade by means of concluding commercial treaties with foreign countries. The first of these treaties was that concluded with France on November 13th last, providing mutual tariff reductions and facilities. In January last a similar commercial treaty was concluded between Italy and Switzerland, containing special provisions regarding the partial abolition of the import restrictions in the trade between the two countries. An important event in the field of international trade policy has been the conclusion of a commercial treaty between Italy and Austria on April 27th last. The former provisional trade agreement between these countries has been replaced by a settlement based on the same principles as the modern commercial treaties concluded before the war. Mutual tariff reductions have been granted on a basis of reciprocity, and, although to a somewhat limited extent, the application of the clause of the most favoured nation has been granted.

Opposition to Protectionist trade policy is making itself felt more strongly in Italy. In the last few months this question has been several times discussed at meetings of both Chambers of the Italian Parliament. The advocates of Free-trade, including such leading economists as Einaudi, Loria, and Fortunato, urged the necessity of a revision of the Customs tariff, and have issued a manifesto against that tariff, which, in their opinion, is being applied in an unlawful manner, having become operative by virtue of a decree, and not having been approved by the Parliament. The opponents of Protectionism desire in the first place the restoration of the import duties on the former basis. So far as "exchange dumping" is concerned, the obligation of the payment of import duties on a gold basis applied against "depreciated exchange" countries would, in their opinion, be sufficient to prevent unfair competition. From a recent statement of the Italian Minister of Commerce, Signore Rossi, it may be deduced that the Italian Government desires to secure a kind of compromise. Generally speaking, it intends to maintain the Protectionist tariff system, but it

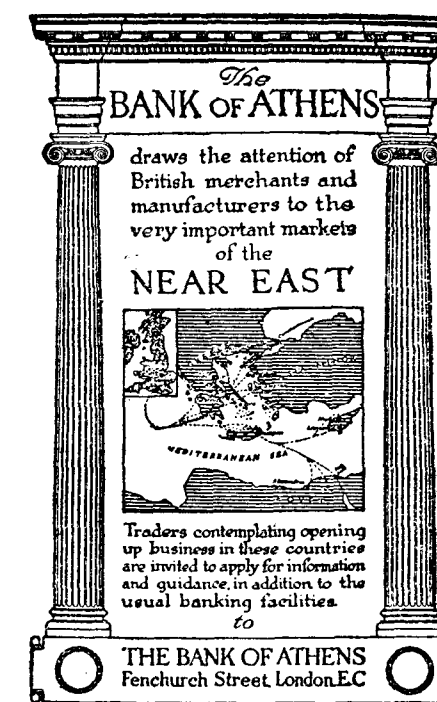
seems to be prepared to make some concessions to Free-trade by concluding commercial treaties with foreign countries and reducing the import duties on various commodities.

Austria is now negotiating with France with a view to concluding a commercial treaty, while similar negotiations are projected with Great Britain, Czechoslovakia, and Yugoslavia. On the other hand, even in Austria, growing Protectionist tendencies have been witnessed. It is reported that the Minister of Commerce intends to protect Austrian industries by means of a maximum tariff, while the farmers have declared that in that case they will insist on high import duties on foodstuffs and other farm products. At recent meetings of the big Austrian trade organisations, vigorous protests have been uttered against these plans, which are considered as a serious menace to Austrian trade.

So far as the tariff question in other European countries is concerned, it has lately been decided in Poland to increase considerably the "co-efficients" on the import duties. In Finland the Tariff Commission has recently published its report, which favours a double (maximum and minimum) tariff. It is proposed to increase the import duties for a number of articles, while in the case of other commodities some reductions have been proposed. Generally speaking, in most of the ex-neutral countries Protectionist tendencies are prevalent. In Switzerland the attempts to abolish the exaggerated Protectionist measures have failed; in Holland—the last bastion of Continental free trade—a law concerning the restriction of the imports of footwear has recently become operative; while in Denmark a considerable increase has recently been made in the import duties on footwear. Norway maintains her Protectionist trade policy, and the Storting has lately adopted an increase in the additional import duties on sugar and coffee to 10 per cent., and for other commodities to 20 or 33½ per cent.

Notes of the Week.

The New Chancellor.—The Prime Minister has at last been compelled to relinquish all hope of enjoying the services of Mr McKenna as Chancellor of the Exchequer, and has appointed in his stead Mr Neville Chamberlain. In the letter by which he communicated his decision to Mr Baldwin, Mr McKenna explained that he had not changed in his support of the Prime Minister's policies, but, for reasons of health, was unable to contest an election; and that, since the hope of obtaining an uncontested seat had been disappointed, he had no option but to abandon the idea of taking office. Thus the most striking coup in Mr Baldwin's Cabinet reorganisation has been thwarted by the efforts of the "Die-hards." The success of those efforts means a loss to the Government, and a loss to the nation, which would have liked to see a man of Mr McKenna's great financial experience and ability go to the Treasury at this difficult time. But we venture to think that the course events have taken will be more likely to conduce to Mr McKenna's happiness than the assumption of office. He will continue to play a very important part in the world of finance, and at the same time he will have preserved a line of retreat to his old radical faith (especially in the matter of free trade); whereas, had he taken office under Mr Baldwin, he might have found unpalatable some clauses of the Conservative philosophy to which he would have been expected to subscribe. Thus while the nation is the loser, we feel almost inclined to congratulate Mr McKenna, and we certainly congratulate the bank over which he will now continue to preside. Mr Neville Chamberlain, as Chancellor, is an experiment. Neither the City nor the general public has much knowledge of his views on the most important financial questions of the day. He has been in Parliament for only five years, and has held three offices, each for a comparatively short time. The first time, when at Mr Lloyd George's request he took up the post of Minister of National Service, he made little headway and quickly retired. The second time he became Postmaster-General under Mr Bonar Law, from which office he was moved to replace the luckless Sir Arthur Griffith Boscawen as Minister of



Health. In this latter office, which he now leaves for the Treasury, Mr Chamberlain has achieved rather striking success, for he took the helm at the Ministry of Health at a time when the public uproar over rent and housing policy threatened to submerge the Government, and cleverly steered his ship into calm waters. There are two remarkable points in connection with the appointment. One is that Mr Joseph Chamberlain's two sons have both climbed to the illustrious office which their more famous father never achieved. The other is that the Prime Minister, when disappointed of the services of a pronounced Free Trader as Chancellor, immediately confers the office upon one whose consistent devotion to the Protectionist faith has been beyond doubt. It is impossible to contemplate without some uneasiness the presence of a champion of Tariff Reform at the Exchequer. Nevertheless we hope that his success at the Ministry of Health is a good augury for sound administration at the Treasury. Mr Neville Chamberlain has to win his spurs at a difficult time, and the business community will eagerly watch his performance.

The Irish Elections.—Our Dublin correspondent writing on Thursday, says:—The results of the General Election of members of Dail Eireann are not yet complete. Proportional representation, coupled with adult suffrage and a large candidature, involves an enormous amount of labour in the original counting, and in the very numerous subsidiary counts the methods are new and complex, and possibly the requirements in the size of counting staffs have been somewhat underestimated. On general average about two-thirds of the electorate recorded their votes, which, having regard to the short time available and the virtual absence of canvassing and of arrangements for taking voters to the poll, is a very substantial if not heavy vote. The results so far available show the return of 40 Government candidates, 23 Republicans, 13 Independents, 9 Labour, and 8 Farmers' candidates, which is in substantial accord with the rough indications by way of forecast published in this column last week. The Government is certain of a renewed lease of power, and the cause of the Treaty, the Constitution, and national stability appears to be secure. The Ministers in general headed their respective polls, notably Mr Cosgrave, Mr O'Higgins, and General Mulcahy, who were primarily responsible for the firm handling of revolutionary republicanism. A notable feature is the marked setback suffered by Labour, which is due in part to public resentment at some of its strike activities, but much more to a tolerably obvious deal between revolutionary labour under Mr Jim Larkin and De Valera's faction. Mr Larkin thus was able to strike at Mr Thos. Johnson and the more responsible Labour leaders whom he desires to oust from control of

the movement, and at the same time do his best to assist the Republicans towards creating an amount of internal chaos which would provide a suitable atmosphere for that species of revolution against ordered governments' property generally that he appears to desire. The first counts indicated the likelihoods of a smaller number of Republican candidates being returned than is now probable. The partial recovery of the latter is due to the unfamiliarity of the average voter with the new system. In very numerous cases he failed to see why, if there were eight vacancies he should number his preferences for more than eight or ten candidates, and thereby forfeited a considerable amount of his voting power. On the later counts in this way there have been cases of minority candidates slipping in where the views of large majority of the voters was clearly indicated by the distribution of their first preferences. Mr Cosgrave, President of the Executive Council, who is fully satisfied with the general results as ascertainable up to date, left to-day for the Continent to head the delegation which is to represent Ireland at Geneva at the League of Nations meeting next week, when Ireland will be formally admitted as a member of that body. It is noteworthy that he and his colleagues will travel on passports issued by the Free State Government, and it is believed that they will be accorded an official reception in France on their arrival.

United States Navy Reduction.—Our Washington correspondent writes:—In accordance with the terms of the Five Power Treaty for limitation of armaments, which became effective on August 17th with the exchange of ratifications at the State Department by representatives of the signatory Powers, the Navy Department issued orders whereby 28 American capital ships, having an aggregate tonnage of approximately 750,000, will be dropped from the United States Navy. Ships to be scrapped by this Government comprise three groups. One group consists of battleships and battle-cruisers now under construction at Navy yards; the second group includes capital ships that are being built in private yards, while the third group consists of obsolete vessels already built. The Navy Department, Mr Roosevelt says, in an official statement, will start at once to scrap all ships other than those to be retained under provisions of the Treaty. Of such ships, eleven are now under construction. Seven of the latter are the battleships "Indiana," "South Dakota," "Montana," "North Carolina," "Michigan," "Iowa," and "Washington." The battle cruisers "Lexington" and "Saratoga," under provisions of the Treaty, will be converted into airplane carriers, while the other four battle-cruisers, namely, the "Constitution," the "United States," the "Constellation," and the "Ranger," will be scrapped immediately. The Department is taking no action at present to dispose of the "Delaware" and the "North Dakota," which are being used for midshipmen's practice cruises, since the Treaty does not require that those be disposed of until the "Colorado" and the "West Virginia" are put into commission. According to present plans, the "Delaware" will then be sold for scrapping and the "North Dakota" will be converted into a target ship. Shipbuilders who had new capital ships under construction, but stopped work on them at the time of the Washington Conference, have been asked by the Navy Department to submit estimates for the purchase of the hulks, which are to be reduced to scrap metal, as well as estimates for breaking up the ships in order that the Department may offer the scrap metal to other bidders. Capital ships that were being constructed in Government Navy yards will shortly be advertised for sale to the highest bidders, who in turn will be required to break them up into metal of scrap sizes. The old capital ships, enumerated in the Treaty, and which have been in commission, will be scrapped. The "Maine," "Missouri," "Ohio," and "Kentucky" have already been disposed of to junk dealers. According to Washington advices, the battleships "Virginia" and "New Jersey" will be used in air-bombing experiments by the Army Air Service, and will be sunk by airplane bombs. The "Washington" and "South Carolina" will also be used in submarine and air attacks, and if not sunk in such test will be scrapped.

Stock Exchange Atmosphere.—The man who follows Stock Exchange affairs with any degree of attention, writes a Stock Exchange correspondent, knows that it behoves him to catch, if he can, the "atmosphere" of the markets, because this atmosphere is likely to prove of very practical service in his Stock Exchange dealings. The client living in the country, glad to retain an intelligent interest in financial affairs, is the peculiar victim of the leather-lunged bucket-shop circular which shouts that the time is ripe to buy, let us say, Courtaulds, "for a quick and substantial rise." The prospect of getting a little extra excitement appeals to the prospective client, and he feels tempted to buy the shares simply for the sake of having a mild gamble in an active market, with its hum of lively interest, its spice of making a little money. But the market in Courtaulds may be quiet at the moment, with the prospect of little or no dramatic movement, with the atmosphere dull, uninteresting, useless to the speculator. Better, obviously, to wait for renewal of activity rather than for him to buy Courtaulds now, and carry them over from account to account in that rather hopeless fashion which leads to the creation of a stale bull account. The investor is quite differently situated. He has an advantage over the Stock Exchange man, in that he is not swayed by the look of the market at the moment, and when he considers such-and-such shares cheap, he can buy them without feeling, as the Houseman might do, that, by waiting, the shares might possibly come lower. The Stock Exchange member standing in the market hears men bidding for Rio Tintos as though their very lives depended upon the shares being obtained; others trying to buy Shells, Mexican Eagles, and Royal Dutch, as if to achieve a purchase were the sole aim of their existence. He hears, simultaneously, that the War Loan is better; and that the Cape is buying Modders. All these things work upon the psychology of the Stock Exchange man, and tend to throw his equilibrium out of balance. He is swayed, as he himself always admits, by the look of the market at the moment, than which there are few things more misleading when it comes to active speculation. As a prospective buyer or intending seller, he waits too long in either case. The client, detached from the scene and not expecting to get out either at the extreme top or in at the very lowest, acts upon his own judgment irrespective of what France may be reported as whispering on the Ruhr, or New York flirting-with in connection with the oil industry. The broker curses himself for being misled so often by this look of the market, and is too familiar with the request even to smile when a client asks him to watch the market, because he, the broker, must inevitably know what is going to happen. The Stock Exchange man does better, as a rule, for his clients with their own investments than he does with his own. In the matter of speculation, he probably loses quite as much as they do, if not more. The advantages of being on the spot are so correctly balanced by the handicaps that both may be reflected, to the observant eye, in the remarkably small number of Stock Exchange retirements which occur year by year on the part of men who have made sufficient to live on. This mysterious, misleading and invaluable "atmosphere" which plays so leading a part in the Stock Exchange markets it is always desirable to catch, so far as it can be obtained from a study of conditions as reported in the papers. The speculator, more particularly, will give heed to the description of whether business is good, slack, patchy, or stagnant, while the investor himself is quite likely to pick up a useful hint or two that shall serve as a guide to him in his decision of the time when it is best for him to buy or to sell.

Insurance of Passengers at Sea.—The Comité Maritime International, at its recent conference at Gothenburg, besides discussing a draft International Convention on the legal immunity of State-owned shipping, as mentioned in the *Economist* last week, turned its attention to a problem with which it has not hitherto dealt. This is the question whether it would be desirable to organise, by means of an International Convention, a scheme of compulsory insurance of passengers carried by sea. Insurance systems of this kind have, it appears, already

been established in some countries, and others may take similar steps. In order to prevent each country setting up its own system, differing from others, and involving shipowners in varying responsibilities, the suggestion was made that the matter should be placed upon a uniform international basis. There was, before the recent conference, some difference of opinion as to whether this proposal should be endorsed, but after discussion a resolution was adopted emphasising the desirability of the international adoption of a uniform system for the compulsory insurance of passengers in trans-ocean traffic. The problem is, however, one requiring detailed consideration, and the conference went no further than to agree on the principle, recommending that the matter should be further studied by a special committee which will report to the next conference, to be held, probably, at Genoa. All the English emigrant lines, it was stated, have come to the conclusion, after many years' experience, that the compulsory insurance of passengers is essential. Sir Norman Hill (who recently retired from the secretaryship of the Liverpool Steam Ship Owners' Association, after holding that position for 30 years), in a speech introducing the subject, maintained that a system whereby the insurance premiums would be paid by the passengers, and included in the fares, would be advantageous both from the point of view of shipowners and passengers, whether emigrants or higher-class passengers. The proposal is that the scheme should take the place of the contractual liability of the shipowners towards the passengers travelling on board their vessels, but the insurance would cover all cases, that is, both chance accidents and those caused by negligence, including negligence of a third party. Payments would be made in respect of death and permanent or partial incapacity, but, as already indicated, the scope and details of the scheme are to be further considered. Apparently, as the business, carried on out of passage money, has at present to bear the cost of meeting claims, it may be possible that the adoption instead of an international scheme of insurance would not necessarily involve a material increase in the cost of transport, while placing the matter of claims and their settlement on a more satisfactory footing.

Factory Conditions in 1922.—The annual report of the Chief Inspector of Factories and Workshops for 1922, which has recently been published, reflects the general stagnation of trade last year. New developments have been few, despite the slight improvement which was noticeable in the general outlook in the second half of the year. At the same time the number of registered factories in Great Britain increased from 135,356 to 137,858 during the year, though this was accompanied by an almost equivalent decrease in the number of workshops, and is therefore attributable mainly to the conversion of workshops into factories through the introduction of mechanical power. The number of accidents reported during the year shows a slight increase on the figures for 1921, which were very low on account of the miners' strike and the general falling-off in trade. The fact, however, that 97,986 accidents, of which 843 were fatal, took place last year (as against 92,565 in 1921) shows that there is still much to be done, and it is gratifying to note that the "Safety First" movement initiated by the Department is being taken seriously by masters and men alike. The reports made by the various inspectors show that hours of work, which averaged some 60 hours a week in most industries before the war, have now been reduced in general to between 44 and 48 hours weekly, and this without recourse being had to statutory regulation. Overtime has been rare, and we are told that a five-day week is common. It is stated that this change is by no means wholly due to trade depression. "Few workers would now be willing to work longer hours, and some occupiers say that output in the reduced period is almost, if not quite, up to that of the longer period, while others hold that it would not be worth their while to pay the overtime rates fixed for their industries." It is satisfactory to note that voluntary welfare work is on the increase, despite the trade depression. In one Scottish town it is reported that six

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neighbouring factories, of widely different types, have united together to appoint a joint welfare supervisor to work among the boys, while facilities for bathing are on the increase in most districts. Apart from the benefits of work of this kind from the human point of view, it appears to be becoming apparent to an ever-widening circle of employers that expenditure on welfare work is a sound business proposition. As far as statutory welfare work is concerned, however, there seems to be much difference of opinion among employers as to what constitutes compliance with the Welfare Orders issued by the Secretary of State, while in many cases an indifference exists in the attitude of the workers themselves towards welfare work generally. Among questions of health in the different trades, that of the use of white lead and sulphate of lead in painting operations is of considerable interest in view of the adoption of an International Convention at Geneva dealing with the subject. In this country we are told that "highly satisfactory conferences were held with representatives of the Painters' and Decorators' Industrial Joint Council of Great Britain, at which agreement was reached, in anticipation of legislation, as to the form of regulations to be made to govern the use of lead for outside and certain other kinds of painting. This report of the Chief Inspector (Cmd. 1920), as usual, merits careful attention on the part of all who are interested in industrial conditions, and testifies to the great improvements that have been made of recent years in conditions of labour in this country.

The Home Bank of Canada.—Our Ottawa correspondent writes:—The failure of the Home Bank of Canada, following, as it does, closely upon the drastic action of the Union and Standard Banks in writing down their reserves this summer by large amounts, to provide for losses and contingent bad debts, has caused a mild sensation throughout Canada, and has seriously disturbed both the Government and the financial world. Its difficulties had been an open secret among bankers for some time, but the general belief was that they were capable of solution by the policy adopted by the Union and Standard Banks, and no one expected an outright suspension of payment. However, it came when quiet withdrawals by depositors, whose fears had been aroused by the revelations about the other banks, assumed such proportions that the bank was unable to meet its clearing house obligations to other banks. Two weeks ago Mr Cooper Mason, the general manager, died after a long illness, and during his illness the acting-general manager had the unpleasant duty of revealing to the directorate a substantial volume of concealed losses, of which they had no inkling. The Home Bank is one of the smaller chartered banks, its capital being less than \$2,000,000 and its deposits about \$17,000,000. Its June statement showed current loans to be over \$15,000,000. Excessive holdings of property and losses sustained in the readjustment process following the war and the collapse of the boom in the West, where the bank did considerable business, are said to have been the main causes of the débâcle. It is confidently expected that the depositors will be paid in full, but they will have to wait months or even longer

for their money, and may not be fully paid until the shareholders have been called upon for their double liability, as provided by the Canadian Bank Act. Another estimate which places the bank's losses at under 2½ million dollars, presages that the shareholders will not only escape the operation of the double liability clause, but will realise between \$20 and \$30 per share. But at the present stage any estimate of the exact situation is purely speculative. The history of the Home Bank's origin is curious. Seventy-five years ago the Roman Catholic Archbishop of Toronto, a much-beloved and trusted figure, instituted the practice of undertaking care of the savings of the poorer members of his flock, mostly illiterate Irish immigrants. The moneys entrusted to him grew to such a sum that a savings company was organised, and subsequently it developed into a chartered bank. Its associations with the Roman Catholic Church have continued to be close, businesses controlled by Catholics were its most important customers, and the majority of its directors belonged to the same faith.

Egyptian Trade and Finance.—The year 1922 is described in the Report of H.B.M. Commercial Agent at Cairo, issued by the Overseas Trade Department, as "mediocre and unsatisfying." A favourable trade balance of just over £E8,000,000 followed unfavourable balances in each of the two preceding years of about £E13,000,000, but it was due mainly to a decrease in imports—chiefly, however, in American wheat and coal. The cotton exported increased both in quantity and value, but the value was far below the average of the three preceding years. And the Budget surplus, estimated at £E6,125,000, was largely produced by the suspension or delay of public works. The surplus, however, goes to the building up of reserves needed in view of the political changes, and in spite of much unfortunate speculation in depreciated European currencies there is a ready market for all Egyptian securities, especially Government bonds, offered from Europe. The Government aims at assisting trade by removing restrictions, preventing the fraudulent "lapping" of textile imports, providing loans for minor industrialists, and organising advice. In imports the British share and percentage has declined, more especially in manufactures. This the Report ascribes to the apathy of British exporters, who fail to give adequate support to their agents, neglect advertising, and do not study local needs, or ensure prompt delivery of their goods. Of the mineral exports, petroleum fell off last year some 3.5 per cent., phosphates over 50 per cent. Manganese ore from the Sinai peninsula increased 135 per cent.; it went chiefly to Belgium and Holland. Much is said of the development of native industries, whether indigenous or directed by foreign enterprise. Of the latter, textiles, iron and steel goods, and mineral paint are successful or promising. Tourist traffic is recovering, in spite of the lack of visitors from Central and Eastern Europe and the adverse exchange on London and New York. For Europeans the cost of living has not fallen, and hotel prices and rents continue very high. Much detailed information is given regarding the export of cotton, the leading factor in Egyptian foreign trade. The cultivation of the long-stapled Sakel variety introduced in 1911, to which Egypt owes its pre-eminence among cotton-producing countries, seems likely to be discouraged by the recent lessening of its advantage in price, both over the more prolific Ashmouni variety and that produced in the United States. Partly this lessening is due to the use of short-stapled cotton in the manufacture of motor tyres, but it is chiefly caused by the inability of consumers to purchase the more expensive fabrics of which Sakel is the raw material. And, as the popularity of different varieties among the growers is apt to rise and fall swiftly, Sakel may rapidly give place to some more profitable kind. Possibly this view may be too gloomy. Egypt, we believe, possesses a natural advantage over all other countries in the production of long-stapled cotton, and the market for it must revive. The Report, moreover, bases an average price of Egyptian cotton partly on the exceptionally high figure reached in 1919.

Argentine Navigation.—A correspondent writes:—Shareholders in the Argentine Navigation Company (Nicholas Mihanovich), who, for some years past, have been disappointed with the results of the working of their business, will learn with some degree of satisfaction that at least one cause, contributory to their troubles, is likely to be removed. Competition which threatened the company upon the part of German and Chilean interests has been, for the time being, withdrawn, and danger of rate-cutting between the different companies engaged in the river and southern coast trade reduced. Towards the end of last year the Argentine Navigation Company purchased two steamers, the "Byron" and the "Tennyson," from the Lamport and Holt interests, to be used in opening-up a service to the Patagonian coast, in competition with two other companies already engaged in that trade. An agreement has now been made between the three concerns by which the Chilean firm of Braun y Blanchard (affiliated with the S.A. Importadora y Exportadora de la Patagonia) purchases the two steamers referred to for use in Chile, while the Argentina Compañía General de Navegación, the third competitor, sells to the Argentine Navigation Company the two large river steamers "Cabo Corrientes" and "Cabo Santa Maria," which hitherto had been engaged in the run between Buenos Ayres and Montevideo, in competition with the British company. Nor was this the only competition offered, for last year the Montevideo Municipality, supported by guarantee a private individual against whom it was impossible to run profitably, and this necessitated the laying-up of two of the company's finest and most luxurious boats—the "Ciudad de Buenos Aires" and the "Ciudad de Montevideo." At the end of 1917 the interests of the Argentine Navigation Company were acquired by the Royal Mail Steam Packet Company and the Lamport and Holt line; but in 1921, following poor trading in the previous year, a serious set-back to its affairs ensued owing *inter alia* to labour troubles, involving a strike extending over 12 months among the crews, and occasioning a further financial loss of nearly £390,000. The abandonment of profitless rivalry, an improved labour aspect, the removal of troubles in Paraguay (which had also proved a fruitful source of loss to the company), and the operating of the new treaty entered into for reciprocal coast trade between Argentina and Uruguay, should materially assist the company's future prospects. The importance of the transport services rendered can be gauged from the fact that the company has a fleet of over 60 cargo and passenger ships, most of them constructed for river service, and over 60 tugs, as well as a large number of lighters and smaller craft. Besides the cargo trade, regular schedules are maintained on different river runs—a passenger service on the Paraná as far up as Puerto Mendez (a comparatively new route), some 300 miles beyond Posadas, connecting up Alto Paraná with the Falls of Iguazú; on the Uruguay as far as Concordia-Salto; and on the Paraguay as far as Corumba (Brazil). In normal times all this river traffic is very valuable, general merchandise imported from abroad proceeding up-country, while lumber and other exportable products of Northern Argentina, Uruguay, and Paraguay form the down-stream traffic. Although the loss on trading for the last year (1922) is still appreciable, namely, £16,304, it has fallen considerably below the losses for 1921 (£389,830), and 1920 (£411,169) respectively. The adverse balance still stands at £665,252.

Cotton Mill Shares.—Our Manchester correspondent writes:—Owing to the acute depression which has prevailed in the Lancashire cotton industry during the past two years, heavy declines have taken place in cotton mill share values. Many leading men in the industry, however, consider that the fall has been excessive. In many instances the market prices do not represent the value of the shares to which they refer, for the mills and their machinery could not be replaced at anything approaching the value at which they are usually set down. Three years ago many mills were refloated at an enhanced capital basis, and many outside subscribers were attracted. When the slump came these individuals became nervous, and many shares changed hands at absurdly low prices.

Then, again, the cotton mills depend a great deal upon loan money, which in prosperous times enables the directors to pay larger dividends than the average rate of their profit on all the capital employed. That system, however, has its danger when periods of depression come along, and in many instances loan holders have withdrawn their money. There has even been a fall in many shares since the beginning of this year, but many local traders with inside knowledge are of the opinion that prices will not go much lower.

The sixty-eighth annual International Exhibition of the Royal Photographic Society will be formally opened at 35 Russell square, on Saturday, September 15th, at 3 p.m., by the Rt. Hon. Lord Riddell. The exhibition will be open to the public from September 17th to October 27th, admission free, illustrated catalogue 1s.

Oversea Correspondence.

UNITED STATES.—JULY FOREIGN TRADE—SOUTHERN PACIFIC LITIGATION ENDED—THE GASOLINE WAR—FOREIGN LOANS.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 20.

PRELIMINARY returns of foreign trade during July, issued by the Department of Commerce for the first month since last February show a balance of trade in favour of this country. Exports last month totalled in value \$310,000,000, and imports \$284,000,000, making an excess of \$26,000,000 in exports. The figures furnish a striking contrast with those of the last few months. In February of this year exports exceeded imports by \$3,877,000. In March imports were \$56,812,000 greater than exports, while in April the import balance amounted to \$38,780,000, and in May to \$55,895,000. During June imports and exports nearly balanced, revised returns showing an excess of imports over exports of only \$202,783. Both imports and exports last month were lighter in value than in any preceding month of this year, although somewhat larger than in July a year ago. While the returns for last month doubtless reflect larger shipments of commodities, as compared with July of 1922, much of the increase in value is probably due to the fact that prices, as a rule, were higher than those of last year. For the seven months ending with July the total value of exports was \$2,255,929,696, and that of imports \$2,371,920,079, showing a balance of trade against the United States for that period of \$115,990,383; for the corresponding period in 1922 the balance in favour of this country, that is, excess of exports over imports, amounted to \$450,580,969.

After conferring with President Coolidge, Attorney-General Daugherty announced recently that the Government would not appeal from the decision of the federal court at St Paul, which held that the Interstate Commerce Commission had full authority under the Transportation Act to consent to the Southern Pacific Company's control of the Central Pacific Railway Company through lease and stock ownership of the latter. This means there will be no more litigation in that famous case which was begun in February, 1914, when the Government started its dissolution suit under the Sherman Anti-Trust Law, and which has finally resulted in a complete victory for the Southern Pacific. One of the most important practical results of the ending of this litigation is that the Southern Pacific Company will immediately proceed to construct 118 miles of line between Oakville and Kirk, Oregon, which will complete what is known as the Natron route, to connect Weed, California, with Springfield, Oregon. The additional line, which is estimated to cost between \$10,000,000 and \$12,000,000, will not only open to development an extensive area of Oregon farm land in one of the largest districts at present without railroad facilities, but will also give the Southern Pacific a reduced grade, as compared with the present line. On some stretches of the latter five locomotives are now required to haul a single large freight train.

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Reports received by the crop reporting board of the Department of Agriculture from 25,000 farmers indicate that the acreage to be sown to winter wheat this autumn will be 7,177,000 acres less than was planted last fall, representing a reduction of 15.5 per cent. if the farmers carry out their intentions, as expressed under date of August 1st. They also plan to reduce the area sown to rye by 475,000 acres, or 9 per cent. According to the crop board, a reduction of 15.5 per cent. in winter wheat acreage would make a total area sown this year of about 39,200,000 acres, as against 46,379,000 actually planted last year, of which 39,750,000 acres were harvested, since about 14 per cent. was abandoned. The area sown to rye last fall was placed at 5,234,000 acres. This report very plainly shows what the community in such agricultural districts thinks about market prices for wheat and rye. Farmers' intentions, as expressed on August 1st, may, however, undergo considerable change.

The oil industry of this country is in the throes of a gasoline price war, the most drastic price-cutting campaign for years having developed during the past week or two, and involving all producers, large and small, throughout the United States. Following reductions by various interests in different sections, the Standard Oil Company of Indiana last week made an unprecedented blanket cut of 6.6 cents a gallon throughout ten middle-western States. In mid-continent territory, also in California, gasoline is being offered as low as 7 cents a gallon wholesale, while one of the large eastern refiners is offering it in New York at 10 cents a gallon, which compares with a tank wagon price of 19½ cents recently quoted by the Standard Oil Company of New York. Present conditions are said to be the most disastrous experienced since 1914-1915, when the American oil industry was completely demoralised by the outbreak of the war. In one respect the situation is worse than it was in 1915. At that time the average price of crude oil, for the entire country, was about 63 cents a barrel, whereas this season the average has approximated \$1.50, and costs of manufacturing and distribution are greater. The main reasons given for the sensational price-slashing are the excessive production of gasoline, due principally to the large recovery of gasoline from cheap California crude oil (the output of which has shown a tremendous increase this year), and lower tanker rates from California and Mexico to the eastern or Atlantic seaboard. Production of crude oil in California has reached a new high record of 875,000 barrels a day. That oil is so cheap that it is rapidly driving other oils out of various markets throughout the country. It has already forced mid-continent oil out of Atlantic seaboard markets, and has broken the price of Gulf Coast crude oil to the lowest level for years, since it can be transported through gulf ports, refined and marketed at a lower price than can Gulf Coast crude. Although there has been no heavy overproduction of crude oil on the Gulf Coast, the Standard Oil Company has been obliged to reduce, through one of its subsidiaries, grade A Gulf Coast crude 25 cents a barrel, making both A and B grades \$1 a barrel. Heavy Mexican crude oil has lately been cut to 45 cents a barrel from a recent price of 90 cents. There is every reason to believe that the price of mid-continent crude will be sharply reduced in the near future. The gasoline price war has occurred at the worst time of the year for producers, since demand is now at its peak, and will soon begin to show a seasonal decrease. As on June 30th there were 1,263,000,000 gallons of gasoline on

hand. While that quantity has been reduced during the past six or seven weeks, the total is still far above normal, and will undoubtedly begin to increase next month, and present indications are that refiners will be obliged to carry enormous quantities of gasoline in storage throughout the coming winter. The bulk of California crude oil is being produced from some 600 wells in the Los Angeles basin, where 500 additional wells are now being drilled. When the latter are completed there will be a further increase in production, providing the output from existing wells is maintained. In this connection it is noteworthy that the General Petroleum Company, according to advices from Los Angeles, has found rich oil sand below the 5,900-foot depth. This is taken to indicate productivity of the sand to the 6,000-foot level, and a larger oil reserve than had been considered likely.

Naturally, demoralisation in the oil industry has been reflected in severe breaks in prices of shares of refining and producing companies. Stocks of practically all such companies fell to new low levels for this year on the Stock Exchange last week. Declines in that group of securities, however, failed to cause any unsettlement elsewhere in the active list of shares. On the contrary, the market as a whole steadily advanced under a limited volume of buying, in the face of developments in the European situation, and also in domestic affairs, which ordinarily would have depressed prices considerably. It was apparent, however, that owing to the drastic declines of recent months, the market had become well liquidated, if not oversold, and was therefore in a strong position not only to withstand such adverse influences, but to advance in spite of them. The bond market also enjoyed a substantial recovery, sharp gains having been recorded in the past few days, notably in the case of European Government issues.

Another foreign loan has met with a very quick response from investors here. The \$20,000,000 kingdom of Norway 20-year 6 per cent. sinking fund external loan gold bonds, dated August 15, 1923, which were offered in this market last week by a syndicate of New York bankers, headed by the National City Company, and which were priced to investors at 96½, with interest to yield over 6.30 per cent., were quickly oversubscribed. An Argentine Government loan is expected to be offered here in the near future to refund an issue of \$50,000,000 7 per cent. notes maturing on October 1st. Although no official announcement has been made, it is reliably stated that the loan will be priced at about 92 to the bankers who underwrite the issue, and that the interest rate will not exceed 6 per cent.

FRANCE.—THE FRENCH REPLY—IRON ORE—HARVEST PROSPECTS—SAVINGS BANK FIGURES.

(FROM OUR CORRESPONDENT.)

PARIS, August 28.

M. POINCARÉ'S reply to the British Note has been received with unanimous approval by French opinion, and is regarded, rightly or wrongly, as setting forth in irrefutable fashion the French case in regard to both Reparations and the inter-Allied debts. More than ever these two subjects are now regarded as indissolubly bound up together, and approval of what is regarded as the Premier's masterly handling of the complicated double problem is coming in from all sides. The French *conseils généraux* are again in session, and these bodies, which correspond largely to the British county councils, but figure much more prominently as a gauge of national opinion in political matters, are again steadily sending in resolutions expressing their approbation of the line M. Poincaré is taking in regard to the Ruhr and cognate matters.

Much hope is placed on the possibility of a meeting between M. Poincaré and either Mr Baldwin or Lord Curzon (or perhaps both) during the stay of the latter in this country. It is generally recognised here, as apparently it is in England also, that the time for negotiation through the medium of diplomatic Notes, however valuable the latter may be for propaganda purposes, has come to an end, and that commonsense, as between the leaders of two nations of business people, now calls for a frank and business-like round-table conference, which both sides should

enter with a firm determination to settle the Reparations and Allied debt problem once and for all.

Meanwhile, Frenchmen of widely varying parties appear to be agreed that an appreciable modification of the situation has been brought about by the replacement of Dr Cuno by Herr Stresemann, as the head of the Berlin Government. German opinion, it is believed, is now steadily trending towards a recognition of the futility of a continuance of passive resistance in the Ruhr, and little doubt is felt but that, if half a word of friendly encouragement is given to France from Downing Street, the German political leaders will be found to be ready to come to a settlement that would bring the present chaos to an end.

Recent events have focussed attention here on the probable steady growth in the future British demand for French iron ores. It was stated at the Stockholm Geological Congress that the British reserves of iron ore have now been reduced to some 455,000,000 tons, which would mean, on the basis of the consumption of 1913—24,000,000 tons—that our deposits will be exhausted in about twenty years. The situation is rendered still more unfavourable, it is pointed out, from the fact that even the best of the British iron ores yield only 50 per cent. of iron, while many of the deposits do not run higher than from 30 per cent. to 35 per cent. Even in 1913 British ironmasters were compelled to secure 7,600,000 tons of their requirements from abroad. In view of the fact that the Bessemer process requires absolutely pure ore, such as is found in the Moroccan, Algerian and Tunisian deposits, and that since the war several of the British plants have been equipped for the purpose of utilising the Thomas process, which will enable them to draw on the ore yielded by the Brittany, Normandy, and other French iron fields, a large increase in the export of French iron ore to Great Britain is expected in the near future. The first shipment of "minette" from Lorraine arrived in Great Britain last June, but already, before the war, consignments of higher-grade ores from the Briey basin, totalling about 60,000 tons, had been sold in Scotland and South Wales and had given every satisfaction. Large contracts for deliveries of similar ore, as a matter of fact, were about to be signed when the war broke out, and for the time being the matter came to a standstill. So far as British purchases of ore from Lorraine are concerned, the real obstacle is due to the lack of transport. At present there is no direct route for the economic transport of ore from Lorraine to Dunkirk or Antwerp. The North-East Canal, which was projected in 1901, and which is designed for barges of 550 tons capacity, is not yet completed, while transport by the Eastern Canal, the Marne, and the Seine to the Rouen blast furnaces, in 1921, worked out at 17f a ton, which was more than the cost price of the ore. For export to Great Britain there remains only one direct route by rail, that from Briey to Dunkirk, which works out at 14f 50c per ton, plus port charges at Dunkirk, amounting to an additional 4f 25c per ton. By Antwerp the railway rate is some 5f higher than to Dunkirk. The last contract signed with a British blast furnace for ore from this field (35 per cent. iron) was on the basis of 14s 6d per ton c.i.f. British port, which left only 9s for the vendor, after paying transport charges. The solution foreseen here is the proper equipment of the port of Dunkirk, together with a radical modification of labour conditions there, and an appreciable reduction in railway rates, which are at present absolutely prohibitive for traffic in ore for export purposes.

It is now clear that, according to official announcements, the French wheat harvest for 1923 may be estimated at a total of 79,000,000 quintals. In view, therefore, of the surplus yield in the French North African dominions, and of the fact that the measures stipulating for the extraction of the whole of the flour from the grain, and for the use of a percentage of rice, manioc, and other substitutes in all flour intended for bread-making, are to be continued, it may now be regarded as certain that France will be able during the coming twelve months to dispense with all imported wheat and flour. The consequence this fact should have upon the situation of the franc, were the old doctrines of political economy still operative, is too obvious to call for comment. The official communiqués announcing this happy situation point out that, in order that it may actually be translated into fact,

September 1, 1923.]

it is indispensable that the recommendations that have been issued against all waste of bread should continue to be observed. It must be recognised that, quite apart from the fact that French people now eat much less bread than they did before the war, the campaign against waste of bread long ago began to bear fruit, and that there is little doubt the official warning will continue to receive attention.

French savings bank returns yield eloquent proof of the fact that, in spite of the remarkable rise in the standard of comfort that has characterised the people of this as of most other countries since the beginning of the war, the instinct to save has lost none of its virility in this country. The number of savings bank accounts in France did not diminish during the war, as had been feared would be the case, but remained stationary from 1914 to 1918. From 1918 to 1921, however, the number steadily rose from 6,600,000 to over seven millions. The total sum withdrawn in 1915, 1916, and 1917, as may be expected, in view of the strain to which the vast majority of depositors were subjected during those years, was greater than the amount deposited. Towards the end of 1917, however, the rise in the rate of wages began to make itself felt in this direction, and from then onwards deposits once more began to exceed withdrawals, and this tendency has continued ever since. The returns of deposits which are now available for the first five months of 1923 show at a glance the manner in which the French instinct to save is being fostered under present conditions:—

	Francs.
Total deposits during 1913	660,406,013
Total deposits during 1922	1,175,484,915
Total deposits first five months of 1923	527,070,832

The total deposits in 1922 were, according to the figures given, nearly twice as much as in 1913, while those for the first five months of the present year are proportionally still greater. The increase is not, certainly, in proportion to the depreciation of the franc, but approximates very closely to the increase in wages that has occurred. At the same time, it must not be overlooked that these figures do not include a very large sum that has been invested by small people of the savings bank depositor class in National Defence Bonds and other interest-bearing securities, which they naturally find much more convenient and profitable than the more complex medium of the savings bank. The proportion of the total issue of National Defence Bonds that has been taken up by those who would otherwise have entrusted their savings to the Caisse Nationale d'Epargne it is, of course, impossible to ascertain, but it must, in any case, be very large, and is probably at least equal in amount to the total of the savings bank deposits. In view of the unemployment that characterises Great Britain and other countries, these facts furnish a significant indication of the comparatively strong situation of France and of her recuperative power.

GERMANY.—FINANCES—CURRENCY—REICHSBANK POLICY.

(FROM OUR CORRESPONDENT.)

BERLIN, August 28.

THE Stresemann Cabinet continues to have a good public. Dr Stresemann's conciliatory speech on Reparations has been well received, and views on that subject are a little more optimistic. The Cabinet's declared policy is to continue fighting the deficit and inflation system without waiting for a Reparations settlement, and herein it differs from the Cuno-Hermes policy of inaction. It is, however, quite plain that Dr Hilferding does not believe that the drastic taxes rushed through the Reichstag in the last days of the Cuno Cabinet will solve the Budget problem. The latest Finance Ministry and Reichsbank reports show that the expected returns from the emergency taxes, big as they appeared a fortnight ago, will shrink proportionately owing to the vast deficits and vast inflation which were inevitable before the taxes began to come in. The 150 billions expected before the end of August are only about three-fifths of the deficit of the ten days, August 10th-20th. Dr Hilferding speaks of yet more

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taxes, and of higher rates for other taxes; but such a policy is open to the criticism that many existing taxes which still yield practically nothing first need reform. The Finance Offices, which are the local organs of the Finance Ministry, are so overburdened with work that real control, except possibly at random in individual cases, is impossible. Altogether 147 taxes are levied by the Republic, and between now and the beginning of March, 1924, citizens have to pay 33 different instalments of direct taxes. The official tendency so far has been to meet crises by demonstrative invention of new taxes, some of which mean nothing at all. An instance is the new Ruhr-Rhine Levy, which consists merely of an extra multiplication under another name of the already multiplied income-tax, this merely making for the Finance Offices and for the public extra work, which would have been saved had the tax inventors multiplied income-tax 1,200 fold instead of multiplying it 400 fold and adding a new 800 fold as a separate levy payment. Dr Hilferding laid particular stress on the need for a policy of mark support, declaring that this must be carried out simultaneously with the abolition of the current deficits. The new gold-mark levy, which is to provide means for the mark support, is one gold-mark per each 10,000 paper-marks paid by property taxpayers as a special "bread levy." As the bread levy was ten times the Forced Loan of last winter, citizens will in general pay one gold-mark per 1,000 marks of Forced Loan. The gold-mark levy is really a second Forced Loan. Subscribers are to be credited either with an equal sum in the voluntary gold loan lately issued, with paper-marks at current exchange, or with a "wertbeständig" credit which they can use for payment of later taxes. The gold-mark levy is imposed by emergency decree under Article 48 of the Constitution. This article, in violation of its intent, is being stretched to justify all sorts of administrative measures which ought to have been sanctioned by the Reichstag. The Reichstag refuses to work, on the ground that the private affairs of a few dozen farmer members must be attended to, so that at a time when all Germans proclaim that the Republic is on the verge of ruin, important measures are taken without constitutional right and without being subjected to any criticism. The dispersal of the Reichstag after in a few hours rushing through taxation measures which are admittedly imperfect and in part impracticable is being sharply condemned.

The plan of Dr Hilferding to continue support of the mark exchange is criticised in some quarters on the ground that experience has shown this to be hopeless. In private business the mark is practically dead. Even small retail deals are done in "peace marks." Wages are entirely on that basis, and gold wages have risen extremely high, the skilled wage in Berlin this week being in paper 1,600,000 marks. Some big companies, in so far as they retain the paper-mark for accounts, have summarily denominated it by resorting to the "mill-mark" (1,000 marks) as unit. Other big concerns are conferring with the aim of creating their own "stable-value" currencies, to be secured on their assets. Even small towns have issued emergency currencies, so that the figures published by the Reichsbank give no idea of the total amount of money circulating. The rapid price rise, which is continuing despite the fact that the foreign exchanges have hardly risen since the first week of August, must be ascribed to the pouring out of fresh money from all quarters.

The Reichsbank's statement for August 15th shows an increase in circulation during the preceding week from 62,326 milliards to 116,402 milliards. This is about three times the 18,731 milliards increase of the preceding week. Discounted commercial bills doubled, from 25,340 milliards to 49,531 milliards, and Treasury bills from 79,646 milliards to 177,633 milliards. This is an outcome of the mark exchange collapse of the first week of August. The inflation rate must increase for some time. An estimated sum of 100 billions was paid for official advance salaries on August 23rd, against which very little of the new tax revenue can have come in. A newspaper attack on this score has been opened against the Cabinet, though it was the Cuno Cabinet which started the abuse. The officials not only get a quarter's salary in advance, but during the quarter get repeated supplements to compensate them for the loss in buying power of the quarter's salary, though it is well known that almost all officials suffer no loss, because they immediately invest their money in stocks, exchange, or some other security which rises in proportion as the mark falls. Even when the Reichstag is sitting no real control is exercised over these payments.

The last 10-day report of the Finance Ministry easily beats all records. In a mere 10 days the floating debt trebled, from 117,282 milliards to 363,459 milliards. In the 20 days since July 31st, when the floating debt was 63,686 milliards, the total has increased nearly sixfold. In the 10 days 61 billions were paid in subsidy to the railways, and the whole expenditure was 250 billions. Against this revenue from taxation totalled only 1,766 milliards, or about 0.7 per cent. The new gold ("stable-value") voluntary loan, which was to reduce the inflation, yielded 2,574 milliards, or less than one-twentieth of the addition to circulation in a week. Reports of the Finance Ministry again show the complete collapse of taxation. Whereas in the first four months of the financial year income-tax deducted from wages yielded 2,084 milliards, income-tax paid directly by the better-off classes, which are theoretically taxed up to 60 per cent., yielded only 472 milliards, this though the four months included a whole quarter (for May 15th) of directly-paid income-tax by these better-off classes. In July the beer tax yielded £80, sugar £57, matches £21, salt £5, and playing cards £1.

The conflict between the Reichsbank directorate and the Cabinet continues. The Cabinet is understood to be urging the President's, Herr Havenstein's, resignation. Herr Havenstein has made a long defence of the bank's policy, in which he attributes the inflation mainly to State demands, and only secondarily to the issue of bank-notes against private credits. Herr Havenstein announced the opening of gold deposit accounts, based on payments in of foreign exchange, the depositors being, however, allowed to pay in an amount equal to 25 per cent. of their gold deposits in paper-marks, which will be credited as "wertbestaendig." The object of the latter measure is to encourage gold deposits. Deposits will be booked in "firm" marks or "stable" marks (festmark), of which 100 will equal one pound sterling. The bank will be obliged to cover its liability by holding foreign exchange. This new business will for the present be confined to Berlin, and to big accounts. Herr Havenstein described this as a first experiment with "firm-mark" banking; but he declared himself against a system of general "firm-mark" booking for paper marks which would throw the risk of further mark depreciation wholly on the shoulders of the Reichsbank. Herr Havenstein also defended himself against the bank's failure to provide sufficient cash in the first week of this month. At the end of June, when the circulation was 17,300 milliards, the bank had a note reserve of 11,800 milliards. On August 7th, when the circulation was over 62 billions, the last note of the reserve had been paid out. On that day, with a depreciation of the mark to the 1-975,000th, the per capita gold value of circulation shrank to 1 gold-mark, as against 80 gold-marks in May, 1921, and 100 marks (counting notes and coins) in 1914.

The rise in prices, though probably due first of all to the inflation, is being speeded by measures taken to reduce the inflation. The automatic regulation of railway fares and rates will be fully in force from September 1st.

HUNGARY.—CROP PROSPECTS—FALL IN THE CURRENCY.

(FROM OUR CORRESPONDENT.)

BUDAPEST, August 18.

A CERTAIN Swiss engineer, Mr Bernard Enzler, has been making a study of the economic conditions of Hungary, and describing the results of his studies in a daily newspaper of Budapest. On the whole, his conclusions are most optimistic, and, granted a certain amount of foreign capital, he predicts quite a brilliant future for Hungary, even dismembered as she is to-day. There is one condition attached to this forecast, which is that she must be on good terms with her neighbours. This the writer considers assured by the recent meeting at Sinaia.

In the year 1922 no more than 175 tons of flour were exported from Hungary. Mr Humphreys, the commercial secretary of the British Legation, estimates that, in a good year, she should be able to export 200,000 or 300,000 tons. Mr Enzler is far more sanguine. Steps were taken after 1920 to increase the acreage under cereals, and he considers that in future that the export should reach 700,000 or 800,000 tons, 50 per cent. of the export of 1913. With the exceptionally good harvest of this year, the export should not fall far short of half-million tons, and so far Mr Enzler seems to be justified in his prognostications. The output of sugar seems likely even to exceed the expectations of this sanguine expert. Before the war Hungary possessed 30 sugar refineries, of which she has lost 18. But the 12 factories remaining to her before the war produced as much as the other 18. In the 1912-1913 season the yield of the whole 30 amounted to 590,000 tons of the value of 185,000 gold crowns, or roughly eight million pounds sterling. This year, it is said, the yield is such that some four thousand wagons can be exported. When it is remembered that last year some thirteen thousand tons of sugar had to be imported, the improvement is quite astonishing. Of the four thousand tons for export, one thousand tons has been already disposed of in England, and the bulk of the remainder will probably go to France.

Assuming the correctness of Mr Enzler's figures, eight million pounds' worth were produced in 1913, and three-quarters of this exported, the amount accounted for by new Hungary would be some three millions sterling. Now, in view of the forecast above mentioned, there seems to be no reason why that amount should not be reached this year. The acreage under beet is at present some 70,000 or 80,000 hectares, or 180,000 acres. Seeing that the soil of Hungary is admirably suited to the cultivation of this plant, and produces a species of beet of exceptionally sweetening power, there is every reason for the suggestion that more land should be devoted to its culture. Money is required for the purpose, and foreign capitalists might well turn their attention to the subject.

Unfortunately, there is another side to the picture. The crown is still going down; resort is still being had to the printing press, as is inevitable, and there is still no explanation as to the fall in the currency. One impartial observer, well qualified to judge, attributes it to the Jews as a result of the still rampant anti-semitism in Hungary. If it were to the advantage of the Jew, this might well be, but such could not certainly be the case, so far as the Hungarian Jews are concerned, and the explanation is not convincing. There are gloomy prophets who declare that Hungary is in even worse case than Austria. In Austria, say these, there are economists; here there are none! Others again point to the land system, and the number of large estates, indicating the large land-owner with the usual cry of *voilà ennemi*. With regard to this, it may be said that land reform has been promised by the Government, and that land reform has many opponents is significant. On the other hand, the abolition of large estates, as it is in process of being carried out in a neighbouring country, can hardly be called a success. Rather it is evidence that a too drastic land reform is a danger more than an aid to financial stability. Such a reform needs most careful handling, and the present Government should be not unfitted to take the safe middle course.

POLAND.—NEW EXCHANGE REGULATIONS—CAPITAL LEVY—COMMERCIAL TREATY WITH TURKEY—DANZIG CURRENCY PLANS—NEW CAPITAL.

(FROM OUR CORRESPONDENT.)

WARSAW, August 15.

WHEN, in June, the Polish mark began to decline rapidly, the Ministry of Finance tried to prevent a further fall by creating a Central Board of Exchange, which had the exclusive right of selling foreign bills and currencies. As pointed out in my last letter (*Economist*, August 4th), the effects of this new policy were disastrous. Industry was prevented from obtaining the necessary raw materials from abroad, and was menaced by a crisis. This forced the Government to abandon its new exchange policy, and to return to the system of privileged "exchange banks" (*Banki dewizowe*), which are entitled to sell foreign currencies for all purposes resulting from commercial transactions. The quotations are no longer fixed by the Board of Exchange, but are established by the Stock Exchange. The return to a more liberal exchange policy has hastened the fall of the mark, which, during the last month, has lost more than 50 per cent. of its value. The American dollar is now quoted at 250,000, as compared with 99,500 at the end of June and 121,000 on July 18th. The climax of the depreciation has, however, not yet been reached. In his *exposé* before the Diet, Mr Linde, the new Minister of Finance, declared that the coming quarter will be most difficult for the Treasury.

Mr Linde devoted, in his *exposé*, chief attention to speculation and profiteering, which he intends to cure by the creation of new Government institutions. While Mr Grabski tried to diminish the deficit of the Budget by putting the Government undertakings on a business basis and by leaving them to private companies, Mr Linde did not even mention this subject. It may be said that Mr Linde's *exposé* caused the greatest disappointment to all those who expected that the founder of the Postal Savings Bank would show great initiative in the face of the present financial difficulties. The present Government is making efforts to put the portfolio of the Ministry of Finance into other hands. The candidates, however, are not too numerous, because all those who have a reputation to lose do not consider the political ground sufficiently stable.

Before adjourning, the Diet and the Senate have voted the Capital Levy Bill. The amount of the levy has been fixed at 1 milliard gold francs, of which 500 millions are payable by agriculture, 375 millions by industry and trade, and 125 millions by other taxpayers. The levy will be collected during the next three years in six instalments. The rate of the levy has been fixed at 1 per cent. for small capitals, while properties having a value of 12 to 14 million gold francs will pay 11 per cent. The highest rate has been fixed at 13 per cent. This levy, together with the new turnover and industrial tax, will eventually contribute to diminish the Budget deficit.

At Lausanne a treaty between Poland and Turkey has been signed composed of three parts: a pact of eternal friendship, an agreement establishing the rights of Polish citizens in Turkey and of Turkish citizens in Poland, and, finally, a commercial treaty. This treaty is based on the most-favoured-nation clause. Poland has obtained the right of establishing warehouses in the ports of Constantinople and Smyrna. As soon as the conditions in the Ruhr make it possible, railway communication between London and Bagdad, passing through Amsterdam, Berlin, Poznan (Posen), Cracow, Katowice, Livów (Lemberg), Bukarest, Constanza, Constantinople, is to be opened. This route is shorter by 13 hours than that of the Orient Express. By signing the treaty with Turkey, Poland has returned to an old traditional friendship which has lasted since the end of the seventeenth century.

The total collapse of the German mark has produced grave disorders in Danzig, where hitherto this currency has been the only legal tender. For several months the authorities of the Free City have been making efforts to sever their monetary system from that of Germany. Senator Volkmann has presented to the League of Nations plans for a new currency based on the English

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pound. The monetary unit, the gulden, is to be equal to 1/100 of the pound. A bank of issue with a capital of 20 million gulden is proposed. As a temporary measure a clearing-house with a capital of £200,000, having a branch in London, is projected.

The statistics of capital issues in Poland during the first half-year reveal again an important decrease if compared with the same period of 1922. Though the new issues have increased from 9.3 milliard marks in 1922 to 72.3 milliards in 1923, their real value expressed in gold francs has become much smaller, as may be seen from the figures below:—

	First Half-year 1922.		First Half-year 1923.	
	Number of Companies.	New Capital, Swiss Francs.	Number of Companies.	New Capital, Swiss Francs.
Industry and agriculture	135	7,891,101	282	5,713,340
Commerce and transport	40	2,454,155	115	1,606,248
Banking	13	2,163,164	15	607,368
Insurance	3	26,774	5	25,872
	191	12,535,194	417	7,962,828

While in 1922 the new capital created amounted to 12.5 million gold francs, its value in 1923 did not reach 8 millions. This illustrates one of the serious effects of the depreciation of the currency.

ROUMANIA.—EXPORTS — EXCHANGE — CROPS — CIRCULATION—COMMERCIAL DEBTS.

(FROM OUR CORRESPONDENT.)

BUCHAREST, August 13.

THE principal exports from Roumania during the first six months of 1923, in comparison with the same period of 1922, have been officially announced as follows:—

	1922.	1923.	Inc. or Dec.
Grain and foodstuffs... metric tons	454,670	716,770	+ 262,100
Oil products..... "	178,265	177,464	- 801
Lumber..... "	258,427	365,551	+ 107,124
"..... cubic metres	52,227	50,303	- 1,924
Livestock..... head	131,765	54,124	- 77,641
Eggs..... great hundreds	67,684	11	- 67,673
Salt..... metric tons	19,995	27,475	+ 7,480

The increase in grain and foodstuffs is more than accounted for by the increased exports of barley—these totalling 396,771 tons in 1923, against 121,747 tons last year. Wheat shipments are down from 17,630 to 4,345 tons. The decrease of 801 tons in the export of refined oil products is rather striking in view of the fact that crude oil production during the first half of this year was 758,200 tons, against 667,667 tons in the corresponding period of 1922, and serves again to call attention to the increased quantities of refined oil products (particularly fuel oil for industrial purposes) which are being used in the domestic market. The lumber trade is reported to be very active at present, and exports are likely to continue to show a steady increase, the bulk of the shipments (fir and other resinous woods) going to Levant ports. The export of livestock has been restricted during recent months, chiefly in an attempt to keep down the internal cost of living.

After a fair degree of stabilisation for almost six months at around 900 to the pound—during which time internal

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Price of Week.	Price of Week.	Price of Week.
War 4½% 1925-28	97½	97½	97½	97½
Loans 5½% 1925-45	97	97	97	97
5½% 1925-47	101½	102	102	102
4½% 1925-42	102	102	102	102
Funding Loan 4%	92½	92½	92½	92½
Victory Bonds 4%	92½	92½	92½	92½
Conversion Loan 3½%	80½	80½	80½	80½
Consols 2½%	58½	58½	58½	58½
Irish Land Stock 2½%	61	61	61	61
Local Loans 3%	68½	68½	68½	68½

Banks.

Barclays B. (£1, f.p.d.)	24½	24½	24½	24½
Chartered Bk. of India	19½	19½	19½	19½
Lloyds (£5 with £1 paid)	24½	3	3	3
London Joint City & Midland (£12 with £2 paid)	88	87½	87½	87½
Nat. Bank of Egypt (£10)	22½	22½	22½	22½

Colonial and Foreign Railways.

Antioquia Cons.	85½	85½	85½	85½
B.A. & Pacific	77½	77	77	77
B.A. & Gt. Southern	81	80	80	80
Buenos Aires West.	71½	72	72	72
Canadian Pacific	160	160	160	160
Central Argentine	69	68½	68½	68½

Foreign Government Securities.

Argentine 5%, 1886-7	99	99½	99½	99½
Belgian 3%	65	65	65	65
Brazil 5% Fund., 1914-69	68	68	68	68
Chilean 4½%, 1895	89	90	90	90
Do 7½%	103½	103	103	103
Chinese 5%, 1912	67	68	68	68
Egyptian 4%	75	75	75	75
French 5%	253	253	253	253
Do 4%	204	211	211	211
Greek 4%, 1884	45½	45½	45½	45½

Telegraphs.

Anglo-American "A" 23	23	23	23	23
Marconi Wireless	24½	24½	24½	24½

British Railways.

Great Western, Ord.	110	110½	110½	110½
Do Def.	86	87½	87½	87½
London & North-Eastern 5% Pref. Ord.	86	86½	86½	86½
Do Def. Ord.	32½	32½	32½	32½
London, Mid., and Scottish, Ord.	103½	104½	104½	104½
Metropolitan	71	72½	72½	72½
Metropolitan District	498	508	508	508

American Railroads.

Chesapeake & Ohio	65	68	68	68
Erie	16	16	16	16
Do 4% 1st Pref.	27	25	25	25

Miscellaneous.

Aerated Bread (£1)	1½	1½	1½	1½
Amal. Cottons (£1)	3½	3½	3½	3½
Anglo Persian Oil (£1)	3½	3½	3½	3½
Armstrong (Sir W.G.) and Co. (£1)	1½	1½	1½	1½
Asa. Pland. Cement (£1)	1½	1½	1½	1½
Barker, John (£1)	2½	2½	2½	2½
B'ham Small Arms (£1)	4½	4½	4½	4½
Brazil Tractor (£100)	47½	44½	44½	44½
British-American Tobacco (£1)	5½	5½	5½	5½
Burmah Oil (£1)	3½	3½	3½	3½
Coals (J. and F.) (£1)	3½	3½	3½	3½
Courtesy (£1)	3½	3½	3½	3½
Onard (£1)	3½	3½	3½	3½
Dorman, Long (£1)	3½	3½	3½	3½
Dunlop Rubber (£1)	3½	3½	3½	3½
Fine Cotton Spinners (£1)	2½	2½	2½	2½
Forestral Land (£1)	1½	1½	1½	1½
Formosa, Wistly (£1)	1½	1½	1½	1½
Highlands and Lowlands Rubber (£1)	2	2	2	2
Hudson's Bay (£1)	5½	5½	5½	5½

Mines.

Brakpan (£1)	3	3½	3½	3½
Broken Hill Prop. (8/1)	1½	1½	1½	1½
Chartereds (£1)	1½	1½	1½	1½
Cons. Gold Fields (£1)	1½	1½	1½	1½
Crown Mines (10/1)	2½	2½	2½	2½
De Beers Def. (£24)	13½	13½	13½	13½
East Rand Prop. (£1)	3½	3½	3½	3½
Geduld (£1)	3½	3½	3½	3½
Gov. Gold Areas	5½	5½	5½	5½

OIL OUTPUTS.

MEXICAN EAGLE OIL COMPANY, LIMITED.—The London financial agents of the Mexican Eagle Oil Company, Limited, are advised that the production for the week ended August 18, 1923, was 134,000 barrels.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, August 22, 1923, amounted to 775 tons. Recent new well (reported on July 10th "stopped due to plugging") now reported "producing since August 21st 100 tons daily; no sand."

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended Aug. 24, 1923.	Week Ended Aug. 26, 1923.			Aggregate 34 Weeks 1923.			
(c) Week ended Aug. 25, 1923.	Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
		£	£	£	£	£	£
Great Western	3,679	364,000	318,000	682,000	9,022,000	11,870,000	20,892,000
London & North-Eastern	6,661	569,000	659,000	1,228,000	15,523,000	24,821,000	40,344,000
Do same period 1922	6,657	609,000	701,000	1,310,000	16,490,000	25,413,000	41,903,000
London, Mid., & Scottish	6,962	782,000	823,000	1,605,000	21,797,000	30,621,000	52,418,000
Southern	2,115	437,200	111,500	548,700	11,342,000	1,898,000	15,240,000
Midland & S.W. Juno.	63	1,537	1,669	3,206	42,943	45,241	88,184
Metropolitan (c)	79½	31,258	3,520	34,778	1,096,950	123,849	1,220,799
Underground E.R. (c) ..	..	..	..	219,461	..	..	7,694,059
London & Sub. Group (c) ..	..	..	..	39,742	..	..	1,375,797
Belfast & Co. Down (b) ..	80	6,333	1,202	7,535	185,769	40,611	226,380
Dublin and S.-East. (b) ..	160	7,715	2,748	10,463	204,198	115,698	319,896
Midland Gt. West. (b) ..	538	12,437	11,057	23,494	336,495	487,820	824,315

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
Assam Bengal	17 weeks	July 28	1,049	Rs. 2,32,396	Rs. 27,267	Rs. 38,16,396	Rs. 48,582
Barsi Lt. Ry.	18 weeks	Aug. 4	118	36,400	10,500	6,99,200	35,900
Bengal & N. Western	17 weeks	July 28	67	5,60,590	2,278	1,12,71,310	1,29,506
Bombay Nagpur	17 weeks	Aug. 28	2,738	13,86,000	72,000	2,51,42,000	4,07,000
Bombay, Bar. & C.I.	21 weeks	Aug. 25	2,994	15,87,000	2,04,000	4,39,01,000	23,42,000
Burma	17 weeks	July 28	1,342	55,410	36,484	1,18,60,137	37,135
Delhi, Umballa & Kalka	20 weeks	Aug. 18	239	86,000	5,477	20,26,036	18,653
East Indian	21 weeks	Aug. 25	2,856	21,45,000	9,07,000	6,49,70,000	12,70,000
G. Indian Peninsula	18 weeks	July 28	3,164	17,75,100	2,17,900	5,28,59,780	28,48,114
Madras & S. Mahr.	18 weeks	July 28	4,302	13,25,000	35,043	2,67,39,276	2,71,039
Rohilk'd & Kumaon	17 weeks	July 28	259	45,985	9,798	10,28,131	85,063
Do Lucknow-Bellry	17 weeks	July 28	314	53,333	20,427	12,25,060	1,34,287
South Indian	18 weeks	Aug. 4	1,890	9,02,189	7,718	1,79,51,864	5,21,601

CANADIAN.

Canadian National	33 weeks	Aug. 21	22,680	5,202,765	464,716	15,963,136	18,213,819
Canadian Pacific	33 weeks	Aug. 21	13,539	3,518,000	149,000	10,654,500	5,621,000

ARGENTINE (a).

Argentine N.E.	8 weeks	Aug. 25	753	11,800	2,100	87,200	300
Argentine Trans.	8 weeks	Aug. 25	111	3,409	1,769	26,184	15,554
S. A. & Pacific	8 weeks	Aug. 25	3,317	130,000	39,000	1,064,000	33,000
S. A. Gt. Southern	8 weeks	Aug. 25	3,948	169,000	39,000	1,270,000	129,000
S. Western	8 weeks	Aug. 25	1,882	75,000	7,000	582,000	107,000
Central Argentine	8 weeks	Aug. 25	3,305	205,000	15,000	1,646,000	78,000
Cordoba Central	8 weeks	Aug. 25	1,205	68,500	5,000	547,800	8,100
Entre Rios	7 weeks	Aug. 25	18	729	1,000	127,500	6,800

BRAZILIAN (b).

S. West. of Brazil.	33 weeks	Aug. 18	1,005	7,300	2,100	11,600	108,300
Neopolitana	34 weeks	Aug. 25	1,831	32,590	4,455	847,798	96,637
San Paulo	34 weeks	Aug. 25	1,534	38,250	11,485	959,819	16,931

CHILE AND PERU.

Antofagasta	33 weeks	Aug. 25	838	37,795	15,010	1,212,945	522,395
Nitrato (3-monthly)	32 weeks	Aug. 15	366	34,039	11,873	507,806	276,174

CUBAN.

Havana Central	7 weeks	Aug. 18	..	11,644	1,860	79,852	14,531
United of Havana	8 weeks	Aug. 25	1,210	59,567	12,773	473,065	81,077

URUGUAYAN.

Central Uruguay	8 weeks	Aug. 25	273	21,791	5,117	161,248	3,083
C. Urug. (East Ext.)	8 weeks	Aug. 25	311	3,978	794	33,170	805
C. Urug. (North Ext.)	8 weeks	Aug. 25	186	2,477	661	18,225	1,17
C. Urug. (West Ext.)	8 weeks	Aug. 25	211	2,071	512	14,650	146

OTHER OVERSEAS.

Alcoy and Gandia	34 weeks	Aug. 25	33	20,000	2,950	728,800	70,450
Egyptian Delta	18 weeks	Aug. 25	10	7,941	455	87,483	17,953
Gt. Southern of Spain	33 weeks	Aug. 25	104	53,531	47,257	2,999,048	439,065
Mexican Railway	7 weeks	July 21	403	224,300	17,900	1,749,400	116,900
New Cape Central	31 weeks	Aug. 4	305	2,299	506	83,678	2,480
Paraguay Central	8 weeks	Aug. 25	274	4,670	3,800	26,890	21,530
Salvador	8 weeks	Aug. 25	100	2,101	1,214	19,010	7,036

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	34 weeks	Aug. 26	339	£81,567	2,243	2,852,327	+ 15,373
Burnley Corporation ..	1 week	25	12	£2,968	450	..	..
Calcutta Tramways ..	33 weeks	25	354	Rs109,663	7,377	..	+ 45,670
Chatham & District ..	33 weeks	26	16	£1,825	56	51,553	2,941
Egyptian Markets ..	34 weeks	23	23	£1,444	2	63,508	+ 5,864
Glasgow Corporation ..	12 weeks	25	106	£44,132	+ 2,895	518,346	+ 10,875
Ile of Thanet	47 weeks	22	22	£3,256	+ 13	48,703	861
Lancashire United	41 weeks	14	39	£2,863	276	96,564	6,099
Liverpool Corpora- tion Tramways	20 weeks	25	124	£26,978	2,782	585,740	+ 40,018
L.O.C. Tramways	21 weeks	29	164	£83,216	+ 11,313	1,882,674	+ 142,474
Madras Elect. (2 wks) ..	33 weeks	15	..	Rs53,176	+ 4,871	7,86,814	+ 51,949
Pernambuco Trams	34 weeks	27	..	£3,289	+ 874	124,136	+ 3,707

COMPANY MEETINGS, &c.

BANK OF NEW ZEALAND.

A DIFFICULT YEAR'S RESULTS.

MARKED IMPROVEMENT IN FINANCIAL CONDITIONS.

THE BANK'S GREAT ASSISTANCE TO AGRICULTURAL AND PASTORAL INDUSTRIES.

The ordinary general meeting of the proprietors of the Bank of New Zealand was held at the head office, on Friday, June 15, 1923. Sir George Elliot, chairman of directors, presided.

With the consent of the meeting, the report of the directors and the balance-sheet were taken as read.

The Chairman, in moving their adoption, said: Gentlemen,—The report of the directors and the balance-sheet for the year ended March 31st last having been circulated some days ago, I presume that, as usual, you will take them as read.

You will have seen from the report that it is proposed to pay for the full year the same rate of dividend as for the preceding year—viz., 10 per cent. per annum on the preference "A" shares, and 2s per share on the preference "B" shares—both of which issues are held by the Government of New Zealand—and 2s 8d per share on the ordinary shares. The whole dividend for the year on the preference "A" shares, an interim dividend of 1s 4d per share on the ordinary shares, and the proportionate dividend upon the preference "B" shares were paid in December last.

Compared with the two previous years, last year shows a considerable falling-off in profit. This is accounted for chiefly by loss of interest consequent on the reduction during the past year of over three millions in our advances within the Dominion; by reduction, too, since the New Year, in the rate of interest charged upon our best accounts, and by the lower rates obtained for a large proportion of our funds in London.

NEW ZEALAND GOVERNMENT LOAN.

Last month the Government issued in London a Four per Cent. loan of four millions at 92, which gives the investor a return of $\frac{1}{2}\%$ is 1d per cent. if the loan is repaid in 1933, or $\frac{1}{4}\frac{1}{2}\frac{1}{2}$ 7d per cent. if not repaid until 1943. The Right Honourable the Minister of Finance, and the High Commissioner also, are to be congratulated on a flotation, the success of which speaks volumes for the high standing of the Dominion on the London money market.

LOCAL BODIES' LOANS.

Local bodies have arranged loans during the year to the extent of several millions, a portion of which was raised in London, but the bulk in Australia or New Zealand, at rates varying from $\frac{1}{2}\frac{1}{2}$ per cent. to 6 per cent.

RATE OF INTEREST.

The minimum rate of interest on bank advances in the Dominion was reduced to $\frac{1}{2}\frac{1}{2}$ per cent. on January 3rd last. The reduction of income-tax last year, and the promise of a further reduction shortly, enabled us to reduce the rate on a great many overdrafts. Although $\frac{1}{2}\frac{1}{2}$ per cent. is the quoted "minimum" rate, we do not average that on the whole of our advances in New Zealand. Hard times disclose unsuspected weaknesses in the financial condition of many customers; so much so that, in some cases, we have found it necessary for the time being to forgo interest, in others to make substantial concessions. The result is that the average rate of interest earned by our advances in New Zealand has been adversely affected.

There is little probability of any further reduction in our advance rates while our overhead expenses remain so abnormally heavy. It is still difficult to borrow on fixed mortgage even on a 50 per cent. margin, at less than $\frac{1}{2}\frac{1}{2}$ per cent., hence it must be recognised that our borrowing customers have little to complain of, since they have the advantage of paying on their daily balances only and not on the sum we engaged to lend them.

Comparison is sometimes made between lending rates here and those ruling in London, but such comparison is absurd, conditions being entirely different. Australian rates certainly bear a close relation to ours, although banks in New Zealand are subject to a much higher income-tax than they are in Australia.

In comparing bank rates with those charged by private lenders and Government lending institutions, the services rendered by the banks in conducting accounts are invariably overlooked; if the public want facilities, they must pay for them.

PASTORAL AND AGRICULTURAL INDUSTRIES.

The extent to which this bank assists the pastoral and agricultural industries will be realised when I tell you that over 10 millions of our advances in the Dominion at March 31st last were to customers engaged in those industries. The small borrower has also been well catered for, since in point of number 56 per cent. of our advances were for amounts of £300 or under; quite a large proportion indeed were under £100 each, and many of these (usually advances of a temporary nature) were made without any security.

The authorities of the bank are quite alive to the importance of supporting the pastoral and agricultural industries. That our support has been more than generous is borne out by the fact that, during the last few years, practically the whole of our bad debts—and they have not been insignificant—have been incurred on such advances.

LAND VALUES.

Land values are, as you know, still a constant source of controversy. It is not for a moment contended that bankers are experts in valuing property; but, if a banker is furnished with the balance-sheet of a farming customer and with profit and loss figures

showing the result of the customer's working during a series of years, he can usually form a pretty shrewd idea of the value of the land.

We cannot hope for a contented rural population until land values are based on a reasonable scale, such as will show a fair return on the capital employed and adequate compensation for the labour of the farmer.

So many instances of the evil effect of the recent boom in farm property come directly and indirectly under the notice of the bank, that we should be callous indeed if we did not feel strongly on the point and do our best to prevent a repetition of the evil.

TAXATION.

At the end of last year, on the invitation of the Government, a committee representing trades, professions and various associations in New Zealand considered the question of taxation generally, and sent in a report on the subject to the Prime Minister.

Without going into the merits of the conclusions arrived at, I desire to bring before you one aspect which was touched upon in this respect. I refer to the non-taxation of municipal and Government trading enterprises.

It is true that during the 1920 session of Parliament the Government intended to bring the municipal trading activities under the provisions of the Income-tax Act; but a deputation representing certain interested local authorities waited on the Prime Minister and protested against this being done unless the Government would at the same time agree to pay local rates on their various city properties.

I think the claim of the local authorities was a perfectly fair one, for until Government, harbour boards and city councils pay rates on all their properties, as well as taxes on their enterprises, the taxation of the country generally cannot be placed on an equitable basis.

If all municipal and Governmental trading concerns paid income-tax, not only would competition be put on a fairer basis, but the burden of the taxation would be placed where it rightly belongs.

THE OUTLOOK.

In these uncertain times, it is difficult to say what the future has in store for our Dominion, since we rely for our prosperity on the prices our primary products realise abroad. We are thus dependent on conditions entirely outside our own control. The purchasing power of our principal customer—Great Britain—means good or bad times for this Dominion, and the purchasing power of Great Britain again depends upon conditions which prevail in other countries.

While I have not hesitated to point out certain defects that exist amongst us, nothing I have said should obscure the satisfactory truth that the great majority of the settlers in the Dominion are in a thoroughly sound financial position.

CAPITAL.

In order to make the capital commensurate with the deposits and general business of the bank, and to provide for rendering the maximum of support to our borrowing customers, the board has resolved to issue at par £1,125,000 of new capital. In accordance with the provisions of the Bank of New Zealand Act, 1920, one-third of the amount (£375,000) will be offered to His Majesty the King in the form of preference "B" shares, and two-thirds (£750,000) to the ordinary shareholders in the proportion of, as near as may be, one new share to every three shares on the register in their name on July 27, 1923.

I now move that the report and balance-sheet as submitted to the meeting be adopted.

The report and balance-sheet having been unanimously adopted, congratulations were expressed to Sir George Elliot and Sir Harold Beauchamp on their knighthood, and a vote of thanks to directors, general manager, and staff terminated the proceedings.

AMALGAMATED PRESS (1922), LIMITED.

SATISFACTORY RESULTS OF YEAR'S BUSINESS.

RECORD ADVERTISING REVENUE.

SUCCESS OF YEAR'S NEW JOURNALS.

The ordinary general meeting of the Amalgamated Press (1922), Limited, was held, on the 27th ultimo, at the Memorial Hall, Farringdon street, London, Sir George A. Sutton, Bart. (the chairman), presiding.

Mr J. R. Sumpter (joint secretary) having read the notice convening the meeting and the report of the auditors, The Chairman said: Ladies and gentlemen, I assume the report and accounts will, as usual, be taken as read.

It is my pleasure to-day to present to you the first balance-sheet of the Amalgamated Press (1922), Limited, and this, I think, you will regard as very satisfactory in all respects.

It is common knowledge that the year through which we have passed has not been an easy one for business enterprises. The state of trade, the uncertainty of politics, the widespread unemployment have all been adverse factors.

LORD NORTHCLIFFE.

With profound regret, too, in the year under review my colleagues on the board have lost a great friend and the country a great patriot by the death of Lord Northcliffe. He was, as you are all aware, the founder of this great business, and though he retired from it many years ago, his invaluable counsel and help were always freely at our service when occasion required. His first journal was *Answers*, which he started 35 years ago, and it is a noteworthy fact that *Answers* to-day stands in the very forefront of national weekly periodicals, and the revenue received from advertisements in the year of Lord Northcliffe's death was the largest in the history of the paper, and no better index of vitality is needed.

The profits for the year, you will observe, were £531,239 19s 4d. It will be remembered that last year, under our reconstruction scheme, we distributed among our shareholders 679,428 5 per cent. preference shares of 10s each in the Imperial Paper Mills, Limited, and 2,038,284 8 per cent. preference shares of £1 each in the Anglo-Newfoundland Development Company, Limited, the preference dividend was raised to 7 per cent., while the ordinary shares of the Amalgamated Press were split into shares of a more marketable denomination, plus a payment of 2s per ordinary share. On account of this it was, of course, necessary to revalue the assets of the company in conformity with its altered capital.

THE YEAR'S NEW JOURNALS.

During the year under review we have established some 14 new journals, magazines, and fortnightly. You will not expect me to give details of all these new ventures, but I am pleased to be able to state that they have been most successful.

The serial publications we have issued include a new edition of the *Children's Encyclopedia*, the only work of its kind in the world, and its immediate success, quite eclipsing that of its first issue 15 years ago, is at once an indication of its unique merits and of public appreciation.

Harmsworth's *Household Encyclopedia*, an entirely new and novel publication, now being issued fortnightly, will, when completed, form the most up-to-date guide for every home. It was an assured success from the first number. *Wonders of the Past* is a superb art production and a work of genuine scholarship, which has also been very well received.

And here I must observe that in this difficult and peculiar field of literary enterprise, where the qualities of artistic taste, scholarship and worthy ideals of life are demanded, the success of our educational publications has become proverbial. They are world-wide in their range, and every post brings letters of appreciation from readers in the remotest parts of the globe. I am particularly proud of our achievements in this direction, and can assure you that our best energies are devoted to extending and enhancing a reputation that is already enviable.

The new magazines we have produced include the *Detective Magazine*, which has certainly struck a new note in mazedom. It numbers among its wide circle of patrons many influential readers, and it is a magazine that has made its way by personal recommendation.

Ever ready to take advantage of favourable opportunities for the launching of new publications and the exploring of new markets, we early realised the wonderful possibilities of wireless, and started *Popular Wireless*, which immediately jumped to the front with the largest circulation of any wireless publication.

This success was followed up by launching the *Wireless Review*, a paper on more advanced lines, and when I tell you that we have as scientific adviser Sir Oliver Lodge, and names like that of Professor Einstein are included among our brilliant list of

experts, you will readily see that with the renewed interest in this fascinating science, which, will, we believe, be evidenced this autumn, our wireless periodicals should prove a valuable addition to the firm's publications.

THE PRINTING EQUIPMENT.

Now a word about production. The cost of printing remains high. The greatly increased wages, reduction in working hours, heavy taxation and enhanced cost of materials constitute a problem in these difficult days.

The extensive Sumner street Printing Works are completed, and our printing is now concentrated in three large factories—Sumner street and Lavington street, S.E., and Gravesend, Kent. Five smaller factories have been closed down, and in the case of certain freeholds will be disposed of to advantage.

It is expected that the very considerable expenditure on additional printing works and plant will be fully justified by results, and the concentration will contribute in no small degree to greater efficiency and economy in working.

HUGE PUBLICITY MACHINE.

I am glad to report that the year's revenue from advertisements has again far exceeded all previous records. During the past five years—that is, from the first full year after the conclusion of the war—the revenue from this source has much more than doubled itself.

Year by year advertisers realise more fully the importance and value of your publications as "business bringers." Indeed, it is doubtful whether there is anywhere a selling organisation comparable to that constituted by the Amalgamated Press publications.

Many of your periodicals, as you know, are not open to the advertiser. The combined net sale per issue of those which do accept advertisements is nearer six million copies than five. I do not exaggerate when I say that these periodicals and magazines form the greatest self-contained publicity machine of its kind in the world. Greatest, not only in point of numbers, but in the extent and variety of its appeal. There is not a class or section of the public which is not catered for by some one or other, or by a group, of these publications; there is no district in the British Isles not covered by them. In 98 per cent. of the homes of England, Scotland, Wales—yes, and Ireland—some one or more of your publications is read regularly.

LEADING ADVERTISERS USE 9,000 PAGES.

I should like to mention one other figure—it is significant. During the year just closed nearly 9,000 full pages of advertisements in your journals were purchased and paid for by advertisers. This figure stands quite unrivalled. No other periodical publishing house in the country can afford the advertiser similar scope or offer him facilities and opportunities that can even compare with those provided by the Amalgamated Press.

Answers is, of course, a household word, and announcements in its columns continue to show advertisers exceptional results. Our three highest-grade magazines, *The London Magazine*, *Premier Magazine* and *My Magazine*—and *Home Chat*, the premier weekly, paper for women—have all been doing exceedingly good business, and stand higher than ever before in the estimation of advertisers.

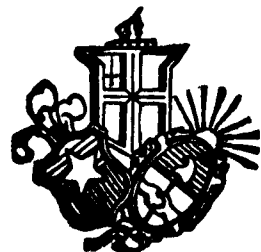
Fashions for All, *Home Fashions*, *Children's Dress*, the *Best Way* series, *Woman's Pictorial* and *Woman's Weekly* provide the advertiser of all articles appealing to women with an exceptional field, of which increasing advantage is being taken. Indeed, these papers, with the addition of *Home Chat*, *Woman's World*, *Home Companion* and *Family Journal*, may be said to cover completely and efficiently the entire women's market.

Our religious section, *The Sunday Companion* and *Sunday Circle*, together with their old-established companion papers, *Sunday Stories* and *Hörner's Stories*, steadily maintain their influence. *The Sunday Companion* has the largest circulation of any religious paper in the country.

A SELF-CONTAINED COMPANY.

It is well that I should point out what may not be generally known, that this is the only periodical and magazine publishing company in the world that owns its own printing plant, makes its own ink and its own paper, and owns its own forests for the making of pulp. There are, of course, newspapers in this country in the same fortunate position. I refer to the Associated Newspapers (which owns *The Daily Mail*), and also to *The Daily Mirror* and *Sunday Pictorial*, the newspapers controlled by Lord Rothermere, who, with his brother, the late Lord Northcliffe, was the first newspaper proprietor in this country to realise the necessity of papers owning their raw material.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

I wish to emphasise this point, because it is a mistaken notion to think the entire profits of this firm are derived from the printing and selling of periodicals and magazines. Its outside investments will, I hope, with careful finance and good management, become both an increasing asset and a greater source of revenue.

The Amalgamated Press has the controlling interest in the Imperial Paper Mills, Limited, the second largest paper mills in this country, and the recent additions to its plant have made it probably the most up-to-date paper-making concern.

The Imperial Paper Mills, in its turn, has the largest interest in the Gulf Pulp and Paper Company, situated at Clarke City in the Province of Quebec.

A large proportion of the mechanical pulp used in the production of your periodicals is drawn from this source, and it is essential that your directors should maintain a very careful financial policy, in view of the fact that it may be necessary at an early date to provide for the purchase of further timber limits, to ensure an ample supply of the raw material required.

CONSERVATIVE FINANCE.

For many years your directors have been conservative in their system of finance, and this policy must be continued because of the unsettled conditions prevailing all over the world, and to make it possible steadily to extend the company's operations.

SUGGESTIONS AND IDEAS.

It has always been my custom to mention that we are at any time ready to receive and consider suggestions and ideas for new publications, and to welcome also applications from ambitious young men and women who may wish to embark on a journalistic career. I repeat that invitation to-day. As in the past, I shall be glad personally to receive any such suggestions or applications.

THE STAFF.

The staffs of our many and varied departments have worked well during the past year. I believe we have, perhaps, the most devoted and loyal staff in the country, and I want to tender to them the thanks of the company for their hard work and efforts to ensure a successful year. I am certain the shareholders will support me in this.

THE FUTURE.

With regard to the future, we have never ventured to prophesy at any of the Amalgamated Press meetings, but have rather contented ourselves with coming before you with something accomplished, as we have done again this year. Even if the directors had been given to prophesying of the future, it would be a difficult thing to do so in the present state of trade and the European situation generally, so I have a double reason for refraining.

When things become stabilised, and there is a revival in trade (of which, I must say, there seems no indication at the moment), when the unemployment figures show a very considerable reduction, and there is some relief from the heavy burden of taxation borne by every business, it is obvious that we must benefit to a very large extent. As far as I can judge, there are few signs of this at the moment, but when the long-hoped-for trade revival does come, this company being, as it is, financially strong, will be able to take full advantage of any favourable situation that may arise, and, as in the past, no opportunity of extending the business, which in the opinion of your directors is a wise one, is likely to be neglected.

I have now to move: "That the report of the directors produced, together with the annexed statement of the company's accounts at June 30, 1923, be received, approved and adopted, and that a final dividend for the year of 2s a share, less income tax at 4s 6d in the £, be now declared on the ordinary shares." I will ask Mr Linforth, the vice-chairman of the company, to second that resolution.

Mr Arthur E. Linforth (vice-chairman): Ladies and gentlemen, I beg to second the motion.

The Chairman: I shall be glad to answer any questions from shareholders.

No questions being asked, the resolution was put to the meeting and carried unanimously.

The Chairman: Perhaps a shareholder will now kindly propose the election of the auditors.

Mr C. R. Steele: I beg to propose that Messrs Turquand Youngs and Co. and Messrs E. Layton Bennett, Sons and Co., be elected as auditors to the company for the ensuing year.

Mr C. B. Rawlings: I have pleasure in seconding the motion. The motion was carried unanimously.

The Chairman: That, ladies and gentlemen, concludes the business of the meeting. I thank you for your kind attendance.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS AND STAFF.

Mr Hartley Aspdon, C.B.E., J.P.: I beg to propose a vote of thanks to the chairman, directors and staff, and I wish to couple with that an expression of our sympathy with Lady Sutton in her recent motor accident.

Mr J. H. Panting: Perhaps I may be allowed to second this

proposition, and, in doing so, I should like to add a few words to the sympathetic remarks which you, sir, have made in referring to the great loss which this company has sustained in the death of its founder. No one was more intimately associated with his work in all its varied stages than yourself, and no one, therefore, is more competent to express what that loss is. My only excuse for rising is that, while you have given expression to the feeling of yourself and your co-directors, it would be altogether unpardonable if we, on this side of the platform—the shareholders—were not associated in some way in that expression of regret. Your loss is our loss, and it is not the loss of this company only, but extends to that greater world outside. Both we and this country are the losers by the premature death of Lord Northcliffe at a time when he had reached the summit of a marvellous career. Our chief consolation, sir, is that you and your co-directors are inspired by the same ideals and energy that inspired him, and eloquent testimony of that inspiration is seen in the report you have just presented—the most successful report of the many successful reports which have marked the history of this company.

The vote was unanimously accorded.

The Chairman: Ladies and gentlemen, on behalf of myself, my colleagues and the staff, I thank you for the kind way in which you have received the resolution which has been proposed and seconded, and I am particularly indebted to Mr Panting for the kind way in which he has referred to the loss we have sustained by the death of Lord Northcliffe.

The proceedings then terminated.

It was announced that the dividend warrants would be posted on August 29th.

MINERALS SEPARATION, LIMITED. SUCCESS OF COMPANY'S PROGRESSES.

The eighteenth annual meeting of Minerals Separation, Limited, was held, on the 28th ult., at Winchester House, London, Mr Francis L. Gibbs presiding.

The Chairman, in moving the adoption of the report and accounts, said: He must say again this year what he said last year, that there was no reason for any depression because the company's operations during 1922 had not shown a more favourable pecuniary result. Although the apparent slowness of progress could not fail to be a source of regret to the shareholders as it was to the directors, he could assure them that a world-wide position of great strength for the company in the vital industries of coal and metalliferous ores was steadily being prepared, and would before long produce results which would amply repay the shareholders for any present disappointment.

SATISFACTORY RESULTS AT NANTES.

There was now little doubt that the department of their business which would prove to be the first to become income-bearing on a considerable scale would be that which dealt with the cleaning of coal and the briquetting of coal. It was their intention to proceed last year with the construction of a large briquetting works on the site which the Powell Duffryn Steam Coal Company and their company had acquired at Newport, but in view of the fact that La Compagnie Française des Mines Powell Duffryn decided to erect a large plant in France at Nantes, it was considered wise to await the completion and running of that plant before embarking on a large expenditure at Newport. The experience to be gained from the erection and running of the Nantes plant was considered to outweigh in value the disadvantage of the delay in the erection of their Welsh plant, and he thought this opinion was right. As shown in the report, the plant at Nantes had been erected to their complete satisfaction, and the experience already gained had put them into the position of knowledge which they desired to occupy. Arrangements for the erection of the large plant at Newport could now be made in earnest.

VALUE OF THE BRIQUETTES.

One point of particular interest, apart from costs, which had been determined at Nantes was that the cohesion, or, to use another word, the hardness, of briquettes made by their new wet briquetting system came up to the standard demanded by the French Government Railways. The cohesion of their briquettes fulfilled all requirements, and, in addition, of course, this fuel was much purer than other patent fuel, for it was cleaned of all free ash. Another outstanding point of great interest which had been established at Nantes was the truly marvellous calorific power of their briquettes as compared with others. The heat-producing quality of this fuel was immense.

OPTION IN SOUTH WALES.

They had lately, in combination with one of the leading colliery-owners in this country, taken an option over a works in South Wales for the purpose of manufacturing what would correspond to

anthracite nuts. He did not think there was much doubt that they would exercise that option before the end of this year, as the business was attractive and the terms reasonable.

The other side of their coal business related not to briquetting of coal, but to the cleaning of it for the purpose of producing a cleaner and harder coke than is at present produced. The demonstration they had just given in the North of England to coke manufacturers had been characterised as inaugurating a great advance upon anything which had been done hitherto in the method of dewatering washed coking coal. In addition to what the Powell Duffryn Steam Coal Company were doing, there were several other collieries in this country using the company's methods for cleaning coal for coking purposes, and several more in Spain, and new installations were going up in France, Belgium, and Germany.

Last year he said that they would shortly be taking steps to make their coal cleaning and briquetting methods known in Central Europe, where there was undoubtedly a large field for them. This step had now been taken, and several plants were being constructed for use in Germany and Austria, and many more were under consideration.

The ore reduction process for the treatment of oxidised silicate and carbonate copper ores, in which they were largely interested, had made a decided advance, and they were making great advances in Northern Rhodesia. The reputation already created for their new coal processes could not fail to be of immense benefit to the coal mining industry, and he hoped later on in the year to be able to give information that a similar reputation had been established for their new metals processes, with special application to the world's copper industry.

The report was unanimously adopted.

THE VEREENIGING ESTATES, LIMITED.

"ENORMOUSLY INCREASED VALUE OF FARMS."

At the twenty-fourth ordinary general meeting, held at Johannesburg on August 3, 1923.

Mr Julius Weil, who presided, said that the gross profit for 1922 was £27,206 18s 1d, as compared with £31,164 13s 11d for 1921, and this reduced profit was entirely due to the rebellion and general strike.

A dividend of 2½ per cent. had been declared, and unless something unforeseen occurred they should be able to do better next year.

Excellent rains falling at seasonable periods resulted in a marked growth of timber. Very shortly a much larger quantity of timber would be handled. This asset was of enormous value.

The forest had been extended by sowing Pinus Pinaster, equal to 26,000 trees, a further 9,000 gums and 5,000 arizonica.

The apple orchards were in splendid condition. The crop realised over £6,000.

The board had acquired the Largo Colliery and the Schoongezicht Colliery to give such varieties of quality and advantageous points of supply as would enable the combination to successfully compete for all classes of trade, as well as export and bunker trade. The consideration payable for Largo and Schoongezicht Collieries was 185,000 fully paid shares and a liability of £195,000.

The Vereeniging Brick and Tile Company, Limited, had been running full time, and had orders on hand to keep them fully equipped for many months to come. The outlook was distinctly encouraging. Their company now owned the whole of the shares of this company.

The opening of the Vaal River Barrage had been performed by Prince Arthur of Connaught a week ago.

This barrage across the Vaal River, 25 miles down-stream below Vereeniging, had created a storage reservoir capable of impounding 13,633,000,000 gallons of water.

Of the total cash, no less than £272,229 had been spent in Vereeniging in the construction of the main pumping station, service reservoirs, precipitation tanks, railway sidings, staff quarters, &c.

He wished, however, to draw the shareholders' attention to the enormously increased value of all their farms, and more particularly to their river farms. They had 65,000 acres of ground riparian to their reservoir. The potentialities of the district could hardly be imagined. Their company had a river frontage of approximately 50 miles, with an average depth of water of 17 feet. How many towns in South Africa were situated as Vereeniging was to-day? It had established on the banks of the Vaal River collieries, steel works, a power station, brick, pipe, and tile works, maize mills, with coal, lime, sand, clay, timber in practically unlimited quantities.

The bridge over the Vaal River at Vereeniging, connecting the Transvaal and Orange Free State, and thus linking up a number of important towns with Vereeniging, was opened for traffic some months ago.

Realising the advantages that would accrue to their company, they had popularised the town as a pleasure resort. The time was not far distant when Vereeniging, in addition to being the industrial centre, would also be the most popular inland holiday resort in South Africa.

The new Town Hall, a handsome building costing £16,000, had been completed, and would be opened on the 15th of this month.

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

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Aug. 25, 1923.	Total Receipts into the Exchequer from Apr. 1, 1922, to Aug. 25, 1922.	RECEIPTS. Week Ended Aug. 25, 1923.	Week Ended Aug. 26, 1922.
Receipts into the Exchequer on 1st April:—					
Bank of England....	..	5,442,665	9,963,424	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs.....	116,900,000	50,637,000	51,212,000	3,100,000	3,114,000
Excise.....	143,850,000	57,503,000	62,709,000	1,532,000	1,404,000
Motor Vehicle Duties..	13,250,000	3,491,000	2,657,000	..	..
Stamps, &c., Duties.....	52,000,000	22,500,000	27,231,000	1,160,000	1,160,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	7,480,000	6,062,000	240,000	370,000
Property & Income Tax	3,000,000	470,000	530,000	10,000	..
Super-Tax.....	261,000,000	85,309,000	111,992,000	4,225,000	5,048,000
Excess Profits Duties, &c.	58,000,000	18,710,000	..	490,000	..
Corporation Profits Tax	12,000,000	8,160,000	954,000	470,000	690,000
Post Office.....	20,000,000	20,600,000	6,427,000	1,250,000	1,250,000
Crown Lands.....	52,600,000	20,600,000	350,000	90,000	70,000
Interest on Sundry Loans.....	900,000	410,000	..	..	..
Miscellaneous.....	12,500,000	5,930,221	3,517,666	..	..
Ordinary Receipts..	12,500,000	6,141,664	15,202,984	443,933	254,909
Special Receipts....	40,000,000	18,468,379	21,406,410	..	834,471
Revenue.....	818,500,000	306,190,264	331,551,060	13,011,933	14,195,380
Total, Inc. Balance ..	..	313,008,431	342,724,590	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	65,000	800,000	..	..
Under the Unemployment Insurance Acts, 1921.....	..	3,390,000	2,660,000	60,000	160,000
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1921 and 1922.....	..	1,750,000	1,650,000	..	..
Under the Housing Act, 1914.....	..	..	13,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	..	950,000	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	270,000	1,450,000	..	..
(c) For other Issues:—					
By Treasury Bills.....	..	972,949,000	1,193,643,000	41,280,000	50,356,000
By National Savings Certificates.....	..	18,550,000	33,998,000	700,000	700,000
By Exchequer and National War Bonds.....	..	..	20	..	..
By Treasury Bonds:—					
5-15 year, 1925-35.....	..	..	61,543,782	..	..
5½%, 1927.....	..	..	52,648,508	..	..
4½%, 1932.....	..	29,202,627	..	..	..
4%, 1931-33.....	..	..	11,869	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	..	..	..	..
(d) Ways and Means Advances.....	..	306,553,500	319,910,500	1,000,000	200,000
Anglo-Persian Oil Company—					
Dividends on Shares acquired	..	50,081	243,012	..	..
Repayments:—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	..	161,028	172,628	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	..	6,827,960	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	..	162,425	..	..
Total.....	..	1,645,255,667	2,019,439,294	56,050,933	65,611,380

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1923, to Aug. 25, 1923.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Aug. 25, 1922.	ISSUES. Week Ended Aug. 25, 1923.	Week Ended Aug. 26, 1922.
EXPENDITURE.					
National Debt Services:—					
Interest, &c.....	310,000,000	132,638,134	127,188,020	326,495	290,423
Sinking Fund.....	40,000,000	17,509,807	2,107,999	516,260	..
Road Fund.....	12,650,000	2,890,044	..	..	..
Payments to Local Taxation Authorities, &c.....	10,348,000	2,261,316	2,020,000	1,400,000	..
Payments to Northern Ireland Exchequer ..	3,000,000	1,456,108	671,639	203,066	..
Land Settlement.....	1,500,000	197,681	507,506	8,209	7,644
Other Consolidated Fund Services.....	2,972,000	1,126,694	1,053,725	..	1,334
Supply Services.....	440,566,000	145,194,919	158,489,674	5,900,000	6,750,000
Expenditure.....	821,035,000	303,474,763	292,038,563	8,784,030	7,049,901

	Total Issues out of the Exchequer to meet Payments from		Issues	
	Apl. 1, 1923, to Aug. 25, 1923.	Apl. 1, 1922, to Aug. 25, 1922.	Week ended Aug. 25, 1923.	Week ended Aug. 25, 1922.
OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1914	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921	270,000	2,000,000	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922	2,830,000	2,000,000	250,000	..
Under the Housing Act, 1914	12,000	13,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed	3,027,000	2,030,000	..	..
Redemption of Debt—				
Treasury Bills	985,375,000	1,360,409,000	37,120,000	56,720,000
Principal of National Savings Certificates	14,650,000	11,250,000	650,000	600,020
Principal of Exchequer Bonds paid off	..	19,612,228	..	..
Principal of National War Bonds paid off	17,005,096	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	269,036	9,444,601	..	..
Ways and Means Advances Repaid	314,499,500	314,668,500	9,100,000	672,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	50,081	243,012	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..
Balances in Exchequer—				
Bank of England	1,641,529,581	2,014,859,449	59,940,000	65,041,921
Bank of Ireland	2,185,880	2,361,013	..	..
Bank of Scotland	1,540,206	2,218,832	..	..
Total	3,726,086	4,579,445	..	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, August 27, 1923.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Aug. 25, 1923.
Funded Debt	588	318	315	315	315	315	314	314
Term Annuities	30	22	20	19	18	16	15	15
4½% War Stock	63	63	63	63	63	63	63	63
4% War Stock	16	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071
National War Bonds	649	1,509	1,476	1,413	1,201	971	971	956
4% Funding Loan	..	409	409	405	401	401	400	400
4% Victory Bonds	..	360	357	348	335	335	335	335
5-year Conversion Loan	..	..	..	..	..	..	..	..
5-year Treasury Bonds	..	..	..	..	..	..	..	..
Do by tender 5%	..	..	..	..	..	..	..	..
Do by tender 4%	..	..	..	..	..	..	..	..
Do 4%, 1931-33	..	..	..	..	..	..	..	..
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616
Exchequer Bonds	30	324	323	319	289	185	150	150
Nat'l. Savings Certs.	138	267	274	285	342	350	354	357
War Expend. Certs.	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
Other Debt	61	61	61	..	..	..	..	..
American Loan	1	204	243	205	154	147	194	186
Temporary Advances	654	5,872	8,033	7,829	7,574	7,655	7,668	7,657
Other Capital Liabilities	67	49	46	47	49	66	67	67
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,724

POSITION OF THE FLOATING DEBT.

	Aug. 25, '22.	Mar. 31, '23.	Aug. 25, '23.
Temporary Advances Outstanding—			
Advances by Bank of England	152,575,500	193,897,500	185,951,500
Advances by Public Debt Office	715,360,000	616,045,000	602,920,000
Treasury Bills outstanding	..	..	..
Total Floating Debt	867,935,500	809,942,500	788,871,500

* Includes £37,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Reserve Account.	Silver Coin.	Redemption Account.			
				Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Balance at Bank of England.
1922.							
Mar. 29	300,351	14,255	5,000	28,500	19,450	15.9	261,479
June 28	295,374	13,338	6,000	28,500	19,650	16.3	254,312
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,456
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,922
1923.							
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446
Aug. 25	286,768	12,356	7,000	27,000	22,450	17.2	242,543
Aug. 30	285,069	12,157	7,000	27,000	22,450	17.3	240,592

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum statutory issue for 1920 fixed at £300,000,000, for 1921 at £317,500,000, for 1922 at £309,900,000, and for 1923 at £270,185,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Sept. 3-Sept. 8 were opened on Aug. 31, 1923, and the total amount applied for was £62,485,000. Tenders for Monday to Saturday bills at £99 4s 8d, about 83 per cent., and above in full. The amounts allotted were as follows:—In bills at 3 months, £45,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
July 20	30,000,000	42,925,000	3 1/2 10.93	nil
July 27	30,000,000	50,940,000	3 0 2.99	nil
Aug. 3	35,000,000	55,375,000	3 4 4.95	nil
Aug. 10	30,000,000	52,405,000	3 2 2.59	nil
Aug. 17	30,000,000	46,000,000	3 1 8.21	nil
Aug. 24	40,000,000	62,360,000	3 1 9.18	nil
Aug. 31	45,000,000	62,485,000	3 1 2.86	nil

Tenders will be received on Sept. 7, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS

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

Head Office: 36-44, MOORGATE, LONDON, E.C.2.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 29, 1923.

ISSUE DEPARTMENT.

	£	£
Notes issued	145,571,760	145,571,760
Government debt	11,015,100	..
Other securities	8,734,900	..
Gold coin and bullion	125,821,760	..

BANKING DEPARTMENT.

	£	£
Proprietors' capital ..	14,553,000	..
Reserve	3,586,680	..
Public deposits*	16,581,038	..
Other deposits	103,549,889	..
Seven-day & other bills ..	6,326	..

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

138,276,933

	Amount, Aug. 29, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,586,680	..	..
Public deposits	16,581,038	..	..
Other deposits	103,549,889	..	..
Seven-day & other bills ..	6,326	..	..

	Amount, Aug. 29, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,586,680	..	..
Public deposits	16,581,038	..	..
Other deposits	103,549,889	..	..
Seven-day & other bills ..	6,326	..	..

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.
1923.					
July 25	127,640,308	125,717,465	109,846,510	116,189,787	21,678,843
Aug. 1	127,640,838	125,717,465	116,189,787	20,769,138	171
8	127,645,821	125,717,465	116,189,787	21,678,843	171
15	127,644,253	125,717,465	116,189,787	21,678,843	171
22	127,643,276	125,717,465	116,189,787	21,678,843	171
29	127,643,180	125,717,465	116,189,787	21,678,843	171

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to July 25	18,859,704	901,414	1,628,952	21,389,070
August 1	607,802	30,806	49,664	688,272
8	474,976	29,283	55,476	559,735
15	553,899	27,825	52,033	633,757
22	511,333	26,244	49,289	586,866
29	501,092	24,680	44,020	569,792
Total to date 1923.	21,481,806	1,040,252	1,879,434	24,401,492
Do 1922	22,484,242	1,068,117	1,886,671	25,439,030
Increase or decrease in 1923 ..	-1,002,436	-27,865	-7,237	-1,037,538
%	-4.4	-2.6	-0.3	-4.0
Total for year 1922	32,780,635	1,574,661	2,806,165	37,161,461
Total for year 1921	32,780,635	1,574,661	2,806,165	37,161,461
Increase or decrease in 1922 ..	+2,512,421	+85,505	+196,014	+2,793,940
%	+8.3	+5.1	+6.5	+6.3

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to August 25.			
BIRMINGHAM	74,684,000	78,099,400	+3,415,400
BRISTOL	48,150,000	39,679,000	-8,471,000
DUBLIN	21,551,700	20,935,200	-616,500
LIVERPOOL	37,265,600	36,802,400	-463,200
LONDON	36,675,700	35,058,500	-1,617,200
MANCHESTER	27,110,900	25,768,700	-1,342,200
NEWCASTLE-ON-TYNE	284,980,300	295,600,000	+10,619,700
NOTTINGHAM	507,102,300	497,982,000	-9,120,300
Sheffield	63,197,200	68,962,300	+5,765,100
Southampton	22,403,300	21,089,900	-1,313,400
Wolverhampton	31,297,000	38,526,000	+7,229,000

OVERSEAS BANK RETURNS.

NOTE.—The latest returns of the Banks of Canada and Roumania appeared in the Economist of July 21; Bulgaria in July 23; Greece, Denmark, and Estonia in August 11; Egypt in August 18; South Africa, Russia, Hungary, and Czechoslovakia in August 28.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Aug. 24, 1923.	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 25, 1922.
RESOURCES.				
Total gold reserve	3,122,760	3,120,880	3,112,640	3,061,760
Legal tender notes and silver reserve ..	78,610	74,190	77,480	130,900
Bills discounted for member banks	780,600	801,440	823,100	389,930
Bills bought in open market	176,810	173,190	177,410	166,490
Government obligations owned	84,760	89,840	90,210	484,760
All other resources	67,320	66,930	66,680	67,330
LIABILITIES.				
Government deposits	34,290	30,040	21,940	43,970
Other deposits	1,847,620	1,872,390	1,882,860	1,807,880
Federal Reserve Notes in actual circulation ..	2,225,060	2,231,820	2,224,360	2,146,670
F.R.B. Notes in actual circulation	1,520	1,550	1,570	56,950
All other liabilities	19,280	18,660	18,510	22,220
Capital and surplus	328,050	328,260	328,040	321,440
Ratio of total reserves to gross deposit and Federal Reserve note liabilities combined ..	77.9%	77.3%	77.3%	79.8%

BANK OF FRANCE.—In francs (000's omitted).

	Aug. 30, 1923.	Aug. 16, 1923.	Aug. 16, 1923.	Aug. 31, 1922.	Position May 25, 1914.
ASSETS.					
Gold coin and bullion	5,537,957	5,537,942	5,537,912	5,531,528	3,730,626
Of which held abroad	1,864,345	1,864,345	1,864,345	1,948,367	
Silver coin and bullion	294,436	294,302	294,211	285,824	632,650
Discounts and advances	4,698,816	4,416,840	4,533,443	4,298,676	1,337,776
Advances to the State	23,400,000	23,400,000	23,400,000		
LIABILITIES.					
Notes	37,364,043	37,111,155	37,265,406	36,384,980	5,811,875
Government deposits	19,506	12,423	14,787	50,020	183,700
Private deposits	1,909,044	2,004,271	1,952,044	2,119,944	845,950

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	July 4, 1923.	June 27, 1923.	June 20, 1923.	June 6, 1923.	July 5, 1923.
Cash and bullion ..	27,101	27,111	27,044	27,048	27,101
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	65,705	65,200	65,134	65,092	65,134
Discounts	202,149	206,653	199,423	205,613	146,330
Government loans	1,015,393	1,041,121	900,910	890,910	720,099
LIABILITIES.					
Notes in circulation ..	1,248,173	1,212,516	1,207,914	1,200,651	829,095
Deposits	59,588	78,368	72,649	58,202	52,989

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Aug. 10, 1923.	July 31, 1923.	July 20, 1923.	July 10, 1923.	June 30, 1923.
Gold	46,867	46,857	46,793	44,993	43,877
Silver	34,908	34,756	34,716	37,199	39,813
Foreign coin (a)	2,275	2,952	5,117	5,985	5,865
Foreign bank (a)	26,773	30,642	28,449	30,385	26,655
Advances to the Govt. ..	460,200,000	419,000,000	3,706,000,000	3,322,000,000	29,650,000
Private loans and discounts ..	1,589,464,007	1,148,963,791	1,055,694,039	965,492,886	938,262,170
LIABILITIES.					
Notes in circulation	4,887,351,221	4,478,709,058	3,883,105,857	3,690,296,655	3,566,649,072
Deposits	1,252,791,301	1,042,638,778	1,095,932,092	936,627,142	613,258,321

(a) Gold marks.

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Aug. 15, 1923.	July 15, 1923.	June 30, 1923.	May 15, 1923.	May 31, 1923.
Gold	16,378	16,320	16,292	16,142	15,820
Silver	237	228	181	117	113
Dollars, £ sterling, &c.	35,358	35,333	35,495	35,250	35,264
Other foreign currency	17	19	24	25	35
Discount and credit	13,863	13,647	12,726	13,066	12,355
Other assets	8,690	7,756	7,391	7,711	6,507
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	51,973	49,378	48,578	50,276	46,881
Deposits	6,999	8,116	7,475	5,795	7,631
Other liabilities	2,973	3,809	4,060	4,240	3,782

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Aug. 22, 1923.	Aug. 15, 1923.	Aug. 8, 1923.	July 31, 1923.	Aug. 22, 1922.
Gold	63,065	63,063	63,059	63,054	63,682
Other coin and notes	17,962	20,280	19,171	18,183	16,852
Foreign credits	349,973	345,602	349,935	350,327	412,996
Bills	1,253,179	1,224,945	1,218,630	1,210,145	1,057,330
Govt. advances	4,568,617	4,568,608	4,568,608	4,568,608	4,537,073
LIABILITIES.					
Notes in circulation	5,605,319	5,650,371	5,694,583	5,579,929	4,984,143
State credits	373,116	373,107	373,107	373,107	333,902
Deposits	619,240	541,238	531,481	649,344	709,128

LONDON RATES.

	Aug. 24, 1923.	Aug. 25, 1923.	Aug. 26, 1923.	Aug. 27, 1923.	Aug. 28, 1923.	Aug. 29, 1923.	Aug. 30, 1923.	Aug. 31, 1923.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.		%	%	%	%	%	%	%
July 27	27	3 1/2	3 1/2	3 1/2	3 1/2	4	4	4
Aug 3	3	3 1/2	3 1/2	3 1/2	3 1/2	4	4	4
10	10	3 1/2	3 1/2	3 1/2	3 1/2	4	4	4
17	17	3 1/2	3 1/2	3 1/2	3 1/2	4	4	4
24	24	3 1/2	3 1/2	3 1/2	3 1/2	4	4	4
31	31	3 1/2	3 1/2	3 1/2	3 1/2	4	4	4

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	July 18, 1922 .. 7 1/2	Madrid	Mar. 23, 1923 .. 5
Athens	Jan. 14, 1923 .. 30	Paris	Mar. 11, 1922 .. 5
Berlin	Aug. 2, 1923 .. 30	Prague	Mar. 12, 1923 .. 5
Brussels	Jan. 22, 1923 .. 5 1/2	Rome	July 11, 1922 .. 5 1/2
Bucharest	Sept. 4, 1920 .. 6	Sofia	June 14, 1919 .. 5 1/2
Budapest	July 5, 1923 .. 18	Stockholm	July 1, 1922 .. 4 1/2
Calcutta	June 28, 1923 .. 4	Swiss Bank	
Christiania	May 1, 1923 .. 6	places	July 14, 1923 .. 4
Copenhagen	May 1, 1923 .. 6	Tokio	Nov. 18, 1919 .. 5
Helsingfors	Oct. 16, 1922 .. 8	Vienna	Sept. 2, 1922 .. 3
Lisbon	May 1, 1923 .. 8	Warsaw	Feb., 1923 .. 12
New York Federal Reserve ..	Feb. 21, 1923 .. 4 1/2	Irish	July 5, 1923 .. 5

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Aug. 31, 1922.	July 26, 1923.	Aug. 2, 1923.	Aug. 9, 1923.	Aug. 16, 1923.	Aug. 30, 1923.
Call money	4 1/2	5	5 1/2	5 1/2	5 1/2	5 1/2
Time money (30 days' mixed call) ..	4 1/2	5	5 1/2	5 1/2	5 1/2	5 1/2
Bank acceptances	4 1/2	5	5 1/2	5 1/2	5 1/2	5 1/2
Non-member—eligible, 90 days	4 1/2	5	5 1/2	5 1/2	5 1/2	5 1/2
Member—eligible, 90 days	4 1/2	5	5 1/2	5 1/2	5 1/2	5 1/2
Commercial accept., 90 days	4 1/2	5	5 1/2	5 1/2	5 1/2	5 1/2

Rates of Exchange.	Par Level.	Aug. 31, 1922.	Aug. 9, 1923.	Aug. 16, 1923.	Aug. 30, 1923.
New York on—					
London—					
60 days	4-8666	4-4325	4-5325	4-5312	4-59
Cable		4-446	4-5675	4-5687	4-5475
Oblique		4-4575	4-5650	4-5663	4-545
Paris		19-30	7-6150	5-6675	5-54
Brussels		19-30	7-22	4-30	4-45
Switzerland		19-30	19-02	18-29	18-14
Italy		19-30	4-3350	4-27	4-3050
Berlin		23-83	0-06000	0-0005	0-0009
Vienna		20-26	0-01412	0-01412	0-014
Amsterdam		19-30	15-51	13-79	13-62
Copenhagen		40-195	39-01	39-44	39-38
Stockholm			21-41	18-36	18-28
Athens			16-67	16-20	16-64
Oslo			26-51	26-59	26-79
Stockholm			2-85	1-90	1-75
Athens			99-99		97-73
Montreal			48-85	48-82	48-93
Yokohama			57-70	51-85	52-05
Hong Kong			77-60	69-60	70-00
Shanghai			38-90	30-52	30-47
Calcutta			121-50	134-00	137-00
Buenos Aires			13-25	10-05	10-00
Rio de Janeiro			20-60	14-50	12-40
Valparaiso					12-10

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London on August 30th the following are the Moscow quotations for the Tchervonetz:—

1900 Roubles 1923 issue to the Tchervonetz.	
1820 " 1923 " " £ sterling.	
395 " 1923 " " dollar.	

RATES OF EXCHANGE.

London on	Usance	Par.	Sept. 1, 1922.	Aug. 24, 1923.	Aug. 31, 1923.
Paris	francs to £1	T.T.	25-224	57-37-42	81-04-07
Berlin	marks to £1	T.T.	30-43	5600-5800	15,200,000,000
Vienna	krone to £1	T.T.	34-02	320/350,000	320/325,000
Prague	krone to £1	T.T.	24-02	136-138	154-155
Warsaw	P. marks to £1	T.T.	30-43	3800-4000	1100/1200,000
Budapest	for to £1	T.T.	25-224	600-625	1010-1015
Constantinople	piastres to £1	T.T.	24-02	750	75/100,000
Sofia	levas to £1	T.T.	110	730-750	835-855
Belgrade	dinas to £1	T.T.	25-224	370-380	425-445
Amsterdam	for to £1	T.T.	12-107	11-44-11-45	11-57-58
Brussels	francs to £1	T.T.	35-224	60-60-65	101-00-10
Christiania	kroner to £1	T.T.	18-159	26-77-82	27-90-95
Stockholm	kroner to £1	T.T.	18-159	16-83-86	17-11-13
Copenhagen	for to £1	T.T.	18-159	20-75-80	24-36-38
Helsingfors	P. marks to £1	T.T.	25-224	207-209	164-165
Reval	E. marks to £1	T.T.	25-224		1550-1600
Riga	Lat. rubl. to £1	T.T.	25-224		1150-1200
Greece	draohmeto to £1	T.T.	25-224	157-162	248-253
Italy	lire to £1	T.T.	25-224	101-101 1/2	105-111
Switzerland	francs to £1	T.T.	25-224	23-44-46	25-78-21
Madrid	pesetas to £1	T.T.	25-224	33-75-80	33-82-85
Lisbon	pence to escu.	T.T.	53-4	23-3	24-8
Alexandria	piastres to £1	Right	97 1/2	97 1/2-97 1/2	97 1/2-97 1/2
New York	dollars to £1	Cable	4-866	4-46-46 1/2	4-55-4
Montreal	dollars to £1	Cable	4-866	4-46-46 1/2	4-66-4
Buenos Aires	pence to peso	T.T.	47-62d	44-4-44 1/2	38-1-38 1/2
Rio de Janeiro	pence to mils.	90 days	51	42-4-43	57-3-38 1/2
Montevideo	pence to peso	T.T.	13-33	31-50	37-0-0
Valparaiso	pence to £1	90 days	13-33	31-50	37-0-0
Lima	Eng. to Per. £1	90 days	99-99	104-1/2	104-1/2
Calcutta	ster. to rupee	T.T.	10 to 1	1s 3d-4d	1s 4d-4 1/2d
Bombay	ster. to rupee	T.T.	10 to 1	1s 3d-4d	1s 4d-4 1/2d
Madras	ster. to rupee	T.T.	10 to 1	1s 3d-4d	1s 4d-4 1/2d
Hong Kong	ster. to dollar	T.T.	2s 6d-7d	2s 3d-4d	2s 3d-4d
Shanghai	ster. to tael	T.T.	2s 6d-7d	2s 3d-4d	2s 3d-4d
Singapore	ster. to dollar	T.T.	2s 6d-7d	2s 3d-4d	2s 3d-4d
Yokohama	ster. to yen	T.T.	2s 6d-7d	2s 3d-4d	2s 3d-4d
Manila	ster. to dollar	T.T.	2s 6d-7d	2s 3d-4d	2s 3d-4d
Mexico	pence to doia.	T.T.	25d-28d	24d-26d	24d-26d

† Rate for previous day. § Sellers.

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Bonadur	Bueros to £1	10-00	Sight London	Aug. 25 18-41
Venezuela	Bollivares to £1	25-25	"	Aug. 22 34-60
Colombia (Bogota) ..	Pesos to £20	100	"	Aug. 28 96-28
Nicaragua	Cordobas to £1	4-8665	"	Aug. 18 4-80
San Salvador	Colonos to £1	9-73	"	Aug. 25 9-45
Costa Rica	Pesos to £1	90-23	"	Aug. 25 282-50
Bolivia	Pence to Boliviano	10-45	"	Aug. 10 20-10
		19-20	"	July 21 16-4

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

The following rates.					
Union of South Africa.			Union of South Africa.		
From July 13, 1923.			From July 11, 1923.		
London on South Africa.			South Africa on London.		
Buying.			Selling.		
			Buying.		
			Selling.		
			(s)		
T.T.	..	1 1/2 % prem.	1 1/2 % dis.	1 1/2 % dis.	1 1/2 % dis.
Demand	18 %	18 %	1 1/2 %	1 1/2 %	1 1/2 %
30 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
60 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
90 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
120 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Date of Payment.	Method of Payment.	Last Year's Dividend.	Previous Years.
Railways.					
Union Pacific	2½%	Oct. 1	Quarterly	..	..
Banks.					
British Bank of South America	5 %	Sept. 28	Quarterly	..	..
Dominion Bank	12	Oct. 1	Quarterly	..	..
Mining.					
British Broken Hill Prop. (in liquidation)	35/ p.s.	Sept. 22	Less tax 4/7½ in £	10	10
Ouro Preto, Pref.	..	Sept. 24	..	..	..
Tea and Rubber.					
Kuala Lumpur	5%*	Sept. 21	Less tax	..	..
Perak Rubber	..	..	..	5	nil
Other Companies.					
Alliance and Dublin Gas	..	..	..	5½	..
Artisans' and General Dwellings	5%*	Sept. 10	Less tax	..	..
Bradleys (Chapstow Place)	5%*	Sept. 1	..	10½	..
Brewery & Commercial Invest.	6½%†	..	..	..	..
British American Tobacco	4%*	Sept. 29	Tax free 4/4 in £	..	..
Bristol Channel Steamers	2½	..	Less tax	..	..
City of London Electric	10	Sept. 29	..	..	..
Cork Gas Consumers'	8	..	..	..	..
Dixon and Corbitt, &c.	5 %	..	..	..	..
Dominion Tar and Chemical	2½%†	..	Tax free	10	..
Perodo, Pref.	..	..	..	12½	..
Do Ord.	..	..	Tax free	5	10
Fletcher, Son, and Fearnall	6½	..	Tax free	..	..
Hampton Court Gas	..	..	..	..	..
Haslingden Union Gas, "A" and "B"	3½%	..	Less tax	7½	nil
International Coal	..	..	Less tax	16	..
John Power	..	..	..	..	..
Leyland and Birmingham	7½%†	..	..	10	7½
Milford Docks, "A" Stock	12/6%†	Aug. 30	..	..	..
Nicholson's	8*	..	..	20	20
Oldham Brewery	5*	..	..	..	..
Oxford Electric	1/6 p.s.	Sept. 4	Less tax	..	..
P. and W. Hewthorn Leslie	7½%	Sept. 8	Less tax	..	..
Penkryl Navigation	6%*	..	Tax free	15	..
Pinechin, Johnson, and Co.	10	..	..	..	..
Planters' Stores and Agency	..	..	..	..	..
P. Mackenzie and Co.	7½%*	..	..	5	..
Provincial Cinematograph	..	..	..	10	7½
Theatres, "A" Pref.	6	..	Less tax	..	..
Scottish General Invest.	..	..	..	..	..
Scottish Iron and Steel, Pref.	..	..	..	10	6
Shanghai Dock and Eng.	5 %†	..	..	12½	10
Sheepbridge Coal and Iron	2 %	..	Quarterly	..	..
Singer and Co.	1/ p.s.†	(bonus 2½ %)	..	10	7½
Southern California Edison	6*	..	..	..	..
Staveley Coal and Iron	7½%	..	..	..	..
W. Edwards and Co.	6 %	..	..	..	..
Wellington Gas, Orig.	8*	Oct. 1	Less tax	..	..
Do Additional	6 %	..	..	..	..
William Whiteley	6½	..	..	..	..
Woking Water and Gas	5 %	..	..	..	..
Wolverhampton Gas, Cons.	3%	..	..	..	..
Do, New Ord.	..	..	..	..	..

Crossley Brothers.—No dividend is proposed on the ordinary or preference shares.

Gould Steamships and Industrials.—Owing to the continued depression in the shipping and ancillary trades and the unsatisfactory outlook no dividend is declared.

Manganese Bronze and Brass.—Owing to the depression in the shipbuilding trade the dividend on the 6 per cent. preference shares due September 1st will not be paid.

MINING OUTPUT STATISTICS FOR JULY, 1923.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Esperanza	1,330	..	..	..	8,028	*\$5,935
Frontino and Bolivia	520	..	..	..	2,217	..
Do Marmajito	..	..	..	..	..	..
Oroville Dredging	..	..	..	..	..	..
Nechi (15 days to Aug. 16)	..	..	..	..	\$17,579	..
Pato (11 days to Aug. 14)	..	..	..	..	\$12,622	..
Wahli Grand Junction	7,700	..	6,598 (silver)	2,096 (gold)	..	..

* Loss.

Coal.	Output.	Other Notes in Return.
	Tons.	Week ended August 25th.
Chislet Colliery	4,612	..
Nigerian Base Metals	8	..

MOUNT LYELL.—During the four-weekly period ended August 22nd there were smelted Mount Lyell ore 459 tons, North Lyell ore (direct to smelters), 289 tons, concentrates 2,284 tons. The converters produced 401 tons of blister copper, containing copper 598 tons, silver 7,393 ozs, gold 119 ozs. The mill treated 9,752 tons of ore, and produced 3,368 tons of concentrates. Furnace ran 15 days.

MOUNT MORGAN.—Cable:—"For the four weeks ended Aug. 21st, treated 5,112 tons Mount Morgan ore, 141 tons Many Peaks ore, 5,074 tons concentrates, and nil tons purchased ore and secondary products. Produced 415 tons blister copper, containing 411 tons copper and 5,587 ozs gold, including 2 tons copper and 2 ozs gold from Many Peaks; also nil tons of copper and nil ozs gold from purchased ore and secondary products. Concentrator treated 16,145 tons ore for a production of 5,640 tons of concentrates, containing 301 tons copper and 3,786 ozs gold. In addition to above production have matte on hand containing 27 tons copper and 270 ozs gold."

Reports and Notices.

Mr Martin D. V. Holt has joined the board of the London and Scottish Assurance Corporation, Limited.

The directors of the Northern Assurance Company, Limited, announce that acceptance of their offer to purchase the shares of the London and Scottish Assurance Corporation, Limited, have already been received from shareholders representing over the prescribed proportion of 75 per cent. of the shares, and that the provisional agreement for the purchase has consequently become absolute. The offer will still remain open to those shareholders who have not yet had the opportunity of signifying their acceptance. In pursuance of the agreement entered into, Mr W. Aneas Mackay will take up his appointment as general manager of the Northern Assurance Company, Limited, on September 1st.

A branch of the Meadow Dairy Company, Limited, has been opened at 252 Wandsworth road, South Lambeth.

BANKS.

BANK OF NEW ZEALAND.—The report and accounts for year ended March 31, 1923, shows that profits, after providing for expenses of management, all bad and doubtful debts, and other contingencies, and after making provision for the annual donation to the provident fund, also bonus to staff, are £574,838, as compared with £703,242 in preceding year. The ordinary dividend is unchanged at 2s 8d per share. The reserve fund is strengthened by the allocation of £150,000, making reserve fund £1,825,000. The sum of £421,957 is carried forward, against £430,819 brought into the accounts. The balance-sheet totals £45,306,116, against £43,330,191. Deposits at £30,003,927 compare with £28,676,603. Bills payable are at £3,644,908, against £3,713,175. Cash is at £7,974,011, against £7,427,410. Money at call and notice stands at £5,961,591, against £4,105,403. Bills receivable stand at £4,847,930, against £2,869,861. Investments total £4,663,293, against £3,552,017. Bills discounted are at £1,595,043, against £1,471,430. Other advances at £17,746,718 compare with £23,312,130 in the preceding report and accounts.

BRITISH BANK FOR FOREIGN TRADE.—The report and accounts for the year ended April 30, 1923, show a net profit of £10,262, to which is added £32,981 brought forward from preceding year, making £43,243 available. The directors state that because of the Continental situation and the slow recovery of Russia they do not recommend the payment of a dividend, but that £23,000 be applied to writing down the value of investments and provision for bad debts, and the balance, £20,243, be carried forward. The balance-sheet totals £514,520. The assets are loans to customers, £256,106; investments at cost or under, £129,914; premises account, £46,000; and cash, £82,499. The liabilities are—issued capital, £240,000; deposits, £231,276; and profit and loss account, £43,243.

IMPERIAL BANK OF INDIA.—The net profit for the half-year ended June 30, 1923, amounted to Rs. 76,01,175, as against Rs. 63,52,241 in first half-year, 1922. The dividend is the same at 16 per cent. per annum. The sum of Rs. 12,50,000 is put to reserve, Rs. 5,00,000 to pension funds, Rs. 5,00,000 to premises, while Rs. 19,07,825 is carried forward. In comparing the figures for half-year ended June 30, 1923, with the half-year ended June 30, 1922, reserve is at Rs. 4,35,00,000, against Rs. 4,11,82,805. Public deposits stand at Rs. 70,47,71,973, against Rs. 63,36,20,604. Cash stands at Rs. 29,13,48,654, against Rs. 33,95,74,448. Government securities are at Rs. 8,02,63,672, against Rs. 7,72,37,918. Loans stand at Rs. 15,87,06,221, against Rs. 14,20,98,283. Cash credits amount to Rs. 30,40,20,515, against Rs. 26,25,77,119, and bills Rs. 5,32,45,861, against Rs. 4,54,98,991.

QUEENSLAND NATIONAL BANK.—The report for the year ended June 30, 1923, shows a net profit of £149,351, against £128,819 in preceding year. The sum of £8,826 is brought in to the accounts from preceding year, making £158,177 available. The ordinary dividend is again 12½ per cent., free of Queensland income-tax. This dividend absorbs £100,000. The sum of £40,000 is transferred to reserve fund, and £18,177 is carried forward. Deposits stand at £7,519,294, against £6,808,730 in preceding balance-sheet. Advances stand at £7,756,322, against £7,869,401.

MISCELLANEOUS.

JOKAI (ASSAM) TEA.—The secretaries write as follows:—"The questions of splitting up the ordinary shares of the company and of giving a bonus on those shares have been brought forward more than once at the annual meetings of the shareholders, and both these matters have been pressed on the directors privately by individual shareholders. The reasons urged for these changes are that they will make the shares more saleable by widening the market, and at the same time will bring up the capital to a figure more nearly representing the cost and the value of the company's property. The directors, after very careful consideration, have decided to recommend to the shareholders to split up the present

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefce. Amount.	Ordinary. Amount.				
Banks.		£	£	£	£	£	%	£	£	%
Bank of New Zealand	Mar. 31	430,819	553,639	984,458	112,500	300,000	13½	150,000	421,958	682,043
British Bank for Foreign Trade	April 30	32,981	10,262	43,243	..	..	..	23,000	20,243	..
Queensland National	June 30	8,827	149,350	158,177	..	100,000	12½	40,000	128,819	12½
Breweries.										
Dailuaine-Talisker Distilleries ..	June 30	11,264	38,235	49,499	3,946	21,393	20½	10,000	14,160	39,200
Gas.										
Cork Gas	June 30*	..	5,506	5,506	..	3,290	8	1,120	1,006	..
Woking District	June 30*	1,424	3,558	4,982	1,251	1,046	6	..	2,685	1,573
Iron, Coal, and Steel.										
Sheffield Forge and Rolling Mills ..	June 30	..	Dr 18,475	Dr 18,475	..	..	..	Dr 4,966	Dr 13,509	..
Rubber, &c.										
Perak Plantations	Mar. 31	307	6,740	7,047	..	4,450	5	..	2,597	323
Waterworks.										
Woking Water and Gas	June 30*	4,266	5,686	9,952	..	5,468	6½	250	4,234	4½

* Half-yearly.

† Free of tax.

£10 ordinary shares into 10 shares of £1 each, and to give, as bonus, three additional £1 shares for each £10 share; that is, a shareholder will receive, for each single £10 share, 13 £1 shares. This bonus will be provided by capitalisation of a portion of the reserve, and it should be understood that future dividends will have to be distributed over the larger capital. In order to carry out this proposal, it is intended to increase the nominal capital of the company by £200,000, which will leave a margin for future developments. An extraordinary general meeting of the shareholders will be called early in October to consider and, if thought fit, to pass resolutions covering the above proposals. We take this opportunity of informing the shareholders that the directors have sold half the current crop at a price little above that obtained last year, thus ensuring a handsome profit for this season."

BARCELONA TRACTION, LIGHT, AND POWER.—The following figures from the eighth annual report give the revenue and interest charges of the company for each of the years 1920, 1921, and 1922:—

	1920.	1921.	1922.
Revenue of the company	1,998,878	2,065,537	2,575,466
Less—			
Administration and general expenses	214,783	160,936	142,265
Re-organisation and issue expenses incurred during the year	..	..	197,976
			340,241
Less—			
Interest on 7% prior lien "A" bonds, 6% prior lien "B" bonds (payable in cash), 6% 6-year bonds, 7% 30-year bonds, and service of 8% secured debentures	1,784,095	1,904,601	..
Balance of revenue available for interest on first mortgage bonds	551,779	596,755	738,359
Amount of interest paid on first mortgage bonds (being at the rate of 2% per annum)	731,169	753,627	715,273

SUN LIFE OF CANADA.—The report and accounts for 1922 show that the new policies issued numbered 31,518, assuring £18,657,257. For 1921 the number of new policies was 35,096, and the amount £18,528,876. The total assurances in force on December 31st last were 298,304 policies for £129,740,727—an increase on the year of £19,456,180. The premium income was £5,289,926, against £4,732,105, and the funds increased from £25,800,042 to £34,784,777, including £5,178,530 received from other companies for reinsuring risks. The average rate of interest earned was 5.85 per cent. In the course of the year profits to the amount of £525,993 were paid or allotted to policyholders, and the valuation of assets over liabilities was £2,932,073—an increase of £798,393, after providing for investment fluctuations and other contingencies. The accounts deposited with the Board of Trade show that the new business transacted last year in the United Kingdom consisted of 3,538 life policies, assuring £1,701,452, and 462 annuities for £35,593. The premium income in the United Kingdom was £470,647, and the consideration for annuities £291,611.

GENERAL REINSURANCE.—The report for 1922 shows that the net premiums in the fire and general department were £285,346, and the claims paid and outstanding £164,398. After meeting expenses and providing for unexpired risks, there was a balance of £17,296. The marine account was closed for new business on December 31, 1921, and is being run off; after transferring £9,930 from profit and loss, a balance of £7,500 remains in the marine fund. Profit and loss shows a balance of £8,620, which reduces the accumulated preliminary expenses from £37,182 to £28,553.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Harvesting operations have been interrupted by adverse climatic conditions, and a few weeks of fine weather is now desired in order to secure the crops. Spring barley and oats have derived benefit from recent rains, and now present prospects of a better yield. In Southern localities winter wheat and oats are being threshed, but in other districts operations are delayed by heavy rainfalls, consequently only small quantities, so far, are coming to market. Native wheat continues to rule steady at 9s 2d to 9s 6d per 112 lbs, free on rail, as to sample. Imported descriptions were in better request, but after a firm opening, prices gave way slightly on sellers showing more disposition to press forward positions. No. 1 Northern Manitoba quoted 49s, No. 2 hard winter 44s 6d, choice white Karachi 43s, red ditto 42s 6d, Rosafe 62½ lbs 44s 9d, and Barusso 62½ lbs 43s 9d, all per 496 lbs ex ship terms. In the floating and forward cargo section a fair business transpired at generally firm prices, though top points were not always maintained. Of wheat, steamers of West Australian September shipment sold at 44s, Rosafe 62½ lbs afloat 43s, September 22nd 41s 10½d, choice white Karachi afloat 41s 3d, soft Western Pacific loading 44s, and No. 2 Western red ditto September-October 15th to Japan at 44s, all per 480 lbs. Maize.—Steamers of La Plata on passage 32s 6d to 33s 3d, according to size and position. September 15th-October 33s 3d., Bessarabian September 33s per 480 lbs. Barley.—Steamers of Algerian-Tunisian early September sold 22s 7½d to 23s per 400 lbs. Flour steady, while in fair demand. London standard straight run quoted 38s, patents 40s, to 41s, Town households 36s per sack, delivered in Metropolitan area. All English country straights

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32s to 33s per sack, delivered to London stations. Of imported, Manitoba patents range from 37s to 41s, as to quality. Minneapolis good patents 40s 6d, and Australian 35s to 36s, all per 280 lbs. ex store. Millers' offers remain quiet. Broad bran quoted 5s 9d to 6s; ordinary, 5s 3d to 5s 6d; middlings, 8s 3d, bags included, 6s mill; light oats, 6s 3d; powdered oat husks, 5s 9d; feed oatmeal, 8s 9d; ground oats, 13s 9d, free on rail, all per cwt. Barley steady for native malting kinds at 10s to 12s 6d, with feeding sorts ranging from 7s to 9s as to sample, free on rail per 112 lbs. Imported steady. Californian quoted 40s to 42s; Chilean brewing, 39s to 43s, as to sample, both landed per 448 lbs; No. 4 Canadian Western, 26s 6d; American malting, 48 lbs, 26s; Algerian-Tunisian, 25s, all ex ship; Danubian, 27s 6d to 28s; Karachi, 27s; Persian, 26s 6d, landed, all per 400 lbs. Maize, 3d to 6d per qr dearer. Plate, ex ship, 33s 6d; ditto, landed, 35s; No. 2 white flat African, 34s 6d; No. 6 yellow ditto, 33s 6d; both ex ship, all per 480 lbs. Oats, English, steady, at 7s 8d to 10s 4d per 112 lbs, free on rail, as to sample. Imported tends firmer. Plate, ex ship, 21s 9d; ditto, landed, 23s; No. 2 Canadian Western, landed, 27s 3d; No. 3 ditto, 26s 9d; No. 1 Canadian feed, ex ship, 24s 6d; No. 2 ditto, landed, 25s; New Zealand "A" grade, 37s to 38s; "B" grade, 36s to 37s, landed, all per 320 lbs. Oatmeal steady, with a fair demand. London made, all cuts, quoted 17s 6d; whole groats, also-rolled oats, 17s 6d; flaked oats, 18s, ex mill; ordinary Scottish oatmeal, 20s to 21s, and American, all cuts, 16s 6d to 17s, all per cwt.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to Aug. 25.....	Cwts. 216,073	Cwts. 76,230	Cwts. 397,128	Cwts. 66,174
50 weeks to Aug. 25.....	17,184,937	16,216,225	13,274,149	10,892,955
Average price of English wheat per				
owt.....	s d 9 2	s d 11 3	s d 15 2	s d 21 2

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Aug. 18.....	Cwts. 67,532	Cwts. 9,524	Cwts. 43,629	s d 9 8	s d 8 3	s d 8 7
25.....	216,073	21,914	47,488	9 2	8 8	8 4
1919.....	56,357	22,046	29,386	17 1	24 3	22 2
1920.....	66,176	25,554	40,159	21 2	21 11	19 10
1921.....	397,127	85,761	54,046	15 1	16 8	11 6
1922.....	76,230	5,818	23,071	11 5	11 0	10 3

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated August 30th, is as follows:—Pig-iron: The market opened after the holidays with a better tone and more inquiry. Whilst No. 3 Cleveland G.M.B. has been reduced to 100s per ton, East Coast hematite mixed numbers are still quoted 98s 6d per ton, with No. 1 at 6d premium. Manufactured iron and steel: The local steel works have restarted after about 10 days' inactivity, and although things are quiet, there are signs of returning interest. Quotations remain unaltered at £10 for steel ship plates, £9 10s for steel ship angles, £12 for iron bars, and £9 10s for steel rails. Iron ore: There is no change in the position. Best Bilbao Rubio remains nominally at 23s per ton, c.i.f. East Coast.

Our Sheffield representative writes:—Another week having passed without any sign of a buying movement in the iron and steel trade, the position of the large works has reached a highly critical stage, and wholesale stoppages of plant are believed to be imminent. Furnaces here and there are being damped down, and not sufficient new business is coming in to warrant the continued operations of the remainder. A sudden revival of buying would, of course, save the situation. The dearth of orders has the effect of depressing prices below a remunerative level, and the reports of steel and iron works losing money every week are only too well founded. A lot of the work on hand was only secured by quoting below cost. Production to-day is a good deal below the level obtaining before the holidays. The contraction of activity extends to most branches of mild steel, finished iron, and foundry work. In tool steel and other products of the crucible matters could not be much worse than they have been in the past, and here and there one hears of improvement. Work is fairly constant in railway

steel, high-grade steel strip, and motor constructional steel. Conditions have never been so bad in the cutlery and plate trades as at present, as exports have been falling away at an alarming rate since the year opened, and shopkeepers are buying on a very niggardly scale. There is no indication yet of the customary spurt in connection with the Christmas season trade. The coal trade maintains considerable activity in the export market, and conditions at home are certainly no worse than last week, although manufacturing consumption has declined since July. Prices are being maintained. The damping down of a number of blast furnaces has reduced the demand for coke in this country. Nevertheless, makers can sell plenty to the Continent, and this enables them to maintain prices within a shilling or two of the highest figures. Current quotations per ton at pits are:—Best hand-picked branch, 30s 6d; best Barnsley silkstone, 26s 6d; South Yorkshire steam, 21s; Tyne steams, 23s 6d; Blythe steams, 23s; rough slacks, 11s 6d; nutty slacks, 10s; smalls, 7s to 9s.

Our Glasgow correspondent writes:—Business this week in iron and steel productions has continued very quiet, as featureless as it has been at any time since the year came in. Pig-iron makers are turning out uncommonly small quantities of tonnage, and here and there have felt constrained further to reduce their blowing furnaces—those on hematite as well as those on foundry iron. Demand on home account, it is stated, barely covers prompt needs, beyond which consumers do not care to go. Export inquiry (confined, it may be said, to the United States) has fallen off; but experienced traders are of the opinion that it will soon come again, in view of the improving business advices circulating on the other side. It was hoped a few days ago that the difficulties in the boilermaking branches would have been adjusted ere this, but that hope has not been realised. In the circumstances, it can be understood, no shipbuilding contracts worth speaking about are being given out, and the number of empty ships is steadily increasing. In the repair berths some half-dozen boats are under overhaul, as against 30 vessels in normal seasons. Structural steel sections are in encouraging request; but there is less doing at the moment in heavy engineering, such as bridge-building, wagon and carriage finishing, locomotive engineering, and engineering plant generally.

Our Cardiff correspondent writes:—Depressed conditions have



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characterised the Cardiff coal market during the week. Exports under contracts have been well up to the average, but current inquiries have been scarce, and prices have not only been easier, but have touched their lowest point during the current year. Best Admiralties, for instance, which two or three months ago were ruling strongly round about 42s 6d, have been done at 28s 6d and even slightly less for prompt shipment. Moreover, this easiness has coincided with a slight reduction in the output of coal. Many of the miners are still taking their annual holiday, and the hopes that the normal August restriction of output would tend to stiffen values have been unfulfilled. Colliery salesmen are disquieted, but not unduly alarmed, by the depression. The collieries are faced with the prospects of a further increase in labour costs. The audit for May and June has certified an increase in wages from 37.62 per cent. to 41.47 on the standard rates of 1915, and this higher wage will remain operative until the end of October. The salesmen of the leading groups are acting in concert with a view of maintaining prices, but so far no general scheme has even been mooted with a view to the regulation either of prices or of output.

Current market quotations are approximately as follows:—Best Admiralties, 28s 6d to 29s 6d; second Admiralties, 27s 6d to 28s 6d; best dries, 29s 6d to 30s 6d; best bunker smalls, 10s to 21s; ordinary cargo smalls, 16s to 17s 6d; anthracite big vein, large, 45s to 55s; coke for export, 42s 6d to 50s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 30s to 33s; pitwood, ex ship, 32s 6d. to 33s.

In the tinplate trade the situation has appreciably improved. Tinplate and steel bar prices are firmer at the minimum figures than they have been for some months, and galvanised sheets have slightly advanced. Two or three heavy orders have been placed during the past few days, and the outlook generally is brighter. Baldwins, Limited, have recently acquired the Wern Tinplate Works, and are reported to be accumulating exceptionally heavy stocks of lower-grade iron ore from France and Canada for their blast furnaces.

CUMBERLAND IRON.

(FROM OUR WORKINGTON CORRESPONDENT.)

There is a somewhat better tone in the Cumberland and North Lancashire hematite pig-iron market this week, the more hopeful view taken of the Continental situation in consequence of the

probability of a meeting between the English and French Premiers having induced a livelier flow of inquiry than has been the case for two months past. There is, of course, no immediate prospect of an increase in production, but there is sufficient business available, even if it is still largely of a hand-to-mouth character, to render it certain that some of the plants holding stocks totalling nearly 50,000 tons will be able to clear all the iron out of the works' yards before mid-autumn. Bessemer mixed numbers are now quoted at £5 10s. per ton delivered at Glasgow and Sheffield, and £5 13s. at Birmingham and at South Wales ports. The demand for low phosphorous iron, though limited, is steady. As long as there is no increase in the output of pig-iron there cannot obviously be any improvement in the condition of the iron ore trade in West Cumberland and in the Furness district. It is only the mines controlled by the local iron and steel companies that are working, and some of these are not raising normal outputs. No ore is being sold outside the district, and prices are on the easy side, superior sorts of low phosphoric ore being quoted at 24s to 26s per ton, and ordinary kinds at 19s 6d to 21s 6d per ton. The steel trade is depressed, and the activity at Workington is of a spasmodic character only. A few small rail orders have been secured, and it is believed that the rail mill may, perhaps, work one week in four. Heavy sections of rails are quoted at £9 10s to £10; lighter sections £10 10s to £11; and billets £8 per ton. Engineering is dull, and there is nothing doing in the scrap-iron trade.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—August 24, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	a	d	d	a	d	d	a	d	a	d	d	a
Florida do.....	..	..	..	..	..	..	..	..	..	..	..	..
Georgia do.....	..	..	..	..	..	..	..	..	..	..	..	..
American.....	1409	1439	1489	1519	1564	1629	1230	1315	1385	781	881	1041
Brazilian.....	Mid	M F	Fr.	G	F	Gd.	M F	Fr.	Gd.	M F	Fr.	Gd.
Pernam.....	..	1454	1504	1579	..	..	1170	1320	..	681	931	..
Parahyba, Rio Grande, &c.	..	..	1454	1504	1579	..	1170	1320	..	681	931	..
Maceio, &c.	..	..	1454	1504	1579	..	1170	1320	..	681	931	..
Mossoro, &c.	..	..	1454	1504	1579	..	1170	1320	..	681	931	..
Ceara.....	..	..	1454	1504	1579	..	1170	1320	..	681	931	..
Maranhão, &c.	..	..	1429	1479	1529	..	1220	1300	..	..	..	..
São Paulo.....	..	..	Fr.	G	Fr.	Gd.	Fr.	G	Fr.	Gd.	..	..
Egyptian.....	..	1565	1625	1645	1665	1690	1325	1400	1525	..	..	..
Upper.....	..	1550	1625	1645	1665	1685	1500	1575	1625	..	..	..
Sakellariadis.....	..	..	1550	1625	1645	1665	1500	1575	1625	..	..	..
Brown.....	..	..	M F	Fr.	G	F	Gd.	M F	Fr.	Gd.	..	..
Peruvian.....	..	..	..	1725	1850	1900	..	1425	..	..	1000	..
Rough.....	..	..	..	1425	1525	1575	..	1275	1400	..	775	1000
Moderately Rough.....	..	..	..	1479	1554	1604	1654	1704	1305	1455	1605	781
Smooth.....	..	..	..	1479	1554	1604	1654	1704	1305	1455	1605	1081
Tangus.....	..	..	..	1525	1575	1625	1675	..	1150	1450	..	..
Mitafi.....	..	..	..	1475	1575	1650	..	1300	..	..	..	..
West Indian, &c.	..	..	..	1900	2200	2530	2600	..	2300	2900	..	..
Do.....	1000	1100	1250	1350	1450	1550	1125	1300	1500	725	925	1125
African, East, &c.	..	..	..	1479	1489	1499	1579	..	1180	1255	..	..
Do.....	..	..	..	1479	1489	1499	1579	..	1180	1255	..	..
East Indian.....	..	..	..	1355	1375	1415	..	1255	..	..	930	..
Machine Ginned Surtee.....	..	1120	1160	1200	1240	1280	1095	1135	1215	805	830	880
Machine Ginned Broach.....	..	940	990	1040	1090	1140	985	1035	1115	644	694	769
Mach. Ginned Bhowanuggar.....	..	950	950	1000	1050	1100	995	1045	1125	650	700	775
Mach. Ginned Oomra, No. 1.....	..	..	..	975	1025	1075	1125	..	1020	1100	..	..
Mach. Ginned Oomra, No. 2.....	..	..	..	900	950	1000	1050	1100	945	995	1075	575
Mach. Ginned Khandeish.....	..	..	..	1115	1155	1195	..	1105	..	740	..	..
Mach. Ginned Comptah.....	..	..	..	825	865	905	945	985	1025	835	875	935
Mach. Ginned Bengal.....	..	..	..	815	855	895	935	975	1015	825	865	925
Mach. Ginned Seinde.....	..	..	..	1250	1290	1330	..	1265	1305	905	930	..
Tinnivelly.....	..	..	..	1050	1090	1130	1170	..	1040	1080	770	795
Madras, Western.....	..	..	..	..	..	..	..	..	1105	..	745	..
Madras, Northern.....	..	..	..	..	..	..	..	..	1065	..	770	..
M.G. Coconada, Red.....	..	..	..	..	..	..	..	..	..	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, August 30.

Rather a more hopeful feeling has prevailed in the market during the past week, but at the same time developments are very slow in taking place. Here and there there has been more evidence to show that Lancashire cloths are urgently needed in the outlets abroad, but the stumbling-block in the way of progress is the matter of prices, for a big percentage of the offers received have to be turned down. It is very disappointing for manufacturers to cut prices to the lowest possible limit and then receive a bid which is from 15 to 20 per cent. out. Instances like that are all too numerous. There has been rather a larger inquiry for light cloths for India, but actual business has been very irregular. Producers of staple makes have continued full of complaints, and no immediate relief is in sight. Sales of any weight for China have been isolated. Most attention continues to be given to fancy materials. A larger business is expected to be done with Egypt in the near future. American yarn prices have remained firm, thanks to stocks in first hands being considerably reduced as compared with a few weeks back. A comparatively small business has been done in Egyptian descriptions. Occasional sales have taken place in export numbers for India.

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(I.) Comparative Statement of the Cotton Trade.

	Price, Aug. 30, 1923.	Previous Weeks in 1923.				
		Aug. 23.	Aug. 16.	Aug. 9.	Aug. 2.	July 26.
Raw Cotton—Fully Mid. American . . . per lb	15.30	15.30	15.43	14.80	14.01	15.01
— Sakellaridis Fully Good Fair						
— Egyptian per lb	16.65	16.35	16.30	15.90	15.85	15.50
Yarns—32's twist per lb	21	21	21	20½	20½	21½
— 40's twist per lb	21	21	21	20½	20½	21½
— 60's twist (Egyptian) per lb	29	29	29	28½	28½	28
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	30	30	30	30	29	30
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's	34	34	34	33	32	33
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	18	18	18	18	17	18
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	16	16	16	16	16	16

(II.) Compared with Previous Years.

	Price, Aug. 30, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American . . . per lb	15.30	13.76	10.76	22.60	19.21	25.90
— Sakellaridis Fully Good Fair						
— Egyptian per lb	16.65	18.00	18.00	67.00	30.00	30.19
Yarns—32's twist per lb	21	20½	18	61	41	55½
— 40's twist per lb	21	19½	16½	46½	40½	55½
— 60's twist (Egyptian) per lb	29	28½	31	90	61	65½
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	30	32	31	78	59	71
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's	34	32	30	76	57	69
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	18	18	18	45	34	41
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	16	17	17	37	30	35

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The opening of the Colonial wool sales in London next Tuesday is being awaited with keen interest by all members of the trade. The impression is growing that values will be well maintained; indeed, many expect an advance in merinos, and topmakers are adopting a firmer attitude in anticipation of this. Another encouraging factor is the reduction announced this week in combing charges. The new tariff shows a general reduction of ¼d in merinos and fine crossbreds, a reduction of ¾d. in 50's, 50's and 48's, and ¼d. in lower qualities. The lower charges, however, are not accepted without a certain amount of grumbling, many users being strongly of the opinion that a more drastic cut should have been made. As it is, the current combing tariff still compares very unfavourably with Continental charges, and the temptation to send wool to be combed on the Continent remains. Rather more interest has been shown in tops during the week, and quotations are much steadier. Many firms, indeed, are asking slightly more money for their standard makes, and it will be interesting to see how this market reacts to the London auctions. Some spinners report that particulars against old contracts have come to hand more freely during the last few days, but new business in yarns does not show much expansion. Botany spinners in particular are badly in need of work, though crossbred spinners are doing rather better. Quotations still show a wide disparity between selling prices and cost of replacement. The piece goods trade is quiet. Demand is "spotty," and most orders lack bulk.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The outlook for the wool sales, which open on Tuesday, is very good, in spite of the fact that the series will last for the whole of September, and 238,000 bales will be catalogued. Of these, about 185,000 will be crossbreds, including 119,000 from New Zealand. Not many of them will be fine wools, and holders should be satisfied to sell the bulk of their medium and low qualities at last series' rates or perhaps 5 per cent. more. So far as is known at present, America is not a buyer, and business in tops in Bradford, though considerably increased during the past fortnight, is certainly not on a level that allows of an advance on last series' prices. There is a fair amount of stock in Bradford, except in fine sorts, which are expected to advance fully 5 per cent. Merinos will probably do the same, though most of the greasy wools are expected to be Continental type, and prices for them will depend almost entirely on Continental competition. The reduction in combing charges that occurred in Bradford last week will make practically no difference to the amount Bradford users can pay for wool. A halfpenny per lb reduction for combing merinos does not mean that more than a third of a penny extra can be paid for the wool, even assuming that top prices remain steady. The home woollen trade is in a decidedly better state than for some weeks past, and stocks of raw material in most qualities in merchants' hands are rather below the average. Very firm figures are being asked for most types of clothing wools, and during the last six weeks there has been a steady demand in

London through the merchanting section of the industry for medium slipe and scoured crossbreds from 46's upwards. This business has been mostly carried on at prices showing a very slight rise over those ruling last series in London, and it is expected that the B.A.W.R.A. offerings of New Zealand and Australian crossbreds, 70,000 bales in all, will include a large proportion of average scoureds and slipe. The Cape (11,000 bales) and South American (16,000 bales) wools to be offered will most probably be of more interest to Germany, Belgium, and France than to anyone else. For several series the Continental buyers have carried Punta wools above the Bradford level for their hosiery trade, and it will be surprising if the same thing does not happen again. The position of the industry, in spite of the greater hopefulness that prevails in Bradford and other woollen areas in this country, is not greatly changed. There seems to be a great amount of money at the wool end of the trade owned by people who have plenty of confidence in the raw material, but until the other great trades in the country become busy and the amount of unemployment is greatly reduced, there will be a shortage of money at the clothing end of the industry, and business will be correspondingly quiet.

VEGETABLE OILS AND OILSEEDS.

(FROM OUR CORRESPONDENT.)

Generally speaking, the better tone in the markets has been continued, and all round there is some revival, but to what extent it will prove permanent time alone can show. Raw linseed oil, despite slight fluctuations, has well maintained the recent advance, and a fair trade has been done on spot and in near positions, with keen speculating interest forward. A good proportion of the old Plate and the current Indian crops of seed remains to be shipped; but demand is only moderate, and crushers only present in the market to cover immediate requirements. Dealings in the new crop are beginning, though tardily, and for new Plate £16 and upwards has been paid for January-February shipment. The strength in cotton oils has been aided by fairly large dealings in new crude Egyptian for November delivery, and prices both of crude and refined have further advanced. New black Egyptian cottonseed, which is expected to begin shipment early in September, has been dealt in at rising prices, but closes below the highest. Crude soya bean oil of English make, though in some request, is overshadowed by the offerings of cheap Oriental. Palm kernel oil is reported in good demand, and first-pressure castor oil has been reduced by manufacturers to £50 (barrels free), ex Hull mill. Exports of oil are moderately good, but below average, and reflect the lessened demand from the Continent and America over the past few weeks.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Business was very quiet at the Bermondsey hide auctions on Thursday, and sellers did not accept the bids made for either best or second ox. Best cows also failed to sell, but I understand sales of seconds were made at 5½d to 5½d per lb. Calf were also withdrawn, but sales of best calf were made from 5½d for heavies to 10½d to 11½d. Seconds ranged from 4½d to 9½d, and thirds at 5d. The tone was weak all round, and this is rather difficult to understand in view of the fact that provincial prices have held firm this week. The Australian market is also a little weaker in sympathy with frigorifics, and little interest has been taken in dry hides. Cable reports from New York report an easier market, with best Chicago packers offered at 14 cents.

Trade in sole leather is quiet in Bermondsey this week, as consumers think prices will fall. There seems no stability in prices,

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as tanners with accumulations seem inclined to shade figures to effect sales.

The upper section is improving, and orders are more frequent for calf and sheep leathers. Some dressers are really busy, and all round the outlook is better, although Continental prices for calf are still a worry to home producers. Sheep leathers are dearer, and Continental makers have advanced prices.

The boot trade is moderately well employed. Leicester, which makes ladies' shoes, is, however, quieter, although orders for sports goods make up a fair turnover. Orders for men's shoes are now coming in, both on home and export account, to Leeds and Northampton districts.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, August 31.

Quiet trading was in force in several directions, but particularly in the case of fibres, as requirements of spinners do not extend, and such support as is forthcoming for both jute and hemp is mainly speculative, with increasing quantities reaching the Calcutta market with regard to the former. Manila hemp is reservedly offered on the part of shippers, with steady inquiries re-ordered by cable in local markets. Rice sparingly placed on offer, and shippers of Burma inclined to ask dearer prices owing to feared damage to supplies in sheds by floods with inundations reported from Siam, while the movement of Saigon has been impeded by typhoon. Buyers in the London centre, however, were not unduly disturbed, and failed to respond to the higher demands of shippers.

SUGAR.—Steady absorption was a feature in this market during the week with regard to refined goods, and with but a poor assortment of grocery imported British descriptions again came in for the larger share of patronage, and general stability characterised the market. Messrs Tate and Lyle's cubes, 57s to 58s; granulated, fin: and coarse grain, 55s½d; No. 1, 54s 10½d; No. 2, also London, 54s 7½d. Glebe K, granulated, delivery London, 54s 6d. Crystallised West India nominal. American granulated, spot, sold, 53s 6d to 54s; fine Dutch, also Czecho, held for 53s 6d. White Java, spot, sold, 49s 6d to 50s for grocery parcels, and afloat London, 21s to 22s 3d. c.f. and i. terms. Continental parcels for shipment more or less nominal, as very few definite offers are made. Raw refining kinds sell slowly. Peruvian basis, 96 per cent. to arrive, quoted 10s 3d, and Brazilian basis 80 per cent. ditto, 15s 6d, c.f. and i., U.K. terms. Terminal market was attended by slight irregularity, but business proceeded with fair freedom. August delivery, sold, 22s 6d to 23s; September, 22s 9d; December, 21s 7½d to 22s 6d; March, 22s 7½d. Cuban stocks stand at 445,330 tons, against 495,250 at same time last year.

COFFEE.—Spot market steady, but general course of trade proved quiet. Some mountain-grown Jamaica sold readily at fancy prices, in keeping with this particular description. Bold sizes, sold, 177s 6d to 207s; medium, 150s 6d to 188s; smalls, 111s 6d to 183s; bold Costa Rica, 98s 6d to 111s 6d. Future delivery market dull, unaltered.

COCOA.—Market remains in a quiet and generally featureless state. Accra, F/F quality, November-January shipment, sold, 30s 6d, f.o.b. terms.

TEA.—Indian auctions comprised 38,720 packages, and with no abatement in demand were readily disposed of. Good to fine qualities in particular were well competed for, with broken orange Pekoe favoured, while recent rates were not only fully maintained but frequently improved upon. Medium and common teas sold well at full to dearer prices. 17,700 packages Ceylon were brought forward, and while common grades sold at fully steady values finer descriptions were mostly dearer; while possessing attractive leaf and liquoring properties. Java and Sumatra sold well at very satisfactory rates. Fine, 3½d to 4½d per lb dearer. New season's China firm, with a good steady demand.

RICE.—There is not much business stirring in Eastern grain, but this is counteracted by considerable reserve on the part of shippers. Regarding recent floods in Burma, fears are entertained as to certain crop damage in the Bassein district. Two Stars, spot, 14s 6d; ditto, afloat, 13s, c.f. and i., U.K. Spanish of the new crop continues in demand, and there is quite a good trade proceeding, October shipment, at 17s 6d to 17s 3d, c.f. and i., London. Offers of new crop, American are circulating, and fancy Blue Rose, for shipment, quoted 26s to 27s per cwt, c.f. and i., U.K. Siam firmly held, and No. 1 garden, for shipment, held for 14s 9d, c.f. and i., U.K. Beans and peas quiet on about former terms.

SPICE.—Pepper quietly dealt in at late rates. Fair black, Singapore, spot, 4d; ditto, October-December steamer, London standard, 3½d; Aleppy, spot, 4½d; white Singapore, 5½d; Muntok, 5½d; ditto, October-December, 5½d for L.S. Zanzibar cloves, October-December, 1s 0½d per lb. Tapioca steady, and Singapore flake, September-November, Havre, sold, 2½s 6d. Sago flour, September-November, quoted 12s 1½d. Desiccated coconut firmer. Spot halves, spot, 38s 9d; September-October, 38s 6d; October-November, buyers, 38s 7½d per cwt. Ginger slow at previous level of prices.

GAMBIER.—Market firm. Block, September-October, 35s 6d per cwt, c.f. and i.

JUTE.—There has been a fair trade doing, and a steady tone mostly prevailed. First grade, August-September, Continent, sold, £21 10s to £21 12s 6d; September-October, £21 7s 6d to £21 5s; October-November, £21 5s; November-December, £21 5s ton. Lightning grade, 25s per ton under these prices. Hessians steadier. 10-oz, spot, sold, 25s 6d; September, 24s 9d; 8-oz, spot, done 19s; September, quoted 19s 6d; October-December, 19s; with business in the October-December position of 10-oz at 23s 6d per 100 yards. A twills, spot, sold, 83s; September, quoted 72s 3d; B. spot, sellers, 71s; September, 63s 6d; sugar, September, 76s; flour, spot, 91s; September, 76s; silts, September, 53s 6d; hessian bags, 56 by 28, spot, 52s 6d; and September, 46s per 100 bags.

HEMP.—Manila descriptions held firmly, owing to stimulating cable advices from the other side, a d there is a moderate inquiry. J grade, September-November, quoted £31 5s; K, £26 10s; L, £26 10s; M, value £25. L, afloat, offered at £26 5s; and M, £25 5s. African sisal is a steady market, and sales include No. 1 Tanganyika, in dock, London, at £35 10s. Italian steady, but trade moves quietly. Good quality P.C., for shipment, quoted £57 per ton. There is no movement to note with regard to Indian.

BRISTLE-FIBRE remains quiet, and three-tie, for shipment, quoted £29; and this figure is also named for Palmyra per ton, c.f. and i.

SHELLAC.—Market generally steady, and T.N. fair quality, spot, sold, 277s 6d; October quoted 270s; and December, 265s cwt.

COPRA.—The market was again subject to some irregularity. A very dull tone predominated at opening, but on buyers becoming more in evidence the market rallied. F.M.S. Straits, August-October, Rotterdam, changed hands at £26 2s 6d, £26 7s 6d, and £26 5s; October-December, £26 1s 3d to £26 7s 6d and £26 5s; Ceylon, September-October, Rotterdam, sold, £28 2s 6d; Java, ditto, quoted at £26 12s 6d; Dutch East Indies, August-October, sold, £26 5s; October-December, £26 5s, £26 6s 3d, and £26 5s; Cebu, August-September, quoted £25 17s 6d; South Sea Islands, ditto, £25 10s; F.M. Straits, September-October, to Marseilles, quoted £25 10s; Manila, £25 7s 6d. Palm kernels quieter. October-December, Liverpool, sellers, £18 per ton.

RUBBER.—There was no new feature to note in this market. Actual business was on a moderate scale, but with no undue pressure to sell, prices ruled steady for the main part. Standard plantation crepe and sheet, spot, sold, 15½d; September, 16½d to 16d and 15½d; October, 16½d; October-December, 16½d; January-March, 16½d. To New York, standard European estate, September-October, sold, 15½d; and October-November, 16½d, c.f. and i. terms. Wild quietly steady, a d fine hard Para, spot, quoted 15d; soft fine, 14½d; Caucho ball, 13d per lb.

ESSENTIALS.—There is only a quiet trade doing, but prices are steady. Menthol, spot, 39s; shipment, 38s 6d; Japanese peppermint oil, spot, 7s 3d; forward, 6s 9d; aniseed oil, spot, 1s 9d; shipment, 1s 8½d; refined camphor slabs, spot, 3s 6d; crude, 3s; citronella oil, Ceylon, spot, 3s 9d; Java, 4s 2d; oil of orange, Sicilian, spot, 12s 6d; West Indian, 10s to 10s 6d per lb.

EGG PRODUCTS.—There was only a quiet inquiry at prices showing no material alteration. Prime hen liquid yolk, 82s 6d on the spot and forward; August-September, 75s per cwt. Dried yolk, spot, 10½d; hen albumen, spot, 3s 6d; forward, August-September, 3s 6½d per lb c. f. and i.

FRUIT (DRIED).—Business in currants was on a moderate scale at steady rates. Pyrgos, 3 bags, quoted 49s; Amalia, 54s; Gulph, 58s; good Vostizza, 64s to 66s; Australian, 52s to 56s. Fair support was accorded sultanas owing to attractive offers with Smyrna on sale at 48s to 50s, for good colour, with better qualities up to 70s. Fine fruit practically cleared. Californian quoted 59s 6d to 62s. Raisins selling quietly, with Australian quoted 42s to 46s, according to quality. Dates remained a quiet market. Hallowee, 18s to 20s; Siam, 17s to 17s 6d. Evaporated fruits met a generally quiet market. Cape apricots quoted 65s to 80s, as to quality. Californian pears, 60s to 75s; ditto, apple rings, 50s to 52s. Australian apricots, 65s to 80s; ditto peaches, 50s to 60s. Californian plums, 40/50 quoted 70s; 70/80 at 43s; 80/90, 42s, and Bosnian, 38s per cwt.

CANNED GOODS.—There was no change to note in most cases, and with regard to sardines business proceeded quietly. French 18-oz quoted 15s 6d; quarter tins, 7s; Portuguese quarters, 2s 6d to 3s 3d; ditto, 12 oz, 5s to 5s 6d; 18 oz, 9s 6d to 11s per dozen tins. Lobster steadily held, but buyers were rather shy. Fancy halves quoted 160s to 165s; second quality, 152s. Salmon cleared at a steady pace, and quotations for the main part ruled unaltered. 1 lb flat reds, labelled, sell at 55s to 58s, as to quality; ditto tall, 41s 6d to 42s 6d; 1 lb flat pink, 24s 6d; ditto tall, 23s 6d, and cases of 96½ lb quoted 29s to 31s. Canned fruits fully steady in value, with fair inquiries circulating, particularly for the lower priced goods. Singapore pines of fair quality, on spot, quoted 5s 10½d. Californian apricots, 7s to 11s; peaches, 8s to 12s; pears, 12s to 14s 6d. Tomatoes sell rather quietly, though quoted at attractive prices. Spanish threes quoted 6s 6d. Italian ditto, 7s per dozen tins. Canned meats quiet, on about former terms.

OILSEEDS.—Linseed irregular, but tone firm. Bold Bombay, afloat, £20 7s 6d; small Bombay, ditto, £19 15s 6d; Calcutta, afloat, £19 15s; August-September, sold, £19 10s to £19 12s 6d. Plate, afloat, £18 10s; August-September, sold, £18 to £18 5s; January-February, sold, £16 2s 6d to £16 and £16 3s 9d. Rapeseed firmer. Toria, August-

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	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 24, 1923.	Aug. 17, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	5% (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses/Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3	3	3½	..

The Bank return showed an increase of £280,000 in the note circulation, and a decrease of £273,000 in the Reserve. From the banking department's figures it was evident that most of the eight millions borrowed on Ways and Means had already been repaid by Wednesday evening, since the Government securities were only 3½ millions higher. Other securities had risen by nearly a million, and Public deposits had declined by over two millions, and the Other deposits were 6½ millions higher, thanks to these various additions. Currency notes outstanding were increased this week by £953,000 to £286,021,600, which includes £1,452,200 for notes called in but not yet cancelled. The fiduciary issue is £235,119,400, or £35,064,400 below the maximum.

THE STOCK MARKETS.

The Japanese disaster has had a depressing effect upon the Stock Exchange, but the effect on prices has been localised to Japanese Government and Municipal bonds, which were heavily marked down. There was, however, some recovery from the worst at the end of the week. Money disbursed by the Government at the end of August in interest and repayment of War Bonds is finding its way back to British Government stocks, the rise in which was only checked by the decline in the American exchange, which gave rise to talk of the possibility of an increase in Bank rate. In the Home Railway market interest has centred in Undergrounds, while Argentine and Brazilian rails have moved with the rally in the exchanges. Rubber shares keep firm, but the carry-over disclosed a continuance of the previous bear account in oils. Industrials have moved irregularly, but the Kaffir market has been fairly good.

THE COMMODITY MARKETS.

Many of the commodity markets are showing signs of animation, but at present it is difficult to trace any direct effects of the Japanese disaster on conditions. The recent slump in Newcastle coals has not extended to South Wales productions, and prices at Cardiff are inclined to be firm. Pig-iron prices are falling, and the steel trade is very quiet, with prices slightly weaker. Our Sheffield correspondent is very pessimistic on the outlook. Tin has improved. The cotton trade has been under the influences of dearer raw cotton, but a considerable inquiry has come through for piece goods for India, possibly on account of a restriction of Japanese exports. In the wool trade the position of the raw material is strong, mainly on account of Continental support. The jute market was quiet. Sugar values were stable, and the demand continued for the finer qualities of tea. Rice manifested a hardening tendency, but wheat markets are dull. There is an improved tone noticeable in the vegetable oils and oilseed markets, but weakness has developed in the Bermondsey hide market.

FOREIGN EXCHANGES.

The foreign exchange market has been dull and heavy all the week as the result of the Japanese disaster and the complications in the European situation. The quotation for the Japanese yen has been a nominal one during the week, though it is known that Japan has considerable balances in New York. Yesterday, however, a very few transactions were being carried out on Kobe at 25 1/4d. It is impossible yet to estimate the situation, but Japanese credit has stood very high, and she should not experience any great difficulty in raising a loan either in London or New York. The dollar rate has moved steadily against

us under the combined influence of the European political situation, the seasonal movement, and reported Japanese purchase of dollars. The lowest quotation was 4.50½ on Wednesday, as against 4.54½ last Friday, but a slight reaction left it at 4.51½ yesterday morning. The forward rate has widened from 1/8 to 3/8 cent per month above spot. Of Reparation currencies, the mark has taken another headlong dive, and now stands at 200,000,000, as against 60,000,000 on Tuesday and 50,000,000 a week ago. The futility of the Government's attempts at financial reform is thus demonstrated. Ruhr expenditure is rapidly becoming an intolerable burden, and it is certain that the Reichsbank return which is due to-day will show a further huge increase in inflation. There is no definite quotation for forward rates. The Paris rate improved over the week-end from 80.70 to 80.25 on Monday. This, however, was followed by a rise on Thursday to 81.50, at which figure it still remained yesterday morning. This rise is largely attributed to the inflation revealed by the current return of the Bank of France, which shows an increase of 635 million francs in the note circulation, and of 500 million francs in advances to the State. Brussels has followed the same course, touching 97.35 on Monday, and thereafter rising, with a rush on Thursday, to 99.50, compared with 98.90 a week ago. In Paris forward rates are quoted slightly narrower at 3½ centimes per month above spot, while in Brussels the quotation is 7½ centimes per month above, as against 10 centimes last week. Italy, after rising on Saturday last from 106½ to 108, has quietly improved, and stood yesterday morning at 106. In view of the international situation, some doubt has been expressed as to the possibility of maintaining with Government help so favourable a rate for the lira, as well as for the drachma, which has remained steady round about 250 throughout the week. Among neutral rates, Amsterdam has moved sharply against us, following the lead of New York, and now stands at 11.51½, as against 11.56½ a week ago. Spain, after touching 34 on Tuesday, is once more steady at 33.75. Switzerland has moved against us from 25.20 to 25.12. In Northern Europe Stockholm is steady at 17.05, and Christiania at 27.95, but Copenhagen, after rising from 24.47 to 25.05 on Monday, has fallen again slightly to 24.82. Helsingfors is unchanged at 164½. In Central Europe, Vienna is slightly lower at 322,000, while Prague has fallen from 154 to 151½, but Belgrade has not varied greatly from 435. Warsaw is fairly steady at 1,100,000, while Bucharest, after remaining steady at 985 during the week, rose yesterday morning to 1,010. In the East, the rupee has improved 1-32d to 15 4-32d. The demand from China as a result of the Japanese catastrophe dominated the silver market in the early part of the week, and prices rose 1/8d in two days. There is little Indian demand, however, and the position eased somewhat towards the end of the week. Hong Kong has appreciated 1/4d to 2s 3/8d, and Shanghai 1d to 3s 1 1/8d. In South America Rio is rather better at 5½d, Buenos Ayres, on the report of an American loan, has appreciated 1/4d to 39½d, and Monte Video stands at 39½d, as against 38 a week ago, while Valparaiso, at 36.50, shows little change.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended September 1st:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	7-738	From Revenue	11-730
Interest, &c., on Debt	12-507	Taken from Exchequer Balances	2-18
Sinking Fund	1-011	Amount borrowed	9-582
sundries	174		
	21-430		21-430

Revenue at £11,730,000 compares with £16,139,300 in the corresponding period of last year. The chief causes of the decline were the lower receipts from Property and Income-tax and Super Tax at £5,228,000, against £7,100,000 in the corresponding period, and Special Receipts, which brought in only £400,000, against £2,316,100. Customs yielded £200,000 more at £2,229,000, while Excise at £1,158,000 compares with £1,099,000. Expenditure shows a welcome reduction of about £6,000,000 at £21,430,600, mainly brought about by a reduction in Supply Services. An interesting feature in the week's return is the repayment of £7,931,800 of National War Bonds which matured on September 1st. The week's operations increased the

National Debt by £9,582,200, and caused the following changes:—

	Min. £		Min. £
National War Bonds paid off ..	7-932	National Savings Certificates ..	100
		Treasury Bills	5-164
		Bank of England Advances ..	8-000
		Public Departments Advances ..	4-200
		Unemployment Insurance ..	0-050
	7-932		17-514

The floating debt was increased by £17,395,000 to £806,266,500.

FINANCIAL YEAR, 1923-24 (April 1 to September 1, 1923).

	£		£
Total Expenditure ..	324,905,365	Raised by Revenue ..	317,920,265
		Decrease in Balances ..	3,210,496
		Net Borrowings	3,774,604
Total	324,905,365	Total	324,905,365

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,600	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On a later page of this issue will be found the report of the meeting of the African and Eastern Trade Corporation. In the course of his speech Mr J. H. Batty, the chairman, suggested that an independent committee be appointed to investigate the system of Government administration and expenditure in the West African Colonies.

THE EARTHQUAKE IN JAPAN.

WORDS very inadequately express the emotions aroused by such a tragedy as that which has occurred this week in Japan. Of all natural phenomena, there are none more awe-inspiring than disturbances of the earth's surface through the working of unseen forces within. Our instinctive confidence in Mother Earth is shaken when man for a moment finds himself face to face with the elemental forces of the universe. Imaginations dulled to the records of slaughter and destruction laboriously achieved by years of man-made war are staggered by the suddenness and magnitude of the toll exacted in a single afternoon by an "act of God." In the presence of such a disaster, which so forcefully recalls us to the consciousness of our common humanity, we offer in all humility of spirit our profound and respectful sympathy to the stricken people of Japan.

It is still too soon to form any accurate idea either as to the loss of life or to the material damage done, and though it is probable that the earlier estimates were exaggerated, the figures are undoubtedly very large indeed. It is, for example, possible that the material damage amounts to as much as the cost of the Russo-Japanese War, which exceeded 200 millions sterling. But it is very wide of the mark to suggest, as one distinguished Japanese visitor in England has done, that the damage will amount to 1,000 millions sterling, or hastily to assume, as some of our less-balanced Press commentators, that Japan will no longer be a first-class Power. The total wealth of Japan was estimated by Sir Josiah Stamp in 1914 at roughly 2,400 millions sterling, of which 1,100 millions represented land, 300 millions represented buildings, 150 millions represented furniture, and 500 millions the value of mines, industries, and businesses of all kinds. The index number of wholesale prices is at present almost exactly double that of the year before the war, and allowing for an increase in population and wealth, the present valuation of Japan's wealth would be between 5,000 and 6,000 millions. The value of land will hardly be affected by the disaster at all. The chief damage is, of course, to buildings. The area over which shocks have been experienced apparently includes 10 to 12 per cent. of the population, but since the capital city is involved, it includes more than 10 per cent. in value of the buildings of Japan. The buildings of Japan to-day might perhaps be valued at 1,000 millions at present prices; even if the destruction had been universal and complete throughout this area—which,

of course, is not the case—the figure could not exceed 200 millions. Actually, it is certain to be very much less, for many important buildings in Tokyo are reported safe, and government and other work is being resumed in them. So far as industrial and commercial property is concerned, the proportion in peril is certainly smaller than in the case of buildings, for the greater part of Japan's industry is centred at Osaka (the Manchester of Japan) and other cities outside the stricken area.

When we come to the question of loss of life, the highest figures so far mentioned are half a million, and, as we have indicated, there is reason to hope fairly confidently that the final figure may prove to be very much less than this. In order to get a sense of proportion, we may recall that the Japanese population is about 56 millions, and that it has latterly been increasing at about 1.3 per cent. (about 700,000) a year. The casualties presumably include an average proportion of men, women, and children; and though the deaths have occurred among that section of the population which is best educated, and contains a specially high proportion of skilled artisans, the commercial classes and others who have contributed most to the advancement of Japan, it cannot be seriously supposed that the actual loss of life will affect her labour situation except temporarily, and in certain local directions, or modify her industrial potentialities. Moreover, when it is remembered how rapidly Japan has risen to her present position among the nations, it may be confidently assumed that her losses in personnel and in material goods, colossal though they be, will very quickly be made good.

But, while we have mentioned these considerations in order to check some of the wilder assumptions as to the effect of the disaster, the consequences will be of very great importance. It will be convenient to refer to them under three heads, namely: (1) The immediate commercial losses and their reactions; (2) the possibility of repercussion on the world's trade situation in general; and (3) the considerations involved in the rebuilding of the capital of Japan.

So far as the immediate commercial effects are concerned, it has to be remembered that for some little time past Japan has not been in an altogether flourishing condition. As late as a month ago our Japanese correspondent reported a renewal of runs upon the banks in Japan and a series of failures. Indeed, since 1921 the condition of credit has not been satisfactory, and it is to be feared that a number of Japanese firms may be unable to carry on. It is probable that a moratorium*, at all events for a short period in respect of trade credits, will be proclaimed. But this is only a way of postponing the difficulty, and anxiety will for some time be felt by British traders who have debtors in Japan as to their position. The difficulties will be produced by the actual loss of goods in circulation or in stock, by the collapse of credit based on real property, and by the actual cessation of economic activities in the devastated area. To some extent European firms will be involved directly in these three forms of damage, and to a greater extent indirectly through the cessation of business with Japanese correspondents. No estimate of these effects can yet be made; but so far as British or other interests are involved, the only thing that may be said is that the fact that Japan's trade has been rather under a cloud means that the reactions in these respects will be less serious than would normally be the case.

As to the repercussion on the trade of the world generally, there are obviously circumstances in which so serious a blow to one of the great trading nations might set up a series of trade crises and precipitate world depression. But, again, the universal stagnation of trade, and the fact that speculation has for this reason been

* As we go to press we are informed that: "At 4 p.m. on September 6, 1923, the Japanese Government proclaimed a moratorium. (1) All debts under civil law incurred before September 1, 1923, and falling due during the period of September 1, 1923, and September 30, 1923, will be extended for the period of 30 days. (2) It is to be applied in the districts of Tokio, Kanagawa, Shizuoka, Saitama, Chiba. (3) Counties, prefectures, public corporations having to meet debts, salaries, wages, &c., are exempted from the provisions of the moratorium. Withdrawals of bank deposits of not more than 100 yen per day are permitted. (4) The measures authorised by the Notary Act are suspended for the period of 30 days."

recently restrained within extremely narrow limits, means that commerce generally is not so vulnerable, as is sometimes the case, to a shock to credit. Indeed, looking at the matter from a purely narrow national standpoint, it is conceivable that the momentary withdrawal of Japan from world competition may cause buying by India and China in other markets, and that Great Britain may momentarily benefit from a cause which in the long run will reduce, and not increase, the trade of the world.

The rebuilding of Tokio will, of course, afford some compensation to the otherwise depressing effects of the disaster. A substantial proportion of the requirements for this purpose will be needed from overseas, which will involve the placing of loans abroad, presumably in London and New York. Some of the sums raised in this way may even be required for purchasing food if it should appear that very large stocks of these requirements have perished or been spoiled, and that internal Japanese resources are insufficient or cannot quickly be mobilised by the Government for the relief measures that will be necessary.

THE ITALO-GREEK CRISIS.

THE storm cloud to which we briefly referred last week has rapidly gathered. What was at first a serious diplomatic incident caused by an outrage committed against Italian officers carrying out their duties on Greek soil, has developed into a European crisis of the first magnitude, in which the efficiency of the machinery for keeping the peace of Europe is being seriously tested, and the validity of the undertakings embodied in the peace treaties on which so many territorial settlements depend are at issue. The episode has arisen out of the problem of Albania's boundaries which were left undetermined by the Peace Conference of Paris. At various moments in the diplomatic wrangles of the post-war years it seemed doubtful if Albania would survive at all as a separate nation. But in December, 1920, she succeeded in getting elected to the League of Nations, and was recognised by the Powers. In 1921, when Jugo-Slavia showed signs of taking matters into her own hands on the boundary question and began pushing troops further into the country, Albania appealed to the League, which stimulated the Council of Ambassadors to get on with the fixing of the boundary. Under threat of the economic sanctions of the League, Jugo-Slavia agreed in November, 1921, to accept the decision of the Ambassadors, and to withdraw her troops pending the delimitation, and the League sent a Commission of Inquiry to see that the withdrawal was carried out without friction, to render any help to the Boundary Commissioners, and to report to the League. This Commission, in its report, urged among other matters that the Boundary Commissioners should also deal with a disputed section of the southern frontier, the limit of which had been left unsettled when Albania was created in 1913. This was done, but the task has been carried out in an atmosphere not altogether friendly, for during 1921 Italy maintained a vague claim of special interest in Albania "for strategic reasons," and when the dispute with Jugo-Slavia was settled in November of that year, it emerged that England and France had recognised that in the event of intervention being called for under the Covenant, Italy should be the Power to act. This special privilege has been a source of disquiet to both Jugo-Slavia and Greece, and when it came to settling the southern boundary the Italian members complained that they found themselves hampered by the Greek representatives attached to the Commission. Indeed, it is declared that just before the tragedy the ill-feeling led to an open rupture, and to threats of personal violence by the Greek officer attached to the Mission. The cold-blooded assassination of Italian officers while actually engaged on their task on behalf of the Ambassadors' Council was an insult and an outrage both to Italy and to the Powers represented on the Council which sent them. Such an act justifies very strong action, the punishment of the guilty, and ample reparation by the Government which permits such outrages to be committed on its territory. Such action, however, ought clearly to be taken by the nations acting internationally, for it is important to remember that

the Italian general and his staff were present in Greece not as representatives of the Italian Government at all, but as the representatives of the Council of Ambassadors, and were deciding a question in which Italy was in no sense directly interested.

But so far as Great Britain, at all events, is concerned, Signor Mussolini contrived to check the anger that would have been felt in this country at such an outrage by the terms of his ultimatum, which were neither statesmanlike nor dignified, but seemed to be designed to humiliate Greece rather than to fix responsibility on the guilty or enforce retribution where it was due. Indeed, as we pointed out last week, the parallel with the story of Serajevo in 1914 forces itself on the mind. Even in France, where opinion has been slowest to take up an attitude of criticism, it is admitted that the demand for reparation was excessive. Although, however, the responsibility for the murder is not definitely fixed and Albania's strange attitude in refusing facilities for inquiry on her side of the border raises disturbing doubts which even Signor Salandra admitted at Geneva on Thursday, Greece, though protesting against the terms of the ultimatum, has expressed her willingness to accept the decision either of the League or the Council of Ambassadors, and to deposit in a neutral bank the full sum demanded by Italy pending a decision. It is understood that Signor Mussolini has assured the French Government that he would not object to inquiry by the Council of Ambassadors, but would reserve his right to independent action if dissatisfied with the award.

Unfortunately, the issue is complicated by the bombardment and seizure of Corfu by Italy last Friday. This island, though of great strategic importance at the mouth of the Adriatic, was undefended. Italy's warships appeared off the town at 3.0 in the afternoon. The Admiral announced his intention of occupying it without giving the Prefect time to communicate with his Government. The bombardment appears, in fact, to have been made before the ultimatum expired, and to have been carried out with a minimum of respect to diplomatic usage. The British Vice-Consul, for example, who only received a few minutes' notice of the Italian intentions, made every effort to approach the Italian Commander with a view to getting time to warn British residents and to explaining that a large number of refugees were under his supervision in the Citadel. But he was refused facilities, and was making his own way to the flagship when the Citadel was bombarded and some 20 refugees, mainly children in charge of the Save the Children Fund, killed. This action, which, in the words of Article 12 of the Covenant of the League of Nations, "threatens to disturb international peace or the good understanding between nations," clearly justified Greece—or, for that matter, any other of the States members of the League—in bringing the matter before the League at Geneva, and Signor Mussolini is straining the meaning of words in denying that his action was an act of war.

But the Italian Government has raised the gravest issue of all by denying that the League has any competence to deal with the question in any way. It is true that the Italian Prime Minister has not been quite so cynical as one of his few supporters in the British Press, who, speaking of Italy's refusal to submit the issue to Geneva, declares that "she has every right to exercise her own judgment in this matter, just as the United States refused to come into the League at all"—in other words, a party who has entered into a covenant is to be as free to decide whether he shall abide by it as to decide whether he will enter into the covenant in the first instance! But Signor Mussolini rejects the competence of the League on the ground that the incident does not raise a danger of war, and that in any case questions of national honour are not covered by the Covenant, an interpretation for which we can find no justification whatever in the clauses of the document itself to which Italy has appended her name. Indeed, Italy has found no support for her contention either from France or from any of the other nations represented at Geneva, and a group of the smaller nations have even declared that if the League is unable to handle a situation so obviously dangerous to the peace of the world as this, it can afford no protection whatever to any of them. It

might be argued that the attitude of the Little Entente in support of the League was dictated by suspicion of Italian ambitions in the Balkans. But no such consideration has weighed with Belgium, who has made clear the importance she attaches to the point at issue. Having surrendered the guarantee of individual powers which played so important a part in the drama of 1914, she looks with the greatest alarm on any action that weakens the collective guarantee contained in the Covenant which has taken its place.

The Italian Government at the moment of writing apparently adheres to the declaration that it will retire from the League if it continues to discuss either the question of the murders or that of the occupation of Corfu, whereas the rest of the Assembly is satisfied that it is in any case its duty to deal with the matter, and if need be to enforce its decision with all the sanctions that the Covenant provides. It would be a profound disaster if Italy were forced into isolation and incurred the hostility of the members of the League as the result of an incident in which she had received the greatest provocation. But it is equally clear that all hope of settling international issues by consultation instead of by force would disappear, and the territorial settlements and adjustments of the Peace Treaties would be back in the melting-pot if the mutual undertakings that so many nations have incurred towards one another are to be brushed aside whenever it may be convenient. The withdrawal of Italy would have a number of awkward consequences in connection with many co-operative efforts in which that country is a partner. The London market, for example, is wondering what will be the position of Austrian Reconstruction Bonds in respect of which Italy has given a guarantee of 20 per cent. As a matter of fact, we do not contemplate that Italy would in any case default on her specific undertaking, and the progress of the scheme in Vienna seems to be such that the security of the Customs and tobacco revenue are themselves fully covering the service of the bond. There is, therefore, no real anxiety on this account; but the case illustrates the problems that would be raised if the harmonious relations of Italy and the other chief Powers of Europe were interrupted by Italy's withdrawal. Nevertheless, the advantage of continued co-operation would be bought at too great a price if a compromise is patched up which leaves in doubt the necessity of the States of Europe abiding by the rules they have laid down, and carrying out the undertakings which they have incurred.

We profoundly regret that, judging from the strictly censored Press of Italy, the attitude of this country should be so completely misunderstood. Great Britain has no special love for the Greek Government, which, by the way, it has refused to recognise since the execution of the former Ministers last November; public opinion has a traditional goodwill towards the Italian people, and it would be a complete misconception to imagine that the solidarity of British opinion is in any way connected with strategical considerations. But this country is profoundly concerned in the peaceable settlement of Europe, which seems as far off as ever, and has instinctively realised that to support the authority of the League of Nations is the only hope of preventing a new conflagration spreading from that constant source of international disturbance—the Balkan Peninsula.

OUR INDEX NUMBER.

A REACTION that is barely perceptible has followed the sharp drop in the general level of wholesale prices which occurred in July, and our Index Number is a mere 6 points higher at the end of August at 4188. This is still the lowest since the Armistice, with the exception of the previous month, but is within one point of the figure recorded at the end of September, 1922, hitherto the bottom figure. While the net change in August, however, was small, there were some fairly wide fluctuations in individual commodities. But these offset one another to a greater extent than usual, and the changes in the five groups are relatively small, as may be seen from the following table:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5) ...	500	300	500	400	500	2200	100.0
End July, 1914	579	352	616½	464½	553	2565	116.6
" Dec., 1915	897	446	731½	711½	848½	3634	165.1
" Dec., 1917	1286½	686	1684½	839½	1348½	5845	268.2
" Nov., 1918	1289	782½	1848	903	1389½	6212	282.6
" Dec., "	1303	782½	1805½	866	1337	6094	277.0
" Dec., 1919	1441½	881½	2442½	1145	1453½	7364	334.7
" Mar., 1920	1608	914	2974½	1246	1709½	8352	379.6
" Dec., "	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921½	636	1106	762	931½	4357	198.0
" June, 1922	1000½	676½	1135	690	887	4389	199.5
" Sept., "	873½	682½	1116	699	818	4189	190.4
" Dec., "	861	706	1184½	705	807½	4264	193.8
" Jan., 1923	860	711½	1205½	739	808	4324	196.5
" Feb., "	847½	746	1201	797½	810	4402	200.1
" Mar., "	824	752	1178½	840	797½	4392	199.6
" Apl., "	858	752	1199	834	797	4440	201.8
" May, "	863½	772½	1166½	818½	785	4412	200.5
" June, "	815½	773½	1177½	773½	761	4301	195.5
" July, "	819½	756	1115½	744½	746½	4182	190.1
" August, "	828½	762½	1119	734	744	4188	190.4

Both the food groups have risen, and there is a slight rise in textiles, but minerals and miscellaneous commodities are lower. With favourable prospects for the harvest, home-grown wheat has fallen considerably in price, but American wheat has recovered the small amount lost in the previous month. Flour has been reduced during the month by 2s per sack, and oats have fallen almost as heavily as home-grown wheat, but barley is higher. There was a seasonal rise in potatoes following the disappearance of the old crop from the market, and rice rose by a similar amount to that lost last month. A sharp rise in pork was accompanied by a decline in other meat prices. In subsidiary foodstuffs the principal feature was a sharp rise in tea, thanks to keen competition at the auctions, and heavy forward buying. Sugar is lower on balance, although the last fortnight has seen an increase in prices. In their report, dated August 30th, Messrs C. Czarnikow, Limited, write that "immediately on the termination of the dock strike in London, orders for large quantities came into the market, sugars in course of discharge being particularly sought after, and it soon became evident that the unsold quantities were not as large as had been generally anticipated. No doubt, a considerable portion has been used for tendering on the terminal market in liquidation of the August account, part of which may appear again later on, but a large amount is being transhipped to the Continent. The fact that several cargoes originally destined for the U.K. were also diverted to the Continental ports to fill urgent requirements helped to relieve the position, and instead of pressure to sell there is now a scarcity of ready Javas available, and the price has advanced from 20s 9d to 22s 3d c.i.f. London. This has reacted on the terminal market, not only for present crop, but also new crop, although the reports from the Continental beet districts have been generally more favourable owing to the recent heavy rains. Another stimulating factor was the demand from British India, with the result that over 40,000 tons have been sold for October/December shipment at from 20s to 21s 9d, c. and f. basis Calcutta. New York, too, has contributed to the firmness here."

In the textile group raw cotton prices have moved up, but yarn is slightly lower and cloth is unchanged. Raw cotton quotations have fluctuated widely during the month, owing to contradictory news of American crop prospects. English wool is slightly higher than a month ago, but Australian wool is unchanged on balance. The consumption of wool during the month has been on a satisfactory scale, and export demand for America and the Continent for the finer classes of home-grown wool has helped prices. Flax is lower, and Messrs W. F. Malcolm and Co., in their market report, state that the tendency of the market is towards lower prices, "but, as is generally the case during a period of stagnation, quotations are being put forward which are several pounds per ton under the lowest prices indicated as yet by holders of stock." Jute is lower on balance, but during the last fortnight, according to Messrs Wigglesworth and Co., Limited, a decidedly active market has prevailed. "Unquestionably," they write, "the heavy

fall in prices has attracted many buyers, and spinners in Dundee are said to have covered about one-third of their requirements, while Continental operators have nearly all participated in purchases."

In the minerals group, pig-iron and steel rails have again been reduced, but iron bars are still unaltered. Coal is a shade lower, but in the minor metals both lead and tin are higher. Further reference to the latter is made in a Note of the Week. Copper has fallen a little in sympathy with weakness in the New York market. In the miscellaneous group changes were small and of no great importance. The month's changes in each commodity's index are shown in the following table, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For...	81½	+ 5	Cotton, A	139	+ 2½	Copper	52	- 2½
English	70	- 19½	Cotton, E	115	+ 8	Minerals	734	- 10½
Flour	74	- 4	Yarn	127½	- 2½			
Barley	74	+ 9	Cloth	127	- 2½			
Oats	69½	+ 16½	Wool, Eng.	135½	+ 2½	Baltic timber	103½	..
Potatoes	75	+ 19	Do Aust.	122½	+ 2	Amer. timber	90	+ 2
Rice	101	+ 5	Silk	122	+ 5½	Leather	60	..
Beef	81½	- 6	Flax	114½	+ 1½	Petroleum	92	- 3½
Mutton	91	+ 3	Hemp	45	+ 1½	Oils	72	- 2½
Pork	111	+ 20	Jute	71	- 5	Oilseed	75	+ 1
						Tallow	63½	+ 1
Cereals & meat	828½	+ 9	Textiles	1,119	+ 3½	Indigo	87	..
Tea	144	+ 11	Pig-iron	107½	- 5½	Crystals	85½	..
Coffee	90	- 1	Steel rails	79	- 4½	Rubber	15½	+ ½
Sugar, cane	210½	- 5	Iron bars	92	..	Miscellaneous	744	- 2½
Sugar, beet	113	- 6	Coal, steam	136½	- 4			
Butter	88½	+ 7½	House coal	87	- 1	Total	4,188	+ 6
Tobacco	116½	..	Lead	105	+ 4½			
			Tin	75	+ 2½			
Other foods	762½	+ 6½						

These changes make the present level of prices 63.3 per cent. above the figure prevailing at the outbreak of war, as compared with 63.1 per cent. a month ago, and 73.1 per cent. at the end of April, which is the highest point reached this year. The position of each of the groups in relation to that recorded at the end of July, 1914, may be seen from the following table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1920	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
Apr. "	148	214	195	180	144	173.1
May "	150	220	189	176	142	172.0
June "	141	223	191	167	137	167.7
July "	141	215	181	160	135	163.1
August "	143	216	182	158	134	163.3

In comparison with the end of September, 1922, when the total index number was at practically the same figure, cereals and meat and miscellaneous commodities show a decline, but other food is much higher, and minerals have also risen, while textiles are practically unchanged.

THE DISTRIBUTION OF FOOD.

THE Departmental Committee on the Distribution and Prices of Agricultural Produce have issued their third Report (Cmd. 1927), which deals with meat, poultry, and eggs. These reports are termed "interim," though, in fact, each of them is devoted to the complete discussion of one section of the subject referred to the Committee, and collectively they will form their final report. The issue of the Report of a Commission or Committee in parts is not unusual, but an "interim" report implies that the examination of the subject to which it relates is unfinished, and that the conclusions are subject to review. The Committee propose, after issuing their report on each of the four subjects into which they divided their inquiry, to prepare a fifth part dealing with "certain questions of wide application" which do not fall within the limits of any particular section. There is, however, no reason to

suppose that the reports already published do not represent the final word of the Committee on the subjects to which they relate.

In these circumstances it is fair to assume that in regard to milk, milk products, fruit, vegetables, meat, poultry, and eggs the public are in possession of all the facts the Committee have collected and the conclusions to which they have been led. These commodities include all those which have aroused the interest, and, in many cases, the indignation, of the public, and of which the prices and distribution are most obviously open to criticism. The Committee state that there have been no previous inquiries into the methods of distribution of milk, milk products, fruit and vegetables. This may be true in the sense that no official body has been appointed for this specific purpose, although at least two Royal Commissions on Agriculture have included these subjects within their inquiries. On the subject of meat distribution, there has been more than one official inquiry recently. The recommendations made by the recent Departmental Committees have, it is perhaps unnecessary to say, received no attention from the Government, although they were not entirely lacking in constructiveness.

The most obvious criticism of the report of the present Committee is that while they marshal, very clearly, the facts and reveal widespread abuses by which the public are more or less injured or defrauded, they content themselves with a series of mild protests against the practices they describe and of exhortations addressed to those who practise them. Constructive suggestions of legislative or administrative action to mitigate the evils which are elaborately exposed are very few.

In a complex civilised community, for the most part concentrated in large aggregations of population, the distribution of food involves a highly organised machinery, and distributors perform an important, and indeed indispensable, function. It is true that in a small degree direct contact between producer and consumer—such as is the common rule in primitive communities—is possible. So far as it is practicable in this country, it is made so by the existence of the very complete distributive machinery of the Post Office and the railways—the one State-controlled and the other State-regulated. The public have a right to demand that the facilities thus provided for enabling the consumer to deal directly with the producer should be extended to the utmost limits. But, however greatly these facilities may be developed, they can only affect an infinitesimal fraction of the regular food supplies of the people. The main problem remains, and intermediate agencies for collection from thousands of producers and distribution to millions of consumers are essential. The elimination of the middleman is a phrase which may serve for platform purposes, but as a practical proposition it is not possible, and if it were possible it would not serve the public interest.

If it is frankly recognised that middlemen—to use the convenient term for those who undertake the collection and distribution of food—perform a necessary and useful function, the ground is cleared for a consideration of the manner in which they perform it. The nature of their business undoubtedly offers opportunities for unfair and illegitimate dealings. Being largely speculative, their margins must be sufficient to cover risks and losses, and the temptation to take undue advantage of their superior knowledge of market conditions is great. So fearful were our forefathers of the power of middlemen to injure the public, that they harshly repressed, under severe penalties, what were then termed forestalling, engrossing, and regrating, which, in effect, were the necessary operations of a dealer in produce. The increasing complexity of life made these prohibitions absurd, and by general consent they were ignored without being formally repealed. But the principle that it is a proper function of the State to protect the people from exploitation is as sound in modern as in mediæval times. The task of statesmanship nowadays is to apply the principle to the commercial conditions of the twentieth century. It is by no means a simple one. In commercial matters it is extremely easy to do more harm than good by legislation or regulation. The best-laid schemes are very apt to miscarry, and the most admirable intentions of the Legislature commonly pave the road to a complete failure of its object.

It is already evident that in approaching this task—assuming the existence of a Government willing to undertake it—little guidance or assistance is to be looked for from this Committee. Their labours have not been wholly in vain. Their reports make a useful contribution towards a diagnosis of the defects of the present methods of distribution. But they have shrunk from probing too deeply and have been reluctant, or perhaps unable, to prescribe effective remedies.

They have so far discharged the duty entrusted to them with conscientious attention to details. In the three reports already published they have set out, paragraph by paragraph, more than 200 "conclusions and recommendations," and have done so impartially, giving no greater emphasis to one than to another. They have, in short, examined the trees with meticulous care, but they are in danger of overlooking the wood.

CONDITIONS IN BRAZIL.

(BY A CORRESPONDENT.)

CANDOUR has usually distinguished official utterances of Brazilian statesmen when dealing with the public finances of the country. Brazil's present financial status has been clearly explained. More, perhaps, than any South American State, it can show within the past two decades an industrial and commercial development as remarkable as it is general. Whereas in former times the country depended for its revenues almost entirely upon the value of its coffee, rubber and sugar crops, it contains to-day numerous native industries which contribute their quota to the economic resources of the State.

The cultivation of the coffee berry and the sugar cane must always remain of predominant importance, contributing, as they do, in some States of the Union (as sugar in Sao Paulo), about 90 per cent. of the total exports. For last year, however, the exports of Brazilian coffee, while still the most important of the country's products, displayed but a slight increase over those of the previous year, the figures being 12,673,000 bags in 1922, against 12,369,000 bags in 1921. The meat industry has likewise manifested a striking advancement. To-day, there are in operation 16 well-equipped packing houses, with a total declared capital of 187,000 contos of reis, whereas little over 10 years ago there were none. Even the coal industry, which derived much advantage from the Session of the Brazilian Coal Congress that took place in Rio de Janeiro during the latter part of last year, is continually increasing the domestic production. It is not without significance that the first Brazilian coal-mining company was formed (in 1872) in London. The estimated output at the present time of Brazil's almost untouched coal-fields exceeds 415,000 metric tons annually, equivalent to not quite one-half of the foreign imports in 1921, but nearly one-third of the national consumption in that year. A conservative estimate of the productive capacity of the few mines in operation shows an excess over total imports for the current year, though these surpassed any past period. It should, however, be remembered that the greater part of this production is consumed in Southern Brazil (Rio Grande do Sul and Santa Catharina), where the chief producing mines are situated, and that foreign imports of coal must continue for some years to come, if only for the reason that Brazilian coal is not at present found suitable for imported boilers, having a greater ash and sulphur content than the foreign product. In this respect it is interesting to recall that certain local experts have declared Brazilian coal to be of "the finest quality," though typical analyses quoted by the Imperial Mineral Resources Bureau show 30 per cent. ash, 8 per cent. moisture, 25 per cent. of volatile matter, and 36 per cent. carbon.

Then there is cotton, grown in nearly all States of the Union, chiefly, however, Sao Paulo, Ceará, Parahyba and Maranhão. Brazil has approximately 7,500,000 acres of land on which cotton could be profitably cultivated, and the Government is making efforts to assist cotton-farmers

in many ways. But for lack of the necessary capital, this assistance would have been given to a more liberal extent. For the period 1921-1922, 1,551,160 acres of land were under cultivation, producing, according to the Cotton Development Department of the Ministry of Agriculture, 306,250,000 kilos of unginned cotton, 92,000,000 kilos of ginned cotton, and 215,170,000 kilos of seed. To arrive at an accurate amount of the production, however, it would be necessary to allow 20 per cent. upon these figures for the cotton retained in the interior. Exports of the raw material increased from 19,667 tons in 1920 to 33,947 tons in 1921. The principal cities engaged in the manufacture of cotton goods are Rio de Janeiro, Sao Paulo, Petropolis, Sorocoba, Maranhão, Pernambuco and Bahia. The number of mills exceed 240, while in 1905 there were but 110 and in 1885 only 49; there are over 1,200,000 spindles, 36,000 looms and 60,000 operatives engaged in factories which use considerably over 40,000 h.p., and turn out something like 320 million metres of cloth annually. Improvements in wool-production are similarly noticeable, while sugar exports for last year increased from 172,094 tons to 250,111 tons. Rubber, over the same period, reached an export total of 19,855 tons, against 17,439 tons.

With all these and other productive advantages, Brazil nevertheless shows a reduction in its favourable balance of trade of no less than 32 per cent. when expressed in milreis, and of 70 per cent. when expressed in sterling. These conditions are attributable to the fall in exchange and the higher prices, especially of imported goods, and reflect in a remarkable manner the extent to which the balance of trade of a country can suffer by an aggravation of economic depression on account of the exchange.

Cautious critics profess to view in the present industrial activities of Brazil a sign of "impending misfortune." According to their view, the fall in exchange, while having given national industries the opportunity to manufacture almost every kind of thing, has resulted in a rapidity of output that is bound to have serious reactionary effects. These, when they do come, and when exchange touches 90 or 100, thus occasioning foreign competition again to be reckoned with, will precipitate a crash with far-reaching consequences. This calamity, they think, might possibly be averted were local manufacturers to reduce their working costs; this, however, seems hardly likely in view of the high cost of living and increasingly heavy taxes.

Foreign observers have likewise taken note that Brazil has laid out a programme to manufacture practically every class of article at present imported; and, with a view to protecting its own industries, has imposed heavy and discriminating duties against foreign manufactures. Brazil to-day can certainly produce, to the exclusion of similar imports, flax, wool, cotton, silk, hemp, jute—all of the finest quality—and treat the same in its own cotton mills distributed fairly well over the entire country. Similarly, sugar, confectionery, biscuits, and fruit-productions, as well as rubber products, motor tyres, and many descriptions of engineering manufactures, including sugar and agricultural machinery, are now made locally. This process of becoming commercially independent has been going on for a good many years. As far back as 1914 there were already 2,300 industrial establishments, employing 124,000 hands, capitalised at £32,500,000, and producing annually goods to the value of £37,330,000. During the last ten years an increase upon these figures has been witnessed.

With all this productive capacity to its credit the financial situation of the country, as even its warmest advocates admit, is decidedly unfavourable, and while it is by no means without hope of amendment, the position, as revealed, cannot but prove disquieting even to the least pessimistic. All the extraordinary sums represented by recent external loans of \$75,000,000 (U.S. currency), £9,000,000 (sterling), and the large emission of *apólices* have been totally expended, there being nothing left either to continue the services already initiated or to commence new and necessary services. The estimated revenues of 1922, although not even yet finally adjusted with the expenditures, have shown in the results achieved so far a wide discrepancy, receipts reaching 74,266:941\$376 gold and 568,944:149\$799 paper, against 92,276:320\$ gold

and 727,673,000\$ paper anticipated, a difference of 18,009:378\$624 gold and 158,728:850\$799 paper. Under the most advantageous circumstances, therefore, the present year is bound to result in a still larger deficit.

The favourable factors are the successful carrying out of certain fiscal operations, such as consolidation of the floating debt, balancing of the budget, and introduction of a complete banking organisation with a central bank of emission and credit institutions, which, combined, may serve to bring about a more wholesome and permanent economic development. If honest and energetic administration can help to bring about improvement, it will be met with during the Presidency of Dr Arturo Bernardes, who has devoted, and is devoting, all his great administrative ability to the task of grappling with an exceptionally grave economic situation.

THE COVENANT OF THE LEAGUE.

THE clauses of the Covenant of the League of Nations, embodied in the Treaties of Versailles (Germany), St. Germain (Austria), Trianon (Hungary), and Neuilly (Bulgaria), which bear upon the present crisis are as follows:—

ARTICLE 10.—The members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League. In case of any such aggression, or in case of any threat or danger of such aggression, the Council shall advise upon the means by which this obligation shall be fulfilled.

ARTICLE 11.—Any war or threat of war, whether immediately affecting any of the members of the League or not, is hereby declared a matter of concern to the whole League, and the League shall take any action that may be deemed wise and effectual to safeguard the peace of nations. In case any such emergency should arise, the Secretary-General shall, on the request of any member of the League, forthwith summon a meeting of the Council.

It is also declared to be the friendly right of each member of the League to bring to the attention of the Assembly or of the Council any circumstance whatever affecting international relations which threatens to disturb international peace or the good understanding between nations upon which peace depends.

ARTICLE 12.—The members of the League agree that if there should arise between them any dispute likely to lead to a rupture, they will submit the matter either to arbitration or to inquiry by the Council, and they agree in no case to resort to war until three months after the award by the arbitrators or the report by the Council.

In any case, under this Article, the award of the arbitrators shall be made within a reasonable time, and the report of the Council shall be made within six months after the submission of the dispute.

ARTICLE 13 lays down rules for submitting disputes to arbitration, as distinct from conciliation by the Council or the Assembly.

ARTICLE 14 relates to the establishment of the Permanent Court of International Justice.

ARTICLE 15.—If there should arise between members of the League any dispute likely to lead to a rupture, which is not submitted to arbitration in accordance with Article 13, the members of the League agree that they will submit the matter to the Council. Any party to the dispute may effect such submission by giving notice of the existence of the dispute to the Secretary-General, who will make all necessary arrangements for a full investigation and consideration thereof.

For this purpose the parties to the dispute will communicate to the Secretary-General, as promptly as possible, statements of their case, with all the relevant facts and papers, and the Council may forthwith direct the publication thereof.

The Council shall endeavour to effect a settlement of the dispute, and if such efforts are successful, a statement shall be made public giving such facts and explanations regarding the dispute and the terms of settlement thereof as the Council may deem appropriate.

If the dispute is not thus settled, the Council, either unanimously or by a majority vote, shall make and publish a report containing a statement of the facts of the dispute and the recommendations which are deemed just and proper in regard thereto.

Any member of the League represented on the Council may make public a statement of the facts of the dispute and of its conclusions regarding the same.

If a report by the Council is unanimously agreed to by the members thereof other than the representatives of one or more of the parties to the dispute, the members of the League agree that they will not go to war with any party to the dispute which complies with the recommendations of the report.

If the Council fails to reach a report which is unanimously agreed to by the members thereof, other than the representatives of one or more of the parties to the dispute, the members of the League reserve to themselves the right to take such action as they shall consider necessary for the maintenance of right and justice.

If the dispute between the parties is claimed by one of them, and is found by the Council, to arise out of a matter which by international law is solely within the domestic jurisdiction of that party, the Council shall so report, and shall make no recommendation as to its settlement.

The Council may in any case under this Article refer the dispute

to the Assembly. The dispute shall be so referred at the request of either party to the dispute, provided that such request be made within 14 days after the submission of the dispute to the Council.

In any case referred to the Assembly, all the provisions of this Article, and of Article 12 relating to the action and powers of the Council, shall apply to the action and powers of the Assembly, provided that a report made by the Assembly, if concurred in by the representatives of those members of the League represented on the Council and of a majority of the other members of the League, exclusive in each case of the representatives of the parties to the dispute, shall have the same force as a report by the Council concurred in by all the members thereof other than the representatives of one or more of the parties to the dispute.

ARTICLE 16.—Should any member of the League resort to war in disregard of its covenants under Articles 12, 13, or 15, it shall *ipso facto* be deemed to have committed an act of war against all other members of the League, which hereby undertake immediately to subject it to the severance of all trade or financial relations, the prohibition of all intercourse between their nationals and the nationals of the covenant-breaking State, and the prevention of all financial, commercial, or personal intercourse between the nationals of the covenant-breaking State and the nationals of any other State, whether a member of the League or not.

It shall be the duty of the Council in such case to recommend to the several Governments concerned what effective military, naval, or air force the members of the League shall severally contribute to the armed forces to be used to protect the covenants of the League.

The members of the League agree, further, that they will mutually support one another in the financial and economic measures which are taken under this Article, in order to minimise the loss and inconvenience resulting from the above measures, and they will mutually support one another in resisting any special measures aimed at one of their number by the covenant-breaking State, and that they will take the necessary steps to afford passage through their territory to the forces of any of the members of the League which are co-operating to protect the covenants of the League.

Any member of the League which has violated any covenant of the League may be declared to be no longer a member of the League by a vote of the Council concurred in by the representatives of all the other members of the League represented thereon.

It is to be noted that a member is not bound to accept a decision of the Council, but must postpone warlike action for three months after the decision is given. It is, however, clear that the fact that a dispute has been reported on under Article 15 does not release other members from their covenants in regard to the disputants, but that in the event of aggression, even after delay, they would be bound to enforce their undertakings under Article 10, since a breach of that Article would have been committed by the aggressor. It is also to be noted that the powers of the Council as to military or naval action to be taken under Article 16 are advisory only. Finally, a member can only withdraw from the League and from its undertakings under the Covenant by giving two years' notice, and then only "provided that all its international obligations and all its obligations under this Covenant shall have been fulfilled at the time of its withdrawal."

Notes of the Week.

The Japanese Disaster and the Insurance Situation.—

Some time must elapse before the losses falling upon the marine and fire insurance markets in this country are definitely known. But it is already clear that they will be small in comparison with the tremendous claims which resulted from the earthquake and fire in San Francisco of 17 years ago. At San Francisco the British and American fire offices had not in their policies excluded liability for conflagrations caused by earthquake shocks. Just as at Tokyo and Yokohama gas and water mains were broken, the escaping gas fed the flames, and there was no water available to extinguish them. The fire insurance losses of San Francisco amounted in all to about 47 millions sterling, of which the British companies paid 13 millions. As the result of this disaster great care was taken, especially in countries like Japan, where earthquake shocks are a frequent experience, to exclude in ordinary fire insurance policies liability for the direct and indirect results of earthquakes. In the Tokyo and Yokohama disasters, the successive earthquake shocks appear to have extended over 24 hours, and the direct connection between the shocks and the fires to have been established beyond doubt. Therefore, as regards all ordinary fire insurance policies on buildings and contents, there will be no liability for insurances granted by branches of British offices, or for insurances accepted by British companies under treaty with

Japanese offices. There will, however, be some considerable claims in respect of property specially insured under contracts in which the earthquake liability was accepted in return for an extra premium. It is known, for example, that the Grand Hotel at Yokohama and the Yokohama United Club were insured in this way against earthquake and fire risks. An extra premium of 1 per cent. was paid for the special risks. It is anticipated that the British fire insurance companies and underwriters at Lloyd's may have to meet about £250,000 in claims on these specific insurances which included the earthquake hazard. Perhaps the marine underwriters will, when all is known, find that they are liable for a considerable amount. Fortunately for them there was no large amount of shipping in harbour exposed to the seismic waves which followed the earthquake shocks. Messrs Holt and Co.'s steamers trading in the area affected, and the P. and O. liner *Dongola* are reported to be safe. There will be a loss of goods in lighters and other small craft, but not apparently of great moment. On the other hand, the destruction by fire of goods in warehouses ashore—upon which marine insurance policies were in force—must cause serious claims, especially as the earthquake hazard in the marine policies will not have been excluded. In a destruction of this magnitude losses will be very difficult to ascertain and to prove, and it may be many months before the marine underwriters at Lloyd's and among the companies will know the full extent of their liabilities.

The Irish Elections.—Our Dublin correspondent writes:—For an accurate appreciation of the result of the General Election, it is well to consider a few summarised figures. They are taken from an article, specially contributed by a Proportional Representation expert, in the *Irish Times*, and they were compiled as far as possible from the official result sheets:—

BOROUGHES and COUNTIES—TOTAL FIGURES.

Party.	Votes.	Seats Obtained.	Seats in Proportion to Votes.
Government	411,074	60	57.3
Anti-Treaty	290,001	44	40.4
Labour, including Independent Labour	131,623	15	18.3
Farmers	129,247	15	18.0
Business and Independents	92,859	13	13.0
Total	1,054,804	147	147.0

The total membership of the Dail is 153, and the six seats omitted from the foregoing table are all held by supporters of the Government—three returned unopposed for Trinity College, Dublin, and three as the result of a contested election in the National University. The Treaty and the Constitution are supported, therefore, by a total majority on the principal issue of 109 to 44, or roughly 2½ to 1. And this result emerges from a system which gives—and the figures illustrate it—a disproportionately large influence to minorities. Majority supporters are mulcted of the value of their second preference votes to the extent and in the ratio of the successful candidate's total poll to his surplus over the necessary quota, while minority supporters of the most unsuccessful candidates enjoy second preference votes of undiminished value. The main result is unmistakable. The General Election, conducted without violence or popular excitement, has pronounced strongly in favour of political sobriety and national stability. The Business Men's candidates did fairly well in the recent elections in the City and County of Dublin, and two of their number were elected—both prominent members of the Chamber of Commerce, though Mr Shanks, the veteran president of the Chamber, who initiated the move, was unsuccessful. The greatest issue at the moment that touches the welfare of Dublin, and indeed of the Free State, is the matter of wages. Wages are at a level which forbids successful competition with others, and which in some cases forbids even remunerative production for direct consumption. But in Dublin high rates, high rents, and high prices of articles in the poor man's budget are the prompt answer to any attempt to reduce wages. High rates and high rents may be matters for the Legislature; but high prices of the common, everyday commodities can be cured by the business community itself if it will have the courage and energy to put its own

house in order. It is not necessary to indicate exact methods, nor the exact vices of the present system. But unquestionably there is too great a disparity between the big market wholesale prices and the prices charged in the little retail shops in the back streets for fuel, food, and clothing. Mr Cosgrave, in a recent speech, stated that he had had little difficulty in obtaining financial accommodation from the Irish banks. He mentioned two sums of £3,000,000—if the reports of his speech be accurate—as having been made available. The Exchequer returns to September 1st instant, however, show no larger borrowing than £814,000—raised by Irish Free State bills—so that the Government is in no immediate need of cash. About £750,000 is about to be paid out in compensation awards, which should give a much-needed stimulus to employment. The general revenue is coming in well. From April 1st to September 1st £12,800,565 was collected, against the corresponding period for last year (plus one day) at £9,654,076.

The Season Ticket Agitation.—Much excitement and alarm has been aroused among the army of daily workers, particularly in the London area, who travel from home to their business by train, in consequence of the new standard schedule for season ticket rates which has been lodged with the Railway Rates Tribunal by the companies. If these rates are put into force they will mean for a considerable number of persons an increase in their season ticket rates, but they will equally mean a reduction for others. Broadly speaking, they carry out the intention of the Act of 1921 to standardise railway charges of all kinds, and any process to simplify the railway rates necessarily means that some persons will pay more and some less. Whether this is a sound policy or not is a matter on which much may be said on both sides. A great variety of charges has come into existence throughout the country because the railway system has been built into the growing organism of national life. Low fares have been introduced at a particular point to develop a growing town, or special rates given to create an industry at a particular spot. If when the development has taken place the rates are put up, the calculations of those who have sunk their capital in a house or business are upset. On the other hand, if particular branches of traffic are continued indefinitely on a basis which does not cover their fair share of the standing charges, other classes of traffic have to bear the burden of a higher charge than seems reasonable. On the balance of these conflicting claims the Government decided that there should be some measure of uniformity introduced, and in the Bill as drafted the standard charges were to be universally applicable, and exceptional rates only granted by special permission of the Rates Tribunal on the grounds that it was the business of the regulating authorities to protect less favoured classes of traffic. The coal, iron and steel, and heavy traffic businesses have been completely built up on exceptional rates, and, being alive to the danger, they fought for, and ultimately secured, through a defeat of the Minister in Committee in the House, concessions, first that exceptional rates agreed on between the railways and the traders should remain, and, second, that when the new Bill came into force traders would be entitled to lodge their existing exceptional rates, which will automatically continue unless the companies can show causes to the contrary. In other words, the onus of change from existing exceptional rates is on the railway company. Now, most season tickets are in the nature of exceptional fares, but the season-ticket public were at the time not sufficiently alive to their interests and have omitted to get similar concessions. We may also venture to expect that, although the provisions we have described apply to all goods, the smaller trader will not be alive to the necessity of lodging his exceptional rates, or perhaps even in a position to draw up a schedule even if he were. And, therefore, when the new goods schedules are announced we shall probably have precisely the same outcry from the small trader as we have to-day from the season-ticket holder. From the information at present available we cannot tell on what proportions the companies have drawn up their schedules. If they are able to show to the tribunal that the revenue anticipated from season tickets as a whole will remain as at present, they may succeed in diverting the attack by forcing to the front

the opposition of interests of those who will benefit and those who will be more heavily charged. But from our knowledge of railway-company methods we suspect that the companies, in filing their new rates, will have left themselves a comfortable margin in hand. Remembering the history of rating controversies in the past, they may not unreasonably fear that in the end they may be forced to lower the rates they propose to reduce, and be refused permission to make adequate provision in those which are at present below the standard.

South Wales and the American Coal Strike.—The anthracite strike in the United States has had no effect upon the Cardiff coal market, writes our Cardiff correspondent. The United States produces approximately 100,000,000 tons of anthracite coal per annum. The production of anthracite coal in South Wales—the only coalfield in Europe where it is mined in any considerable quantity—is only about 4,500,000 tons per annum, and that output is normally absorbed in well-established home and foreign markets. There are two strong reasons why the American strike, however long it may continue, will not lead to the shipments to the United States of anything like the quantity that was shipped in the third quarter of last year as the result of the strike in the American bituminous collieries. One of these is that the supply of South Wales anthracite is too small and the productive power of the anthracite collieries too inelastic, and the other is that even an American demand for a small quantity would drive prices up to a prohibitive level. Except for certain special services, bituminous coal can be quickly substituted for anthracite coal, and once the movement of prices destroys the relative values to the consumer of bituminous and anthracite coals, the former coal will displace the other, and in the production of bituminous coal the capacity of the States is almost unlimited. For these reasons no active demand is expected from the States for anthracite coals for some time to come.

The Fall in Japanese Securities.—We set out below the daily record of movements in the principal Japanese securities quoted on the London Stock Exchange since the news of the earthquake was received:—

	Aug. 31, 1923.	Sept. 4, 1923.	Sept. 5, 1923.	Sept. 6, 1923.	Sept. 7, 1923.	Fall on Week.
Japanese Govt., 4% Ster. Loan, 1899	70	65½	61½	63½	64	6
" " 4% " 1905	88½	88	86½	86½	86½	2
" " 4½% " 1905	102	101	100	101	102	—
" " 5% " 1907	89	86	80½	82	83½	5½
" " 4% " 1910	69	65½	61½	62½	63	6
South Manchurian Railway, 5%, 1913-48	87½	85	83	84	84½	3
City of Nagoya 5% Bonds	89	87½	75	75	78	11
City of Osaka 5% Ster. Bonds	91	89	89	89	89	2
City of Tokio 5% Ster. Bds., 1916-36	89½	82½	82½	84½	84½	4½
City of Tokio 5% Loan, 1912	87	72½	72½	74½	74½	11
City of Yokohama 5%, 1924-54	88½	82½	75	75	75	23½
Tokyo Electric 6% Bonds	1½ prem.	1½ dis.	13 dis.	11 dis.	10½ dis.	11½

There has been some recovery from the lowest point, buyers having been attracted on Thursday by the tempting prices reached on Wednesday. It will be observed that while the 4 and 4½ per cents. of 1905, which are redeemable in 1931 and 1925 respectively, have fallen only slightly, a much heavier decline has been registered by the long-dated Government loans, the dates of redemption of which vary from 1947 to 1970. The South Manchurian Railway 5 per cents., of which £4 millions were issued in July at 88, are repayable in 1948, but the company has the right to redeem at par after 1933. Principal and interest are unconditionally guaranteed by the Japanese Government. The City of Osaka bonds have been little affected, as the city is outside the earthquake area, but the Tokyo and Yokohama stocks have fallen heavily. The Tokyo Electric Light Company 6 per cent. bonds, issued here at the end of June at 94, have only £64 paid, and stood at a premium until the end of last week. At one time they were written down to over 20 discount, but rallied from the worst on the news that the physical damage to the company's property was not so severe as at one time feared.

National Savings Certificates.—The Treasury has announced that, as from October 1st next, a new series of National Savings Certificates, bearing a lower rate of interest, will be placed on sale. The purchase price will be 16s, as before, interest accruing at the rate of 3d for the first year, and 3d. for every complete period of four months thereafter, until the tenth anniversary of the certificate's issue, when a bonus of 1s will be added, bringing the maturity value to £1 4s. The average compound interest (tax free) on a certificate of the latest series, held to maturity, will therefore be £4 2s 9d per cent., as compared with £5 5s 0d per cent. on the first series, and £4 19s 6d per cent. on the second, which was inaugurated on April 1, 1922. The maximum holding of certificates for any individual remains 500, however made up. The Treasury appears to have acted on the recommendation of the Montagu Committee that the interest on this security should be reviewed from time to time in accordance with prevailing conditions. Even at the reduced rate, the security at the back of the certificate is in itself sufficient to render it an ideal instrument for tapping the small investor's savings.

American Cotton Crop.—Our Manchester correspondent writes:—The Bureau of Agriculture of the United States Government has given the condition of the cotton crop for 1923-24 on August 25th as 54.1 per cent. The report which was published at the end of last week was below expectations, as in trade circles the figure of about 56.5 per cent. was anticipated. A month earlier the condition was 67.2 per cent., and at the end of August last year 57 per cent. On the basis of this statement the Bureau estimates that on a yield per acre of 134 lbs, the crop will be 10,788,000 bales, exclusive of linters, against 11,516,000 bales, according to the condition at the end of July. On the unfavourable news, prices advanced, but since then there has been a reaction, chiefly as a result of bearish influences, due to the political crisis in the Near East and the probability of a reduced consumption in Japan during the next 12 months. From the point of view of users, however, the situation is far from satisfactory. With a growth this season of 11,000,000 bales, and a probable consumption of 12,000,000 bales, stocks will again have to be called upon to meet the wants of spinners, and it is feared that the strong statistical position which may develop next summer will bring about higher values. It is expected that during the next few weeks, growers in the United States will want to sell a large proportion of the crop, and if action of this kind is taken, there may be a temporary downward movement.

Freight and Shipping Outlook.—The long period of dulness and depression in the freight markets is now beginning to lift a little, and prospects for an autumn revival are rather more promising. The withdrawal of the Greek tonnage from the market, the coal strike in the United States, the improving political situation, and the possibility of foodstuffs and raw material being required in large quantities for shipment to Japan, are points in favour of the British merchant marine, but there is still a big surplus of unemployed tonnage about. The outward coal trade is well engaged, and higher rates have been paid from South Wales to the Mediterranean, with business done also to the Norfolk-Portland range. In the home-ward markets the River Plate section has come up from 18s per ton, and steamers able to show October readiness have been taken up at 21s and a little over. For nitrates, 27s 6d to 28s 9d is offering for November-December loading to the Continent, and a fair amount of parcel business has been concluded. North America has been quiet both for grain and coal, but lumber should soon want tonnage from the North Pacific for Japan. India has paid 22s 6d on the deadweight to the United Kingdom-Continent, and wheat from Sydney, N.S.W., has been fixed at 22s per ton for Shanghai, with more steamers wanted. Maize from the South African ports has taken several steamers for October-November loading at 25s to 26s 3d per ton. Ore freights are still easy, with few orders about for early discharge, but a revival is expected. Later in the month all markets should show a better undertone, and charterers

must be prepared to meet shipowners a little on the score of rates, which have been very weak for several months past.

The Oil Price War in America.—A correspondent writes:—It is rare to find State officials arbitrarily enforcing the economic law of supply and demand. Yet this is what has been happening recently in the United States in regard to the gasoline business. The story is remarkable enough to bear repetition. Governor McMaster, of South Dakota, had been aroused, like many others, by the fact that the over-production of gasoline by some refineries in Chicago had led to a wholesale price being quoted of 9 cents a gallon, while the retail price remained unchanged at over 20 cents a gallon. He called upon the oil companies and demanded, in the name of the law of supply and demand, a reduction in their retail price, which in the case of Standard Oil was 22 cents a gallon. The "independents" met his request with a 4 cents cut, but Standard Oil refused. Immediately Governor McMaster purchased 20 tank cars of gasoline in the open market and ordered the State Highway Commission to sell it at 16 cents a gallon. Now the only facilities which South Dakota had for retail distribution were a single warehouse with a storage tank and a pump. But the *coup d'état* succeeded. A few tank cars of gasoline and a single pump were sufficient to cause the Standard Oil Company of Indiana to cut its prices, first in South Dakota and then in all its territory in ten other States, to 15½ cents a gallon. David had overcome Goliath. Other Davids arose. State Governors became oil merchants. "independents" reduced prices, and Standard Oil took severe reprisals. Meanwhile the consuming public, buying its gasoline at an average of about 17 cents a gallon as against 29 cents in 1920, is reckoned to be saving \$2,500,000 daily. Now that Governor McMaster has given another interpretation of the law of supply and demand by agreeing with the "independents" that a price of 20 cents a gallon would return a fair margin of profit, the price war may be expected to come to an end. The folly of these internecine trade wars lies in the popular appeal they make for Governments to interfere in the public interest. It appears that Congress, when it meets in December, is to be invited to consider some form of supervision of the oil industry, partly on the ground that the dominance of Standard Oil constitutes a dangerous monopoly, partly on the ground that the public is entitled to some form of stabilisation of oil prices. Of course, monopoly makes for stabilisation; but the public wants stabilisation of prices on lower levels. Senator La Follette is determined, it is said, on carrying through some restrictive oil regulations. If that be so, Standard Oil has been merely playing into his hands, and the oil industry is likely to be politically as well as economically disturbed.

The Rise in Tin.—The tin market, as foreshadowed in the *Economist* on August 11th, maintained during August a hard undertone, despite all the bearish talk in certain quarters, and the market at the close of last month had a very firm appearance at about £192 cash and £193 for forward standard. Early this week the tone became strong, with good buying on speculative account, coupled also with a demand from trade users. This carried the upward movement still further, and on Wednesday £200 was paid in the open market for the three months' position. The metal is, of course, a long way from the high level reached about the middle of March, when £235 was touched, but it is nearly £25 better than the low level recorded early in July, and the healthy statistical position is bound to be a sustaining factor during the next few months. The world's visible supply of tin has declined by no less than 1,881 tons since August 1st, and now stands at 16,295 tons, against 21,233 tons a year ago. The Straits shipments for all August amounted to 4,990 tons, and the total supplies only came to 6,964 tons, as compared with 8,623 tons in July. The deliveries were on a good scale, America taking 5,510 tons and the United Kingdom 1,676 tons, against 5,305 tons and 764 tons respectively for the previous month. Taking the twelve months ended August 31st, the supplies of tin amounted

to 100,058 tons, against 84,180 tons in the previous year, and the deliveries were 104,996 tons, against 84,180 tons for the year ended August 31, 1922. Of this quantity the United States absorbed no fewer than 68,714 tons, against 18,910 tons for the United Kingdom and 12,210 tons for the Continent, excluding Holland. American buyers have been prominent again in the tin market this week, and there is every prospect of further sales being made for that account. The tinplate trade, both here and in the United States, is improving, and the meeting to be held next week to decide the matter of minimum prices, &c., should lead to further business, makers being confident that the autumn will witness a good revival. The tin stocks in the United Kingdom at 3,759 tons, as compared with 6,628 tons a year ago, are very moderate, and there is now every prospect of the metal remaining firm up to the close of the year and even going better. With tin round about £200, most mining companies can do well, and the outlook in this respect is very encouraging, seeing that tin users everywhere are very lightly covered considering their potential requirements for the autumn trade.

The Tin Share Revival.—Our mining correspondent writes: Whether the recent recovery in the price of tin is premature or no remains to be seen—it is certainly somewhat in advance of the usual autumn movement anticipatory of the demand for the canning industry. However, the metal now stands some £15 above the level ruling at the end of July. The higher quotation has not prevailed long enough to exert any very marked influence upon the earnings of tin-producing companies, but the shares of the latter have been marked up in anticipation of "benefits to come." Of course, tin at anything like £200 per ton means very substantial profits on the part of the Far-Eastern dredging concerns, which are able to work at a low cost ratio, and a reasonable margin in the case of undertakings less fortunately situated in this respect. Appended is a tabulation of the monthly profits for the current year of each of the Malayan companies which publishes its returns on a financial basis:—

Company.	Profits.							
	Jan.	Feb.	Mar.	April	May	June	July	Aug.
Gopeng.....	£ 5,660	£ 5,850	£ 5,470	£ 5,310	£ 5,660	£ 4,560	£ 5,390	£ 5,770
Idris.....	360	460	540	1,170	1,400	1,100	790	820
Kinta.....	2,180	2,250	2,660	2,180	2,360	1,580	2,040	1,520
Kramat.....	1,260	1,060	1,580	1,560	1,390	1,420	2,390	1,650
Lahat.....	1,610	1,700	2,400	1,810	1,460	830	1,080	1,196
Malayan.....	1,620	3,400	6,801	7,470	4,310	4,810	4,410	3,060
Pengkalan.....	1,860	2,060	2,400	3,180	3,410	2,950	2,570	3,050
Rambutan.....	740	1,050	1,150	750	910	840	940	940
Southern Perak.....	2,860	1,870	3,620	1,940	2,600	820	580	1,050
Sungei Besi.....	2,320	2,820	3,550	3,000	2,320	2,370	1,550	2,430
Tekka.....	2,970	3,670	3,550	3,470	2,140	2,000	2,150	2,120
Tekka-Taiping.....	2,250	3,220	4,320	5,660	6,220	6,090	6,300	4,550
Tronoh.....	1,510	2,180	2,970	2,370	2,290	2,840	2,600	2,550

It will be observed that most of the profits for August reflect in a certain degree the appreciation in the price of the product; where such is not the case the explanation consists in a partial stoppage of the machinery or some other temporary hindrance. Last month the Southern Perak scored a substantial improvement, the dredge having passed through the stretch of poor ground responsible for the greatly reduced earnings of the past few months. The company has lately paid a second dividend of 1s per share. Appended is a schedule of the dividends declared during the current year by the Far-Eastern group of undertakings, whether included in the foregoing profits table or no:—

Gopeng Consolidated.....	9d March; 9d June.
Idris Hydraulic.....	6d July.
Kinta.....	6d March.
Kramat Pulai.....	1s July.
Lahat.....	1s May.
Malayan.....	1s April; 1s July.
Pari.....	3d April (5s share).
Pengkalan.....	1s March; 1s June.
Rambutan.....	8d April; 8d July.
Siamese Synd.....	2s January; 2s July.
Southern Perak.....	1s April; 1s July.
Sungei Besi.....	1s March; 1s June.
Tekka.....	4d March, May, August.
Tekka-Taiping.....	3d March, June, July.
Tronoh.....	1s March; 1s June.

In most cases a substantial yield is shown upon the shares at current quotation. The only point is that investors require to keep an eye upon the metal as well as upon the share market.

Argentine Iron and Steel Reorganisation.—Full details of the scheme for the reorganisation of the Argentine Iron and Steel Company, Limited, are now available. These reveal a total deficiency of £421,230. To meet these losses it is proposed, in the first place, to bring the share capital into due relationship with the present value of the assets. The £1 preference shares are to be reduced to 13s and the 12s ordinary shares to 1s 4d. Following the adoption of the scheme, the preference shares will be divided into one preference share of 12s and one share of 1s, the latter to rank as an ordinary share. The 1s 4d ordinary shares will be consolidated into 1s shares. If all goes well, there would be an issued preference and ordinary capital of £365,016, as compared with the existing total of £860,138. The principal item amongst the assets, "land, buildings, plant, &c.," which was valued in the last balance-sheet at £816,017, will now stand at £560,259; and the valuation of goodwill will be reduced from £146,893 to £80,000. The total of the new balance-sheet will be £1,258,736, against the previous total of £1,940,479. In the second place, to provide for the continuation of the business more capital is needed, and it is therefore proposed to create prior lien debentures for securing \$1,200,000 m/n, of which the English equivalent at par of exchange is £104,761. The following creditors have agreed to subscribe at par for these new debentures in proportion to the amounts of their respective debts, namely:—

British Bank of South America	£ 43,651
London and River Plate Bank	21,825
Anglo-South American Bank	122,222
New Italian Bank	21,825
Bank of the Province of Buenos Aires	21,825
Argentine National Bank	125,278
Consolidated Steel Corporation	62,440

The interest on the existing first mortgage debentures is to be raised from 6 per cent. to 7½ per cent. Unsecured creditors for sums in excess of \$150,000 will, it is proposed, accept in satisfaction of their indebtedness 7 per cent. second mortgage debentures, which will be repayable within three years. Unsecured creditors for sums of less than \$150,000 are to be paid in cash. This appears to be a reasonably fair arrangement, and it is hoped that preference and ordinary shareholders will fall in with the proposals.

French Army Leathers.—Our Bermondsey correspondent writes:—Some surprise has been caused in the leather trade by the receipt in England of the new regulations relating to the supply of leather for the French Army. The document is very long and technical, but the most important feature in it is the enactment that none but French leathers are to be used, either home or colonial, and that French materials are to be used for currying as far as possible. Some surprise is also felt that both sole, equipment, and boot leathers are to be tanned in the old style with bark liquors, the modern chrome tannage not being mentioned at all. Evidently the experience gained in the war is taken into consideration in this respect, but it is difficult to see how an army's requirements in leather could be obtained in a great and sudden emergency if the French regulations are to be carried out in their entirety. All sorts of stipulations are inserted in the regulations as to the length of time hides and skins shall be in process of tanning and currying, and various penalties are laid down for non-compliance. One leading expert in Bermondsey states that the regulations suggest a return to the old methods of leather manufacture, as such processes as de-liming are not to be carried out with organic acids, whilst no materials which will add to the weight of the leathers are to be used, the addition of barium chloride, glucose, or magnesium sulphate being specially mentioned. Even uncombined tannin is not to be fixed by the use of gelatine or tartar emetic, whilst only fish oils, moellon, degreas, and tallow are to be used in dressing army leathers. Leather is also to be a natural colour; in

short, the regulations appear to sweep away many processes which were regarded as progressive, and to re-instate methods which have become more or less obsolete. The result will probably be an improvement in the production, for it cannot be denied that the modern hastening of tanning has in many cases proved a drawback to the wearing qualities of all kinds of leather.

Railway Statistics.—We are glad to note that the Ministry of Transport's monthly railway statistics are beginning to appear at intervals of slightly less than one month, and are optimistic enough to hope that this rate of progress will be maintained so that the arrears may, in the course of a few months, be overtaken, and the figures appear with reasonable promptitude. The latest figures to be published are those for March. In the table below we show how traffic for the first three months of this year compares with that of the corresponding period of last year:—

	January.	February.	March.	Total.
Genl. merch. tons	+ 859,969	+ 421,237	+ 310,443	+ 1,591,649
Coal, coke, &c. "	+ 3,836,004	+ 2,330,136	+ 2,737,782	+ 8,903,922
Other minerals .. "	+ 1,986,827	+ 1,248,610	+ 1,457,831	+ 4,693,268
Total goods "	+ 6,682,800	+ 3,999,983	+ 4,506,056	+ 15,188,839
Freight train receipts £	+ 457,777	— 470,152	— 797,880	— 810,255
Passenger .. "	— 445,260	— 514,663	+ 115,476	— 844,547

Thus, while the tonnage carried during the first three months of this year increased by over 15 million tons, or 17½ per cent., freight train receipts declined by over £800,000, or 2¼ per cent., a result partly of the lowering of freight rates in the second half of 1922. Passenger fares, it will be recalled, were lowered from 75 per cent. to 50 per cent. above the pre-war level on January 1, 1923. How much of the decline in gross receipts has been met by a reduction in expenditure it is impossible to estimate, and until the railway companies see fit to publish weekly figures that show net receipts, and so make the returns of some value, we shall be left in the dark until the publication of the annual reports.

Oversea Correspondence.

LEAGUE OF NATIONS.—ARBITRATION AND THE RUHR—THE WORK OF THE FORTHCOMING ASSEMBLY.

(FROM A SPECIAL CORRESPONDENT.)

GENEVA, August 28.

THERE are some important considerations, which are sometimes overlooked, on the connection between the Covenant of the League of Nations and the legality of the Ruhr occupation, as well as the general problem itself. It is true that on a wide reading of the spirit of the Covenant the question of legality is obviously one which should be referred to the Hague Court, and there would be greater hope of a more reasonable settlement in general if the discussion were put on an international basis. But when considering questions of legality, the terms of the Covenant itself must be considered from the legal point of view, and its relations to the Treaty of Versailles must be clearly understood.

It is difficult on this basis to find a strict legal obligation on the part of France to consent to refer the legal question to arbitration or to the League. Article 13 of the Covenant has been frequently quoted within the last few weeks as binding, but it is a curious fact that the main conditional sentence is often omitted. This article deals with differences which may be suitable for reference to arbitration, and specially mentions disputes as to the interpreta-

tion of a treaty, as to any question of international law, and as to the existence of any fact which, if established, would constitute a breach of any international obligation, but its governing sentence is the opening one in which members of the League agree that "whenever any dispute shall arise between them which they recognise to be suitable for submission to arbitration and which cannot be satisfactorily settled by diplomacy, they will submit the whole subject-matter to arbitration." The question of the legality of the occupation of the Ruhr is without doubt one which should be "recognised as suitable" for such action, but the governing words are: "which they recognise to be suitable," and as France does not recognise it to be suitable—wrong though she may be—she is not breaking Article 13. Of course this does not prevent the British Government from taking action under Article 11 if she pleases, by bringing to the attention of the League circumstances "affecting international relations which threaten to disturb international peace, or that good international understanding between nations upon which peace depends." Here again such action would be an obviously reasonable interpretation of the general tone and spirit of the Covenant, but what is so frequently forgotten in dealing with these matters on a strictly legal basis is that the Treaty of Versailles, whatever may be said of it, is a duly signed and duly ratified agreement, giving particular rights and privileges, with special provisions that particular steps, which may in certain circumstances be permitted, are recognised by the signatories of the Treaty as not involving acts of war. If certain of these signatories prefer to insist upon the letter of their rights rather than to accept the broader spirit of the League, they are entitled to do so and nothing but persuasion is left.

That consideration, of course, swings round again to the question: Are they not exceeding their rights under the Treaty? But the Covenant does not say that reference to arbitration, to the Court, or to the League follows automatically. What might be possible within the strict letter of the Covenant, though it might not prove effectual, would be the invocation of Article 19, which says that the Assembly may, from time to time, advise "the consideration of international conditions whose continuance might endanger the peace of the world." That, again, is not an obligation on the Assembly, but it is a definite legal opportunity for any Member of the League to raise the whole subject on broad grounds. In short, the opportunity that is open to the British Government, or any other Government, in this particular case is to make an effort through the Assembly to get some organised expression of opinion by a free and public discussion to bring pressure to bear on France and Belgium. There are several ways in which the matter can be raised, but the League cannot impose a solution, except in the case of resort to war in specified conditions.

Taking the Assembly in general, the debate on the work of the Council may cover practically any subject of importance, and may give rise to any proposals. Among the specific items is the consideration of the applications for membership from the Irish Free State and from Abyssinia, and any other applications that may be received; the election of a judge to fill the vacancy on the Permanent Court of International Justice; the election of six non-permanent members of the Council; the consideration of a draft international convention on arbitration clauses in commercial contracts; detail recommendations concerning the equitable treatment of commerce; and a scheme (already approved by the Council) for placing the League health organisation on a permanent basis. There will probably be a good deal to be said about the Austrian reconstruction scheme which was set in motion during the last Assembly, and on the development of the plan for the settlement of the Greek refugee problem by means of an international loan. Plans for the Customs Formalities Conference and the General Transit Conference in the autumn will also be before the Assembly, together with a number of other subjects in various directions of international activity. There will be a determined effort behind the cover of economy to restrict the work of the League, and it is fairly safe to prophesy that in those quarters that are hostile to the League the budget will be the only League matter to receive attention and publicity.

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UNITED STATES.—RAILROAD WAGE INCREASES—ARGENTINE LOAN—SILVER IMPORTS—IMMIGRATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 27.

ALTHOUGH wage advances granted so far this year by railroads of the United States to their employees have brought the annual pay-roll up to \$2,850,000,000, approximately, representing an increase of between 3 per cent. and 4 per cent. in the yearly total, further demands for higher wages are likely to be made by various classes of workers during the next month or two. Certain groups of employees who have reached agreements through direct negotiations with some railroads have cases pending before the Railroad Labour Board involving other carriers. It seems quite unlikely that the Board will grant smaller increases than those already agreed to voluntarily by certain roads, and if it authorises larger increases in cases now pending, higher rates of pay will probably be sought by the same classes of employees on railroads where direct agreements were previously made. More than 60 roads have granted to their maintenance of way and shop labourers increases ranging from ½ cent to 11 cents an hour; if similar advances are given to those classes on all railroads, the increase in the latter's annual pay-roll will approximate \$25,000,000. On behalf of clerks employed on 56 carriers, the union brotherhood has applied to the Labour Board for increases varying from 9 cents to 17 cents an hour, or much greater than the average advance already granted through direct negotiations with other railroads; if such demands are complied with and extended to the clerks of all railroads, at least \$15,000,000 will be added to the total annual pay-roll. Many of the carriers have already raised wages of their shop craft employees this year an average of about 3 cents an hour, which, if granted to all men in that class, would mean a total yearly increase of about \$35,000,000. Furthermore, wage advances have been made, or are being requested, before the Labour Board for other classes of employees. It will be seen, therefore, that the wage situation is by no means settled,

despite the numerous direct agreements that have been reached. Obviously, further increases in wages would serve to reduce net earnings. Many carriers have been spending large sums for maintenance of way and repairs to equipment, and all roads are still endeavouring to reduce operating costs wherever possible.

Imports of silver into the United States last month, amounting to \$10,066,463, were by far the largest of any preceding month this year; in fact, the excess of July imports over exports equalled the net imports for the first six months of the current year. The heavy increase in imports of the white metal last month is taken as a reflection of the discontinuance of silver purchases by the Government under the Pittman Act. With the United States Mint no longer buying domestic silver at the fixed price of \$1 an ounce, many American mines have closed, while others have reduced their tonnage by sorting ore so as to bring the value of the mill grade up to a profitable figure. The present market price of silver here—between 62 and 63 cents an ounce—is said to be too low to warrant full operation of the mines; the current quotation represents approximately the cost of production last year, according to data from the principal Nevada mines. For the seven months ending with July of this year, silver imports totalled \$39,098,825, and exports \$31,493,706, showing an excess of \$7,605,119 in imports. For the entire calendar year of 1922, imports exceeded exports by \$7,999,367; in 1921 by \$11,667,272. In 1920, however, silver exports were \$25,556,183 greater than imports, while in 1919, due to the heavy shipments to India for the account of Great Britain, exports were \$149,611,033 larger than imports. Unless the price of silver advances sufficiently to encourage domestic production, or unless costs of production are reduced, imports are expected to continue heavy.

As previously intimated, the Argentine Government, according to cable advices, has accepted the offer of an American banking syndicate, consisting of Kuhn, Loeb and Co., Blair and Co., and the Chase Securities Corporation, to take up within six months from September 1st about \$60,000,000 of the bond issue recently authorised by that Government. The bonds will carry interest at 6 per cent., with an annual amortisation charge of 1 per cent., and will be acquired by the syndicate, it is understood, at 92. The proceeds are to be used to meet the \$50,000,000 issue of Argentine Treasury bills maturing October 1st. The syndicate will probably advance to the Government for a six months' period from September 1st, whatever balance may be required to meet that obligation in full, in the event that subscriptions for the new bonds, to be offered at about 98½, are not sufficient to provide the entire amount. The rate which the Argentine Government has been obliged to pay for this apparently urgent short-term financing is undoubtedly high, and may seem onerous; but the present economic position of that Republic is not such as to enable her to secure a lower rate in this market. If conditions in that respect are more favourable next year, it will probably be possible to refund the present issue with long-term bonds on much better terms.

Immigrants to the number of 522,919 were admitted into this country during the fiscal year ended June 30th last, according to statistics recently published by the Immigration Bureau of the Department of Labour. Of that total 307,522 were men and 215,397 were women. In that same period 81,450 aliens emigrated from the United States, of whom 54,752 were men and 26,698 women. In the preceding fiscal year there were 309,556 immigrants and 198,712 emigrants. More than 20,000 persons were debarré in the past fiscal year, and 3,661 were deported. Of the aliens admitted, 16,542 gave their occupations as professional, 106,213 as skilled workers in various trades, 208,579 as miscellaneous, and 191,585 (including women and children) stated that they followed no particular occupation. German aliens admitted numbered 65,543; Mexicans, 62,709; English, 60,524; Hebrews, 49,719; South Italians, 39,226; and Scotch and Scandinavians approximately 38,000 each, while French immigrants numbered 34,371, Irish 30,386, and Polish 13,210. More than 130,000 of the immigrants who were admitted gave New York State as their future permanent residence, the remainder expressing their intention to go to various other States.

FRANCE.—FOREIGN TRADE—EMPLOYMENT—BUILDING COSTS—CROP PROSPECTS.

(FROM OUR CORRESPONDENT.)

PARIS, September 5.

DETAILED figures are published to-night analysing the French foreign trade returns for the first seven months of 1923. These show a surplus of imports from foreign countries amounting to 1,318 million francs, in round figures. Against this is the fact that French exports to the colonies show a surplus of nearly 600,000,000 over imports from the same colonies and protectorates. The total exports to foreign countries during the seven months had a value of 14,434,783,000f, as compared with 10,014,806,000f for the corresponding period of 1922. Imports from foreign countries during the same period amounted to 15,742,960,000f, against 11,349,891,000f for the period January 1st to July 31st last year. Imports, therefore, have increased by about 4,393 million francs, while exports show an increase of 4,410 millions. The increases were due, in each case, very largely to the increases in commodity prices, which in turn have been largely influenced by the rise in exchange rates. French exports to the colonies and protectorates during the seven months amounted to 2,160,463,000f, as compared with 1,624,663,000f last year, while the mother country purchased from her colonies and protectorates, during the same period, goods to the value of 1,562,147,000f, as against 1,282,237,000f last year. The detailed returns showing the imports from and exports to the various countries, are as follows:—

FIRST SEVEN MONTHS, 1923.
(In 1,000's of francs.)

	Imports.	Difference on 1922.	Exports.	Difference on 1922.
Sweden	199,447	+ 27,610	56,566	+ 31,246
Norway	90,170	+ 14,919	40,304	+ 17,656
Great Britain.....	3,058,330	+ 1,213,872	3,603,068	+ 1,355,551
Germany	463,954	- 297,091	580,702	- 522,298
Holland	508,289	+ 130,886	343,719	+ 123,158
Belgian-Luxemburg Union	1,320,295	+ 436,519	3,139,343	+ 980,396
Saar	323,187	- 25,586	406,470	+ 209,379
Switzerland	310,368	+ 29,440	1,078,453	+ 587,064
Czecho-Slovakia	111,144	- 74,383	29,118	- 14,655
Italy	589,074	+ 157,949	666,250	+ 282,681
Spain	308,589	+ 207,165	535,590	+ 332,332
Japan	113,819	- 81,872	97,179	+ 26,164
United States.....	2,613,825	+ 621,529	1,377,555	+ 146,719
Brazil	377,542	+ 132,568	146,600	+ 62,900
Argentina	781,797	+ 372,878	352,815	+ 186,138
Canada	220,093	+ 161,791	92,812	+ 32,788
Algeria.....	543,757	- 10,522	1,086,530	+ 199,687
Tunis	144,898	+ 17,094	241,759	+ 104,492
Morocco	55,945	+ 24,931	274,662	- 1,860
Senegal	197,259	+ 69,132	80,935	+ 43,523
Madagascar, &c.	84,312	+ 54,770	67,787	+ 20,470
French Indo-China	205,402	+ 105,189	211,959	+ 79,604

In striking contrast with the situation in Great Britain, unemployment in France remains practically non-existent. Figures issued by the Ministry of Labour last Saturday show that for the week ending August 30th the total number of persons who received unemployment allowances throughout the country was 1,575 (of whom 120 were women), as compared with 2,002 during the previous week. During the period August 13th to 28th, the number of persons granted unemployment allowances in the City of Paris was 146, against 151 during the period between July 31st and August 12th. The number of persons in receipt of allowances in the other communes in the Department of the Seine during the same period was 152, while the total assisted in the City of Marseilles was 318.

The continued high cost of commodities of every description is again exciting attention, both on the part of the ordinary consumer and by those responsible for the conduct of the nation's industries. In an exhaustive study of present-day conditions in the building industry, M. Verney, the vice-president of the French Association of Public Works' Contractors, deals with the difficulties which have hitherto prevented any solution of the housing problem in this country. As matters stand, the high rate of wages and the high prices of materials have rendered building construction on any large scale practically impossible, in spite of the ever-increasing demand that exists. In France

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there is the additional factor, when the question of reducing the rate of wages is considered, that labour in many industries is distinctly scarce, so that the shortage of supply renders any general reduction impracticable. The fall in wages that has been brought about through unemployment in Great Britain, the United States, Japan, and other countries, is therefore unlikely to occur here. The most that can be hoped for under present conditions is a stabilisation of the cost of labour, and this has been largely attained.

Another factor which militates against a return to better conditions is the maleficent operation of the eight hours' law, which is now generally admitted here as having contributed appreciably to the maintenance of high prices. It is urged that the law should be modified, in the national interest, in such a way that it may be adaptable to the special circumstances of trades like that of building construction, where weather conditions are an important factor. In view of the fact that the General Elections are due next May, however, it is unlikely that any effort will be made in this direction for some time to come.

Reports furnished by the officials of the Ministry of Agriculture are now available, which show that the French wheat harvest for 1923 will almost certainly total over 79,000,000 quintals. The total area under wheat this year has been over 5½ million hectares, so that the average yield is equal to 14.30 quintals per hectare. The specific weight of this year's crop varies according to locality between 75 and 80 kilogrammes per quintal. The comparative figures for this and previous harvests are as follows:—

	Area in Hectares.	Yield per Hectare.	Total Yield in Quintals.
1913	6,542,230	13.28	86,919,050
1919	4,603,710	13.95	49,653,700
1920	5,093,570	12.65	64,482,180
1921	5,382,270	16.35	88,034,290
1922	5,289,970	12.52	66,220,100
1923	5,526,490	14.30	79,054,790

The area sown with rye this year was 878,710 hectares, and the yield is estimated at 9,376,720 quintals, or an average of 10.67 quintals per hectare. This quantity is slightly less than last year's crop, and some two million quintals less than in 1921. Méteil (meslin, or mixed wheat and rye) is expected to yield 1,332,550 quintals, from a total area of 107,280 hectares. In consequence of the recent fall in the price of flour, the retail price of bread in Paris has been reduced by 5c per kilo as from September 1st.

GERMANY.—REPARATIONS—EXCHANGES—INDUSTRY—PRICES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, September 4.

DR STRESEMANN's speech at Stuttgart has given new hope that a settlement of the Reparations and Ruhr questions may be found. The speech was conciliatory in tone, and indicates that the Cabinet sees no use in continuing the purely fighting attitude of Dr Cuno. The main points are that Germany will give productive pledges, is willing to collaborate industrially with France and to guarantee interest on an international loan, and to make arrangements securing peace with the countries interested in the Rhine. But Germany is not willing to sacrifice the freedom of native territory. Dr Stresemann emphasised the duty of Property, of Labour, and of the officialdom to help in the crisis, promised definitely the creation of a stable currency, and declared that the miners ought to work one hour extra per day to produce fuel for heating. His belief that an international loan of large dimensions will be a part of the Reparations settlement is not shared here in expert quarters. On the question of passive resistance the Chancellor seems to have gone farther than any other German in office has done, though his meaning is open to some doubt.

The new Minister for Industry, Herr von Raumer, has also declared for creation of gold-secured notes. The normal way to do that, he says, would be to establish a gold-note bank, with participation of the Reichsbank, and independently of the State finances. Participation of international capital might be welcomed. Dr Raumer declared that measures must be taken to ensure that all foreign bills received should flow to the Reichsbank, and made

clear that he stands for continuation of intervention in favour of the paper mark. Against the latter policy there is a good deal of opposition on the ground that it would be better to use all foreign currency for making the issue of the new native gold currency as large as possible. The Reichsbank twice in the past week intervened to support the mark, each time with temporary success as far as the official quotations go, but both times the exchanges rose in free dealing immediately afterwards. Apart from the Reichsbank's gold reserves, several sources now exist from which to intervene. There are the yield of the dollar treasury bills, the new stable-mark voluntary loan, to which some of the subscriptions are in gold, and finally the foreign currencies supplied by gold-mark levy decreed last week. The position of the exchange market is, however, very unfavourable. The inflow of foreign bills from exports continues to fall off; and the intervention and rationing—yesterday only 10 per cent. of the demand of sterling was satisfied—favour speculation against the mark. Owing to the Reichsbank's temporarily successful pressure on the exchanges, persons who had handed over foreign bills under the gold levy decree bought them back at the cheaper official prices, and so made money out of the decree without increasing the mark intervention fund.

From private business quarters pressure is being exercised on the Government to make gold-mark calculation, credit, banking and accountancy obligatory and universal. The Federation of German Industries and the chief wholesalers' and retailers' associations have petitioned the Ministry of Industry in that sense, declaring that trade cannot possibly go on on the present basis. The present basis is that prices are almost universally calculated in gold marks, but that credit is only partially and banking only to a small extent in gold marks. This policy of the business organisations is new. It is a result of the complete revolution in conditions which has taken place in the last few weeks owing to the new gold or stable-value wages and the index rates for State services. Until lately business was fairly well satisfied with the depreciating paper mark, experience having shown that industrial depression in such conditions is almost impossible; further, that profit-making is ensured, even though the paper-mark profits tended to dwindle in real value. This period, characterised by low gold production cost, low wages and low prices for all native raw materials, seems to have come to an end. The universal move-over to gold-mark calculation, first of all in the State services, had, however, one of the chief results of stabilisation—that is, gold prices, being worked out on the day's exchange, are almost stable. Further, the gold price level so attained is about that of the world-market. This threatens a crisis of the same kind as was to come if the mark had been stabilised. The industrial prospect is extremely black. The Leipzig autumn fair was the dulllest since the war. Nearly all industries report reduction of output, reductions of working hours, and impending discharges; and it seems that the next employment statistics will show very bad conditions. This is a complete reversal of the process observed in past mark-exchange falls, and even in the present mark-exchange fall before August. In all these mark-fall times trade was good, and the speedier the fall the better was trade. The cause of the reversal, apart from the Ruhr dislocation, undoubtedly the gold-mark calculation system, is aggravated by a systemless way of introduction, which shows itself in the fact that certain articles cost three or four times as much as abroad, while others continue to cost much less.

The Customs gold surcharge has been raised to 129,019,900 per cent. Prices are still going rapidly upwards, the influences here being, firstly, the new conscious policy of following up the dollar's exchange, and, secondly, the flood of new paper money which is daily depreciating the mark at home. The *Frankfurter Zeitung's* monthly commodities index for August 31st shows

a price-level more than three millions times higher than that of before the war. The rises for the two groups, minerals and textiles, are still greater.

	Food.	Textiles and Leather.	Minerals.	Miscellaneous.	Manufactured Articles.	All 98 Commodities.
Mid., 1914	1	1	1	1	1	1
January, 1920	20	26	27	11	15	20
" 1922	38	58	52	31	33	42
" 1923	1,758	3,206	2,622	1,778	1,518	2,054
April 1, 1923	5,350	8,590	7,822	6,434	5,315	6,425
July 1, 1923	37,683	61,841	45,301	34,736	29,809	39,898
August 5, 1923	234,828	457,915	405,405	212,135	200,806	283,599
" 31, 1923	2,649,457	4,084,431	4,746,174	2,668,272	2,341,706	3,063,358

The official cost of living index shows for August 26th 1,183,434 (basis 1 in 1914), against 672,779 on August 20th, 149,531 on 6th, having thus risen nearly eightfold in twenty days during which the dollar exchange rose from 1,650,000 marks to 4,711,000 marks, or only threefold. This is a good instance of the increase in gold prices. In Berlin the supply of certain foods is still insufficient. Citizens wait in queues as long as four hours to buy 5 lbs of potatoes, or $\frac{1}{2}$ lb butter. Congestion, as in Russia during the worst period, is visible everywhere. An hour's standing in post offices is necessary in order to buy a postage stamp. The population shows great patience in these conditions, and the officials, municipal and other, with authority in such matters, exploit the patience, and make no attempt to remedy the evils.

The banks also are overburdened. The number of new small banks founded in recent months is incredible; some small streets have three or four. All over the city the "islands" at street crossings have been leased by the city to proprietors of ephemeral banking shanties. The big banks reject business. The union of banks is charging commissions for stock exchange deals on a gold mark basis. The Deutsche Bank has been obliged to request customers not to draw cheques for less than 100,000,000 marks, or to pay in or draw out cash in smaller units than 25,000,000 marks. The Westphalian Coal Syndicate has been renewed until December 31st. The Bourse boom continues, and last week stock averages more than doubled. The *Frankfurter Zeitung's* index for home dividend-payers shows for August 31st 1,012,673,500, against 439,723,700 a week earlier, 376,685 on January 5th, and 27,340 on January 4, 1922. During the year so far stocks have therefore risen over 2,600 fold.

No data have yet appeared as to the yield of the big tax payments due before August 31st. It seems, however, that the yield will be very small when compared with expenditure, which has risen to an entirely new basis since the rates of the taxes were fixed. The Government has obtained power to raise the rates of the direct taxes (chiefly income-tax and Ruhr-Rhine levy) due in October, without special legislation, and it will probably do so. But the rates must be announced at least a few days before the first date of payment, and in these days fresh currency depreciation may neutralise the raising of the rates. Without a complete reform in the methods of taxation, the deficits must continue. The prospect for the finances of railways and posts is somewhat better, because here rates will be raised according to an index, and at very short intervals.

RUSSIA.—GRAIN HARVEST AND EXPORT—FLAX—SUGAR—FINANCE.

(FROM A CORRESPONDENT.)

Moscow, August 28.

THE Central Statistical Bureau estimate the 1923 harvest at 2,962 million poods, which includes cereals and potatoes, and the surplus at 500 million poods, the purchase and distribution of which will be dealt with by the Klebproduct (Grain Produce Trust), the Centrosoyous, Selsko-Soyous, the State Bank, and certain private institutions. The last-named are likely to play a larger part than was anticipated owing to the serious lack of funds in the hands of the State institutions—in the Odessa region, for instance, the State organisations hoped to buy three million poods, but have at present sufficient funds for 100,000 poods only. Of the 500 million poods

surplus in the productive regions, 250 million poods is the most optimistic estimate as available for export, and the Grain Export Trust state that one million tons of grain will certainly be exported by the end of November, 1923, and a further one million tons before the end of the cereal year—August, 1924.* Under article 14 of the Decree concerning the single agricultural tax the Government has published a classification of the provincial Governments according to this year's harvest yields. In the ninth category (61-75 poods per dessiatine) are placed Podolsk, Poltava, Kharkov, and Kiev; in the eighth (56-60 poods per dessiatine) figures Volhynia; in the seventh (51-55 poods) the Kouban-Black Sea region. In the first and lowest category (up to 25 poods) are placed Orenburg, Kustanay, Aktubinsk, Oural, Tzaritzine, Astrakhan. These regions will need help from the more productive regions. Some uneasiness is being expressed that, owing to the heavy costs of transport, repairs to elevators, and particularly of port and indirect charges, the profit on the grain export will be small. The following table gives a comparison of the costs in gold kopecks of delivering a pood of grain this year as compared with 1913:—

	Total Rail and Port Expenditure.				Of which the Rail Charge alone is—	
	By Elevator.		By Wareh'g.			
	1913.	1923.	1913.	1923.	1913.	1923.
Armavir - Novorossisk (317 versts).....	10.05	31.90	21.45	33.40	8.08	17.77
Tchernigof - Odessa (726 versts).....	17.62	38.42	19.02	29.92	15.65	24.29
Jitomir-Odessa (543 versts).....	15.65	36.91	17.05	38.41	13.68	22.78
Voronsh-Od'ssa (1,172 versts).....	24.69	43.33	26.09	44.83	22.72	29.20

The average price of rye paid to the farmer is about 35 gold kopecks a pood. In connection with the export of grain, dredging operations have already been undertaken in the harbours of Odessa, Nikolaief, Kherson, and Marioupol. Odessa is now stated to have warehouse capacity for 1.5 million poods of grain; Kherson for 500,000 poods; Féodosia, 3 million poods; Novorossisk, 1.5 million poods; Rostov-on-Don, 600,000 poods. During a visit to some of these ports a few weeks ago it was clear that special efforts were being made to prepare for a considerable grain export, but at the time the ports were not active. In view of the more economical port charges at Riga and Windau, the Russian Grain Export Trust is also seeking elevator accommodation at those ports.

M. Lepechensky, of the transport section of the Gosplan, speaking on the railway situation, announced that during the year it was hoped to replace 22 million sleepers (43 per cent. of the total number of sleepers are in bad condition), and that 70 per cent. of the programme to the end of July had been executed; repair and replacement of points had been executed to the extent of 25 per cent., as compared with a pre-war year. Janouchevsky reported that 1,700 locomotives were to have been repaired during the year, and that the work during the first quarter had been up to programme. Capital repairs were required to 1,840 wagons, and lesser repairs to 2,680, but the work was proceeding slowly. Since January 1st, owing to the progressive increase in fares, the movement of passengers was greatly reduced, and the revenue from the passenger service at present represents 23 per cent. as compared with pre-war.

The cultivation of flax sown in the North for fibre, and more South for linseed, has decreased seriously as compared with pre-war years. The area under flax (for fibre) in the principal flax-growing governments in 1914 was 1,311,000 dessiatines (production, 24,035,000 poods); in 1922, 347,100 dessiatines. In 1923 an improvement on 1922 of 20 per cent. is estimated. In 1921 and 1922 1,300,000 poods of flax were exported, as compared with 14,100,000 in 1914. Expressed in terms of rye, 1 pood of flax was equivalent on January 1, 1923, to 5.75 poods rye, and on August 1st to 14.37 poods; the rise in the internal price, added to the greatly increased cost of rail transport, have now made it almost impossible to export flax from Russia with any profit. As far as oil seeds are

* For a criticism of these expectations see *Economist* for August 11th.

concerned, the following are the statistics of the areas sown (in thousands of dessiatines):—

	Linseed.	Hempseed.	Sunflowerseed.
1914	1,189.0	512.3	940.9
1921	605.6	247.6	589.9
1922	802.1	274.9	1,107.1

The area under sugar-beet has decreased from 689,395 to 232,369 dessiatines. Of the 235 crystallised-sugar factories, 87 only were working in 1922 in the Ukraine, and three in Soviet Russia; the output of these factories had diminished 33 per cent. as compared with the pre-war figure. In 1921-22 the Ukraine produced 10,232,067 poods of white sugar, and Great Russia 2,025,225. This production is quite insufficient for the internal needs of the country (consumption in 1914, 18.9 lbs per head); prices are very high, and recently 2,700 tons were imported from abroad.

The Naphtha Syndicate communicate that in the period April-June 56,500 tons of kerosene, 15,500 tons of machine oil, and 10,000 tons of paraffin were exported, chiefly to Great Britain and Germany from Batoum and Novorossisk, of a value of £600,000.

Following the decision of the last session of the Vzik, the Budget for 1923-24 is to be presented not later than December 1, 1923. M. Sokolnikof estimates that of the total of 1,650 million gold roubles, paper emission will cover 12 per cent., which will be reduced in proportion to the success of the internal loans. The Finance Commissar stated at the end of July that the amount of paper money in circulation in Russia at present is 10 milliard 1923 roubles, the equivalent at that time of 100 million gold roubles. The tchervonetz (bank-notes) in circulation represent 65 million gold roubles, of which 50 per cent. are guaranteed by gold. There are at present in circulation the equivalent of 250-300 million gold roubles in paper roubles, tchervonetz, bills, and gold roubles, whereas before the war the equivalent of 2½ milliard gold roubles were in circulation in Russia. Many of the Government and private institutions and companies are now paying salaries in tchervonetz, and the larger shops are quoting their prices in tchervonetz, payment being made in Soviet roubles at the exchange of the day. It is estimated that 250 million gold roubles are still hidden by the peasants. M. Reinhold, chief of the Budget Committee of the Finance Commissariat, states that the Government has the intention in the coming financial year to subsidise the coal and metallurgical industries only, leaving other branches of industry to have recourse to bank credits. The credit operations of the Government will consist of the second Grain Loan, the Lottery Loan, Finance Commissariat bills, and the railway bonds to be issued for 5 million gold roubles by the Commissariat for Ways and Communications.

GREECE.—FOREIGN EXCHANGES—LABOUR TROUBLES—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

ATHENS, August 27.

As was foreseen, the great improvement of the drachma which took place during May has not been maintained, and foreign exchanges rose little by little, until the exchange on London reached 315 drachmæ early in August, after having stood for some time around 150 drachmæ to the pound. This rise, despite the signing of peace and the expected issue on the London market of the loan for the refugees (an advance against which has now been granted by the Bank of England), gave ground for much anxiety to the Government. As usual, the rise is attributed entirely to speculation. Measures, therefore, have been taken to increase the Government stock of foreign exchange on the one hand and to suppress speculation on the other. To obtain the first of these aims a decree was issued putting again into force Article 18 of the law of April last, which imposes on the banks the obligatory cession to the National Bank, for account of the State, of 15 per cent. of their daily purchases of foreign exchange. Further, authority has been given to the Minister of Finance to issue Treasury bills in pounds or dollars, running from one to five years, at a rate of interest of 7 to 9 per cent. The purchasers of such bills are exempt from

the tax on capital for the amount of bills so purchased, and if they have any tax left to be paid on property invested in foreign currencies, they may be allowed (under certain restrictions as to the extent of this concession) to pay it in foreign exchange instead of in drachmæ, and thus earn the difference of exchange between the higher rates of December 31, 1922, and the present lower rates. As regards suppression of speculation, after a vehement campaign against speculators by a section of the Press, and some attacks by groups of workers against exchange jobbers, here and in Salonika, the Government proceeded to close many of these offices, and has been since dispersing the dealers by police patrols. Finally, by a decree published in the Government *Gazette*, the purchase and sale of foreign exchange are to take place henceforth within the bourse by dealers and brokers appointed under the laws and regulations governing the bourse. Banks and bankers, duly authorised, may purchase and sell exchange over their counters for immediate delivery only, and without any restrictions, while forward contracts on exchange are also allowed to be made by them so far as they can prove that such transactions are not speculative. Otherwise the purchase and sale of exchange for immediate and future delivery, and the carrying over of exchange are permitted if effected in the bourse according to relative regulations. Further, the granting of loans against pledge of foreign exchange and currencies, and the payment of drafts in drachmæ issued abroad, are freely allowed. The payment of export duties in foreign currencies is still maintained on the whole. Thus freedom in exchange dealings is finally restored, and exchange speculation may consequently be carried on now on a larger scale than before, with the sole limitation that, in order to be valid, it must be consummated in the bourse instead of outside of it, as hitherto. How far legal invalidity (which existed also before) will be sufficient to prevent speculation outside the bourse remains to be seen. For the moment, all these preventive and prohibitive measures have had no appreciable effect on the rates, the present improvement of the drachma being attributed rather to the temporary disorganisation of the exchange market brought about by these measures, to seasonal influences, and to the business inactivity caused by the general labour strike. It should be observed, however, that had the Government followed the advice of responsible persons when the collapse of the rates took place in May and purchased through the National Bank, the exchange abundantly offered at that time by panic-stricken holders, not only would the Bank now be able to control the market through the great stock of exchange it would thus have accumulated, but stabilisation of the rates at reasonable levels would have been achieved, and the serious shock suffered by the country in consequence of the impetuous rise of the drachma and its subsequent fall would have been avoided. The Government chose instead the demagogic policy of non-intervention (contrary to what it was doing when the exchanges were rising), and even contributed to the collapse of the rates by the statements in the Press of the Minister of Finance, who mistook the abnormal and dangerous improvement of the drachma for a proof of healthiness of the home currency and attributed it self-complacently to his fiscal policy of heavy taxation.

Business stagnation due to over-taxation and to the anomalies of foreign exchanges is the cause of the general strike of labourers which took place last week. Wages having been cut down and working days reduced without a corresponding decrease in the cost of living, constant friction between employers and labourers was the result. Though the strike was intended to be general throughout the country, it was in fact confined to factories and certain classes of workers in public utility organisations. The Government took drastic and successful measures to face the situation, and the strikers saw themselves obliged, after a short resistance, to surrender without terms. According to Press reports, the Government will amend the existing legislation concerning trade unions, in order to protect the country in the future against exaggerations and extravagant claims of trade unions and their confederations. This will be most welcome, because the granting to labour, since 1909, of rights and privileges for which it was and is not yet mature, and the weakness always shown by the authorities in dealing with labour claims, have produced little by little a situation which, were it

allowed to continue, would end by rendering problematical the carrying on of any enterprise in this country.

The cost of living index, taking 1914 as 100, is 1112 for August, as compared with 1032 for July, and 1234 for the first half of the current year.

SOUTH AFRICA.—HALF-YEAR'S MINERAL PRODUCTION—LOWER COSTS AT RAND MINES—PRODUCTIVE CAPACITY AND GOVERNMENT EXPENDITURE.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, August 7.

THE mineral production of the Union for the half-year just completed was £23,787,507, to which falls to be added £729,350, estimated amount of the currency premium on gold on the monthly bases assumed by the Chamber of Mines. If the diamond output continues to advance as it has done in the past few months (the June value was £513,775, as against £274,001 in January), the mineral output for the year should not fall much short of 50 millions sterling. For the six months the value of gold, inclusive of premium, was £19,937,346, of diamonds £2,316,509, of coal £1,810,224; the value of silver, tin, copper, and miscellaneous base minerals was only £452,740. Among the latter the growth in the value of asbestos produced has been remarkable, the figures for the past two months averaging £10,000. The foregoing figures are abstracted from the monthly statement issued by the Department of Mines and Industries. For the profit aspect of the gold mining industry we may turn to that of the Transvaal Chamber of Mines. Rather over 13 million tons were crushed by the 38 Rand companies for a profit of £5,700,000. Working revenue was 29s per ton, costs 20s 4d, and profit 8s 8d per ton. These unit figures are in close correspondence with those of 1914, when the profit then averaged 9s a ton, the yield was 26s 6d, and working costs 17s 1d. It will be observed that the average yield per ton now is 2s 6d higher, which is explained by the average yield then being only 6.23 dwts, as against 6.69 in the first six months of this year, and the slight premium still being secured. Working costs are 3s 3d higher, accounted for by the fact that the heavy miners' phthisis charges are now debited to working costs instead of being disposed of through the appropriation accounts, the incidence of holiday leave varying from a fortnight to three weeks, and the continued high prices of certain stores.

The waning of the currency premium demonstrates how essential it was to reduce working costs if the low and medium grade section of the industry was to survive. The recovery in dwts per ton for the past six months is almost identical with that in 1921 (when it was 6.73), but owing to the premium the value of this yield, or, more strictly, the "working revenue" per ton, was 35s 2d, or 6s 2d per ton higher than the average this year. Costs are, however, only 5s 4d per ton less. The bulk aspect is more favourable than the unit aspect, because of the greater tonnage being milled owing to generally improved efficiency. It is noteworthy that, in July, Crown Mines and Randfontein were each able to reduce their costs to 19s a ton, respectively 3s 6d and 2s 6d above the average rate in 1914. Miners' phthisis assessments, which represent 7d to 9d per ton over the whole reef, but vary considerably from mine to mine, are now included. Randfontein has been thoroughly reorganised, and is now being operated on the most modern lines.

The address delivered by Mr Alexander Aiken, at the Witwatersrand University, on the "Resources of South Africa and Public Expenditure," has been reprinted. I referred in a previous letter to certain points, but the whole question is so important that I may be allowed to call attention to certain conclusions. Mr Aiken shows the total production of the Union, agricultural, pastoral, industrial, minerals (and a "guess" at fishing production) at £150½ millions a year. From this has to be deducted £14½ millions interest on Government and municipal debts, mining and other dividends, interest and profits due abroad, and at least £30 millions wages paid to natives and coloured persons. He concludes that "£109

millions is all the white people of the Union had to find their subsistence from in 1921. That population numbered 1,519,488, an average of £71 14s per head." This is very close to the figure arrived at by Prof. Lehfeldt, and confirms his conclusion that "the white people of South Africa are a comparatively poor community; contrary to the popular belief." Excluding the cost of postal and railway services, which are deemed to be reproductive, the expenditure upon Government amounted to £27½ millions, or 20 per cent. of the production. "This is a pretty heavy bill to pay for law and order, the primary benefits of good government; but, of course, the Government gives us more than these. We enjoy, for instance, free education, and generally poor roads." For adult white males the average income is calculated at £243 (the farming population lives on very little), while only one in four is receiving £300, the income-tax exemption limit. "Capital, if mobile, will quickly forsake a country where it is unfairly treated.....investors are very shy of new mining ventures.....there is no bid for new mining areas on the Far East Rand, as the prospects of mining are poor, and the mines are the first to be attacked when money is supposed to be needed for public purposes.....The country cannot afford to go on spending at the rate it is doing, and a radical change of policy will have to be adopted by political parties, unless the development of the country is to be strangled and enterprise cease. Development does not consist in the erection of palatial schools, and other Government buildings, but in the expansion of agriculture, mining, and industry generally." It would be instructive if the *Economist* could furnish some figures on a similar basis for Canada, New Zealand, and Australia. While desirous of avoiding being dubbed "the idiot who praises every country but his own," I am afraid any comparison would be unfavourable to the Union, though we are by no means singular in being "over-governed, over-borrowed, and over-expended," in Mr F. W. Hirst's striking phrase.

Books and Publications.

THE PIONEER OF FACTORY LEGISLATION.*

FEW people laying down Mr and Mrs Hammond's book on the work and character of Lord Shaftesbury would be ready to say without hesitation whether or not they regarded his life as a success. It is true that as the advocate in Parliament, and to a large extent the organiser of the campaign which led to the regulation of factories and mines in Great Britain, to the suppression of the worse forms of exploitation of the labour of young children, and finally to the prohibition of the incredible but long-continued inhumanities practised in the case of the chimney sweeps' boys, Lord Shaftesbury received recognition and a meed of praise which often only falls to men after their death. As the apostle of humanity and of the rights of the individual to protection against the worst excesses of the industrial revolution, supported, as they often were, by doctrinaire theorists, Lord Shaftesbury's name had become a household word. At the same time, Mr and Mrs Hammond do not conceal that even in this part of his work Lord Shaftesbury's career was in a sense a paradox. A really convinced Tory, satisfied that the people must expect to get improvement in their lot from the wisdom and goodwill of their superiors, who alone were competent to govern them, a man of autocratic ways and of the most unrelenting and rigid views of duty, religion, and social observance, Lord Shaftesbury, in fact, found himself carried forward on a tidal wave, the underlying waters of which consisted of the masses imbued with the ideas of chartism and the communism doctrines of Robert Owen. For his factory work Lord Shaftesbury sacrificed his keen but suppressed ambition for place and honour; but it must be confessed that the Governments which offered him office were not by any means overwhelming in their importunities. They recognised that Shaftesbury was an extremely difficult colleague, and that while he commanded great support in the country his personal qualities were not

* "Lord Shaftesbury." By J. L. Hammond and Barbara Hammond. Constable and Co. London. 1923. Price, 12s net.

attractive. Indeed, when we turn to the personal aspects of Shaftesbury's career, Mr and Mrs Hammond present to us a man soured by introspection (the results of which are revealed to us in his diaries), overwhelmed with the petty details of life which he never succeeded in delegating to anyone else, struggling with monetary difficulties, and burdened with an estate which he had neither the time nor the inclination to attend to, and though hating cruelty or injustice wherever found, unable to associate himself with the Christian Scientists or other contemporary groups actuated with motives similar to his own. "There was something wilful in his isolation and his melancholy. If he had had more resilience in his mind, if he had thrown open a lattice or two to the fresh air, and had had some welcome for ideas and interests that were stimulating others, he would have been a wiser as well as a happier man.....Shaftesbury died an old man, and a lonely man. But he had been lonely most of his life; he had not outlived his day, for he had long lived outside it." Like all the works of Mr and Mrs Hammond, the material for this study of Shaftesbury is handled with great discrimination and ability. The book is readable, and is well worth study, not merely for its insight into the interesting and important character of the 19th century, but also as a valuable reminder of the industrial conditions from which we have recently emancipated ourselves, and will serve as a stimulus to look a little further ahead along the road which we are travelling.

MUNICIPAL FINANCE.*

THE financial statement of the City of Birmingham for the year ended March 31, 1923, shows that the total liability for loans and bank deposits outstanding at the end of the year, including annuities, corporation stocks, mortgages, and municipal bank deposits (£2,891,680) amounted to £31,605,598, against £28,992,785 at the end of the previous year, an increase of £2,612,813, or nearly 10 per cent. The estimated population was 936,079, and thus the loans outstanding amount to £33 15s 3d per head. The increased loan liability falls under the heads of mortgages and municipal bank deposits, which again raises the question—Does not the growing practice of corporations of borrowing on the security of mortgages tend to impoverish the security of earlier lenders? The most striking facts disclosed by the accounts is the large increase in investments and cash in hands of treasurer. The investments—of which about £3,000,000 was in 5 per cent. War Loan—amount to £3,534,618, an increase of £608,496; and cash in hands of treasurer—including £2,333,829 bank cash with corporation at call—amounts to £3,702,537, an increase of £941,962. The published accounts of municipal corporations would be clearer if they showed the location and state of investment of the large balances of cash commonly in hands of the treasurers. No doubt this money is earning interest, but at what rates? The treasurer of the city, Mr J. R. Johnson, F.S.A.A., is to be congratulated on the prompt publication of this volume of accounts—a sure sign of good organisation. The preface to the present volume contains these weighty words:—"Reference to the summaries in the Blue Book or to the Epitome will indicate the rapid growth in capital expenditure since 1919. Over this period the amount of loans raised to meet expenditure on capital account amounts to over 8½ millions. A capital sum of over one million and a half has been provided to meet the cost of relief schemes for work for the unemployed. This entails a heavy strain upon local finance when it is remembered that these works are, to a large extent, unproductive, and that loans to finance them have had to be borrowed at a period when high money rates were prevailing. The future financial outlook is regarded with some apprehension by the treasurer, knowing that the cost of these relief works, heavy as it is, only touches the fringe of the question, and there is in addition the heavy cost of the guardians' calls for unemployment relief, which, for the most part, has to be met direct out of the rates and not out of borrowed money. The general result is that the standardisation of local finance is extremely difficult to effect."

* "City of Birmingham Financial Statement, 1922-23."

BOOKS RECEIVED.

The Genesis of the War. By the Rt. Hon. H. H. Asquith, M.P. (London) Cassell and Co., Limited. 25s net.
Trade, Tariffs, and Transport in India. By K. T. Shah. (London) P. S. King and Son, Limited. 21s.
City of Manchester. Abstract of Accounts. 1922-23. (Manchester) Office of the City Treasurer.
Statistique du Mouvement de la Population. Tome III. Années 1914 à 1919. (Paris) Imprimerie Nationale.
Work of the Indian Legislatures. Compiled under the Order of the National Conference. (London) Indian Parliamentary Committee, 1 Robert street, Adelphi, W.C. 2.
Railway Groups Completed. (London) F. C. Mathieson and Sons. 1s.
Cotton Growing in South Africa. (London) Empire Cotton Growing Corporation.

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Manchester Foreign Branch	94, Portland Street, Manchester.
Bradford Foreign Branch	13, Market Street, Bradford.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
September 18.	September 19.

THE tragic news from Japan cast a cloud over Stock Exchange markets, which, singular as it may appear, had an effect more sentimental than financial. On the day that the news became known men in the House went about their business as though half-numbed by the disaster. Markets were curiously quiet. A hush seemed to spread over everything. It was not because prices became greatly affected. In point of fact, the effect of the disaster became strictly localised to Japanese Government and municipal bonds, all of which were, and are, of course, severely depressed. But sentimentally the Stock Exchange appeared to be oppressed with the sense of the calamity, and it was not until a day or two had elapsed that markets regained their ordinary aspect.

Business quietly slid into normal channels. There has been a further noticeable absorption of gilt-edged stocks in the Consol market. The release of interest money, and the repayment of National War Bonds, sent fresh capital pouring into British Government stocks, and the rise was only checked when a seasonal movement in the American exchange, against this country, led to vague talk of the possibility that the Bank rate might be advanced. India Government stocks continue prominent in the upward movement; the subsequent reaction led to their declining from the best.

Heavy falls in Japanese Government and municipal bonds are the natural outcome of the idea that new loans may be required for reconstruction purposes. The absence of definite news brought in a good many selling orders, and, the market having so little definite information to work upon, marked down prices in advance. Thursday found a few bold buyers bidding again for the bonds. Other foreigners are fairly firm, with the French issues moving in volatile fashion, and strengthened on balance by Paris purchases. Brazilians have fluctuated, though narrowly, in both directions, and the Austrian scrip, after a drop to 1½ premium, recovered to 2 premium. Most of the Russian issues are higher. Little excitement attended the slump in Japanese bonds. The Stock Exchange has become too inured to shocks for its war-hardened nerves to be as greatly upset as in pre-war days by calamity or disaster.

Amongst Home Railways, the principal interest of the week has centred in Undergrounds, where Metropolitans and Dis-

tracts have both been active and strong. More business than usual went on in other Home Rails, though the movements on balance are unimportant. Grand Trunk Pacific debenture and Canadian North Income debentures are both better. Mexicans are unchanged. Argentine Railways, together with Brazilian stocks, moved up briskly in response to rallies in the rates of exchange of both these countries.

The rubber market keeps good, in consequence of the cheerful appearance presented by the statistical position, which has brought about a further rise in the price of the produce. In the oil market, the carry-over on Tuesday disclosed a continuance of the previous bear account, and backwardations prevailed in the cases of Burmahs, Anglo-Persians, and one or two others. This served to keep prices fairly firm. Phoenix have been flat. The textile market is steady, movements being upward on balance, but insignificant in extent. Insurance shares weakened a trifle on the news of the Japanese disaster, but it being generally understood that British companies decline to accept earthquake risks, there was no particular selling upon this account. The shipping market is still stagnant, though prices tend to harden. Business in banking shares is described as difficult. Amongst tobacco shares, United Souths are one of the outstanding features of strength; curiosity seeks an explanation of the present price, which, on the dividend payments, looks sufficiently high. Newspaper shares have improved. Cable stocks are a little easier in consequence of an attack made upon them by an outside source. Marconis, which were expected to droop as a consequence of the crisis that arose between Italy and Greece, stood their ground very well, the market in the shares, like that for most of the other securities round the House, regarding the Greco-Italian incident as unlikely to prove of any grave importance.

The South African markets have been tolerably good, thanks to spasmodic support from Paris. The French people turned out shares in the early part of the week, but came back a little later and bought back the Kaffirs eagerly at higher prices. Diamonds advanced with gold shares, and amongst Rhodesians dramatic improvements occurred in Selukwes, Eileen Alannah, and a few other speculative descriptions. Tin—the metal—crossed £200 for the first time since the end of May, without, however, bringing much extra business into the markets, or causing noticeable movements beyond moderate rises in a few West Africans. Balaghats advanced abruptly on dividend expectations, that were subsequently confirmed. Mexicans were inclined to be heavy. Russians improved in sympathy with the rise amongst Russian Government, municipal, and railway bonds. West Australians show a few sparks of animation, and are mostly better on the week.

The Stock Exchange Committee have fixed this week the 24 pay-days for 1924, as against the 26 in the present year. A fund has been opened for supplementing the Mansion House collection in aid of the sufferers in Japan.

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

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£202,330,317	£100,000	£100,000	£100,000

ISSUES OF THE WEEK.

NATIONAL SAVINGS CERTIFICATES.			
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED SEPT. 1, 1923.			
April 1, 1923, to Sept. 1, 1923, £4,000,000 .. 100,000 .. 100,000			
Total offered for subscription to date in—	1923	1922	Total offered for subscription for whole year—
1923	£202,330,317	1922	£573,675,650
1922	508,218,328	1921	388,978,203
1921	155,306,480	1920	367,549,656
1920	277,523,984	1919	1,036,059,951
1919	896,320,213	1918	1,393,381,441
1918	961,468,317	1917	1,318,596,010
1917	1,097,092,860	1916	585,436,853

The Corporation of Manchester give notice that tenders will be received at the Bank of England on Thursday, September 13, 1923, for Manchester Corporation Bills to the amount of £1,000,000, in replacement of bills falling due on the 19th. The bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated September 19, 1923, and will be payable at 12 months after date.

The Sherwood Starr Gold Mining Company, Limited—Authorised capital £100,000, divided into £1 shares. Half the shares have been allotted to vendors, and half for cash at par. The company takes over claims and a pumping site between the Sebakwe and Umniati Rivers. Sir Abe Bailey is chairman of the undertaking.

ACTIVE SECURITIES.

The following tables show the movements of the week in the more active securities of the various markets:—
British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest
War 3½% 1925-28 ..	95½	95½	95½	95½	95½	95½
Loans 5½% 1925-45 ..	97½	97½	97½	97½	97½	97½
4½% 1929-47 ..	102½	102½	102½	102½	102½	102½
4½% 1929-42 ..	102½	102½	102½	102½	102½	102½
Funding Loan 4% ..	92½	92½	92½	92½	92½	92½
Victory Bonds 4% ..	93½	93½	93½	93½	93½	93½
Conversion Loan 3½% 79½	93½	93½	93½	93½	93½	93½
Consols 2½% ..	59½	59½	59½	59½	59½	59½
Irish Land Stock 2½% 61	60½	60½	60½	60½	60½	60½
Local Loans 3% ..	69½	69½	69½	69½	69½	69½

Banks.

Barclays B (£1, f.p.d.)	24½	24½	24½	24½	24½	24½
Chartered Bk of India	19½	19½	19½	19½	19½	19½
Lloyds (£1 with £1 paid)	3	3	3	3	3	3
London Joint City & Midland (£12 with £2 paid)	8½	8½	8½	8½	8½	8½
Nat. Bank of Egypt (£10)	22½	22½	22½	22½	22½	22½

Colonial and Foreign Railways.

Antofagasta Cons ..	86½	85½	86½	85½	86½	85½
B.A. and Pacific ..	77	79	77	79	77	79
B.A. & Southern ..	80	84	80	84	80	84
Buenos Ayres West ..	72	75	72	75	72	75
Canadian Pacific ..	160	158	160	158	160	158
Central Argentine ..	68½	71	68½	71	68½	71

Foreign Government Securities.

Argentine 5%, 1886-7 ..	99½	99	99½	99	99½	99
Belgian 3% ..	65	64	65	64	65	64
Brazil 5% Fund, 1914 ..	68	67	68	67	68	67
Chilian 4½%, 1895 ..	90	90	90	90	90	90
Do 7½% ..	103½	103	103½	103	103½	103
Chinese 5%, 1912 ..	68	67	68	67	68	67
Egyptian 4% ..	73	73	73	73	73	73
French 5% ..	25½	26½	25½	26½	25½	26½
Do 4% ..	21½	22	21½	22	21½	22
Greek 4%, 1884 ..	45½	43½	45½	43½	45½	43½

Telegraphs.

Anglo-American "A"	23	23	23	23	23	23
Marconi Wireless ..	24½	24½	24½	24½	24½	24½

British Railways.

Great Western, Ord.	110½	109½	110½	109½	110½	109½
Do Def ..	87½	87	87½	87	87½	87
London & North-Eastern	86½	86½	86½	86½	86½	86½
5% Pref. Ord. ..	32½	32½	32½	32½	32½	32½
Do Def. Ord. ..	32½	32½	32½	32½	32½	32½
London, Mid., and Scottish, Ord.	104½	104	104½	104	104½	104
Metropolitan ..	72½	74	72½	74	72½	74
Metropolitan District	50½	52½	50½	52½	50½	52½

American Railroads.

Chesapeake & Ohio ..	68	69	68	69	68	69
Erie ..	16	16	16	16	16	16
Do 4% 1st Pref. ..	25	25	25	25	25	25

Miscellaneous.

Aerated Bread (£1) ..	12	12	12	12	12	12
Amal. Cottons (£1) ..	13	13	13	13	13	13
Anglo Persian Oil (£1)	35½	35½	35½	35½	35½	35½
Armstrong (Sir W.G.) and Co. (£1) ..	11	11	11	11	11	11
Ass. Fund. Cement (£1)	11	11	11	11	11	11
Barker, John (£1) ..	23½	23½	23½	23½	23½	23½
Bham Small Arms (£1)	42	42	42	42	42	42
Brazil Tracton (£100)	44½	47	44½	47	44½	47
British-American Tobacco (£1) ..	5½	5½	5½	5½	5½	5½
Burmah Oil (£1) ..	4½	4½	4½	4½	4½	4½
Coats (J. and P.) (£1)	3½	3½	3½	3½	3½	3½
Courtaulds (£1) ..	3½	3½	3½	3½	3½	3½
Cunard (£1) ..	11	11	11	11	11	11
Dorman, Long (£1) ..	11	11	11	11	11	11
Dunlop Rubber (£1)	11	11	11	11	11	11
Fine Cotton Spinners (£1) ..	2½	2½	2½	2½	2½	2½
Forestral Land (£1) ..	1	1	1	1	1	1
Furness, Withy (£1) ..	1½	1½	1½	1½	1½	1½
Highlands and Lowlands Rubber (£1)	2½	2½	2½	2½	2½	2½
Hudson's Bay (£1) ..	5½	5½	5½	5½	5½	5½
Imperial Tobacco (£1)	3½	3½	3½	3½	3½	3½
Linggi Plantns (£1) ..	14½	14½	14½	14½	14½	14½
Lipton (£1) ..	11	11	11	11	11	11
Lever Bros 7% Cmp (£1)	11	11	11	11	11	11
Do 8% Cmp A Prf (£1)	11	11	11	11	11	11
Do 20% Cmp Prf Ord (5)	11	11	11	11	11	11
Lister (£1) ..	11	11	11	11	11	11
Lobitos Oilfields (£1)	6½	6½	6½	6½	6½	6½
Lyons (J. & Co.) (£1)	4½	4½	4½	4½	4½	4½
Magadi Soda (£1 Ord.)	11	11	11	11	11	11
Mexican Eagle (£10)	11	11	11	11	11	11
Pekin (2) ..	11	11	11	11	11	11
Rubber Plantations Investment (£1) ..	11	11	11	11	11	11
Shell Transport (£1) ..	3½	3½	3½	3½	3½	3½
Smithfield & Argentine Meat (£1) ..	11	11	11	11	11	11
United Dairies (£1) ..	11	11	11	11	11	11
United Seriang (2) ..	3½	3½	3½	3½	3½	3½
United Tobacco (£1) ..	11	11	11	11	11	11
Vallambrosa (2) ..	11	11	11	11	11	11
Vickers (£1) ..	11	11	11	11	11	11
Watney Def. Ssk.	159½	162½	159½	162½	159½	162½

Mines.

Brakpan (£1) ..	3½	3½	3½	3½	3½	3½
Broken Hill Prop. (8)	11	11	11	11	11	11
Chartered (£1) ..	11	11	11	11	11	11
Cons. Gold Fields (£1)	11	11	11	11	11	11
Crown Mines (10) ..	2½	2½	2½	2½	2½	2½
De Beers Def. (£2½)	13½	12½	13½	12½	13½	12½
East Rand Prop. (£1)	11	11	11	11	11	11
Geduld (£1) ..	3½	3½	3½	3½	3½	3½
Gov. Gold Areas £1	5½	5½	5½	5½	5½	5½
Knights ..	11	11	11	11	11	11
Modderfontein (10) ..	4½	4½	4½	4½	4½	4½
Modderfont. "B" (5)	11	11	11	11	11	11
Modderfont. Deep (5)	2½	2½	2½	2½	2½	2½
Premier Def. (2/6) ..	6½	6½	6½	6½	6½	6½
Rand Mines (5) ..	2½	2½	2½	2½	2½	2½
Selukwe ..	3½	3½	3½	3½	3½	3½
Rio Tinto (£5) ..	35	35	35	35	35	35
Spring Mines (£1) ..	2½	2½	2½	2½	2½	2½

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The secretary begs to intimate that the estimated gross production of crude oil for the month of August was 62,603 barrels, equal to approximately 8,900 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 8,300 tons.

LOBITOS OILFIELDS, LIMITED.—The production for August is cabled as 10,946 tons.

MEXICAN EAGLE OIL COMPANY, LIMITED.—The London financial agents of the Mexican Eagle Oil Company, Limited, are advised that the production for the week ended August 25, 1923, was 133,000 barrels.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during August, 11,000 tons; oil purchased during August from other companies, 8,250 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, August 29, 1923, amounted to 1,142 tons. Including from new well referred to last week 469 tons.

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

COMPANY MEETINGS, &c.

AFRICAN AND EASTERN TRADE CORPORATION, LIMITED.

HEALTHIER CONDITIONS IN WEST AFRICA.

FAVOURABLE OIL PROSPECTS.

Mr J. H. Batty (chairman of directors) presided over the annual ordinary general meeting of the African and Eastern Trade Corporation, Limited, which was held on Friday, the 31st ultimo, at Liverpool. There was a full attendance of directors and a large gathering of shareholders.

The Chairman, in his opening remarks, referred to the loss the West African trade had sustained by the death of Mr Geo. Miller so soon after that of Mr Alexander Miller, the founders of Miller Brothers (of Liverpool), Limited, and Millers, Limited, of London.

TRADE DEPRESSION.

Continuing, the Chairman said the trading results for the 12 months under review had been again seriously affected by the continuance of the profound depression in trade experienced during the previous year. The market conditions in West Africa and elsewhere were in a much healthier state now; there were indications that the greater part of the surplus stocks had been realised, and that merchants generally were enabled to turn their attention more directly to making profits than to the liquidation of stocks. Produce markets had been, and were still, overshadowed by the adverse influence of the French occupying the Ruhr district. The immediate outlook gave the directors much anxiety as the political position was more acute to-day than 12 months ago, and it was no use closing one's eyes to the fact that Germany industrially was being paralysed, and the wealth of a nation could rapidly be reduced to vanishing point by diminished output, and that was what was happening in Germany to-day. In pre-war days Germany was their best customer, and was practically the largest consumer of African raw material, and they had to find new markets for the produce exported from West Africa. One redeeming feature was the steady improvement in the econo-

mic conditions of Russia and Austria. Surveying the position as a whole, they could not look to any real revival of trade or expect that the wheels of commerce would revolve harmoniously as in the past, until their politicians had effected a permanent settlement of all the international problems before them.

OIL PROSPECTS.

After surveying the figures in the balance-sheet (which showed a balance to the credit of profit and loss account of £452,455), the Chairman referred to the corporation's option on four oil concessions in the district of Half Assinie in the Gold Coast Colony, comprising an area of some 150 square miles, and that a party consisting of two geologists had been despatched to investigate and report. As a result of their report, drilling engineers and boring plant were sent out, and the last report indicated that Well No. 1 was down 1,100 feet and Well No. 2 1,300 feet. They were given to understand that oil may be struck at any time after reaching 2,000 feet, and the indications so far might be looked upon as favourable, and everybody on the spot was optimistic. Should they be so fortunate as to strike oil in payable quantities, it would materially add to the development and prosperity of this colony.

ADMINISTRATION AND EXPENDITURE IN WEST AFRICA.

He felt it would be of immense advantage to the West African colonies and the trade in general if the Secretary of State for the Colonies would appoint an independent committee to investigate the whole system of administration and expenditure in these colonies. Such a committee would collect invaluable data which would prove of great assistance, both to the administrators out there, the Colonial Office here, and the community as a whole. Just recently a "private enterprise" committee had been appointed by the Secretary of State, its purpose being to endeavour to encourage private enterprise and British capital to improve and develop transport facilities in West Africa. He hoped that the finding of this committee would revolutionise the policy of Africa by State railways, constructed departmentally. He attached great importance to the ultimate outcome of the Imperial Economic Conference to meet in October next, and he trusted that, as a result, they might get nearer to arriving at some practical method of improving production within the British Empire.

ADVANTAGES OF AN IMPERIAL AGRICULTURAL COLLEGE.

There was a movement on foot to establish an Imperial Agri-

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

cultural College on similar lines to the School of Tropical Medicine, so that they might have students within the equatorial belt highly trained in tropical agriculture, and who would be available throughout their tropical dependencies for the purpose of teaching and increasing the produce needed for the European markets. This project should receive their hearty support, and if properly directed, might prove the foundation of a school of immense value, and greatly increase the available amount of raw material. They had in front of them a possible danger in the palm oil cultivation in Sumatra, and they might find, within the next ten or fifteen years, the cultivated oil palm ousting the wild indigenous oil palm in West Africa. The Chambers of Commerce had recommended to the Colonial Office the formation of a committee consisting of officials, experts, and merchants to investigate and put forward recommendations for the purpose of educating the native to use some intelligence and care in protecting and improving the oil palm in West Africa. In conclusion, the Chairman paid a warm tribute to the work of the staff both at home and abroad, and proposed the adoption of the report and accounts which included the declaration of a final dividend of 4 per cent. less tax payable on October 1st.

Mr Robt. B. Miller (vice-chairman) seconded, and the resolution was carried by a large majority.

The retiring directors, Messrs. Robt. B. Miller, Lieut.-Col. W. Nicholl, Mazzini Stuart, and John Tunnicliffe were unanimously re-elected.

The auditors (Messrs Harwood, Banner and Son) were re-appointed.

A vote of thanks to the chairman terminated the proceedings.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Sept. 1, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13
4½% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071
National War Bonds	649	1,509	1,476	1,413	1,201	971	971	948	948
4½% Funding Loan	409	409	405	401	401	400	400	400	400
4½% Victory Bonds	360	357	348	335	335	335	335	335	335
5½% Treasury Bonds	23	24	24	24	24	24	24	24	24
5½% Treasury Bonds	381	166	166	166	166	166	166	166	166
Do by tender 5%	8	69	69	69	69	69	69	69	69
Do by tender 4%	84	108	108	108	108	108	108	108	108
Do 4%, 1931-33	2	31	31	31	31	31	31	31	31
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	608
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Natnl. Savings Certs.	138	267	274	285	342	350	354	357	357
War Expend. Certs.	23	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
Other Debt	51	51	51	51	51	51	51	51	51
American Loan	1	204	243	205	154	147	222	194	198
Temporary Advances	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,666
Other Capital Liabilities	57	49	46	47	66	67	68	67	67
Total Liabilities	711	5,921	8,079	7,876	7,823	7,721	7,835	7,730	7,733

POSITION OF THE FLOATING DEBT.

	Sept. 2, '22.	Mar. 31, '23.	Sept. 1, '23.	Sept. 1, '23.
Temporary Advances Out- standing	7,500,000	8,000,000	8,000,000	8,000,000
Advances by Bank of England	158,623,500	193,897,500	190,151,500	4,200,000
Advances by Public Deposits	714,615,000	616,045,000	608,115,000	5,195,000
Treasury Bills outstanding	878,738,500	809,942,500	805,266,500	17,395,000

* Includes £68,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 252,000,000

Deposits and Cheque Accounts
(30/6/23) - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS
CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills dated from Sept. 10-Sept. 15 were opened on Sept. 7, 1923, and the total amount applied for was £54,090,000. Tenders for Monday to Saturday bills at £99 3s 7d, about 80 per cent., and above in full. The amounts allotted were as follows:—In bills at 3 months, £40,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
July 27, 1923.	30,000,000	50,940,000	3 0 2 99	nil
Aug. 3.	35,000,000	55,375,000	3 4 4 95	nil
Aug. 10.	30,000,000	52,405,000	3 2 2 59	nil
Aug. 17.	30,000,000	46,000,000	3 1 8 21	nil
Aug. 24.	40,000,000	62,360,000	3 1 9 18	nil
Aug. 31.	45,000,000	62,485,000	3 1 2 86	nil
Sept. 7.	40,000,000	54,090,000	3 5 5 9	nil

Tenders will be received on Sept. 14, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Debt.	Balance of Bank of England.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28.	295,374	13,338	6,000	28,500	19,650	16.3	254,312	250
Sept. 27.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27.	301,337	12,872	7,000	27,000	21,150	15.9	254,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Aug. 30.	285,069	12,157	7,000	27,000	22,450	17.3	240,592	186
Sept. 6.	286,022	12,099	7,000	27,000	22,450	17.3	241,542	129

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £390,600,000, for 1921 at £317,555,200, for 1922 at £308,988,400, and for 1923 at £270,183,800.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from	Receipts	Expenditure
		Apr. 1, 1923, to Sept. 1, 1923.	Apr. 1, 1922, to Sept. 1, 1922.	Apr. 1, 1922, to Sept. 1, 1922.
Balances in Exchequer on 1st April.				
Bank of England	5,442,665	9,963,424	..	..
Bank of Ireland	1,375,502	1,210,106	..	..
REVENUE.	6,818,167	11,173,530	..	..
Customs	116,900,000	52,866,000	53,234,000	2,229,000
Excise	143,850,000	58,661,000	63,808,000	1,158,000
Motor Vehicle Duties	13,250,000	3,491,000	2,782,000	1,099,000
Stamp Duties	52,000,000	23,360,000	28,161,000	860,000
Stamps	20,000,000	7,830,000	6,522,000	400,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	480,000	540,000	10,000
Property & Income Tax	261,000,000	90,087,000	100,000,000	4,778,000
Super-Tax	58,000,000	19,160,000	119,092,000	450,000
Excess Profits Duties, &c.	12,000,000	954,000	954,000	..
Corporation Profits Tax	20,000,000	8,730,000	6,987,000	570,000
Post Office	59,600,000	21,350,000	22,550,000	1,250,000
Crown Lands	900,000	410,000	350,000	..
Interest on Loans	12,500,000	5,930,221	3,584,908	67,242
Miscellaneous	12,500,000	6,266,665	15,402,981	125,001
Ordinary Receipts	40,000,000	19,248,379	23,722,512	400,000
Special Receipts	818,500,000	317,920,265	347,690,404	11,730,001
Total, Inc. Balance	..	324,738,432	358,863,934	16,139,344

OTHER RECEIPTS.
Temporary Advances Repaid:—
Bullion

Under the Unemployment Insurance Acts, 1921	3,440,000	2,660,000	50,000	..
(a) For Capital Expenditure Issues:— Under the Telegraph (Money) Acts, 1921 and 1922	1,750,000	1,650,000	..	..
Under the Housing Act, 1914	..	13,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
(b) Under the Unemployment Insurance Acts, 1921	270,000	1,450,000	..	..
(c) For other Issues:— By Treasury Bills	1,025,918,000	1,248,794,000	53,669,000	55,151,000
By National Savings Certificates	19,250,000	34,498,000	700,000	500,000
By Exchequer and National War Bonds	..	20	..	..
By Treasury Bonds— 5½ year, 1925-36	..	61,543,782	..	..
5½ year, 1927	..	52,648,508	..	..
4½ year, 1932	..	..	..	..
4½ year, 1931-33	29,202,627	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	..	11,869	..	..

(d) Ways and Means Advances	321,553,500	333,490,500	15,000,000	13,550,000
Anglo-Persian Oil Company— Dividends on Shares acquired	50,081	243,012	..	..
Repayments:— In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	161,028	180,460	..	7,832
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	162,425	..	..
Total	1,726,404,668	2,104,787,470	81,149,001	85,348,17

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from	Issues	Week Ended Sept. 1, 1923.	Week Ended Sept. 2, 1923.
	Apr. 1, 1923, to Sept. 1, 1923.	Apr. 1, 1922, to Sept. 2, 1922.	Week Ended Sept. 1, 1923.	Week Ended Sept. 2, 1923.	Week Ended Sept. 2, 1923.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	310,000,000	145,345,095	142,142,233	12,506,961	14,954,213
Sinking Fund	40,000,000	18,520,844	..	1,011,037	..
Road Fund	12,650,000	2,890,044	2,107,999	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	2,311,316	2,020,000	50,000	..
Payments to Northern Ireland Exchequer	3,000,000	1,531,108	673,638	75,000	1,999
Land Settlement	1,500,000	221,985	509,626	24,304	2,120
Other Consolidated Fund Services	2,972,000	1,151,555	1,074,315	24,861	20,590
Supply Services	440,565,000	152,933,418	170,848,865	7,735,439	12,359,191
Expenditure	821,035,000	324,905,365	319,376,676	21,430,602	27,338,113

OTHER ISSUES.					
Temporary Advances—					
Bullion	5,000	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	84,909	..	..	..
Under the Unemployment Insurance Act, 1921	270,000	2,230,000	..	230,000	..
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1921 and 1922	2,830,000	2,660,000	..	660,000	..
Under the Housing Act, 1914	12,000	13,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..	..
Unemployment Insurance Act, 1921	3,027,000	2,110,000	..	20,000	..
Repayment of Debt—					
Treasury Bills	1,033,880,000	1,418,284,000	48,505,000	57,875,000	..
Principal of National Savings Certificates	15,250,000	11,750,000	600,000	500,000	..
Principal of Exchequer Bonds paid off	..	19,612,208	..	..	..
Principal of National War Bonds paid off	24,936,910	..	7,931,814	..	..
Other Debt under the War Loan Acts, 1914 to 1919	269,036	9,444,601	..	..	..
Ways and Means Advances Repaid	317,299,500	314,668,500	2,800,000	..	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	50,081	243,012	..	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..	..
Balances in Exchequer—					
Bank of England	1,722,796,997	2,101,482,562	61,267,416	85,623,113	..
Bank of Ireland	2,089,375	2,086,561	..	..	..
Bank of Ireland	1,518,226	1,208,347	21,910	1,010,485	..
Total	3,607,671	3,304,308	118,415	1,274,937	..

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.
Treasury, September 3, 1923.

HEAD OFFICES: LIVERPOOL AND LONDON
ROYAL
INSURANCE COMPANY, LIMITED
ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, September 5, 1923.

ISSUE DEPARTMENT.			
Notes issued	145,572,015	Government debt	11,015,100
..	..	Other securities	8,734,900
..	..	Gold coin and bullion	125,822,015
Total	145,572,015		145,572,015

BANKING DEPARTMENT.			
Proprietors' capital ..	14,553,000	Government securities ..	49,845,601
Reserve ..	3,686,586	Other securities ..	70,030,395

BANK OF JAPAN.—In yen (000's omitted).

Assets.	Aug. 4, 1923.	July 28, 1923.	July 21, 1923.	July 14, 1923.	Position June 30, 1923.
Cash and bullion	1,066,381	1,104,307	1,105,060	1,103,403	221,320
Discounts	180,237	224,145	128,366	130,955	41,740
Advances	176,647	180,592	172,768	170,500	149,798
LIABILITIES.					
Notes	1,160,214	1,260,117	1,166,687	1,151,952	362,270
Govt. deposits	829,125	800,556	823,830	825,611	87,340
Other deposits	37,982	49,057	48,613	53,630	40,641

RUSSIAN STATE BANK.—Note-Issuing Department.
(In chervonets—000's omitted).

Assets.	Sept. 1, 1923.	Aug. 16, 1923.	Aug. 1, 1923.
Gold in coin and bullion	7,490	6,982	6,140
Silver in bullion	73	73	74
Foreign bank notes	1,896	896	551
Discounts in sterling (less 10%)	404	401	397
Bills (less 10% discount)	5,695	4,925	4,113
Securities covering advances on goods (less 10%) ..	3,080	3,580	3,130
LIABILITIES.			
Bank notes	18,400	15,900	13,500
Balance to which notes may still be issued	238	1,027	905

BANK OF ITALY.—In lire (000's omitted).

Assets.	Aug. 10, 1923.	July 31, 1923.	July 10, 1923.	July 1, 1923.	Position May 31, 1923.
Total cash	1,434,849	1,451,785	1,456,078	1,464,172	1,231,878
Inland bills	5,186,943	5,262,626	5,233,116	5,254,752	4,428,536
Foreign bills	13,179	13,303	13,146	13,297	81,300
Advances to the Treasury	5,833,821	5,833,921	5,833,911	5,833,680	6,120,157
Other advances	2,059,058	2,000,660	1,863,865	2,020,998	79,175
LIABILITIES.					
Securities	371,712	366,964	376,347	376,756	531,911
Notes in circulation	13,077,215	13,155,324	12,970,694	13,221,266	13,989,783
Deposits & drafts	1,471,485	1,660,597	1,465,647	1,536,620	1,830,192

NATIONAL BANK OF ROMANIA.—In lei (000's omitted).

Assets.	July 21, 1923.	July 14, 1923.	July 7, 1923.	June 9, 1923.	July 22, 1923.
Gold	545,266	545,266	545,266	545,266	510,835
Silver, &c.	469	502	484	484	891
Government loan	11,887,835	11,865,731	11,875,901	12,604,833	12,526,242
Other advances	5,277,129	5,288,408	5,246,707	5,070,337	2,895,147
LIABILITIES.					
Notes in circulation	16,538,225	16,452,345	16,329,966	15,862,697	14,203,105
Deposits	6,217,498	6,256,066	6,313,523	7,119,400	6,072,821

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	Aug. 1, 1923.	Position May 31, 1923.
Gold	526,585	526,440	526,231	525,984	510,445	171,175
Silver	100,412	101,464	101,592	101,252	115,222	18,350
Deutsche-Markens	25,426	25,813	26,043	26,286	11,242	18,350
Assets & advances	262,646	262,602	262,611	262,735	373,514	103,000
LIABILITIES.						
Notes in circulation	885,862	834,098	844,173	860,108	771,113	975,925
Deposits	75,565	118,140	117,333	106,137	271,840	33,750

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	Sept. 1, 1923.	Aug. 25, 1923.	Aug. 18, 1923.	Aug. 11, 1923.	Aug. 4, 1923.	May 24, 1923.
Gold	272,745	272,776	272,808	272,822	273,789	104,918
Balance abt. and foreign bills	54,145	41,776	41,976	41,811	78,165	112,179
Swedish and for. Gov. securities	130,118	143,646	143,658	143,658	73,049	32,466
Discount and loans	292,382	248,944	262,408	263,429	414,276	112,668
LIABILITIES.						
Notes in circulation	571,406	514,519	530,207	569,155	526,555	697,600
Deposits at notice	123,669	134,516	139,190	132,660	209,024	369,660

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	Aug. 30, 1923.	Aug. 23, 1923.	Aug. 16, 1923.	Aug. 9, 1923.	Aug. 2, 1923.	Position May 24, 1923.
Coin (gold & silver and bullion)	348,766	348,466	350,195	350,897	331,141	322,650
Securities	1,015,509	967,139	905,702	874,741	497,981	697,600
LIABILITIES.						
Notes in circulation	7,193,628	7,077,345	7,061,497	7,034,935	6,412,398	697,600
Current accounts	304,195	339,626	287,439	292,958	625,078	112,126

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	July 30, 1923.	July 23, 1923.	July 16, 1923.
Gold	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	2,917,953,149	2,931,254,287	2,995,538,953	2,917,216,037	2,917,216,037	2,917,216,037
Bills discounted	651,594,621	662,943,856	643,041,797	668,115,086	668,115,086	668,115,086
Treasury bills	2,538,718,937	2,538,718,937	2,538,718,937	2,538,718,937	2,538,718,937	2,538,718,937
LIABILITIES.						
Notes in circulation	5,458,159,892	5,567,215,718	5,643,432,896	5,684,133,721	5,684,133,721	5,684,133,721
Deposits	722,398,478	647,841,387	605,653,242	535,120,867	535,120,867	535,120,867

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	July 31, 1923.	Aug. 23, 1923.
Gold coin and bullion, bills	22,374	22,484	22,345	22,354	12,858
Silver coin, &c.	594	594	595	595	597
Bills, warrants, drafts, &c.	248,652,922	225,255,333	197,113,335	165,927,138	34,339,991
Loans	1,805,158	3,379,529	3,377,676	1,761,943	1,808,111
LIABILITIES.					
Notes in circulation	344,311,135	314,330,375	265,317,002	226,284,576	43,934,866
Deposits	31,684,431	22,280,776	21,571,552	21,977,386	4,321,212

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	Aug. 10, 1923.	Aug. 3, 1923.	July 27, 1923.	July 20, 1923.	July 13, 1923.	Aug. 1, 1923.
Govt. securities	12,433,75	13,739,99	14,381,01	14,93,13	13,46,42	13,59,27
Other securities	1,30,66	1,30,66	1,31,56	1,31,77	1,31,77	1,28,31
Loans	16,70,52	16,83,35	17,33,58	18,58,77	18,72,99	16,31,65
Cash and bills	30,79,60	31,56,09	31,79,89	30,52,74	31,17,73	25,58,01
Inland bills	4,65,07	4,70,31	4,63,94	5,15,04	5,15,04	4,07,56
Foreign bills	25,47	85,96	79,18	93,43	29,72	11,80
Dead stock	2,41,32	2,41,18	2,40,08	2,39,81	2,39,63	2,43,50
Sundries	29,43	29,27	21,42	22,45	30,79	29,55
Balance with other banks	80,37	19,19	14,10	21,08	63,23	16,73
Cash	36,61,14	36,73,73	36,28,47	34,26,47	31,88,35	42,84,30
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,52
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,38
Reserve	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,11,85
Public deposits	24,07,99	26,10,58	26,10,58	26,10,58	26,10,58	26,10,58
Other deposits	71,41,58	71,70,78	69,57,87	67,91,94	65,29,67	65,09,91
Sundries	69,01	68,92	70,92	87,91	86,57	86,18
The above includes—						
Deposits in London	590	327	338	357	602	141
Advances in London	277	396	408	326	249	367
Cash, &c., at other banks in London	529	118	86	133	413	104

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	Position May 31, 1923.
Coin and bullion—Gold	147,287	147,287	147,287	147,287	44,224
Balance abroad and foreign bills	19,296	20,932	21,291	37,610	28,533
Norwegian & Foreign Government securities	9,052	9,052	9,052	9,780	8,816
Discounts and loans	462,416	462,364	468,377	445,100	76,911
LIABILITIES.					
Notes in circulation	402,169	392,050	396,631	384,683	113,484
Deposits at notice	103,737	114,780	114,789	133,062	7,188

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

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	Aug. 1, 1923.	Position May 31, 1923.
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	421,785	476,708	515,543	110,493	90,379
Finnish and Foreign Government securities	571,415	571,416	571,416	707,889	21,826
Discounts and loans	855,470	825,909	827,006	821,354	105,151
LIABILITIES.					
Notes in circulation	1,348,330	1,364,254	1,392,283	1,310,726	123,941
Deposits at notice	310,513	312,328	326,809	129,848	21,226

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	July 11, 1923.	July 4, 1923.	June 27, 1923.	June 20, 1923.	July 12, 1923.
Coin and bullion	27,099	27,102	27,111	27,044	26,701
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	58,104	65,705	68,200	65,134	4,412
Discounts	205,459	202,149	206,553	199,423	146,330
Government loans	1,040,354	1,045,393	1,041,121	900,910	720,099
LIABILITIES.					
Notes in circulation	1,231,082	1,248,173	1,212,516	1,207,914	829,095
Deposits	55,282	59,588	78,368	72,649	52,989

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Aug. 20, 1923.	Aug. 10, 1923.	July 31, 1923.	July 20, 1923.	June 30, 1923.
Gold	46,888	46,887	46,887	46,793	43,877
Silver	35,040	34,908	34,756	34,716	39,413
Foreign coin (a)	2,242	2,275	2,282	2,282	5,865
Foreign banks (a)	26,377	26,713	26,713	26,713	26,655
Advances to the Govt.	527,970,000	460,200,000	419,000,000	3,706,000,000	29,650,000
Private loans and discounts	1,551,726,780	1,358,664,047	1,149,637,791	1,055,694,039	938,262,170
LIABILITIES.					
Notes in circulation	5,390,937,124	4,487,709,058	4,478,709,058	3,883,105,857	3,566,661,907
Deposits	14,858,366,661	12,520,791,130	10,426,387,718	1,095,932,092	613,258,321

(a) Gold marks.

BANK OF LATVIA.—In gold francs (000's omitted).

BANK OF LEXINGTON—Gold Notes (\$50 Centavo).						
Assets.	Aug. 29, 1923.	Aug. 22, 1923.	Aug. 15, 1923.	Aug. 8, 1923.	Aug. 1, 1923.	Nov. 22, 1922.
Total cash.....	15,578	15,563	15,282	14,899	14,186	3,085
Gold and precious metals.....	15,794	15,793	15,792	15,792	15,789	12,993
Of which held abroad.....	3,744	3,744	3,744	3,744	3,744	3,744
Foreign banks.....	60,736	60,784	59,565	59,557	58,972	22,466
Discounts and loans.....	21,425	22,170	21,904	21,315	20,965	9,551
LIABILITIES.						
Note circulation.....	23,000	23,000	23,000	23,000	23,000	4,005
Capital paid up.....	10,000	10,000	10,000	10,000	10,000	8,000
Government deposits.....	36,319	34,461	33,418	33,596	34,315	16,897
	36,395	34,622	34,925	38,695	36,925	16,995

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a statistical summary of applications and allotments for India Council bills and transfers in London on Tuesday, September 4, 1923:—

	Rate.	Applications.	Allotments.	%	Bills.	Allotments.	Average Rate.
		Rs.	Rs.		Calcutta..	Rs.	
Bills	1/4 ³ / ₄	21,00,000	nil	..	Bombay..	..	..
Def. T.T. ...	1/4 ³ / ₄	10,00,000	6,67,000	66.6	Madras..	..	..
mm. T.T. ...	1/4 ³ / ₄	2,00,000	nil	..	T.T. ...	6,67,000	16,062
	1/4 ³ / ₄	20,00,000	13,33,000	66.6	Def. ...	..	..
	1/4 ³ / ₄	3,00,000	nil	..	Bombay..	..	..
					Def. ...	13,33,000	16,093
					Madras..	..	..
					Imm. ...	..	..
					Imm. ...	..	..
		141,00,000	20,00,000			20,00,000	

Next week 20 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended September 5, 1923.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Belgian Congo	62,949	Norway	145
British West Africa	26,461	Denmark	580
British South Africa	697,928	Belgium	1,500
Other countries	420	Strait Settlements	2,523
		Germany	1,186
		Netherlands	64,228
		British India	127,350
Total declared value of exports	787,758	Total declared value of imports	197,512

Messrs Samuel Montagu and Co. write on September 5th as follows:—

On Saturday last there occurred in Japan the most appalling disaster in history, and our sympathy goes out to our Japanese friends in the misfortune which has overtaken their country. In view of the meagre details yet to hand, it is difficult to speak with certainty as to the effect of the catastrophe upon bullion markets.

GOLD.

In view of the Japanese disaster we may mention that the last return to hand of the Bank of Japan gives the amount of cash and bullion held as equivalent to about £110,000,000. The demand from the Indian bazaars being on a small scale, the bulk of the moderate supplies of gold in the market this week will probably go to the United States of America. It is announced that the Commonwealth Treasurer has renewed until January 31, 1924, the permit granted to the Australian Gold Producers' Association for the export of gold produced by its members. The United States Mint Services announces that the refinery production of gold for the year 1922 was valued at \$48,849,100, and was \$1,218,200 less than that for 1921.

SILVER.

For the first few days of the week under review, the market kept steady, and the price remained unchanged for three days at 30¹/₄d and 30³/₄d for cash and forward delivery respectively. In the absence of supplies buying orders from China yesterday caused a sharp rise of a farthing in the prices, and further buying from that quarter to-day, aided by Indian bear covering, carried the quotations to 31¹/₄d and 31³/₄d, but the position was eased somewhat by offerings from the Continent. The value of the United States refinery production of silver for 1922 is given by the United States Mint Service as \$56,240,048, based on \$1 per ounce. This figure shows an increase of \$3,167,607 over that for the preceding year.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Aug. 15, 1923.	Aug. 22, 1923.	Aug. 31, 1923.
Notes in circulation	17,556	17,576	17,630
Silver coin and bullion in India	9,188	9,308	9,447
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,751	5,751	5,751
Securities (British Government)	185	85	..

No silver coinage was reported during the week ending 31st ultimo. The stock in Shanghai on the 1st instant consisted of about 26,700,000 ounces in sycee, 37,000,000 dollars, and 140 silver bars, as compared with about 27,200,000 ounces in sycee, 16,000,000 dollars, and 710 silver bars on the 25th ultimo. Statistics for the month of August are appended:—

BAR SILVER—Per Ounce Standard.

	Cash	2 Months' Delivery.	Per Ounce	Bar Silver—Per Ounce Standard.
Highest price	31 ¹ / ₄	30 ³ / ₄	90 9	
Lowest "	30 ¹ / ₄	30 ¹ / ₄	90 1	
Average "	30.951	30.737	90 4.3	

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce.	Date.	Silver. Cash.
	s d	d		d
Sept. 1..	90 8	30 ¹ / ₄	Sept. 14, 1917..	45
3..	90 9	30 ³ / ₄	14, 1918..	49 ¹ / ₂
4..	90 10	31 ¹ / ₄	12, 1919..	60 ¹ / ₂
5..	91 4	31 ¹ / ₄	10, 1920..	59
6..	91 2	31 ¹ / ₄	9, 1921..	38 ¹ / ₂
7..	91 2	31 ¹ / ₄	8, 1922..	35 ¹ / ₂

NOTICES.

Barclays Bank, Limited, announce that they have opened new branches at 122 Baker street, W. 1, under the management of Mr L. A. Starling, and at 93-95 Wardour street, W. 1, under the management of Mr J. O. Fuller. The address of their branch at Beeston, Notts, is now 2 Chilwell road (next the post office), under the management of Mr A. E. de Jersey.

The Australian Bank of Commerce, Limited, have opened a branch at Paddington, New South Wales.

MINING OUTPUT STATISTICS FOR AUGUST, 1923.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Mill.	Mill.	Mill.
Gold.				
Ashanti	7,419	6,082	25,839	..
Blackwater	9,500	4,300	7,721	5,016
Cam and Motor	16,000	8,497	36,037	16,793
Champion Reef	7,211	2,267	3,214	..
Golden Horseshoe	10,440	5,606	23,941	2,698
Mysore	15,879	35,377	10,375	..
Nundydroog	10,456	12,658	5,452	..
Oreogum	14,500	2,100	9,188	..
Oriental Consolidated	18,350	..	110,768	..
Rezena	6,200	..	13,529	6,000
Rhodesia	5,158	..	1,382	..
St John Del Rey	..	..	37,500	..
Taqua and Abosso	7,784	3,876	17,442	2,966

	Output.	Other Notes in Return.
	Tons.	
Tin.		
Anglo-Nigerian	10	Shipped 18 tons.
Bisichi	60	..
Deebok	15	..
Geevor	31	..
Gopeng	744	Tons crushed, 3,034; realised, £3,391.
Idris Hydraulic	94	Est. value, £7,815; est. working costs, £2,045.
Jantar Nigeria	32	Value, £933; cost, £772; sale of power, £659.
Kamunting	98	Value, £9,800.
Kramat Pulai	..	Mine profit (including tribute), £1,647.
Lahat	323	Value, £3,710; cost, £2,599; tribute profit, £55.
Malayan	981	Value, £10,961; cost, £7,899. Cubic yds., 346,000.
Mongu	40	Treated 17,100 tons; black tin produced 199 tons; alluvial, 28 tons.
Pahang	..	Value, £268; cost, £245; tribute profit, £21.
Peri	28	Estimated value, £3,500; total profit, £3,050.
Pekalongan	344	Est. value, £1,635; est. working costs, £700.
Premier Hydraulic	15	Value, £2,683; cost, £1,633.
Rambutan	128	Est. value, £5,450; est. cost, £3,020.
Ropp	854	Est. value, £3,615; est. working costs, £1,495.
Slamase	239	Est. value, £7,700; est. working costs, £3,150.
Southern Perak Dredging	48	Value, £6,402; cost, £3,857; tribute profit, £259.
Sungei Besi	39	..
Tekka	713	..
Tongkah Harbour Tin	63	..
Tronoh	573	..

	Output.	Other Notes in Return.
	Tons.	
Coal.		
Chinese Engineering	..	Sales of coal week ended Aug. 25, 75,225 tons.
Clydesdale (Transvaal)	41,929	Coalbrook, 18,271 tons; Blackhill, 29,004 tons.
Dundee Coal	41,631	..
Natal Navigation	25,576	..
Northern Natal Navigation	..	..
South African Estates (Withbank)	70,614	..
Vereeniging Estates	..	..

	Output.	Other Notes in Return.
	Tons.	
Coal.		
Vryheid (Natal)	30,246	..
Tweefontein United	77,449	..
Wankie	..	Coal sales, 33,161.
Miscellaneous.		
British Platinum	..	Four weeks ended Aug. 25th. 526 hours dredging produced 425 ozs platinum and 117 ozs gold. In addition 53 ozs platinum from tributaries.
Canadian Collieries (Duna Muir)	..	Quarter ended June 30.—Tipple tons, 155,587; commercial tons, 124,467; sales, 112,746 tons.
Electrolytic Zinc (Australasian)	..	4 weeks to Aug. 22, 3,332 tons zinc; silver lead product for shipment to Port Pirie for realisation, containing 545 tons lead, 75,000 ozs silver.
Fremantle Trading	..	Shipped from Narra Terra Mine, 1,000 tons copper ore, estimated to contain 220 tons copper.
New Vaal River Diamond	..	Diamonds registered, 1,344 carats, valued at £10,593.
Rhodesia Broken Hill	811	Lead output at 2,240 lbs to ton.

MINING CORPORATION OF CANADA.—The following cable has been received from the head office, Toronto:—"Lorrain Operating Company, Limited—July production, 140,530 standard ounces. New shaft will be operating in about three weeks' time, releasing eight drills for exploration and development."

NORTH BROKEN HILL, LIMITED.—The following cable, dated the 4th inst., has been received from the head office at Melbourne:—"For the month of August 16,550 tons of crude ore were treated. Produced 3,320 tons lead concentrates, averaging 53 per cent. lead, 29 ozs of silver per ton, and 8 per cent. zinc; also 2,990 tons zinc concentrates, averaging 48 per cent. zinc, 6 per cent. lead, and 7 ozs of silver per ton."

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended Aug. 31, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 35 Weeks 1923.
(c) Week ended Sept. 1, 1923.					
Great Western	3,745	351,000	325,000	676,000	9,373,000
London & North-Eastern	6,702	575,000	680,000	1,255,000	15,827,000
Do same period 1922	6,657	618,000	734,000	1,352,000	17,260,000
London, Mid., & Scottish	6,962	811,000	844,000	1,655,000	22,608,000
Southern	2,115	445,900	119,700	565,600	11,788,000
Midland & S.W. Junc.	63	1,421	1,638	3,059	44,364
Metropolitan (c)	794	31,382	3,548	34,930	1,128,332
Underground E.R. (c)	..	..	..	221,433	7,919,492
Lon. & Sub. Group (c)	..	..	..	9,476	1,255,729
Belfast & Co. Down (b)	80	6,241	1,256	7,497	192,010
Dublin & S. East. (b)	160	8,884	2,383	11,267	213,082
Midland Gt. West. (b)	538	11,596	12,152	23,748	350,091
					499,972

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or —	1923. + or —
INDIAN.					
Assam Bengal	18 weeks	Aug. 4, 1919	2,35,000	36,733	40,51,396
Barai Lt. Ry.	19 weeks	11 118	19,700	3,400	7,18,900
Bengal & N. Western	18 weeks	4 2,062	5,25,140	62,160	1,17,96,450
Bengal Nagpur	19 weeks	4 2,738	13,04,000	1,18,000	2,64,46,499
Bombay, Bar. & C.I.	21 weeks	25 2,994	15,87,000	2,04,000	4,59,01,000
Burma	18 weeks	4 1,342	4,85,810	43,426	1,23,13,575
Delhi, Umballa & Kalka	21 weeks	25 239	78,000	17,539	21,04,036
East Indian	22 weeks	Sept. 12, 856	24,82,000	6,74,000	6,74,52,000
G. Indian Peninsula	18 weeks	Aug. 25, 3,164	17,75,100	2,17,900	5,28,59,787
Madras & S. Mahr.	19 weeks	11 3,029	13,60,000	20,930	2,80,99,276
Rohilk'd & Kumaon	4 259	42,144	14,297	10,68,275	99,360
Do Lucknow-Breilly	4 314	42,025	23,653	12,67,085	1,57,940
South Indian	19 weeks	11 1,877	9,11,239	44,064	1,88,63,103
					565,655

CANADIAN.

Canadian National ..	34 weeks	Aug. 31	22,680	7,261,000	808,828	161,377,484	7,665,573
Canadian Pacific ..	34 weeks	31	13,539	5,365,000	37,000	112,469,000	5,792,000

ARGENTINE (a).

			£	£	£	£
Argentine N.E.	9weeks	Sept. 1	752	11,600 +	3,000	98,800 +
Argentine Trans.	9weeks		1	11,956		59,000
E. A. and Pacific	9weeks		3,317	110,000 +	12,000	1,174,000 +
B. A. Gt. Southern ..	9weeks		1,3948	119,000 +	14,000	1,389,000 +
			Net	5,000	20,000	353,000 +
B. Western	9weeks		1,1883	61,000 +	7,000	643,000 +
			Net	5,000	8,000	113,000
Central Argentine ..	9weeks		1	113,000		29,000
Ordoba Central	9weeks		1,306	57,000 +	1,000	604,800 +
Entre Rios	9weeks		1,729	15,900 +	3,300	144,400 +

BRAZILIAN (b).

Gt. West. of Brazil..	34 weeks	Sept. 1	1,005	7,000 —	1,503	324,700 —	112,300
Leopoldina	35 weeks	1	1,831	33,958 —	5,244	881,756 —	101,881
San Paulo	35 weeks	2	153	37,306 +	7,558	997,145 +	24,482

CHILE AND PERU.

Antofagasta	34 weeks	Sept. 2	833	33,595	8,730	1,246,560	531,025
Nitrato (4-monthly) ..	34 weeks	Aug. 31	366	38,951	11,200	546,757	287,374

CUBAN.

Havana Central	9weeks	Sept. 1	..	11,453	+	2,251	102,447	+	18,667
United of Havana....	9weeks	1	1,210	57,835	+	12,229	530,900	+	93,276

URUGUAYAN.

Central Uruguay....	9 weeks	Sept. 1	273	19,510	—	193	180,754	+	2,830
C. Urug. (East Ext.)..	9 weeks	1	311	3,811	+	517	36,981	+	1,322
C. Urug. (North Ext.)..	9 weeks	1	185	2,643	+	720	20,868	+	1,837
C. Urug. (West Ext.)..	9 weeks	1	211	1,703	—	93	16,353	+	53

OTHER OVERSEAS.

Alcoy and Gandia	35 weeks	Sept. 1	33	21,000	..	749,800	70,450
Egyptian Delta	19 weeks	Aug. 20	675	6,883	1,117	94,371	19,070
Gt. Southn. of Spain	34 weeks	25	104	Ps 57,905	27,141	3,056,953	411,924
Mexican Railway	8 weeks	31	403	219,305	131,990	2,000,500	214,000
New Cape Central	32 weeks	11	205	2,322	391	86,001	21,870
Paraguay Central	25 weeks	25	274	4,610	3,800	26,930	2,531
Salvador	9 weeks	Sept. 1	100	3,093	737	22,100	6,299

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.						Corresponding Period Last Year	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.	
					Prefee.	Ordinary.	Rate.					
												Amount.	Amount.	Rate.
Breweries.		£	£	£	£	£	%	£	£	£	%	
Colchester Brewery	June 30	4,250	18,421	22,671	5,250	9,355	7½	3,000	5,066	14,538	5	
Financial, Land, &c.												
Western & Hawaiian Investment	June 30	4,869	20,722	25,591	5,783	10,280	16	5,000	4,528	16,966	16	
Hotels, Restaurants, &c.												
Romano's.....	June 30	4,793	5,480	10,273	..	4,500	7½	900	4,873	Dr 2,873	nil	
Smedley's Hydropathic	July 31	5,001	12,846	17,847	1,125	7,500	12½†	5,000	4,222	10,145	12½†	
Tramways.												
Dundee, Broughty Ferry, &c.	July 31	241	4,183	4,424	2,275	1,526	7	..	623	3,859	7	
Waterworks.												
Bexhill Water and Gas	June 30*	9,045	2,099	11,144	557	3,921	6½ 20	1,000	5,666	..	..	
Other Companies.												
Alhambra Company	Dec. 31	Dr 21,344	12,768	Dr 8,576	..	..	..	..	Dr 8,576	..	..	
Bath and Portland Stone Firms..	June 30*	24,432	17,650	42,082	..	15,625	12½	..	26,457	22,250	12½	

* Half-year.

† Free of tax.

VENEZUELA (3 PER CENT. DIPLOMATIC DEBT, 1905).—The Council of Foreign Bondholders notify the receipt of a sight draft for £4,390 15s 4½d, being the moiety of the third fortnightly instalment of the debt service payable to the council in respect of the half-year ending December 31, 1923.

BANKS.

BANCO POPULAR ARGENTINO.—The British, Foreign, and Colonial Corporation, Limited, announce that the balance-sheet of the Banco Popular Argentino to July 31, 1923, shows paid-up capital £917,518 (same), reserve funds £474,164 (same), and deposits £3,870,936 (£3,217,221). The figures in brackets are those for the corresponding date of a year ago. Conversion into sterling is calculated at par of exchange.

MISCELLANEOUS.

COMMERCIAL CABLE COMPANY.—Messrs Baring Brothers and Co., Limited, notify that the transfer books of the Commercial Cable Company sterling 4 per cent. 500-year debenture stock will be closed from the 20th to the 29th instant, both days inclusive, for the preparation of the warrants for interest due October 1, 1923.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A period of fine weather would now be welcome in order to complete harvesting operations and facilitate threshings of winter wheat and oats in the United Kingdom. Barley and spring oats will yield below average, but prospects now appear better than earlier estimates. Offerings of new native wheat continue somewhat restricted owing to adverse climatic conditions, and prices ruled firm at 9s 2d to 9s 8d per 112 lbs, free on rail, as to sample. The market for imported descriptions maintained a very steady tone, despite recent liberal arrivals, while offerings of Manitobas and hard winters continue limited. No. 1 Northern Manitoba quoted at 46s 9d, No. 2 hard winter 45s, choice white Karachi 42s 9d, red ditto 42s, Rosafe, 62½ lbs, 45s 6d, and Barusso, 62½ lbs, 44s 3d, all ex ship, per 496 lbs. The cargo section showed more activity and a generally firm tone resulted, while a fair inquiry existed for Australian and Pacific cargoes to Japan. Sales include steamers of Australian August shipment at 44s 3d to 44s 6d; choice white Karachi, August, 41s 3d; No. 2 white Western Pacific, afloat, 44s; Rosafe, 62½ lbs, afloat, 43s; and No. 2 Northern Manitoba, October, to Italy, at 45s, all per 480 lbs. Maize cargoes also in request at firmer rates. Plate steamers, loading, sold 34s 1½d to 34s 7½d, September 20th 34s 6d, October 15th-December 15th 34s 7½d, and No. 2 white flat South African, loading, 36s 3d, per 480 lbs. Of barley, a steamer of Algerian/Tunisian September sold

24s 6d per 400 lbs. Flour steady, with a fair demand. London standard straight run quoted at 38s, Patents 40s to 41s, town households 36s per sack, delivered in Metropolitan area. All English country straights 30s to 31s per sack, delivered to London stations. Imported maintained. Manitoba patents range from 37s to 41s as to quality, Minneapolis good patents 40s 6d, soft winter 36s to 39s, and Australian 35s to 36s, all per 280 lbs, ex store. Millers' offals quietly steady. Broad bran quoted 6s, ordinary ditto 5s 3d, middlings 8s, bags included, ex mill; light oats 6s 3d, powdered oat husks 5s 9d, feed oatmeal 8s 9d, ground oats 13s 9d, free on rail, all per cwt. Barley: English malting firm at 10s to 13s 9d, with feeding kinds ranging from 8s 3d to 9s 6d per 112 lbs, free on rail, as to sample. Imported firmly held. Californian 40s to 42s, Chilean brewing 39s to 43s, as to sample, both landed, per 448 lbs. Persian 27s, Karachi 27s 6d, Danubian 28s to 28s 6d, all landed; No. 4 Canadian Western 27s 3d, American malting, 48 lbs,



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27s 3d, Algerian/Tunisian 25s, ex ship, all per 400 lbs. Maize again firmer. Plate, ex ship, 34s 6d, landed 36s; No. 2 white flat African 35s 3d, No. 6 yellow ditto 34s 3d, both ex ship, all per 480 lbs. Oats: English steady at 7s 6d to 10s 6d per 112 lbs, free on rail. Imported tends in sellers' favour. Plate, ex ship, 22s 6d, ditto landed 23s 6d; No. 2 Canadian Western, ex ship, 26s 3d; No. 3 ditto, 25s 3d; No. 1 Canadian feed, 24s 6d; No. 2 ditto, 26s 3d; Danubian, 21s 3d; New Zealand, landed, "A" grade, 37s to 38s; "B" grade, 36s to 37s, all per 320 lbs. Oatmeal in moderate demand at late rates. London made, all cuts, quoted at 17s; rolled oats, also whole groats, 17s; flaked oats, 17s 6d, ex mill; ordinary Scottish oatmeal, 20s to 21s; American, all cuts, 16s 6d to 17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to September 1	269,899	163,228	440,049	138,526
51 weeks to September 1	17,454,836	16,379,464	13,714,198	11,031,481
Average price of English wheat per cwt.	s d	s d	s d	s d
	9 1	10 1½	14 7	21 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Aug. 25	216,073	21,914	47,488	9 2	8 8	8 4
Sept. 1	269,899	34,036	54,182	9 1	9 6	8 8
1919	98,310	38,286	39,769	17 1	25 0	21 11
1920	138,527	52,586	44,518	21 2	22 0	19 6
1921	440,049	137,121	65,489	14 7	16 10	11 6
1922	163,230	15,989	45,193	10 1	10 4	9 2

IRON, STEEL, AND COAL.

Our Glasgow correspondent writes:—There is hardly anything on home account doing in Scotch pig-iron, the prices for which have been slightly shaded in the past few days—Scotch hematite by 2s 6d at £5 5s; Scotch foundry No. 1 by 2s 6d at £5 5s; and ditto No. 3 2s 6d at £5—all f.o.t. makers' works. Dealing in bar iron and steel varieties are easier in tendency at £12 for crown bars, £13 for boiler plates, £10 for ship plates, £9 15s for sections, £12 10s for ½-in. black sheets, and £18 17s 6d for 24 bg. (f.o.b. Glasgow). The Continent, India, China, and Australia are takers of steel plates, which makers are quoting 5s to 10s lower than what is named at home. Close on 1,000 tons pig-iron were shipped from the Clyde to the U.S. last week. Coals 6d to 1s dearer for the same period.

Our Sheffield correspondent writes:—An absence of buying on a substantial scale continues to be the outstanding feature of the iron and steel market, and the amount of work on makers' books has undergone a further reduction, with the result that the position of producers is decidedly critical. While confidence in an ultimate revival is by no means absent, there is nothing in the situation at the moment to warrant optimism. As firms cannot afford to make material for stock, a stoppage of plant involving increased unemployment is imminent. The local unemployment roll is increasing week by week, and the position to-day is a good deal worse than before the holidays. The decline of buying is most marked in basic billets. The steel foundries have little to do, this department being badly hit by the extensive importation of Belgian castings, which, owing to the state of the exchanges, can be bought much more cheaply than British material. The disaster in Japan will mean a serious blow to a considerable number of local steel firms, several of whom had depôts in the wrecked cities, with staffs and large stocks of expensive tool steel and tools. Apart from these, a regular trade has been done between Sheffield and Japan in rolled mild steel. The value of the stocks which it is feared are totally destroyed amounts to many thousands of pounds. The home demand for industrial and household fuel has shrunk considerably since the beginning of August, and while the export trade continues brisk, South Yorkshire can only secure a small share of it. Prices, although easier, are not notably lower. The considerable export demand for coke serves to counteract the effect of the lessened consumption at home, and the market is consequently firm. Quotations per ton at the pits are:—Best hand-picked branch, 30s to 31s; best Silkstones, 26s 6d; South York-

shire hards, 21s; rough slacks, 11s to 12s; nutty slacks, 10s; smalls, 7s to 8s.

Our Middlesbrough correspondent's report, dated September 6th, is as follows:—Pig-iron: Our pig-iron makers, both Cleveland and hematite, are very unfortunately placed at present. Pig-iron prices are falling, but there is no equivalent fall in the cost of production. There are no heavy stocks of Cleveland iron, but stocks of East Coast hematite pig-iron have been increasing. Prices are as follows:—97s 6d per ton for No. 3 Cleveland G.M.B., and 98s 6d per ton for East Coast mixed numbers hematite. Manufactured Iron and Steel: The steel trade continues to be very quiet, and prices have been reduced a trifle. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s. Iron Ore: Owing to reduced consumption of imported ore, the demand has practically ceased for the time being. Works have sufficient stock for their needs. Best Rubio is nominally 23s per ton c.i.f. North-East Coast ports.

Our Cardiff correspondent writes:—There has been little, if any, material improvement this week in business on the Cardiff coal market. There has been a little better enquiry from West Italy, but other trades have been stagnant. Prices, however, have been well maintained. The recent slump in Newcastle coals has not extended to South Wales coals, and at the beginning of the present week there was a difference of about 8s per ton between best Cardiff and best Newcastle steams, although the normal difference between the two coals is only between 2s 6d and 3s. The following are the current approximate quotations:—Best Admiralties, 28s 6d to 29s 6d; second Admiralties, 27s 6d to 28s; best drys, 29s 6d to 30s 6d; Western Valleys, 27s 6d to 28s; Eastern Valleys, 25s to 27s; best bunker smalls, 19s to 21s; ordinary cargo smalls, 15s to 17s; anthracite big vein, 50s to 52s 6d; French nuts, 57s 6d to 60s; rubbly culm, 15s 3d to 16s; coke, for export, 40s to 45s; inland blast-furnace coke, at ovens, 30s to 35s; patent fuel, 30s to 33s 6d; pitwood, ex ship, 32s to 32s 6d. The improvement in the tinplate trade has been maintained. There is a better demand from abroad, and prices are much firmer, although

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ASSAY DEPARTMENT—Gold, etc., and all Mineral Ores assayed and
EXECUTOR and **TRUSTEE** business undertaken. [realised.
The Officers of the Bank are bound not to disclose the transactions of its customers.

48 Gracechurch Street, London, E.C.3.

September, £16; real bold Ferozepore, September-October, £16 7s 6d; Jamba nominal. Cottonseed quiet. Egyptian black, September, £11 2s 6d. Bombay, afloat, £9 10s; December-January, £8 15s. Gingly seed quiet. Large Bombay, afloat, Continent, sellers, £21 10s. Chinese, October-November, £21 5s, Continent. Groundnuts firmer. Coromandel, machine-dried, August-September, £22 2s 6d. Chinese decorticated, f.a.q., October-December, £21; East African, September-November, £21. Soya beans firmer. Manchurian, August-September, £11 12s 6d. Castor-seed firmer. Bombay, August-September, £20 7s 6d per ton.

OILS.—Linseed firmer, with a fair demand. Spot, net, naked, quoted 41s 6d; September, 40s 4d; September-December, 39s 6d; January-April, 35s 9d. Rape steady. Crude, spot, 38s; refined, 41s. Cotton quiet. Crude Egyptian, spot, 36s; Bombay, 35s; common edible, 43s; deodorised (in barrels), 45s. China-wood quiet and easier. Hankow, spot (barrels), 90s; August-September, 86s. Cocoon steady. Ceylon, spot, 44s 6d; August-September, 43s 6d; Cochin, ditto, quoted 47s. Soya steadier. Oriental, barrels, August-September, 38s 6d. Cod quiet. English, spot, 34s. Groundnuts steady. English, crushed, naked, spot, 43s; deodorised, barrels, 51s. Turpentine easier. American, spot, 69s 3d; September-December, 70s; January-April, 72s 3d. Rosin firm. American, grade B, 13s; F, 13s 3d; G, 13s 3d; H to I, 13s 3d; WG, 17s 6d; WW, 18s 6d per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil firm. First pressure, spot, quoted 51s; second pressure, 50s, and pharmaceutical 56s per cwt.

METALS.—Tin opened the week with a firmer tone, though prices were somewhat irregular, and a fair business transpired. Standard, cash, sold at £193 10s, while three months fluctuated between £193 10s, £194 10s, £193 10s, £196, and £195 15s. Business was reported in the East on the basis of £198 5s to £197 10s, c.i.f. Prices further hardened, in sympathy with higher Eastern advices, combined with covering orders for distant positions. Business was on a larger scale, including cash at £197 15s to £198, and three months £199 15s to £200, £195 10s, and £199 2s 6d. Further business in the East occurred at £203 10s, c.i.f. At Thursday's session was in demand, and prices ruled firmer, while three months exhibited some irregularity. Standard, cash, sold at £200 to £201 5s to £201, and three months £201 to £202 15s to £202 5s to £202 10s, while finally registered at £201 10s. The upward tendency was continued on the following day, though business proved of smaller extent with chief interest shown in forward positions. Standard, cash, sold at £201, and three months £201 10s to £203 10s to £202 to £202 10s. English ingots, £202 to £202 10s. Copper commenced with a quiet and easier tone, but subsequently improved on more inquiry for distant positions and reserved sellers. Standard, cash, quoted £63 10s, with business in three months at

£63 5s to £64 2s 6d. With sustained inquiries especially forward and higher American advices prices were further marked up. By the middle of the week standard, cash, was dealt in at £64 5s, and three months £65 to £65 2s 6d. A steady tone prevailed on the following day with buyers less in evidence. Standard, cash, quoted at £64 5s to £64 7s 6d, with three months sold at £65 2s 6d to £65. At Friday's session tendency of prices was barely steady. Standard, cash, sold at £64 6s 3d, and three months at £65 2s 6d to £64 17s 6d. Electro, £69 5s to £69 15s; best selected, £67 10s to £69; strong sheets, £66; wire bars, £69 15s. Lead firmer at £25 17s 6d to £25 13s 9d, as to position. Spelter firmer at £34 to £33 10s, according to position. Aluminium; Home, £115; export, £120. Antimony: Ordinary brands, £30 to £32; specials, £34 10s to £35.

TALLOW.—Messrs Colchesters and Woolner write as follows on September 5th:—The tallow market was firm during the week, and prices are mostly 6d dearer to-day. There is no change in the value of inferior kinds. The stock in London on August 31st, as returned by the wharves, amounted to 19,692 packages, showing a decrease during the month of 1,172 packages. At auction to-day 1,915 casks tallow were offered, and 961 were sold. Quotations are:—Australian mutton: Fine, 42s 9d; good to fair, 42s to 41s; dull to dark, 38s to 36s 9d; hard, 43s. Australian beef: Fine, 42s; good to fair, 40s 6d to 38s 6d; dull to dark, 37s to 36s 6d; sweet, 42s. Present shipment from Australasia nominal. Present shipment from South America, 38s 6d to 37s 3d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 14d; melted stuff, 26s 6d per cwt. Quotations are:—Town, 35s, net cash, naked, ex works. Country: Frail casks 35s; home melted, shipping casks, net, f.o.b., good coloured, 37s; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzine, 33s; melted stuff, 33s 6d, f.o.b.

METROPOLITAN CATTLE.—SEPTEMBER 6.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	s
Beasts—Herefords	6	8	7
Shorthorns	6	6	6
Devons	7	2	..
Norfolks	nominal		
Scottish	nominal		
Irish	nominal		
Fat Cows	nominal		
Beasts—Heavy Bulls	s	d	s
Canadian	6	6	10
Sheep—Downs	10	0	10
Ewes	6	0	10
Crossbred	9	8	..
Scottish	nominal		
Lamb—Downs	12	0	..

LONDON POTATO MARKETS.—SEPTEMBER 6.

English (new) Sharpe's			
	s	d	s
Express	7	0	..
Eclipse	6	0	7
Per Cwt.			
Epicures	5	0	5
King Edwards	8	0	9

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			
0000A—Duty, British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000B—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000C—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000D—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000E—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000F—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000G—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000H—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000I—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000J—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000K—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000L—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000M—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000N—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000O—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000P—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000Q—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000R—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000S—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000T—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000U—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000V—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000W—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000X—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000Y—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	
0000Z—British grown	1 54	1 6	
24.4d. foreign 28s. cwt.	4 5	57 0	
Trinidad, per cwt.	4 5	57 0	
Grenada	4 5	57 0	
Ceylon, plantation	4 5	57 0	
Guayquil	4 5	57 0	
Bahia, finest	4 5	57 0	

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WEEKLY COMMERCIAL TIMES,

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A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

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SATURDAY, SEPTEMBER 15, 1923.

No. 4,177.

ALLIANCE

ASSURANCE COMPANY, LIMITED.
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2
ASSETS EXCEED £25,000,000.

The Hon. N. CHARLES ROTHSCHILD, President

The Alliance grants Insurances of all kinds.

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ESTATE DUTY

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O. MORGAN OWEN, General Manager.

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amount of buying of these bills for special quarters, without which even greater stringency would probably have been apparent in the money position. The ease of discounts has been assisted perhaps by fading of apprehensions of any immediate rise in Bank rate. December Treasury bills have changed hands freely at $3\frac{1}{2}$ per cent., and the rate for fine three months' bills has remained at about $3\frac{1}{4}$ per cent.

	Sept. 14, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 24, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	3 $\frac{1}{4}$	3 $\frac{1}{4}$	3	3 $\frac{1}{8}$	..

The Bank return shows a decline of £794,000 in the active note circulation, representing a seasonal reaction after the August holiday and usual end-of-the-month requirements, and the Reserve was £792,000 higher. Movements between Government and private accounts reflect the inflow of funds to the Government on account of taxes and the large amount of Treasury bills taken up by the market during the week. The Other deposits show a fall of £3,500,000, while Government securities were reduced by £2,800,000, and Government balances were increased by £1,600,000, hence the ratio of Reserve recovered to 19.0 per cent. The amount of Currency Notes outstanding was reduced by £708,000 on the week, the total standing at £285,312,000, which includes £1,450,705 for notes called in, but not yet cancelled. The fiduciary issue is £234,411,400, or £35,772,400 below the maximum.

The statement of the London Clearing Banks of average weekly balances for August is printed in full on another page; below we show the aggregate figures for the nine English banks:—

	Dec., 1922.	April, 1923.	May, 1923.	June, 1923.	July, 1923.	August, 1923.
Capital and reserves	116.0	116.2	116.2	116.3	116.3	116.3
Acceptances	72.8	78.0	77.5	73.8	73.8	70.7
Deposits (incl. undivided profits, &c.) ..	1,684.7	1,606.0	1,608.5	1,637.7	1,638.0	1,611.2
Total Liabilities	1,873.5	1,800.2	1,802.2	1,827.8	1,828.1	1,798.2
Coin, notes, balance at bank, and cheques in course of collection ..	253.0	240.0	234.6	240.7	236.6	231.0
Money at call	106.0	110.5	108.8	113.3	104.4	99.4
Investments	384.5	351.3	349.4	355.5	362.5	362.7
Discounts	298.3	249.5	262.3	270.8	276.4	264.7
Loans and advances	732.7	744.4	743.0	746.9	747.3	742.7
Over for accept., premises, &c.	99.0	104.5	104.1	100.6	100.9	97.7
Total assets	1,873.5	1,800.2	1,802.2	1,827.8	1,828.1	1,798.2

Deposits have declined by about £27 millions, cash and money at call is lower by about £5 $\frac{1}{2}$ millions and £5 millions respectively. Discounts show a reduction of £11 $\frac{1}{2}$ millions, and loans a reduction of £4 $\frac{1}{2}$ millions.

THE STOCK MARKETS.

Though the tone of the Stock Exchange has improved under the influence of better news from abroad, business has not been on a very large scale. The Consol market has been firm, and gained strength yesterday from the good reception of the Treasury Bills. Japanese securities have recovered to some extent from last week's fall. Russian securities improved yesterday, and French bonds and railway issues rose on the belief that a first step towards a Ruhr settlement is approaching. Buying of Royal Dutch shares on the part of New York and Amsterdam imparted a firm tendency to oil markets. Iron and steel, cable, and shipping stocks have advanced, in view of the direct or indirect benefits expected to accrue to these industries when Japanese reconstruction is taken in hand. Both the Kaffir market and mining sections generally suffered from the lack of marked public interest.

THE COMMODITY MARKETS.

With the advent of autumn a distinctly better tone is found in the commodity markets, partly due to the anticipation that the needs of Japan will involve considerable demand. Better conditions prevail in the Manchester cotton trade; there has been an important advance in raw material rates, while spinners and manufacturers have experienced a much larger inquiry. In the wool trade the raw material is firm, but business in Bradford is dull. Jute prices are well maintained, and a fair amount of

inquiry is noticeable. Our Middlesbrough correspondent reports a more cheerful outlook in the pig-iron market, and adds that though prices of steel are unchanged inquiries for reconstruction purposes are expected. Our Glasgow correspondent states that quotations for Scotch pig-iron and hematite are harder. Tin and copper values were on the dull side. Stocks of linseed are said to be low, and prices are firm. Wheat is weaker. The sugar market presented a buoyant appearance, exporters lending support. Demand continues for the finer teas, but commoner qualities are slightly lower in value. Rice dealings display no marked sign of activity. The Bermondsey hide market again showed signs of weakness, and small declines in values were recorded.

FOREIGN EXCHANGES.

In the foreign exchange market the extreme uncertainty in the international situation has been reflected during the week by movements exceptionally wide, even for these disturbed days. The Berlin rate, which at present levels reflects very little real business, recovered sharply to 150,000,000 at one time on the 7th, but since then, with wide swings in both directions, reached well over 500,000,000 in the middle of the week. Further fluctuations brought down the rate to about 430,000,000 yesterday morning. For the time being it would seem that the currency situation is entirely out of hand, and the quotation has so far been uninfluenced either by the feverish attempts for the establishment of a new bank of issue on a gold basis or by the new concessions offered by Herr Stresemann. For forward marks quotations are nominal at about 150,000,000 per month over spot. On the expectation of an imminent surrender by Germany, the Paris rate at one time recovered rapidly to 78, and although there was later a reaction to 79.15 on Thursday, yesterday afternoon's rate of 78 compares very favourably with the quotation of 81.45 a week ago. In the same way the Brussels rate, after falling to about 95, stood yesterday at 94.10, as compared with 99.45 on the 7th. In both cases an optimism which may prove deceptive has been the occasion of the improvement. The forward rate in Paris has widened again from $3\frac{1}{2}$ to $4\frac{1}{2}$ centimes per month above spot, and in Brussels from $7\frac{1}{2}$ to about 11 centimes per month above spot. The Italian rate has been equally erratic, but the clearing up of the Greek situation has brought a definite improvement on the week, the quotation yesterday morning standing at 102 $\frac{1}{2}$, as compared with 105 on the previous Friday. In the early part of the week the rate was, for the time, decidedly lower as the result of the purchase by the Greek Government of the 50,000,000 lire required as a deposit in connection with the recent murders. Even New York has this week suffered from unusual fluctuations, the rate at the end of last week being at one time \$4.51 $\frac{1}{2}$. On the 11th there was a sudden jump up to \$4.55, which was maintained on the following day, since when, however, the rate has reacted again to \$4.54. Forward rates are much the same at $\frac{1}{2}$ cent per month above spot. Amsterdam has followed the dollar movements, rising to 11.60 on the 11th and falling away again to 11.53 $\frac{1}{2}$ yesterday, as compared with 11.53 a week ago. The Spanish rate, which has recently shown some slight signs of improvement, has reacted, although less than might have been expected, to the news of the Barcelona revolt, and stood yesterday morning at 34, a rise of about $\frac{1}{2}$ peseta on the week. Switzerland has also depreciated, rising from 25.15 to 25.60. The Lisbon rate has continued to depreciate, and now stands at 2 $\frac{1}{4}$ d, in spite of a further increase in the bank rate to 9 per cent. In Northern Europe Copenhagen, Christiania, and Stockholm have all moved in our favour to 25.15, 28.17, and 17.12 respectively, as compared with 24.87, 27.92, and 17.02 a week ago, while Helsingfors has also depreciated from 164 $\frac{1}{2}$ to 170 $\frac{1}{2}$. In Central Europe Vienna, after the temporary appreciation at the end of last week, is back again at its well-established figure of 322,500. Warsaw has moved up slightly to 1,325,000, Prague is unchanged, and Bucharest has improved again to its old figure of 980. In the East, the rupee is quoted at 1s 4 5-32d, about the same as last week. The yen is settling down again at 2s 1 $\frac{1}{4}$ d, as compared with 2s 1 $\frac{1}{4}$ d a week ago. The silver market is firm, and prices are rather higher than last week, mainly on Indian buying, China having been in the market on both sides. Hong

Kong, at 2s 3 $\frac{1}{4}$ d, is unchanged, Shanghai, at 3s 1 $\frac{1}{4}$ d, being also the same as a week ago. In South America, Rio after being slightly higher, is unchanged on the week at 5 $\frac{1}{4}$ d, while Buenos Ayres has maintained its recent improvement at 39 $\frac{1}{4}$ d. Montevideo has appreciated from 39 $\frac{1}{4}$ d to 39 $\frac{1}{2}$ d, while Valparaiso has also moved from 36.50 pesos to 35.80 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended September 8th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	6,550	From Revenue	10,771
Interest, &c., on Debt	3,017		
Sinking Fund	500		
Reduction of Debt	558		
Added to Exchequer Balances ..	146		
	10,771		10,771

The total revenue during the week amounted to £10,770,900, as compared with £13,817,900 during the corresponding period of the previous year. The chief reason for the decline was Special Receipts, which amounted to only £216,900, as against £1,346,900 last year. Property and Income-tax produced £3,976,000, and Super-tax £410,000, against a combined total of £5,745,000 a year ago. Estate, &c., duties at £740,000, produced about £600,000 less than the figures given a year ago. The week's operations reduced the National Debt by £557,500, and caused the following changes:—

	Min. £		Min. £
National War Bonds paid off ..	4,900	National Savings Certificates ..	400
Bank of England Advances ..	7,000	Treasury Bills	7,549
Unemployment Insurance ..	333	Public Departments Advances ..	3,710
		Sundries	416
	12,233		11,675

The floating debt was increased by £4,255,000 to £810,521,500.

FINANCIAL YEAR, 1923-24 (April 1 to September 8, 1923).

	£		£
Total Expenditure ..	334,972,676	Raised by Revenue ..	328,691,204
		Decrease in Balances ..	3,064,346
		Net Borrowings	3,217,126
Total	334,972,676	Total	334,972,676

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

EUROPE'S TROUBLES AND THE LEAGUE'S POSITION.

AFTER rapid and baffling vicissitudes, the situation in Southern Europe has at the end of this week taken a more hopeful turn. The week opened with the good news that Italy and Greece had both accepted terms laid down by the Conference of Ambassadors. The relief afforded by the news of this rapid solution of a dangerous situation was profound; for it not only removed the immediate fear of a physical conflict whose ramifications could not be foreseen, but also allayed the anxiety as regards the consequences that might follow the withdrawal of Italy from the League of Nations, which, when we wrote last week, appeared quite probable. But the week was not destined to proceed without a fresh crop of European alarms and excursions. It quickly became apparent that the Ambassadors' settlement left in doubt the intentions of Italy regarding the date of the evacuation of Corfu, and it appeared for a time that over this important question tension might once more become acute. Fortunately this danger has also been averted after prolonged deliberations of the Ambassadors in Paris, and as we go to press we hear of Italy's agreement to evacuate on September 27th. In connection with this decision, it has been agreed that if by that date the Janina murderers have not been arrested, or if any negligence is shown by the Greek Government, Greece will pay the full 50 million lire to Italy. Otherwise Greece will simply indemnify the families of the victims.

But while this cloud was dispersing, another, which for a long time has been "as big as a man's hand" on the horizon, gathered overhead. In this new crisis Signor Mussolini is again the principal actor, having

chosen this unpropitious moment to bring to a head the disputed questions relating to the administration and boundaries of Fiume. Finally, as if to prove that instability spreads over other parts of the continent, Spain has fallen into the throes of a revolution.

Although we may heave a sigh of relief at the removal of the Italo-Greek danger, we cannot afford to shut our eyes to the grave questions which the episode has raised, and which must be faced and settled before Europe can look forward to immunity from constantly recurring threats to peace. In the main these questions revolve round the position of the League of Nations. The League, it is true, has emerged from the crisis less battered in prestige than was at one time feared. It has been saved from the withdrawal of a Great Power, some of the consequences of which we outlined last week. It can at least claim some share in the credit for achieving a quick settlement. If the Ambassadors' Conference was the *deus ex machina*, the League functioned as an essential part of the *machina*. The League has proved its effectiveness in assisting the maintenance of peace, even if it has not, as Lord Hugh Cecil suggests in his letter to the *Times*, proved effective in securing justice. But if the League is to continue to serve a really useful purpose, present misconceptions of its position will have to be removed. Signor Mussolini, and some lesser persons, appear to regard the League as a separate piece of international machinery whose authority or decisions may be flouted if inconvenient. Such an attitude is not merely perilous to the peace of Europe, but is also based on a complete misunderstanding of what the League is. It is not a separate disconnected piece of machinery. It is, on the other hand, the executive body of the principal post-war Treaties. It is the pivot on which the Treaty of Versailles turns, and the trustee of all the principal settlements made since 1918. It is the guardian of minorities and trustee of mandates. It is the arbitrator of hosts of international questions handed over to it by the various treaties. As trustee, as guardian, as arbitrator it has been set up by the signatory Powers, and is, as we have said, their executive body. For any member of the League to deny its authority and competence in cases where that authority and competence is clearly laid down is not to flout an outside body, but to repudiate its own Treaty signature and to flout the executive of itself and other nations. Upon the realisation of these facts the future of the League depends. The British Government were incontestably right in insisting upon the authority of the League in the Italo-Greek crisis. It is the more urgently necessary that the facts of the League's position should be understood, because the time is at hand to reach a clear decision on vital questions of international law. The Balkan crisis has been tided over, but a decision has not been given, and must be given, in the conflicting views of Italy and the other nations of Europe as to the competence of the League.

It appeared likely a few days ago, though the danger now seems more remote, that the League might at any moment be faced with a complaint by Jugo-Slavia against a *coup d'état* by Italy. Fiume was constituted a free port by the Treaties of Rapallo (November, 1920) and Santa Margherita (February, 1923). It was to be governed by a Constituent assembly, which, however, has never achieved effective existence. The treaties also left undecided questions of boundaries and administration. The port has been administered by a mixed Italian and Jugo-Slav commission, which has been unable to agree in the administration of Porto Barras and the Delta, both nations claiming right to these quay areas. Signor Mussolini has proposed a solution which Jugo-Slavia has rejected, namely, that these areas should eventually pass under Jugo-Slav rule, but first should for 99 years be indissolubly bound to the free Port of Fiume, which was recognised by the Treaty of Rapallo to be Italian in character. Further, the Italian Prime Minister has announced that if agreement was not reached on this question by September 15th (to-day), he would take the task of settlement into his own hands.

These questions are serious enough, but a bigger problem for the League looms ahead. The British Government has unequivocally pronounced the Ruhr occu-

pation to be illegal, and it cannot be long before this question is officially referred to the League. If the international machinery for the maintenance of peace is to be preserved, these vital questions of international law will have to be authoritatively decided by the League, or, on reference to it by the League, by the International Court of Justice. If the League is to live, its competence and authority must be clearly asserted. An impossible position is reached if first one member Power and then another is allowed to challenge it, whenever it finds it suitable to do so. If to-day it is Italy that challenges it, to-morrow it will be some other country. It has to be recognised that the present Government in Italy has no particular regard for the accepted ideas of constitutionalism. So far as internal affairs are concerned, we have nothing to say on this matter. But the Italian people must not be surprised if the revelation of this fact makes other nations the more determined that accepted standards should not be superseded in international relations. We welcome the signs that Signor Mussolini recognises the force of this very natural instinct.

LONDON AND ITS TRAFFIC.

It is stated that the Government intends to pass before Christmas the Bill which is to deal with London's traffic. This projected measure is designed to give powers for the control of traffic and roads over an area of 25 miles, taking Charing Cross as a central point. In general, it is stated, the Bill will follow the lines of the evidence given by Sir Henry Maybury before the Ullswater Commission. It may be recalled that the majority report of this Commission recommended that an advisory body should be set up under the name of the London and Home Counties Advisory Committee, "to advise and assist the appropriate Minister responsible to Parliament in the administration of such matters relating to transport, town planning, housing, and main drainage." This so-called advisory committee would have considerable powers, and would deal with—

- (1) The preliminary examination of all Bills affecting the means of locomotion and transport in the London area.
- (2) The making of necessary surveys and the preparation of schemes for the improvement of London traffic facilities, and the submission of such projects to the competent executive authorities.
- (3) The study of all town planning and housing schemes which must be submitted by the Ministry of Health, local authorities, and others for consideration on traffic grounds.
- (4) The preparation of an authoritative general development plan to which all new London transit schemes should conform.
- (5) The co-ordination in the public interest of all passenger transport agencies.
- (6) The selection and prescription of routes to be followed by all or any forms and classes of traffic.
- (7) The fixing of building or frontage lines on roads.
- (8) The application of remedies in respect of all factors impeding street locomotion.
- (9) Scientific research work in relation to the problems of transport and traffic.
- (10) The right to initiate or oppose traffic legislation, regulations and bye-laws, and to deal with the revision, simplification, codification, and extension of traffic legislation, regulations and bye-laws now in force so far as the London areas is concerned; the confirmation of all new traffic bye-laws and the fixing of speed limits within the area.
- (11) In cases where agreement cannot be arrived at by the various authorities interested in regard to the apportionment of the cost of improvement schemes or projects traversing or affecting several areas, the Traffic Authority shall act as Arbitrator.
- (12) The approval of all designs for any road vehicles used for the transport of passengers, and any alteration thereto.

Finally, the Bill will suggest that Local Authorities should have power to apply to the Ministry of Transport for the imposition of a building line with the idea of prohibiting building within a fixed distance of the road—a very essential provision as London ratepayers have learned to their cost. The London County and Middlesex County Councils possess these powers already, but it is now felt that similar powers should also be in the hands of other authorities in and around London. It may be as well here to quote some comments from the minority report drawn up by Mr Robert Donald and Mr Stephen Walsh with reference to the above proposals. These gentlemen state that, "It appears to us that the powers proposed to

be conferred upon this committee would interfere with the legitimate functions of local authorities. Sir Henry Maybury seems to have regarded the suggestion as a temporary expedient, as he concluded by stating: 'Obviously if some comprehensive authority were set up in future for larger London, the powers of the suggested London Traffic Committee might have to be merged in the greater powers of the greater Authority.'"

The problem of placing London's traffic and the roads in the guiding hands of a small, compact body is one which for years past has been engaging many able minds, and though it is too early as yet to congratulate ourselves that some concrete results have been achieved, we cannot but help feeling that as the solving of the problem has now become a vital necessity, conflicting interests will endeavour to round off all contentious clauses and to ensure a safe if not speedy passage of the necessary measure through Parliament. To obtain cohesion of views from so many interested public authorities, and to weld them into a workable proposition, agreeable to all parties concerned, must have been no easy task. On one hand it was felt that the London County Council, having its own tramway system, was not a proper authority impartially to control other forms of passenger transport. Another objection to municipalising transport powers in London was that the regulation of traffic is largely a matter for the police. And the fact that the police of London, except in the City, are directly under the Government, helped further to complicate an already intricate question. But it is only fair to add that the police evidence before the Kennedy Jones Transport Committee in 1919 showed a temperate desire on their part to act only within their province. But in practice they appear to exercise authority which is dependable on the goodwill of the public and of the local authorities. For this much is certain: the actual legal powers possessed by the police for controlling traffic are slender indeed. In their evidence, it is not without significance that the police made the singular admission that they had not seen New York traffic, although it is doubtful if the custom stated to be prevailing over there of clubbing drivers who do not obey traffic instructions would be an acceptable innovation in this country.

In considering the traffic problem of the metropolis, several points stand out clearly. The first is that the horse must now take a minor place in our transport system. Whether the patient friend of man shall be diverted to secondary roads entirely, or whether certain thoroughfares shall be closed against him during certain hours of the day, are questions which must be faced and decided; at best he will have to be contented with a place in slow-moving kerbside traffic. Secondly, heavy through traffic must be diverted from our main congested thoroughfares, even if this entails the reconstruction of secondary roads. Thirdly, there must be co-ordination between the various authorities which have powers to break the surface of our roads. The absurd spectacle of one authority undertaking a fresh repair to a road one week, and then in the following week another authority coming to pull up a part of it again, must cease. Comparatively minor points for consideration are: one-way traffic streets, and larger commercial and passenger vehicles. It is, we understand, quite a feasible proposition to build larger street vehicles with a bigger carrying capacity, but at present the development in this direction is arrested on account of police regulations. Some attention might be paid to the question of imposing penalties upon the owners of vehicles which by their action cause undue damage to roads. This might cause builders and owners of such vehicles to have a little more respect for public property, and seek fresh methods for saving the surface of the roads. It is very essential to put a stop to an idea only too common that it is to no individual's interest to prevent road damage.

One of the most important parts of the controlling body's duties will be that in connection with licensing of vehicles for road passenger traffic. It is to be assumed that all fares will be brought under control following the custom in other countries. Incidentally it is certain that the public will not take kindly to any bargain the basis of which rests upon the grant of a carrying monopoly on public roads to any one or two particular undertakings. The so-called "pirate bus" may be doomed as an

economic failure. But if this be so, let it die a natural death; any attempt to push it from our streets by back-door legislation will inevitably produce a reaction which will be deeply regretted sooner or later by traffic reform enthusiasts.

Finally, the Ullswater report reminds us that "It is as true now as it was when the Kennedy Jones Committee reported in 1920 that 'London requires new tube railways, in all cases linking up with main line railways; new tramway extensions, which will make for greater carrying capacity; a more scientific development of omnibus traffic; and, above all, a just and true perception of the proper functions of each form of transit in order that wasteful competition may be avoided, and each used to its highest efficiency.'"

THE ORIGINS OF THE WAR.

THIS generation cannot hope to learn the ultimate judgment of history as to responsibility for the Great War. Still less is it possible for any of the principal actors in the drama to detach themselves sufficiently to take a completely dispassionate view. At the same time, the various memoirs which are now being published are essential material for understanding the play of political forces and the influence of the leading personalities in the critical years before the war. None of these memoirs is more important for this purpose than the new book of Mr Asquith, for it reveals the outlook of the man who took the responsibility for bringing us into the great conflict, and is therefore the best qualified to speak for or to explain the attitude of this country.

In form, "The Genesis of the War" * is mainly a reply to the recently published memoirs of the Kaiser in so far as these relate to the years before the war, and Mr Asquith is at pains to refute many wild and unsubstantiated claims which the ex-Emperor puts forward. He has, for example, in correspondence with the British, French, and American Foreign Offices, taken the trouble to demolish the fairy tale that a "Gentlemen's Agreement" was made between England, France, and America in 1897, by which America undertook to join England and France if Germany or Austria should begin a war for the sake of Pan-Germanism. In this story the Kaiser finds the origins of the "encirclement" of Germany by the Allies; but the folly of this view is apparent from the fact that for some time thereafter British policy leaned in the direction of Germany rather than in that of France, and might even have culminated in a definite Alliance if Prince von Bulow had had the courage of his convictions, had carried out his part of the bargain, and responded in public to the friendly speech which Mr Joseph Chamberlain made by agreement with him at the end of 1899. Indeed, Mr Asquith has spent perhaps an unnecessary proportion of his space in refuting this and other suggestions of the Kaiser to which posterity will not attach the least importance.

His real thesis, however, as indeed must necessarily be the case with those who were responsible for British policy before the war, is to rebut the three main charges brought against the Government, namely:—(1) That their diplomacy aimed at the encirclement of Germany, and thereby made inevitable an attempt by the Central Powers to break the ring; (2) that, knowing war was probable, they made quite inadequate preparations for it, and (3) that at the very final stage war might have been prevented if Sir Edward Grey had in the early days of July categorically affirmed that Great Britain's obligations would compel her to take her stand with the Entente Powers, and that her sword would be thrown into the scale.

The first charge is perhaps the easiest to refute. The narrative which Mr Asquith gives of the diplomacy of the decade before the war, and in particular of the friendly overtures to Germany made by Sir Edward Grey at the time of the Balkan Wars; the series of offers held out to Germany by Mr Churchill to slacken or stop the competition in naval armaments; the negotiations and agree-

ments reached on detailed points, such as the Bagdad Railway, which stood between and blocked the way to a general understanding between England and Germany; the interesting independent testimony of newcomers to the European stage like Mr House and Dr Walter Page as to the militarist spirit which filled the Germany of 1914, but was notably absent in Great Britain; and last, but not least, the political outlook of the British Liberal leaders themselves as revealed in Sir Edward Grey's despatches and speeches, as well as in those of the author of this book, dispose convincingly of the myth that the isolation and ultimate crushing of Germany were engineered from London. That the existence of the Franco-Russian Entente as a counterweight to the Central bloc helped to consolidate German militarism is a very different thesis, which is rather outside the scope of Mr Asquith's *apologia*.

As to the charge of unpreparedness, Mr Asquith, in his brief narrative of the actions of the pre-war Government, sketches a fair and convincing picture of the remarkably efficient plans which were made during those years, in spite of the strong pressure for economy, both in and out of the Cabinet, to which the Government had to give heed. There is room for a very much more detailed study of this aspect of modern history. But we are convinced that it would show, as Mr Asquith's sketch, indeed, shows, that, in spite of pre-occupation with social legislation, and with grave internal political issues, the Government never lost sight of the possibility of war. It reorganised the administration of the fighting services, encouraged them to apply the lessons of recent conflicts, and through the instigation of the Committee of Imperial Defence, enabled the Departments by the exercise of imagination and by hard thinking to raise their limited resources to a degree of efficiency which compares very favourably with any other country or any other period of our history. The early failure of our shell supply and the slowness of the War Office to recognise the ultimate requirements of millions of men, is a story of the war, and is not a criticism of pre-war administration. At the outbreak of war there was none of the belligerents who, in proportion to the size of its army, was better supplied with ammunition than ourselves, moreover, all of the warring Powers had, like ourselves, assumed that the war would be fought to a finish from the stocks of ammunition with which they started, and had therefore omitted to make provision for the enormous outputs which experience proved to be necessary. Even Germany had not envisaged the industrial conflict which lay behind the military battle, and we have yet to read in this country the story of her difficulties in the field during the critical months of 1915 through inadequate preparation to manufacture munitions.

Finally, the contention that a word from Sir Edward Grey as to British intentions would have prevented the war, will, perhaps, not be dispelled by this volume. Mr Asquith is, however, able to urge with effect that Great Britain was not in a position to make such a statement on an issue which, until the last moment, did not touch our own vital interests; that all hope of acting as a mediator would have had to be abandoned if she had done so, and finally, that Chancellor von Bethmann Hollweg has himself ridiculed the idea that Germany made a miscalculation in counting in all events on England's neutrality.

Mr Asquith's book is not great literature. It is too heavily documented, and at the same time too short and concise in relation to the vast field which it covers to be always satisfying to a critical judgment. But its qualities of brevity and movement will, on the other hand, appeal to thousands of readers where a more laborious treatise would have attracted its hundreds only. Mr Asquith's clear and trenchant style, which scorns not merely all irrelevant but also all minor arguments, will make his book acceptable to many who find diplomatic mysteries a complex and difficult study. In choosing as the occasion of his book the memoirs of the Kaiser, Mr Asquith might, perhaps, have treated the exile of Doorn after the manner of Carlyle. But he is content to expose in the fewest possible words the weaknesses of the Kaiser's political mentality. His analysis, like all his character sketches, shows understanding, and in the final climax even sympathy, for, after quoting the Kaiser's account of his hesitations and ultimate decision to flee into Holland instead of either hurling himself to destruction at the front, return-

* "The Genesis of the War." By H. H. Asquith. Cassell and Co., London, 1923.

ing at the head of his army to restore his power by force, or committing suicide, he dismisses him with the charitable and characteristic phrase, "I confess myself unable either to quarrel with his reasons or to question his conclusion." Mr Asquith's book is a model of discretion in the use which he makes of the private documents and information at his disposal. Its most remarkable feature, at all events to contemporary readers, is its complete absence of bitterness to his opponents, whether those of these latter years or those of his pre-war battles, such as the Ulster crisis. All such episodes and their actors he describes with an almost cold objectivity, and a complete absence of personal comment. And, finally, remembering that in many ways he is the leading actor in the moving story he unfolds, Mr Asquith shows the most marvellous restraint in keeping a personal note almost entirely out of his pages. Even when he comes to the fateful fourth of August, 1914, he reproduces at second hand Mr Page's account of Sir Edward Grey's emotion on announcing the failure of Britain's efforts for peace; and though the memory of that time must still be very vivid to Mr Asquith, he never lifts the veil and allows the reader even to suspect the existence of his own.

THE WORLD'S COTTON POSITION AND PROSPECTS.

THE world's cotton position to-day with regard to supply is admittedly uncomfortable, to say the least of it. What is perhaps not generally understood, however, is that that position is not an accident, nor even a temporary condition which will shortly give place again to something like normal pre-war conditions. It is, on the contrary, the result of a steady development which has been going on for at least 20 years, and which is likely to become permanent.

The position may be very briefly outlined as follows:—

(1) As will be seen from the following table of the world's cotton crops for the last 20 years, the American crop has for many years dominated the world's supply. In pre-war days it averaged over 60 per cent. of the total, and even now it is over 50 per cent.

TABLE A.—THE WORLD'S COTTON CROPS, 1903-1922.

Bales of 500 lbs (approx.). 000's omitted. Linters included in American crop.

	America.	India.	Egypt.	Russia.	China.	Others.	Total.	% on 1914.
1903-04	10,016	3,161	1,302	477	1,200	751	16,907	59
1904-05	13,697	3,791	1,263	536	756	803	20,846	74
1905-06	10,726	3,416	1,192	604	788	936	17,662	62
1906-07	13,305	4,934	1,390	759	806	1,027	22,221	78
1907-08	11,326	3,122	1,447	664	875	960	18,384	65
1908-09	13,432	3,692	1,150	698	1,353	969	21,874	77
1909-10	10,386	4,718	1,000	685	2,531	950	20,270	71
1910-11	11,966	3,889	1,515	895	3,467	967	22,699	79
1911-12	16,109	3,262	1,485	875	3,437	1,058	26,226	92
1912-13	14,091	4,421	1,507	873	3,218	1,172	25,282	89
1913-14	14,614	5,065	1,537	967	3,329	1,255	26,767	94
1914-15	16,738	5,209	1,298	1,145	3,106	1,166	28,473	100
1915-16	12,013	3,738	961	1,389	3,100	1,006	22,207	77
1916-17	12,664	4,502	1,022	1,079	2,270	1,046	22,583	79
1917-18	12,345	4,000	1,262	611	2,288	1,122	21,628	76
1918-19	12,817	3,978	964	326	2,276	1,320	21,681	77
1919-20	11,921	5,796	1,114	329	1,990	1,550	22,700	80
1920-21	15,700	5,601	1,206	151	1,434	1,473	21,565	76
1921-22	15,777	4,479	929	85	1,283	1,764	16,917	60
1922-23	10,338	5,196	1,300	100	1,250	1,676	19,851	69

* 400 lb bales. † The high figures from 1909 to 1915 are of very doubtful authority. ‡ Estimates.

(2) The position of the American crop had even before the war become very unsatisfactory. The cost of production was increasing owing to the rise of labour and all other costs, and the average yield in fully half the belt had been seriously reduced by the steady advance of the boll weevil, which entered the country from Mexico in 1892, and was steadily eating its way northwards and eastwards. (3) The result was that a considerable proportion of the growers were finding themselves uncomfortably near the margin of profitable cultivation, so that when a favourable season produced a big crop the price fell to such a level that it failed to cover their cost of production. The effect was a reduced area in the following year, which, other things being equal, meant a smaller acreage, a shortage of supply, and a rise in price again. This had resulted in a sort of vicious circle, prices fluctuating from one extreme to another in a way that was harmful to everyone concerned. (4) This state of

affairs was intensified by the war, which raised the cost of production, especially wages, still further. As will be seen from the above table, practically all the world's crops were reduced during the war; but, on the whole, the supply was still sufficient to meet the reduced consumption of the war period, and it was not till the post-war boom of 1919-20 that the full effect was felt. In 1919, however, the small crop proved hopelessly insufficient to meet the revived demand, and prices went sky-high. In 1920 the acreage was substantially increased, and the weather conditions were, on the whole, the most favourable since 1914, with the result that a comparatively big crop coincided with the greatest slump in demand that has ever been seen, and prices fell again actually below pre-war levels. Once more the vicious circle came into play; the acreage in 1921 was severely reduced, and that year the crop was a disastrous failure, being the smallest recorded since 1895. At first it was thought that this was only an unfortunate accident. 1922 showed a partial recovery of the acreage, but again, thanks to bad weather and the boll weevil, the crop was under 10 million bales, with the result that prices soared again to levels only exceeded in the post-war boom. This, again, had its effect on the acreage of the current season, which is the largest on record, and most people seemed to take for granted that we would have a good crop again. For a time the weather was, on the whole, favourable, but the last two condition reports have again shown a very serious falling off in the crop prospects, and once more we are faced with a crop which is not likely to exceed 11 million bales (excluding linters), and may be as low as 10 millions.

There are still some who believe that these three bad years in succession are only a coincidence, but better instructed opinion points to the fact that the average yield per acre is, on the whole, coming steadily down (see Table B), and corresponds with the further advance of the boll weevil, which has now covered practically the whole belt. So far no really effective and cheap method of tackling the boll weevil has been discovered, and we must, therefore, assume that the pest has come to stay, and that in future we have no right to expect an average yield of more than 150 lbs an acre for the whole belt, whereas in pre-war days a good year would go over 200 lbs. The following table gives the details of the American crop in recent years:—

TABLE B.—AMERICAN ACREAGE, CROP, YIELD PER ACRE, AND PRICE, 1909-1923.

Season.	Acreage Harvested 000 Acres.	Crop (Running Bales).			Average Yield lbs per Acre (excluding Linters.	Average Price of Middling Pence per lb.
		Cotton.	Linters. (000's omitted.)	Total.		
1909-10	32,044	10,073	313	10,386	149	7.86
1910-11	32,403	11,568	398	11,966	171	7.84
1911-12	35,045	15,553	556	16,109	208	6.09
1912-13	34,283	13,489	602	14,091	191	6.76
1913-14	37,089	13,963	631	14,614	182	7.26
1914-15	36,832	15,906	832	16,738	209	5.22
1915-16	31,412	11,068	945	12,013	170	7.51
1916-17	34,985	11,364	1,300	12,664	157	12.33
1917-18	33,841	11,248	1,096	12,345	160	21.68
1918-19	36,008	11,906	910	12,817	160	19.73
1919-20	33,566	11,326	595	11,921	161.5	25.31
1920-21	35,878	13,271	429	13,700	178.4	11.89
1921-22	30,509	7,978	382	8,360	124.5	11.37
1922-23	33,036	9,729	609	10,338	141.3	15.02
1923-24	38,287	10,788	1,650	11,438	134.8	..

* Fourth Bureau Report. † Estimated. ‡ Planted.

* Fourth Bureau Report. † Estimated. ‡ Planted.

As will be seen from Table A, there is, unfortunately, no prospect of compensation in any other direction for this serious loss on the American crop. The Egyptian crop has also shown a marked falling off in yield, both total and average, since before the war, and the only crop that has recovered to pre-war proportions is the Indian, which is of least use to the bulk of the world's spinners. The Russian and Chinese crops, which are the only other major crops, have also suffered severely since 1914. Nor can we look to any of the new cotton fields, of which there are many in the world, and especially to those of the British Empire, for any immediate relief from the scarcity. There is very little doubt that the British Empire can some day produce most of the cotton it requires; but that day is, unfortunately, very far away. The total quantity produced in all the British Empire (excluding India and Egypt) does not yet amount to much more than 100,000 bales, and it will be some years yet before we can hope to raise that figure to a million. And since 1914 the world has lost about eight million bales!

It will be seen that, as far as supply is concerned, the prospects are very poor. How, then, has the world

managed to adjust itself to the reduced supply in recent years, and what is the position likely to be in the immediate future? The answer to the first part of the question is that, owing to the restriction of consumption during the war, the reduced supplies had fairly well met the demand. The comparatively good crop of 1920, coinciding with the strangulation of demand throughout the world, resulted in the accumulation of the largest carry-over that has ever been seen, including nearly 10 million bales of American cotton alone. This was reduced by almost half in 1921-22; at the end of the following season (July 31, 1923) it had been reduced to about three million bales, which is rather below pre-war normal figures. In the meantime, however, the world's consumption had recovered to something surprisingly near pre-war figures. The final figures for 1922-23 are not yet known, but will probably turn out to have been about 13 million bales, which is over 90 per cent. of the amount consumed in the last pre-war year, for which we have full statistics, 1912-13. What has happened is that, while England and the Continent as a whole are still far behind their pre-war figures of consumption, America, India, and Japan have been going ahead at a rate which almost made up for the whole of the reduced consumption in Europe.

The position to-day is, therefore, as follows:—(a) The world's crops are barely 70 per cent. of the pre-war maximum; (b) the world's consumption last year was about 90 per cent. of pre-war, and would probably not be less during the coming season if the supply were available at anything less than double pre-war prices; (c) there is now no abnormal carry-over to enable us to tide over another bad year.

If, therefore, the American crop this year turns out as badly as it looks like at present, the position will be disastrously clear. The supply will be quite insufficient to meet the potential consumption. There is, of course, only one cure for that state of affairs—the consumption must be restricted. The only question is how far and by what means? Until the fate of the American crop is definitely known the first part of that question cannot be answered; but the result may be stated in the form of an equation with two unknown quantities. The price will have to rise high enough to reduce the consumption to the supply available. If, for example, the American crop is 11½ million bales, including linters, with a carry-over of about 3 millions, the world might carry on for another season at a consumption rate of 13 million bales by reducing the carry-over to the absolute minimum, because the carry-over is so widely distributed that a total of only 1½ million bales would be nearly invisible, and there would certainly be a scramble for what remained before the end of the season. If the crop is only 10½ million bales, then a 13-million consumption would be virtually impossible. This, of course, is looking only to the American position. It is possible that many of the world's spinners could use more Indian instead of American, and will be compelled to do so by the high price of the latter. During the past year the spinners of American have obtained considerable relief from the use of other outside growths—Peruvian, Brazilian, &c., and even Egyptian—but the whole amount of all these smaller crops is not sufficient to afford permanent relief. We cannot escape in that way from our dependence on the American crop.

The real question, however, is what is going to happen to the American crop in future years? High prices will maintain the acreage, but it will take a very high price to increase it substantially. The fact is that, with anything like the yield per acre of the last three years, it would take 50 million acres in America to produce the supply that the world would like, and that is as nearly as can be impossible. It seems clear, therefore, that the description of the position in the opening sentence as uncomfortable is certainly not exaggerated. It is, of course, possible that a real cure for boll weevil may be discovered which would alter the whole situation. Short of that, a great many things could be done in America to improve the final output of the crop; and there is no doubt that a permanent high price for cotton is the strongest possible advocate for a quick increase of the supplies from other parts of the world. Again, it is true that these last three years the American crop has had very bad luck in the weather, and any season might

bring a return to the ideal conditions of, say, 1911 or 1914. It must be remembered, however, that not even ideal weather conditions would now produce crops like these years, because it is an unfortunate fact that the hot dry weather in the Western Belt, which is the only thing that keeps the boll weevil down, is bad for the plant, while the temperate summers, with just sufficient rainfall, which are ideal for the crop, are also ideal for the boll weevil. Finally, in the old days the ultimate outcome of the crop depended very largely on the postponement of the first killing frost to a late period of the season, which allowed the making of a good "top crop" from late maturing bolls. Nowadays the boll weevil gets the whole of the top crop, so that the date of frost matters very little.

It seems, therefore, that it would need something very little short of a miracle to put us back to the days of big pre-war crops. If, therefore, we cannot hope for pre-war supplies, we cannot expect to indulge in pre-war consumption; and there seems no escape from the conclusion that for a good many years to come the world will have to do with less cotton. Until that miracle comes, we shall never get back to the "good old days" when cotton was 6d a lb, or less. If, in the meantime, the world gets tired of waiting for the miracle, it may have time to explore the possibilities of artificial substitutes for textile raw materials, such as artificial silk.

THE POSITION OF THE POTATO TRADE.

(BY A CORRESPONDENT.)

A VERY fractious, anxious, and discontented potato market is not a pleasant matter for the Ministry of Agriculture to contemplate, and it is to be feared that the present Minister in his handling of the present crisis has brought a hornet's nest about his ears. The onlooker will not be without a certain measure of sympathy for the unsuccessful attending, in this particular instance, a middle course. The late Viscount Chaplin, that stalwart Protectionist, would have had no difficulty. Pointing to the crops of 1917, 1918, and 1922, he would have said that the British Isles could easily grow all the potatoes they wanted, and that therefore he was against allowing imports. It would have raised a clear issue, and he would have had many supporters. Another Minister of Agriculture, Mr Walter Runciman, would have had no difficulty either. A staunch Free-trader, incidentally not uninterested in shipping, he could have told a deputation ten years ago that the imports were clearly too small to control prices, and that a home crop difference of 39,580,000 cwts between yields of 1912 and 1913 was to the import returns as the tides in the Bay of Fundy to those in the Mediterranean. And he, too, would have had his followers, numerous and convinced. Sir Robert Sanders, in alleging that Holland and Germany are no longer dangerous, is unfortunate, for the pre-war figures reveal them as very consistent export Powers in the potato market. France, too, which the Minister seems to regard as merely a shipper of fancy or luxury potatoes, has shipped 6,040,000 cwts in a single year. That is something more than a luxury competition. What the readers of the *Economist* will desire to learn is:—(1) How is the quite startling price change from 1921 to 1922 to be accounted for; (2) why did 8,807,000 tons overweight the market in 1922 when 8,084,000 tons in 1913 were well assimilated. Allowing for increase of population, the rate of supply *per capita* is about the same.

The following figures, not put together in any official report, though derived from different official sources, need considering in a dry light:—

BRITISH SUPPLIES OF POTATOES—UNITED KINGDOM.

	Home Crop.	Imports.	Total Supply.	Market Price.
	Tons.	Tons.	Tons.	
1912	5,726,000	296,000	6,022,000	80/-
1913	7,605,000	479,000	8,084,000	70/-
1914	7,476,000	169,000	7,645,000	
1915	7,540,000	111,000	7,651,000	
1916	5,469,000	91,000	5,560,000	
1917	8,604,000	81,000	8,685,000	
1918	9,223,000	71,000	9,294,000	
1919	6,312,000	52,000	6,364,000	
1920	6,374,000	264,000	6,638,000	
1921	6,554,000	155,000	6,709,000	320/-
1922	8,634,000	173,000	8,807,000	220/-
				180/-
				149/-
				70/-

* Highest week.

† End of year.

The German production of potatoes is enormous—15 cwt per *capita* in a good year; but the surplus left for export is seldom really large. France has rather declined as an exporter of potatoes, but Holland is clearly under-rated by the Minister.

PRE-WAR EXPORTS.

	Germany. Tons.	Holland. Tons.	France. Tons.	Special. Tons.	
1909.....	124,000 ..	275,000 ..	302,000 ..	Russia.....	111,000
1910.....	305,000 ..	205,000 ..	218,000 ..	U.S.A.....	45,000
1911.....	290,000 ..	457,000 ..	185,000 ..	Russia.....	302,000
1912.....	125,000 ..	470,000 ..	228,000 ..	New Zealand..	21,000
1913.....	332,000 ..	416,000 ..	181,000 ..	Canada	55,000

The writer can only account for the 1920 and 1921 prices on the following hypothesis. Potatoes at their dearest are still a cheap luxury, and, therefore, while a big rise in more expensive articles goes far to kill consumption, the public do not buy green potatoes because they rise in price. Potatoes at their highest on record, 320s, still cost only 1½d per lb, and at 220s they cost less than 1½d. If we concede this, Bagehot's law, as it is called, will apply. If the nation now eats eight million tons, but not more, the rise in the prices paid would represent not the difference between 6,700,000 tons and eight millions, but the determination and the resources of the competing buyers. But the gigantic decline, on a 10 per cent. superfluity, is a matter less easy to explain. Here we must assume that the resolve of each individual farmer not to be the man left with unsold tubers depressed prices not by 10 per cent. merely, but by the degree of his determination not to be undersold and saddled with unwanted stock. It must be remembered that with potatoes the fear of them going bad, the whiff of a musty or evil smell from the clump, may set up a *sauve qui peut* feeling, and deliver the grower almost bound into the hands of the buyer. The small imports coming inopportunely, and as consignments not asked for, but to be sold at all hazards, undoubtedly exerted an altogether disproportionate influence in London and at Bristol. There is a homely comparison which may be forgiven, as the figures are fairly exact in ratio. A railway carriage to seat five on each side can squeeze in 15, namely, the seated two groups of five each, and one in front of each of the two groups. But the attempt of a sixteenth to enter may easily lead to a *fracas*. An importation of only one-sixteenth more than the market could tolerate may legitimately be credited with a remarkable degree of disturbance. The fall in potato prices for 1922 undoubtedly helped the nation over a bad period of unemployment. Eight million tons of potatoes cost to grow about 40 million pounds. At £6 per ton, or £48,000,000, producers can thrive. The sale of the 1922 crop for about 30 millions sterling left the growers fully ten millions out of pocket, but it put £18,000,000 into the pocket of the consumer. The present price of potatoes averages £7 per ton, but will, it may be, fall to £6 after the main crop is lifted and safe. A further fall would discourage cultivation, and an easy-going autocrat might stop imports when, but not until, the price fell below £6 per ton. This, however, would bring us to the sliding scale and to stores going into bond at the ports. We have no easy-going autocrat, and we need not discuss the question now.

BRITISH FIRE OFFICES AND THE JAPANESE DISASTER.

THE British fire insurance offices in publicly defining their attitude towards the earthquake and fire losses in Japan, have taken a plain, straightforward course. They have not permitted illusions to be cherished by unprotected sufferers that losses not covered by insurance would nevertheless be paid. The position of the fire offices in this disaster could not be clearer. Since the earthquake fire of San Francisco they have inserted clauses in their policies all over the world exempting the offices in the most precise and definite terms from liability for losses caused by earthquake or its consequences. In countries subject to earthquake hazards, such as Japan, they have

made arrangements for covering earthquake risks as a distinct insurance on payment of a special rate commensurate with the risk. In Japan there is a department of the Government, as in the States of America, which regulates the conduct of insurance by native and foreign companies. The forms of policies adopted by the companies in Japan, both those excluding the earthquake risk and those specially including it, were submitted to and approved by this department. The great mass of the fire insurances in force at the time of the disaster had been issued under the conditions which excluded the earthquake liability. This exclusion was well known to all those interested in Japanese property, and some few, in order that the earthquake risk might be covered, had applied for and taken out special policies for this purpose, and paid premiums in accordance with it. Under these most definite of circumstances the British offices operating in Japan have unanimously resolved to adhere to the conditions under which their policies were issued. They will, of course, meet their liabilities under special earthquake policies, and equally, of course, will not assume liabilities which were definitely excluded in their ordinary fire policies. It was important that this statement should be made, so that the direct policyholders in Japan of British companies should understand the position. It was perhaps even more important that it should be made, so that the implications of the statement should be realised by Japanese insurance offices, which have treaties of re-insurance with British offices. It means that the British companies will adhere to the conditions of their policies, whether they be direct policies or reinsurance contracts with Japanese offices.

During the last dozen years or so native Japanese fire insurance offices have expanded widely, and secured the greater part of their home business. Enormous social and political pressure will be exerted upon these Japanese offices—whose conditions of insurance are the same as those of the foreign companies—to devote large sums from their funds in *ex gratia* payments to sufferers by the earthquake and fire who are not covered under the terms of their policies. This pressure will be difficult to resist, and one must appreciate the embarrassment of the Japanese directors and proprietors. It is obvious that the native companies, whatever the pressure, cannot do very much to meet the losses of the disaster. Their capital and funds amount to some 30 millions sterling, whereas the toll of loss in Tokyo and Yokohama must be 10 or 20 times as great. Nevertheless, the Japanese companies may feel bound to waive the earthquake exemption clause in the most necessitous cases among their policyholders, and meet some percentage of the losses for which they are not legally liable. While appreciating the position of the Japanese companies, the British companies, who have reinsurance treaties with them, clearly intimate that they are not prepared to follow. When one company makes a reinsurance treaty with another company to assume lines on its risks it undertakes "to pay as may be paid." If the original company in the ordinary course of business thinks fit to make an *ex gratia* payment, the reinsuring office follows and meets its proportionate amount. But this system, to pay as may be paid, assumes that all settlements by the original office will be conducted in terms of the insurance contracts in force, in the spirit if not always in the strict letter. A manifest departure by the original office, not only from the letter of the insurance contract, but from the spirit also—as would be the waiving of so well-known and well-established a condition as the earthquake clause in fire insurance policies in Japan—could not involve the reinsuring office in any legal or moral obligation to follow. Whatever Japanese fire offices to the extent of their resources may be induced to do outside the definite obligations of their policies they will do alone; the British companies, as reassurers, will not follow.

THE LEGALITY OF THE RUHR OCCUPATION.

(FROM A LEGAL CORRESPONDENT.)

IN our issues of January 20th and February 17th and 24th we discussed, as far as it was possible in the absence of official documents, the legal aspect of the occupation of the Ruhr by France and her co-adventurers, and we suggested that their action was illegal on the following grounds:—

(i.) That a condition precedent to action against Germany under Part VIII. (Reparation) of the Treaty is the unanimous decision of the Reparation Commission that there has been a "voluntary default" by Germany, unanimity upon questions of interpretation being required by paragraph 13 of Annex II. (We believe that the experts differ on this point, and it is at least arguable that the question whether Germany committed a voluntary default in coal and timber deliveries is a question of fact, and not of interpretation. At any rate, Sir John Bradbury does not appear, from the minutes of the meetings of the Commission, which have recently been published—"Report on the Work of the Reparation Commission," H.M. Stationery Office, August, 1923—to have taken this point.)

(ii.) That the measures to be taken against Germany under paragraphs 17 and 18 of Annex II. must be taken jointly by all the Powers interested in obtaining reparations.

(iii.) That the measures permitted by those paragraphs are "economic and financial prohibitions and reprisals," and similar action falling short of a definite military and political occupation.

The recent interchange of Notes between our own Government and the Cabinets of Paris, Rome, Brussels, and Berlin calls for very little restatement of the argument we outlined some months ago, but some comments may be made upon the official French argument now exposed for public consideration. In the first place, we think it fair to say that the disingenuousness with which British Ministers earlier in this year answered Parliamentary questions as to whether they had taken the advice of the Law Officers of the Crown on the matter, though doubtless dictated by a chivalrous consideration for the feelings of our Allies, has been mischievous for two reasons. Firstly, because it must have led the French Government and people to underrate the importance attached by us to what we are now advised is a breach of the Treaty, and secondly, because it helped an irresponsible, though powerful, section of the British Press in its endeavours to persuade France that the British people were solid behind her in her policy of the occupation of the Ruhr.

Bearing in mind that the French Government specifically rests its case on paragraphs 17 and 18 of Part VIII. (Annex II.) (Reparations) of the Treaty, the various lines of reply may now be summarised as follows:—

(a) That under paragraph 18 it is "for the respective Governments" as a body to determine what "measures" shall be taken against Germany within the limits of that clause on the occasion of a voluntary default, and that "the respective Governments" means "the interested Powers" mentioned in paragraph 17—namely, on this occasion Great Britain, France, Italy, and Belgium, to whom the defaults were notified by the Reparation Commission. (See p. 263 of the "Report on the Work of the Reparation Commission.")

(b) That likewise, under paragraph 18, it is for "the Allied Powers" as a whole to take the "measures" against Germany—that is, that the action must be taken under the authority of the Supreme Council, or whatever other organ may embody the executive authority of the Allied Powers. This principle was forcibly put by the Supreme Council itself in its Note addressed to Roumania on August 23, 1919, on the occasion of her invasion of Hungary, and signed by M. Clemenceau.

(c) That the "measures" which France is taking are not justified within paragraph 18, because the expression "economic and financial prohibitions and reprisals" and in general such other measures as the respective Governments may deem to be necessary in the circumstances,"

must be construed in the light of the *ejusdem generis* rule of construction, which confines the "other measures" to those of a kind similar to "economic and financial prohibitions and reprisals"; and that this argument is strengthened by the fact that military occupation and re-occupation form the special subject of a different part (XIV.) of the Treaty headed "Guarantees." "It would have been idle," says the British Note of August 11, 1923, "to stipulate expressly for such re-occupation in case of default on Reparations, if the Allies had already an unlimited right to occupy any German territory under another clause of the Treaty."

From the British Note of August 11, 1923, it seems that argument (c) alone is officially considered to be the most powerful; and it will be noted that it is advanced not by way of a direct challenge to the French occupation, but as a reason for being unable to "subscribe to the thesis that passive resistance must cease unconditionally because it is contrary to the Treaty of Versailles." Paraphrasing this part of the Note, the British Government says to France: "Germany contends that your military occupation does not fall within the measures sanctioned by paragraph 18; our legal advisers tell us that the German view is well founded; therefore we cannot tell Germany that her passive resistance is a breach of the Treaty and urge upon her its unconditional abandonment."

The French and Belgian replies to this suggestion of illegality consist of an invocation of what lawyers call the doctrine of Estoppel, which may be defined as "a rule of evidence whereby one party is precluded by previous conduct or writing from asserting that a certain statement is true or that a certain interpretation is correct." This appeal to Estoppel is two-fold. Firstly, France says to us: "When in October, 1920, you renounced your rights under paragraphs 17 and 18 to seize the property of German nationals in the United Kingdom, your Chancellor of the Exchequer (Mr Austen Chamberlain) stated that 'the terms of paragraph 18 clearly leave to each of the respective Governments the task of settling the action which may seem necessary to them under the said paragraph' (House of Commons, October 28, 1920)." Possibly it is for this reason that the British Note of August 11 does not deal with arguments (a) and (b) alone. But M. Poincaré might have referred to another Parliamentary answer given by Mr Chamberlain on May 24, 1922, to which attention has recently been drawn by an anonymous writer. On that occasion he said that in the view of H.M. Government paragraph 18 conferred upon the individual Governments "the right to take action independently," provided the action was of the nature contemplated by that paragraph, and he added that as paragraph 12 of the same Annex gave the Reparation Commission the right to interpret this part of the treaty, the views of H.M. Government on the point had no binding character. The second branch of the argument from Estoppel rests on the fact that on several occasions the London Cabinet have co-operated with our Allies in threatening to occupy, and on one occasion in actually occupying, fresh German territory; but the French Government themselves do not seem to be very comfortable on this part of their argument, for they admit that on every such occasion breaches of other clauses of the Treaty were also in question, e.g., disarmament or trial of war criminals, and are unable to point to an instance of our concurrence or participation in any actual occupation of territory merely as the result of a default in the making of Reparations notified by the Reparation Commission. Some of Mr Lloyd George's threats of occupation we are not particularly concerned to defend. Finally, upon the question of Estoppel, an appeal to that doctrine is double-edged. M. Clemenceau's deeds as Chairman of the Peace Conference are at least as important as the expression of views conveyed by a British Minister in an answer to a Parliamentary question, and it was M. Clemenceau who signed on behalf of the Allies, on August 23, 1919, the Note to Roumania pointing out that the Reparation Commission had been "established as an exclusive agency of the Allied and Associated Powers for the collection and distribution of enemy assets by way of Reparations," and that "if the collection of Reparation were to be allowed to degenerate into individual and com-

petitive action by the several Allied and Associated Powers, injustice would be done and cupidity aroused, and, in the confusion of unco-ordinated action the enemy would either evade or be incapacitated from making the maximum of reparation." Moreover, even if Great Britain were estopped by reason of her past conduct from insisting upon a particular interpretation, Germany is not thereby estopped—a fact which must be borne in mind by those who are urged to counsel her to abandon passive resistance.

In conclusion, we must insist upon the importance of the juridical aspect of the matter. There is a tendency even in this country to belittle it. Granted that the legal aspect is not conclusive; even if the French contention were right, we should protest with equal force the in expediency of her action; but when, as we believe, her contention is legally wrong, it is our duty to keep prominently before the world, whose opinion we seek to bring to bear upon France, both our belief in the illegality of her action and our offer to submit that belief to the test of the International Court of Justice at the Hague or other suitable arbitration. Moreover, as has recently been pointed out in the Press by an ex-Attorney-General, the question of legality or illegality is vital upon the attitude to be adopted towards Germany's passive resistance, for by paragraph 18 "Germany agrees not to regard as acts of war" measures capable of justification within that paragraph, so that her resistance, whether active or passive, to such measures would be a breach of the Treaty, and would put her entirely in the wrong. That the French Government have throughout been alive to the desirability of making out a good case in law becomes even more apparent upon a perusal of the recently published "Report on the Work of the Reparation Commission," and in particular of the minutes of the meeting of the Commission in December, 1922, at which the default in deliveries of timber by Germany was recorded, *dissentiente* Sir John Bradbury. That gentleman is there reported to have said that "the prosecution had relied on certain failures which, in view of the volume of the financial obligations under the Treaty, were almost microscopic." [These counts were eventually abandoned.] "The fact was that this trumped-up accusation was only before the Commission at the moment as a preparation for an offensive in other fields. Since, in the tenth year of the war, Troy fell to the stratagem of the wooden horse, history recorded no similar use of timber. The situation was at present somewhat different; it was the fifth year of the Peace, and the city under attack was not Troy, but Essen."

Notes of the Week.

Bradford's Cry for Protection.—By a majority of nine votes to six, the Council of the Bradford Chamber of Commerce has decided to seek protection against the competition of French imported woollen goods by means of Part II. of the Safeguarding of Industries Act. It is proposed to apply to the Board of Trade for a committee of enquiry into the alleged unfair competition of France, due to depreciated exchanges. The machinery of the Act requires:—First, that a *prima facie* case should be made out to the satisfaction of the Board of Trade; second, that a committee should be appointed to enquire into the case; third, that if the committee reports in favour of the application, and the Board of Trade concurs, that an Order should be made under the Act, imposing a duty of one-third upon imported French woollen goods; and, last, that Parliament should pass a resolution confirming the Order. This is the first time that a major industry in this country has sought to put the machinery of Part II. of the Safeguarding of Industries Act in motion, and it is a singularly ill-timed effort on the part of the Bradford Chamber of Commerce. For the sections of the Act which deal with protection against the results of depreciated exchanges are temporary, and come to an end on August 19th next. Therefore, even if the Board of

Trade were willing—which seems highly unlikely—to set in motion machinery which is so near being scrapped, no Order could possibly be put through the various stages in less than six months. Bradford's woollen trade could then enjoy just five months of protection against France—and after that farewell to a 33 per cent. duty upon imported French woollens. It is no doubt the hope and expectation of the Bradford Chamber of Commerce that if the Government, as represented by the Board of Trade, were so guileless as to put their application through the various stages laid down in the Act, and an Order resulted, then the Government in its legislative capacity would be obliged to extend the sections of Part II. dealing with collapsed exchanges beyond the present expiry date of August 19, 1924. We cannot imagine the Government, after the experience of its predecessor with the Safeguarding of Industries Act, being willing to extend its provisions, least of all a Government headed by Mr Baldwin, the reluctant stepfather of the existing Act.

Stresemann and the Ruhr.—The exchange of speeches between M. Poincaré and Herr Stresemann—with, possibly, explanations furnished to the German Chancellor by the French Ambassador in Berlin—cannot be said to mark very great progress towards a settlement of the Ruhr and Reparation problems. Herr Stresemann has endeavoured to develop a proposal for mortgaging German private property as security for reparations. This is, in effect, an explanation in more definite terms of the offer made last May to pledge certain revenues from German agriculture and industry. The plan has advantages in that if the mortgage were on a gold basis, the annual interest would ensure the payment of substantial sums in real currency by German industrialists. In other words, it helps to meet the budget aspect of the Reparation question. It does not touch the problem of enabling Germany to make a large payment abroad. On this, however, the Chancellor believes that on the security of a gold mortgage, it would be possible to raise a small foreign loan which would enable Germany to pay out of capital the first few annuities due under a general settlement. This would give time for the recovery of Germany without making a complete break in reparation payments. Some such arrangement will doubtless form part of the ultimate settlement; but this kind of long-range negotiation is a slow business, and the German Chancellor has not yet got to the point of satisfying France in regard to passive resistance. The important point for the moment is, however, a feeling in both France and Germany that the resistance of the Ruhr will, in fact, cease before long. The critical question is whether its cessation can be secured without the destruction of the unity and good government of Germany. Our Berlin correspondent on a later page refers to the belief that Herr Stresemann is preparing for something like surrender.

The Barcelona Coup.—Observers well acquainted with the currents of Spanish politics are not at the moment inclined to be unduly alarmed by the Barcelona coup. The town, always a storm centre, has for some time been regarded as a possible scene of fresh trouble. But the trouble has not taken the form that might have been anticipated, for there is no news up to the present that the discontented labour element, from which trouble was chiefly expected, has been concerned in the matter in any way. Dissatisfaction in the army appeared to have subsided to some extent after the last campaign in Morocco. The movement has spread to troops in other centres, but the army is by no means united. It will be remembered that when the infantry imprisoned the King in his palace some time ago, the artillery and cavalry, by threatening to turn their guns on the infantry barracks, compelled the King's release. Although further news must be awaited before the position will become clear, it would appear that the present revolt has little popular support, and unless matters take some unexpected turn for the worse, the final outcome, it is hoped, may not be far-reaching. It appears, however, to have involved the resignation of the Cabinet, and the position last night was somewhat obscure.

Overseas Trade in August.—The value of the official figures of overseas trade for comparative purposes continues to be vitiated by the fact that since April they have included the trade of Great Britain and Northern Ireland with the Irish Free State, and have excluded the direct foreign trade of the new Dominion. This fact must be borne in mind in reading the following summary:—

	MONTH OF AUGUST.			
	1922.	1923.	Increase or Decrease in August, 1923.	
	£	£	£	%
Imports	82,615,904	88,743,197	+ 6,127,293	+ 7.4
British exports	60,032,237	60,103,360	+ 71,123	+ 0.1
Re-exports	7,503,925	6,128,781	- 1,375,144	- 18.3
Total exports	67,536,162	66,232,141	- 1,304,021	- 2.0
Excess of imports over total exports	15,079,742	22,511,056	+ 7,431,314	+ 49.3

	EIGHT MONTHS ENDED AUGUST 31.			
	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	651,501,949	704,283,774	+ 52,781,825	+ 8.1
British exports	472,212,668	502,286,237	+ 30,073,569	+ 6.3
Re-exports	71,492,083	78,747,448	+ 7,255,365	+ 10.1
Total exports	543,704,751	581,033,685	+ 37,328,934	+ 6.8
Excess of imports over total exports	107,797,198	123,250,089	+ 15,452,891	+ 14.3

If comparison is made with the preceding month of July, the August figures show a rise of nearly £12 millions in imports and of just over £½ million in exports, but a decline of nearly £2½ millions in re-exports. Many comparisons being vitiated by the Irish factor, it is only safe to lay stress on a few points which that factor cannot account for. One surprise is that the dock strike did not produce a more visible effect upon the figures. Actually the shipping tonnage cleared from British ports in August was 6,047,339 tons, as compared with 5,539,837 tons in July. Another noteworthy point is that of the £12 millions increase in imports as compared with July, nearly £9 millions is accounted for by food, drink, and tobacco. But retained imports of leading raw materials were in many cases higher than in July. Raw cotton imports exceeded the July figures, but were only about 75 per cent. in quantity of the imports of August, 1922. Nevertheless, the figures for the export of cotton goods are better than present unsatisfactory conditions in Lancashire might suggest—which serves as a reminder that export figures are a poor guide to present conditions of manufacturers' order books. Cotton yarn exports at 12,802,800 lbs, though some 2½ million lbs less than in August, 1922, were over 3 million lbs better than the July figure. The decline as compared with a year ago is mainly due to a fall in India's takings. In the eight months of 1923 British India took from us 13.7 million lbs, as compared with 30.1 millions in the corresponding period of 1922. As regards cotton piece goods, the story is different. August exports were 57.7 million square yards, as compared with 46.5 millions in August, 1922, British India taking 24.5 millions, as compared with only 7.2 millions a year ago. Coal exports in August at 6,580,410 tons were appreciably lower than those of July, but similar to those of June. The following coal figures for this year are instructive:—

	COAL EXPORTS.		
	Total.	To France.	To Germany.
January	5,611,670	1,385,291	521,854
February	5,902,630	1,372,062	1,000,097
March	7,180,102	1,805,214	1,836,399
April	6,841,423	1,542,627	1,715,215
May	7,684,405	1,772,996	1,726,086
June	6,588,651	1,631,986	1,164,585
July	6,767,255	1,699,225	1,295,325
August	6,580,410	1,560,923	1,214,833
Eight months ending August, 1923	53,156,546	12,770,324	10,474,394
Eight months ending July, 1922	38,393,844	8,551,255	5,121,285

The table gives an idea of the effect of the Ruhr affair on the coal export figures. It will be seen that German purchases of British coal did not fall very much in August. Her takings from us of colonial wool also kept on a large scale, being 91,034 centals in August as compared with 78,736 in July and 65,885 in August, 1922, though

the August figure is only one-half of that recorded in August, 1921. Of worsted yarns, Germany took in August 1,042,100 lbs, against 1,663,400 last year; of wool tops, 7,379 centals against 9,787; of undressed hides and skins, 4,544 cwts against 4,437; of coffee, 2,452 cwts against an insignificant 206 in August, 1922; of colonial crude rubber, 8,355 centals against 8,615. Such figures as these do not reflect any striking effect as yet of the currency débâcle in curtailing Germany's power of purchasing raw materials in Britain.

The Trade Union Congress.—The Trade Union Congress which concluded its annual session on Saturday at Plymouth, cannot compare with some of its predecessors in respect of the interest or importance of the discussions and decisions. From the public point of view, interest centred mainly on the discussions of the Italo-Greek crisis, the Ruhr problem, and the desirability of continuing to publish a Labour daily newspaper at a big loss. On the two big international questions the debates revealed no new line of thought, with the possible exception that increasing stress was laid on Labour's suspicion that the Ruhr affair would result in an understanding between German and French capitalists, which would be detrimental to the workers of the two nations. Signor Mussolini's coup, as was to be expected, met with strong condemnation from the Congress. Within the Congress itself the question of the *Daily Herald*, clashes of interest between different unions, and plans for reviving the fallen trade union membership were the subjects which excited the most interest, and at times engendered a good deal of heat. The decision to reprieve the *Daily Herald*, in spite of the very substantial losses in connection with it, is to be welcomed, for it is from many points of view desirable that so important a force in our national life as the trade union movement should possess an official organ for the expression of views upon public affairs. The reprieve, however, is at the present a brief one, and is contingent upon £12,500 being raised before the close of the present month. If this sum is raised, then the respite will be extended to three months, and future continuance depends upon an increase in circulation. Many other subjects of general interest were discussed, including unemployment, housing, and the threatened reduction of wages in the Civil Service; while among the domestic features were the patching up of a threatened breach with the co-operative movement, the appointment of a new general secretary in the person of Mr Fred Bramley to succeed Mr Bowerman, and the decisive defeat of a proposal to extend the powers of the General Council. It cannot be said that a study of the proceedings conveys the impression of robust health. The "slump" in trade union membership to which the chairman of the Congress referred is, of course, to some extent a natural phenomenon in times of unemployment, and to what extent the drift away from the unions is due to internal quarrels and dissatisfaction is difficult to determine. But the Congress proceedings clearly brought out that the "back to the unions" campaign was not yielding satisfactory results. Another serious symptom of indisposition is the evidence which the Congress gave of jealousies and antagonisms between different unions, and, above all, the clash between the craft unions and the industrial unions. The economic circumstances of the moment certainly provide an acid test of the power of the trade union movement to maintain unity and strength, and although the chairman in his opening address to the Congress proudly contrasted the size of this year's Congress with that of 1913, the proceedings are not altogether suggestive of progress or even of maintenance of the harmony that spells effective power.

Irish Free State and the League.—On Monday last the Assembly of the League unanimously admitted the Irish Free State to membership of the League. The "delegates of Ireland" were introduced, and Mr Cosgrave made his *début*. A year ago, in examining the draft Constitution of the Free State, we foreshadowed this probable consequence of the grant of Dominion status. The Free State now takes her place side by side with Canada, Australia, South Africa, New

Zealand, and India. The semi-recognition which our daughter States have thus received through the Treaty of Versailles is entirely anomalous, and it must not be thought that they are now "international persons" in the full sense of that term. It is perfectly clear that in matters of peace and war the British Empire is, from the point of view of international law, one and indivisible, and that for the purpose of international intercourse the Crown in Council (in effect, the Sovereign advised by the London Cabinet) represents the Empire, except in so far as power to do so may have been delegated to any other person or body within the Empire. Even within the League of Nations itself our daughter States have a peculiar position, and much of the comprehensive language of the Covenant can only apply to them in a special sense. For instance, it is inconceivable that the League should ever accept cognisance of a boundary or any other dispute between the British Crown and the Irish Free State arising out of the "Anglo-Irish Treaty" of December, 1920, or between the British Crown and the Government of India on the subject of intra-Imperial emigration. Any attempt to do so would be fatal to the League, which is an international body framed to improve the relations between nations recognised as units of international law. In spite of such expressions in the Covenant as "disputes as to the interpretation of a treaty" and "the maintenance of justice and a scrupulous respect for all treaty obligations in the dealings of organised peoples with one another," the League was not intended or empowered to interfere in the domestic questions of its members, and its friends will not attempt to use it for that purpose. A clause in Article 15 of the Covenant (on disputes between members likely to lead to a rupture) supports this view:—"If the dispute between the parties is claimed by one of them and is found by the Council to arise out of a matter which by international law is solely within the domestic jurisdiction of that party, the Council shall so report, and shall make no recommendation as to its settlement."

German Measures and British Subjects.—Regarding the position of British subjects in Germany under the new Currency Dictatorship, our Berlin correspondent writes:—"The decree of September 7th does not mention foreigners. On the face, therefore, it claims to apply to all taxable persons, regardless of citizenship. The Cabinet issued an inspired Press statement, declaring that this, indeed, is the position, but that primarily the measure is to be applied to Germans. The Foreign Office confirmed this statement directly to your correspondent, adding that "the position of individual foreigners would be taken into account." In principle, therefore, the German Government claims (see page 402 of to-day's issue) that the whole property of foreigners of every kind and in every country can be expropriated, and that British subjects refusing to hand over all their property outside, as well as within, Germany, can be punished. It must be hoped that this is a platonic declaration; but it is a new instance of the confusion in German official circles concerning the rights of foreigners. No Government has ever claimed that it could even by valid law expropriate foreign-owned property outside its frontiers. The claim of the German Government is that it can do so by a revolutionary edict. Even during the war, Governments (in so far as they had not already the necessary legal power) sequestrated enemy property only under special law, and, of course, only within their frontiers. Apart from general international considerations, Germany is bound by the Versailles Treaty (Art. 277) to protect foreign property rights; and it cannot plead as excuse for violating this undertaking that it is also violating native property rights. The right policy for British subjects in Germany is to refuse to make any deliveries of property under the decree, and further to refuse to make any declarations or take any oaths.

The Weather and the Crops.—According to the monthly report of the Ministry of Agriculture and Fisheries the August weather was on the whole favourable for the corn harvest in the southern half of England, though in the latter half of the month work was delayed by rains which, however, were needed for the root crops and grass. In the north and in Wales unsettled conditions prevailed

throughout the month, with most rain in the last two weeks. The corn harvest began before the end of July in a few of the earliest districts, and in the south was becoming general very early in August, whilst in the extreme north cutting did not begin until about the third week of the month, and the winds and rain of the last week of August have laid some crops badly. In the south most of the corn had been carted in good condition by the end of August, though there was still a little to cut, mostly late-sown barley, but in the Midlands more than half the crops were still in the fields. Wheat is generally of good quality, but in some districts is not threshing so well as was anticipated, and crops have deteriorated in the north, so that the average yield over the whole country is now estimated at slightly less than last month. Winter barley and oats are also yielding good samples of grain, but the spring sown are not so good, as many fields ripened unevenly. Prospects as to barley yields have improved a little on the month, but forecasts of the oat crop remain on the whole much the same as a month ago. Beans and peas were being harvested at the end of August and over-average yields are estimated in each case, beans promising a yield of about 16½ cwt. and peas of 14½ cwt. per acre. The forecasts given last month of the production of this year's corn crops have been revised in accordance with the later information available, and the revised figures are set out in the table below. It is to be borne in mind, however, that these forecasts are based on estimates made at the beginning of September, and are consequently subject to modification.

	1922.	1923.	Production, 1922.	Forecast, 1923.
	Acres.	Acres.	Cwts.	Cwts.
Wheat....	1,967,000	1,741,000	33,478,000	30,468,000
Barley ..	1,364,000	1,329,000	19,123,000	19,138,000
Oats	2,164,000	1,974,000	25,033,000	26,452,000

In practically all parts of the country potatoes improved with the rains and were growing well at the end of August. The crop is generally healthy, but there are reports of second growth, and disease is showing in a few districts. On present appearances the average yield per acre over the whole country is forecasted at 5.6 tons, against 7.1 tons last year, and with the much smaller area this year the total production is only expected to reach 2,615,000 tons, against 4,012,000 tons last year and 2,958,000 tons in 1921. Favourable weather during September would, however, lead to a better yield than is at present anticipated. The root crops have made good growth during August, though mangolds would have done better in the north with drier and warmer conditions. Practically all the hay was secured in very good condition except in late districts in the north and in Wales. The yield per acre of seeds hay is estimated at nearly 32 cwt. per acre, and of meadow hay at 22 cwt., which indicate a total production of 7,700,000 tons against 5,789,000 tons last year. Hops improved very appreciably during August, and the plant is now healthy and free from blight. On present appearances the hops will be of good quality, especially in Kent. The total production is likely to be about one-sixth less than last year. Not more than half the normal crop of apples will be obtained. The fruit is small, and further heavy droppings have occurred through recent high winds. There are light crops of plums generally, and pears are practically a failure.

Coal, Iron, and Steel Production.—Statistics prepared by the National Federation of Iron and Steel Manufacturers show that the decline in iron and steel production, which began in June last, was continued in August. The total production of pig-iron was 599,800 tons, and of steel ingots and castings 582,700 tons. The falling-off amounted to 55,000 tons and 41,600 tons respectively, as compared with July, and 114,400 and 238,300 tons respectively in comparison with the "peak" month of May. The furnaces in blast at the end of the month numbered 196, a further decrease of ten during the month. Despite the recent decline, production remains above the average for 1922. Coal production in the four weeks ended August 25th averaged 4,776,950, this figure being affected by the incidence of Bank Holiday week, when only 3,566,400 tons was produced. For the week ended

September 1st production was returned as 5,280,600 tons, the highest in any week since July 7th. Exports were 187,000 tons below the July total, and included 1,215,000 tons to Germany and 1,561,000 tons to France, shipments to our late ally having fallen by 138,000 tons in comparison with those of July.

Shipping Freight Index.—The depression in shipping continued during August, and is reflected in our freight index number, the figure for the month being 116.53, which shows a decline of over three points as compared with July. The position generally is indicated in the table given below:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (average 1898-1913)	100	100	100	100	100	100	100
January, 1923	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1923	81.43	52.99	75.52	74.41	58.02	71.26	69.95
March, 1923	268.92	277.17	244.10	256.79	286.72	347.18	280.14
April, 1923	160.06	164.07	163.72	144.43	141.25	166.47	156.67
May, 1923	143.00	115.60	122.48	129.48	124.52	135.21	128.40
June, 1923	148.89	124.56	134.22	130.86	130.47	164.69	138.95
July, 1923	132.05	126.47	124.85	120.20	142.14	150.44	132.69
August, 1923	149.60	116.85	123.93	117.83	134.49	144.21	131.15
September, 1923	163.55	124.30	130.43	125.40	125.36	135.31	134.06
October, 1923	142.72	133.38	137.32	133.77	134.06	124.63	134.31
November, 1923	134.91	140.03	143.05	128.99	134.48	120.18	132.27
December, 1923	131.77	111.04	124.56	125.50	133.90	118.84	124.27
January, 1924	132.42	107.20	118.67	122.44	126.10	114.63	120.28
February, 1924	124.79	109.11	114.53	117.70	117.51	115.73	116.53

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade	123.76	-11.67	S. America—Outwards	109.62	-2.41
Bay—Outwards	135.79	-3.66	S. America—Home	119.04	-6.27
Bay—Home	135.48	-4.85	India—Outwards	117.25	+1.05
Mediterranean—O'wards	126.57	-11.66	India—Home	118.16	-10.52
Mediterranean—Home	103.40	-2.25	Far East, &c.	117.51	+8.59
North America	109.11	+1.91	Australia	115.73	+3.90

The downward tendency of rates, it will be seen, was more or less general. Freights in most of the outward trades fell sharply, while further relapses occurred in the homeward markets. Grain was especially weak, and in the case of the Plate, with abundant tonnage offering, freights dropped to an exceptionally low figure, though there was a slight turn for the better towards the end of the month. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1920.	1921.	1922.	1923.
January	545.42	194.59	131.60	114.05
February	593.90	164.54	135.76	112.73
March	588.24	162.17	135.53	115.23
April	519.40	147.48	129.46	115.45
May	480.60	158.42	125.12	114.55
June	463.16	165.73	117.45	106.82
July	384.43	169.87	114.52	103.39
August	350.96	170.60	113.16	100.16
September	360.27	154.47	110.37	..
October	394.80	141.85	114.42	..
November	340.33	136.47	119.43	..
December	240.79	134.66	117.39	..
Mean for year.	438.52	158.40	122.02	..

The fall of three points during August brings our index practically to where it stood in 1913—a striking commentary on the present situation.

Raw Cotton Dearer.—A marked rise has recently occurred in raw cotton prices. The upward movement has forced buyers into the market, and during the last ten days spinners in Lancashire and in the United States have purchased very extensively for forward delivery. It may be said that operators have adopted a distinct change of policy, as for several weeks purchasing has been from hand to mouth. This alteration in their attitude has been due to the realisation of the increasing strength of the article in view of the fact that the American crop for this season will be of only moderate extent, and not equal to the requirements of users. A good deal of interest has been taken in the first ginning report of the American crop for this season, the amount up to August 31st being given as 1,141,000 bales, against 806,000 bales the same time last year. The important increase is due to the larger ginnings in Texas, the total for that State being 1,088,000 bales, as compared with only 565,000 bales in 1922. It is

understood that the dry weather has resulted in the plants maturing quickly. The early ginning reports are seldom any guide as to the probable extent of the crop. On Thursday last the quotation for fully middling American cotton on the spot in Liverpool was 17.29d, the figure on the previous day being 17.43d, against 15.43d on September 5th and 13.40d on August 1st.

International Commercial Arbitration.—The consideration of a draft international convention on arbitration clauses in commercial contracts is, as noted in the *Economist* last week (page 365), one of the items on the agenda of the League of Nations meeting at Geneva. The Economic Committee of the League, as well as the Arbitration Committee of the International Chamber of Commerce, have been endeavouring to remove obstacles to the freer use of arbitration for the settlement of commercial disputes, especially where the parties are of different nationalities. The text of the proposed convention or protocol drawn up to advance this scheme was published in the *Board of Trade Journal* of May 31st last. To understand the problem one must appreciate the point that a difference between the rules of English law and those of other countries is at the root of present difficulties. Ideas as to "public policy" have varied. In this country the courts have refused, on the ground of public policy, to enforce agreements for the settlement of disputes by arbitration if in terms which oust the jurisdiction of the Courts altogether, but agreements that no action shall be brought till the matter has been referred to arbitration and an award made are valid and enforceable. In France, on the other hand, the law is typical of another view of public policy. There the ordinary clause used in England to provide for the settlement by arbitration of any disputes which may arise under a contract is invalid. It contravenes the requirement of Article 1006 of the Code of Civil Procedure, that the agreement between the parties must specify the names of the arbitrators and the matter they are to determine. American law has been similar, though in the State of New York the Walton-Martin Act of 1920 altered the rule, so that agreements similar to those under the English Arbitration Act can be made. The question came up at the Rome Congress of the International Chamber of Commerce last March, when resolutions were passed to the effect that the validity of arbitration clauses in commercial contracts ought to be respected, and urging that all States whose legislation or practice is adverse to international arbitration agreements should take action along the lines advocated by the Economic Section of the League of Nations. The negotiation of a convention pledging States to recognise arbitration clauses and make them effective was favoured. There can be no doubt that commercial opinion supports the proposals of the draft international convention. A proposal to alter the French law has been under consideration. To alter various national laws may take time, but the fact that the subject has been included among those for consideration at Geneva shows that the importance of the proposals has not been overlooked.

Unemployment Abroad.—Employment conditions in many foreign countries have shown continued improvement during the early summer, according to a statement issued by the International Labour Office of the League of Nations. Though the number of unemployed is still very high in the Netherlands and Scandinavian countries, the steady reduction since the beginning of this year continues uninterruptedly, being particularly marked in the wood, metal, and transport industries. The available German figures are misleading, as they do not cover conditions in occupied territory. Returns from 164 localities of more than 10,000 inhabitants showed 115,000 workers in receipt of unemployment benefit on July 1st, as compared with 140,000 on June 15th. Later figures, it may be pointed out, may indicate less favourable conditions. The improvement which took place in Austria at the end of June was chiefly due to increased activity in the building, textile, and printing trades. Recent figures for Czechoslovakia have not yet been published, but those for May show a decline

from 282,000 to 166,000 in the number of persons receiving unemployment benefit over the first five months of the year. While the situation in France is unchanged, unemployment has fallen rapidly in all Italian industries, especially in agriculture, and the total of 216,000 is the lowest since statistics were first compiled in 1921. In the United States increases in employed workers in some industries were balanced by decreases in others, but in Canada labour was in strong demand, especially for harvesting work. Doubtless the normal seasonal requirements of many agricultural countries have been enhanced by the prospects of very satisfactory harvests this year. In the period to which the greater part of the above statements apply—namely, early in July—our own unemployment figure was steady, though since that date it has shown a slight tendency to rise.

Calico Printers' Profits.—In common with most textile combinations, the Calico Printers' Association shows very satisfactory results for the past twelve months, both gross and net profits being the highest for any individual year in the company's history. The directors have accordingly been generous both to shareholders and reserves, the former receiving a total distribution of 12½ per cent., and the latter a sum of equal to nearly half the net profits. Of the £400,000 set aside for this purpose, reserve account receives £150,000, reserve for equalisation of dividends £150,000, and employees' benefit fund £100,000. Results since 1906 are shown in the following table:—

Year Ended June 30.	Gross Profit.	Maintenance and Depreciation.	Net Profit, Less Debenture Interest.	To Reserve, &c.	Dividends.	Ord. Rate.
1906.....	£ 682,160	£ 200,120	£ 354,040	£ 150,000	£ 201,074	4
1907.....	776,752	224,711	424,041	150,000	276,476	6½
1908.....	383,612	212,237	93,375	..	150,805	nil
1909.....	448,880	207,565	163,315	Dr 50,000	150,805	nil
1910.....	723,953	201,615	394,338	200,000	201,073	2½
1911.....	612,630	208,860	403,771	185,000	226,208	3½
1912.....	463,904	205,020	130,884	Dr 80,046	226,208	3½
1913.....	718,851	216,174	374,677	150,000	226,208	3½
1914.....	443,786	210,276	105,510	Dr 50,000	150,805	nil
1915.....	210,818	261,994	Dr 179,176	Dr 200,000	nil	nil
1916.....	1,104,732	312,345	664,387	300,000	351,878	2½
1917.....	1,268,058	562,340	577,719	300,000	251,342	5
1918.....	1,271,559	573,606	569,953	310,000	251,342	5
1919 and 1920	3,040,392	1,567,432	1,216,961	350,000	603,221	10
1921 and 1922	2,418,777	1,659,200	503,542	50,000	552,952	7½
1923.....	1,525,514	597,306	800,208	400,000	402,147	12½

It will be noted that maintenance and depreciation are charged at nearly three times the pre-war rate. The few changes shown in the balance-sheet, as compared with its predecessor, are mostly indicative of increased trading activity. Thus, cash and bills have fallen by £395,000, stock-in-trade has risen by £105,000, and the conglomerate item "sundry debtors, investments, and other debit balances" at £3,908,000 is £760,000 more than last year. It would add to the usefulness of the balance-sheet from the shareholders' point of view if those responsible could see their way to further sub-division of this item, which represents more than half the total assets of the association. At present it is impossible to ascertain what proportion represents amounts owed to the company on trading account, or how "investments" are divided between shares in subsidiary concerns and more liquid securities. A summary of the balance-sheet is given on the usual page.

Nobel Industries.—The indifference of Nobel Industries, Limited, to a period of trade depression is remarkable. In its latest report and accounts for the year ended December 31, 1922, just published, another prosperous year is recorded. The following table shows the progress made by this undertaking in the past three years:—

	1920.	1921.	1922.
Gross profit	827,073	809,242	1,157,137
Net profit	788,807	604,264	942,901
Brought forward	230,389	757,498	463,349
Available for shareholders	1,019,196	1,361,762	1,406,250
Preference shareholders	261,698	269,243	284,986
Ordinary shareholders	(nil)	279,170	413,301
Balance of note issue written off ..	..	..	148,945
Reserves	..	350,000	50,000
Carried forward	757,498	463,349	509,018

The cost of making the 8 per cent. note issue has now been completely written off, and the £148,945 showing in the balance-sheet on the asset side against this item will henceforth disappear. On the other side of the balance-sheet the £3,000,000 of notes still shows. But these, it may be recalled, were paid off in May last by taking a substantial sum from accumulated profits and applying the proceeds of an issue of £1,750,000 5½ per cent. first mortgage debenture stock made in February. The balance-sheet shows that investments in the constituent companies total £21,587,294, an increase of over half-a-million on the figures given a year ago. The special investment reserve has been increased from £350,000 to £400,000, although the directors anticipate "that the upward movement of market values.....will be maintained." Other details of changes in the balance is shown in an analysis given in another column.

Cable Companies and Japan.—After giving way upon an attack made upon the cable companies by a small publication, prices of stocks in the Eastern group have recovered by reason of the assumption that there will be an unusual accession of traffic to the Far East for some time to come as one result of the Japanese disasters. The Eastern Extension goes as far as Shanghai, whence the cable is continued for some 500 miles to Nagasaki, in Japan, by the Great Northern of Copenhagen. Messages are coming through from Shanghai with their customary facility. It is held that, apart from the personal messages which are throwing extra work upon the Eastern cables, there will be exceptionally heavy traffic for six months, or possibly more, in connection with the business arrangements for reconstruction in Japan. The Eastern group, comprising the Eastern Telegraph Company, the Eastern Extension, Western Telegraph, and Globe Telegraph and Trust, pays 10 per cent., free of tax, on its ordinary shares, and as these latter stand about 17½, or 173 in the case of Eastern stock, the yield on the money works out to 53s 4d per cent., free of tax. Last year was a poor one for the companies as compared with the corresponding period; but, in spite of this, substantial amounts were put to reserve by each of the undertakings, the financial position of which is exceedingly strong. The companies' reserves will stand in good stead in enabling the management to undertake whatever wireless developments may be considered advisable. It is already announced that the Eastern Company is amongst those which have applied for a licence for erection of two wireless stations, one in England, which shall take their place in the Imperial Chain that is contemplated by the Government. Holders of the stocks in the various cable companies, writes a Stock Exchange correspondent, have been subject for the past 20 years to spasmodic shocks as and when wireless developments have come into particular public attention. The position of the two systems is not unlike that which prevailed in the illumination world, when, 30 years back, holders of gas stocks suffered many a qualm lest the recently introduced electricity should render gas a back number. Events have proved, of course, that there is plenty of scope for gas and electricity. In the same way, the cable companies have gone on increasing their profits and their dividends for the past two decades, in the face of increasing wireless competition. Experience makes it clear that there is plenty of room for both systems to work, profitably to themselves and usefully to the community. The recent attacks to which reference has just been made would scarcely be worth notice were it not for the fact that proprietors in the cable companies have been favoured

with gratuitous copies of these attacks, and this, taken in conjunction with the recent wireless developments, have exercised a disturbing effect upon the minds of shareholders. The latter are of a class which holds cable stocks as an investment pure and simple. Many of them live in the country, and are out of touch with such considerations as those already advanced to illustrate the scope which exists to-day for the cable as well as wireless. They become apprehensive at the gratuitous attention paid them by circulars attacking their stocks, and every broker in the Stock Exchange knows that even anonymous attacks have their effect upon the minds of investors whose money is employed in any industry that is subject to competition. Probably, too, these cable stockholders are unaware of the fact that Italy, the home of wireless, has recently undertaken to spend two million pounds sterling in forming a new cable company. The big American cable concerns are laying large and new cables to supplement their existing lines, one of them having a cable ready, the capacity of which, taking length into consideration, is the most expensive ever yet manufactured. The Pacific Cable Board is engaged in duplicating part of its Australian line by laying new cables between Sydney and Brisbane and Fiji to Auckland. The chairman of the Eastern Telegraph Company at the recent meeting of proprietors quoted these facts, which in themselves are sufficient to prove the claim that the cable industry is neither out of date nor tottering to its doom. There is no need for apprehension, much less for alarm, and that a good many people recognise the fact is obvious from the way in which cable stocks, as soon as the first wave of selling had spent itself, rapidly recovered in price, on purchasing orders from people who appreciated the cheapness of the stocks on the fall.

Commercial Corporation of London.—The price of the shares of the Commercial Corporation of London, which have not been above 2s 6d for two years past, reflects the serious depreciation which has occurred in the company's assets. The chairman, Sir Charles Hobhouse, made no attempt to conceal the state of affairs in a communication which he made to the shareholders over a year ago, and it has been no surprise to the City that the company now proposes to go into voluntary liquidation. No accounts have apparently been published for a later date than December 31, 1920, and no statement has yet been made as to the present position since the company's action has been taken hastily as the result of a shareholder's petition for a compulsory winding-up order. During the last two years great efforts have been made, with apparent success, to reduce the company's liabilities, but this result has naturally been achieved by disposing of the most marketable shares. What the shareholders will be anxious to hear about is the value of what is left. The company was known to be largely interested in some glass and cement undertakings which had not fulfilled the hopes entertained in the optimistic days of 1920. Jute Industries, Limited, was among the largest and most successful of the corporation's promotions, but the shareholders do not appear to have been told whether it retains any of its holding in this concern. The Corporation has a more interesting history than most similar finance houses, because of its attempt to combine banking with company promotion business—a mixture of functions which has never been successfully carried out in this country. Since its start in 1914, when it acquired the assets of a company of the same name which had been originally established to take over the Anglo-Japanese bank founded in 1906, it has gradually shed its purely banking side, and finally omitted the word bank from its title. But when the prospectus of the present company was issued in 1920, we had occasion to call attention to the unsatisfactory nature of a statement which did not distinguish liabilities to depositors from other liabilities, or divide investments into those appropriate to a banking reserve, and those for which a market was in process of being created. It is now proposed that the company should re-establish itself as a holding company, and devote its energies to nursing the remaining assets.

Transvaal Gold Output.—The latest returns of gold output in the Transvaal make a satisfactory showing, the August output amounting to 769,371 ounces of fine gold, as compared with 754,306 ounces during July, 1923, and 752,490 ounces during August, 1922. Monthly figures from 1917 onwards are shown below:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January.....	782,634	714,182	676,059	670,503	651,593	639,728	764,469
February.....	781,321	659,759	636,728	625,330	558,137	..	704,970
March.....	787,094	696,281	712,379	707,036	671,123	..	761,586
April.....	742,778	717,000	694,944	686,979	681,382	511,338	743,651
May.....	779,385	741,317	724,995	699,041	687,776	623,786	786,564
June.....	759,724	727,696	702,379	715,957	678,490	675,697	755,309
July.....	757,839	736,199	725,497	736,099	689,555	730,635	754,306
August.....	766,658	740,210	706,669	702,083	711,526	722,490	769,371
Total (8 months).....	6,147,433	5,732,644	5,579,650	5,543,028	5,329,582	3,939,674	6,040,226
September.....	738,231	708,206	698,558	682,173	691,026	747,089	..
October.....	751,290	679,764	723,722	662,472	707,825	778,159	..
November.....	722,839	658,701	677,970	633,737	704,236	764,476	..
December.....	722,419	641,245	650,191	632,215	681,847	790,712	..
Total (12 months).....	9,082,212	8,420,560	8,330,091	8,153,625	8,114,516	7,020,110	..

It will be noted that the output for the first eight months of the present year is better than in any year since 1917. The following table shows the number of natives employed at end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	Jan., 1923.	Feb., 1923.	Mar., 1923.	April, 1923.	May, 1923.	June, 1923.	July, 1923.	Aug., 1923.
Gold mines.....	181,985	182,983	181,473	178,337	175,591	170,865	166,443	167,600
Coal mines.....	14,664	14,717	14,710	15,040	15,176	15,598	16,020	16,156
Diamond.....	1,222	1,227	1,273	1,860	2,668	3,063	2,893	3,107
Total.....	197,871	198,927	197,456	195,237	193,435	189,526	185,356	186,863

The figures show an improvement during August in all branches of mining in the Transvaal.

THE International Statistical Institute will hold its fifteenth session at Brussels during the week beginning October 1st. This marks the resumption of the biennial meetings which were interrupted by the war. Founded in London in 1885, the institute has met in most of the capitals of Europe, the last session being held in Vienna in 1913.

THE syllabus of lectures at the London School of Economics for the session 1923-4 has now been issued. Many of these lectures are open to the public gratis. Full particulars may be obtained from the Secretary, Houghton street, Aldwych, W.C. 2.

Oversea Correspondence.

UNITED STATES.—GOVERNMENT COTTON CROP REPORT—TEXTILE CONDITIONS—ANTHRACITE COAL STRIKE—PANAMA CANAL TOLLS—IMMIGRATION LAWS.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 3.

THE Government's latest cotton report was a complete surprise to the trade, since it indicated far greater deterioration in the growing crop than had been expected. The Department of Agriculture's estimate of condition as of August 25th, namely, 54.1 per cent. of normal, compares with 67.2 per cent. on July 25, 1923, 57 per cent. on August 25, 1922, 49.3 per cent. on August 25, 1921, and with 63.5 per cent., the average August 25th condition for the past ten years. The condition of the crop, therefore, showed a loss of 13.1 per cent. in the 30 days ending August 25th, and is almost 10 per cent. below the 10-year average as of that date. The Department's estimate was far below even the lowest trade prediction. The average of some 18 private estimates was 56.7 per cent. The August 25th condition forecasts a yield per acre of 134.8 lbs and a total production of 10,788,000 bales of 500 lbs each gross, or 728,000 bales less than was indicated on July 25th. Last year's actual harvest was 9,761,817 bales; in 1921 it was 7,933,641 bales, and in 1920, 13,430,603 bales. The average production for the five years 1910 to 1914 was 14,259,231 bales, and for 1915 to 1919 the average harvest was 11,481,084 bales.

This year's final outturn may be larger or smaller than that figured on the latest estimate. There is not much, however, to encourage hopes of a larger crop than the 10,788,000 bales now estimated; present indications, in fact, point to a further loss. The three W's—weather, weevils, and worms—are responsible for the heavy deterioration during the past month. Naturally, such a bullish Government report, pointing to a short crop for the third consecutive year, caused greatly increased activity and strength in cotton markets, where prices of futures soared fully \$5 a bale, and retained most of their advance. October cotton sold at 25.35 cents, and all months, with the exception of January, went above 25 cents a lb for the first time since last June. The future course of prices for the staple will be governed not only by crop developments, but also by consumptive demand. Last year's consumption of American cotton, according to the New Orleans Cotton Exchange, was 12,631,000 bales, and the carry-over from the last crop was 2,573,000 bales. Assuming that consumption during the ensuing year reaches the same total, there will remain next August a carry-over of approximately 500,000 bales, using the latest Government estimate as a basis. Developments of the past few months, however, do not indicate that this year's consumption will equal that of last year. It is indeed likely, therefore, that decreased consumption this year will materially offset the reduction in yield as a factor in cotton market prices, although to what extent remains to be determined. The prospect of another short crop has already had a decided influence in lifting prices of cotton goods, both unfinished and finished, and is likely to cause further advances, especially since many descriptions of cottons are still selling in the primary market at prices below replacement costs, based on current prices of raw material. Demand for cotton goods has also been stimulated, the bullish crop advices having served to impress many buyers, who had been holding off, with the advisability of placing orders without further delay.

Despite the efforts of Governor Pinchot, of Pennsylvania, to effect a settlement of the controversy between anthracite coal operators and miners, the long-threatened strike of union miners became a reality on September 1st. Both the operators and union workers were willing to accept some parts of the agreement suggested as a compromise, but appeared to be deadlocked on others, such as the question of wage increases, the check-off system, and other points. The way has been left open, however, for further negotiations, and some settlement may be reached before long. In any event, the country is much better prepared for a strike than it was a year ago. According to reliable estimates, the amount of anthracite in consumers' cellars, or *en route* to them, on September 1st was between 25,000,000 and 35,000,000 tons, or sufficient to last two or three months from the start of the consuming season. The geological survey places the amount of hard coal mined since April 1st at more than 40,000,000 tons. Since January 1st of this year a total of 64,427,000 tons has been mined, as against only 23,542,000 in the corresponding period of 1922. In the entire record year of 1917 only 77,133,305 tons were produced. Virtually all the anthracite mined from January to April went into consumption during that period, but the production since about the middle of April has gone into storage, or has been purchased by consumers for the coming season. By supplementing anthracite stocks with soft coal and various substitutes, the present supply of hard coal will last longer than indicated. Fortunately, there is an abundant supply of soft coal, and production is likely to be increased. There has been much talk, naturally, of importing coal from England. The extent of such a movement will depend upon the duration of the anthracite strike, which cannot now be forecast, and also upon the future course of prices for bituminous coal, which will probably be used extensively. Any sharp advance in soft coal prices here would doubtless lead to the placing of orders for foreign coal.

The Panama Canal is now yielding a profit of approximately \$500,000 a month, or more than 3 per cent. annually on the investment, according to Colonel Jay J. Morrow, Governor of the Canal Zone. The cost of

operating the waterway is placed at about \$600,000 a month. During the first 15 days of August tolls aggregated more than \$1,000,000; in July the total was \$2,124,399—a new high monthly record. On August 14th the Panama Canal had been in operation for nine years. In that period more than 20,000 vessels passed through the waterway, carrying about 34,200,000 tons of cargo, and paid in tolls upwards of \$76,500,000. Of that amount, \$17,600,000 was paid in the fiscal year ended June 30th last; a large part of last year's tolls was derived from the enormous shipments of California oil. Reports have been current that because of the increased earnings the Canal tolls may be reduced; nothing definite, however, has yet developed in that direction.

There is good reason to believe that a revision of the immigration laws of this country will be undertaken at the next session of Congress, although it is impossible to forecast exactly what changes the Administration may urge. Secretary of Labour Davis recently returned from Europe, where he made a thorough study of the subject. Generally speaking, it is understood that he favours a system of highly selective immigration, but believes the selecting should be done abroad, as far as possible, in order to prevent the turning back of prospective immigrants after they have actually reached this side. Such a system would probably require even greater co-operation than heretofore on the part of American Consuls, steamship interests, and foreign Governments. Intimations have been made in Washington advices that the basis for selection will continue to be the quota system, but whether or not larger numbers will be admitted than at present is uncertain. There are many authorities in this country who, while believing that immigration should be restricted, are strongly of the opinion that this country urgently needs a larger number of desirable aliens than the present law allows to enter in a given period. In many directions, and particularly in the steel industry, the labour shortage is still acute. For obvious reasons, any effort to admit larger numbers of immigrants will encounter stiff opposition from the labour unions in this country.

Further details, now available, of this country's export trade in July show that, while the total value of all exports in that month exceeded that of July, 1922, by 3 per cent., there was a material falling off in the outward movement of such important commodities as meats, dairy products, grain and flour, animal oils and fats, canned goods, raw cotton, and cotton fabrics. July exports of grains were less than half those of the same month a year ago; cotton exports were 43 per cent. less. Corn exports in July were only about one-tenth those of a year ago in quantity and value; wheat and flour exports were one-third less than those of July, 1922, while values were 40 per cent. lower; exports of foods as a whole decreased 35 per cent., and of textiles 38 per cent. Canned fruits exports were approximately only half those of July last year.

FRANCE.—CHANCES OF ECONOMIC ENTENTE WITH GERMANY—THE FUTURE OF THE NATIONAL FINANCES—COMMODITY PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, September 12.

It has now become evident to all observers that the Ruhr conflict that has been going on since the middle of January is nearing its end. All kinds of rumours, from Berlin, Rhineland, and London sources, have been current here during the past few days to the effect that negotiations are actually in progress between the two Governments, with a view to a settlement on the basis of an economic *entente* between France and Germany. These rumours have naturally aroused intense interest, not merely here, but particularly in Great Britain, therefore it may be opportune to set forth the real facts of the situation.

All impartial observers here are agreed that economic agreements between French and German industrial interests will undoubtedly be come to eventually. A marriage between the German coalfields and the French ore deposits is as certain an event of the future as anything that can be foreseen, for the simple reason that such

a union would be both natural and expedient, in the interest of both parties. It may be stated emphatically, however, that—for the time being, at any rate—this particular economic factor counts for practically nothing, the circumstantial rumours that have been prevalent during the past few days notwithstanding. The two primary factors in the Franco-German situation are still, as they have always been since the Treaty of Versailles was signed, those of the payment of Reparations and of the military security of France. From the French point of view to-day the demilitarisation of a zone embracing both the left and the right banks of the Rhine, and extending 30 miles eastward of that river (as provided by the Peace Treaty), and the payment of Reparations by Germany are the two points that must be settled first, after passive resistance in the Rhineland is renounced. Any suggestion by the Berlin Government of an offer to "transfer to France 30 per cent. of the shares of the total German industrial issues" is foredoomed to failure. The French industrial interests, anxious as they may be to conclude trade agreements that would be enormously to their advantage, are powerless in face of this determination of the country as a whole to place military security and Reparation payments first in any settlement that may be arrived at, and it is prudent that this fact should be made perfectly clear.

It was largely owing to this attitude of French opinion (plus, certainly, a substantial degree of ill-will on the part of the then German leaders) that the Loucheur-Rathenau and Stinnes-Lubersac agreements for payments in kind, as applied to the devastated areas, proved a fiasco. Those agreements, admirable as they were in many respects, were condemned, on analysis, as certain to prove merely palliatives, that left still unsatisfied the deep-rooted French desire for a safe frontier. The situation, as the average Frenchman sees it, remains the same to-day, and it may be predicted with certainty that, notwithstanding the inherent tendency of the French people to acquire riches and to inflate profits even beyond the standard that other peoples regard as reasonable, no offers of immediate material advantages will prove seriously attractive so long as the security of their eastern frontier remains as doubtful as the vast majority of Frenchmen regard it to be to-day, in spite of Germany's overwhelming military collapse.

The newly formed *Comité d'études de la production et des économies* has just issued a striking statement, in which it sets forth the financial situation in which France will find herself, even supposing that the efforts that are at present being made to "make Germany pay" prove successful. In this statement it forecasts what the position of the country may be in 1930, on the assumption that its revenue from taxation continues normal, that it receives a substantial amount in the form of Reparations from Germany, and that it has to meet the interest payments on the loans it has already contracted, and will have to contract in future for the completion of the restoration of the devastated areas. On this basis it estimates that in 1930, by which time the Minister for the Liberated Regions estimates the work of reconstruction will be terminated, that the national revenue may be summarised as follows:—

	Francs.
Receipts from taxation, estimated under the Budget for 1923 at 23,500,000,000 frs., but which may be assumed by 1930, in view of the recovery of the devastated areas and of the possibility of new increases of the yield of taxation, to amount to ..	25,000,000,000
Receipts from German reparation payments	4,500,000,000
	29,500,000,000

(The 4,500 millions which it is assumed may be received from Germany, it is explained, is based on the fact that, during the last exchange of views between the Allies, France agreed to limit her claim against Germany to 26,000 millions of gold marks, or, assuming the gold mark to be worth 3f 90c, 91,000 million francs, under condition that the rest of her claim shall be used to cancel inter-allied indebtedness. This sum of 4,500 million francs is equivalent to interest at the rate of 5 per cent. on the total due, that being the rate which it is stipulated in the treaty Germany shall pay on the bonds she agreed to hand over.)

The expenditure side of the account in 1930 the Comité sets forth as follows:—

INTERNATIONAL BANKING IN ALL ITS BRANCHES BANKERS TRUST COMPANY 16, WALL STREET, NEW YORK PARIS OFFICE 3 & 5, PLACE VENDOME CABLE ADDRESS: BANKTRUST, PARIS

Expenditure provided for under the Budget of 1923—		
	Francs.	Francs.
(a) Ordinary Budget—		
Service of the Public Debt	12,000,000,000	
Public services	11,400,000,000	23,400,000,000
(b) Budget of "Recoverable Expenditure"—		
Permanent expenditure apart from all initial expenditure..	3,000,000,000	
Pensions	3,000,000,000	6,000,000,000
Interest charges, &c., in respect of the expenditure of 45 milliards still to be made for reconstruction, at 6 per cent.		2,700,000,000
		32,100,000,000

Assuming these figures to be approximately accurate, therefore, the Comité foresees for 1930 "an incompressible deficit" of at least 2,600 million francs, under the most favourable circumstances. This figure, of course, is based on the assumption that France will be able to recover during each of the coming six years the whole of the annual amount it is assumed Germany will pay. This has already been contradicted by events, and the Budget of recoverable expenditure for the current year will certainly show a deficit of between 6,000 and 7,000 million francs, which will go to swell the above-mentioned total of annual expenditure by some 400 million francs to meet the interest charges on the money that will have to be borrowed because payments are not yet forthcoming from Germany. Further, the figures set forth above make no provision for amortisation of the debt. This money, it is pointed out, has been borrowed at an average cost of 4½ per cent., but it is unlikely that it can be consolidated at less rates than 6½ per cent., which will involve an additional burden of at least 3,000,000,000. In sum the Comité argues that in all probability the country will have to face a progressive deficit of some 7,000 million francs from 1930 onwards, which cannot be expected to be met by taxation without definitely ruining its productive capacity.

The French index figure of wholesale prices for the months of August is returned as 476.6, as compared with 470.1 for July, or a rise of 6½ points, whereas the figure for July showed a slight fall, explicable by seasonal causes. The detailed comparative figures are as follows:—

	July, 1923. (Corrected).	August, 1923. (Provisional).
General index figure (45 categories).....	470.1	476.6
Foodstuffs (ensemble of 20 categories)	445.6	442.0
Vegetable foodstuffs (8 categories)	408.4	396.1
Animal foodstuffs (8 categories)	464.3	476.3
Sugar, coffee, cocoa, &c. (4 categories) ..	482.5	464.9
Raw materials (ensemble of 25 categories) ..	489.8	504.3
Minerals and metals (7 categories)....	451.0	474.5
Textiles (6 categories)	616.6	651.9
Various (12 categories)	448.9	448.0

With the exception of meat, foodstuffs show an all round decline. The increase in the general index figure is therefore accounted for by the rise in the prices of raw materials, minerals being 23½ points higher, while textiles have risen by 35 points. Figure for June was 472.3, as against 418.4 at the end of last year. The index figure representing the retail prices of 13 categories of foodstuffs in Paris during August is returned as 3,524, repre-

senting an increase of 228 per cent. on prices prevailing in 1914, as compared with 3,446 in July, which is equivalent to a rise of 7 per cent. on the month. The retail price of bread, as I announced last week, has been reduced to 100 per kilogramme, by decree of the prefectural authorities, in view of the recent fall in the price of flour. The reduction has led to a bitter outcry on the part of the bread producers. The protest raised by the master bakers in Paris has taken the form of the resignation of the president and other officials of their trade association.

GERMANY.—RUHR—GOLD CURRENCY—EXCHANGE DICTATORSHIP — REICHSBANK — FINANCES — EXCHANGE AND BOURSE—BUSINESS.

(FROM OUR CORRESPONDENT.)

BERLIN, September 11.

ALTHOUGH no official statement has been made, it seems certain that the Stresemann Cabinet, in its new attempt at direct negotiation with France, is willing to give way on the questions of evacuation and passive resistance. It is true that an agreement, not an unconditional surrender, is aimed at; but the conditions for an agreement proclaimed up to the last by the Cuno Cabinet seem to have been thrown overboard. In the last few days a radical and sudden change of attitude in a great part of the Press has taken place. At a moment when the nation was proclaimed to be entirely solid in its demand that the resistance must be maintained, and at least that evacuation within a fixed term should be claimed, newspapers of various parties began to attack the whole Cuno policy, to denounce Herr Cuno as a "new Ludendorff" for a policy which the nation undoubtedly supported, to proclaim that passive resistance had not only failed in attaining its objects, but was also on the point of breaking down, and even to denounce the whole policy pursued so far towards France as bluff and swindle. Some journals have even declared that Germany is now compelled to give way, on terms or without terms. Although the recent aggravation of finance and business might justify such a change of front, the change is so sudden as to justify the belief that the Cabinet is systematically preparing the public for something like a surrender. If this view is right, the danger is that France will exploit Germany's need in order to raise her terms. The change of German policy has in no way tempered French policy on the Ruhr. The military terrorism against the population is being increased.

The new stable currency will shortly be a fact. A great many plans have been considered, including one by the former Finance Minister, Dr Helfferich, for basing the new notes on rye. The Federal Economical Council advised against this, and it is decided that the notes will be on a gold basis. The Council declared that the notes must be issued by the Reichsbank, on security of a special currency fund, declared also for the conversion into gold of the paper mark at its current exchange value, added that the new currency could be kept stable only if the Budget was balanced, and that the expenditure, at present enormous, on the Ruhr conflict should be limited to a fixed sum and rationed. Private inflation should be checked by a more drastic discount policy. The decision so far come to is to establish an entirely new gold note bank, independent of the finances, but "in organic connection with the Reichsbank." The paper mark will for the present be maintained without any attempt to establish a fixed relation of value to the gold currency. These measures would produce the same conditions as prevail in Russia. It is further suggested that the paper mark, as a measure of convenience, be denominated, perhaps to the one-millionth, as in Russia. No declaration has been made that the Reichsbank will part with any of its gold to the new bank.

The creation of the currency fund necessary for the gold notes has, however, been begun, this by a measure of expropriation of a very drastic kind. By decree of September 7th the Cabinet (formally the President of the Republic) suspended Articles 115, 117, and 153 of the Constitution. The first two guarantee inviolability of dwelling and post secrecy; the third declares that property may be expropriated only under law, and then if no law provides otherwise, against fair compensation. By the

same decree the Cabinet appointed a "Commissary for Expropriation of Exchange." The Commissary is empowered to expropriate foreign currency, foreign stocks and bonds, and precious metals, to search dwellings and open correspondence, to compel citizens to reveal under oath their holdings of the above kinds of property. Penalties are imprisonment, fine and expropriation without compensation. Currency, securities, and precious metals outside Germany may be confiscated. Compensation, the decree declares, is to be given in "gold loan." Gold loan is the polite name for the pure paper mark voluntary loan at present under subscription, the only gold element in it being that paper mark interest and principal vary with the paper mark's gold exchange. The Commissary is required not to expropriate currency needed for legitimate business, and in general the official instructions enjoin on him reason in the exercise of his powers.

This exceptional measure, which has a certain support in public opinion, is certainly the most remarkable demonstration of State authority outside Bolshevik Russia. The three Articles of the Constitution are suspended on the basis of a fourth Article, No. 48, which authorises suspension of the three only when "public security and safety are seriously disturbed or endangered." The Government has never claimed that under this Article it could even alter the rates of a tax, but it now declares that it can expropriate, by administrative measures, all property whatsoever, annul all the laws concerning property, and further refuse to give compensation, because, the clause of Article 153 requiring compensation being suspended, the present "gold loan" compensation is a voluntary concession. The claim that property may be expropriated because its possession disturbs or endangers public order is a remarkable one. This aspect of the measure, which is an outcome of the fact that the Reichstag will not work at normal financial law-making, and that the Cabinet will not ask it to work, might be ignored were it not for the circumstance, dealt with elsewhere, that the Cabinet claims a right to expropriate all property; whosoever situated, of foreigners in Germany. Not much result may be expected from this decree. The biggest holders of foreign currency are business concerns which will easily prove that their holdings are necessary for business; and the threatened raid on the miserable citizens who hoard odd pounds and dollars in self-protection cannot be carried out effectively. Meantime the currency situation becomes ever worse. The inflation has taken such wild dimensions that the banks pay out almost exclusively brand-new packages of notes. The Reichsbank's statement for August 23rd shows an increase of Commercial Bills by 40,164 milliards to 89,606 milliards, Treasury Bills by 329,246 milliards to 506,880 milliards, and circulation by 157,503 milliards to 272,906 milliards, both credits and circulation having more than doubled. At present circulation is increasing still more rapidly, and it has already probably reached 1,000 billions.

The State Finances no longer deserve that name. The view was expressed from here a month ago that the supposedly drastic tax reform which the Reichstag passed in two days, and which was acclaimed as a great achievement, would help little. It has not helped at all. As was foreseen everywhere, except in the Reichstag and the Finance Ministry, the deficits, at the rate involved by exchange and price conditions of a month ago, must swallow up the nominally large yield of the new taxes. The Finance Ministry's report for August 31st shows that this was so. The whole yield from taxes in the preceding decade term was 6,355 million marks, whereas the expenditure was 866,741 millions, or 136 times as much. The worst records of Soviet-Russia in 1918-20 are far exceeded. The present rate of inflation and of price rise also far exceed Russian records, and if no change takes place the absolute inflation will soon exceed Russia's. The Government was obliged in ten days to add 832 billions to the Floating Debt (thereby more than trebling it). At the end of August the debt totalled 1,235 billions. The debt has multiplied 600-fold since January 1st.

Bourse values more than trebled last week. The *Frankfurter Zeitung's* index for home dividend-payers rose from 1,012,673,700 to 4,332,573,500; home loans from 2,803,710 to 3,897,200. Stocks rose by hundreds of

millions per cent. in one day, the Stinnes security Gelsenkirchen reaching a quotation of one milliard. The main influence here continues to be the currency depreciation, but expectations of French participation in western industry as part of a Ruhr settlement has also been a bull influence. Money is plentiful, and the outside public is speculating. Increases of company capital from January to August inclusive were 132,417 million marks, against 46,029 million marks in the same months of last year.

Business continues to get worse. In August 2,000 employers in Saxony asked for permission (necessary under the law of 1920) to close their works entirely. Shortened working hours prevail in most branches. The official cost of living index number for September 3rd was 1,845,261-fold that of 1914, against 1,183,434 a week earlier. Standard Ruhr coal (*Fettfoederkohle*) has been raised from 91,913,000 marks to 168,700,000 marks per metric ton. The Steel Syndicate has begun to quote its prices in gold marks, payment being made in paper. General gold prices on August 28th were 50 per cent. above those of 1914. Crop reports are good.

CANADA.—ANOTHER BANK MERGER—THE BANKING SITUATION—CROP REPORTS—BUSINESS POSITION.

(FROM OUR CORRESPONDENT.)

OTTAWA, August 28.

THE banking situation has become the chief focus of public interest in Canada for the time being, and scarcely a week seems to pass nowadays without some new sensation being provided. This morning comes the publication of an announcement by the Minister of Finance that the Canadian Bank of Commerce will be permitted to take over the assets and liabilities of the Bank of Hamilton. The approval to the merger thus given by Mr Fielding must be confirmed by a Cabinet order-in-council, and ratified by the shareholders, but there is no doubt of these steps being consummated. The terms to be given the shareholders of the Bank of Hamilton have not been announced, and are said not to have been definitely settled, but it is understood that they will be very satisfactory; the stock's ruling price on August 27th was 150, and to-day it has advanced a point. Undoubtedly, the Home Bank *débâcle* gave a hasty impetus to the plans for the merger, which had been afoot for some time. The merger process is still viewed with disquietude, and Mr Fielding has thought it necessary to issue a statement justifying his course. He contends that the merger is completely in the public interest, and that the Bank of Hamilton is entirely solvent, its paid-up capital of \$5,000,000 being unimpaired, and its reserve of \$4,850,000 being almost equal to its capital. But he admits that it has experienced heavy losses, which give its management anxiety about the future, and that if continued as an independent organisation the task of the directors would have been difficult. He had concurred in their view that they should not await events which might further impair the bank's position and prestige, but should embrace the opportunity to amalgamate with a larger bank. "I think," said Mr Fielding, "that the announcement of the merger will strengthen the banking position in the Dominion."

All the banks have been carrying heavy commercial accounts in Winnipeg and Western Canada generally, particularly for wholesalers and jobbers. These in turn have been supporting retailers, and when towards mid-summer business in the West did not show the recovery anticipated as the result of the good crop prospects then advertised, there was great disappointment; when, however, simultaneously the European situation worsened, carrying the threat of even poorer markets, and the early crop estimates had to be revised, a feeling of grave uncertainty developed through the western provinces, and a number of important wholesale and jobbing houses had to suspend operations. The farmers last year, owing to the low prices for their products, were unable to meet their obligations, or met only a small part of them, and there were symptoms that the process of liquidation would not be materially advanced by the present crop. The larger banks have been able to meet the situation thus created, but the smaller institutions were reduced to hard

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straits. Now two of them have made heavy drains upon their reserves, one has suspended payment, and another has sought refuge in the bosom of a strong bank. What the Canadian public wants to know is whether the series of disclosures of banking troubles are now at an end, or whether more are to be expected. In well-informed quarters the suspicion exists that one or two further mergers will be announced in the near future. If the western situation does not improve, some of the lesser banks may have to make readjustments and draw on their reserves. The merger puts the Bank of Commerce back in the same class as the Bank of Montreal and the Royal Bank; it still lags behind the former in every particular, but while it is behind the Royal in total capital, assets, and liabilities, its absorption of the Bank of Hamilton raises it to second place, if comparison is made on the basis of saving and demand deposits payable in Canada and current Canadian business. The Royal, it should be explained, has a large external business in the West Indies and elsewhere. The Bank of Commerce will now have an authorised capital of \$32,000,000, of which \$25,000,000 has been paid up; its assets will be, according to the latest statement, \$455,643,890, and its liabilities \$412,519,482. The Bank of Hamilton, which was founded by a group of capitalists living in Hamilton—a thriving industrial city in Western Ontario—had 138 branches in six provinces of Montreal; of these, almost half were in Ontario, and there was no branch east of Montreal.

There is naturally grave concern at what the effect of these episodes will be upon the credit of Canada in the money markets of the world, and the *Financial Post* demands that the Canadian Bankers' Association should take active steps to restore public confidence. It is now plain that many of the criticisms offered by the Western Progressives against the Bank Act were completely justified, and that the reports submitted under it to the Finance Department afford little or no guidance as to the actual condition of the banks. The amendments of last session may offer some improvements, but the *Post* and other papers are demanding the appointment of a Federal banking superintendent who will be endowed with very wide powers. It is pointed out that the Federal Department of Insurance and Loans has demonstrated its value in respect to the control of insurance and mortgage companies. But it is doubtful if any such step will be taken, for the three big banks who now control the financial situation have very powerful and active friends at Ottawa.

Meanwhile, the curator appointed by the Bankers' Association, who is being assisted by an advisory committee of three leading Toronto bankers, is investigating the affairs of the Home Bank, and until his report is available the exact situation of the depositors and shareholders can only be surmised. The fear, however, is now expressed that the position is far from good, and that even the depositors may suffer some loss, which would mean that the shareholders get nothing. It is understood that if the prospects of the depositors could be ascertained roughly the other banks would advance cash which would permit a partial payment to them. There are some very disquieting rumours about the Home Bank *débâcle*, and the Federal Government is being pressed to hold a strict investigation. Its decision on this point will likely depend upon the curator's report.

Up to July 22nd there was every prospect that the western grain crop would equal and possibly surpass the

record yield of 1915, but on that date there commenced a spell of severe heat, following heavy rains, which produced exactly the conditions most favourable to the development of the worst scourges of the West. However, despite the reduction of the early roseate estimates, there will still be a good average yield of wheat, and if only the prices were better the economic plight of the West would not be intolerable. But in view of the chaos of the European situation, and the good domestic crops which are available for that continent, there is considerable anxiety about marketing conditions, and there is no expectation of any recovery in price.

Despite the awkwardness of the banking situation business generally, especially in Eastern Canada, is reasonably good. The mines in the North are busier than ever, and there is in progress keen competition between British and American capital to pick up the choicest of the available properties. The stock markets, however, have been very dull, and inclined to reactionary tendencies.

AUSTRALIA.—COMMONWEALTH BUDGET—OVERSEAS TRADE.

(FROM OUR CORRESPONDENT.)

MELBOURNE, August 6.

THE Commonwealth Budget, presented by the Treasurer, Dr Earle Page, on July 26th, shows that the estimated revenue and expenditure for 1923-24 (after deducting from both sides the proportion of revenue paid to the States on a "per capita" basis, £7,255,000), compares with the actual figures for the previous year as follows:—

	1922-23.	1923-24 (Est.)
Revenue	£ 57,620,084	£ 54,688,250
Expenditure	56,599,934	54,641,098
Surplus for year.....	1,020,150	47,152

The decrease in the estimated revenue is due mainly to the decrease of £2,847,306 in the estimate of Customs' revenue, which reached the high total of £22,597,306 for 1922-23, a total which cannot be relied upon for repetition, especially as the large imports of the 1922-23 financial year were partly due to heavy borrowings abroad. It is proposed to alter the Commonwealth income-tax on one point by taxing companies at the flat rate of 1s in the £, instead of the present tax at a higher rate on the undistributed portion of their profits, the dividends being at present taxed in the hands of the shareholders. But where the rate of income-tax imposed upon the shareholder on the graduated scale exceeds 1s in the £, he will continue to be charged upon his dividends subject to a rebate of 1s in the £. The charge is expected to facilitate administration, without appreciably affecting the revenue. So far as the smaller taxpayers are concerned (whose rate of Commonwealth tax is under 1s in the pound) it will mean an apparent direct saving, but a real increase indirectly, through the medium of the company, in the incidence of taxation. Commonwealth land tax is to be amended by the exemption of Crown leaseholds as from June 30, 1917, the collection of the tax on these leaseholds having been suspended for the last five years owing to the difficulties of administration, and the grave discrepancies in the valuation of the lessees' interest in the leasehold land. A reduction in postal charges is to be made, those charges being at present much higher than in England and New Zealand.

Adding the estimated surplus of £47,152 to the accumulated surpluses of former years, the total accumulation by June 30, 1924, would be £7,475,726, of which the Government propose to apply £2,500,000 to redemption of war gratuity bonds, £2,450,000 to reserve for defence, including provision for munitions reserve, and £2,475,276 to reserve to meet contingencies which may arise in rotation to taxation. The Government has undergone a little criticism for not using the accumulated surplus to make greater reductions in current taxation. The accumulation, however, is largely due to special causes, as the earnings of German requisitioned shipping and certain other German payments have been included in revenue, while the large Customs' revenue received during 1922-23 includes several millions, representing an indirect conver-

sion of loans raised abroad into revenue in Australia, owing to the high tariff on a swollen volume of imports.

Fresh loan proposals of the Commonwealth for 1923-24 amount to £18,945,622, including £9,000,000 to be advanced to the States for immigration and soldier land settlement. In addition, the necessary redemptions and conversions to be provided for by the Commonwealth during 1923-24, mainly locally, amount to £46,583,727. The public debt of the Commonwealth, on June 30, 1923, was £410,996,316. Of this £362,692,573 is war debt, including £90,388,603 due to the British Government.

The Commonwealth trade returns for the 12 months ended June 30, 1923, show an increase of £28,742,237 in gross imports, but a decrease of £9,933,452 in gross exports, as compared with the previous financial year. Imports, however, are still about 32 millions less than in 1920-21, which was the period of excessive importation. The following is a comparison for the last three financial years:—

	1920-21.	1921-22.	1922-23.
Imports—			
Merchandise ..	163,790,964	103,030,950	131,790,797
Gold	10,862	35,486	17,876
Total imports	163,801,826	103,066,436	131,808,673
Exports—			
Merchandise ..	126,844,831	124,363,296	115,693,752
Gold (inc. prem.)	5,314,081	3,483,239	2,219,351
Total exports	132,158,912	127,846,535	117,913,083

During 1921-22 Australian exports exceeded imports by about 24½ millions, but the 1922-23 figures show an excess of imports of nearly 14 millions, the balance of trade having thus swung round to the extent of nearly 38½ millions. Exports do not coincide with payments receivable by Australia, as they have included Bawra held-over wool, paid for some years ago by the British Government. The Bawra shipments, however, were finished early in May, 1923, and future statistics will consequently reflect current annual production and exports, as in pre-war years. On the other hand, the Bawra payments, representing the Australian wool-growers' half-share of profits, form a supplementary payment to Australia not appearing in the trade statistics. Interest and other payments to be made by Australia on British capital invested here may be reckoned at about 24 millions sterling. Against this there were the large public borrowings in London and New York in the 1921-22 financial year, the stimulating effects of which on Australian imports were only felt during 1922-23. Those borrowings represented about 38½ millions of fresh money, but as recent borrowings have been on a reduced scale, the basis for future importations is narrowed, especially as export trade is somewhat inelastic. The principal exports for the last three financial years compare as follows:—

	1920-21.	1921-22.	1922-23.
Wool and tops....	33,780,760	47,977,243	57,144,493
Wheat and flour..	39,422,106	34,164,036	12,991,550
Butter	11,067,104	7,987,558	6,133,864
Frozen beef, mutton, and lamb..	5,398,499	4,007,542	6,125,599
Copper	2,230,766	704,988	652,333
Lead	667,919	1,730,341	2,561,616
Tin	497,264	284,357	350,691
Zinc	139,026	237,175	846,054
Zinc concentrates	224,541	586,329	1,463,097
Silver	165,617	854,840	1,117,145

Wool exports during 1922-23 reflect the high prices ruling. Wheat and flour exports have been smaller owing to the reduced harvest at the beginning of 1923, while prices are lower than those of 1920-21. Metals have shown a revival following the more active operations at Broken Hill after the strike some time ago.

NORWAY.—FOREIGN TRADE—NORSKE LLOYD INSURANCE—COPPER DEPOSITS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, September 3.

THERE are no complete trade statistics available for the first half-year, 1923, as yet, but enough is known to disclose the satisfactory result that if things develop in the same manner during the last six months of the year, the adverse trade balance should be considerably lower

than for the last year. In that case, the total exports of the year should amount to nearly 800 millions, and the imports at the utmost to 1,000 millions. Last year imports and exports were 1,315 and 790 millions respectively. It is especially satisfactory to notice, from a Norwegian's point of view, not only that the total turnover of the trade with England is increasing, but particularly that exports to England exceed imports from that country by 38 million kroner during the first six months of 1923, and that there is a tendency to increase.

The various autumn fisheries are now commenced, but, so far, show no very satisfactory results. The whaling season also has arrived, and from the various places on the south-eastern coast of Norway, where the whaling industry is chiefly centred, about 2,700 men have shipped for the various stations in the Arctic and Antarctic regions.

In the Court of Probate, about a week ago, the first meetings of the creditors of the bankrupt estate of the large insurance company, Norske Lloyd, were held. Only a comparatively small number of claims were proved, and it is stated that the next meeting will take place in three months. As the company had ramifications in many lands, and the claims are extremely numerous, it will be a very long time before the estate can be wound up.

It is well known that the northerly parts of both Norway and Sweden contain immense deposits of iron ore. But there are, besides, in Norway, not far from the Swedish border, at about 65 deg. N. lat., very rich occurrences of copper pyrites. Experts think even that they are second only to the Rio Tinto Mines in Spain. A company was started some ten years ago under the style of A. T. Grong Gruber, to examine and exploit the fields, where there is also sufficient water-power. A couple of years ago or more, the Government, however, took over the greater part of the shares (about 35,700 out of 36,000 shares). Negotiations have for some time been going on between the Government and an American concern to take over the investigation and exploitation of these immense deposits. Most likely some result will be arrived at in the near future.

Weather conditions are not favourable to the harvest; it is rather cold, and hardly a day passes without rain. A fortnight of dry and warm weather would, however, suffice for ripening most cereals and also the potatoes, and facilitate harvesting.

Books and Publications.

INFLATION AND THE COURSE OF PRICES IN FRANCE.*

THIS book is an economic analysis of the causes and consequences of price fluctuations in France since 1914. It begins with a discussion of some underlying ideas which the author seeks to apply later to the actual course of events. He first takes up the question of the meaning of inflation. The correct definition, he maintains, ought to

* "Le Mouvement des Prix en France depuis 1914." By Dr Paul Einzig. (Paris) Librairie Rousseau et Cie., 1923.

be based on a distinction between "monetary inflation" and "inflation of prices." If an excess of the means of payment over economic requirements provokes a corresponding rise of prices, there is monetary inflation; if, on the contrary, economic requirements are in excess of the means of payment, and provoke an increase of the latter, there is inflation of prices. "Thus inflation is the state of affairs when an additional quantity of the means of payment tends to provoke a rise of prices, or when additional requirements of the means of payment created by an exaggerated rise of prices tend to bring about an increase of the quantity of the means of payment." There is much to be said in favour of such a double-headed definition of the term inflation; nevertheless, we do not think it can be regarded as wholly satisfactory. Under the definition, an increase in the means of payment due to an influx of gold would be regarded as inflation, but this is scarcely in accordance with accepted usage.

The author proceeds to discuss six of the most commonly accepted theories of price determination:—(1) The theory of demand and supply, which he shows to be an inadequate explanation of price movements; (2) the quantity theory in its broad aspects; (3) the so-called income theory, according to which the level of prices is determined by the aggregate of the incomes of consumers; (4) the theory of artificial purchasing power, propounded by Professor Cassel; (5) the metallist theory, according to which the value of inconvertible paper money is determined by the possibility of returning to the gold standard; and (6) the psychological theory, which suggests that the level of prices is determined by the chance of re-establishing the pre-war economic and financial situation. He indicates what he considers to be the relative importance of these theories and their relation to one another, indulging on the way in one or two tilts at Professor Cassel.

Dr Einzig proceeds to consider the application of his general principles to the course of events. The rise of prices during the war was caused by the increase of demand and the diminution of supply, the increase of demand being provoked by the creation of additional purchasing capacity in the form of an increase of the quantity of the means of payment, and being made permanent by a corresponding increase of incomes. The part played by psychological factors did not, he considers, become important until after the Armistice. The rise of prices during 1919 and the early months of 1920 was stimulated above all by the reaction of public opinion to the disappointment of its more optimistic hopes, and by public distrust of the monetary standard. There was some expansion during the period in the means of payment in consequence both of the issue of additional bank notes and of the return to circulation of hoarded notes. We would suggest also that there may have been an increase in the velocity of circulation of money and bank credit, but this is a question into which the author does not enter. He considers, nevertheless, that the boom of 1919-20 was, "if not exclusively, at any rate essentially, an inflation of prices," as distinct from an inflation of the means of payment. With regard to the slump, his view is that

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while the fall of prices in the world market had its effects in France, the conditions necessary for a fall of prices already existed in France, so that a fall would have occurred even apart from the influence of outside prices. The fall of prices and wages, he claims, was more rapid in France than in the United States or England, while the commercial effects were comparatively small in consequence of the placing of orders for the restoration of the devastated areas, and also, he suggests, because commerce (as a result of war profits) was less dependent than before upon credit.

With regard to the exchange value of the franc in its relation to prices, he contends, justly in our opinion, that the co-operation between them has not been a result of unilateral action either of prices upon the exchange or of the exchange upon prices. "Each affects the other, and it is only the relative importance of their reciprocal influence which changes from time to time according to circumstances." For some time past the external value of the franc, relatively to sound currencies, has been below its internal value in consequence of the pessimistic view taken by the international market, but it has only been since the closing months of 1922 that the depreciation of the exchange has been so great that it has begun to react again upon the level of prices in France. The author does not consider, apparently, that inflation of purchasing power is now taking place in France, although he admits that monetary deflation is for the present impossible on account of the likelihood of National Defence bonds being used as currency. At present, he says, their use as money is exceptional, but if a policy of deflation caused a scarcity of the means of payment, economic needs would be satisfied by the popularisation of this means of payment. As an ultimate aim to be held in view, he still somewhat pathetically clings to the idea of restoring the franc to its pre-war gold parity. But he admits that the floating debt must first be consolidated, the equilibrium of the ordinary budget and the budget of recoverable expenses established, and the cost of the public debt reduced. Otherwise every effort in the direction of deflation would be futile. Dr Einzig's book is full of ideas and provocative to thought.

BOOKS RECEIVED.

A Text-Book of Economics. By M. Briggs. Second edition. (London) W. B. Clive. 8s 6d.
Economic Peace and Covenant of Sovereign Peoples. By R. R. Bowker. (New York and London) G. P. Putnam's Sons, Knickerbocker Press. 1923.
The Insurance Blue-Book and Guide for 1923. (London) 11 Queen Victoria street, E.C. 4. 10s 6d net.
This is a useful directory of British (home and overseas) and foreign insurance companies working in this country. It also contains a summary of insurance law, with many quoted cases and forms. Other features worthy of mention are (a) three years' accounts of all British offices of standing; (b) valuation figures of the British life offices; and (c) statistical, premium and other tables.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET. ACCOUNT.
September 18. September 19.

Had business been a little better in Stock Exchange markets, there is no doubt that the week which is now finishing would have proved satisfactory to the public as well as to the House. The news from abroad is better. It is an unexpected surprise to find Germany growing more complacent in connection with the Ruhr problem. Money is plentiful, and talk of a rise in the Bank rate has subsided. The Japanese tragedy, terrible as it is, has turned out to be less appalling than the first accounts suggested. Other favourable factors have presented themselves, but the markets, while keeping good as a whole, are not overburdened with public business. The Italian cloud cast something of a shadow over the markets at the end of the week.

The Consol market has received, at last, its expected big loan from Victoria, which offers £9,000,000 of 5 per cent. stock at 99. A friendly reception has been given to the issue, owing to the difficulty that exists nowadays of securing a full 5 per cent. from trustee stocks. The War Loan and its immediate satellites remain firm, movements being small, though fairly frequent. The gilt-edged market was generally good yesterday. Home Railway pre-ordinary stocks show a

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FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

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reviving tendency, and the Colonial list, in spite of the new Victoria loan, is hard throughout.

French bonds and railway issues are generally better, in consequence of the hopes that surround a possible settlement on the Ruhr, which is taken to imply a rally in foreign exchanges, the movement gaining strength yesterday. The improvement extended to Government, municipal, railway and shipping descriptions. Japanese Government bonds have recovered materially from their worst. Tokyo and Yokohama Fives have both revived. Russian stocks were supported yesterday. The Austrian scrip has fallen rather heavily. The Stock Exchange subscription to the Japanese disaster fund has reached a total of more than £10,000.

Most of the interest in the Home Railway stocks has centred in Undergrounds, where Metropolitan and Districts provided lively movements inspired by a disproportionately small volume of business. Buyers are looking for Metropolitan stock to be taken over by one of the big lines on the basis of a 4 per cent. guaranteed dividend, and the District bulls talk hopefully of some similar arrangement being applied to their own stock sooner or later.

Canadian Railway stocks are a little better. Mexicans continue dormant, and Argentines have been moving somewhat sharply up and down; firstly by reason of dividend expectations, to be realised next week; secondly, on account of the movements in the Buenos Ayres exchange. Brazilian Railways are steady, and San Paulos have improved.

Rubber shares reacted in consequence of a slight decline in the price of the raw produce, owing to landings once more exceeding deliveries, which is explained by reference to the dock strike. In oil shares, both New York and Amsterdam have been buying Royal Dutch, and this has imparted a firm tendency to Royal Dutch shares and to others in the same group. Something of a feature was a revival in the Trinidad oil list, but the brightness of the market did not hold. Courtaulds went ahead, on the idea that the company, like other concerns engaged in the textile trade, will benefit from the enforced exclusion of Japan for some time to come from the silk and allied industries. Shipping shares are beginning to harden again, Indo-China deferred being prominent, though here the reason given for the improvement is the impression that the Japanese disaster will bring extra traffic to the company's business. For the same reason, cable stocks are better. Insurance shares have held their ground, and in the banking market something of a feature is the way in which shares of the Far Eastern banks have moved up. Hongkong and Shanghai shares, for instance, fell to 117, but have rallied to 125. The iron and steel market is buoyed by the hope that important new contracts will be placed in connection with reconstruction work in Tokyo and other Japanese cities. Newspaper shares are a little better, these, like those of the tobacco market, being strengthened by rumours of possible forthcoming bonus distributions in the near future. Brewery stocks stiffened a trifle. Stores and restaurant shares mostly improved where movements occurred at all.

The South African market is apparently in the same state as a good man struggling with adversity, the bull points being obscured by the reluctance of the public to take a hand in the market and by occasional outbreaks of selling from Paris-Rhodesians, after their recent flutter of animation, are quieter. The most animated spot amongst mining shares this week has been the market for Mining Corporation of Canada and San Francisco Mines of Mexico, both the shares advancing sharply on good reports from the companies, some of the buying, in the case of the former concern, coming from Canada. Tin went over £200 per ton before it fell back a few pounds, and the markets in the various tin-mining shares are eagerly awaiting some sign that the public recognises the changed conditions which this recovery in the metal promises. Other mining sections are uninteresting, and the amount of business done in shares in this department during the week could probably have been transacted, without much difficulty, in a couple of days.

We are officially informed that Mr Alexander Barnet Albert Harris has been declared a defaulter upon the Stock Exchange.

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

NEW ISSUES.

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

Amount previously recorded	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
.....	£	£	£	£
202,230,317 ..	202,230,317 ..	..	..	..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED SEPT. 8, 1923.

April 1, 1923, to Sept. 8, 1923, £4,400,000 ..	£	400,000 ..	£	400,000
--	---	------------	---	---------

To the Public—
Government of Victoria 5% Conversion Loan, 1932-1942, at 99% (Sept. 12)

Total offered for subscription to date	Total offered for subscription for whole year—
1922 £202,630,317	1922 £573,675,650
1923 509,298,328	1923 388,978,203
1924 159,570,230	1924 367,549,656
1925 285,038,884	1925 1,036,059,951
1926 897,776,863	1926 1,393,381,441
1927 982,993,838	1927 1,318,596,010
1928 1,100,325,860	1928 585,436,853

Government of Victoria 5 per cent. Conversion Loan, 1932-1942.—Holders of £6,968,600 3½ per cent. stock and £2,301,162 16s 7d 6½ per cent. stock, due October 1, 1923, are now offered conversion to the extent of £9,000,000 into an equal amount of Government of Victoria 5 per cent. inscribed stock, 1932-1942, plus a cash payment of £1 per cent. on October 1, 1923, being the difference between the nominal amount of the stocks maturing and repayable and the issue price of the 5 per cent. stock. Holders of 3½ per cent. stock converting will receive three months' interest due October 1, 1923, and holders of 6½ per cent. stock converting will receive six months' interest due the same date, in the usual course. Any portion of the stock not converted will be paid off. As a precautionary measure in the event of conversion not being sufficient, an offer is made to the public of the above-mentioned stock at £99 per cent. to the extent of any portion not so converted. The revenue of the State for the financial year ending June 30, 1923, showed a surplus of £374,000. This, it is stated, is the sixth consecutive year in which a surplus has been realised. A sound trustee investment.

The Ascot District Gas and Electricity Company.—Authorised share capital £140,000, of which, including premiums, £90,000 has been issued. The authorised loan capital is £70,000, of which £44,000 has been issued. This is an offer for sale by tender of 1,500 £10 6 per cent. preference shares, the minimum price of issue being par. This is the only preference capital issued. The net revenue of the company for the year ended December 31, 1922, was £10,529. Interest on debenture capital amounts to £2,403. As the dividends on the present preference issue will need only £900, the remaining margin of £8,126 is ample to insure safety against most contingencies. A good investment, but regard must be paid to the narrow market which must rule in the event of selling.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.			
	Price Last Week.	Price of Week.	Rise or Fall.
War 4½% 1925-28 .. 95½ .. 95½ ..	95½ .. 95½ ..	95½ .. 95½ ..	..
Loans 5½% 1925-45 .. 97½ .. 97½ ..	97½ .. 97½ ..	97½ .. 97½ ..	..
5½% 1929-47 .. 101½ .. 101½ ..	101½ .. 101½ ..	101½ .. 101½ ..	..
4½% 1929-42 .. 91½ .. 91½ ..	91½ .. 91½ ..	91½ .. 91½ ..	..
Funding Loan 4½% .. 92½ .. 92½ ..	92½ .. 92½ ..	92½ .. 92½ ..	..
Victory Bonds 4½% .. 92½ .. 92½ ..	92½ .. 92½ ..	92½ .. 92½ ..	..
Conversion Loan 3½% .. 79½ .. 79½ ..	79½ .. 79½ ..	79½ .. 79½ ..	..
Consols 2½% .. 58½ .. 58½ ..	58½ .. 58½ ..	58½ .. 58½ ..	..
Irish Land Stock 2½% .. 60½ .. 60½ ..	60½ .. 60½ ..	60½ .. 60½ ..	..
Local Loans 3% .. 67½ .. 68 ..	67½ .. 68 ..	67½ .. 68 ..	..

	Price Last Week.	Price of Week.	Rise or Fall.
Aust. 6% 1931-41 .. 105 .. 105 ..	105 .. 105 ..	105 .. 105 ..	..
Canada 4½% 1920-25 .. 101 .. 101 ..	101 .. 101 ..	101 .. 101 ..	..
India 3½% Stock .. 69½ .. 69½ ..	69½ .. 69½ ..	69½ .. 69½ ..	..
Do 7% 1926-31 .. 118½ .. 119 ..	118½ .. 119 ..	118½ .. 119 ..	..
Do 5½% 1932 .. 102½ .. 102½ ..	102½ .. 102½ ..	102½ .. 102½ ..	..
Do 4½% .. 89½ .. 90 ..	89½ .. 90 ..	89½ .. 90 ..	..
N.S.W. 5½% 1922-32 .. 101 .. 101 ..	101 .. 101 ..	101 .. 101 ..	..
Nigeria 6% 1949-79 .. 113 .. 114 ..	113 .. 114 ..	113 .. 114 ..	..
U. of S.A. 6% 1930-40 .. 106 .. 106 ..	106 .. 106 ..	106 .. 106 ..	..
Victoria 5½% 1924-34 .. 100 .. 100 ..	100 .. 100 ..	100 .. 100 ..	..
W. Aust. 6% 1930-40 .. 104 .. 104 ..	104 .. 104 ..	104 .. 104 ..	..

	Price Last Week.	Price of Week.	Rise or Fall.
Barclays B (£1.1pd.) 2½ .. 2½ ..	2½ .. 2½ ..	2½ .. 2½ ..	..
Chartered Bk of India 18½ .. 19½ ..	18½ .. 19½ ..	18½ .. 19½ ..	..
Lloyds (£5 with £1 paid) 3 .. 3½ ..	3 .. 3½ ..	3 .. 3½ ..	..
London Joint City & Midland (£12 with £2½ paid) 8½ .. 8½ ..	8½ .. 8½ ..	8½ .. 8½ ..	..
Nat. Bank of Egypt (£10) 22½ .. 22½ ..	22½ .. 22½ ..	22½ .. 22½ ..	..

	Price Last Week.	Price of Week.	Rise or Fall.
Nat. Bank of S. Africa (£10) 6 .. 6 ..	6 .. 6 ..	6 .. 6 ..	..
Nat. Prov. & Union of England (£20, with £4 paid) 11½ .. 11½ ..	11½ .. 11½ ..	11½ .. 11½ ..	..
Standard of S. Africa (£20 with £5 paid) 10½ .. 11 ..	10½ .. 11 ..	10½ .. 11 ..	..
Westminster Bank (£20, with £5 paid) 17½ .. 17½ ..	17½ .. 17½ ..	17½ .. 17½ ..	..

	Price Last Week.	Price of Week.	Rise or Fall.
Antofagasta Cons .. 85 .. 85 ..	85 .. 85 ..	85 .. 85 ..	..
B.A. and Pacific .. 79 .. 80 ..	79 .. 80 ..	79 .. 80 ..	..
B.A. Gt. Southern .. 84 .. 85 ..	84 .. 85 ..	84 .. 85 ..	..
Buenos Ayres West .. 75½ .. 75½ ..	75½ .. 75½ ..	75½ .. 75½ ..	..
Canadian Pacific .. 158 .. 158 ..	158 .. 158 ..	158 .. 158 ..	..
Central Argentine .. 71 .. 71½ ..	71 .. 71½ ..	71 .. 71½ ..	..

Foreign Government Securities.

Argentine 5%, 1886-7	99	99	Japanese 4½%	102	101	—	1
Aust. 6% (Ord.), £40 pd	41½	41½	Do 4½% 1910	64½	65	—	+
Belgian 3%	64	65	Mexican Cons. 1899	60	61	—	+
Brazil 5% Fund, 1914	67	66	Peruvian Corp. Pref.	28	28	—	+
Chilian 4½%, 1895	90	91	P.L.M. 6%	84½	86½	—	+ 2
Do 7½%	104	104	Portuguese (New)	31	32	—	+ 1
Chinese 5%, 1912	67	67	Russian 5%, 1906	9	11	—	+
Egyptian 4%	73	73	Spanish 4%	70½	70½	—	+
French 5%	26½	27½	Seine (Dept.) 7%	96	98	—	+ 2
Do 4%	22	22½	Siam 7%	105½	106	—	+
Greek 4%, 1884	43½	43½					

Telegraphs.

Anglo-American "A" 23 .. 23 ..	Marconi Canada .. 1½ .. 1½ ..
Marconi Wireless .. 2½ .. 2½ ..	Marconi Marine .. 1½ .. 1½ ..

British Railways.

Great Western, Ord.	109½	110½	+	4	Southern, Ord. "A"	34½	35	+	4
Do Def.	87	87	+	4	Do Ord. "B"	12½	12½	+	4
London & North-Eastern					Do Pref. Ord.	85½	85½	+	4
5% Pref. Ord.	86½	86½	+	4	Do Def. Ord.	37½	38	+	4
Do Def. Ord.	32½	32½	+	4	Underground Electric				
London, Mid., and					(£10)	3½	3½	+	4
Scottish, Ord.	104	105½	+	4	Do "A" (10)	98½	98½	+	4
Metropolitan	74	75½	+	4	Do Inc. Bds. (£100) ..	98½	98½	+	4
Metropolitan Dist.	52½	53½	+	4					

American Railroads.

Chesapeake & Ohio .. 69 .. 68 ..— 1	Southern 36 .. 36
Erie 16 .. 15 ..— 1	Do Non-cum Pref. 75 .. 74 ..— 1
Do 4% 1st Pref. 25 .. 24 ..— 1	

Miscellaneous.

Aerated Bread (£1) .. 13 .. 13 ..	Imperial Tobacco (£1) 3½ .. 3½ ..
Amal. Cottons (£1) .. 13 .. 13 ..	Linggi Plants (£1) .. 1½ .. 1½ ..
Anglo-Persian Oil (£1) 3½ .. 3½ ..	Lipton (£1) .. 1½ .. 1½ ..
Armstrong (Sir W.G.) .. 92½ .. 92½ ..	Lever Bros. 7% Cmp. (£1) 1½ .. 1½ ..
and Co. (£1) .. 92½ .. 92½ ..	Do 8% Cmp. A. Pref. (£1) 1½ .. 1½ ..
Ass. Pind. Cement (£1) 1½ .. 1½ ..	Do 20% Cmp. F. Ord. (£1) 1½ .. 1½ ..
Barker, John (£1) .. 2½ .. 2½ ..	Lister (£1) .. 1½ .. 1½ ..
Bham Small Arms (£1) .. 8 .. 8 ..	Lobitos Oilfields (£1) 6½ .. 6½ ..
Brazil Traction (£100) 47 .. 45½ ..	Lyons (J.) & Co. (£1) 4½ .. 4½ ..
British-American Tobacco (£1) .. 5½ .. 5½ ..	Magadi Soda (£1 Ord.) 3½ .. 3½ ..
Burmah Oil (£1) .. 4½ .. 4½ ..	Mexican Eagle (£10) 1½ .. 1½ ..
Coats (J. and P.) (£1) 3½ .. 3½ ..	Pekin (2½) .. 1½ .. 1½ ..
Courtaulds (£1) .. 3½ .. 3½ ..	Rubber Plantations Investment (£1) 1½ .. 1½ ..
Conard (£1) .. 1½ .. 1½ ..	Shell Transport (£1) .. 3½ .. 3½ ..
Corman, Long (£1) .. 1½ .. 1½ ..	Smithfield & Argentine Meat (£1) .. 8 .. 8 ..
Dunlop Rubber (£1) .. 1½ .. 1½ ..	United Dairies (£1) .. 1½ .. 1½ ..
Fine Cotton Spinners (£1) .. 2½ .. 2½ ..	United Serdang (2½) .. 3½ .. 3½ ..
Forestral Land (£1) .. 1 .. 1 ..	United Tobacco (£1) .. 3½ .. 3½ ..
Furness, Withy (£1) .. 1½ .. 1½ ..	Vallambrosa (2½) .. 1½ .. 1½ ..
Highlands and Lowlands Rubber (£1) 2½ .. 2 ..	Vickers (£1) .. 1½ .. 1½ ..
Hudson's Bay (£1) .. 5½ .. 5½ ..	Watney Def. Stk. .. 162½ .. 167½ ..

Mines.

Brakpan (£1) .. 3½ .. 3½ ..	Knights .. 4½ .. 4½ ..
Broken Hill Prop. (8) 1½ .. 1½ ..	Modderfontein (10) .. 4½ .. 4½ ..
Chartered (£1) .. 1½ .. 1½ ..	Modderfont. "B" (5) 1½ .. 1½ ..
Cons. Gold Fields (£1) 1½ .. 1½ ..	Modderfont. Deep (5) 2½ .. 2½ ..
Crown Mines (10) .. 2½ .. 2½ ..	Premier Def. (2½) .. 6½ .. 6½ ..
De Beers Def. (£2½) 12½ .. 12½ ..	Rand Mines (5½) .. 2½ .. 2½ ..
East Rand Prop. (£1) 3½ .. 3½ ..	Sekake .. 3½ .. 3½ ..
Gold (£1) .. 3½ .. 3½ ..	Rio Tinto (£5) .. 35 .. 34½ ..
Gov. Gold Areas £1 5½ .. 5½ ..	Spring Mines (£1) .. 2½ .. 2½ ..

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Sept. 17-Sept. 22 were opened on Sept. 14, 1923, and the total amount applied for was £55,520,000. Tenders for Monday to Saturday bills at 99 4s 5d, about 97 per cent., and above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
Aug. 3	35,000,000	55,375,000	3 4 4 95	nil
Aug. 10	30,000,000	52,405,000	3 2 2 59	nil
Aug. 17	30,000,000	46,000,000	3 1 8 21	nil
Aug. 24	40,000,000	62,360,000	3 1 9 18	nil
Aug. 31	45,000,000	62,485,000	3 1 2 86	nil
Sept. 7	40,000,000	54,090,000	3 5 5 9	nil
Sept. 14	35,000,000	55,520,000	3 2 4 63	nil

Tenders will be received on Sept. 21, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1922.								
Mar. 29	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28	295,374	13,338	5,000	28,500	19,650	16.3	254,312	260
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
1923.								
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 6	286,022	12,099	7,000	27,000	22,450	17.3	241,542	129
Sept. 13	285,312	12,135	7,000	27,000	22,450	17.3	240,834	163

Since July 21, 1920, notes and certificates outstanding include notes called

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apl. 1, 1923, to Sept. 8, 1923.	Apl. 1, 1922, to Sept. 9, 1922.	Week Ended Sept. 8, 1923.	Week Ended Sept. 9, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	..	5,442,665	9,963,424	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs.....	116,900,000	55,520,000	55,824,000	2,654,000	2,590,000
Excise.....	143,850,000	59,773,000	65,022,000	1,112,300	1,214,000
Motor Vehicle Duties ..	13,250,000	5,629,000	2,884,000	138,000	102,000
Stamps, &c., Duties.....	52,000,000	24,100,000	29,471,000	740,000	1,310,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	7,930,000	6,692,000	50,000	170,000
Property & Income Tax	3,000,000	490,000	550,000	10,000	10,000
Super-Tax.....	261,000,000	94,063,000	124,837,000	3,976,000	5,745,000
Excess Profits Duties, &c.	58,000,000	19,570,000	954,000	..	..
Corporation Profits Tax	12,000,000	9,050,000	320,000	330,000	..
Post Office.....	52,600,000	22,350,000	23,550,000	1,000,000	1,000,000
Crown Lands.....	900,000	410,000	350,000	..	..
Interest on Sundry Loans.....	12,500,000	6,003,456	3,584,908	73,235	..
Miscellaneous—					
Ordinary Receipts..	12,500,000	6,338,203	15,402,984	71,538	..
Special Receipts....	40,000,000	19,464,545	25,069,449	216,166	1,346,937
Revenue	818,500,000	328,691,204	361,508,341	10,770,939	13,817,937
Total, Inc. Balance ..	..	335,509,371	372,681,871	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	65,000	800,000	..	..
Under the Unemployment Insurance Acts, 1921 ..	..	3,520,000	2,660,000	80,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1921 and 1922 ..	..	1,750,000	1,650,000	..	..
Under the Housing Act, 1914 ..	..	..	13,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	..	950,000	..	..
(b) Under the Unemployment Insurance Acts, 1921 ..	..	270,000	1,450,000	..	..
(c) For other issues:—					
By Treasury Bills.....	1,081,102,000	1,310,430,000	55,184,000	61,636,000	..
By National Savings Certificates ..	20,200,000	35,198,000	950,000	700,000	..
By Exchequer and National War Bonds.....	..	..	20	..	..
By Treasury Bonds—					
5-15 year, 1925-35 ..	..	..	61,543,782	..	..
5%, 1927 ..	..	..	..	..	..
4%, 1932 ..	..	..	52,648,508	..	..
4%, 1931-33 ..	..	..	29,202,627	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919 ..	..	..	11,869	..	..
(d) Ways and Means Advances ..	326,603,500	339,724,500	5,050,000	6,234,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired ..	50,081	243,012	..	..	..
Repayments in respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	..	177,550	180,460	16,522	..
Do Issues under Section 69 (4) of the Finance Act, 1920 ..	..	..	6,827,960	..	..
Interest received under Section 69 (5) of the Finance Act, 1920 ..	..	..	162,425	..	..
Total	1,798,456,129	2,187,175,407	70,051,461	82,387,937	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (Including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apl. 1, 1923, to Sept. 8, 1923.	Apl. 1, 1922, to Sept. 9, 1922.	Week Ended Sept. 8, 1923.	Week Ended Sept. 9, 1922.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	310,000,000	148,362,406	145,471,325	3,017,311	3,329,092
Sinking Fund	40,000,000	19,020,844	..	500,000	..
Road Fund	12,650,000	2,890,044	2,107,999	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	2,311,316	2,166,326	..	146,326
Payments to Northern Ireland Exchequer ..	3,000,000	1,531,108	673,638	..	..
Land Settlement	1,500,000	221,985	509,626	..	..
Other Consolidated Fund Services	2,972,000	1,151,555	1,074,315	..	..
Supply Services	440,565,000	159,483,418	177,965,101	6,550,000	7,116,236
Expenditure	821,035,000	334,972,876	349,968,330	10,067,311	10,591,654
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	..	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	..	36,891	84,909	..	..
Under the Unemployment Insurance Acts, 1921 ..	..	270,000	2,530,000	..	300,000
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1921 and 1922 ..	..	2,890,000	2,660,000	..	..
Under the Housing Act, 1914 ..	..	12,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	..	950,000	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed ..	..	3,440,000	2,110,000	413,000	..
Redemption of Debt—					
Treasury Bills	1,081,515,000	1,478,179,000	47,635,000	59,895,000	..
Principal of National Savings Certificates ..	15,800,000	12,150,000	550,000	400,000	..
Principal of Exchequer Bonds paid off ..	..	19,612,208	..	..	..
Principal of National War Bonds paid off ..	29,836,910	..	4,900,000	..	..
Other Debt under the War Loan Acts, 1914 to 1919 ..	269,036	9,446,601	..	2,000	..

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apl. 1, 1923, to Sept. 8, 1923.	Apl. 1, 1922, to Sept. 9, 1922.	Week Ended Sept. 8, 1923.	Week Ended Sept. 9, 1922.
Ways and Means Advances Repaid	325,639,500	326,318,500	8,340,000	11,650,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	50,081	243,012	..	..
Old Sinking Fund, 1910-11, issued under Section 15 (1) (b) of the Finance Act, 1911 ..	55,214	55,656	..	..
Balances in Exchequer—	1,794,702,308	2,184,321,216	71,905,311	82,838,654
Bank of England.....	2,089,526	2,009,844	151	86,717
Bank of Ireland.....	1,664,255	844,347	145,999	364,000
Total	3,753,821	2,854,191	146,150	450,717

Note.—Budget Estimate as in H.C. No. 51 of 1923.
Treasury, September 10, 1923.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Sept. 8, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
3% War Stock	..	63	63	63	63	63	63	63	63
4% & 5% War Stock ..	..	16	13	13	13	13	13	13	13
National War Bonds ..	2,091	2,047	2,040	1,995	1,953	2,071	2,071	2,071	2,071
4% Funding Loan	649	1,503	1,476	1,413	1,201	971	971	945	945
4% Victory Bonds	..	409	409	405	401	405	400	400	400
3% Conversion Loan ..	..	360	357	348	335	335	335	335	335
5% Treasury Bonds	..	..	..	..	266	690	687	686	686
Do by tender 5%	..	..	..	..	23	94	94	94	94
Do 4%, 1931-33	..	..	..	..	..	8	69	69	69
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	616
Exchequer Bonds	..	392	323	319	289	185	150	150	150
Natnl. Savings Certs. ..	..	20	267	274	285	342	350	354	357
War Expend. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,133	1,087	1,071	1,070	1,070	1,070
American Loan	..	51	51	51	..	..	..	..	..
Temporary Advances ..	1	204	243	205	154	147	222	194	195
Other Capital Liabilities	654	5,872	49	46	7,829	7,655	7,762	7,662	7,666
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,733

POSITION OF THE FLOATING DEBT.

	Sept. 9, '22.	Mar. 31, '23.	Sept. 8, '23.	Movement week ended Sept. 8, '23.
Temporary Advances Outstanding—				
standing—	£	£	£	£
Advances by Bank of England ..	3,750,000	..	1,000,000	— 7,000,000
Advances by Public Deposits ..	156,957,500	193,897,500	193,861,500	+ 3,710,000
Treasury Bills outstanding ..	714,370,000	616,045,000	615,660,000	+ 7,545,000
Total Floating Debt	875,077,500	809,942,500	810,521,500	+ 4,255,000

* Includes £64,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1824.
ASSETS EXCEEDED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, September 12, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued	145,573,675
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion ..	125,823,675
Total	145,573,675

BANKING DEPARTMENT.

£	£
Proprietors' capital ..	14,553,000
Reserve	3,694,099
Public deposits	15,751,593
Other deposits	106,508,587
Seven-day & other bills ..	5,564
Total	140,512,843

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

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. August, 1923.	Bank of Liv'pool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	National Provin- cial and Union Bank of Engl'nd, Limited.	National Bank, Limited.	West- minster Bank, Limited.	Willi'ms Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,789	33,439	1,380	2,458	35,360	50,866	28,174	3,777	27,003	3,971	193,217
Balances with and cheques in course of collection on other banks in the United Kingdom	1,818	6,111	373	1,058	7,100	9,058	6,979	138	8,062	987	41,684
Items in transit	3,564	20,986	1,575	5,306	16,670	14,584	14,339	3,996	20,872	1,587	103,479
Money at call and short notice	4,340	42,486	867	557	58,274	48,850	38,984	2,778	68,515	1,871	267,522
Bills discounted	10,114	70,025	4,200	10,470	90,819	38,769	52,020	18,263	55,956	6,187	356,823
Advances to customers and other accounts ..	38,985	130,909	8,240	6,165	133,682	187,790	123,245	17,119	93,299	20,248	559,682
Liabilities of customers for acceptances, endorsements, &c.	3,918	6,546	52	1,525	11,853	28,217	8,078	187	9,600	743	70,719
Bank premises account	1,506	5,083	346	445	5,465	5,351	4,266	713	4,025	714	27,914
Investments in affiliated banks	..	7,701	..	..	7,675	3,560	2,240	..	2,992	..	24,168
	71,034	323,286	17,033	27,984	366,898	387,045	278,325	46,971	290,324	36,308	1,845,208
Ratio of cash to current, deposit, and other accounts	10.73	11.41	8.97	9.94	10.69	15.08	11.18	9.03	10.27	12.20	11.69
LIABILITIES.											
Capital paid up	2,349	15,592	800	1,060	14,373	10,861	9,310	1,500	9,004	1,875	66,724
Reserve fund	1,500	8,250	800	530	10,000	10,861	9,000	1,125	9,004	1,150	52,220
Current, deposit, and other accounts	63,267	292,898	15,381	24,708	330,672	337,106	251,937	41,789	262,704	32,540	1,653,002
Acceptances, endorsements, &c.....	3,918	6,546	52	1,525	11,853	28,217	8,078	187	9,600	743	70,719
Notes in circulation	..	..	..	..	..	..	..	2,370	12	..	2,382
Reduction of bank premises account	..	..	..	161	..	..	..	..	..	..	161
	71,034	323,286	17,033	27,984	366,898	387,045	278,325	46,971	290,324	36,308	1,845,208

NATIONAL BANK OF GREECE.—In drachmae (000's omitted).

Assets.	June 30, 1923.	June 15, 1923.	May 31, 1923.	May 15, 1923.	June 30, 1922.
Gold and balances	1,537,428	1,664,776	1,691,166	1,505,543	1,372,632
Government loans and securities	4,081,962	4,091,670	4,096,070	4,097,248	2,693,084
Discounts and loans	1,902,259	1,922,021	1,916,919	1,764,572	921,611
LIABILITIES.					
Notes in circulation	4,341,547	4,430,967	4,296,068	4,115,159	1,708,003
Government deposits	201,401	262,838	230,898	189,042	761,521
Private sight deposits	1,499,594	1,301,658	1,350,216	1,276,109	982,328
Private deposits at fixed dates	991,643	1,023,545	1,023,156	1,021,975	1,011,445

BANK OF JAPAN.—In yen (000's omitted).

Assets.	Aug. 11, 1923.	Aug. 4, 1923.	July 28, 1923.	July 21, 1923.	Aug. 12, 1922.	Position May 30, 1924.
Cash and bullion	1,109,670	1,106,331	1,104,307	1,105,060	1,281,013	221,320
Discounts	158,182	180,237	224,145	128,366	84,461	41,740
Advances	174,030	176,647	180,592	172,768	138,122	70,540
LIABILITIES.						
Notes in circulation	1,320,579	1,160,214	1,260,117	1,166,687	1,098,506	362,270
Govt. deposits	890,554	829,125	800,556	823,830	756,693	367,340
Other deposits	33,707	37,982	49,057	48,613	42,127	11,440

IMPERIAL BANK OF GERMANY.—In marks (000's omitted).

Assets.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	Aug. 28, 1922.	Position May 30, 1924.
Gold and bullion	422,548,663	422,639,409	425,050,000	1,004,861	1,635,160
Treasury notes	13,018,187,995	12,640,623,125	12,658,526,000	20,503,192	943,460
Bills discounted	596,556,330,008	227,165,560,641	104,987,129,000	241,210,577	60,780
LIABILITIES.					
Notes in circulation	27,390,406,882	11,640,254,807	62,326,692,227	215,168,262	2,013,860
Deposits	326,237,798,011	11,674,932,328	38,043,513,000	47,804,963	842,340

† This total now includes token coin at its face value. § Gold.

NETHERLANDS BANK.—In florins (000's omitted).

Assets.	Sept. 10, 1923.	Sept. 3, 1923.	Aug. 27, 1923.	Aug. 20, 1923.	Sept. 11, 1922.	Position May 30, 1924.
Gold	581,789	581,790	581,795	581,794	605,955	163,092
Silver	10,387	10,505	10,556	11,007	8,778	8,436
Depts. & advances	354,911	423,827	327,002	324,694	370,113	153,504
LIABILITIES.						
Notes in circulation	964,812	967,317	932,556	932,081	977,278	316,632
Deposits	31,719	40,799	33,987	27,705	24,261	5,016

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Sept. 9, 1922.	Position May 30, 1924.
Gold	526,586	526,585	526,440	526,231	508,301	171,176
Silver	99,454	100,412	101,464	101,592	115,090	18,360
Depts. & advances	24,601	25,426	25,813	26,043	11,248	11,248
LIABILITIES.						
Notes in circulation	810,183	862,646	834,098	844,173	762,738	775,950
Deposits	132,348	75,565	118,140	117,533	280,655	33,750

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	Sept. 8, 1923.	Sept. 1, 1923.	Aug. 25, 1923.	Aug. 18, 1923.	Sept. 9, 1922.	Position May 24, 1924.
Gold	172,676	172,745	172,776	172,808	172,732	104,918
Balance abn. and foreign bills	46,347	54,145	41,776	41,976	77,797	112,172
Swedish and for.	130,118	130,118	143,646	143,658	73,464	32,466
Gov. securities	278,550	292,382	248,344	262,408	396,584	112,668
Discount and loans	270,150	292,382	248,344	262,408	396,584	112,668
LIABILITIES.						
Notes in circulation	544,567	571,406	514,519	544,261	533,183	226,556
Deposits at notice	128,286	123,669	134,516	139,190	221,804	369,660

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	Sept. 6, 1923.	Aug. 30, 1923.	Aug. 23, 1923.	Aug. 16, 1923.	Sept. 7, 1922.	Position May 26, 1924.
Coin (gold & silver and bullion)	347,508	348,766	348,466	350,195	329,200	322,650
Securities	977,471	1,015,509	967,139	905,702	472,292	697,600
LIABILITIES.						
Notes in circulation	7,144,738	7,193,698	7,077,345	7,061,497	6,490,394	934,150
Current accounts	426,337	304,195	339,626	287,439	557,318	112,195

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	Aug. 1, 1922.	Position May 31, 1924.
Gold	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	3,050,084,956	2,917,953,149	2,931,254,287	2,931,254,287	2,931,254,287	2,931,254,287
Bills discounted	647,188,427	651,592,821	662,943,856	643,041,797	643,041,797	643,041,797
Treasury bills	2,538,718,937	2,538,718,937	2,538,718,937	2,538,718,937	2,538,718,937	2,538,718,937
LIABILITIES.						
Notes in circulation	5,894,786,367	5,458,159,892	5,557,215,718	5,643,432,896	5,643,432,896	5,643,432,896
Deposits	413,383,400	722,398,478	647,841,387	605,653,242	605,653,242	605,653,242

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	Aug. 1, 1922.	Position May 31, 1924.
Gold coin and bullion, bills	22,283	22,374	22,484	22,345	12,868	12,868
Silver coin, &c.	594	594	594	594	594	594
Bills, warrants, drafts, &c.	273,604,918	248,652,922	225,255,333	197,113,335	37,617,052	37,617,052
LIABILITIES.						
Notes in circulation	399,486,871	344,311,135	314,330,375	265,317,002	46,242,206	46,242,206
Deposits	23,648,852	31,664,431	22,260,776	21,571,552	5,416,557	5,416,557

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 22, 1923.	Sept. 7, 1922.	Position May 31, 1924.
Coin and bullion—Gold	147,287	147,287	147,287	147,291	44,224
Balance abroad and foreign bills	19,149	19,926	20,932	36,415	28,533
Norwegian & Foreign Government securities	9,052	9,052	9,052	9,780	8,816
Discounts and loans	460,364	462,416	462,364	438,257	76,911
LIABILITIES.					
Notes in circulation	399,401	402,169	392,050	380,415	113,484
Deposits at notice	102,753	103,737	114,780	131,936	7,188

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

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 3, 1923.	July 27, 1923.	July 20, 1923.	Aug. 18, 1922.
Govt. securities	11,59,79	12,43,75	13,73,99	14,38,01	14,93,13	13,17,88
Other securities	1,30,66	1,30,66	1,30,66	1,31,56	1,31,77	1,31,56
Loans	16,32,85	16,70,52	16,83,35	17,33,58	18,58,77	16,09,94
Cash credits	30,30,43	30,79,60	31,56,09	31,79,89	30,52,74	26,09,33
Inland bills	4,85,02	4,65,07	4,70,31	4,63,94	5,12,14	3,72,97
Foreign bills	34,21	25,47	85,96	79,18	9,43	13,95
Dead stock	2,41,64	2,41,32	2,41,18	2,40,08	2,39,81	2,41,32
Sundries	28,82	29,45	29,47	21,42	22,45	27,95
Balance with other banks	14,59	20,37	19,19	14,10	21,08	26,57
Cash	36,63,99	36,61,14	36,73,73	36,28,47	34,26,47	43,61,64
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,38
Reserve	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,11,85
Public deposits	22,52,23	24,07,99	26,15,28	29,03,94	29,74,54	32,06,07
Other deposits	71,05,00	71,41,58	71,70,78	69,57,87	67,91,84	64,81,32
Sundries	67,27	69,01	68,92	70,92	87,91	46,57

The above include—	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 3, 1923.	July 27, 1923.	July 20, 1923.	Aug. 18, 1922.
Deposits in London	302	590	327	338	357	223
Advances in London	273	277	396	408	326	422
Cash, &c., at other banks in London	89	529	118	86	133	167

NATIONAL BANK OF EGYPT.—In £s. (000's omitted).

Assets.	July 31, 1923.	June 30, 1923.	May 31, 1923.	July 31, 1922.	Position May 31, 1924.
Gold	3,360	3,364	3,359	3,360	1,571
Government securities	37,411	39,474	39,786	36,801	5,084
LIABILITIES.					
Notes in circulation	24,211	25,781	27,297	26,631	2,400
Government deposits	8,767	9,230	9,496	4,636	2,315
Other deposits	12,259	11,899	11,446	12,528	2,660

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

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Aug. 7, 1923.	Aug. 31, 1922.	Position May 31, 1924.
Gold	42,704	42,704	42,704	42,704	42,704	35,091
Balance abroad and foreign bills	399,822	421,785	476,708	132,351	90,379	
Finnish and Foreign Government securities	571,414	571,415	571,416	697,889	21,826	
Discounts and loans	889,544	855,470	825,909	811,453	105,151	
LIABILITIES.						
Notes in circulation	1,389,701	1,348,330	1,364,254	1,356,436	123,941	
Deposits at notice	287,094	310,513	312,328	69,890	21,225	

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	July 25, 1923.	July 18, 1923.	July 11, 1923.	July 4, 1923.	July 26, 1922.
Coin and bullion	27,014	27,101	27,099	27,101	26,686
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	61,597	61,036	58,104	65,705	3,352
Discounts	230,407	214,050	205,459	202,149	147,451
Government loans	1,035,127	1,035,127	1,040,354	1,045,393	720,099
LIABILITIES.					
Notes in circulation	1,224,803	1,228,436	1,231,082	1,248,173	832,079
Deposits	57,988	54,851	55,282	59,588	49,788

BANK OF LATVIA.—In gold francs (000's omitted).

Assets and liabilities of the gold mines (1000's omitted),						
	Sept. 5, 1923.	Aug. 29, 1923.	Aug. 22, 1923.	Aug. 8, 1923.	March 7, 1923.	Nov. 22, 1922.
Total cash	15,345	15,578	15,563	14,899	2,972	3,085
Gold coin & bullion ..	15,794	15,794	15,793	15,792	13,010	12,993
Of which held abroad ..	3,744	3,744	3,744	3,744	172	
Foreign banks	61,409	60,736	60,784	59,557	38,516	24,466
Discounts and loans ..	23,141	21,425	22,170	21,315	12,708	9,551
LIABILITIES.						
Notes in circulation ..	23,000	23,000	23,000	23,000	15,000	4,005
Capital paid up	10,000	10,000	10,000	10,000	8,000	8,000
Government deposits ..	36,200	36,319	34,461	33,596	22,497	16,697
Other deposits	40,759	39,495	40,022	38,695	17,487	16,995

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended September 12, 1923.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Belgium	95	Poland (including Danzig)...	51,000
Spain	9,000	U.S.A.	1,730,848
Hungary	36,126	Egypt	250,000
British South Africa	639,935	Zanzibar	1,800
Other countries	1,875	Kenya	2,940
		Straits Settlements	1,100
		Germany	4,500
		Netherlands	32,323
		British India	120,882
		Other countries	592
Total declared value of exports	687,031	Total declared value of imports	2,198,065

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on August 31, 1923:—

	£
In India	Nil
In England—	
Cash at the Bank of England	3,820
British Government securities—	
Value as on March 31, 1923	8,469,863
British Government securities since purchased (cost price)	31,871,678
	40,345,361
	40,345,361

SIDNEY TURNER, Accountant-General.

India Office, September 11, 1923.

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

GOLD.

Of the moderate amount of gold placed upon the market this week, India is taking a fair proportion.

SILVER.

The market has continued to show a firm front. The Indian bazaars have been important buyers, covering rather heavy commitments falling due. China has worked both ways, but was more inclined to sell than buy on the rise. Some sales of silver were made on Continental account.

INDIAN CURRENCY RETURNS.

The figures given below reveal a very remarkable advance during recent months in the amount of silver held in reserve. At the beginning of 1911 the silver holding was about 53 per cent. of the note issue. On August 31st it had again risen to 53 per cent. When we recall that the total note issue at the former date was only about 50 crores and is now about three and a half times as large, we cannot but feel that the silver reserve is overwhelmingly strong for any call that is likely to be put upon it. The huge accumulation of 9,447 lacs of rupees on August 31st last—320,000,000 fine ounces—was equal to about twice the annual silver production of the world.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Aug. 22, 1923.	Aug. 31, 1923.	Sept. 7, 1923.
Notes in circulation	17,576	17,630	17,656
Silver coin and bullion in India	9,308	9,447	9,473
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,751	5,751	5,751
Securities (British Government)	85	..	..

The silver coinage during the week ending 7th inst. amounted to 2 lacs. The stock in Shanghai on the 8th inst. consisted of about 27,800,000 ounces in sycee, 36,500,000 ounces in sycee, 37,000,000 dollars and 140 silver bars on the 1st inst.

GOLD AND SILVER PRICES.

1923.	Gold Per Ounce.	Silver—Per Ounce.		Date.	Silver. Cash.
		Cash.	Forward.		
Sept. 8..	91 2	31 1/8	31 1/8	Sept. 21, 1917..	51
10..	90 10	31 1/8	31 1/8	21, 1918..	49 1/2
11..	Closed	31 1/8	31 1/8	19, 1919..	61 1/2
12..	90 6	31 1/8	31 1/8	17, 1920..	60
13..	90 8	31 1/8	31 1/8	16, 1921..	39 1/2
14..	90 10	31 1/8	31 1/8	15, 1922..	35 1/2

NOTICES.

The death is announced, at the age of 79, of Mr Joseph Herbert Tritton, of Lyons Hall, Great Leighs, Chelmsford, formerly a partner in Barclay, Bevan, and Co., bankers, and a director of Barclays Bank. He was also chairman of the Indo-European Telegraph Company.

The directors of the Bank of Liverpool and Martins, Limited, much regret to announce that, acting on the advice of his medical advisers, Sir James Hope Simpson has found it necessary to resign his position as general manager of the bank. The directors are, however, pleased to state that Sir James will retain his seat on the board. Mr Thomas Fisher Caldwell, hitherto assistant general manager, has been appointed general manager in succession to Sir James Hope Simpson.

The court of directors of the Colonial Bank announce with regret that Mr E. Hyslop Bell, having accepted the chairmanship of the Niger Co., Limited, has retired from the position of joint general manager of the bank, Mr Charles H. Hewett remaining as sole general manager.

The London Joint City and Midland Bank announces the opening of new offices at 9 The Parade, Cross roads, Southbourne, near Bournemouth, and Old Post Office buildings, Grasmere, Westmorland.

Lloyds Bank, Limited, announce that branches of the bank are now open at corner of London road and Grove road, Edgware (Middlesex), under the management of Mr W. H. Nichols, and at 45 New Oxford street, W.C.1, under the management of Mr W. J. Whittaker.

Barclays Bank, Limited, announce that they have opened a new branch at 23 Hare street, Woolwich, under the management of Mr E. G. Dixon, J.P.

A branch of the Commercial Bank of Australia, Limited, has been opened at Hawera, New Zealand.

ANALYSIS OF BALANCE-SHEETS.

CALICO PRINTERS' ASSOCIATION, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1922.	Amount.	Compared with June 30, 1922.
Capital account ..	2,147,526 ..	Cash and bills ..	985,013 ..
Sundry creditors ..	1,996,166 ..	Cash and securities ..	61,306 ..
Debt interest ..	53,333 ..	Stock-in-trade ..	2,054,403 ..
Depreciation acct. ..	1,333,329 ..	Sundry debtors, in- ..	..
Reserve account ..	1,060,000 ..	vestments ..	3,808,072 ..
Capital reserve ac- ..	..	Copper and other ..	..
count ..	60,000 ..	rollers ..	743,737 ..
Reserve for equali- ..	..		9,326
sation of divs ..	150,000 ..		
Profit and loss ..	962,177 ..		
	+ 448,598		
Total	7,752,531 ..	Total	7,752,531 ..

NOBEL INDUSTRIES, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Ord. shares	7,995,609 ..	Investments	21,587,294 ..
6% cum. pref.	6,445,898 ..	Property	267,777 ..
Deferred shares	1,451,009 ..	Office furniture ..	23,002 ..
Fractional def. ..	..	Amounts due ..	..
shares ..	470 ..	from associated ..	..
8% seven-year ..	..	companies ..	819,956 ..
notes ..	3,030,000 ..	Sundry debtors ..	250,697 ..
Amount due to ..	..	Cash at bank and ..	..
associated com- ..	..	in hand ..	849,320 ..
panies, &c.	3,123,442 ..	Cost of note issue ..	148,946 ..
Special invest- ..	..		..
ment reserve ..	350,000 ..		..
Sundry creditors ..	284,139 ..		..
Profit and loss ..	1,266,425 ..		..
	+ 39,134		..
Total	23,946,992 ..	Total	23,946,992 ..

OIL OUTPUTS.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—Total production during August amounted to 114,662 barrels, or approximately 16,380 tons, including:—St Helens Petroleum Company, Limited, 51,107 barrels = 7,301 approx. tons; Kern Trinidad Oilfields, Limited, 12,704 barrels = 1,815 approx. tons; Kern Romana, Limited, 2,079 barrels = 297 approx. tons.

STEAU ROMANA (BRITISH), LIMITED, are advised that the approximate fields' gross production of the Steaua Romana Company (Bucharest) for the month of August was 19,000 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, September 5th, amounted to 891 tons, including 176 tons from well previously referred to (stopped September 5th).

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF THE UNITED KINGDOM.

(b) Week ended Sept. 7, 1923.	(c) Week ended Sept. 8, 1923.	Week ended Sept. 9, 1923.				Aggregate 36 weeks 1923.			
		Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.	
Great Western	3,745	331,000	328,000	659,000	9,704,000	1,252,000	22,227,000		
London & North-Eastern ..	6,702	532,000	671,000	1,203,000	16,359,000	2,617,000	42,531,000		
Do same period 1922	6,657	563,000	708,000	1,271,000	17,829,000	2,685,000	44,684,000		
London, Mid., & Scottish ..	6,962	757,000	843,000	1,600,000	23,365,000	3,230,000	55,673,000		
Southern	2,115	426,800	114,100	540,900	12,221,000	1,132,800	16,354,400		
Midland & S.W. June	63	1,300	1,392	2,692	45,664	48,271	93,935		
Metropolitan (c)	79	31,421	3,507	34,928	1,159,753	130,904	1,290,657		
Underground E.R. (c) ..	..	..	..	234,214	..	..	8,154,706		
London & Sub. Group (c) ..	..	..	..	6,043	..	..	142,323		
Belfast & Co. Down (b) ..	80	6,102	1,311	7,413	198,112	43,178	241,290		
Dublin and S. East. (b) ..	150	9,428	3,048	12,476	222,510	121,129	343,639		
Midland Gt. West. (b) ..	538	12,564	14,484	27,048	362,655	514,456	877,111		

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
Assam Bengal	19 weeks	Aug. 11	1,072	Rs. 2,28,212	+ Rs. 21,960	Rs. 2,79,518	+ 1,07,275
Barai Lt. Ry.	19 weeks	..	118	19,700	+ 3,400	7,18,900	+ 39,300
Bengal & N. Western ..	19 weeks	..	11,062	5,60,940	+ 21,793	1,23,57,390	+ 1,69,872
Bengal Nagpur	20 weeks	..	11,278	12,76,000	+ 30,000	2,77,22,490	+ 5,55,750
Bombay, Bar. & C.I. ..	22 weeks	Sept. 1	2,934	15,74,000	+ 2,14,000	4,54,75,000	+ 25,56,000
Burma	18 weeks	Aug. 4	1,342	4,85,810	+ 43,426	1,23,13,575	+ 1,11,399
Delhi, Umballa Kalka ..	22 weeks	Sept. 1	239	89,000	+ 20,718	21,93,036	+ 56,910
East Indian	23 weeks	..	8,256	24,46,000	+ 85,000	6,98,98,000	+ 2,69,000
G. Indian Peninsula ..	19 weeks	..	3,164	17,87,800	+ 2,94,000	5,43,65,642	+ 35,31,948
Madras & S. Mahr.	19 weeks	Aug. 11	3,029	13,60,000	+ 20,930	2,80,99,276	+ 2,50,109
Rohilk'd & Kumaon ..	11 weeks	..	259	44,771	+ 9,842	11,13,046	+ 109,202
Do Lucknow-Breill.	19 weeks	..	314	46,829	+ 7,542	13,13,914	+ 1,65,482
South Indian	11 weeks	..	1,877	9,11,239	+ 44,064	1,88,63,103	+ 565,655

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
Canadian National ..	36 weeks	Sept. 7	22,680	4,781,656	+ 100,189	164,520,721	+ 17,675,303
Canadian Pacific	35 weeks	7	13,539	3,192,000	+ 263,000	115,661,000	+ 5,529,000

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
Argentine N.E.	10 weeks	Sept. 8	752	11,300	+ 2,400	110,100	+ 5,700
Argentine Trans.	9 weeks	..	1,111	3,336	+ 1,936	1,29,920	+ 17,490
B. A. and Pacific	10 weeks	..	8,317	120,000	+ 4,000	1,254,000	+ 17,000
B. A. Gt. Southern ..	10 weeks	..	8,394	165,000	+ 22,000	1,554,000	+ 137,000
B. Western	10 weeks	..	8,188	51,000	+ 20,000	404,000	+ 107,000
Central Argentine ..	10 weeks	..	8,305	10,000	+ 6,000	708,000	+ 23,000
Cordoba Central	10 weeks	..	8,120	61,000	+ 15,000	2,014,000	+ 101,000
Entre Rios	10 weeks	..	8,729	17,600	+ 2,400	168,000	+ 500

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
St. West. of Brazil ..	36 weeks	Sept. 8	1,005	7,000	+ 2,000	331,700	+ 114,300
Geopoldina	36 weeks	8	1,831	31,840	+ 5,205	913,596	+ 107,087
San Paulo	36 weeks	9	1,539	37,849	+ 15,703	1,034,994	+ 41,185

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
Antofagasta	35 weeks	Sept. 9	838	33,490	+ 8,445	1,280,030	+ 539,470
Nitrato (4-monthly) ..	35 weeks	Aug. 31	366	38,951	+ 11,200	546,757	+ 287,374

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
Havana Central	10 weeks	Sept. 8	1,111	11,588	+ 2,165	114,035	+ 20,842
United of Havana ..	10 weeks	8	1,210	60,002	+ 10,762	590,932	+ 104,038

URUGUAYAN.

Central Uruguay...	10 weeks	Sept. 8	273	19,118	—	1,044	199,870	+	1,786
C. Urug. (East Ext.)..	10 weeks	8	311	3,656	—	117	40,637	+	1,205
C. Urug. (North Ext.)	10 weeks	8	185	2,084	+	126	22,952	+	1,963
C. Urug. (West Ext.)	10 weeks	8	211	1,831	—	111	18,184	—	58

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Lat'est Pre-vious.
Railways.						
Barsi Light	7½	5	..	..	12	12
Isle of Man	5	..	..	..	..	..
Banks.						
Bank of Athens	5 drachmæ p.s.	..	..	Free of all Greek taxes	9	9
Bank of Victoria	..	..	..	..	15	15
Commercial Bank of Australia	..	..	..	..	10	10
Commercial Bank of Sydney	..	..	..	..	10	10
Eastern Bank	4 p.s.*	Oct. 1	..	Less tax	10	10
Royal Bank of Ireland	12½	..	..	..	..	..
Mining.						
Kerr Lake Mines (New York)	12½ p.s.	Oct. 15	..	Less tax 3½ in £	..	..
Myson Gold	10 p.s.*	Oct. 6	..	Less tax 2½ in £	..	..
North Annapolis Gold, Ord.	16 p.s.	Oct. 10	..	Less tax 2½ in £	..	..
Do Prof.	16 p.s.	Oct. 10	..	Less tax 2½ in £	..	..
Sungei Besi Mines	1 p.s.*	Oct. 15	..	Less tax 4½ in £	..	..
Tronoh Mines	1 p.s.*	Oct. 15	..	Less tax 4½ in £	..	..
Zinc Corporation, Pref.	2 p.s.	Oct. 15	..	Less tax	..	..
Tea and Rubber.						
Dwa Plantations	10%	..	..	Less tax	..	..
General Ceylon Rubber, &c.	7½%	Oct. 1	..	Less tax 4½ in £	10	nil
Kawie (Java) Rubber	..	..	..	Less tax	..	..
Mount Vernon Tea	10%	..	..	Less tax	..	..
Poomudi Tea and Rubber	5%	Oct. 1	..	Less tax	..	..
Stagbrook Rubber and Tea	7½%	Oct. 5	..	Less tax 4½ in £	..	..
Trancore Tea	10%	Sept. 29	..	Less tax	..	..
Way-Hall Estates	..	..	..	Less tax 5 in £	..	..
Other Companies.						
Alliance Trust	22	Oct. 15	..	Subject to tax	..	..
American Investment & General Trust, Def.	6*	Sept. 29	..	Less tax	..	..
Armstrong, Whitworth, and Co.	16 p.s.*	Oct. 13	..	Less tax	..	..
Brazilian Warrant	24%	Oct. 1	..	Less tax	..	..
Calcott Brothers	..	..	..	Less tax	25	..
Cammell, Laird, Pref.	5	Oct. 4	..	Less tax	..	..
Direct Spanish Telegraph	8*	Oct. 1	..	Tax free	..	..
Eastern Telegraph	24%	Oct. 15	..	Tax free	..	..
Eastern Extension Telegraph	5 p.s.*	Oct. 15	..	Tax free	..	..
Edinburgh Collieries	10*	..	..	Tax free	..	..
Edward Lloyd	9 p.s.*	Oct. 1	..	Tax free	15	15
Elliott's Metal	..	..	..	..	..	..
Foreign, American, and General Investment, Def.	5*	Sept. 29	..	Less tax	..	..
General and Commercial Investment, Def.	4*	Sept. 26	..	Less tax	..	..
General Investors and Trustees	3%	Oct. 1	..	Less tax	..	..
George and John Nickson, Pref.	..	..	..	..	..	..
Globe Telegraph and Trust	5 p.s.*	Sept. 28	..	Tax free	..	..
Henry Hodder	10%	..	..	..	15	..
Kern River Oilfields	7½%	Oct. 13	..	Less tax	15	17½
Lincoln Wagon	5%	..	..	..	..	..
London and Thames Haven Oil.	5%	..	..	Tax free	..	..
Mackay Companies	12%	Oct. 1	..	..	..	..
McBirney and Co.	4*	..	..	..	..	..
Manila Electric	2%	Oct. 1	..	Less tax	7	5
Nobel Industries	..	..	..	..	..	..
Owen Owen	4*	Oct. 1	..	Less tax	..	..
Parkes' Drug Stores, Pref.	6	..	..	Less tax	..	..
Reckitt and Sons	8 p.s.*	Oct. 1	..	Less tax	..	..
River Plate Trust and Loan "A"	9%	Oct. 1	..	Less tax	..	..
Do "B"	3%	Oct. 1	..	Less tax	..	..
Robert Lomas (Proprietors)	..	Oct. 1	..	Less tax	25	..
Samuel Webster and Sons	16 p.s.	Oct. 1	..	Less tax	..	..
South African Real Estate Trust	24%	Nov. 5	..	..	..	..
Thomas and Evans and John Dwyer	..	..	..	Less tax	6	..
Western Telegraph	5 p.s.*	..	..	Tax free	10	10
Winterbottom Book Cloth	1 p.s.*	..	..	..	10	10
Woolley, Sanders	..	..	..	..	..	..

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	July, 1923.	August, 1923.
	Ore. Est. Yield. Est. Profit.	Ore. Est. Yield. Est. Profit.
Aurora W. United (10s shares)	12,450	14,646
Brakpan	66,000	120,069
City Deep	100,000	181,255
Consolidated Main Reef	52,500	80,930
Crown Mines (10s shares)	218,000	295,355
Durban Roadport Deep	31,700	45,179
East Rand Proprietary	12,000	128,857
Ferreira Deep	29,500	36,041
Geduld Proprietary	67,500	104,840
Goldenhuis Deep	57,800	59,273
Glyn's Lydenburg	3,932	6,866
Gosh, New	16,100	16,227
Government Areas	149,000	279,156
Kleinfontein, New	49,800	49,831
Langlaagte Estate	97,500	126,751
Luijard's Vlei	19,100	17,219
Meyer and Charlton	14,300	34,714
Modderfontein B	66,000	139,067
Modderfontein Deep Levels	44,200	105,646
Modderfontein East	28,000	48,809
Modderfontein, New (£4 shs.)	118,000	241,044
New State Areas	30,170	61,725
Nourse Mines	47,800	19,219
Primrose, New	21,000	225,512
Randfontein Central	196,000	15,538
Robinson (£5 shares)	13,400	34,714
Robinson Deep	71,600	99,908
Rose Deep	56,100	58,321
Simmer and Jack	68,000	58,327
Spring Mines	54,200	109,292
Sub-Nigel	9,800	26,249
Transvaal Gold Mining Estates	15,800	25,338
Van Ryn	34,450	38,710
Van Ryn Deep	63,900	123,814
Village Deep	49,700	72,402
West Rand Consolidated	36,000	42,615
Witwatersrand Deep	42,600	52,559
Witwatersrand (Knight's)	39,200	46,533
Wolhuter	30,600	39,991

£4 6s 6d net per fine oz. k £4 9s 3d per fine oz. m £4 9s 6d per fine oz.
 l £4 7s 3d net per fine oz. n £4 8s net per fine oz. * Loss.
 p £4 8s 3d per fine oz. t £4 10s per fine oz.

MINING OUTPUT STATISTICS FOR AUGUST, 1923.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill. Tons.	Mill. Ozs.	£	£
Gold.				
Abbotiakoona	6,800	..	13,907	..
Akoko Main Reef	261	400	912	..
Associated of W. Australia	6,319	196	8,854	..
Asso. Northern Blocks—				
Iron Duke	388	..	1,500	75
El Oro	36,550	163,321	18,307	12,125
Globe and Phoenix	6,394	6,122	..	..
Great Boulder Proprietary	10,009	..	26,023	..
Hampton Properties	1,200	..	2,411	810
Ivanhoe	14,282	5,675	..	7,996
Lonely Reef	5,570	3,988	..	..
Oroya Links	3,402	..	19,008	..
Planet-Acturus	3,500	469	5,830	..
Shamva	54,600	..	33,255	8,341
South Kalguri	7,516	..	14,438	2,424
Taques and Abosso	7,784	3,876	17,442	..
Tomboy	18,600	..	869,000	..
Transvaal and Rhodesian (Fred Mine)	1,600	..	4,700	..
Waihi (period ended Sep. 1)	16,083	5,489	38,044	oz. silver
Tin.				
Aramayo Mines in Bolivia	208	Silver, 107,000 ozs.	..	..
Briseis Tin	35	..	..	..
Ex Lands Nigeria	5	..	..	..
Gold Coast Amalgamated	5	..	..	..
Gurum River	10	..	..	..
Iphoh	44	..	..	..
Jos (Nigeria)	15½	..	..	..
Kaduna	17	..	..	..
Kaduna Prospectors	12½	..	..	..
Kamunting	98	..	..	..
Kefi Consolidated	35	..	..	..
Lower Bisichi	11	..	..	..
Monguna	3	..	..	..
Naraguta	20	Dispatched 21 tons.	..	..
Nigerian Consolidated	12½	..	..	..
Northern Nigeria (Bauchi)	85	..	..	..
Tin Fields of Northern Nigeria	4	..	..	..
Yarde Kerri	3	..	..	..
Coal.				
Chinese Engineering	77,313	Sales of coal week ended Sept. 1st.	..	..
Copper.				
Namagosa	242	470 metric tons, assaying 25 per cent. copper; est. profit when shipped, £950, with copper at 13½ cents.	..	..
Poderosa	..	..	..	..
Tanganyika	5,563	..	..	..
Miscellaneous.				
Keeley Silver	..	130,350 ozs. silver.	..	..

BRITISH AUSTRALIAN BROKEN HILL.—Cabled mill returns for the four weeks ended September 8th:—15,135 tons crude ore produced 2,690 tons lead concentrates, containing 1,665 tons lead and 71,823 ozs silver; also 1,850 tons zinc concentrates, assaying 8 per cent. lead, 9 ozs silver per ton, and 45 per cent. zinc. 310 tons carbonates raised. Two days' stoppage.

BROKEN HILL SOUTH.—For four weeks ended September 8th 18,450 tons of crude ore and 8,323 tons of dump slime were treated and produced 5,590 tons of lead concentrates, assaying 53 per cent. lead and 21 ozs silver per ton; also 2,984 tons zinc concentrates, assaying 39 per cent. zinc.

BURMA CORPORATION.—August, 20,161 tons of ore were mined. 23,370 tons of ore milled, producing 11,288 tons of lead concentrates. 11,903 tons of lead-bearing material were smelted, producing 4,190 tons hard lead for treatment in the refinery. Refinery products 3,810 tons refined lead, and 434,680 ozs refined silver. Tonnage milled includes retreatment 2,494 tons tailings. Of silver production 19,000 ozs were recovered from treatment of copper matte. Experimental zinc plant produced 940 tons zinc concentrates, assaying 99 ozs silver, 6 per cent. lead and 48½ per cent. zinc. In addition to the above, 200 tons antimonial lead were sold and shipped, and 125 tons copper matte produced ready for shipment from the treatment of accumulated smelter by-products.

ZINC CORPORATION.—August:—"Lead concentrator treated 15,452 tons of ore, producing 3,618 tons of lead concentrates, assaying 63.8 per cent. lead and 5,655 tons of zinc middlings."

Reports and Notices.

The registered office of the Rosario Nitrate Company, Limited, is now 145 Dashwood House, New Broad street, London, E.C. 2, and the secretary is Mr F. W. Bishop, and the assistant secretary is Mr James Rennie.

Following on the recent acquisition of the old-established business of Sir Titus Salt, Bart., Sons and Co., Limited, by Salts (Salthaire), Limited, while the head office and directorate of Salts (Salthaire), Limited, will remain at Salthaire (Yorks), as hitherto, the registered office of the company will be located at the offices of the Austral Development, Limited, 27 Old Broad street, London, E.C. 2.

GOVERNMENT STOCKS, &c.

AUSTRIAN AND HUNGARIAN LOANS.—Holders of obligations of the old Austro-Hungarian Monarchy to the nominal amount of the equivalent of £500 or upwards are invited to attend a conference to be held at the offices of the Council of Foreign Bondholders, 17 Moorgate, London, E.C. 2, on 18th inst., at 3 p.m., for the purpose of appointing a bondholders' committee to act with the Council in the representation of the bondholders' interests, in view of an arrangement which has been formulated between the representatives of the Continental holders of the bonds and of the States between which the old Austrian and Hungarian debts are to be apportioned.

BANKS.

AUSTRALIAN BANK OF COMMERCE, LIMITED.—The net profit for the year ended June 30, 1923, amounted to £140,678, as compared with £137,106 in the preceding year. The ordinary dividend is unchanged at 7 per cent. for the year, and absorbs £84,000. The sum of £40,000 is transferred to reserve fund, and £10,000 is transferred for the purpose of reduction of bank premises account. The sum of £40,265 is carried forward, as compared with £33,587 brought into the accounts. Deposits amount to £10,257,269. Bills discounted, &c., stand at £9,187,613.

BANK OF VICTORIA.—The fifty-seventh report for the year ended June 30, 1923, shows a net profit of £183,706, as compared with £179,930 in preceding year. The dividend is maintained at 9 per cent. for the year. The sum of £50,000 is put to reserve, making that fund £700,000, and £3,000 is put to officers' provident fund. The sum of £27,439 is carried forward, against £29,745 brought in to the accounts.

COMMERCIAL BANK OF AUSTRALIA, LIMITED.—The report for year ended June 30, 1923, shows a net profit of £234,419, against £228,081 in the preceding year. The ordinary dividend is unchanged at 15 per cent. for the year. The sum of £85,066 is set aside for reserve fund, and £10,000 is utilised for reduction of bank premises. The sum of £44,786 is carried forward to next account, against £42,209 brought in to the accounts. In addition to the above amount of £85,066 transferred to reserve, the sum of £14,934, being balance of premium received on the new issue of shares, has been credited to that account, making £100,000 to credit of reserve fund.

COMMERCIAL BANKING COMPANY OF SYDNEY, LIMITED.—The report for the year ended June 30, 1923, reveals a net profit of £422,068, as compared with £307,885 in the preceding year. The sum of £86,421 was brought into accounts, making £508,489 avail-

able. The ordinary dividend is unchanged at 10 per cent., and absorbs £300,000. The sum of £120,000 is put to reserve fund, and the balance of £88,489 is carried forward. The reserve fund now amounts to £2,580,000, and the total paid-up capital is £3,000,000.

THE YOKOHAMA SPECIE BANK, LIMITED.—The general meeting of the shareholders for the half-year ended June 30th last was held on the 10th inst., on the site of the head office in Yokohama. At the meeting a dividend of 12 per cent. per annum was declared, 4,000,000 yen being taken to reserve account, and over 5,000,000 yen carried forward. It is confirmed that although the interior of the head office has been burnt, the safes and vaults are intact.

MISCELLANEOUS.

NEW RUSSIA COMPANY, LIMITED.—The committee of the debenture holders have issued a statement, dated September 11th, from which the following is extracted:—"The company is practically without funds, and under present conditions no cash payments on account of interest or sinking fund are possible. From the time of the Russian Revolution down to April, 1921, interest was not paid out of the company's profits, but by the Russo-Asiatic Bank, under an arrangement between the company's shareholders and that bank, which arrangement however broke down in the year 1921. Default on the debentures therefore occurred. The committee propose the following:—Interest on debentures to be increased from 6 per cent. to 7 per cent. as from April 1, 1921. All ascertained profits during the four years October 1, 1923, to October 1, 1927, to be applied towards payment of the unpaid interest on the debentures. If, after October 1, 1927, the company is able to resume the regular service on its debentures, all arrears of interest then outstanding to be funded in deferred interest warrants at par. Such interest warrants to be redeemable at a premium of 20 per cent. by the application annually towards such redemption of a sum out of the profits of the company equal to the amount distributed as dividends each year. The sinking fund to be suspended during the period to October 1, 1927. After the end of this period a cumulative sinking fund of 2 per cent. on the amount of the debentures now outstanding to be established. The debenture-holders to have representation on the board of the company until such time as all arrears of interest have been paid in cash and the sinking fund has been resumed. You will be aware that the Soviet Government has sequestrated all private property in Russia, including that upon which your debentures are secured. The committee is informed that the condition of the works may be described as fairly good taking all the circumstances into consideration. The company's works are being operated to a limited extent by the Russian authorities. Every possible effort is being made to obtain the return of the company's property."

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Harvesting operations have made better progress under more favourable climatic conditions, and the wheat crop generally reveals good quality. The total yield for England and Wales is estimated at about 7,100,000 qrs. Winter barley and oats continue fairly satisfactory, but spring crops are less favourably commented upon.

GIRARD TRUST COMPANY
PHILADELPHIA, PENNSYLVANIA.

Equipped to perform all kinds of fiduciary service—under appointment by courts, corporations and individuals.

Correspondence invited.

Chartered 1836.

Capital and Surplus - \$10,000,000.

Member of Federal Reserve System.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefco.	Ordinary.	Rate.			
					Amount.	Amount.	Rate.			Dividend.
Banks.		£	£	£	£	£	%	£	£	%
Australian Bank of Commerce ..	June 30	33,587	140,678	213,265	..	84,000	7	50,000	40,265	137,196
Bank of Victoria ..	June 30	29,754	183,706	213,460	37,508	95,512	9	53,000	27,440	179,930
Commercial Banking Co. of Sydney ..	June 30	86,421	422,068	508,489	..	300,000	10	120,000	88,489	397,885
Commercial Bank of Australia ..	June 30	42,209	234,419	276,628	84,694	52,082	15	95,066	44,786	228,081
Breweries.										
Tennant Brothers ..	June 30	9,088	54,034	63,122	8,319	35,547	12½	10,000	9,256	59,315
Gas.										
British Gas Light ..	June 30	58,983	84,184	143,167	7,000	47,452	11	36,000	52,715	67,339
Rubber, &c.										
British Borneo Para ..	April 30	7,579	232	7,811	..	..	..	..	7,811	Dr 3,230
Insulind (Sumatra) ..	June 30	578	4,086	4,664	..	2,750	3	..	1,914	Dr 909
Kalidjoe ..	Mar. 31	5,496	7,223	12,719	1,000	5,250	10	..	6,469	5,020
Padang Jawa ..	Mar. 31	12,935	4,969	17,904	..	6,500	10	..	11,404	979
Semenyih ..	April 30	5,636	2,993	8,629	..	2,251	10	..	6,378	923
Shops and Stores.										
Lance and Lance ..	Jan. 10	1,253	6,230	7,483	3,297	3,300	6	..	886	8,097
Textiles.										
Calico Printers' ..	June 30	237,371	800,208	1,037,579	150,805	251,342	12½	400,000	235,432	(k) 503,542
Waterworks.										
South Kent Water ..	June 30*	1,990	1,939	3,929	766	1,020	4½	..	2,143	..
Other Companies.										
Burt, Boulton, and Haywood ..	June 30*	2,399	43,473	45,872	750	14,960	4½	20,000	10,162	..
Dwa Plantations ..	June 30	153	3,289	3,442	..	2,269	10	..	1,173	..
Nobel Industries ..	Dec. 31	463,349	980,138	1,443,487	284,986	413,301	7	236,182	509,018	604,264
Wright, Bindley, and Gell ..	June 30	3,036	10,553	13,589	4,884	6,562	5½	..	2,143	11,592

* Half-yearly.

† Free of tax.

(k) For two years.

English wheat is now coming forward more freely both here and at provincial markets; consequently prices tend in buyers' favour.

Best milling samples quoted at 9s to 9s 3d, with inferior qualities ruling down to 8s 6d per cwt, free on rail. Imported descriptions were in moderate request, but prices are the turn easier, especially for Canadian qualities, in sympathy with lower forward offers. No. 1 Northern Manitoba quoted 49s 3d to 49s 6d, No. 2 hard winter 45s, Rosafe 62½ lbs 45s, Barusso 62½ lbs 44s, choice white Karachi 43s 6d, red ditto, 43s, all ex ship terms per 496 lbs. In the cargo section, white kinds were sparingly offered at full rates, in view of inquiries on Japanese account for Australian and Pacifics, but other descriptions tended easier on freer offerings. A feature was the demand for new crop Australian and Canadian by certain Mediterranean countries, and steamers of No. 2 Northern Manitoba February shipment sold at 44s, and about 15,000 tons of Australian January-March shipments at 44s 9d, all to Italy, with 44s done to U.K. Of maize cargoes, a sailer of No. 6 yellow African afloat changed hands at 35s, and steamer No. 2 white flat ditto on passage at 36s 3d per 480 lbs. Flour steady, with a moderate demand. London standard straight run quoted 38s, patents 40s-41s, town households 36s per sack delivered. All English country straights 31s 6d-32s 6d delivered to London stations.

Of imported, Manitoba patents range from 37s-41s as to sample, Minneapolis good patents 40s 6d, soft winters 36s-39s, Australian 34s-35s per 280 lbs, ex store. Millers' offers steady. Broad bran quoted 6s 6d, ordinary ditto 5s 6d, middlings 8s-8s 3d, bags included ex mill, light oats 5s 9d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 3d, free on rail, all per cwt. Barley firm, and English malting quoted from 11s 3d. to 15s 9d, with feeding sorts ranging from 9s-9s 8d per 112 lbs, free on rail, as to sample. Imported, fully steady. Californian quoted 40s-42s, Chilean brewing 39s-43s as to sample, both landed per 448 lbs. Persian 26s 6d, Karachi 28s 6d, Danubian 29s 6d-30s, all landed. No. 4 Canadian Western 28s, American malting 48 lbs 27s 9d, Algerian Tunisian 26s-27s, all ex ship, per 400 lbs. Maize quiet, and occasionally 3d per qr easier. Plate, ex ship, arrived, quoted 34s 3d, landed 35s 9d, No. 2 white flat African 35s 6d, No. 6 yellow ditto 34s 3d, both ex ship, all per 480 lbs. Oats: English steady at 7s 9d-10s 4d per 112 lbs, free on rail, as to sample. Imported, quiet, and tendency easier. Plate, ex ship, 21s 6d, landed 23s 9d, No. 2 Canadian Western landed 28s, No. 3 ditto, ex ship, 25s 6d, No. 1 Canadian feed landed 25s 6d, Danubian, ex ship, 21s 3d, New Zealand A grade landed 37s-38s, B grade 36s per 324 lbs. Oatmeal steady, with a moderate demand.

London-made all cuts quoted 17s, rolled oats, also whole groats 17s flaked oats 17s 6d, ex mill, ordinary Scottish oatmeal 19s 6d-21s and American 16s 3d-16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

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

	1922-1923.	1921-1922.	1920-1921.	1919-1920.
Estimated sales of home-grown wheat—				
1 week to September 8 ..	Cwts. 322,002	Cwts. 206,284	Cwts. 362,275	Cwts. 291,830
52 weeks to September 8 ..	17,776,838	..	..	..
Average price of English wheat per cwt.	8 d 9 1	8 d 9 7	8 d 13 6	8 d 21 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Sept. 1	Cwts. 269,839	Cwts. 34,036	Cwts. 54,182	8 d 9 1	8 d 9 6	8 d 8 8
8	322,002	84,953	54,899	9 1	10 10	8 10
1919	89,469	93,886	22,951	17 1	25 10	22 4
1920	291,831	149,786	75,273	21 1	22 6	19 6
1921	362,276	220,682	78,460	13 6	17 9	11 1
1922	266,284	20,407	43,828	9 7	10 11	9 1

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated September 13th was as follows:—Pig-iron.—There is slightly more inquiry for pig-iron, and a more cheerful outlook prevails. Prices are as follows:—97s 6d per ton for Cleveland No. 3, G.M.B.; 99s per ton for East Coast hematite mixed numbers. Manufactured Iron and Steel.—Prices of steel are practically unchanged. Inquiries for re-construction purposes are expected. There is still no immediate prospect of a settlement of the boilermakers' dispute. Prices are:—Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12 steel rails, £9 10s. Iron Ore.—Business remains stagnant, and there are sellers of best rubio at 23s.

Our Sheffield correspondent writes:—Conditions of local industry do not improve, some little improvement in the billet market being

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended August 31.		Eight Months Ended August 31.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	10,062,027	10,021,931	68,899,110	64,133,718
B. Feeding stuffs for animals	544,931	561,563	3,357,261	3,873,830
C. Meat	8,971,681	9,385,714	70,213,014	77,220,911
D. Animals living, for food	162,675	922,319	1,409,420	6,007,928
E. Other food and drink, non-dutiable ..	11,205,047	12,731,234	93,334,268	99,069,260
F. " " dutiable ..	5,850,558	9,844,707	61,820,300	74,003,252
G. Tobacco	919,906	612,470	11,683,939	9,645,001
Total, Class I.	37,716,825	44,069,938	310,717,312	333,953,900
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	..	3,209	20	7,556
B. Other non-metallic mining and quarry products and the like ..	396,312	488,393	3,417,553	3,751,398
C. Iron ore and scrap ..	377,944	483,789	3,035,105	5,435,685
D. Non-ferrous metalliferous ores and scrap ..	783,701	1,195,066	4,492,690	8,376,020
E. Wood and timber ..	4,487,315	5,813,710	20,798,507	27,644,114
F. Raw cotton and cotton waste ..	4,799,109	3,524,158	50,559,528	45,277,788
G. Wool, raw and waste, and woollen rags ..	6,030,331	2,303,403	47,000,299	39,766,625
H. Silk, raw, knubs and noils ..	212,280	96,923	1,344,149	590,223
I. Other textile materials ..	546,751	570,546	6,195,902	7,097,101
J. Oil seeds, nuts, oils, fats, resins, & gums ..	3,091,365	3,696,359	25,241,712	30,906,550
K. Hides and skins, undressed ..	1,036,013	1,530,347	9,177,205	10,920,236
L. Paper-making materials ..	977,324	983,518	5,751,138	7,055,947
M. Rubber ..	541,094	691,662	4,533,028	6,691,619
N. Miscellaneous raw materials and articles mainly unmanufactured ..	861,763	957,180	5,715,655	6,499,472
Total, Class II.	24,141,302	22,338,263	187,262,471	198,420,434
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	5,832	2,676	22,649	10,846
B. Earthenware, glass, abrasives, &c. ..	608,270	655,664	4,547,396	4,782,360
C. Iron and steel and manufactures thereof ..	891,454	1,175,628	6,690,003	9,041,886
D. Non-ferrous metals and manufactures thereof ..	1,660,739	2,064,122	11,641,472	16,135,583
E. Cutlery, hardware, implements, and instruments ..	477,004	477,956	4,073,626	4,521,126
F. Electrical goods and apparatus ..	143,498	168,130	868,975	1,422,880
G. Machinery ..	764,336	745,139	5,416,463	6,208,123
H. Manufactures of wood and timber ..	265,715	367,098	2,492,527	3,012,801
I. Cotton yarns and manufactures ..	565,796	725,640	4,454,027	5,737,624
J. Woollen and worsted yarns and manufactures ..	768,924	976,230	5,879,265	7,567,740
K. Silk and silk manufactures ..	1,763,647	2,005,478	14,161,071	14,283,348
L. Manufactures of other textile materials ..	896,318	1,242,468	6,891,863	9,106,188
M. Apparel ..	1,255,950	1,446,350	9,262,597	10,971,154
N. Chemicals, drugs, dyes, & colours ..	1,125,021	1,315,825	7,311,133	8,975,327
O. Oils, fats, and resins, manufactured ..	3,746,461	3,380,244	29,251,255	24,852,122
P. Leather and manufactures thereof ..	938,175	934,716	7,143,367	7,798,481
Q. Paper and cardboard ..	1,193,843	1,134,388	7,663,113	8,285,825
R. Vehicles (including locomotives, ships, and aircraft) ..	512,275	405,340	4,477,585	5,224,947
S. Rubber manufactures ..	496,614	476,628	3,966,377	3,619,398
T. Miscellaneous articles, mainly or wholly manufactured ..	2,240,809	2,074,497	15,309,204	17,071,726
Total, Class III.	20,325,711	21,774,217	151,523,968	168,628,485
IV.—Animals, not for food	29,028	139,569	227,452	799,803
V.—Parcel post, non-dutiable articles ..	403,038	421,210	1,770,746	2,481,152
Total	82,615,904	88,743,197	651,501,949	704,283,774

counterbalanced in other directions, and unemployment is extending week by week, the total number in receipt of benefit being 2,000 more than a month ago. Bad as things are, the outlook is regarded as more hopeful. Makers of heavy steel seem confident that a revival of buying is now at hand. Stocks of iron and steel, whether in the hands of merchants or users, are almost non-existent, and the slightest all-round increase of buying would probably create a condition of scarcity and enable producers to force up prices to a remunerative level. Makers of raw and semi material have no desire in these circumstances to sell forward at the current quotations. It is now difficult to place orders either for tools or cutlery in Germany, and holders of stocks in this country are putting up their prices. Metallurgists in the non-ferrous section are actively engaged in experiments for the production of untarnishable alloys suitable for table ware. Not much new business is being booked in the fuel market, and consumption of boiler slacks and steam coal at home has been tapering off since the beginning of the holidays. Short time working at the pits is extending. Coke is a firm market. Prices per ton at pits are:—Best hand-picked branch, 30s 6d; Barnsley best Silkstone, 26s 6d; Yorkshire steams, 20s; best Blythe steams, 24s; Durhams, 24s 6d; rough stacks, 11s 6d; nutty slacks, 10s; smalls, 7s.

Our Glasgow correspondent (writing on Thursday) says:—Business in iron and steel material this week has been rather more animated than has been the experience for a period (a month or so), and the hope is maintained in some informed quarters that the betterment will continue. Demand has been mainly for steel ship plates, thin sheets, and structural sections, such as enter chiefly into house building and land constructional operations. Yesterday it was stated on 'change that several inquiries were on circuit for Scotch pig-iron and for hematite, and as a consequence quotations

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM (Value F.O.B.).

	Month Ended August 31.		Eight Months Ended August 31.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	200,178	346,957	2,065,239	2,688,662
B. Feeding stuffs for animals	170,118	87,631	1,274,466	1,095,083
C. Meat	73,951	76,022	636,154	793,291
D. Animals living, for food	4,905	18,745	20,284	99,376
E. and F. Other food and drink	2,061,608	2,331,317	16,045,475	17,507,655
G. Tobacco	594,211	567,743	3,854,240	4,263,951
Total, Class I.	3,104,971	3,428,415	23,895,858	28,448,018
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	6,873,551	8,314,710	43,300,852	67,571,441
B. Other non-metallic mining and quarry products and the like	113,878	197,416	1,091,076	1,213,555
C. Iron ore and scrap	43,978	31,094	417,283	354,212
D. Non-ferrous metalliferous ores and scrap	249,188	145,516	4,199,074	1,585,491
E. Wood and timber	32,179	51,149	232,435	286,144
F. Raw cotton and cotton waste	97,416	122,458	671,873	1,162,155
G. Wool, raw and waste, and woollen rags	631,784	686,378	4,965,601	6,720,719
H. Silk, raw, knubs and noils	2,938	5,010	45,487	74,869
I. Other textile materials	76,059	43,876	623,469	396,500
J. Oil seeds, nuts, oils, fats, and gums	391,362	275,967	3,645,396	3,706,669
K. Hides and skins, undressed	117,206	157,262	1,160,382	1,720,727
L. Paper-making materials	117,392	84,167	789,336	1,007,017
M. Rubber	7,667	6,219	63,866	87,183
N. Miscellaneous raw materials and articles mainly unmanufactured ..	145,565	103,444	1,905,846	2,865,662
Total, Class II.	8,900,163	10,222,660	63,111,976	88,761,144
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	421,430	1,155,256	3,088,025	5,880,597
B. Earthenware, glass, abrasives, &c.	972,411	998,070	7,387,740	7,675,521
C. Iron and steel and manufactures	5,052,852	5,917,588	40,068,583	48,786,669
D. Non-ferrous metals and manufactures thereof	931,544	986,707	7,637,290	9,441,438
E. Cutlery, hardware, implements, and instruments	617,299	504,861	4,311,366	4,587,581
F. Electrical goods and apparatus	614,749	623,553	4,858,198	5,357,272
G. Machinery	4,363,738	3,227,821	33,528,525	30,220,198
H. Manufactures of wood and timber I. Cotton yarns and manufactures	136,049	161,602	844,626	1,089,592
J. Woollen and worsted yarns and manufactures	16,111,542	14,783,927	124,525,199	118,357,049
K. Silk and silk manufactures	5,515,042	5,869,222	39,369,288	42,197,836
L. Manufactures of other textile materials	249,287	172,240	1,585,571	1,950,661
M. Apparel	1,768,041	1,827,388	14,659,162	15,513,198
N. Chemicals, drugs, dyes, & colours ..	2,330,152	2,355,713	14,203,242	16,488,700
O. Oils, fats, & resins, manufactured ..	1,662,609	1,645,856	13,522,810	16,505,925
P. Leather and manufactures thereof ..	464,686	549,651	3,796,552	4,518,384
Q. Paper and cardboard	411,813	393,717	3,252,847	3,652,694
R. Vehicles (including locomotives, ships, and aircraft)	548,142	538,802	4,075,557	5,332,215
S. Rubber manufactures	2,023,805	1,200,008	35,154,894	20,531,920
T. Miscellaneous articles mainly or wholly manufactured	443,472	371,880	3,427,137	3,484,385
Total, Class III.	2,504,573	2,160,413	17,855,426	18,959,058
Total, Class III.	47,149,278	45,446,275	377,153,058	379,830,790
IV.—Animals, not for food	145,375	124,394	1,001,954	737,801
V.—Parcel Post	732,450	881,616	7,049,842	6,508,484
Total	60,032,237	60,103,360	472,212,668	502,268,237

were harder. Scotch hematite at £5 5s f.o.t. steelworks. Do. No. 1 foundry, f.o.t. makers' works, also £5 5s, and No. 3 foundry, makers' works (f.o.t.), £5 a ton. The reported increase in demand for steel is chiefly from abroad, and leans to the purchase of bars and black sheets, and is emanating from the Far East. Glasgow has for long years had a strong and active business connection with Japan, which is expected to revive and extend from the catastrophic events which have unfortunately laid our ally in ruins. To-day it was added that inquiries as to the export of sections (light and heavy) had come to hand from more than one devastated district; but the disposition is to attach no great measure of assurance, meantime, to the story. Bolts, nuts, and rivets are fairly asked after, as are tubes, hoops, billets, and nearly all sorts of semi-finished goods. Coals are in strong request for shipment to Germany, France, Italy, and Scandinavia.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—It was hoped that firm values at the Colonial wool auctions in London would have the effect of stimulating demand for tops and yarns, but although there was some response from users during the first week of the sales, demand has since eased off, and the market to-day is again somewhat sluggish. The tone is fairly good, this being governed to a large extent by the firmness of the raw material market, but the amount of business in Bradford is disappointing. Topmakers put up their quotations in sympathy with values in Coleman street Wool Exchange, and there has been very little change during the past week. It is doubtful, however, if full quoted rates can be made in most cases; indeed, concessions can be obtained here and there, and this notwithstanding that current rates are below replacement costs. Consumption, however, is so restricted that users have no encouragement to buy, although present prices are undoubtedly attractive, having regard to the cost of wool. There has been a slight improvement in the yarn trade, some firms being in a better position to run their machinery on account of particulars coming to hand, while in other cases some nice orders have been booked in crossbreds. The great difficulty in this section is to make prices that will leave even a small profit, and as there are several weak sellers, the market generally presents a weak appearance. The piece trade does not show much expansion. Orders on home account are comparatively small, and low prices are offered. It is hoped that the Japanese market for pieces will recover sooner than was at first expected. Inquiries are about for the usual lines, and it is expected that business will result. Home-grown wools are firmly held, and practically all qualities are against buyers.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The wool sales in London are making good progress, and the attendance of buyers is certainly encouraging. It is something to see a keen demand for the raw material at steady prices, even if there is no further "spring" in the bids buyers are making. Speculators are feeling disappointed that there is no chance of getting out on the right side with the wools they purchased in Australia and New Zealand, and which they are now offering in London, but this fact only confirms what we said at the time, which was that prices in the primary markets during last December to the end of January were exceedingly high. The falling off of trade and the serious political complications on the Continent have all helped to restrict consumption and arrest trade developments. It is quite probable that but for the occupation of the Ruhr by the French, importers would have made money on their Colonial purchases.

It is not probable that any further improvement in London values will take place, and certainly users do not want any further advance. Next Friday the first sale of the Australian season will be held in Adelaide, when about 25,000 bales will be catalogued. There does not seem to be any prospect of values being inflated, and in all probability the season will open just about where the previous one left off. Australian growers and sellers are very optimistic, and are expecting big figures, but they will be well advised to accept current rates. Some effect upon the Australian market is sure to be produced by the catastrophe in Japan. The American trade have been desirous of seeing a strong movement of raw material values, both in London and the Colonies, this apparently being wanted to substantiate prices current for partly and fully-made goods, but the catastrophe referred to has introduced a factor not previously anticipated, and it is impossible for such a thing to take place without at least a temporary check being put upon the buying powers of the country concerned. Great store is being placed upon Japan's recuperative power and the initiative of the people, but however bold a policy is pursued, a great deal will

depend upon the actual financial resources available. The ordinary activities of the areas affected being interfered with will certainly result in one important factor in wool and its products becoming at least temporarily less influential in the direction of maintaining or enhancing the recent level of values.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—September 7, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	..	..	..	..	..	..	..	..	..	..	..	..
Georgia do.....	..	..	..	..	..	..	..	..	..	..	..	..
American.....	Ord	G	O	L	M	Mid	G	O	L	M	Mid	G
Brazilian.....	1447	1477	1547	1587	1672	1727	1154	1239	1309	1071	1176	1361
Pernam.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Parahyba, Rio Grande, &c.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Macelo, &c.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Mossoro, &c.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Ceara.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Maranhão, &c.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
São Paulo.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Egyptian.....	1487	1537	1587	..	..	..	1144	1224	..	..	..	..
Upper.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Sakellariadis.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Brown.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Peruvian.....	1487	1537	1587	..	..	..	1144	1224	..	..	..	..
Rough.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Moderately Rough.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Smooth.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Tanguis.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Mita.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
West Indian, &c.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Do.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
African, East, &c.....	1075	1175	1225	1275	1325	1375	1050	1125	1175	1000	1075	1125
Do.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
East Indian.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Surtee.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Branch.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Bhownagar.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Oomra, No. 1.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Oomra, No. 2.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Khandesh.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Comptah.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Bengal.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Machine Ginned Bolnde.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Tinnivelly.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Madras, Western.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
Madras, Northern.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
M.G. Coconada, Red.....	..	..	1512	1562	1637	..	..	..	..	..	..	..
China, Smyrna, &c.....	..	..	1512	1562	1637	..	..	..	..	..	..	..

Corrected.

MANCHESTER, September 13.

A stronger feeling has prevailed in the market than for a long time back. There has been an important advance in raw material rates, and spinners and manufacturers have experienced a much larger inquiry. A feature of interest has been the more extensive buying of raw cotton by spinners for future delivery. Cloth demand has been on a considerable scale. Further activity of an encouraging character has shown itself for India in light fabrics and grey shirtings, although numerous offers for the latter qualities have been unworkable. Operations for China have expanded in a variety of goods, although most of the buying has been in fancies and specialities. Several minor outlets, such as Java, Singapore, Egypt, and South America, have given increased support. Most manufacturers have been enabled to reduce their stocks and obtain some relief, whilst in certain quarters engagements have been extended. Freer buying has taken place in American and Egyptian yarns at higher prices, and spinners are much firmer in quotation.

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

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

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

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

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

(I.) Comparative Statement of the Cotton Trade.

	Price, Sept. 13, 1923.	Previous Weeks in 1923.				
		Price, Sept. 6.	Price, Aug. 30.	Price, Aug. 23.	Price, Aug. 16.	Price, Aug. 9.
Raw Cotton—Fully Mid. American .. per lb	17.29	16.02	15.30	15.38	15.43	14.80
Sakellariadis Fully Good Fair .. per lb	17.60	17.25	16.65	16.35	16.30	15.90
Egyptian .. per lb	23	21½	21	21	21	20½
Yarns—32's twist .. per lb	23	21½	21	21	21	20½
40's twist .. per lb	30	29½	29	29	29	28½
60's twist (Egyptian) .. per lb	30	29½	29	29	29	28½
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32 9	31 3	30 6	30 6	30 6	30 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	36 3	34 9	34 0	34 0	34 0	33 3
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19 1½	18 7½	18 3	18 3	18 3	18 0
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs ..	17 6	16 10½	16 6	16 6	16 6	16 3

(II.) Compared with Previous Years.

	Price, Sept. 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	17.29	13.42	13.69	23.75	19.07	24.87
Sakellariadis Fully Good Fair .. per lb	17.60	17.50	22.00	62.00	30.00	30.19
Egyptian .. per lb	23	20	21	50	41½	55½
Yarns—32's twist .. per lb	23	19	19½	45½	40½	55½
40's twist .. per lb	30	28	37	80	61	68
60's twist (Egyptian) .. per lb	30	28	37	80	61	68
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	32 9	32 0	34 6	76 0	58 0	72 6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	36 3	32 0	34 0	74 6	56 6	69 9
38-in. ditto, 38 yds, 18 by 18, 10 lbs ..	19 1½	17 0	20 6	45 0	34 0	41 6
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs ..	17 6	16 3	19 6	36 0	30 0	36 0

VEGETABLE OILS AND OILSEEDS.

The feature of the markets is the firmness of linseed, especially in near positions, due to the fact that stocks are low and that there is only a comparatively small quantity afloat for this country, about 18,000 tons, and for the Continent 38,000 tons, together considerably less than half of the quantity afloat a year ago. Values of both old crop Argentine and the current Indian have steadily advanced. Crude oil is very difficult to buy, and is held for higher prices. With regard to Soya beans, spot demand is limited, and there is some reluctance to do business for future shipment in consequence of the earthquake disaster in Japan. Soya bean oil of English make is steady. Palm kernel oil continues in good request by the edible trades, and ground nut oil is scarce and dearer. An improved demand for oil cakes is reported.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The Bermondsey hide market was again weaker on Thursday, best ox from 6½d to 8½d showing a decline of ½d. Falls were also noted in seconds, whilst best cows did not find buyers. Calf were steady from 5½d to 11½d per lb. Lambs made from 2s 1d to 7s 6d, and pelts from 3s 10d to 7s 3d each.

There is more business passing in imported hides, and frigorifics have changed hands at higher prices, 6½d to 7d now being paid, this being accounted for to some extent by the rise in the Argentine dollar. Sales amounting to 60,000 hides have been bought on American account at 36 dollars for ox and 29 dollars for cows. Liebig ox has sold at a parity of 8d, and Colon ox at 7½d. Dry hides are firm in price, and B.A. Inservibles have been sold at 6½d. African hides are not moving off rapidly, and values are unchanged.

Orders have been coming along more freely for boots and shoes of late, as stocks in retailers' hands are small. Buyers of footwear, however, are holding off placing winter orders until the Shoe and Leather Fair which opens in London in October next. The value of exports of leather footwear up to the end of August was £2,396,018, as against £1,689,084 for the first eight months of 1922—a very satisfactory increase.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, September 14.

SUGAR.—With sustained inquiries both on grocery and manufacturing account, business proceeded with freedom, and a buoyant market resulted. White Javas continue to be well taken by exporters. With a scarcity of imported grocery sugars, the British-produced article is sought after. Messrs Tate and Lyle's cubes, 58s 6d to 59s 6d; granulated, fine and coarse, 56s 1½d; No 1, 55s 10½d; No 2, also

London, 55s 7½d; ditto, second half October, 55s 6d; yellow crystals, spot, 50s 1½d. American granulated, spot, sold, 55s 6d; white Java, as to sample, from 51s to 52s; ditto, arrived, steamer, 24s 3d, c.f. and i. terms. Continental sugars for shipment more or less nominal. Raw refining kinds firm, and sparingly offered. Peruvian basis 96 per cent., for shipment, 22s 6d, c.f. and i. terms. U.K. Cuban stocks, 392,900 tons, against 3,996,300 same time last year. Terminal market firmer, and there was a trade doing, particularly in the December position. September sold, 24s to 25s 9d; October, 24s to 24s 6d; December, 23s to 23s 9d and 23s 7½d; March, 23s 6d to 24s 3d; May, 23s 9d to 24s 6d. U.K. consumption of August, 132,000 tons, against 139,300 last year.

COFFEE.—Spot market steady, with a moderate demand for the finer sorts, but common meet a slow sale. Futures firm, but slow.

COCOA quiet at about late rates. Accra, F/F quality, November-January, 30s 9d, f.o.b. terms.

TEA.—Supplies of Indian were on a larger scale this week, amounting to 45,880 packages, and with a quieter demand for the commoner qualities, prices for such ruled weaker, but all the finer parcels were well competed for at full previous quotations. About 27,000 packages Ceylon were also submitted, and here also competition on balance was not so keen as previously, and rates were occasionally easier. Java and Sumatra met a fair demand.

RICE.—Business in this market proceeds quietly owing to marked paucity of offers on the part of shippers. Two stars, spot, 16s; September-October, 14s 9d. Spanish new crop, for shipment, 18s 9d. Japanese peas quiet. Spot, 26s; September-October, sold, 20s 6d; October-November, 20s; November-December, 19s 6d cwt.

SPICE.—Pepper firmer forward with a good inquiry. Fair black Singapore, L.S., October-December, sold, 4½d; Lampong ditto, 3½d. Muntok also October-December, L.S., at 6½d to 6½d and 6½d. Zanzibar cloves, October-December, sellers, 1s 1d per lb. Tapioca quiet, but firmly held at recent rates. Sago flour, October-December, sold, 13s. Desiccated coconut steady. Fine cut, spot, sold, 39s 9d; halves, September-October, quoted 38s 9d; October-November, 39s 3d cwt.

JUTE reservedly offered, and firm, with fair inquiries, but eased later. First grade, September, Continent, sellers, £21 10s; September-October, sold, £21 15s to £22, and £21 5s; October-November, £22 to £21 5s, and November-December, £22 to £21 15s ton. Hessians firm. 10 oz, spot, 28s 3d; 8 oz, 21s 6d 100 yards. Heavy goods firm.

HEMP.—Manila very steady, and a moderate demand ensued. J grade, July-September, and September-November, sold, £31 5s; K sellers, £27; L, £26 10s; M, £25. House marks of J, September-November, sold £32; K, £27 10s ton.

SHELLAC steady, quiet. T.N., spot, 28½s to 290s; October, 28½s; 277s 6d paid; December, 280s to 277s 6d cwt.

GOPRA remained a quiet, steady market. F.M.S. Straits, August-October and October-December, Rotterdam, quoted £27; Ceylon, ditto, £28 15s; Dutch E.I., August-September, sold, £27; October-December quoted £27; Cebu, September-November, sold £26 5s to £26 10s; South Sea quoted £26. Palm kernels, October-December, Liverpool, £18 7s 6d ton.

RUBBER again quietly dealt in, at rates showing no marked change. Spot and September standard plantation, sold, 15½d to 15½d; October, 15½d to 15½d; October-December, 15½d to 15½d; January-March, 16½d to 16½d. To New York, standard sheet, November-December, sold, 15½d for Estate per lb, c.f. and i. Wild, quiet, unaltered.

MENTHOL.—Japanese, spot, held for 70s; Japanese peppermint oil, spot, 13s; refined camphor slabs, 4s per lb.

EGG PRODUCTS.—Market firm, with a fair inquiry for albumen, which is held for firm rates. Prime hen liquid, yolk, spot, quoted 85s; September-October, 80s; dried yolk, spot, 10½d; hen, albumen, spot, 4s; September-November, 3s 11d.

DRIED FRUIT.—The market for currants is steady, with a moderate business. Patras, quarter cases, quoted 56s; ditto, Amalias, 53s; Gulf, 58s; Vostizza, 63s to 66s; Australian, 62s to 66s. Sultanias in fair support, at about previous rates. Smyrna, good colour, quoted at 50s; better qualities up to 70s; Californian, 52s to 56s. Raisins steady, but general course of trade quiet. Cape quoted 44s to 48s. Dais move off slowly. Siar, spot, 17s 6d. Evaporated fruits continue in quiet request, and any alteration in prices proved favourable to buyers. Cape apricots quoted 65s to 80s, as to quality; Californian pears, 60s to 75s; ditto, apple rings, 50s to 52s. Australian apricots, 65s to 85s; ditto, peaches, 50s to 60s. Californian plums, 40/50, quoted at 70s; 70/80, 43s; 80/90, 40s per cwt.

CANNED GOODS.—There is no improvement in the demand for

41s 6d; September, 41s; September-December, 39s 9d; January-April, 36s 3d. Rape firmer. Crude, spot, 38s; refined, 41s. Cotton steadier. Crude Egyptian, spot, 37s; Bombay, 36s; common edible, 43s 6d; deodorised (in barrels), 45s. China-wood firm. Hankow, spot (barrels), 92s; September, 87s 6d. Coconut steadier. Ceylon, spot, 45s; September-October, 43s 6d; Ceylon, ditto, quoted 48s. Soya steadier. Oriental, barrels, August-September, 38s 9d. Cod quiet. English, spot, 34s. Groundnuts firm. English, crushed, naked, spot, 44s; deodorised, barrels, 52s. Turpentine strong. American, spot, 74s; October-December, 75s; January-April, 76s 3d. Rosin firm. American, grade B, 13s; F, 13s 3d; G, 13s 3d; H to I, 13s 3d; W.G., 15s 9d; W.W., 16s 6d per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil firm. First pressure, spot, quoted 51s; second pressure, 49s; and pharmaceutical 56s per cwt.

OILSEEDS.—Linsed firm but quiet. Bold Bombay, September, sold, £21 7s 6d to £21 10s; small Bombay, ditto, £20 17s 6d; Calcutta, afloat, £20 17s 6d; August-September, sold, £20 12s 6d; September-October, £20 5s. Plate, afloat, £19 10s; August-September, £19 5s; January-February, £16 5s. Rapeseed firm. Toria, September-October, £16 15s; real bold Ferozepore, September-October, sold, £16 12s 6d; Jamba, £13 2s 6d. Cottonseed firm. Egyptian black, September, £11 12s 6d. Bombay, afloat, £9 15s; December-January, £9 5s. Gingelly seed firm. Large Bombay, October-November, Continent, sellers, £23 17s 6d. Chinese, October-November, £22 15s, Continent. Groundnuts firmer. Coromandel, machine-dried, August-September, £22 12s 6d. Chinese deodorated, f.a.q., October-December, £21 7s 6d; East African, September-November, £21 15s. Soya beans firmer. Manchurian, August-September, £11 12s 6d. Castor-seed quiet. Bombay, September-October, £20 2s 6d per ton.

METALS.—Tin commenced the week with an easier tone due to selling pressure, chiefly for forward positions, though a fair business transpired at the lower level of prices. Standard cash sold at £199 15s to £198 15s, and three months £201 5s to £199 10s and £200. Sales in the East were reported on the basis of £205, c.i.f. Subsequently prices were attended by some irregularity, but earlier declines were partially recovered. Standard cash sold at £199 5s, and three months fluctuating between £199 10s to £200 5s. Further sales occurred in the East at £204, c.i.f. At Thursday's market prices, after showing firmness, relapsed. A fairly good business transpired, including standard, cash, at £196 10s to £196 15s to £196, and three months at £199 10s to £199 15s to £196 15s, while finally at £196 17s 6d. On the following day the downward movement continued. Standard, cash, sold at £194 10s, and three months at £195 5s to £196 to £194 10s to £194 15s. English ingots quoted at £194 5s to £194 10s. Copper was a weaker market due to selling

desire, especially with regard to distant positions, combined with a quiet demand. Standard, cash, sold at £64 2s 6d, and three months, £64 10s. The downward movement continued throughout the greater part of the week with moderate dealings. By the middle of the week cash sold down to £63 10s, and three months, £64 2s 6d. On the following day further weakness was apparent, but a good business took place at the lower range of prices. Standard, cash, sold at £63 2s 6d to £63 1s 3d, and three months at £64 1s 3d to £63 15s 3d. Rates were again easier at Friday's session with moderate sales. Standard, September, sold at £62 17s 6d, and three months £63 15s to £63 8s 9d. Electros, £68 10s to £69; best selected, £66 to £67 10s; strong sheets, £66; wire bars, £69. Lead firmer at £25 15s to £25 7s 6d, as to position. Spelter easier at £33 2s 6d to £32 7s 6d, according to position. Aluminium quiet. Home trade, £115; export, £120. Antimony: Ordinary brands £30 to £32; specials, £34 10s to £35.

TALLOW.—Messrs Colchesters and Woolner wrote as follows on September 12th:—The tallow market was firm during the week, and prices are occasionally 6d dearer to-day. Supplies which arrived during the strike are now becoming available on a larger scale, and are meeting with an improved demand. At auction to-day 2,564 casks tallow were offered, and 1,802 were sold. Quotations are:—Australian mutton: Fine, 42s 9d; good to fair, 42s to 41s; dull to dark, 38s to 36s 9d; hard, 43s. Australian beef: Fine, 42s; good to fair, 40s 6d to 39s; dull to dark, 37s to 36s 6d; sweet, 42s 6d. Present shipment from Australasia nominal. Present shipment from South America, 39s to 37s 9d. The market letter is unchanged. Town tallow, 35s 6d per cwt. Rough fat, per 8 lbs, 13d; melted stuff, 26s 6d per cwt. Quotations are:—Town, 35s, net cash, naked, ex works. Country: Frail casks 35s; home melted, shipping casks, net, f.o.b., good coloured, 37s; fair to dull, 36s to 35s. Bone fat: White, none; pale, none; benzene, 33s; melted stuff, 33s 6d, f.o.b.

METROPOLITAN CATTLE.—SEPTEMBER 13.

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

Beasts—Herefords	s	d	s	d	Beasts—Heavy Bulls	s	d	s	d
Shorthorns	6	8	0	0	Do to heavy	6	4	0	0
Devons	6	4	6	6	Do to light	6	4	0	0
Norfolks	7	0	0	0	Do to medium	6	4	0	0
Scottish	nominal				Do to small	6	4	0	0
Irish	nominal				Do to very small	6	4	0	0
Fat Cows	nominal				Do to very small	6	4	0	0

LONDON POTATO MARKETS.—SEPTEMBER 13.

English (new) Sharpe's	s	d	s	d	Per Cwt.	s	d	s	d
Express	7	0	0	0	Epicures	7	0	0	0
Edicure	5	0	0	0	King Edwards	7	0	0	0

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.	DRUGS.	INDIA RUBBER.	PROVISIONS.	SPICES.
00000 Duty, British grown	Alum, fine E.L. p.cwt. 108	Para, fine, hard spot	Butter—per cwt.	Singapore, fair White
25.4d. foreign 25.4d. 4	Balm, Peru . . . per lb	Cape, good to fine	Irish creamery . . . 182 0 185 0	Black Singapore . . . 6 4 0 0
Trinidad, per cwt. 46 9 57 0	Caps 1 4 1 6	Plantation crepe . . . 1 31 8 9	Do to heavy . . . 178 3 184 9	Do to White Blam . . . 6 4 0 0
Granada 37 0 47 0	Campor 3 5 3 6 4		Argentine 150 0 180 0	Pimento 8 24 8 8
Ceylon, plantation . . . 45 8 55 8	Cashew, refined . . . 3 5 3 6 4		Dutch 184 0 190 0	Onion—small 8 16 8 8
Guayaquil 60 8 70 8	Cashew, good to fine . . 4 0 4 0		New Zealand . . . 184 0 188 0	Do 2nd 8 16 8 8
Bahia, finest 8 44 8	Cashew, dry leaf, good . 4 0 4 0		Do 3rd 8 16 8 8	Onion—large 8 16 8 8
COFFEE.—Foreign grown.	Cashew, dry leaf, ord. . 3 6 3 6		Do 4th 8 16 8 8	Cocoa Ligna 47 6 8 8
25.4d. foreign 25.4d. 4	Cashew, dry leaf, ord. . 3 6 3 6		Do 5th 8 16 8 8	Do 6th 8 16 8 8
E. India fine good to fine . 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 7th 8 16 8 8	Do 8th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 9th 8 16 8 8	Do 10th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 11th 8 16 8 8	Do 12th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 13th 8 16 8 8	Do 14th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 15th 8 16 8 8	Do 16th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 17th 8 16 8 8	Do 18th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 19th 8 16 8 8	Do 20th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 21st 8 16 8 8	Do 22nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 23rd 8 16 8 8	Do 24th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 25th 8 16 8 8	Do 26th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 27th 8 16 8 8	Do 28th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 29th 8 16 8 8	Do 30th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 31st 8 16 8 8	Do 32nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 33rd 8 16 8 8	Do 34th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 35th 8 16 8 8	Do 36th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 37th 8 16 8 8	Do 38th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 39th 8 16 8 8	Do 40th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 41st 8 16 8 8	Do 42nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 43rd 8 16 8 8	Do 44th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 45th 8 16 8 8	Do 46th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 47th 8 16 8 8	Do 48th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 49th 8 16 8 8	Do 50th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 51st 8 16 8 8	Do 52nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 53rd 8 16 8 8	Do 54th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 55th 8 16 8 8	Do 56th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 57th 8 16 8 8	Do 58th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 59th 8 16 8 8	Do 60th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 61st 8 16 8 8	Do 62nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 63rd 8 16 8 8	Do 64th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 65th 8 16 8 8	Do 66th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 67th 8 16 8 8	Do 68th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 69th 8 16 8 8	Do 70th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 71st 8 16 8 8	Do 72nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 73rd 8 16 8 8	Do 74th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 75th 8 16 8 8	Do 76th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 77th 8 16 8 8	Do 78th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 79th 8 16 8 8	Do 80th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 81st 8 16 8 8	Do 82nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 83rd 8 16 8 8	Do 84th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 85th 8 16 8 8	Do 86th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 87th 8 16 8 8	Do 88th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 89th 8 16 8 8	Do 90th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 91st 8 16 8 8	Do 92nd 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 93rd 8 16 8 8	Do 94th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 95th 8 16 8 8	Do 96th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 97th 8 16 8 8	Do 98th 8 16 8 8
Do good to fine 85 8 127 8	Cashew, dry leaf, ord. . 3 6 3 6		Do 99th 8 16 8 8	Do 100th 8 16 8 8

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No. 4,178.

ROYAL EXCHANGE ASSURANCE.

INCORPORATED A.D. 1720.

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(National Overseas Bank.)

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Head Office: LISBON.

Established 1884.

Capital (paid up):
Esc. 24,000,000

Reserve Funds:
Esc. 30,200,000



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24 " " East and West Africa,
6 " " Brazil,
6 " " India and China.

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Capital, Authorised Lire 400,000,000
Capital, Paid Up " 345,788,000
Reserve " 180,000,000
Deposits " 5,359,000,000

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CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY
Every description of Banking business transacted.

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month approaches. Hence Treasury Bills have changed hands at a shade over 3 per cent., and the fine three-months' bill rate is not better than 3½ per cent. The market, however, is not working freely, as nowadays the banks are in a position to obtain nearly all the December maturities they may require without having recourse to the discount houses.

	Sept. 21, 1923.	Sept. 14, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3	..

The Bank return showed a further contraction in the circulation of £707,200, and a very small increase in the coin raised the reserve by £707,600. The continued movement of funds from the market to Government account was reflected in a decline of £1,976,000 in Government securities and a rise of £2,334,000 in Public Deposits, against which Private Deposits lost £1,999,000 and Other Securities rose by £1,615,000, although there has been no market borrowing from the Bank in the ordinary sense. Currency Notes outstanding were reduced by £2,179,000 on the week, the total standing at £283,133,200, which includes £1,448,300 for notes called in but not cancelled. The fiduciary issue is £232,234,900, or £37,949,000 below the maximum for the current year.

THE STOCK MARKETS.

The week has seen spasmodic spurts of activity in various sections of the Stock Exchange, and, while demand is by no means idle for first-class investment stocks, there are signs that the public is on the look-out for promising speculations. On the whole, business generally shows some signs of expansion. Markets paid little attention to the Premiers' meeting in Paris, and the Consol market is heavy. French issues have moved with the franc exchange; Germans have attracted some notice from speculators, whose activities have also caused substantial rises in Russian issues. Argentine railways had a burst of strength on the dividend announcements. The tea-share boom continues, and nitrates are coming into favour. Rubber shares are heavy, and iron and steel shares irregular. Rhodesian, Mexican and Canadian mining shares are showing activity, and tin shares are the object of confident attention.

THE COMMODITY MARKETS.

There is little general change to record in the conditions of commodity prices. In coal markets the volume of trade is well maintained. A healthy tone is noticeable in the export trade, while the demand for house coal is brisk. More inquiry and a little more business is reported in the pig-iron market by our Middlesbrough correspondent. The steel trade is dull, and it is considered that no real improvement will take place until the shipyard labour trouble is settled. Prospective demand for Japanese account appears to have stimulated operations on the London Iron and Steel Exchange. Tin advanced during the week, but copper failed to improve. Prices in the Manchester cotton trade have gone against buyers, on account of the further advance of the raw material. Business in yarn and cloth has been difficult to arrange, but there has been a good inquiry. Demand for wool is well maintained in London, but adverse conditions in the Bradford manufacturing trade continue. The jute market is dull. Grain values are steady. Sugar was again a buoyant market, and an all-round advance took place. The demand for good descriptions of

tea continues, but the rice market experienced weakness. The linseed market is fairly active, and prices are inclined to be firm. Sales of rubber led to easier values. Hides were steady at the Bermondsey auctions, but some weakness was discernible in provincial markets.

FOREIGN EXCHANGES.

In the foreign exchange market business in the more important currencies, with the exception of the dollar, is still almost entirely under the influence of political considerations. For the past week New York has been fairly steady, falling away to slightly under \$4.54 in the middle of the week, but recovering later, so that yesterday morning's rate of \$4.54½ is only ½ cent below that of the 14th. At ¾ cents per month over spot forward rates are about the same as last week, but show a tendency to widen. At the end of last week Paris showed a sharp recovery, partly on the Corfu settlement, partly on expectation of a German surrender in the Ruhr. Some reaction brought up the rate again to 78.45 on the 18th, but the reports of Mr Baldwin's interview with M. Poincaré caused a sudden drop on Thursday to 76.30. This improvement was too rapid, and yesterday morning's quotation of 77.10 (as compared with 77.65 a week ago) showed considerable uncertainty. The Brussels rate shows the same general movement, but the recovery here, from 93.80 on the 14th to 91.35 yesterday morning, is more marked. Forward rates in Paris at 4 to 5 centimes per month over spot are about the same; in Brussels they have narrowed to 4 to 6 centimes above spot from 11 centimes a week ago. The lira shows an improvement from 102½ a week ago to 101 yesterday morning, but any decided improvement is unlikely so long as the Fiume question remains unsettled. The movements of the Berlin rate have been even more spectacular than before. From 500 millions a week ago, there was a complete collapse on Monday to over 1,250 millions, followed by a recovery on the following two days to rather under 1,000 millions. On Thursday, however, the rate dropped suddenly to under 500 millions. The explanation would appear to be that the Reichsbank, which for some time past has been able to satisfy a very small percentage of the demands made upon it for foreign currency, suddenly announced that it would satisfy requirements in full. This took by surprise the whole market, which had put in, as usual, applications far in excess of the amounts actually needed, and was forced to throw this excess of foreign currency on the market in order to obtain marks for payment to the Reichsbank. The lesson was a salutary one for the speculator, but, of course, a *tour de force* of this kind cannot prop up for long the value of the mark. For this there is more promise in the proposed new bank of issue, but without a settlement of the Ruhr question and of Reparation, schemes of this kind will be equally impotent. In the meantime, the Reichsbank's return for September 7th shows that notes in circulation were again doubled during the week. The Madrid rate shows an improvement on the 34.03 quoted a week ago, the quotation having fallen quietly to 33.62½ yesterday. Amsterdam at 11.55½ has moved slightly in our favour from 11.55½ a week ago. In Northern Europe Stockholm has moved from 17.12½ to 17.13½, Christiania from 28.22½ to 28.25½, but Copenhagen, after being higher, has recovered from 25.32½ to 25.15½. Helsingfors, after its recent rise, has remained steady at 169½, the Bank rate having been raised from 8 per cent. to 9 per cent. In Central Europe, Vienna remains at 322,500, while Warsaw is rather higher at 1,400,000. Prague at 151½ is ½ krone lower. Bucharest is about the same at 980. In the East the rupee at 1s 4½d is 7-32d more expensive, while the yen has moved up from 2s 1½d to 2s 1¾d. The silver market has been

steady, Chinese offerings being readily absorbed by India, and the spot price of 31½d is the highest since the middle of June last. Hong Kong at 2s 31½d is ½d higher, and Shanghai at 3s 1½d the same as a week ago. In South America, Rio is about the same as last week. Buenos Ayres has hardened to rather over 40d, while Monte Video also shows an improvement, and Valparaiso has moved down from 35.80 to 35.60 pesetas.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended September 15th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	6016	From Revenue	10385
Interest, &c., on Debt	459		
Reduction of Debt	3270		
Added to Exchequer Balances ..	571		
Sundries	569		
	10385		10385

Revenue amounted to £10,384,800, as against £11,523,900 in the corresponding week a year ago. Customs yielded £2,432,000, against £1,699,000. Excise brought in a lower revenue by about £500,000 at £1,545,000. Estate, &c., duties at £470,000 compare with a yield of £800,000 in the corresponding period. Property and Income-tax produced £3,722,000, and Super-tax £380,000, against a combined total of £4,197,000 a year ago. The week's operations reduced the National Debt by £3,270,000, and caused the following changes:—

	Min. £		Min. £
National War Bonds paid off ..	1250	National Savings Certificates ..	1450
Bank of England Advances ..	1000	Treasury Bills	8760
Public Departments Advances ..	11050		
Sundries	180		
	13480		10210

The chief feature of the above table is undoubtedly the large net sales of National Savings Certificates, due to the rush by the public to secure them before the interest is reduced on October 1st. The floating debt was reduced by £3,330,000 to £807,191,500.

FINANCIAL YEAR, 1923-24 (April 1 to September 15, 1923).

	£		£
Total Expenditure ..	342,016,374	Raised by Revenue ..	339,076,025
Net Repayments	52,874	Decrease in Balances ..	2,993,223
Total	342,069,248	Total	342,069,248

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found reports of the following company meetings:—Nobel Industries, Illingworth, Morris and Co., and Salts (Saltaire).

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of the Dutch economic situation, and the views of Sir Alan Anderson on the shipping position.

GERMANY—A NEW PHASE.

IN spite of the French optimism described on a later page by our Paris correspondent, none but the most simple-minded will expect great results to follow from the meeting of Mr Baldwin with M. Poincaré this week in Paris, or will accept at its face value the meaningless communiqué—so reminiscent of the war and the succeeding conferences—which the Premiers approved with, no doubt, a cynical smile. To be told that "they were happy to establish a common agreement of views and to discover that on no question is there any difference of purpose or divergence of principle which might impair

the co-operation of the two countries," is trying the gravity of the long-suffering public rather severely. It is true that the recent Italo-Greek crisis and the solid support which the British representative received from the delegates of the nations assembled at Geneva, has not been without its effect in Paris, by bringing home the possibility of France finding herself at loggerheads with the opinion of the whole world. In recent weeks French Press comment has already shown a tendency to take a less narrowly nationalistic view, and to realise that Great Britain may, after all, be voicing an opinion inspired by something more than the self-interest of one of the parties financially concerned. At the same time, M. Poincaré went out of his way in his last Sunday speech to dissipate any idea that may be prevalent that France will consider anything less than unconditional surrender. It was, indeed, rumoured in Germany, though incorrectly, that this is his reaction to an effort made by the Belgian and British Ambassadors in Paris to persuade the French Prime Minister to ease the path of Germany in taking the step, now inevitable, of abandoning passive resistance. It should not require any outside pressure to emphasise such an elementary rule of statesmanship. But whatever the cause, M. Poincaré has gone out of his way to emphasise that recent developments, and, in particular, the conversations and speeches arising from the offers of Herr Stresemann, do not mean that France is in any way weakening, or is ready to discuss a settlement with anybody, except on her own terms. The vital differences of attitude revealed by the recent French and English notes therefore remain—namely, that Great Britain believes the Ruhr occupation to be contrary to the Treaty of Versailles; that France, on her side, is not prepared to exchange the occupation of the Ruhr for any other form of guarantee of payment, but, on the contrary, will remain there until the last penny of reparations is paid; and, finally, that France is not prepared to agree now to any reassessment of Germany's debt which might reduce Germany's payments below France's minimum demand. When we learn that these differences have been resolved, it will be possible to attach some meaning to a communiqué such as that issued on Wednesday last.

But while these differences of policy remain, it is evident that the problem is entering upon a new phase. During the last two months and a half Germany has extracted and spent the last remaining drops that can be squeezed out of the depreciation of the currency. The decline from about one thousand to the pound which was the rate current when the Bankers' Committee was sitting in Paris in June of last year, to nearly ten thousand in the first few months following the Ruhr occupation, to one million in the early days of July, when it had become evident that nothing was coming of the Anglo-French discussion, and touched 1,750 millions at the beginning of this week, is entirely without precedent in history. In Switzerland and New York the mark has ceased to be quoted, and in Germany itself the mark is at last to be abandoned as a standard of value, and to be reduced to the indignity of a form of small change. Thus ends the history of a shortlived currency which is no older than the United German Empire itself; for it was only in 1873 that the "thalers" of the various States of Germany were withdrawn and replaced by the new imperial gold mark. The final collapse of the mark has made it impossible to adjust wages and prices, and has been accompanied by a breakdown of industry with rapidly increasing unemployment, by disappearing imports and exports, by the withholding of food supplies from the town population, and in many areas by strikes accompanied with riots and demands for payment in gold. In its last stages the débâcle has been so rapid that even if the public had been willing to use the mark it has proved quite impossible to create and put into circulation sufficient monetary tokens to carry even the reduced trade of the country. On July 1st of this year three thousand marks were the equivalent of a penny, the note of one thousand marks being the lowest denomination that was of any practical service, and at that date one hundred thousand marks was the highest note in circulation. On August 1st 25,000 marks, on September 7th one million marks, and on September 18th seven million marks were the equivalent

of a penny. The notes issued in August are therefore useless to-day unless they are handled in large and cumbersome parcels. Therefore had it been able to cope with the situation the Government would have had to replace the whole circulating medium of the country three or four times on a new denominational basis during the last eight weeks.

Force of circumstances has thus driven the Government to take steps to provide some sort of medium of exchange which will enable business to be carried on. To issue currency notes under the old conditions, but with a new name, would not be the slightest use, and the Government is facing the inevitable when it recognises that it can no longer meet the expenses of Government, still less the added burden of supporting, at the expense of the State, the greater part of the population of the Ruhr by an unlimited use of the printing press. Taxation has failed, the printing press has now failed, forced loans have failed, the Government of Germany knows that it can no longer keep up the unequal fight, and the population of the Ruhr are being slowly but quite definitely led to realise that monetary support from Berlin is about to cease. Whether the Ruhr will be left to make its own terms with France, or whether the Chancellor will succeed in persuading Germany to surrender without breaking herself into pieces, the next few weeks will show.

But for the moment the Government is attempting to keep business from utter collapse by its emergency currency measures. Briefly, these are as follows:—(1) The Reichsbank is to become independent of the Government and resume the issue of gold notes as soon as circumstances permit. In order to maintain its position of independence the Government will abandon its practice of borrowing from the Reichsbank on Treasury bills. Apparently, however, this new note issue of the Reichsbank has not been fully planned, and is not expected to come into use until the financial crisis is over. (2) A new bank of issue is to be created, and to issue as an emergency measure a new note against a compulsory levy on agriculture, industry, trade, and banking. (3) The Government will no longer have the means of meeting its expenses except in so far as it can levy upon the property of its nationals by capital levy, forced loan, or taxation, and it is, therefore, to proceed with the utmost expedition to balance its budget by more regular means. Taxation is to be paid in the new currency, and the import of luxuries is to be prevented by heavy duties.

In theory these proposals are sound, and if carried out would be an earnest of what the Allies have so often demanded, namely, that Germany should give tangible proof of her determination to put her financial house in order. In effect, the Government would be meeting its immediate deficit by a levy upon capital, and the currency would be limited by the extent to which this levy was raised. This would be a practical limitation upon the note issue which would prevent inflation, and would compel the Government to cover its expenses by a charge upon its citizens. But, from the practical point of view, it is by no means so obvious whether the scheme is workable, and doubts about it are expressed on a later page by our Berlin correspondent. The need of Germany for an immediate ample medium of exchange is urgent. She wants a currency that will be reasonably stable, but she must have currency, for the growing use of foreign cheques, or of other substitutes, is quite inadequate to the situation. It is very doubtful whether her need can be satisfied, if the currency is limited to the amount which the taxation machinery of Germany is able to assess and collect in the next two or three weeks. In any case, there will be difficulties in suddenly changing from a system in which practically nothing of the tax-payers' income has been taken by the Government to one in which the whole budget is covered by taxation. We do not wish, however, to decry these new efforts to cope with a desperate crisis. The new bank will almost certainly have to issue uncovered notes, but if the scheme does nothing more than substitute a new note with a somewhat less headlong depreciation, it will have been a great help in postponing a complete economic and political collapse. It cannot alter the fundamental fact that Government can only continue in Germany if a settlement is reached, and reached quickly.

THE REVOLUTION IN SPAIN.

It is too early yet to judge what will be the effect of the Marquis de Estella's *Pronunciamiento* upon Spain herself, but it is to be feared that it will, in any case, prove a further blow to the stability of Europe, because it will lower by several points more the prestige of the parliamentary system of government. It is true that this would be an illogical outcome of what has happened; for almost everyone, inside Spain as well as outside it, would admit that the *régime* just overthrown was a misapplication of parliamentarism, and the misuse of a good thing ought not to discredit the thing itself. Parliamentary government has been slowly and painfully evolved by costly experience of the disadvantages of other systems, and the world is not so rich in political invention that it can lightly discard so well-tryed a method. Indeed, during the century that preceded the war, the parliamentary system flourished and extended its domain in spite of numerous misapplications of it, and reactions against such misapplications, in countries where it had been artificially planted and had not grown out of the soil. But the storm of the war has loosened all its roots to such an alarming extent that even lesser shocks have become a danger. From the point of view of Europe's political future, the military revolution in Spain follows unpleasantly close upon the Fascist revolution in Italy.

General de Estella's triumph is happily distinguished from Signor Mussolini's by having been achieved without bloodshed (though the members of the late Government are to be impeached, a measure which has sinister possibilities, illustrated by the fate of a recent Government in Greece). On the other hand, the Spanish revolutionaries share many of the Fascist's good intentions. Corruption and inefficiency are to be attacked all along the line. The "rotation system," by which parties undifferentiated by principles succeeded one another in office through a hardly disguised collusion between their professional organisers, is to be brought to an end; the pay of Senators and Deputies is to be abolished, and civil servants are to have—and to keep—longer hours. The author of this programme, the Marquis de Estella, has an honourable personal record, which is a certain guarantee that his aims are sincere. But are they realisable? Within a few weeks of the removal of the "old gang" the Spanish electorate is to return a phalanx of disinterested and patriotic *novi homines* to the Cortes. But is it likely that an electorate educated in the old school will make its first essay in free politics so wisely? And will politics really be free, if the corrupt influence of professional politicians is replaced by military government? And, lastly, are these saviours of society to be found among the nation? This is surely not the new, but the old psychology, with its myth of the innate goodness of human nature, if only you can strip its environment away. Certainly the Spanish revolutionaries, whatever their political theories may be, show further affinities with the Fascist in their readiness to destroy before they have proved their capacity for construction. All the old Ministries have been abolished except those of War and Foreign Affairs; the supreme executive authority is in the hands of a general who will not allow himself to be called either "Premier" or "Dictator"; 50 civilian governors of provinces have been dismissed at one blow, and their place has been taken by committees of generals, who represent nothing except the arms of their service. It is hardly necessary to add that the "constitutional guarantees" securing the rights and liberties of individuals are in suspension. This nakedly military character of the Spanish revolution is a point of difference from the Italian, and not one that is to Spain's advantage. Violent in ideal and method though Fascism may be, it is still a civilian movement, which may claim to represent certain important elements of the population in the most progressive parts of Italy. Had there been a parallel movement in Spain, its centre of gravity would have been in the industrial region of Catalonia and its headquarters in Barcelona, as Signor Mussolini's are in Milan. Now, it is true that Barcelona was the scene of the Marquis de Estella's *Pronunciamiento*, but this was the act of the

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professional army of Spain, and not of the Catalan bourgeoisie, and the revolution among the garrison was actually precipitated by a demonstration among the Catalan civil population in favour of secession from Spain.

This is a measure of the difference between the politics of the two countries which we have been comparing. The Italian *risorgimento* of last century was a successful attempt of the more progressive parts of Italy to dominate and assimilate the remainder, and Fascism might be described (at a stretch) as a continuation of the process in a new form. But Catalonia, instead of developing a similar ambition in regard to the rest of Spain, has always attempted to extricate herself from what she rather superciliously regards as a country on a level of civilisation inferior to hers. The Marquis de Estella will have to grapple with this movement, and it is a hopeful symptom that he has already twice announced his intention of meeting it by the grant of regional autonomy. That is an admirable intention, but will he be able to put it into effect in face of the obstructive hostility of Spanish public opinion, and are his military colleagues, whom he has placed by his own side in the saddle, the men to back him in such an endeavour? The problem is urgent, for unless the new Government are able to reassure the Catalans by practical measures, its military complexion will lead them to fear the worst, and then, perhaps, to take advantage of the momentary weakness and confusion of the rest of the country in order to attempt their maximum programme of complete independence. For good or evil, the military revolution has brought the Catalan problem to a head.

But Catalan nationalism, though it was the immediate occasion of the *Pronunciamiento*, was not so profound a cause as the failure in Morocco. In fact, the Spanish revolution was chiefly stimulated—like the Italian, again—by a widespread popular dissatisfaction at the country's international position. If the Italian people accepted Fascism, it was largely because they felt that they had somehow been cheated by their allies of their fair share in the spoils of the European war, and because they were humiliated by their discomfiture in 1920 at the hands of the Albanians. Similarly, the acquiescence of Spain in the military revolution may largely be explained by a feeling that other Powers have made her their cat's-paw in Morocco.

The Spanish zone in Morocco lies immediately opposite the south-eastern coast of the peninsula, from which it differs little in soil and climate, while it is united with it rather than separated from it by the narrow intervening strip of inland sea. Four centuries ago, when the Spaniards extinguished the last remains of Moorish independence in Europe, they proceeded without a pause to occupy points of vantage on the neighbouring shores of Africa. But at this point in her southward expansion Spain suddenly diverted her energies to the other side of the Atlantic. The vast Spanish Empire in the New World was gained and lost while the *status quo* in Morocco remained or was altered, if anything, to Spain's disadvantage. Nor did Spain, in spite of her

geographical position, take a lead in the early stages of that movement by which the energies of Europe have again been directed into the Mediterranean during the past century. Morocco had become a diplomatic arena of all the Great Powers before Spain was drawn into the immediate hinterland of her ancient possessions along the north coast, and this was not on her own initiative, but because a mistaken pride prevented her from refusing the offers of the group of Powers to whom the spoils of Morocco had fallen.

The sequel has abundantly proved that Spain's earlier instinct of abstention was sound. To a country that is not a Great Power, and has its own internal economy to set in order, colonial commitments can be nothing but a burden. The last phase of Spanish dominion in Cuba and the Philippines closed by the disastrous war with the United States, ought to have warned Spain against embarking on another adventure, especially when she was invited into it by more powerful neighbours. Great Powers do not abandon to small Powers, much less press upon them, anything that might be of value to themselves. Italy has had unfortunate experiences in her attempts to pick up such "remainders" of imperialism as Abyssinia, Tripoli and Albania, and Spain has not fared better in the zone assigned to her in Morocco. Her acceptance of this zone was decidedly in the interests of England and France when they settled their Moroccan policy in 1911, firstly because it was a comparatively barren strip inhabited by a particularly recalcitrant population, and secondly because it is of such strategic importance that neither Power could afford to see it pass under the control of the other. In accepting this gift-horse, Spain performed a signal service to the Entente, but by omitting to look it more closely in the mouth she involved herself in losses of lives, money and prestige which have grown steadily heavier during the last twelve years. At this moment Raisuli, the leader of the native insurgents in the eastern part of the zone, has established his headquarters only a mile or two inland from Alhucemas, one of the ancient Spanish possessions on the coast.

The new military Government of Spain has taken the power into its hands in order to find a way out of this intolerable situation, and only two alternatives are apparent. Either they must come to terms with the *de facto* native masters of the hinterland and content themselves with a nominal suzerainty, or they must formally renounce their zone—a sacrifice which they could not venture to propose to their countrymen without at the same time demanding compensations from the Great Powers concerned in the settlement of Morocco. The former alternative is the less embarrassing for all parties. As is shown by Raisuli's overtures to the Marquis de Estella, the Riffi chiefs are intelligent enough to realise that the withdrawal of Spain's ineffective pretensions would only open the way to an effective intervention by France; while neither France nor Great Britain can desire their strained relations to be strained still further by the raising of new issues at Tangier and Gibraltar.

SOME THOUGHTS ON PROHIBITION.

A LAW is not necessarily a good or wise law because it aims at doing something which is desirable. If it is impossible of strict administration, it will not only fail in its object, but, what is far more serious, will bring both law, legislature and executive into open contempt. There is an old story of a youthful British Prince who said: "When I am king, I shall make a law prohibiting all sin." No one could be visionary enough not to laugh at this boyish, unsophisticated idea. Yet some highly-educated countries have allowed their elected representatives to pass laws almost as impossible of fulfilment as the mental project of the infant prince. The majority of Americans whom one meets appear almost ready to include in this category the United States Prohibition Law. On principle we hold no particular brief for anti-prohibitionists. Were it possible we should be delighted, no one more, to see excessive drinking stopped by law, just as we should rejoice to see "all sin" similarly rooted out. Nor are we blind to the good results that in some directions Prohibition has brought in countries where it has been introduced. We are prepared, for instance, to believe the industrialists when they speak of its good effect upon production. Nor, on the other hand, do we wish to criticise American policy in a matter which is mainly domestic. Whether the United States is to be "dry" or "wet" is a matter for the people of the United States. But since it is possible that we may be threatened with Prohibition here, it is highly necessary that we should learn as much as we can in advance of what Prohibition means in practice; and the one great object lesson for us to study is the experience which our friends across the Atlantic are gaining from their attempt to kill the drink evil. We do not think we shall be saying more than the unbiased American believes when we suggest the following main conclusions regarding the Prohibition experience of the United States. It has admittedly failed to stop drinking. It has decreased the regard in which the American constitution and American law are held abroad. It has led within the United States to open and widespread contempt for and breach of law, which some critics have even described as the "beginning of Bolshevism." It has proved exceedingly undemocratic, since in effect it denies to the poor anything but the most horribly debased and injurious forms of alcohol, but leaves more normal alcoholic beverages obtainable by those whose purses are better filled. It has led to a very serious outbreak of corruption, smuggling, and profiteering. Finally, its application to foreign ships entering American harbours has aroused diplomatic friction, and compelled the derisive notice of other countries to the position into which the experiment has brought the United States. Even after making the most generous allowance for the advantages which may have accrued, this is a very formidable list of disadvantages, which those who would like to impose Prohibition in the United Kingdom would do well to study.

A traveller recently returned reports the apology of a friend, with whom he was staying not a thousand miles from Boston, for the lack of alcoholic refreshment. "I usually have plenty," said his host, "but I always get it from the Prohibition officer of this district, and he is unable to do anything for me just now because he is suffering from *delirium tremens*." Such stories may be taken, if you like, with a pinch of salt. You may allow, if you like, for some concession to the picturesque in such accounts of smuggling and illicit sales as those which appeared recently in the *Morning Post*. But the fact cannot be denied that alcohol—including much poisonous and debased stuff—continues to be consumed; and since the law prohibits its production and consumption (except in special cases), then in so far as it is still being consumed the law is being flouted and circumvented by means of bribery, corruption, and underground plotting. The following admission in a leading article in the *New York Journal of Commerce* is perhaps worth quoting:—"There is no doubt that we as a nation have become increasingly callous both to the breaking of the law and to the graft

and corruption of public officials that is the necessary concomitant of widespread law-breaking." Some figures of present consumption of alcohol in the United States have recently been given in a despatch from Sir Auckland Geddes, the British Ambassador at Washington, "on the subject of the effects of Prohibition in the United States."* Sir Auckland gives statistics as regards consumption, arrests for drunkenness, deaths from alcoholism, &c., as supplied to him by the Anti-Saloon League, the Association against the Prohibition amendment, and by the officials of the Federal Prohibition Unit of the United States Treasury. Their figures naturally differ widely. Here are some examples, the percentage figures in each case being worked on a basis of figures recorded before the Prohibition law came into force:—

	Estimate of Prohibitionists.	Estimate of Anti-Prohibitionists.	Estimate of State Officials.
Amount of intoxicating liquor now consumed	20	At least 66	20
Arrests for drunkenness	50	At least 100	50
Deaths from alcoholism	20	250	20
Comparative criminal statistics	45	125	100

Most of these estimates are so obviously biased as to be of little value. Even the official estimates may in some cases be coloured by the desire to cloak the grotesqueness of the failure of the working of the law. But it is at least worthy of note that the official estimate admits that crime has not declined, and puts arrests for drunkenness still at 50 per cent. of the figure recorded when drink was lawful. Sir Auckland's despatch is brief and colourless, especially in its reference to economic effects. Perhaps he was right simply to give opposing American estimates and not to project himself into controversy.

The working of an American law in America is a purely American affair, and the foreign observer's function is not to scoff and advise, but to note and learn. But when the administration of that law begins to project itself into the international sphere, through the imposition of restrictions on the ships of other countries, then the law becomes the affair of other countries as well. This week has come the news that the American twelve-mile limit proposal, though rejected by the British Government, is to be raised by them for discussion at the Imperial Conference. We hold that their rejection of the proposal was sound; but, on the other hand, we consider that our Government should display practical sympathy with the Government of the United States in their main aim of strangling the smuggling trade, some at least of which is financed and organised over here, and we think that it might be within the province of the Public Prosecutor to turn his attention to the appeals, which have been sent out broadcast in this country, to induce the public to share in a venture which proposes to make large profits out of whisky-running. Drastic action in such a case as this, if such action is possible, might go far to smooth over the diplomatic differences to which the question of liquor on British ships has given rise.

It is the application of the law to foreign ships which has concentrated world attention upon the great muddle into which Prohibition has landed our American friends. From that muddle, we do not doubt, all level-headed Americans would welcome any practical means of escape. But escape is not easy, for Prohibition now constitutes part of the Constitution of the United States. A New York contemporary, pleading for a cessation of "tinkering with the Constitution," quotes the words of a wise man 100 years ago on the subject of amendments to the Constitution. "The grievance must first be clearly specified and fully proved. It must be vital, or, rather, deadly, in its effect; its magnitude must be such as will justify prudent and reasonable men in taking the always delicate and often dangerous step of making innovations in their fundamental law; and the remedy must be reasonable, and adequate to the end in view. The last clause, which we have italicised, will make an appeal to-day to the countless Americans who are ruefully contemplating the results of the "eighteenth amendment to the Constitution of the United States."

* White Paper. Cmd. 1915. Price 2d.

CANADA'S INDUSTRIAL GROWTH.

(BY OUR OTTAWA CORRESPONDENT.)

THE common idea that Canada is a country where agriculture and lumbering, varied with a little fishing and mining, monopolise the energies of practically the whole population now requires some correction. In the 17th and 18th centuries, as in the pioneer stages of all new communities, the early settlers carried on manufactures within the household for the needs of the household. Gradually as the scattered settlements took the form of an organised society manufactures began to be carried on in specialised workshops for the needs of the immediate neighbourhood without any thought of an export market. The first manufacturing processes in Canada were the construction of a mill equipped with a water-wheel and the grinding of grain into flour in the autumn of the same year. The earlier manufactures were inevitably of a crude and primitive type connected with the satisfaction of the primary wants of food, clothing, and shelter, or with the preparation of articles which were too bulky to bear the heavy transportation charges then prevailing. The type of raw materials available was also a determining factor. In the days of wooden ships the abundance of good timber brought to life a very prosperous ship-building industry in the Maritime Provinces and at Quebec. During the French régime the capture of the convoy bearing the annual supply of cloth by a British fleet led to the introduction of sheep and the domestic manufacture of homespun woollens, which came to be carried on very extensively. The census records show that in 1827 there were in Lower Canada, now Quebec, 13,243 spinning wheels, and in that year 1,153,673 French ells of home-made woollen cloth, 808,240 ells of flannel, and 1,058,696 ells of linen were produced. In 1842 Upper Canada produced 433,527 yards of cloth, 166,881 yards of linen, and 727,286 yards of flannel, all home-made. The infection of the Industrial Revolution, however, did not begin to show itself in Canada on any substantial scale till the middle of last century, when some ambitious *entrepreneurs*, chiefly natives of Scotland, who had carried with them to their new home a knowledge of the great economies in production made possible by the division of labour and the use of mechanical power, began to transplant the factory system of production to Canada. By 1858 the influence of the manufacturing element had become strong enough to induce the Government of Canada, then consisting only of the two central provinces, to adopt a policy of "incidental protection" for the growing industries, and in the latter year Sir Alexander Gait penned his famous despatch to the Colonial Secretary, denying the right of the British Cabinet to disallow the tariff legislation of 1858-59 in deference to the protests of British manufacturers. A full-blown Protectionist policy was not adopted till 1879, after Confederation had generated the beginnings of a real national spirit, and as a natural concomitant a demand for greater national self-sufficiency which was skilfully used by the manufacturers and their political allies to yield support for the "National Policy" programme in the election of 1878, but from 1858 onwards there has always been a substantial element of Protection in the Canadian tariff. The claim that the Protectionist tariff is entitled to the main credit for the growth of Canadian industry has been strenuously disputed, and is certainly an arguable matter. It certainly gave a great impulse to the establishment of factories in the five-year period 1879-84, but thereafter ensued a period of stagnation, the blame for which Laurier, Cartwright, and other Liberal leaders laid at the door of Protection, and it was not until the prairie provinces were provided with physical equipment and settled by a vigorous immigration policy inaugurated in 1896 that Canadian industry got into its real stride. There was a census of manufacturing production taken as far back as 1871, but

the earlier censuses were incomplete in many respects, and purposes of comparison can best be served by a study of the following tables:—

MANUFACTURES OF CANADA COMPARED FOR 1900-1910, 1915, 1917, 1920.

Year.	Estab.	Capital.	Employees	Sal. & Wages.	Production.
	Number	\$	Number.	\$	\$
1900 ..	14,650	446,916,487	339,173	113,249,350	481,053,375
1910 ..	19,218	1,247,583,609	515,203	241,008,416	1,165,975,639
1915 ..	21,306	1,994,103,272	514,883	289,764,503	1,407,137,140
1917 ..	34,392	2,786,649,727	674,910	550,192,069	3,015,577,940
1920 ..	43,200	3,443,276,053	685,349	816,055,139	4,024,739,463

LEADING CANADIAN INDUSTRIES, 1917 to 1919.

	Number of Establishments.			Capital.			Value of Products.		
	1917.	1918.	1919.	1917.	1918.	1919.	1917.	1918.	1919.
				In Million \$.	In Million \$.	In Million \$.	In Million \$.	In Million \$.	In Million \$.
Food products.....	8,009	7,968	8,031	299.0	340.5	357.4	754.6	839.1	949.2
Textiles.....	4,112	4,191	4,356	203.3	237.7	265.8	265.4	342.4	400.9
Iron and steel.....	1,049	1,064	1,135	307.4	339.5	349.9	400.4	443.5	299.5
Timber and lumber.....	4,463	4,594	4,966	289.2	331.1	397.8	225.5	251.7	354.6
Leather.....	1,249	1,672	2,057	76.3	76.7	88.3	104.8	94.6	130.0
Paper and printing.....	1,819	1,762	1,803	224.2	242.0	289.0	148.4	167.4	203.5
Metals, other than iron and steel.....	2,311	2,392	2,942	123.5	132.8	145.4	171.6	170.0	149.0
Vehicles.....	970	893	897	219.8	179.8	122.9	197.5	205.2	215.5
Electric light and power.....	666	795	805	356.0	401.9	415.5	44.5	53.4	57.5
Miscellaneous industries.....	2,378	2,595	2,610	680.4	742.6	753.8	386.4	485.0	337.9
Hand trades.....	5,976	6,768	7,941	47.9	62.3	81.2	80.9	19.9	135.1

These tables show that a period of very rapid industrial expansion during the decade when the Western boom was at its height was followed by a stage of comparative stagnation. Then the demands of the war, especially the emergency production of munitions, and the advance of prices combined to produce a very striking increase both in the volume and variety of manufactures. To make this increase possible, there was the fortunate coincidence of the development of hydro-electric power on a large scale in the coal-less industrialised districts of Ontario and Quebec. Only preliminary figures for 1921 are available, and it is known that they forecast a decided retrogression from the peak reached in 1920.

But agriculture, the basic industry of Canada, showed evidence of a much more serious set-back, and there is no reason to fear that once the difficult period of readjustment is surmounted Canadian industry will not resume its career of expansion. Climatic conditions in Canada restrict the range of natural products, and force many industries to depend for their raw material upon foreign supplies. Raw cotton, for instance, is imported from the Southern States, rubber from the Malay Peninsula, sugar from Cuba and the British West Indies, and wool from Australia and New Zealand. But it is nevertheless true that the most important industrial activities of the Dominion are devoted to the exploitation of domestic raw materials and their transmutation into manufactured commodities. Naturally the manufacture of food products is an industry of great importance in a country like Canada, and the milling of flour has been, perhaps, the most consistently successful single industry. The manufacture of agricultural machinery also affords employment to thousands of people. In the pre-war days Canadian implement firms carried on a very large export trade with Russia and other European countries, and they have been very hard hit by its almost complete cessation. But, apart from the great mining development in Northern Ontario, which scarcely comes under the head of manufacturing industry, the great buttresses of the economic life of Canada during the trying period of post-war adjustment have been the forestry industries. They include not only the preparation of timber for construction purposes, but the manufacture of wood pulp and paper, of matches, of doors and windows, and of cheaper grades of furniture. To many lines of manufacture in Canada a decided stimulus was given by Mr Austen Chamberlain's establishment of certain preferences for Dominion and colonial manufactures. But it is doubtful whether, if their author had realised their full consequences, he would have been so zealous to perform this act of filial piety. The new system at once made it advantageous to great American corporations to secure a foothold in Canada which would enable them to take advantage of the preferential rates offered to Canadian goods, and while there has been built up by American firms who have followed this policy a very satisfactory

export trade in motors and other articles from their Canadian branch factories, the net result has been an enormous strengthening of the grip which American capital and influence already possessed upon the economic life of Canada.

The iron and steel industry of Canada naturally assumed great importance in the war years. Its beginnings date far back, for as long ago as 1737 furnaces were set up in the St Maurice Valley in Quebec for the smelting of local ores, and were in fairly constant operation till 1883. But it was the task of providing physical equipment in the shape of railways, bridges, elevators, &c., for the newly opened regions of the West that gave a great impetus to the iron and steel industries at the beginning of this century. There was a further artificial expansion during the war years, and now that railway building has come to a halt and few fresh public works are being undertaken, there seems to be a prospect of lean years ahead for the iron and steel plants of Canada. It is probable that their productive capacity to-day exceeds the country's immediate needs, and very careful management of them will be required.

To-day Canada finds herself in possession of a very extensive and efficient industrial equipment for the successful production of a wide variety of manufactured goods. It will be conceded, even by staunch Protectionists, that if certain highly artificial industries had never been fostered by bounties and tariffs there would have been a net profit to the country at large, but compared with the totality the proportion of industries which fall within this category is comparatively small. Only one thing is needed to enable the industries of Canada, which are now facing a period of dullness and stagnation, to recover their old standards of prosperity, and that is the provision of a larger and richer market. The comparative smallness of the Dominion's population, which has shown a very disappointing rate of increase in recent years, is a very serious handicap to the development of many staple manufactures on the large scale which assures the greatest profits and efficiency, and it is a fatal barrier to specialisation. But the factor responsible for the actual set-back which has come since 1920 to the Dominion's industrial life is the disconcerting diminution of the purchasing power of the farmers, who constitute almost one-half of the whole population. This diminution in turn has its origin in the economic chaos to which Europe has been reduced, and until this evil is cured there can be no real prosperity either for Canadian agriculture or industry.

THE TOBACCO TRADE.

THE tobacco industry in this country is showing remarkable virility, in spite of excessive general unemployment, the heaviest taxation in Europe, and consequent decreased purchasing power. A tenacious habit is smoking. It earns princely dividends for the companies, and is a sheet-anchor for the Chancellor of the Exchequer. No adverse circumstances seem materially to weaken its hold. While in most countries, such as America and France, the consumption figures are on the up grade, those for the United Kingdom show a reduction—86,899,679 lbs for the first eight months of this year, compared with 89,188,491 lbs for the corresponding period of last year. There is little likelihood of a lowering of the present tax of 8s 2d per lb on the raw material while vigour is still apparent in consumption.

It should be noted in regard to the export trade that more manufactured goods produced in this country are being exported, the figure for the first eight months of the year being 11,582,737 lbs, against 9,456,453 lbs in the corresponding eight months of last year.

The distribution of the trade is such that somewhat over 80 per cent. of production for the home market is in the hands of the Imperial Tobacco Company, and the lion's share of the export trade is done by the British-American Tobacco Company, whose goods are debarred from sale in this country. Outside these two great organisations an important fringe of independent com-

panies pay substantial dividends on their home trade, and in some cases have a fair share of export. A glance at the results of recent trading shows that a luxury industry can boast prosperity enviable by shareholders who finance some other trades.

The Imperial Tobacco Company's profits in the last recorded financial year were £7,199,076, compared with £6,927,641 the year before. The profits included a large sum derived from dividends on investments in companies operating abroad, and were arrived at after providing for all charges, including income-tax and corporation profits tax, and bonus to customers. The investments in associated companies stood at £6,017,612. The decision on April 24th to capitalise a portion of the reserve fund, and to make a free distribution to the holders of ordinary shares, so that each holder should receive one new share in respect of every three shares held, came as a windfall.

The British-American Tobacco Company made net profits, after deducting all charges and expenses for management, &c., and providing for income-tax and corporation profits tax, of £4,400,783. A dividend of 25 per cent. for the year on the ordinary shares was paid. A recent report from the U.S.A. foreshadows the possibility of a merger between the British-American Tobacco Company and the Tobacco Products Corporation of the U.S.A., which, if it matures, will be a dominating factor in the tobacco trade of the world. It is stated that Mr James B. Duke, who recently resigned the chairmanship of the British-American Tobacco Company, will be a prominent figure in the amalgamation.

Messrs. Carreras, Limited, showed £161,835 to the credit of profit and loss account; they paid 15 per cent., free of income-tax, for the year ended October, 1922, and carried forward £62,632. The company has a reserve fund of £205,000. The Ardath Tobacco Company, Limited, had a disposable net profit of £150,919; a dividend at the rate of £25 per cent. per annum for the year together with a bonus, free of income-tax, of 5s per share, was paid on the ordinary shares, and the directors reported a further expansion of the company's business throughout the world during the year. A substantial part of the profit is earned from trading abroad. The reserve fund is £180,000. Messrs Cope Brothers and Co. had a prosperous year, making a net profit of £102,051, and increased their reserve fund to £100,000. A dividend of 12½ per cent. per annum was paid, and £56,197 was carried forward. Messrs B. Morris and Sons, Limited, made a net profit of £25,230, a decrease of £6,556 compared with the previous year, an eminently satisfactory result in view of the unemployment and decreased spending power of the nation. The company has a reserve fund of £50,000. Messrs R. and J. Hill, Limited, showed a credit balance on trading account of £33,013, against £23,272 the previous year, an increase of £9,741. These results accrued from increased turnover, notwithstanding that the total consumption of tobacco in the United Kingdom during 1922 was less by 6,189,000 lbs in comparison with the previous year. Messrs Abdulla and Co., Limited, made a greater actual trading profit last year than in the preceding annual trading period. The balance disposable was £56,360. It should be said that prices of raw materials still rule high, while the wages in the factories under the Trade Board have not been reduced, a proposed reduction having been defeated.

To take a cigar manufacturing and importing firm, we find that Messrs John Hunter, Morris, and Elkan, Limited, made an increase of £3,120 on gross profits owing to increased volume of business, and the statement of the chairman that there had undoubtedly been an improved demand for cigars is particularly welcome. It may be added that at the Tobacco Exhibition held at Olympia in May last the best show of Havana cigars ever made in this country resulted in excellent business. Perhaps this was because the Havana cigars now available are extremely good, and are in some cases at pre-war prices. In the first seven months of this year 340,552 lbs of Havana cigars came into this country, against 248,916 lbs in the corresponding period of last year.

The retail trade has had much difficulty to contend with. The London chain of shops (and some country shops) owned by Albert Baker and Co. (1898), Limited, were able

to earn a profit of £34,863 to carry to the balance-sheet; they paid 12½ per cent. for the year, and transferred £10,000 to reserve, bringing that fund to £74,000. This company is a brilliant example of the application of new brains to a potentially fine proposition. However, the chairman, at the annual meeting in June, referred to unfair competition in the City. He mentioned that in many of the large institutions it has become the practice to run a tobacco department which supplies the staffs at wholesale prices, such prices being lower than the retail prices at which the ordinary retailer is allowed to sell in the usual way of trade. He appealed to such institutions to "play the game," and to adopt the motto of "Live and let live." Messrs Baker are not the only retailers to feel the pinch of this way of getting tobacco supplies by members of the staffs of banks, insurance companies, and other large institutions. The National Union of Retail Tobacconists have written to some of the firms concerned, and have received various replies. The practice has not been stopped, however. A new association called "The Associated Retail Tobacconists" was launched in August by a number of City tobacconists with the express object of opposing the underselling of tobacconists' goods. This underselling, it is said, affects some retailers by a percentage of from 30 per cent. to even 50 per cent. Retailers in most of the large towns are also suffering. At their meetings they protest, as shopkeepers who pay rates and taxes in respect of their shops, against the underselling in the large institutions. The latter sellers do not always comply with the statutory obligation of having the name and the words "licensed to sell tobacco" in letters one inch high over the main entrance of the place of business. Energetic steps are to be taken by tobacconists in their associated capacity to bring about more legitimate conditions.

A sequel to the constitution of the Irish Free State was the setting up of Customs barriers on land and at the ports between the Irish Free State on the one hand and Northern Ireland, plus the rest of the world, on the other. The Irish Free State has provisionally adopted the same tariff as that of Great Britain. This means that manufactured tobacco, cigarettes, and cigars entering the Irish Free State from Northern Ireland or from this country come under the higher rates of duty prescribed for the manufactured article. As a result, brands manufactured in Great Britain and costing here 1s were priced at 1s 3d in the Irish Free State after the tariff came into force. The Imperial Tobacco Company decided to build factories behind the Customs barrier in order to cope with the anomaly, and the W. D. and H. O. Wills, Players and Clarke's branches of the Imperial Tobacco Company are building factories in the Irish Free State, the work on which is well advanced. Southern Irish firms having an established trade in this country are also affected, and one of them at once decided to start an English factory. The factory is in Liverpool, and has commenced working.

The outlook for the tobacco trade is good, compared with some other industries. If the most stable trades were considered to be those which purvey food, these would be closely followed by the tobacco industry. Tobacco is purchased by rich and poor alike with proved constancy, even in hard times. The retail end of the trade is, however, heavily handicapped. Unless the retailer can be protected in some way from the piratical enterprise of private licensees, their position, already severely compromised, will become still more difficult.

THE PROBLEM OF LEWIS.

(BY A CORRESPONDENT.)

IT is in no wise to Lord Leverhulme's discredit that he has failed to solve the problem of Lewis, which successive proprietors and companies, boards, commissions, and committees have tackled in vain. The problem in essence is that of an over-large population on an infertile island which cannot be self-supporting according to modern standards. The crofters and fishermen of Lewis are a fine race in physique and in character, and a valuable national asset. In the war thousands of them did good service in the Navy and in the Highland regiments. But,

judged from a purely economic and administrative standpoint, their position has long been extremely difficult. They are all very poor, but they will not, as a rule, emigrate to better themselves. They marry young and have large and healthy families, but the arable land available is limited in area and less than half as productive as the mainland farms. Public services have thus to be provided for a large population, most of whom can pay little or nothing in the way of rates and taxes. The burden of local taxation thus falls with crushing force on the shoulders of the landowners and the few middle-class inhabitants, and the State has to assist with special subventions. Theorists who have never seen the Hebrides suggest from time to time that Lewis wants capital and new industries. Money may be spent there as well as elsewhere, but it is abundantly clear from past history, as well as from Lord Leverhulme's experience, that Lewis does not want to be industrialised. The islander's temperament revolts against regular daily work as distinct from fine-weather work on the croft or the intermittent task of inshore fishing.

More than three centuries have passed since King James VI. of Scotland, angered by the unruliness of the McLeods, gave Lewis to a company of gentlemen adventurers from Fife in 1598. The Fife men lost their money, and some of them their lives, in attempting to colonise the island, and soon disposed of their concession to Mackenzie of Kintail. Dutch fishermen were imported to teach the natives how to fish, but did not stay long. Successive fishery companies were founded in 1633, in 1670, in 1750, in 1786, to promote the fishing industry in the Hebrides and elsewhere; but none of them was successful, partly because the salt duties hampered the trade. Bounties on a lavish scale were long paid to the herring fleets before the Free-trade era, but the Lewis fishermen were not really benefited, and a rapid increase in the island population, owing to the temporary success of the kelp industry, made the land question more difficult. In 1844 a wealthy and patriotic Highlander, Sir James Matheson, bought Lewis from the Mackenzies, and began to develop the neglected estate. He made roads, built bridges and quays, provided a steamship service, drained much of the arable land, and supplied bulls to improve the island breed of cattle. He experimented also in the production of paraffin from peat. It is known that he spent about half a million pounds on Lewis, and that he never drew a penny of net revenue from the estate. But the only apparent results of his enterprise were the increase of the population by 40 per cent. in less than 40 years, and the outbreak, soon after his death in 1878, of the agrarian troubles, which led to the appointment of the Crofters Commission in 1883. Sir James's heirs struggled on with their costly white elephant, until they sold Lewis to Lord Leverhulme a few years ago.

Lewis has to-day about 28,000 inhabitants, or about three times as many as it might support in tolerable comfort. The last Census showed a slight decline, but this may have been due to the war losses, which were exceptionally heavy. Stornoway, the fishing port with some 4,000 people, is the only town, and the bulk of the population is scattered, so that the cost of education, for example, and other services is proportionately very high. The characteristic feature of the Lewis land system is not the smallness of the crofts, rented on the average at less than £2 a year, but the number of people who live on the crofts or on the common grazings, and yet are not recognised as crofters. These cottars and squatters often have better houses than the crofters, but they pay no rent, and are not rated. At a Government inquiry in 1906 it was found that there was at least one cottar to every two crofts, and in 1908 the cottars and squatters numbered about a fourth of the whole population. They have votes, they receive pensions, they enjoy all the benefits of local government, but they contribute nothing whatever to the State, the parish, or the landowner. The crofters in their turn can do little. In 1906 a careful estimate placed their average income from all sources at 10s a week, and the actual sum paid in rates by the average crofter varied from 2s 3d in Stornoway to 6s 2d in Uig. Such assessments, of course, would not support the elaborate fabric of administration. The proprietor, at that time Major

Duncan Matheson, had to pay as his share of the parish rates and as the occupier's share due from his sporting tenants no less than 56 per cent. of his net rental in three parishes and 23 per cent. in the remaining parish. Out of his total rental of £9,987 he paid in parish, burgh, and county rates no less than £6,481. When we remember how much rates as well as taxes have risen since 1906, we may begin to understand what it means to be the owner of a Hebridean island, and why even a Lancashire multi-millionaire may be anxious to give the island away rather than continue to bear the loss on it.

Lord Leverhulme's idea was not merely to assist the fishing industry by improving communications, but also to set up canning factories, so that wholesome fish might be supplied cheaply to the industrial centres in England. It was a good idea, but its author had not reckoned with the intense conservatism of the Lewis man. Repeated attempts to set up new industries in Lewis have failed. In the later eighteenth century the Mackenzies tried to encourage the cultivation of flax and the weaving of linen. In their autocratic way they ordered the crofters to send their daughters to Stornoway to be taught how to prepare flax. But the islanders, bitterly resenting these innovations, purposely supplied bad lint or bad yarn, and the nascent linen industry was soon abandoned. Before the war the Scottish Home Industries Association made a valiant effort to revive the craft of weaving, and for a time, with Government help through the Congested Districts Board, the manufacture of tweeds seemed to thrive; but it went the way of other Lewis industries by 1907. The remoteness of the Long Island and the isolation of the people, nine-tenths of whom still speak Gaelic, present difficulties that are not to be overcome in a few years. It is contended by some authorities that the Hebrides might be administered much more cheaply and efficiently if they were separated from the mainland and placed under a special sub-department. But the local revenue is so small in relation to the local needs that the Treasury will always have to be prayed in aid, and no shifting of boundaries will alter the fact. The immediate question for the Lewis people is to know how, if they accept Lord Leverhulme's gift of the island, they are to meet the deficit of income less owner's rates, which he has paid out of his own pocket.

GILT-EDGED MARKET AND TRADE PROSPECTS.

(BY A STOCK EXCHANGE CORRESPONDENT.)

HOPES of pacification of Europe, rightly regarded as the first step towards restoration of normal conditions in trade throughout the world, are not so dead that its possibilities are ignored by investors and others who have large or small amounts of capital with which to deal. The question is asked every day in the Stock Exchange as to whether a great many stocks and shares are not standing at levels so high as to invite the probability of a fairly general decline, if and when trade shows indications of reviving, and, therefore, of requiring funds which are at present locked up in securities of all kinds, gilt-edged stocks more particularly. The matter is one not merely of national consequence. It has a much wider bearing, in that, during the past year or two, it is an undoubted fact that enormous sums of money have come to this country from abroad on behalf of firms as well as private investors. Their previous faith in the stability of British Government stocks and British financial institutions of all kinds has been fortified by observation of the manner in which this country has shouldered its war responsibilities, and, almost alone amongst the nations of the world, has taken practical steps for meeting debts contracted during the struggle. Various incidental causes have also contributed to the attraction of money to this country. The threatened Capital Levy in Switzerland, the demoralisation of foreign exchanges, the unsettled conditions prevalent even in such countries as Scandinavia, the spread of Bolshevism in the Far East, and, finally, the announcement that Great Britain will honour her war debt to the United States of America are all factors that have driven foreign capital into this country.

It seems a little anomalous that in the United States, where all the money is supposed to be at the present time, the yields obtainable from gilt-edged stocks are higher than those offered over here, though this may be due in part to the more active condition of industry in the States than in Great Britain. The Stock Exchange has arrived at a time when the return available from such representative Government stocks as Conversion Loan, Funding and Local Loans is less than 4½ per cent. on the money. Home Railway debenture stocks return barely 4½ per cent., and the preferences mostly pay under 5 per cent. Amongst Industrials, the yields on such shares as Lyons, Harrods, Courtaulds, Imperial Tobacco, and many other similar issues are certainly modest, in view of the ordinary trading risks which attach to commercial undertakings. Good preference shares are not easy to obtain on a basis of a full 6 per cent. yield, and in such instances as those where trading concerns are paying little or no dividend at all the prices of the shares stand in many cases at what seem to be fully valued figures. It is natural, therefore, that with the possibility, obscure though it may be at present, of a trade revival occurring, investors and financial houses should be exercised somewhat seriously in their minds as to whether the whole trend of Stock Exchange prices is close to its apex. Speculative shares apart, the question is asked whether it can be right to continue investment of capital at such comparatively high quotations as those now current. From the practical point of view, these considerations are weighing but little in the every-day working of the markets. People continue to invest the money for which they are unable to secure profitable employment in trade, and upon which they are willing, from force of circumstances, to accept such yields as those just indicated. There is no indication of a tendency to turn out stocks at to-day's prices, though, by so doing, purchasers could obtain a substantial increment upon the money originally employed. The readiness to do so may, and does, exist, but those who are most intrigued by the outlook ask, with something approaching despair, what they shall do with the money if they sell the stocks which they hold. To accept the deposit rate offered by the banks, in lieu of the dividends which investors are getting now, holds out no advantage. At the same time, the lurking doubt prevails as to whether it might not be well to start unloading stock in advance of a possibly general realisation of securities which might follow a revival of industry if peace becomes assured, and the unemployment statistics should show marked diminution.

The Stock Exchange justification for present prices is that, if there should be a settlement of international trouble, with its concomitant of trade expansion, there is not likely to be such a flood of selling as would demoralise the markets—for that is the fear—but that any movement would come so gradually as to cause no immediate disturbance of values. The blocks of stocks that for two or three years past have been absorbed by insurance companies, for instance, can be regarded as permanently placed, in the absence of some vast cataclysm that might shake the world. The lines of British Government securities held by commercial undertakings would scarcely be likely, so it is maintained, to come to market, except in such piecemeal fashion as would but slightly affect prices. At the outset any indication of an industrial recovery might lead the holders of such stocks to their bankers, in order to obtain loans upon the securities, rather than to the Stock Exchange for the sale of the stocks at a time when it was still uncertain whether the revival were genuine or transitory. The private investor who in the aggregate holds such substantial amounts of stocks and shares might require to sell these as he found the necessity for providing funds with which to finance his growing business, though here, also, experience demonstrates the practical certainty that it would take a long time before such a movement became so general as to require a simultaneous stream of capital, the withdrawal of which from stocks and shares could undermine the markets.

What may happen in regard to the capital employed in our own securities by foreigners it is frankly admitted that no one can tell. The position is one which touches capitalists, large and small alike, in every part of the country, and the questions which we have thus summarised

are raised wherever men congregate at the present time. From the manner in which prices are maintained, and the way in which capital continues to flow into the investment markets of the Stock Exchange, it is obvious that the danger of all-round realisations resulting from a trade recovery are not regarded with any degree of acute apprehension for the time being, although the mere fact of their being so commonly discussed testifies to the lively interest that is being taken in the subject.

Notes of the Week.

The League and Corfu.—It is too early yet, writes our League correspondent at Geneva, to judge of the final effects of the Italo-Greek conflict on the status of the League of Nations, but it may already be said that the solution arrived at revealed the League's ability, even in its present form, to focus world opinion in preventing the worst consequences of hasty nationalism. The storm raised at Geneva, and the firm attitude based on undoubted Treaty rights adopted by Britain, the Little Entente, Belgium, and the ex-neutrals, is felt to have had a direct bearing on the rapid settlement of the whole matter and on the appreciable concessions which Italy accepted from the Ambassadors' Conference. There is, at the same time, undoubtedly some disappointment that what is considered to be a flat violation of the Covenant has not been reprobated, and that the challenge to the League's competence by Italy was not immediately met. But the majority consider that the Council did wisely in avoiding for the moment a stand-up fight on competence and in carrying on useful negotiations for the primary object of securing settlement, and it seems almost certain that the question of competence will be settled in the near future and in a much calmer atmosphere than would have been possible before. It must, however, be admitted that the situation has been rather painfully eased by the fact that Greece was so weak that she felt compelled to accept any conditions, provided they were presented to her by some international authority instead of in the form of an ultimatum by Italy. The affair has, in fact, shown at one and the same time the imperfections and the utility of the League, and the necessity of holding on to it and developing its authority. Some of the smaller States have reminded members of the League that if the League is to have the future which is looked for, the patrons and founders of it must set a better example in observing its constitution. For example, Mr Cosgrave, in his speech after the unanimous admission of the Irish Free State to membership of the League, said that Ireland's desire was to see the weakest able to live their own lives free from the shadow and fear of external violence, and in the discussion on the Draft Treaty of Mutual Assistance the case has obviously been in the minds of most speakers. This Draft Treaty is, in fact, one of the most important subjects for the consideration of the Assembly. It is an effort to get some precise provisions in order to give such sense of security to States that they may feel sufficient confidence to reduce their armaments. It is a Treaty of general guarantee, including partial Treaties, provided they have been approved by the Council of the League. It is laid down in the Draft that in case of any aggression, or threat of aggression, the Council shall meet, and within four days give its decision as to who is the aggressor, the members of the League undertaking to respect the Council's decision. This is followed by certain definite methods of assistance to be provided for the State attacked. In addition to the recognition of partial Treaties, the Draft also permits the automatic operation of such Treaties in case of attack, and the main controversy now going on in the Assembly Committee is on the compatibility of partial Treaties with the League idea and on the advisability of permitting their automatic operation. The French and British take the view that if any progress is to be made at all, these partial Treaties must be recognised, for the parties to them certainly would not relinquish them, and the best safeguard is, therefore, to make sure through Council examination of them that they are purely defensive and fall within the broad lines of the general Treaty. Italians and the Scandinavian countries are opposed to

the inclusion of partial Treaties, except on condition that they are open and accessible to all States, and several other States, including Spain, consider that the signatories of partial Treaties should not be allowed to put their Treaties into automatic operation, but should await the Council's decision. Some compromise seems inevitable upon partial Treaties as well as upon their automatic operation, for at present there is a definite line of cleavage. There are other difficulties involved, such as the *criteria* of acts of aggression; but, when all is said, the Italian-Greek affair has emphasised the need of some real and precise sense of security. It is not a little ironical to find the Italian Delegation asserting its conviction about "the evil effects which might result from partial Treaties which rely too much on material force and too little on moral force of a preventive nature."

Bradford and Roubaix.—Our Paris correspondent writes—The alarm that appears to have been caused in the Bradford and other British woollen centres owing to the recent remarkably successful invasion of the British market itself by French woollen manufacturers appears, as the result of careful inquiries here, to be based on an imperfect realisation of the facts. The Roubaix mills are certainly at present enjoying a period of extraordinary prosperity. A number of them are working continuously throughout the 24 hours, with successive eight-hour shifts, and practically all are producing to their utmost capacity. French woollen piece goods are selling in Great Britain and other countries to an extent never before experienced, but there is every reason to believe that this unusual situation will be of purely temporary duration, and that matters are even now well on the road to return to the normal. The explanation given in authorised circles here is that the favourable position which the Roubaix manufacturers have latterly enjoyed is almost, if not entirely, due to the fact that they have for some months past been producing from raw materials which were secured 18 months or so ago, when the pound sterling stood in the neighbourhood of 50 to 55. The fact that these stocks of wool are now within sight of exhaustion is clear from the fact that the Roubaix mills are now declining to accept orders beyond next spring, in view of the fact that after that date they will have to depend on wool that has been bought at prices much nearer 75 than 55, and that they prudently decline to risk being confronted with cancellations of orders in the event of the franc showing a substantial improvement in the near future.

New Free State Government.—Our Dublin correspondent, writing on Thursday, says:—The Oireachtas was summoned on Wednesday last, and the bulk of the new Dail took their seats. Mr Cosgrave, the outgoing President of the Executive Council, was re-elected unanimously, and the nomination of his colleagues followed in due course. While still without colleagues, he was faced with a proposal from the new Farmers' party that the Republican members should be accorded special facilities for meeting to consider and declare their future policy. As a considerable majority of the latter are at present either in gaol or internment camps or "on the run," the bizarre audacity of the suggestion was apparent, and evoked an impassioned reply from the newly elected President. He took his stand upon the unmistakable verdict of the country. Minorities must obey the law or be subjected to its penalties, though there will be every disposition to pass the sponge over the slate for those who will make their submission to the State. Thus far no Republicans have sought to take their seats—the oath prescribed by the Treaty and Constitution being the stumbling-block—and doubtless business will be despatched with the more smoothness and expedition for their absence. Serious attention has been given to the rumour that the Irish Free State proposed to register the Anglo-Irish Treaty with the League of Nations, with a view to raising before that body any points of difference which might arise between the high contracting parties. In these columns reference was made last week to the matter, and the British view that the Anglo-Irish Treaty is not a justiciable instrument to be dealt with by the League of Nations was clearly stated. Nothing is known

of any such proposed step in Dublin. It is, however, known that the Treaty necessarily became known to the League, inasmuch as it constitutes the patent of Ireland's right to be admitted as a member. A semi-official communiqué informs the public that when Ireland's credentials were being examined the question was asked whether the Free State possessed a stable government and well-defined frontiers, and that the reply necessarily alluded to Article 12 of the Treaty which provides for the establishment of a Boundary Committee for the delimitation of the boundary between the Free State and North-East Ulster. If, which Heaven forbid, there should be any difficulty in Great Britain's way in putting Article 12 into execution, the natural and obvious step would be—apart from direct negotiation—to raise the matter at the ensuing Imperial Conference, where all matters affecting the relations of the Dominions to the Empire and to Great Britain in particular are appropriate for discussion. Any question of an attempted reference of such a matter to the League of Nations is a very far-off contingency. It is not believed that Mr Cosgrave's Government have taken it into formal consideration.

Securities and Credit of Japan.—We are glad to be able to report that the following banks had re-started business by September 13th in the various districts in Japan affected by the recent earthquake:—The Yokohama Specie Bank and the other chartered banks, the Mitsui Bank, the Mitsubishi Bank, the First Bank (Daichi-Ginko), the Fifteenth Bank (Daijugo-Ginko), the Sumitomo Bank, the Furukawa Bank, the Hundredth Bank (Daihyaku-Ginko), the Yasuda Bank, the Yamaguchi Bank, the Kashima Bank, the Kawasaki Bank, and several other banks, making a total of 124 head and branch offices open. The Bank of Japan, it is stated, "has never ceased its business, in spite of the earthquake." In London, Japan's credit continues to be favourably considered, and there is ample evidence that her requirements will receive sympathetic consideration from London houses. As will be seen from the details given below, security values are recovering all round from the bottoms touched when the market was unnerved more by the absence of news than any actual knowledge of conditions:—

	Aug. 31, 1923.	Sept. 4, 1923.	Sept. 5, 1923.	Sept. 6, 1923.	Sept. 7, 1923.	Sept. 10, 1923.
Japanese Govt., 4% Ster. Loan, 1899	70	65½	61½	63½	64	65
" 4% " 1905	88½	88	86½	86½	86½	87
" 4½% " 1905	102	101	102	101	102	101
" 5% " 1907	89	86	80½	82	83½	83
" 4% " 1910	69	65½	61½	62½	63	65
South Manchurian Railway, 5%, 1933-48	87½	85	83	84	84½	84½
City of Nagoya 5% Bonds	89	87½	75	75	78	78
City of Osaka 5% Ster. Bonds	91	89	89	89	89	89
City of Tokyo 5% Ster. Bonds, 1916-36	89½	82½	82½	84½	84½	84½
City of Tokyo 5% Loan, 1912	87	72½	72½	74½	74½	74½
City of Yokohama 5%, 1924-54	88½	82½	75	75	75	72½
Tokyo Electric 6% Bonds	114 prem	114 dis	113 dis	111 dis	109½ dis	64 dis

Some interesting official Japanese figures have been issued in London showing the total of Japanese borrowings up to the end of May last. Total loans outstanding then amounted to 3,826,467,200 yen, which, if the yen is reckoned to be worth 2s 0½d, would amount to approximately £390,618,500. Of this sum 2,505,842,400 yen consisted of internal borrowings, while loans raised abroad represented 1,320,624,800 yen, or say £134,813,800. The following table shows the Government's foreign debt, but it may be recalled that in July last guaranteed South Manchurian Railway bonds for £4,000,000 were issued here, and this amount should be added to the total:—

	Amount Outstanding. Yen.
Four per Cent., 1899	92,748,500
Four and a-Half per Cent., 1st Series	174,156,293
Four and a-Half per Cent., 2nd Series	177,125,813
Four per Cent., 1905	244,068,361
Five per Cent., 1907	224,543,532
Four per Cent., 1910	107,392,804
Four per Cent., Paris issue	173,670,509
Kansai Railway Bonds	9,763,000
South Manchurian Railway Bonds	117,156,000
	1,320,624,818

Loans raised by Japanese local authorities amounted to 395,743,000 yen, or £40,398,800, at the end of June last.

It may however come as a surprise to many that of this total only 134,749,100 yen, or £13,755,600, represents external borrowings. The following is a list of these loans:—

	Amount Outstanding. Yen.
Five per Cent. Tokyo, 1916-36	10,184,371
Do 1912 Loan	44,951,781
Do (French issue)	35,991,387
Five per Cent. Yokohama, 1917-37	2,716,588
Do 1924-54	7,000,000
Do 1915-29	740,572
Five per Cent. Osaka	24,628,000
Six per Cent. Osaka Harbour	2,185,900
Five per Cent. Nagoya	6,350,500
Total	134,749,099

We have no doubt that when the time comes, the necessary reconstruction loans of Japan will find in London a sympathetic welcome.

The Population Question.—Among the most interesting papers in the varied and attractive programme of the Liverpool meeting of the British Association were two which dealt with the subject of population. Dr Cornish, analysing the composition of the population of the Empire and its geographical distribution, argued that unless the British race increased—which for the present can only be achieved by an excess of births over deaths in Great Britain—"we could not insure the internal peace and external security of the Empire, or the continuance of its beneficent work of enlarging commerce and restricting the range of war." The lecturer was clearly right in thinking that there will not be political stability in the world so long as the vast and valuable areas of the dominions are under-peopled, and, as we have often suggested, the question transcends in importance any other that can be discussed at the Imperial Conference. Sir Wm. Beveridge dealt with the economic aspect of the problem, and brought forward a formidable and effective array of figures to disprove the view of Mr Keynes that after the opening of the 20th century the growth of the population of the industrial countries was running ahead of the development of the world's agricultural resources and raising for Europe the serious question whether she could continue to support an increasing population with a rising standard of life by exchanging her goods for those of other continents. Sir William Beveridge has compiled tables which show that both in Europe and in other white countries not only has the area under corn crops increased, but the yield per acre as well as the yield per head of total population has risen. He therefore argues that food should be more readily obtained in exchange for the products of industry. While the statistics are too wide and are affected by so many other factors—opening of new territories, raising standards of cultivation in backward countries, &c.—to have much bearing on the question whether and to what extent the land is yielding an increasing or diminishing return to the labour and capital employed upon it, they do show a gratifying increase in total agricultural production. The lecturer, however, recognised that since the turn of the century, and up to the war, real wages in England had been stationary, but he attributed this to the rapid increase of the adult population resulting from the high birthrate of twenty years previously, to the fact that prices were moving upward, and wages, as usual, lagging behind, and to the South African War. These influences may be the complete explanation of the facts, but Sir William Beveridge himself recognises that this is surmise. There is no readily available means of measuring the price of the goods or services procured by the urban population (including transport and commerce as well as industry) for comparison with the price of agricultural products; but while prices of commodities such as cotton and most minerals, the sources of which were not being rapidly enlarged, rose rapidly, and corn and animal products fairly steadily, retail prices, which combine transport and commercial charges with the wholesale cost of food products, appear to have lagged behind, while many things of common use, e.g., postal and railway charges had remained unchanged for years. Sir Wm. Beveridge has produced material for an active economic controversy for some time to come.

Cost of Living.—The Ministry of Labour's index of the cost of living for an average working-class family shows a rise of two points in August, at the close of which the figure was 73 per cent. above the level of July, 1914, as compared with 71 per cent. above that level a month earlier. The following table shows monthly movements over a number of years, and it will be seen that the August increase was the same as that recorded in July:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	85.90	120	125	165	92	78
February " ..	90	120	130	151	88	77
March " ..	90	115	130	141	86	76
April " ..	90.95	110	132	133	82	74
May " ..	95-100	105	141	128	81	70
June " ..	100	105	150	119	80	69
July " ..	100-105	105-110	152	119	84	69
August " ..	110	115	155	122	81	71
September " ..	110	115	161	120	79	73
October " ..	115-120	120	164	110	78	..
November " ..	120-125	125	176	103	80	..
December " ..	120	125	169	99	86	..

For food only the figure for the increase over July, 1914, was 68 per cent. on September 1st, against 65 per cent. on August 1st. The rise was due mainly to increases in the prices of eggs, bacon, butter and cheese.

Employment in August.—The slight increase in employment which began in July continued in August. The statistics compiled by the Ministry of Labour show that, of all workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland, the percentage unemployed on August 27th was 11.5, as compared with 11.3 at July 23rd, and 11.0 on June 25th. The trade union percentage also rose from 11.1 to 11.4. The table appended shows the trade union percentage of unemployed month by month over a number of years:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	11.1
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	11.4
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	..
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November ...	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ...	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

The increase was widespread, being particularly noticeable in the pig-iron, tin-plate, shipbuilding, woollen, hosiery, furniture, and pottery trades. In some districts the building trade showed improvement. The total number of registered unemployed on August 27th was 1,266,000, as compared with 1,235,000 on July 30th. The number of unemployed men included in this figure rose in the month from 936,000 to 943,000.

Trade Union Congress Membership.—In discussing the Trade Union Congress last week we referred to the decline in membership and some of its causes. Figures showing the extent of the decline have since been published in the September issue of the *Ministry of Labour Gazette*. In 1922 723 delegates attended the Congress, representing 171 organisations and 5,128,648 members. At the Plymouth Congress this month the number of delegates was 702, representing 167 organisations with 4,369,268 members. Thus the total membership has fallen off in the year by 759,380—a very formidable decline. The fall in membership is common to all groups of organisations except that coming under the head of "public administration," and more than half of it was accounted for by "general labour" and "the metal engineering, &c.," group. Proportionally the largest drop was in agriculture. One of the steadiest figures is shown by transport unions;

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ALL INSURANCE
EXCEPT MARINE
Head Office
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ESTABLISHED 1836 General Manager W. A. BOREMAN, F.I.A.

the figures for the railways were 447,374 against 464,794, and for "other transport" 405,650 against 407,570 a year ago.

Cotton Cloth Finishers.—For a long time, writes our Manchester correspondent, the policy of calico printers and dyers in the Lancashire cotton industry has been criticised in that they have been very slow in reducing their charges, which were put up to a considerable extent during the war and in the trade boom which followed. Strong representations have been made from time to time, but without much effect. This week there has been an important development in connection with this matter. The Piece Goods Dyers' Association has made a proposal to reduce charges by 10 per cent. on condition that those firms taking advantage of it are prepared to sign an undertaking to place all their orders for dyeing with members of the association. This offer really means a deferred discount. The proposal has been considered by the chairmen of the export sections of the Manchester Chamber of Commerce, and practically unanimously they are against the acceptance of the offer. So that the situation may have the full consideration of all firms that are interested, a mass meeting of Manchester merchants is to be held at the Manchester Chamber of Commerce rooms on Tuesday next. It is generally agreed that on this matter an important principle is at stake. The Piece Goods Dyers' Association is evidently trying to meet foreign competition by an arrangement of this kind. It is quite possible, however, that merchants from time to time will find it impossible to get particular shades and colours in this country which could be obtained abroad. If a scheme of the nature suggested were arranged, merchants would be tied in a way which is not at all desirable. The proposal undoubtedly means protection for English dyers, and according to the opinions so far expressed, there is no probability of the offer being accepted.

Textile Fusion.—Our Bradford correspondent, writing in regard to the absorption by Illingworth, Morris and Co., Limited, of the business of James Tankard, Limited, says:—This big fusion has aroused the greatest interest in the wool textile industry. It was not unexpected, but few in the trade had any idea that this new development would be on quite such big lines. It is clear from the statement made by Mr Ostrer that the combine have in view the acquisition of other businesses in the West Riding, and there is not a little speculation as to the next move. Various firms are mentioned as being likely to be absorbed in the near future, but nothing definite is known, and many of the rumours must be regarded as idle gossip. In view of the fact that the present concern of Illingworth, Morris and Co., Limited, controls a vast number of spindles and only a comparatively few combs, it is suggested that an effort may next be made to acquire a large combing plant. This might be regarded as a natural development, as it would place the combine in a very strong position in the matter of supplies. On the whole, the present tendency towards huge amalgamations in the wool textile industry is regarded with disfavour by the majority of traders. Up to within recent years it was the boast of the West Riding industry that private control gave the best results, but the movement in the direction of fusion is now a power to be reckoned with. Whether developments along these lines will prove to be best for the future of the industry remains to be

seen. That the system is open to abuse is apparent to all who have any knowledge of similar undertakings in this and in other countries, but, on the other hand, there are advantages to be derived under careful management, more especially in the direction of keeping down production costs, and it is conceivable that such advantages might outweigh the disadvantages.

More Movement in Freights.—The homeward freight markets during the last few days have been more active, with the undertone firmer, in striking contrast to the dullness that has been in evidence since the early part of July. Numerous steamers have been fixed to load from the Canadian ports, and with the close season for the St Lawrence approaching, more attention has been paid to the Northern Range, steamers having been taken for December. The North Pacific has been firm and active, with tonnage taken for grain and lumber for Japan. River Plate business has been rather quiet, but nitrates have been done for December loading, and the outlook is better. All the Eastern markets are firm, with more inquiry. Steamers have been done from Bombay, and manganese fixed for 8,000 tons, Bombay/Dunkirk, at 22s. Australia reports attention for January-March, and South Africa is still open for more maize tonnage. Ore receivers from the Mediterranean/Bay have not been doing much, but the Danube has been firm and dearer at 18s, with cottonseed from Alexandria in the market for steamers for London/Hull at 11s 6d to 12s. For a steamer to load North Pacific/Japan, 65,000 dollars in a lump sum has been paid. The outward markets have been busy for coal, especially to the Mediterranean, and the general outlook for shipping is much better.

Silver and Stabilisation.—The London silver market this week has shown something of its old-time activity, and the brokerage houses and others have been handling an unusually large number of orders. On Tuesday, for instance, writes a correspondent, one broker dealt in close on two million ounces, and the total business done has been quite large. India has been the chief buyer, while China has been a persistent seller, although in the late trade offers from this source were withdrawn. The exact reason for this sudden burst of buying on the part of the bazaars is rather difficult to define. Some time back a big stock of silver was transferred from Bombay to China, and probably the Indian market now wishes to regain some of this metal. In any case, be the reason what it may, the demand especially to cover has been very brisk, and prices moved steadily upwards. This waking up of the London silver market gives point to the news that the much-discussed Silver Export Association has now been formed in the United States. At a meeting held at Reno, Nevada, early in the month, it was decided to go on with the plan, and the managing director of the Silver King Coalition Mines was elected president, with Mr H. Rives, of the Nevada Mine Owners' Association, appointed secretary. The opening meeting was more or less formal, and it was decided to meet again in November, when the full programme of the association will be gone into. In the meantime the president will appoint an executive committee consisting of fifteen well-known men in the smelting and mining industry. It is claimed that more than 75 per cent. of the annual production of new silver in the world was duly represented at the conference, and the progenitors of the scheme profess to be very optimistic concerning its prospects. Briefly put, the Silver Export Association will have a capital of five to ten million dollars, with power to borrow up to 50 million dollars. It will seek to handle the world's supply of new silver and stabilise the price. The three big American companies—the American Smelting and Refining Company, the Anaconda Copper Mining Company, and the United States Smelting and Refining Company—handle between them something like 55 per cent. of the world's annual output of silver, and these companies are prominently represented in the newly-formed association. It is claimed that something like 75 to 80 per cent. of the world's production will go through the Silver Export Association's hands after it has been working for a few years. The world's output of silver last year amounted to 205,000,000 ounces.

Of this quantity 55 million ounces were produced in the United States, 81 million ounces in Mexico, 17½ million ounces in Canada, and 17½ million ounces in South America, Australia contributing about 12 million ounces. Seeing that most companies sell their silver in the shape of ore to the smelting concerns, who, to safeguard themselves, sell against their intake from day to day, and that it takes four months on the average for silver to go through the refineries, the association will have to be prepared to buy all the silver its supporters can produce, and this may prove a stumbling-block. On this side the plan has been received with marked coldness, and little or no support will be forthcoming from the London brokerage houses. The price is fixed in London daily, and there is no desire anywhere for a change. A similar scheme was attempted before, but failed, and it cannot be said that the plan to control copper in the United States has been a conspicuous success. New silver, of course, is not the sole source of supply, and any artificial rise in the price of this important commodity would at once release some of the long-hoarded supplies in India and China. Well-informed London opinion states emphatically that the suggested scheme is doomed to failure, and that it will do more harm than good. It is understood that certain legal difficulties stand in the way of the association beginning operations, and that it will not be easy to obtain the consent of Congress to remove them, but the promoters seem sanguine enough.

The American Motor Industry.—A correspondent writes:

—Some amazing figures concerning the motor industry in the United States are given in the current issue of *The Automotive Industries*, and it is expected that an output of 3,000,000 cars will be attained during the present year. From January 1st to June 30th no fewer than 240,000 Chevrolets were turned out, 107,000 Willys-Overlands and Willys-Knights, and 103,000 Durants—known in America as the Star. The first 100,000 Durant cars were produced twelve months after the experimental car had been put on the road, and it might have been expected that the entry into the lowest priced field of this car might have had a somewhat adverse effect upon other makers, but such has not been the case. Ford is making and selling more cars than he ever did before, and the same is true of the Chevrolets. It is predicted that the day is not far off when every American family will own a car. The great difficulty at present is the housing problem, and in New York it is impossible to garage a car for less than £5 a month. It is rather surprising to find, on the other hand, that the popularity of the motor cycle is rapidly declining, the number of machines in use having fallen from 154,000 on July 1, 1922, to 127,000 on July 1st of this year. Just the opposite is the case in this country, for the number of motor cycles registered increased from 335,796 in May, 1922, to 387,274 in May, 1923, an increase of 51,478.

The Cotton Industry of Soviet Russia.—The cotton industry represents the main branch of the so-called "light" industries of Soviet Russia, in which, according to official information, the greatest progress has been achieved, for it works for a large market as opposed to the heavy industries, which work for the State, which is too short of money to pay for its orders. As far as production is concerned, the Soviet cotton industry has really somewhat improved of late, for output is increasing and the productivity of labour improving. The following data were published recently by *Economic Life* (N. 150, 1923), which characterise the progress from 1922 to 1923*:

	Monthly Average in 1922.	February, 1923.	Percentage Change.
Number of working spindles ..	978,999	1,160,387	+18.5
Number of working looms	35,067	36,916	+5.3
Number of workers for 1,000 spindles	14.34	13.08	-8.8
Number of workers for 1 loom ..	0.83	0.79	-5.3
Pieces of manufactured goods per worker	2.63	2.75	+4.3

* These figures refer to the largest trusts, embracing 70 per cent. of the total production of cotton.

As regards development, however, the production of cotton goods is faced with an acute shortage of raw materials and a veritable crisis in marketing. Cotton-growing in Russia sustained a great loss during the revolution. On the one hand the population abandoned cotton-growing and began to sow cereals, while on the other the irrigation system in Turkestan was to a considerable extent destroyed, and reconstruction called for an enormous capital outlay. The result was that the cotton crop in 1920 amounted to but 3.5 per cent. of that of 1915. A certain improvement resulted from the abolition of the cotton monopoly, which led to the establishment of more reasonable prices in 1922. This year the area under cultivation in Turkestan, according to official expectations, will be about 135-175 million desyatins (1 desyatin = 2.7 acres), as compared with 80 million in 1921. In addition, several scores of thousands of desyatins will be sown with cotton in other parts of Soviet Russia. Consequently it is expected that the crops will amount to 13 million poods (1 pood = 36 lbs.) (i.e., 15 per cent. of 1915). This figure appears to be exaggerated, for it implies a yield from one desyatin of 60-70 poods, which is impossible under present conditions of irrigation. But even if we accept that figure, the prospects of the cotton supply seem rather bad. The fact is that the old stocks are nearly exhausted, and last year it was necessary to buy cotton abroad. At present the provision of cotton to hand (including the cotton purchased abroad which is on the way) is enough to ensure work for the factories up to September 15th (not counting the special reserve for two months which must always be kept). If we bear in mind that the new crops will only begin to be available in December, it follows that in the last quarter of this year the factories will be without any supply of raw materials. As to the prospects for next year, even if this year's crops reach the figure of 3 million poods, less than a half of the total annual industrial requirements will be satisfied (reckoning on the basis of the present normal output of 6½ million poods). The deficit will have to be made good by purchases abroad. Allowing for the rise in the price of the raw material in Russia, the cost price of cotton goods, according to the calculations of *Economic Life*, will be 40 roubles per pood next year, as compared with 12-13 roubles this year. This fact will certainly make the present crisis in marketing still more acute, for rising prices coincide with a considerable falling off in purchasing power.

British Cellulose.—It is now proposed to change the name of the British Cellulose and Chemical Manufacturing Company to that of British Celanese, Limited, to identify the company, we are informed, more closely with its principal product, "Celanese." If this would only turn fortune's adverse tide, we feel quite sure that most shareholders would clutch even at this straw. It is possibly reassuring to be told that the "directors have undiminished confidence in the future of the business," but the stern fact of past results has to be faced. For the year ended June 30, 1920, the loss on the year's operations amounted to £237,739. The following year a loss of £758,410 was sustained, while in the accounts now published for the period of 20 months ended February 28, 1923, a further loss of £491,782 is shown. Although the prospectus issued in March, 1920, held out promise of early success, and the board had "exact knowledge of the cost of manufacture," we ventured to point out at the time that the company had yet to prove that it could "produce artificial silk on a commercial basis." On turning to the new balance-sheet, we find that assets have been brought down from £6,329,019 to £5,698,327, and share capital reduced from £6,550,000 to £5,400,000. Loans of £180,000 now show as £85,000, but there are now debenture stock and income bonds for £586,000. Goodwill, patents, and patent rights at cost represent £1,886,451. In view of the time which has elapsed since goodwill and patents were acquired, it may be that these are over-valued. The balance-sheet is analysed in our usual column.

Argentine Railway Dividends.—The dividend announcements of three of the Argentine "big four" have come up to the best expectations of the market, and have caused a

pronounced rise in quotations. The Buenos Ayres Great Southern, the Buenos Ayres Western, and the Central Argentine have all reverted to their customary pre-war rate on the ordinary stocks. The two former declare final dividends of 4 per cent., making in each case 7 per cent. in respect of the full year 1922-23. The Central Argentine, with a final distribution of 3½ per cent., brings the full year's dividend rate on the ordinary stock up to 6 per cent., while the deferred stock also gets 6 per cent., which is only its second dividend since 1915. Some comparative figures relating to traffics, prices and dividends are appended:—

	Year 1922-23.	Total Receipts.	Ordinary Dividends.		Price of Ord. Stocks.	
			Year 1921-22.	Year 1922-23.	End of August 1923.	Sept. 20, 1923.
Buenos Ayres G.S.	Gross 9,586,000 Net 3,643,000	+ 1,160,000 + 1,494,000	% 4	% 7	81	88
Buenos Ayres W'st	Gross 4,643,000 Net 1,609,000	+ 549,000 + 730,000	% 4	% 7	73	79½
Central Argentine	Gross 10,652,000	+ 1,208,000	% 4 nil†	% 6 6†	69	73

† Dividend on deferred stock.

The traffic returns for the year ended June 30th were sufficiently good to warrant high dividend expectations; but the weakness of the Argentine exchange made the outlook in this respect doubtful, and the effect of the declaration was therefore to renew optimism with regard to current prospects, especially since the peso rate has recently improved. For the period since June 30th traffic returns, while remaining good, give some food for thought:—

	Aggregate Receipts, 11 Weeks, 1923-24.	
	£	£
Buenos Ayres Great Southern—Gross ..	1,711,000	+ 147,000
Net	447,000	+ 115,000
Buenos Ayres Western—Gross ..	783,000	+ 31,000
Net	144,000	+ 40,000
Central Argentine—Gross	2,207,000	+ 113,000

The Buenos Ayres Western shows some decline as compared with the corresponding period of last year, while in the case of this line and the Great Southern the relation of net receipts to gross receipts is not so favourable. In a later column will be found an article by our Buenos Ayres correspondent, in which he points out certain unfavourable features in the outlook. But while the chairmen's speeches at the forthcoming meetings will be examined with interest for their views on the aspects of the matter which he mentions, stockholders would appear at the moment to have sound reason for confidence.

Cam and Motor.—As a general rule to join a mining reconstruction is to throw good money after bad. The instance of the Cam and Motor provides an exception, and a striking one. Rather more than four years ago the undertaking was financially reorganised, with the heavy assessment of 7s 6d per £1 share. The money thus provided being found insufficient, Sir Abe Bailey lent a substantial sum in consideration of receiving an option on a block of shares at par. This transaction evinced a remarkable degree of faith in the prospects of the company, which at that time appeared none too brilliant. During the past twelve months the developments in the Motor mine have proved of such a character as to constitute the shares one of the speculative favourites in the mining market, the current price being about 2½. At the annual meeting held in August, 1922, the chairman made a categorical promise that the then current financial year would witness an increase in both the tonnage and value of the ore reserves, and in the working results, a decrease in costs, and a first dividend. All these predictions have been thoroughly fulfilled. Thanks to the developments above-mentioned, the ore reserve tonnage has increased by 90,800 tons to 756,900 tons, while the value has jumped from about 40s to 53s per ton. A larger tonnage was treated for an enhanced yield, and costs were reduced about 3s per ton to 24s 8d, with the result that the profits became more than doubled, both in total and average. Of the £111,600 available, the dividend of 7½ per cent. absorbed only £42,100, substantial allowances being made for depreciation and the extinction of preliminary expenses. Reckoning upon a further improvement in the ratio of extraction—for which there is room—and upon a

fresh reduction in working costs, it is assumed that the monthly profits will expand to £20,000, which would permit dividends of 30 per cent. per annum. Whether taken on this basis or on the basis of the "profit in sight," the shares would now appear to be fully valued. Hence those interested will need to keep a watchful eye upon developments.

Modder New and East.—These two Witwatersrand undertakings, writes our mining correspondent, have just issued their reports for the past financial year. An excellent showing is made by the former. At the New Modder a record tonnage of ore was put through on a cost basis which has only twice been equalled in the past. It is interesting and satisfactory to note that the reduction effected under this heading—6s 2d per ton as compared with the ratio for 1921-22—almost exactly offset the decline of 12s 5d in the average price received for the gold. As a result, the profit reached within a trifling amount of the total for 1920-21, when the gold premium was at its highest. The dividends for the two periods have been at the same rate—the highly gratifying one of around 100 per cent. The consulting engineer emphasises the point that while the saving in operating expenditure is due in part to the greatly improved efficiency of both white and coloured labour, better appliances and improved methods have been the main factors. Appended is a summary of the results for the past three years. The set-back of 1921-22 was, of course, mainly due to the strike and its effects:—

	Year Ended June 30th—		
	1921.	1922.	1923.
Ore crushed.....tons	1,083,000	947,000	1,340,000
Costs per ton	23/5	22/10	16/8
Total working profit ..£	1,699,050	1,167,270	1,653,480
Profit per ton	31/5	24/8	24/8
Dividends	£ 1,400,000	980,000	1,400,000
Rate per cent.....	100	70	100
Carried forward	306,850	245,540	216,380
Ore reserves.....tons	8,884,600	8,577,600	9,060,800
Value per ton.....dwt	8/4	8/6	8/8

The ore opened up by the extensive development operations not only more than replaced the tonnage extracted, but carried higher values; hence the ore reserve position scores an improvement in both respects. The quantity represents about six years' supply for the mill. Capital expenditure has to be faced in connection with the sinking of a large circular shaft for the exploitation of the south-western section of the property, but the work and the outlay can be spread over a period of years. Meantime, there would appear to be the prospect of a continuance of the recent rate of dividend—upon which basis the yield to the investor is about 12 per cent. gross. Fully three-fourths of the current market price may be reckoned as in sight as profit in the ore reserves. The Modder East reports a working profit for last year of £262,250, as against only £37,700 for 1921-22. This marked change for the better is partly due to a striking economy in working costs, and partly to the adoption of the policy of restricting development to the richer sections of the mine, at the same time treating ore above the average of the reserves. As developments proved very disappointing—only 70,000 tons of payable ore being opened up in place of some 378,000 tons extracted—the ore reserves are lower both in quantity and value. The consulting engineer intimates that this will be reflected in the current year's profits. The policy above referred to was, of course, decided upon to provide funds for the repayment of the debenture debt, which on June 30th last had been reduced by £215,000 to £185,000. Redemption of the balance is due between now and the end of 1924.

Johannesburg Consolidated.—Our mining correspondent writes:—The dividends disbursed by the Johannesburg Consolidated Investment Company usually bear so close a relation to the net profits that the latter can be fairly accurately estimated at the time of the former's announcement, which takes place in June, although payment is not made until towards the end of September. The accounts to June 30th last show that the 12½ per cent. just distributed absorbs slightly less than the earnings, whereas in the two pre-

ceding years a contrary condition prevailed. It may be noted that 12½ per cent. (tax free) is the highest rate so far paid on the existing capital. The main features of the present balance-sheet, as compared with that of 1922, are the decline which has taken place in the "Stocks and shares" item, and the expansion shown in "Properties and advances." An improvement has occurred in the actual cash position, the readily available resources being about half a million short of the liabilities, instead of three-quarters of a million a year ago. Appended is a comparison of the last three financial statements:—

	1921.	June 30, 1922.	1923.
Stocks and shares	£ 3,915,650	£ 3,930,960	£ 3,666,030
Mining properties and advances..	277,310	282,390	393,110
Real estate and buildings	421,030	407,150	388,590
Loans on mortgage	161,030	158,860	141,230
" to S.A. companies		342,870	284,340
" at short call	455,890	219,260	390,280
Sundry debtors and dividends....	798,320	426,670	305,880
Cash	190,350	96,850	369,560
Sundry creditors	1,449,100	1,213,890	1,079,580
Net profit.....	387,960	273,990	503,840
Dividend	395,000	296,250	493,750
Rate per cent., tax free.....	10%	7½%	12½%
Carried forward	184,410	162,150	172,240

At the moment, particular interest attaches to the New State Areas, which has lately commenced production. Results so far have proved somewhat disappointing, even when full allowance is made for the absorption of gold and other points attendant upon the starting up of a new plant. It would look as though dividends cannot be expected before the middle of next year, if then. The Randfontein Estates should, however, re-enter the list in the not very distant future, and be followed by the Randfontein Central. With regard to the company's interests in undertakings other than gold, the directors mention that the outputs of both the coal and diamond concerns have been restricted to demand—a sound policy. A substantial participation has been secured in the Angola Diamond Company, from whose property "very encouraging" reports have been received. Good progress is advised in the sales of the company's building sites. Altogether, a very satisfactory position is indicated. A point to be borne in mind in connection with the holdings is that they are written down to market value at the end of each financial year, whereas no account is taken of subsequent appreciation. On the basis of last year's dividend, "Johnnies" yield slightly over 8 per cent., tax free.

Oversea Correspondence.

UNITED STATES.—EFFECT OF JAPANESE DISASTER —SILK INDUSTRY DEMORALISED—JULY RAIL- ROAD EARNINGS—COMMODITY PRICES ADVANCE—COAL STRIKE SETTLED.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 10.

AMERICAN securities markets were only slightly affected by the appalling Japanese disaster. When trading was resumed last Tuesday, following the Labour Day holiday, prices of shares generally on the Stock Exchange fell 1 to 3 or 4 points, the sharpest declines being recorded in speculative industrials. Transactions, however, were light in volume, and represented principally short selling by professional bear operators. There was little evidence of real liquidation by stockholders. Japanese Government bonds dropped 1 to 3 points, while Tokio municipals broke about 10 points; other bonds, foreign and domestic, showed comparatively small recessions. The weakness was only temporary. Prices of stocks have now recovered practically all of the loss then sustained, while Japanese bonds have enjoyed a substantial rally. The quick recovery was attributed to revised estimates of the economic effects of the Japanese calamity. Early apprehensions were offset considerably by prospects of large orders for reconstruction materials and supplies of all kinds being placed in this country. Additional reasons for taking a more optimistic view of the outlook were found in a revival of activity in various directions, follow-

ing the summer lull, the virtual settlement of the anthracite coal strike, and cabled advices pointing to an early termination of the Greek-Italian imbroglio. Leading bankers declare that Japan's credit here has not been impaired, and that whatever financing may be necessary will readily be accomplished.

Conspicuous American business interests directly affected by the Japanese disaster are the raw silk trade and the silk goods manufacturing industry. The United States is the largest consumer of Japanese raw silk, and Japan is this country's main source of supply of that material. Stocks of raw silk of all kinds in the principal warehouses of New York on September 1st were reported as amounting to 25,000 bales, approximately. Monthly deliveries to silk goods mills in the United States this year have averaged about 32,000 bales, according to data compiled by the Silk Association of America; those figures are generally taken to indicate actual consumption. So far as known, only about 10,000 or 15,000 bales of Japanese raw silk were *en route* to this country at the time of the earthquake. Manufacturers generally have very meagre supplies on hand, and it is figured that stocks available here, with the quantity due to arrive, will be sufficient to meet requirements for only a month or six weeks at most. Present indications are that only limited shipments, if any, will be made from Japan in that period, and there is some uncertainty as to the extent of supplies that may be obtainable from China, Italy, and France. Under such conditions the American raw silk markets were completely demoralised following news of the disaster, and were subsequently closed. Leading raw silk dealers here suspended all operations last week until to-morrow, hoping that more definite information may then be available. Before the suspension of trading there was a wild scramble to secure any offerings, and prices in this market soared \$3 and \$4 a pound, carrying Japanese sorts up to the basis of \$12 for Kansai No. 1, and Chinese and Italian raw silks to \$10 and \$11 a pound.

Net operating income, combined, of all the first-class railroads in the United States for July amounted to \$84,591,400, equivalent to a return at the annual rate of 4.93 per cent. on their tentative property valuation as fixed by the Interstate Commerce Commission. That is the lowest rate of return reported since last February. The rate earned on their investment by roads in the eastern district was 5.60 per cent.; in the southern district 5.26 per cent., and in the western 4.03 per cent. In the corresponding month of last year the same carriers had a net operating income of \$69,321,000, or at the annual rate of 4.12 per cent. Heavily increased expenditures for maintenance of way and equipment were largely responsible for the sharp decline in the rate of return during July. Gross earnings in that month totalled \$535,577,300, representing an increase of \$91,870,000 over the same month of 1922, while operating expenses were \$414,333,300, an increase of \$73,377,100. For the first seven months of 1923 net operating income has been equivalent to a return at an annual rate of 5.51 per cent. on a property valuation estimated at \$19,175,000,000, as compared with 4.46 per cent. on \$18,775,000,000 for the first seven months of 1922. It is estimated that net operating income for the entire year will exceed that of 1922 by some \$200,000,000, and will represent about 5 per cent. earned on the property valuation, as against only 4.14 per cent. in the calendar year of 1922. Traffic is still enormous in volume. Total car loadings for the week ended August 25th reached 1,069,932, a new high record, surpassing the best previous weekly total by 28,888. This traffic expansion has been caused by an increase in the general volume of merchandise.

The rise in prices of farm products, grain, livestock, and cotton last month clearly foreshadowed an advance in the average level of commodity prices. Bradstreet's index number on September 1st accordingly was 112.9143, marking a gain of seven-tenths of 1 per cent. over that of August 1st, and the first increase reported since March 1st of this year. The latest number, however, shows a decline of 7.3 per cent. from March. As compared with September 1st a year ago, it is 6.9 per cent. higher, while it shows an advance of 21.6 per cent. over June 1, 1921. The present index number is 38.1 per cent. lower than that of February 1, 1920, but 48.2 per cent.

STATE EXPRESS

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VIRGINIA CIGARETTES

MADE BY HAND, ONE AT A TIME.

above the level recorded on August 1, 1914. Eight out of 13 groups of commodities advanced during August, especially meats and other animal products; in fact, provisions and groceries accounted for practically the entire gain shown by the September 1st index. Building returns, compiled by the same authority, though not yet complete for August, are interesting. The figures received from 85 out of 167 cities in the United States indicate a gain of 14.7 per cent. over July and of 19.8 per cent. over August of last year.

The United States Shipping Board's proposal to operate its merchant marine fleet by forming subsidiary corporations to handle the various trade routes is held up, temporarily at least. The Administration is evidently not certain as to the legality of such a procedure, for the Attorney-General has been asked for an opinion. Direct Government operation continues to be opposed vigorously by steamship and shipping interests generally; meanwhile, the Board is making very slow progress in its efforts to dispose of ships and trade routes. The Shipping Board has placed a total valuation of \$226,733,315 on its fleet of 1,334 vessels, as at September 1st, according to a statement issued to-day by Chairman Farley. That figure represents a shrinkage of \$2,000,000,000, as compared with the original cost of the vessels. Of the total number of ships, 416 are in operation or ready for delivery, while 882 are laid up, exclusive of 36 tugs laid up or in operation. The value of ships in operation or ready for spot delivery is placed at \$137,311,940, and that of the laid-up ships, excluding the tugs, is given as \$87,906,375. Since July 1st the Board has disposed of six ships at a total sale price of \$999,300.

The anthracite coal strike which began on September 1st has been settled, both the operators and miners having finally accepted the compromise agreement suggested by Governor Pinchot, of Pennsylvania, and operations in the mines are expected to be resumed shortly. The agreement, which is to remain in force for two years, gives the miners an increase of 10 per cent. in wages and an eight-hour day, but does not provide for the adoption of the check-off system, which was one of their principal demands. The settlement means an increase of at least 60 cents a ton—probably more—in prices to consumers, unless the Interstate Commerce Commission, as suggested by Governor Pinchot, reduces freight rates on anthracite coal.

FRANCE.—PREMIERS' MEETING—HOPEFUL VIEWS —THE RUHR OUTLOOK—YIELD OF TAXATION.

(FROM OUR CORRESPONDENT.)

PARIS, September 19.

MR STANLEY BALDWIN's interview to-day with M. Poincaré, although it is perhaps yet too early to form any seriously considered judgment on the subject, has had a most inspiring effect on French public opinion that cannot but contribute substantially to improving the relations between Great Britain and France. Down to yesterday afternoon there was a feeling almost of indifference in Paris as to the pending meeting between the two Premiers, which it was taken almost for granted, by both Press and public, would be more or less of a formal and complimentary character. Events have shown, however, that the programme for the interview, almost at the last moment, apparently was radically modified, and that what was expected to be a purely formal affair was

in a few hours transformed into a political event of the first importance. Mr Baldwin returned from his visit to the President of the Republic at Rambouillet only a few hours ago, and has not yet actually left Paris; but already, from the terms of the official communiqué that was issued after this afternoon's meeting, a very strong impression prevails that the result of this afternoon's interview has been completely to transform the political outlook, so far as the two countries are concerned, and that there is now every probability that henceforward they will once more march much more closely in accord than has been the case since the months that immediately preceded Mr Lloyd George's retirement from office. The enormous effect this modification must inevitably have on the pending collapse of passive resistance in the Ruhr and on the reopening of discussions between the Allies for the definite settlement of the reparations problem, which is also generally believed here now to be within measurable distance, needs no comment. There need be no hesitation in saying that to-day's interview between Mr Baldwin and M. Poincaré has brought the possibility of ending the present financial and economic chaos in Europe appreciably nearer.

Reports from the Ruhr, however much they may be discounted by reason of the fact that most of them emanate from French sources, show beyond serious doubt that the end of passive resistance is approaching merely as the inevitable result of the wearing down policy adopted by the Franco-Belgian authorities since they occupied the area, plus the failure of Germany to obtain the direct moral and other support which she expected to receive from Great Britain. It still remains somewhat in doubt whether the French Government will decide first to open negotiations, once this resistance has really collapsed, for the conclusion of economic agreements between the two countries independent of the other Allies, or whether these will be relegated to a purely minor position, in order to leave a clear field for the situation in regard to reparations and inter-Allied debts to be cleared up first. All indications here show that the second alternative is the more probable. The whole of M. Poincaré's recent speeches support the belief that he will place first and foremost the enforcement of the integral carrying out of the Treaty of Versailles, and his statements at Brioules-sur-Meuse last Sunday fully confirm the opinion I expressed last week to the effect that France will insist on emphasising above all else the necessity for placing her frontier beyond the risk of danger. If this view prevails, the question of the much-discussed Pact of Security, in some form or other, may confidently be expected once more to fill a prominent place when the reunited Allies, as it is expected they will be in the near future, again meet in conference on the whole situation, as a preliminary to a final settlement with Germany.

The return of the yield of taxation for August shows a total revenue from all sources of 1,652,253,700f, of which 1,522,455,900f was obtained from normal and permanent resources (including income-tax), and 129,797,800f from the special tax on war profits and other exceptional and temporary sources. The amount received from normal and permanent resources was 205,328,300f in excess of the sum received from the same sources during August, 1922. Indirect taxation and State monopolies produced 1,285,570,600f during the month, and for the first time for some months showed a deficit as compared with Budget estimates for the month. The difference, as compared with the estimates, amounted to 20,332,500f, or about 2 per cent., whereas in July the yield from the same sources was, in round figures, 39,000,000f above what had been expected. The explanation is probably to be found in the fact that August was the holiday month, and that this year, owing to the absence of a much larger number of people than usual from their usual avocations, the volume of business done in practically every important category of affairs was considerably below the normal figure. Customs, as might be expected from the low situation of the franc, again showed a heavy falling off, and were nearly 34,000,000f below Budget estimates for the month. On the other hand, the yield from the tax on turnover, for so long the Cinderella of French taxation, was over 24 million francs more than had been expected. Registration duties also showed a falling off, amounting

to close on 12 million francs on the month, as compared with the Finance Minister's anticipations. Of the State monopolies, the yield from the Post Office alone was disappointing, being nearly 14½ million francs below expectation. Telegraphs and telephones, however, compensated for part of this, being nearly nine millions more than expected. In spite of a deficit of over 20 millions on the month, nevertheless, the revenue for the first eight months of the year from indirect taxation and State monopolies still shows a net increase of 20,458,000f over Budget estimates.

GERMANY. — NEW CURRENCIES — FINANCES — REICHSBANK — EXCHANGE AND BOURSE — PRICES AND INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, September 18.

THE prospects of a reparations settlement have again receded. It was expected a week ago that on the basis of very big concessions to be forced on the Stresemann Cabinet by the threatening situation negotiations on a really practicable foundation would have been taken up. M. Poincaré's last speeches seem to have killed that hope for the moment. It is understood that if Dr Stresemann had had the least encouragement he would have yesterday made a public statement calculated to move matters further, and that this statement was even prepared before the end of last week; but the plan to make the statement was abandoned. It is, however, in the nature of the reparations and Ruhr problems that continuous new initiatives towards settlement will be taken, and it is certain that something in this direction will again be done and done soon.

The plan for solution of the currency question was this evening published. It is a compromise between various plans which have been discussed in the Reichswirtschaftsrat and the Press, plans for a new currency bank, for retention of the Reichsbank, for creation of a pure gold currency and for creation (Helfferich and Minoux schemes) of currencies either expressing commodity units of value or secured by other values than gold. The official plan provides that the Reichsbank shall be the gold-note bank, and that it shall be entirely disassociated from the State finances, and shall no longer discount Treasury bills, so that the unsecured increase of circulation will cease. The State finances will be associated with a new temporary bank, which will issue another kind of (presumably stable-value) currency secured upon the assets of agriculture, industry, trade, and banking. These notes, which are unofficially called *Sachwertgeld*, will be compulsory legal tender. The existing paper mark will be proclaimed to be token money for the new notes, and to be convertible into them at a fixed ratio. Budget reform will consist in drastic limitation of expenditure, and with that, and with taxes payable in a non-depreciating currency, the covering of expenditure will be attained. So far the official statement. It is not clear exactly how the second kind of new notes above mentioned will be secured. Presumably by mortgages, bearing gold interest. The Minoux plan foresaw mortgages on land and business property not exceeding 5 per cent. of the pre-war values, and these were to yield a capital value of four milliard gold marks. The Reichsbank's new gold notes are officially described as being intended "for business life," but apparently they are not to be legal tender. The balancing of the Budget is an essential part of this scheme, because the *Sachwertgeld*, which is to be secured on private property, will be issued only temporarily, and the bank which issues it will ultimately disappear. It is expected that the *Sachwert* notes will be indirectly convertible, in that they will be exchangeable for fixed-interest gold bonds secured by the pledged property interests. No further details of the scheme are issued, and some big questions of principle are not yet dealt with. If the paper mark becomes mere token money, it will be necessary to legislate specially for regulation of outstanding mark claims, bonds, mortgages, &c.

It is not clear what will be done under the above scheme with the yield of the pending exchange expropriation. This yield, it was understood, would go to secure a new gold currency. So far the "exchange commissary" has not made much use of his dictatorial powers. He has required registration of all holdings of unmanufactured precious metals, but has taken no general measure against holders of exchange. He has reduced the number of banks authorised to deal in exchange. The public regards the exchange expropriation with open animosity, and very little exchange that can safely be concealed is likely to be handed over. The average citizen distrusts the Government; the paper-mark (so-called "gold") loan in which he is to be compensated will probably soon have no value at all; if it has a value, the Government can confiscate it in turn by applying Article 48 of the Constitution; and, finally, the average citizen reasons, the exchange seized from him is to be handed over to the big concerns which, being in "legitimate" business, are given a monopoly in profiteering from the currency decay. The Cabinet is so well aware of this public attitude that it has issued, again under Article 48, a threat to put citizens in gaol and confiscate all their property for publicly pointing out the illegality of the original confiscations.

These measures are supposed to be justified by the extreme emergency, and they would perhaps be justified if they were a supplement to foresight and energy, but as a substitute for foresight and energy they have little use. There is no sign that the Cabinet has any plan for putting the finances in order. The August tax reforms have now finally failed. The greater part of the multiplied taxes due in late August come in during the first decade term of September, when revenue of 118 billion marks was received, against 33,916 milliards (of which most, 27,551 milliards, were receipts from Funded Loan) in the preceding decade. But the increase was more than swallowed up by a rise in expenditure to 1,302 billions, against 866 billions. The result was that the floating debt nearly doubled, from 1,235 to 2,380 billions. The next big yield of taxes will not come in until October. The August measure only proves once more that it is useless to multiply taxes by a limited figure at a time when expenditure is free to multiply itself without any such limitation.

The ratio between expenditure and revenue remains as much as ever at the mercy of the foreign exchanges, working through the price-level. The funded loan (so-called gold loan) has brought in, nearly all in paper, the equivalent of 75 million gold marks, which is satisfactory in itself, but has had no effect on the finances, and has produced a new money shortage. The Government has stopped subscription to the wholly devalued Forced Loan. This loan proved useless. The Customs gold surcharge has been raised to 2,179,999,900 per cent. The surcharge will henceforth be fixed twice weekly, on basis of the dollar exchange. The tobacco tax is to be put on a gold basis. The Finance Minister, Dr Hilferding, has made a sound declaration against the inflation tax, and called the bank-note press "a murder machine"; but he has not yet attempted to reorganise his Ministry. The methods of the local Finance Bureaux surpass imagination. The Bureaux are still assessing after elaborate procedure taxes due by individuals of the 1-100th and even the 1-1,000th of an English penny.

The Reichsbank on the 14th raised its discount rate from 30 to 90 per cent., and reduced its rate for advances to 10 per cent. The reduction is due to the fact that the Bank now makes all its paper-mark advances on "stable-value" basis, so that the high interest rate, which is really meant as insurance against currency depreciation, is no longer necessary. On this basis even 10 per cent. is high, but the bank has still certain outstanding pure paper-mark credits. The 90 per cent. discount rate is low; on the Bourse day-money is lent at 2 per cent. per day and even more. The discount rate was raised from 5 to 6 per cent. on July 28, 1922, since when it has been raised seven times, the last occasion being August 2nd. Since the last rise the holding of discounted commercial bills has increased from 18,314 to 163,644 milliards, Treasury Bills from 53,752 to 987,218 milliards, and circulation from 43,594 to 663,200 milliards. The circulation increase in the last week of August was 389,293 milliards, com-

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mercial bills increase 74,947 milliards, Treasury Bills 480,338 milliards. Outstanding Darlehns loans total 14,200 milliards. The Bank's clearings totalled 817,133 milliards in August, against 76,624 milliards in July, and 3,828 milliards in January.

The mark seems in the last few days to have lost all pretence to have any calculable gold value. Apart from the tendency of the foreign exchange rates to about double in a day, there have been the wildest fluctuations; thus to-day the dollar in a few hours fluctuated 220-375-150-280 millions, and was officially 150,375,000. Stocks and bonds have moved almost continuously upward. The *Frankfurter Zeitung's* dividend-payers' index for April 14th shows that quotations last week rose, on an average, 4½ fold. Bonds quoted:—War Loan, 200,000; Fours, 8,000,000; Three and a-Half per Cents., 4,000,000; Threes, 35,000,000; Prussian Threes, 3,000,000; Greater Berlin Fours, 300,000. Bond quotations, though generally upward, are quite erratic. Yesterday some doubled, and some even trebled.

The banks are charging gold marks or gold pfennigs for nearly all services, and they have refused to manage paper-mark bonds for their customers, and for collecting the interest charge gold pfennigs, which usually exceed the value of the interest. The *Frankfurter Zeitung's* commodities index for September 14th shows 25,649,210 fold that of 1914, against 3,063,358 on August 31st. The key-multiplier for railway rates has been put up to 9,000,000. Despite rapidly succeeding increases, the Government has again failed to keep railway and post rates in pace with the mark depreciation. The Federal Coal Union now quotes in gold marks, the price of standard Ruhr coal being 27.54 gold marks against about 13 gold marks before the war. The federal cost of living index (basis 1 in 1914) shows for September 10th 5,051,046, against 1,845,261 a week earlier. The index number on July 11th was 21,511, so that the rise in two months was 235 fold. Reports concerning industry continue to be gloomy. Some companies which could carry on complain of capital shortage. Some are issuing new

shares against payment in gold-loan. Crops are estimated as follows (in double-centners of 1-10th of a metric ton):—

	1922.	1923.	Per Cent. Increase in 1923.
Winter wheat....	15,827,434 ..	23,718,617 ..	49.9
Spring wheat....	2,638,366 ..	3,897,449 ..	47.7
Winter spelt....	1,279,360 ..	1,698,633 ..	32.8
Winter rye.....	50,826,815 ..	68,389,448 ..	34.6
Spring rye.....	615,560 ..	1,031,949 ..	67.6
Total	71,187,535 ..	98,736,096 ..	38.7

ITALY.—NATIONAL FEELINGS ON THE GREEK AFFAIR—POLITICS AND LABOUR CONGRESS—SPLITTING OF AGRICULTURAL LAND—RATES OF THE SUCCESSION DUTY—OCTROIS AND THE MUNICIPALITIES.

(FROM OUR CORRESPONDENT.)

TURIN, September 14.

A GREAT stirring of national feeling took place last week over the massacre of General Tellini and his officers in Greek territory. The nation stood firmly behind the Government while the issue was pending, and the whole situation was characterised by an unusual absence of public meetings and utterances calculated to embarrass the Government. From the Italian point of view, the Government's conduct was founded on a firm determination to obtain the proper reparation for the truculent deed. Times are past when Italians could be slain in foreign lands and the Government content itself with languid protests.

Domestic politics are quiet in this summer season. After the passing of the Bill for the new electoral system through the Chamber of Deputies, Signor Mussolini decided not to urge it through the Senate, and declared that general elections are not to take place shortly. As the new electoral system gives 356 places out of 534 to the party which receives the greatest number of votes, and not less than 25 per cent. of all votes polled, the Government is sure of a large majority in the next Chamber. It is highly improbable that the Socialist party, which at the two last General Elections polled the largest individual party vote, will next time take the lead. Socialism is splitting into minute factions—communists, revolutionary, girondinos, and so on. The General Labour Confederation at its meetings from August 23rd to 25th at Milan proclaimed its independence from all political parties—a novelty for a movement which was until lately almost identified with Socialism. There has been much talk of some representatives of the Labour Confederation going into the Mussolini Cabinet as under-secretaries; but so far nothing of the sort has happened. The severance of Labour men from Socialism is highly significant. The masses have tired of Socialist promises, and are increasingly inclining to the strenuous life ideals.

While industrial Italy is making great strides, in the agricultural world the old tendency towards the splitting up of the land in favour of small proprietors continues to gain ground. Recent statistics of the Finance Department tell us that the number of land and house sales, which amounted to 343,362 in the financial year 1914-15 rose to 508,440 in 1920-21, and to 489,803 in 1921-22. As the only buyers of agricultural land are farmers (*contadini*) it is easy to see how rapidly land is passing into the hands of small direct cultivators. There are villages, especially in the North of Italy's mountain and hill regions, where not a single non-cultivating great landholder survives. The great movement of property from class to class took place without Government aid and without credit organisation, and was almost entirely financed by the savings of the peasant class.

From the point of view of giving security to family holdings and to the saving tendencies of this great landholding community, the bold decision of Signor De Stefani, Minister of Finance, to abolish the succession tax will have beneficial effect. The decree was finally signed by the King on August 20th, and abolishes the tax on all successions between (1) parent and sons, grandfather, grandmothers, and descendants in direct line; (2) husband and wife; (3) brothers and sisters; (4) uncles and nephews. As to all other successions, between other

relatives and strangers, the tax is only graduated in relation to the sum received: 12 per cent. up to 10,000 lire, 15 per cent. from 10,001 to 25,000 lire, 18 per cent. from 25,001 to 50,000 lire, 22 per cent. from 50,001 to 100,000 lire, 26 per cent. from 100,001 to 250,000 lire, 30 per cent. from 250,001 to 500,000 lire, 35 per cent. from 500,001 to 1,000,000 lire, 40 per cent. from 1,000,001 to 5,000,000 lire, 45 per cent. from 5,000,001 to 10,000,000 lire, 50 per cent. over 10,000,000 lire. The old tax went up to over 100 per cent. in big successions, so that the new scale will prove a great boon to many embarrassed heirs, who were frequently obliged to relinquish the estate, not being able to pay the succession tax.

Signor De Stefani is quietly adding, almost every week, something to his rebuilding of our financial system. His last decree allocates to the municipalities the entire yield of the *octrois* or duties paid on the retail sale of some goods on their entrance in towns. The yield was hitherto shared between State and municipalities in a mysterious and complicated way. In some cases the State paid the cost of the collection, but the yield was received by the municipalities. The new decree sweeps away all those technicalities, and gives the whole yield of the tax and the whole responsibility of the collection to the municipality.

HOLLAND.—GOVERNMENT FINANCES—FOREIGN INVESTMENTS IN COLONIES—A BANK CONTROVERSY.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, September.

A CHANGE has occurred at the Ministry of Finance. The Minister was not willing to take the responsibility of the enactment of the Fleet Bill, and as his colleagues thought the adoption of that Bill of paramount importance, he withdrew, and was replaced by Mr Colyn, who, judging by his reputation, is suited to the task of drastic public economy.

A beginning will be made by reducing the wages of all Government officials, including the Ministers, by 20 per cent. Even the Queen has voluntarily expressed her desire to receive a proportionally reduced income. It is a pity that the Fleet Bill coincides with the necessity of cutting the expenses by some 105,000,000 fl. The new organisation of the fleet aims to provide our colonies with a weapon to guard their neutrality. If the Bill should be passed, the battleships would not be available before 1928, and it may be argued that it will not make much difference if the Bill be postponed for a couple of years, so that one may have an idea of the financial conditions of the motherland prevailing then. It is of no use to have well-defended colonies and a financially disorganised motherland. Many people do not see the necessity for Holland and her colonies of spending three hundred millions on a fleet of dubitable value. There are, fortunately, also people who attach some value to the Four-Power Treaty of Washington. We have always maintained the policy of the open door in our colonies. According to statistics, the foreign capital invested in our colonies was 750,000,000 fl, against 1,900,000,000 fl of Dutch capital. Great Britain occupies the first place with 300,000,000 fl, followed by China with 250,000,000 fl. Belgium, France, Japan and the United States are represented with amounts between 30 and 40 millions of florins. The greater part of investments—viz., 1,280,000,000 fl, out of a total of 2,650,000,000 fl, is placed in flotations of various kinds. A large part form the rubber estates, in which 480,000,000 fl are invested. Of this amount, 194 millions were provided by English and 170 millions by Dutch financiers.

A deplorable banking conflict has arisen. During the years 1916-19 the Netherlands Bank put at the disposal of the Java Bank some 80 millions of gold. The Netherlands Bank maintains that it expected this gold, which went to strengthen the "caisse métallique" of the Java Bank, to be returned to her as soon as the Java Bank could spare it. This, however, did not happen. The Java Bank sold the gold and made enormous profits, which assisted her to declare as high a dividend as 166 per cent. In the last report on 1922 the Netherlands Bank—whose financial stability is, of course, beyond

question—openly states that it will be compelled to become more restrictive in granting credits if it should not succeed in obtaining part of the profits of the Java Bank on the said gold transactions. It is curious that this banking controversy is being publicly discussed by the leading men of the two institutions.

AUSTRIA.—POLITICAL SITUATION—STATE FINANCES—GOLD RESERVES—FOREIGN CREDITS—EFFECTS OF GERMAN CRISIS.

(FROM OUR CORRESPONDENT.)

VIENNA, September 1.

THE Christian Socialists and the Social Democrats are zealously working for the preparations for the forthcoming elections. The differences between them on political questions now extend to the economic situation, because both parties want to prove that they each have the best interest of the public at heart. The Municipality of Vienna, which is entirely under the authority of the Social Democratic Party, will now carry through a wide programme of investment, one part of which has already been started, and which will cost hundreds of millions of kronen. On the other hand, the Christian Socialist Party declare that the plans of the Social Democrats are only propaganda on account of the elections, and that the money required for the carrying out of them will come from the receipts of the exorbitant high taxes which the municipality directly and indirectly demand.

With regard to foreign policy, the negotiations connected with the Treaty of Commerce with Czechoslovakia, Hungary and Jugo-Slavia are awaited with great interest. Commercial and industrial centres demand that the Austrian negotiators arrive at better results in their negotiations than on former occasions, all the more so as the progress of reconstruction has raised the purchasing power of the population, and as the stabilisation of the krone also represents an incentive to foreign countries to enter into closer business relations with Austria.

The last report which the Commissioner-General made regarding his impressions and activities made the criticisms that the dismissal of State employees was proceeding too slowly and the organisation of the railways and tobacco monopoly was still unsatisfactory. The deficit on the State railways for the last six months amounted to 298 milliard kronen; but when it is considered that, according to the Reconstruction Scheme, a deficit of 2,031 milliard paper kronen was foreseen for the period January 1st to June 30th, the visible success of the scheme is to be already observed. The most striking item to be noticed in the position of State finance is that since the stabilisation of the krone foreign credits are continuously coming to Austria; large outstanding investments, which Austrian subjects have in foreign countries, are returning and being exchanged into kronen, and even the terrible convulsion of the German money market does not influence the Austrian market. The Austrian delegation for the League of Nations' Loan have returned to Vienna after finishing their negotiations with the other countries, with the exception of Spain, where the Austrian loan will be sanctioned by Parliament in the autumn.

The annual report of the Vienna Chamber of Commerce just published, in which the detailed reconstruction programme and its beneficial results are depicted, considers the outlook of the Austrian economic situation

very hopeful. The crisis in Germany has a favourable effect on various Austrian industries; engineering, electrical and iron industries are released from the pressure of German competition. On the other hand, other branches—for instance, the wood industry—are somewhat affected by the stagnation of the German market. The textile industry further complains about strong French competition and about a dictatorship of French firms with regard to the sale of colours and chemical material confiscated in Germany. On the whole, unemployment has decidedly decreased of late. While there were 167,417 unemployed in Austria in the month of February, this number had gone down to 87,349 at the end of July.

Whilst during last year it was considered a great favour if prominent German banks and industrial firms took an interest in Austrian enterprises, now Austrian financiers grant credits to various German firms. It is true that these are exceptional cases, as generally great reserve is shown in view of the economic and financial disturbances in Germany. The economic relations between Austria and Germany have also been seriously affected by the change which has taken place in the coal supply. Germany does not come any longer into consideration for the Austrian coal supply, but only Upper Silesia and Czechoslovakia, which compete strongly with each other, though Upper Silesian coal is given the preference on account of its cheapness.

The change in the financial situation in Austria is reflected by the increase in the metal reserve of the Austrian National Bank. On January 7, 1923, the gold reserve amounted to 1,195 milliard kronen, the bank notes in circulation to 4,053 milliard kronen. By August 15th the cash reserves had increased to 3,004 milliards of kronen, while the bank notes in circulation represented an amount of 5,557 milliards of kronen. This improvement in the relation between the gold reserve security and the bank note circulation is surprisingly favourable. The question has also been discussed whether the National Bank should not attempt to use this gold reserve to raise the rate of exchange of the krone, but public opinion is against such an artificial measure as likely to have a bad influence on the industrial situation. It is expected that the question of creating a new currency will soon be discussed, this to be effected by introducing a krone which would represent 1,000 or even 10,000 times the value of the present paper krone. This would, at least, make it unnecessary to continue counting in millions.

The Commissioner-General of the League of Nations, Dr Zimmermann, and the Swiss Adviser to the Austrian National Bank, Dr Snyder, have expressed the opinion that a further relaxation of the restrictions imposed on the foreign money market ought to be considered. According to their opinion, the present restrictions still form a serious obstacle to the influx of foreign capital, which, they think, would have a beneficial effect in easing the chronic tightness of the Vienna money market. It is true that some improvement could be noted of late; the Post Office Savings Bank and some other big banks placed considerable funds at the disposal of the market, so that the rate for week-to-week money fell from $1\frac{1}{2}$ to $\frac{1}{2}$ per cent. Foreign exchanges showed but very little fluctuation, except, of course, the German mark.

HUNGARY.—FOREIGN TRADE AND CROPS—THE LOAN PROBLEM.

(BY OUR CORRESPONDENT.)

BUDAPEST, September 8.

HUNGARY's trade statistics for the first six months of the present year, compared with the figures for the same period of last year, are not encouraging. On the whole, considerably less trade has been carried on, and some of the shrinkage is remarkable. However, serious as is the passive balance, there are one or two bright spots. The appearance of sugar among the exports to the amount of five milliards of crowns is one of them, and these figures should be much higher in the next half-year. Certain other agricultural produce also show a remarkable advance, such as oats, dried beans, and fresh fruit. Against these are large reductions in the export of wine

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and slaughter cattle, the former showing 79 as against 689 thousand metercenters in 1922. The decrease in malt and flour will doubtless be more than made up when the figures for wheat come to be considered later in the year. Altogether there is an adverse balance of 78.9 milliards.

This year the harvest returns are 50 per cent. higher than a year ago, and the surplus for export should amount to at least 200,000 tons. Further, on high authority it may be stated that from forty to sixty thousand tons of sugar should be available for export. Thus it may be anticipated that the sales of wheat and sugar alone will go far to rectify the adverse balance of the first six months of the year. The yield of cereals and sugar also goes far to justify the contention of those who insist that it is agriculture and agricultural industry that must be relied on to save Hungary and restore her erewhile prosperity.

In this connection it is worth noting the formation of a very large and important company under the aegis of the British Hungarian Bank and backed by British capital. Nearly all the members of the board are large landowners, and its object is to help to develop agricultural enterprise of all kinds by granting loans, &c., and especially by encouraging intensive farming. The capital is two milliards.

It seems strange, but now that a loan for Hungary appears to be within a measurable distance of achievement, a feeling seems to be growing that the country can do without a loan. There is not much fear of Hungary falling into the state of Germany and Austria. She is a self-supporting country, and should always be able to export enough to secure her from utter collapse. Such is the opinion of responsible men in Budapest. In the same opinion, the great obstacles in the path of progress are the huge expenditure on the public service, the existence of the Devisen Centrale, and troubles with neighbouring countries regarding Customs and trade relations. That really friendly relations could exist between Hungary and her immediate neighbours is too much to expect from human nature. But that they should needlessly inconvenience each other is foolish. With regard to the public services, it is sufficient to state that they, together with the State undertakings last year, were run at a very heavy loss, the expenditure being estimated at over 75 milliards, against returns of under 50 milliards.

The final estimates for the harvest of the present year are as follows:—Wheat, 18 million quintals; rye, 8 millions; barley, 5.3; oats, 3.7; maize, 3.5; potatoes, 17; beet, 8.8. Of these figures it may be pointed out that wheat is two millions only below the yield of 1913, and at least 20 per cent. better than that of last year; rye is the same as 1913; the yield of maize is only 25 per cent. of last year's crop; all others are considerably better.

ARGENTINA.—GOVERNMENT BORROWINGS—TARIFFS — BRITISH TRADE — RAILWAY DEVELOPMENTS.

(FROM OUR CORRESPONDENT.)

BUENOS AYRES, August 25.

I DEALT last month with the authority given to the Government in connection with the proposed external gold loan. As was then anticipated, the immediate problem of a temporary advance to tide over the interval between maturing of the old borrowing and obtaining the proceeds of the new loan, has been settled by what is tantamount to a six months' renewal of the \$50,000,000 U.S. due on October 1st, at a rate higher than has been known for 25 years. \$60,000,000 U.S. are to be found by the bankers whose offer has been accepted—Messrs Kuhn, Lohb, Blair and Company and the Chase Securities Corporation—at 98½ and 6 per cent. per annum. This advance will be repaid on the issue of new bonds at 92, with 6 per cent. interest and 1 per cent. amortisation, as originally provided for by Laws 11206 and 11207. If this issue can be made with but little delay, the terms of the temporary advance are not of so much importance, in spite of the fact that they work out at a rate of 9½ per cent. per annum. And this, one is given to understand, is the Government's answer to the general and very bitter comment on the operation. Local criticism, though

affected to some extent by political bias, is at the same time not without warranty, owing to the delay which has characterised the treatment of Argentina's important financial problems both by the Government and the Legislature. It is now self-evident that it is largely to this cause that one must attribute the present stagnation of trade, the whole financial situation, internally considered, being now shown up as artificial and even dangerous. The plethora of money in the Argentine banks and the continued renewal of the short-date obligations at 4 per cent. per annum contrasts sharply with such operations as have just been completed. Indeed, specifically Argentine banks are asking why, when the Government insists on its cry of "support home industries," it is so ready to pay from 6 to 9½ per cent. on a gold loan abroad. That this is in a certain sense a case of *non sequitur* may be granted, the trouble being that money must be paid over in New York in one manner or another, and that exchange at the moment of writing is approximately \$136 Argentine gold for each U.S. \$100. Yet it strengthens the hands of those who are pressing for the opening of the Conversion Office and the shipment of gold, one Deputy having, indeed, brought forward a Bill seeking to ship \$100,000,000 gold to New York for the purpose of bringing exchange nearer to parity.

Exchange is, indeed, the key to the position of both finance and commerce at the present moment. To the confusion caused in the import trade by the half-sanctioned new Customs charges, the rates for dollars and sterling have added the final handicap required to transfer the entry of both British and American goods to the market for the time being. It is now certain, or as certain as anything purely political can be, that the additional Customs dues passed by the Deputies will not become law this year. Meanwhile, however, the Government has appointed a series of special commissions, composed of business men, to revise the whole tariff of values and base new dues thereon. With every form of so-called "national industry" busily engaged in showing good cause why anything which competes with its manufactures and is made abroad should be taxed so highly as to keep it out of the Republic for good and all, this revision is not making much progress. As an object lesson to the believer in Free-trade the present outlook in Argentina is hard to beat. One thing at least is already evident, namely, that the cost of living threatens to rise sharply, over and above the actual increase already noticeable in certain directions on account of the fall in the quotation of the Argentine dollar in London and New York. Britain is again Argentina's most important trade connection, the figures on the basis of values being equal to those of 1913. For the first six months of 1923 British imports of Argentine produce reached £35,013,000, while Britain shipped hither goods, including coal, to the value of £14,554,000 during the same period. American figures for five months were \$47,660,000, U.S. Argentine imports from U.S.A., and exports, though no figures were to hand at the moment of writing, are for a much smaller amount. Sir Francis Bielby Alston, the British Minister to Argentina, addressing the local British Chamber of Commerce on the occasion of their annual meeting, put the matter as pithily as it could be put when he declared, speaking of trade and finance as between Great Britain and Argentina, that "this interchange represents a vital factor in the life of both countries, and is especially important to the Argentine. So far as can be seen ahead, the Argentine must depend for her prosperity on the ability of the United Kingdom to continue to purchase her staple products."

The Province of Buenos Ayres is, nevertheless, pressing forward actively with its great plans for railway extension, and the increase of production that is to be its logical sequence. The line from Avellaneda to La Plata has been begun, likewise an important section running from C. Beguerie to Azul. The former runs almost parallel with the Southern Railway from Plaza Constitucion to the provincial capital, while the latter lies midway between two main connections of the same system, whose traffic it must tap once it is in operation. That it will open up a fertile district is true, but it is equally true that had conditions in the Argentine railway world been more favourable during the past ten years, such expansion could and

would have been carried out by the Southern with less expense and probably more efficiency, since the region traversed is certainly within their sphere of influence. Indeed, much though one may regret it, railway developments, both in connection with the State systems and the Province of Buenos Ayres, are not such as promise well for the future of the private systems. This year's traffic figures are favourable, but the sterling balances will be affected by exchange conditions. Fuel is still chiefly imported—coal; long postponed renewals and betterments in general, including fresh rolling-stock, must be paid for in sterling, and over and above this are the remittances towards dividend and interest charges. By taking figures and working out the position on the basis of actual rates, a discouraging picture can easily be drawn. It is not, however, right to do so, since one may be allowed to hope that before January-February of 1924, when the next crop movement is at its height, steps tending to improve exchange will have been taken by the Government, itself an interested party to the higher quotation of the Argentine dollar. At the same time one may also hope that the official world will realise that Anglo-Argentine railway interests, if somewhat better off than they were before the additional tariffs were sanctioned, have still an arduous task before them if they are to continue that expansion and improvement which was so largely contributory to Argentina's wonderful progress between the years 1895-1910.

Efforts are being made to get together the figures from the various Ministries in time to have the 1924 Budget estimates ready early next year, and nothing further will be done with the 1923 figures, monthly appropriations being made to cover administrative expenditure for the last four months of 1923. This is, however, sheer surmise, and but another factor making for uncertainty all round. Cereal prices have improved during the latter part of the month, wheat for export being quoted at \$11.30 Arg. paper, per 100 kilos, both spot and forward as far as November. Maize is \$8.65, also spot and forward, while linseed is \$21.10 spot and \$17.90 for January. Private market manipulations on the part of a large export firm which has now a virtual monopoly of grain shipments is creditably reported to be the explanation of the unusual equality between spot and forward quotations for wheat and maize, the object being to drive out of the market firms working in conjunction with the terminal elevators, the only ones which Argentina boasts.

Letters to the Editor.

RESULTS OF P.R. IN IRELAND.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue of the 8th inst. your Dublin correspondent writes that the figures in the Irish election illustrate that P.R. gives a "disproportionately large influence to minorities." I venture to say that neither does P.R. do so, nor do the figures of the election, which you quote, illustrate the fact. Out of a total of 1,050,000 votes the Government polled 410,000, and were entitled proportionately to 57 seats. Actually they obtained 60. The four minor parties, Anti-Treaty, Labour, Farmers, and Business and Independent, polled together over 640,000 votes. Their proportionate share of seats is calculated to be (to the nearest figure) 90. They actually obtained 87. The disproportion, therefore, is against the smaller parties. Indeed, it is a well-known phenomenon that even under P.R. systems, where constituencies are of only moderate size, there is generally a slight advantage to the larger party or parties owing to the fact that in the limited areas of the constituencies the lesser parties frequently poll a number of votes too small to secure representation. This is illustrated in the Irish election, not only in the case of the Government party but also in the case of the next largest party—the Republican. In a number of constituencies they were the largest single party, and in accordance with expectation they benefited slightly, obtaining 44 seats while their strict proportional share was 41.

By way of explaining his thesis that the minorities are unduly favoured, your correspondent goes on to write:—

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"Majority supporters are mulcted of the value of their second preference votes to the extent and in the ratio of the successful candidate's total poll to his surplus over the necessary quota, while minority supporters of the most unsuccessful candidates enjoy second preference votes of undiminished value." This passage is based on an imperfect understanding of the P.R. system, and is very misleading. Under this system, each elector has one vote and one only, and that vote cannot count towards the election of more than one candidate. If the candidate has indicated preferences beyond the first, the vote can be transferred, in either of two events: (1) if the candidate to whom the vote is given has more votes than are required for his election; (2) if the candidate is in a hopeless position at the bottom of the poll. In each case there is no increase in the number of votes in play. A vote is taken away from one candidate and, according to the voter's direction, is transferred to another.

A simple example may best serve to illustrate what takes place. Suppose that in a constituency where the quota or number of votes required for election is 1,000, one party, the Blues, presents two candidates, A and B, and another party, the Reds, two candidates, R and S, and that the first preference vote for the various candidates is as follows:—Blues—A, 1,800; B, 200. Reds—R, 600; S, 400. A has a surplus of 800 votes, which are available for transfer to the next preferences marked by the voters. Assuming for simplicity a strict party vote, so that all A's supporters give B their second choice, then all the 800 surplus votes from A will fall to B, and the Blue party will be regrouped as follows:—A 1,000 voters (who elect A by first preference votes); B 1,000 voters (of whom B is first preference of 200, and second preference of 800). The number of votes has neither been diminished nor increased. As regards the Red party, neither of the candidates having secured election on first preferences, the lowest candidate S is struck out and, again assuming a strictly party vote, his votes on transfer fall to R, securing his election with the requisite group of 1,000 votes, of which 600 are first preferences and 400 second preferences. The number of votes again has neither been diminished nor increased.

The Blue party having two quota groups obtain two representatives, the Red party having one quota group obtain one representative. Both parties obtain full value for their votes whether they count as first or second preferences. Any conclusion that the transfers of votes mysteriously diminishes the total of the greater party or improves the relative position of the minor party is obviously mistaken.—Yours very faithfully,

ALFRED J. GRAY,

Assistant Secretary, The P.R. Society.

82 Victoria street (Flat 24), Westminster, London, S.W. 1, September 18th, 1923.

Books and Publications.

ECONOMIC PRINCIPLES.*

WE welcome the appearance of a new edition of Mr Flux's well-known text-book, which was first published almost 20 years ago. Revision is confined to some five chapters of the original work, namely, those relating to money, international trade, and the foreign exchanges. These chapters have been entirely recast, and have been expanded to seven chapters in the new edition. In general the author expresses the view, with which we are inclined to agree, that "so far from demonstrating the errors of the accepted body of economic doctrine, the experiences of the last nine years have justified a trust in the soundness

* "Economic Principles: an Introductory Study." By A. W. Flux, C.B., M.A. (London: Methuen and Co., Limited.) 12s 6d net.

of the analysis, the principal features of which it was the object of the volume to present." Such recasting as has been necessary has been primarily due to the fact that circumstances have altered, and questions which could be conveniently neglected at the date of the first edition now require attention. This applies particularly to monetary questions and to problems of exchange, especially exchange between countries both of which have inconvertible paper currencies. The new chapters contain a discussion of the purpose and functions of money; of the relation between the supply of money and the general level of prices; of the economic and social effects of rising and falling prices; of the conditions of supply of money; of the relative values of different currencies, that is to say, of the circumstances which determine the rate of exchange both between countries with gold standards and countries with paper standards. The last question is dealt with in Chapter XVI., which approaches the problem (as is now widely done) from the standpoint of relative costs of production, as was formerly more common. "The conclusions reached from an examination of the problem from this angle are not found to differ in their nature from those which result from the more traditional approach to the problem."

Mr Flux gives us in comparatively small compass an unusually clear and at the same time comprehensive statement of orthodox economic doctrine. The author possesses a power of exposition and control over the precise use of language which are all too uncommon, and this, combined with his logical and yet concrete mind, placed the first edition in a prominent place among economic text-books, a place which the second edition should retain. A useful feature for the student is the inclusion under each chapter heading in the table of contents of a list of "Authorities" suitable for further reading.

AN INDEX OF AMERICAN EMPLOYMENT.*

NUMBER Four of the publications of the Pollak Foundation for Economic Research reflects that acute realisation of the evils of oscillating economic conditions which colours a good deal of contemporary American thought. "Trade cycles" are common to all countries, but in the United States the national history, commercial methods and temperament—and, it must be added, up to the middle of the last decade a faulty banking system—have in the past somewhat accentuated their effects. The rapid expansion of business in 1922 and 1923 has already made ancient history of the industrial malaise of 1921, but the prevailing tendency towards a searching analysis of years of depression, with future possibilities in mind, deserves every encouragement, and for that reason the present work is heartily welcomed.

"Cycles of Unemployment" was first composed two years ago, when its author was an instructor and graduate student at Harvard, and was deemed by three adjudicators, Messrs. Wallace B. Donham, Irving Fisher, and Wesley C. Mitchell, the best of 200 essays submitted to the Pollak Foundation. It aims and treatment are purely statistical. Dr Berridge advances no theories on the causes of unemployment, or the means by which this black spot in the modern economic system may be mitigated; he confines himself to the task of finding a measure of its fluctuations, and occasionally explaining their causal relations when this appears to throw light on the main mathematical question.

Available unemployment "totals" are rejected at the outset. Either they are based on certain trade-union returns, and take too short a cut to their final result, or they depend on a conglomeration of data regarding population, births, deaths, migration, &c., and travel by too roundabout a route. The writer is, therefore, compelled to fall back on the familiar "index" method, selecting

data covering part of the field, which he is able to verify to some extent, and assuming that their fluctuations are proportional to those of the whole body.

Dr Berridge's list of desiderata for his index of post-1914 conditions is interesting:—

"(a) Its components must have been reported in a comparable form for a sufficiently long period to establish a basis for empirical test, comparison, and appraisal;

"(b) It must be reasonably representative, industrially and geographically;

"(c) Its components must be reported currently, in monthly form, with reasonable promptness, and with accuracy."

If we might add a fourth section:—

"(d) The weighting of its components must be carefully adjusted from time to time in accordance with changes in the relative importance of the parts to the whole."

We would venture to submit that here we have a succinct and helpful definition of the ideal index-number. How many of the indices so prodigally lavished upon us at the present time would emerge scathless from such a test?

For his pre-war figures the writer relies on returns from New York, Massachusetts, and New Jersey, covering 27 per cent. of the wage-earners of the United States. He succeeds in showing a high degree of correspondence between the curves of the three sets of data taken separately, and adduces further evidence from census returns, tending indirectly to confirm his main contention. After 1914, there appears, at the first blush, to be a wider range of material on which to base the index, but a closer examination reveals that only the figures of the United States Bureau of Labour Statistics, and of the New York Industrial Commission, satisfy all the conditions enumerated above. From these the continuous curve is constructed, and the essay is concluded by a bold attempt to relate the resulting employment index with those of production and purchasing power.

The author is gifted with a clearness of expression that is always helpful when one is trying to grasp a sustained statistical argument. In making various necessary quantitative adjustments a degree of ingenuity is displayed such as earns a man the approbation of the experts, and once provoked a cynical unbeliever to declare that only three kinds of statement existed: lies, white lies, and statistics. We should have preferred an index based on data covering a wider part of the whole field of employment, but we believe that Dr Berridge has done valuable work in pointing out the direction which may be taken by subsequent inquiry into a pressing problem of the day.

BOOKS RECEIVED.

American Banking Methods. By Leonard Le Marchant Minty, with an introduction by Sir D. Drummond Fraser. (London) P. S. King and Son, Limited. 15s net.

The Bank of the State of Missouri. By John Ray Cable. (New York) Columbia University.

Obtainable in London from P. S. King and Son, Limited. 14s.
Banking and Currency. By Ernest Sykes, with an introduction by F. E. Steele. Fifth edition. (London) Butterworth and Co. 5s net.

The Economic Journal. September, 1923. (London) Macmillan and Co., Limited. 6s net.

Where Are We Going? By Christopher Turnor and Bernard Gilbert, with a preface by Lord Bledisloe of Lydney. (London) Cecil Palmer. 3s 6d net.

The True Principle of Money and its Application in Stabilising the Currencies. By Albert Rawlinson. (London) P. S. King and Son, Limited.

The Hope of the Workers. By Austin Hopkinson. (London) Martin Hopkinson and Co., Limited. 1s net.

Legislative History of America's Economic Policy Toward the Philippines. By José S. Reyes. (New York) Columbia University.

Obtainable in London from P. S. King and Son, Limited. 9s.

If Labour Rules. By Philip Snowden, M.P. (London) The Labour Publishing Company. 1s.

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STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET. | ACCOUNT.
October 3. | October 4.

Little spurts of animation and activity broke out in various parts of the House this week. They showed that public interest is on the *qui vive* for profitable avenues in which to employ money on speculative investment lines. Not that investment pure and simple is idle. The recent heaviness of Home Railway pre-ordinary stocks has been stayed. Demand is once more forthcoming for first-class securities round the markets. Business generally gives signs of expansion, though the Stock Exchange is still in that state when its members do a lot of trade one day and very little the next, so spasmodic and capricious is the course of business. The results of the Victoria issue of £9,000,000 in 5 per cents. at 99 will be out probably on Monday, and it will be interesting to see how far the optimistic anticipations of success will materialise. The Consol market is inclined to be heavy, with the War Loan keeping close to 102. If stocks in this market—e.g., Conversion, Local Loans, Funding, Victory Bonds—lose a moderate fraction, men are apt to complain that the market is flat, regardless of the present high range of prices and of the steady character of the improvement in values which has had so long a run.

Foreign politics are not troubling the markets to any great extent, and the pourparlers between M. Poincaré and Mr Baldwin affected prices but little. French Railway bonds, and more slowly French Government issues, have been moving upwards, in accordance with the fluctuations in the Paris cheque. Germans have come to life again, and the gambler who buys these is also trying to accumulate Russian bonds, Government, Railway and Municipal, with the result that fairly substantial rises have occurred in Russians. Turkish Unified is the most active speculative counter in the foreign market at present, the price being run up and down as Paris orders dictate. The Austrian scrip is a steadier market, and Japanese bonds have settled into a firmer stride. Brazilians are better.

The Underground group attracts most of the attention in the Home Railway market, on the expectations, already mentioned here, that both Metropolitan and Districts will be taken over some day on the basis of a guaranteed stock being given in one of the steam companies in exchange for the existing Underground issues. The preferred stocks in this market are also better, the hand of the investor being manifest. Grand Trunk Pacific put on a point or so. Mexican Railway stocks are unaltered. The Argentine Railway market enjoyed a boomlet, on declarations of dividends that came up fully to the best expectations. Antofagasta has recovered sharply, and San Paulos strengthened.

The Rubber market is inclined to be heavy, because of the continued increase of stocks of rubber on hand, but shares in companies connected with the tea industry, as well as rubber, are in demand, owing to the boom in tea shares which is now in full swing. Very substantial rises have occurred this week in shares of the leading tea companies, the outlook for the industry, in view of the possible re-entry of Russia as a tea buyer, being regarded as bright. Nitrates have also sprung into favour, on the statistical position being regarded as materially improved, and nitrate shares are strong, the supply being far from sufficient to meet the demand. Brewery stocks are better, and a fairly extensive rise occurred amongst Insurance shares. The Banking market remains passive. The Shipping group is hard, with Indo-China deferred still advancing, on expectations that the Japanese earthquake will assist its traffic. A similar consideration has sufficed to carry still further the rises of stocks in the cable companies' group, though wireless shares are inclined to be dull. The anxiously-awaited Marconi meeting is expected to be held next month.

Iron and steel shares have been moving narrowly and somewhat irregularly. In the various textile branches, Courtaulds have fallen upon quiet days, but the report of the British Cellulose Company caused a sharp fall, followed by prompt recovery;

an outbreak of firmness in British Dyestuffs shares is associated with the idea that it cannot be long before a reorganisation plan is submitted to the shareholders. The tobacco market is without feature except for another rise in United Tobacco South shares. Amongst land and property descriptions, City of London Real Property stand out with noticeable strength, on expectations of a bonus. The newspaper share market has been unusually quiet.

Kaffirs proper are somewhat neglected, more attention being devoted to Rhodesians, where recrudescence of activity in Cam and Motors and in several of the lower-priced shares aroused attention. The greater part of business in the mining markets this week, however, has been in Mexican and Canadian shares, where recent developments from some of the better-known properties encouraged, first, professional support, and, secondly, attention from outside. Prices are mostly better on the week. Tin, the metal, has risen again to nearly £200 per ton, and is talked higher, the effect being to strengthen a few of the principal West African and Malayan share prices. Russo-Asiatics advanced, in consequence of the better feeling current in regard to Russians generally, and there is not much doing in the shares of the copper group.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liabilities.
Amount previously recorded	£ 202,630,317 ..	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED SEPT. 15, 1923.

	£	£	£	£
April 1, 1923, to Sept. 15, 1923, £5,950,000 ..	1,450,000 ..	1,450,000 ..	1,450,000 ..	1,450,000 ..
To the Public—				
Cartagena (Colombia) Waterworks, £400,000 7% Guar.	388,978,203			
1st Mt. Debts., at 92% (Sept. 17) ..	400,000 ..	368,020 ..	40,000 ..	328,000
Clayton-Murdoch Gas Appliances, 60,000 Ord. Shares, £1, at par (Sept. 18) ..	60,000 ..	60,000 ..	60,000 ..	..
Do 60,000 7% Cum. Pref., £1, at par ..	60,000 ..	60,000 ..	7,500 ..	52,500
Total offered to the public....	..	488,000 ..	107,500 ..	380,500
To Shareholders only—				
Burt, Boulton, and Haywood, 88,000 Ord., £1, at par (Sept. 15) ..	88,000 ..	88,000 ..	22,000 ..	66,000
Dwa Plantations, 50,000 Shares, 2s, at par (Sept. 15) ..	5,000 ..	5,000 ..	2,500 ..	2,500
Total offered to shareholders only ..	..	93,000 ..	24,500 ..	68,500
Total offered for subscription to date ..	..	..	..	..
1923 .. £204,661,317	1922 .. £573,675,650			
1922 .. 510,021,328	1921 .. 388,978,203			
1921 .. 166,202,642	1920 .. 367,545,656			
1920 .. 290,810,788	1919 .. 1,036,059,951			
1919 .. 900,639,363	1918 .. 1,393,381,441			
1918 .. 1,002,778,331	1917 .. 1,318,596,010			
1917 .. 1,103,324,860	1916 .. 585,436,853			

Cartagena (Colombia) Waterworks, Limited.—Authorised capital £200,000, divided into shares of £1 each. This is an issue of £400,000 (being part of an authorised issue of £500,000) 7 per cent. guaranteed first mortgage debentures at 92. The prospectus states that "the issue is approved by the Municipality of Cartagena, Colombia, and is offered with the guarantee of the Municipality, as hereinafter set out." The debentures become repayable on January 1, 1904. The company will establish a sinking fund by setting aside in each year a sum equal to 1 per cent. of the debentures of this series issued, the first payment to the sinking fund to be made on March 31, 1926. The fund may be applied in the redemption of debentures by drawings at 110 per cent. up to December 31, 1929, and thereafter at par. The Stock Exchange Official Intelligence for 1923 states that the Cartagena (Colombia) Waterworks, Limited, latest dividend was 3 per cent. for 1916-17; it also mentions that the company has 28,000 £1 shares in the Colombian Mining and Exploration Company, 15s paid, at cost. The return to the investor denotes the measure of risk involved in a purchase of these securities.

Clayton-Murdoch Gas Appliances, Limited.—Authorised capital £75,000, divided into 60,000 7½ per cent. cumulative preference shares of £1 each and 150,000 ordinary shares of 2s each. This undertaking has been formed to acquire a device for a "gas switch" and the British rights for manufacturing a "dynamo." Assets to be acquired are valued at £14,000; it should be noticed, however, that "patent rights" and tangible assets are all grouped together, and these are to be paid for in cash. The estimated return on capital is modestly placed at 18 per cent. A speculative proposition.

Vipond Consolidated Mines.—Incorporated under Ontario (Canada) company law. Capital \$2,000,000 in shares of \$1 each, all of which have been issued. This is a gold mining undertaking with an office in Toronto. A statement is published to comply with London Stock Exchange regulations. No information is given as to the resources of the company, except that "considerable ore reserves have been opened up," and that "It is expected that milling of ore will commence towards the end of the year." The italics are ours.

* "Cycles of Unemployment in the United States, 1903-1922." By William A. Berridge. Houghton Mifflin Company, Boston and New York. \$1.25.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
War 4½% 1925-28	97½	97½	97½	97½	—
Loans 5½% 1929-47	102½	102½	102½	102½	—
Funding Loan 4½% 1924-42	100½	100½	100½	100½	—
Victory Bonds 4½% 1924-42	93½	93½	93½	93½	—
Conversion Loan 3½% 1924-42	79½	79½	79½	79½	—
Consols 2½%	58½	58½	58½	58½	—
Irish Land Stock 2½%	60½	60½	60½	60½	—
Local Loans 3%	68	68	68	68	—

Banks.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Barclays B (£1, p.d.)	21½	21½	21½	21½	—
Chartered Bk of India 19½	19½	19½	19½	19½	—
Lloyds of London 3½	3½	3½	3½	3½	—
London Joint City & Midland (£12 with 2½ paid)	8½	8½	8½	8½	—
Nat. Bank of Egypt (£10)	22½	22½	22½	22½	—

Colonial and Foreign Railways.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Antofagasta Cons	85	85	85	85	—
B.A. and Pacific	80	80	80	80	—
B.A. & Gt. Southern	85½	85½	85½	85½	—
Buenos Ayres West	75½	75½	75½	75½	—
Canadian Pacific	156	156	156	156	—
Central Argentine	71½	71½	71½	71½	—

Foreign Government Securities.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Argentine 5% 1886-7	99	99	99	99	—
Austrian 6% Guar.	41½	42½	42½	42½	—
Belgian 3%	65	65	65	65	—
Brazil 5% Fund., 1914-66	66	66	66	66	—
Chilian 4½% 1895	91	93	93	93	—
Do 7½%	104	104½	104½	104½	—
Chinese 5% 1912	67	67	67	67	—
Egyptian 4%	73	73	73	73	—
French 4%	273	283	283	283	—
Do 4%	22½	23½	23½	23½	—

Telegraphs.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Anglo-American "A" 23	23½	23½	23½	23½	—
Marconi Wireless	2½	2½	2½	2½	—
Marconi Marine	1½	1½	1½	1½	—

British Railways.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Great Western, Ord.	110½	110½	110½	110½	—
Do Def.	87	87	87	87	—
London & North-Eastern	86½	86½	86½	86½	—
5% Pref. Ord.	32½	32½	32½	32½	—
Do Def. Ord.	105½	104½	104½	104½	—
London, Mid., and	77½	77½	77½	77½	—
Scottish, Ord.	54½	54½	54½	54½	—
Metropolitan	55½	54½	54½	54½	—
Metropolitan District	55½	54½	54½	54½	—

American Railroads.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Chesapeake & Ohio	68	67	67	67	—
Erie	15	15	15	15	—
Do 4% 1st Pref.	25	23	23	23	—

Miscellaneous.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Aerated Bread (£1)	1½	1½	1½	1½	—
Amal. Cottons (£1)	3½	3½	3½	3½	—
Anglo Persian Oil (£1)	3½	3½	3½	3½	—
Armstrong (Sir W.G.)	4½	4½	4½	4½	—
and Co. (£1)	4½	4½	4½	4½	—
Ass. Pind. Cement (£1)	1½	1½	1½	1½	—
Baker, John (£1)	2½	2½	2½	2½	—
Bham Small Arms (£1)	4½	4½	4½	4½	—
Brazil Traction (£100)	42½	46	46	46	—
British American	5½	5½	5½	5½	—
Tobacco (£1)	4½	4½	4½	4½	—
Burmah Oil (£1)	3½	3½	3½	3½	—
Coats (J. and P.) (£1)	3½	3½	3½	3½	—
Courtauld's (£1)	3½	3½	3½	3½	—
Canard (£1)	1½	1½	1½	1½	—
Dorman, Long (£1)	1½	1½	1½	1½	—
Dunlop Rubber (£1)	1½	1½	1½	1½	—
Fine Cotton Spinners	2½	2½	2½	2½	—
Forestal Land (£1)	1½	1½	1½	1½	—
Furness, Withy (£1)	1½	1½	1½	1½	—
Highlands and Lowlands Rubber (£1)	2	2	2	2	—
Hudson's Bay (£1)	5½	5½	5½	5½	—

Mines.

	Price	Week	Price	Week	Rise or
	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 14, 1923.	Sept. 15, 1923.	Fall.
Brakpan (£1)	3½	3½	3½	3½	—
Broken Hill Prop. (8)	1½	1½	1½	1½	—
Chartered (£1)	1½	1½	1½	1½	—
Cons. Gold Fields (£1)	2½	2½	2½	2½	—
Crown Mines (20)	12½	12½	12½	12½	—
De Beers Def. (£20)	3½	3½	3½	3½	—
East Rand Prop. (£1)	3½	3½	3½	3½	—
Geduld (£1)	3½	3½	3½	3½	—
Gov. Gold Areas £1	5½	5½	5½	5½	—

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, September 12, 1923, amounted to 1,345 tons, including 608 tons from further new well.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Sept. 14, 1923.		Week Ended Sept. 16, 1923.			Aggregate 37 Weeks 1923.		
(c) Week ended Sept. 15, 1923.	Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- cepts.
		£	£	£	£	£	£
Great Western	3,745	320,000	330,000	650,000	1,002,400	1,285,000	22,877,000
London & North-Eastern	6,702	526,000	683,000	1,209,000	1,688,500	2,685,000	43,740,000
Do same period 1922	6,687	576,000	710,000	1,286,000	1,846,000	2,756,000	45,970,000
London, Mid., & Scottish	6,962	724,000	862,000	1,586,000	2,409,000	3,317,000	57,259,000
Southern	2,115	405,000	120,600	525,600	1,262,600	4,253,400	16,880,000
Midland & S.W. Junc.	63	1,349	1,442	2,791	47,013	49,713	96,726
Metropolitan (c)	79½	31,724	3,589	35,313	1,191,477	134,493	1,325,970
Underground E.R. (c) ..	..	..	..	240,215	..	..	8,393,921
Lon. & Sub. Group (c) ..	..	..	..	+ 7,591	..	..	134,752
				41,539			151,380
Lon. & Sub. Group (c) ..	..	..	..	- 3,694	..	..	- 143,196
Belfast & Co. Down (b) ..	80	5,572	1,391	6,963	203,684	44,569	248,253
Dublin and S. East. (b) ..	160	7,518	3,257	10,775	230,028	124,386	354,414
Midland Gt. West. (b) ..	538	12,898	16,293	29,191	375,553	530,749	906,302

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
INDIAN.					
Assam Bengal	20 weeks	Aug. 18	1,072	2,46,161 + 32,801	45,05,562 + 1,19,959
Bombay L. Ry.	20 weeks	25	118	16,800 + 2,630	7,50,800 + 53,600
Bombay & N. Western	20 weeks	18	2,062	4,81,290 + 18,956	1,27,85,904 + 2,41,604
Bombay Nagpur	21 weeks	18	2,738	12,13,000 + 19,000	2,89,35,499 + 5,74,617
Bombay, Bar. & C.I.	22 weeks	Sept. 1	2,994	15,74,000 - 2,14,000	4,54,75,000 - 25,56,000
Burma	20 weeks	Aug. 18	1,342	5,22,149 + 17,402	1,33,49,803 + 84,663
Delhi, Umballa & Kalka	23 weeks	Sept. 8	239	82,000 + 53,853	22,75,036 + 1,10,763
East Indian	24 weeks	15	2,856	24,55,000 - 67,500	5,63,29,742 - 39,03,223
G. Indian Peninsula	23 weeks	8	3,164	19,64,100 + 3,355	3,07,60,474 + 3,02,812
Madras & S. Mahr.	21 weeks	Aug. 25	3,029	12,50,000 + 9,885	11,44,562 + 1,29,575
Do Lucknow-Breilly	20 weeks	18	259	42,004 + 7,238	13,63,045 + 1,70,871
South Indian	20 weeks	18	1,877	8,82,401 + 51,458	1,97,45,504 + 6,17,123

CANADIAN.

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Canadian National	37 weeks	Sept. 14	22,680	4,689,749 + 177,632	1,692,04,70 + 17,85,935
Canadian Pacific	36 weeks	14	13,539	3,547,000 - 227,000	1,192,80,000 + 5,302,000

ARGENTINE (a).

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Argentine N.E.	11 weeks	Sept. 15	752	12,000 + 3,700	122,100 + 9,400
Argentine Trans.	9 weeks	1	111	3,736 + 1,936	29,920 + 17,490
B. A. and Pacific	11 weeks	15	3,317	125,000 + 10,000	1,419,000 + 17,000
B. A. Gt. Southern	11 weeks	15	3,948	157,000 + 8,000	1,711,000 + 147,000
B. Western	11 weeks	15	1,882	75,000 + 8,000	447,000 + 115,000
Central Argentine	11 weeks	15	3,305	193,000 + 12,000	2,207,000 + 113,000
Cordoba Central	11 weeks	15	1,305	58,000 + 3,000	723,800 + 17,100
Entre Rios	11 weeks	15	729	19,300 + 4,100	181,300 + 3,600

BRAZILIAN (b).

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Gt. West. of Brazil	37 weeks	Sept. 15	1,006	7,500 + 3,700	339,200 + 118,500
Leopoldina	37 weeks	15	1,831	34,672 + 659	918,268 + 106,628
San Paulo	37 weeks	16	1,534	41,590 + 13,039	1,076,594 + 54,244

CHILE AND PERU.

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Antofagasta	36 weeks	Sept. 16	838	35,010 + 7,515	1,315,000 + 546,985
Nitrato (monthly)	37 weeks	15	366	33,031 + 11,442	582,788 + 298,816

CUBAN.

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Havana Central	11 weeks	Sept. 15	15	11,672 + 2,057	125,707 + 22,899
United of Havana	11 weeks	16	1,210	58,427 + 9,349	649,329 + 113,397

URUGUAYAN.

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Central Uruguay	11 weeks	Sept. 15	273	19,671 + 1,745	219,511 + 37
C. Urug. (East Ext.)	11 weeks	15	311	3,789 + 535	44,427 + 670
C. Urug. (North Ext.)	11 weeks	15	185	1,932 + 219	24,884 + 2,212
C. Urug. (West Ext.)	11 weeks	15	211	1,923 + 317	20,107 + 375

OTHER OVERSEAS.

OTHER OVERSEAS.						
Alcoy and Gandia ..	37 weeks	Sept. 15	33	14,000—	4,000	776,800 + 61,450
Egyptian Delta ..	20 weeks	Aug. 31	575	8,394—	535	102,765 + 19,575
Gt. Southern of Spain ..	36 weeks	Sept. 8	104	Ps 60,571—	17,995	3,178,033 + 378,084
Mexican Railway ..	10 weeks		403	262,200 +	23,200	2,520,700 + 187,600
New Cape Central ..	34 weeks	Aug. 25	305	2,043—	230	90,110 + 2,474
Paraguay Central ..	10 weeks	Sept. 8	974	4,730 +	3,267	36,320 + 28,400
Salvador	11 weeks	15	100	2,303—	358	26,335 + 5,970

(a) Converted at par.

(b) Converted at 100 = 1000.

Liabilities:—

	£	£
10. Debentures in certain constituent companies	1,049,588	
11. Note issue and interest due	3,026,574	
12. Bank loans	nil	
13. Sundry creditors, including provision for final dividend	2,150,194	
14. Portion of surplus applicable to shares of constituent companies not exchanged at December, 1922 (i.e., not belonging to Nobel Industries)	201,820	
		6,428,176
15. Surplus belonging to Nobel Industries	£18,256,644	
16. Against Nobel Industries, share capital issued	15,892,986	

17. Surplus above share capital at December 31, 1922.. £2,363,658

(After providing for all capital losses on realisation of physical assets and goodwill through liquidation and concentration as known at that date.) The Nobel Industries' "carry forward" at December, 1922, of £509,018, is, of course, included in this surplus.

In 1920 we had, under the heading "Investments in allied and subsidiary companies," over £600,000 more than appears to-day, partly because one large business in which in that year we had only a percentage holding, has since come completely under our ownership, and instead of treating it as an investment, we have been able to classify its actual assets and liabilities, which are spread over the various other items of the account, and increase them accordingly. The item of "Patents, processes, and goodwill" has increased by some £265,000, which is the net result of additions from the cause I have just mentioned, less reductions representing the writing off which follows upon clearing up the accounts relating to our companies in liquidation.

FINANCIAL STRENGTH.

The balance of creditors over debtors in 1920 was £532,000, but this has now been turned into an excess of debtors over creditors of £178,000, while "Cash at banks and in hand" has increased by nearly a million sterling, and liabilities on bank loans in 1920, £1,203,046, have now entirely disappeared.

As you will note from the balance-sheet, our cash resources are ample for the ordinary requirements of our business, and I am

sure it must be a source of gratification to our shareholders to have seen the result of our refinancing of the £3,000,000 of 8 per cent. notes issued in 1920. The accumulation of cash, due, as I said last year, to a large extent to bringing down our stocks of raw material, semi-manufactured and finished products to the lowest possible figure consistent with safety, enabled us to repay no less than £1,250,000 of these notes, a very satisfactory accomplishment during such a short period as two and a-half years, when conditions of trade generally could not be described as anything like normal. The balance of £1,750,000 was placed with the public at a price of £99, carrying interest at the rate of 5½ per cent. You will be glad to hear that after the claims of the noteholders were satisfied (you will recall that they had a right to subscribe for one for every two notes held), there were applications at the outset from the public for six times the amount available, so that the lists had to be immediately closed.

The future of commerce is still uncertain. There has been undoubtedly a reaction in business during the past two or three months, and it is impossible for one to express an opinion as to when we shall see a return to normal conditions. It may be because the Ruhr and other European problems appear unsolvable at the moment that a settlement might come more quickly than many of us dare hope, but until we have a settlement of these problems those of us engaged in running big commercial undertakings such as this have got to walk warily and take no undue risks.

The first six months' results of the present year are of a promising character, and in the absence of any great upheaval, political or commercial, I see no reason to anticipate that the results of the present year will fall short of 1922, and as these were so much better than 1921 I think this must be a source of gratification to our shareholders.

I now beg to move the adoption of the following resolution:— "That the report and accounts for the year ended December 31, 1922, be adopted; that the half-yearly dividends at the rate of 6 per cent. per annum, less tax, on the preference capital, paid on August 1, 1922, and February 1, 1923, be confirmed; that the dividend at the rate of 7 per cent. per annum, less tax, on the ordinary shares paid on July 2, 1923, be confirmed as a final distribution on the ordinary capital for the year ended December 31, 1922; that the sum of £148,945 2s 4d, balance of the cost of issue of the 8 per cent. seven-year secured notes be written off; that the

sum of £50,000 be added to special investment reserve account, and that the credit balance remaining on profit and loss account of £509,018 3s 4d be carried forward to next account." The report and accounts were unanimously adopted.

SALTS (SALTAIRE), LIMITED.

STRONG CASH POSITION AND FAVOURABLE PROSPECTS.

The statutory meeting of Salts (Saltaire), Limited, was held, on the 17th instant, at Winchester House, Old Broad-street, London. Sir Henry Whitehead (the chairman) presided.

The secretary (Mr H. L. Searle) having read the notice convening the meeting,

The Chairman said: Gentlemen, as this is the first meeting of a new company, it may perhaps be convenient if I make some statement in regard to the present position.

As you are aware, the company has received par for all its capital and debenture stock, and there are no preliminary expenses of any kind to be deducted from its future profits.

The cash position is an exceedingly strong one, and enables the company to take advantage of any opportunities which may arise, and such are not infrequent when the markets for raw materials are in the present condition, and your directors are quite alive to the importance of securing all such advantages.

SATISFACTORY TURNOVER.

Probably the chief interest in what I have to say is in regard to the present position and immediate future of the company, and it will be remembered the business was taken over from April 1 last, so that a full six months' trading has not yet been completed, but I am able to say on the authority of the managing director, who, I regret, is not able to be here at the moment, as he is attending a conference with one of his Majesty's Ministers—although he may be here at a later stage in the proceedings—that the turnover from the inception of the company to the present date is quite satisfactory, and equal to that of the corresponding period of last year.

TRADING CONDITIONS.

It is a matter of general knowledge that the company, in common with the whole of the worsted industry, has had to meet severe competition during the last few months from goods manufactured in countries of depreciated currency, but I am pleased to be able to say that we have, so far, been able to keep our productive machinery running, and consequently have maintained employment for all our workpeople. I think I may venture to say that the results of the financial year are likely to be satisfactory.

At any rate, you may be quite certain that the energy, foresight, and experience we possess will be exercised to secure all that was promised in the prospectus.

No questions being asked, the proceedings of the statutory meeting then terminated.

An extraordinary general meeting, which was afterwards held, an extraordinary resolution, altering No. 17 of the articles of association, was unanimously approved.

ILLINGWORTH, MORRIS, AND CO., LIMITED.
ACQUISITION OF CENTURY-OLD BUSINESS.

An extraordinary general meeting of Illingworth, Morris, and Co., Limited, was held, on the 10th instant, at the Cannon Street Hotel, London, for the purpose of submitting for confirmation a resolution altering the articles of association, passed at an extraordinary general meeting of the company held on September 4th, in connection with the increase of capital to £5,000,000.

Mr I. Ostrer (vice-chairman and joint managing director), who presided and moved the resolution, said: Having increased our capital, it was desirable to alter the articles of association in so far as they set out the particulars of the company's nominal capital, and accordingly a further resolution for this purpose was also passed at the previous meeting. This further resolution is required by law to be confirmed at a special resolution, and our business to-day is formally to confirm this further resolution as a special resolution of the company.

At the previous meetings the board expressed the hope that by the time this present meeting took place we might be in a position to give the shareholders more definite information. I am now able to inform you that a contract has been entered into for the purchase of 95 per cent. of the issued share capital of James Tankard, Limited, of Bradford, upon terms, which we venture to think are exceptionally favourable. Those of you who are familiar with the industry will be aware that James Tankard, Limited, occupy in the coloured yarn business a position second to none.

In the opinion of your directors the acquisition of this business will prove of great importance and, we hope, of great benefit to this company.

I may mention that other important businesses are under discussion.

Mr F. W. Turner (joint managing director): Mr. Chairman, ladies and gentlemen, I have very great pleasure indeed in formally seconding this resolution. By the acquisition of the century-old business of James Tankard, Limited, Illingworth, Morris, and Co. have indeed added to their strength in the market. For the last 15 to 20 years—before Illingworth, Morris, and Co., Limited, was thought of—it has been my whole and sole ambition to be associated with this particular business that we have now acquired, and I think that is saying a great deal. This acquisition makes Illingworth, Morris, and Co. absolutely pre-eminent in the fine coloured yarn trade, as well as in the white yarn trade.

There being no questions, the chairman put the resolution to the meeting, and it was carried unanimously.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Sept. 15, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	15	15
3½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	16	15	15	15	15	15	15	15
4 & 5% War Stock	2,031	2,047	2,040	1,996	1,953	2,071	2,071	2,071	2,071
National War Bonds	..	649	1,509	1,476	1,413	1,201	971	971	942
4% Funding Loan	..	..	409	405	335	335	335	335	335
4% Victory Bonds	..	..	360	357	348	335	335	335	335
3½% Conversion Loan	..	..	..	..	266	690	687	686	686
5½% Treasury Bonds	..	..	..	..	23	24	24	24	24
5% Treasury Bonds	..	..	..	..	..	381	166	166	166
Do by tender 5%	..	..	..	..	..	40	40	40	40
Do by tender 4½%	..	..	..	..	..	8	8	8	8
Do 4½% 1931-35	..	..	..	..	..	84	108	108	108
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	624
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.	..	138	267	274	285	342	350	354	359
War Expnd. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,070	1,070
American Loan	..	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	222	194	183
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,663
	57	49	46	47	49	66	67	68	67
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,730

POSITION OF THE FLOATING DEBT.

	Sept. 16, '22.	Mar. 31, '23.	Sept. 15, '23.	Movement week-ended Sept. 15, '23.
Temporary Advances Outstanding	£ 154,023,500.	£ 193,897,500.	£ 182,811,500.	£ 1,000,000
Advances by Bank of England	..	..	..	..
Advances by Public Deposits	154,023,500.	193,897,500.	182,811,500.	1,000,000
Treasury Bills outstanding	716,225,000.	616,045,000.	624,380,000.	8,720,000
Total Floating Debt	870,248,500.	809,942,500.	807,191,500.	3,330,000

* Includes £24,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.			
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Balance at Bank of England.
Mar. 29, 1922	£ 300,351	£ 14,255	£ 5,000	£ 28,500	19,450	15.9	261,479
June 28	295,374	13,338	6,000	28,500	19,650	16.3	254,312
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	248,456
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,922
Mar. 28, 1923	285,616	12,318	7,000	27,000	22,450	17.3	241,294
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446
Sept. 13	285,312	12,135	7,000	27,000	22,450	17.3	240,834
Sept. 20	283,153	12,142	7,000	27,000	22,450	17.5	233,701

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,928,400, and for 1923 at £270,187,800.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - - - Fmk. 252,000,000
Deposits and Cheque Accounts
(30/6/23) - - - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
**THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.**

GREAT BRITAIN

BRADFORD
MANCHESTER
LONDON

FRANCE

VIGO
BIBAC
MADRID
SEVILLE
BARCELONA
VALENCIA

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

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Sept. 24-Sept. 29 were opened on Sept. 21, 1923, and the total amount applied for was £60,140,000. For bills at three months, dated Monday, at £99 4s 11d, about 49 per cent., above in full; Tuesday, at £99 5s 11d, and above in full; Wednesday, at £99 4s 11d, and above in full; Thursday to Saturday, at £99 4s 11d, about 49 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £45,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Aug. 10.....	30,000,000	52,405,000	3 2 2-59	nil
Aug. 17.....	30,000,000	46,000,000	3 1 8-21	nil
Aug. 24.....	40,000,000	62,360,000	3 1 9-18	nil
Aug. 31.....	45,000,000	62,485,000	3 1 2-86	nil
Sept. 7.....	40,000,000	54,090,000	3 5 5-9	nil
Sept. 14.....	35,000,000	55,520,000	3 2 4-63	nil
Sept. 21.....	45,000,000	60,140,000	2 19 11-2	nil

Tenders will be received on Sept. 28, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from April 1, 1923, to Sept. 15, 1923.	Total Receipts into the Exchequer from Sept. 16, 1923, to Sept. 15, 1923.	Receipts. Week Ended Sept. 15, 1923.	Receipts. Week Ended Sept. 16, 1923.
BALANCES IN EXCHEQUER ON 1st April:—					
Bank of England.....	..	5,442,665	9,963,424	..	..
Bank of Ireland.....	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs.....	116,900,000	57,952,000	57,523,000	2,432,000	1,699,000
Excise.....	143,850,000	61,318,000	67,107,000	1,545,000	2,085,000
Motor Vehicle Duties.....	13,250,000	3,629,000	2,884,000	..	..
Stamp, &c., Duties.....	52,000,000	24,570,000	30,271,000	470,000	800,000
Land Tax.....	20,000,000	8,630,000	7,682,000	700,000	990,000
Land Tax, House Duty & Mineral Rights Duty.....	3,000,000	490,000	560,000	..	10,000
Property & Income Tax.....	261,000,000	97,785,000	129,034,000	3,722,000	4,197,000
Super-Tax.....	58,000,000	19,950,000	..	380,000	..
Excess Profits Duties, &c.....	12,000,000	..	954,000	..	..
Corporation Profits Tax.....	20,000,000	9,310,000	7,647,000	260,000	330,000
Post Office.....	52,600,000	23,100,000	24,300,000	750,000	750,000
Crown Lands.....	900,000	410,000	350,000	..	..
Interest on Sundry Loans.....	12,500,000	6,003,456	3,767,925	..	183,017
Miscellaneous.....	12,500,000	6,450,024	15,882,910	111,821	479,926
Ordinary Receipts.....	40,000,000	19,478,545	25,069,449	14,000	..
Special Receipts.....	818,500,000	339,076,025	373,032,284	10,384,821	11,523,943
Revenue.....		345,894,192	384,205,814	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	65,000	800,000	..	..
Under the Unemployment Insurance Acts, 1921.....	..	3,590,000	2,660,000	70,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1921 and 1922.....	1,750,000	1,650,000	..	..	..
Under the Housing Act, 1914.....	..	15,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	270,000	1,450,000	..	..	..
(c) For other issues:—					
By Treasury Bills.....	1,133,327,000	1,374,438,000	52,225,000	64,008,000	..
By National Savings Certificates.....	22,100,000	35,948,000	1,900,000	750,000	..
By Exchequer and National War Bonds.....	..	20	..	..	..
By Treasury Bonds—					
5-15 year, 1925-35.....	..	61,543,782	..	..	..
5% 1927.....	..	52,648,508	..	..	..
4% 1931-35.....	29,202,627	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	11,869	..	..	..
(d) Ways and Means Advances.....	326,603,500	344,224,500	4,500,000	..	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired.....	50,081	243,012	..	..	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	177,550	180,460	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	6,827,960	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	162,425	..	..	..
Total.....		1,863,035,950	2,267,957,350	64,579,821	80,781,943

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from April 1, 1923, to Sept. 15, 1923.	Total Issues out of the Exchequer to meet Payments from Sept. 16, 1923, to Sept. 15, 1923.	Issues. Week Ended Sept. 15, 1923.	Issues. Week Ended Sept. 16, 1923.
EXPENDITURE.					
National Debt Services—					
Interest, &c.....	310,000,000	148,820,717	145,877,292	458,311	405,967
Sinking Fund.....	40,000,000	19,020,844	2,334,999	138,000	227,000
Red Fund.....	12,550,000	3,028,044	..	..	..
Payments to Local Taxation Accounts, &c.....	10,348,000	2,661,316	2,166,326	350,000	..
Payments to Northern Ireland Exchequer.....	3,000,000	1,531,108	673,638	..	..
Land Settlement.....	1,500,000	303,363	513,029	81,378	3,403
Other Consolidated Fund Services.....	2,972,000	1,151,555	1,074,356	..	40
Supply Services.....	440,566,000	165,499,427	183,795,101	6,016,009	5,830,000
Expenditure.....	821,035,000	342,016,374	336,434,740	7,043,698	6,466,410

	Total Issues out of the Exchequer to meet Payments from April 1, 1923, to Sept. 15, 1923.	Total Issues out of the Exchequer to meet Payments from Sept. 16, 1923, to Sept. 15, 1923.	Issues. Week Ended Sept. 15, 1923.	Issues. Week Ended Sept. 16, 1923.
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	36,891	84,909	..	..
Under the Unemployment Insurance Act, 1921.....	270,000	2,630,000	..	100,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1921 and 1922.....	3,050,000	2,660,000	250,000	14,000
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed.....	3,440,000	2,110,000	..	..
Redemption of Debt—				
Treasury Bills.....	1,124,980,000	1,540,324,000	43,465,000	62,145,000
Principal of National Savings Certificates.....	16,250,000	12,650,000	450,000	500,000
Principal of Exchequer Bonds paid off.....	..	19,612,208	..	..
Principal of National War Bonds paid off.....	31,086,910	..	1,250,000	..
Other Debt under the War Loan Acts, 1914 to 1919.....	269,036	9,446,601	..	..
Ways and Means Advances Repaid	337,689,500	337,502,500	12,050,000	11,184,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	50,081	243,012	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	55,656	..	..
BALANCES IN EXCHEQUER—				
Bank of England.....	1,859,211,006	2,264,730,626	64,508,698	80,409,410
Bank of Ireland.....	1,205,648	2,181,416	63,878	171,572
Bank of Ireland.....	1,795,296	1,045,308	135,001	200,961
Total.....	3,824,914	3,226,724	71,123	372,533

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, September 17, 1923.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, September 19, 1923.

ISSUE DEPARTMENT.

Notes issued.....	£ 145,577,580	Government debt....	£ 11,015,100
		Other securities.....	8,734,900
		Gold coin and bullion	125,827,580
	145,577,580		145,577,580

BANKING DEPARTMENT.

Proprietors' capital ..	£ 14,553,000	Government securities	£ 45,063,548
Reserve.....	3,700,110	Other securities.....	71,780,450
Public deposits.....	18,085,594	Notes.....	22,193,965
Other deposits.....	104,509,754	Gold and silver coin..	1,821,116
Seven-day & other bills	10,621		
	140,859,079		140,859,079

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

	Amount, Sept. 19, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	£ 3,700,110	+ £ 6,011	+ £ 63,251
Public deposits.....	18,085,594	+ 2,334,001	+ 2,299,541
Other deposits.....	104,509,754	+ 1,998,833	+ 4,024,838
Government securities.....	45,063,548	+ 1,976,075	+ 515,903
Other securities.....	71,780,450	+ 1,614,737	+ 1,813,522
Reserve.....	24,015,081	+ 707,574	+ 371,090
Note circulation.....	123,383,615	+ 707,170	+ 1,892,975
Coin and bullion.....	127,648,696	+ 404	+ 221,885
% of reserve to liabilities.....	19%	+ 8%	No change

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.
1923.					
Aug. 15.....	127,644,253	124,828,830	119,437,639	114,955,563	22,556,423
22.....	127,645,776	124,276,820	121,522,515	116,508,268	23,116,456
29.....	127,645,180	124,604,970	120,130,927	115,488,723	22,788,210
Sept. 5.....	127,649,945	124,884,900	124,144,204	119,775,996	22,615,045
12.....	127,648,292	124,080,785	122,260,180	117,205,338	23,307,507
19.....	127,648,696	123,383,615	122,595,348	116,843,998	24,015,081

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to August 15.....	£ 20,469,381	£ 999,328	£ 1,786,125	£ 23,244,834
August 22.....	511,333	26,244	49,289	586,866
29.....	561,082	24,680	44,020	630,782
September 5.....	599,342	27,070	52,079	678,491
12.....	523,903	24,981	49,702	598,586
19.....	538,293	25,487	51,312	615,092
Total to date 1923.....	23,143,344	1,117,750	2,032,527	26,293,621
Do 1922.....	24,151,323	1,148,118	2,040,274	27,339,715
Increase or decrease in 1923.....	- 1,007,979	- 30,328	- 7,747	- 1,046,054
	= 4.2 %	= 2.7 %	= 0.4 %	= 3.8 %
Total for year 1922.....	32,780,635	1,092,303	2,806,165	37,161,199
Total for year 1921.....	30,268,214	1,121,720	3,002,179	34,392,113
Increase or decrease in 1922.....	+ 2,512,421	+ 29,417	+ 196,014	+ 2,839,852
	= 8.3 %	= 2.6 %	= 6.5 %	= 8.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to September 15.			
BIRMINGHAM.....	£ 81,001,300	£ 84,199,300	+ 3,198,000
BRISTOL.....	51,447,000	42,913,000	- 8,534,000
DUBLIN.....	227,372,500	221,338,600	- 5,533,900
HULL.....	40,213,500	39,648,400	- 565,100
LEEDS.....	29,311,300	27,696,700	- 1,614,600
LIVERPOOL.....	307,558,100	318,320,700	+ 10,762,600
MANCHESTER.....	551,475,400	537,522,300	- 13,953,100
NEWCASTLE-ON-TYNE.....	68,310,300	70,410,800	+ 2,100,500
NOTTINGHAM.....	24,261,700	22,730,500	- 1,531,200
SHEFFIELD.....	31,180,800	41,813,700	+ 10,632,900

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Bulgaria appeared in the Economist of July 28; Denmark and Estonia in August 11; Roumania in September 8; Egypt and Lithuania in September 15.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Sept. 15, 1922.
RESOURCES.				
Total gold reserve.....	3,110,660	3,102,010	3,120,990	3,067,230
Legal tender notes and silver reserve.....	77,000	76,320	80,250	130,200
Bank balances abroad.....	841,360	850,090	815,510	387,170
Bills discounted for member banks.....	179,310	174,550	173,490	204,660
Bills bought in open market.....	99,860	98,770	93,530	496,880
Government obligations owned.....	67,920	67,630	67,810	67,070
LIABILITIES.				
Government deposits.....	39,600	38,530	37,960	39,290
Other deposits.....	1,896,850	1,863,840	1,869,630	1,832,810
Federal Reserve Notes in actual circulation.....	2,262,530	2,257,280	2,224,760	2,213,620
F.R.B. Notes in actual circulation.....	510	510	1,570	50,220
All other liabilities.....	20,580	19,880	20,150	22,770

HUNGARIAN BANK.—In krona (000's omitted).

Assets.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Sept. 7, 1922.
Gold coin and bullion, bills	22,303	22,283	22,374	22,484	13,010
Silver coin, &c.	594	594	594	594	597
Bills, warrants, drafts, &c.	303,991,105	273,604,918	248,652,922	225,255,333	39,514,557
Loans	1,801,914	1,788,821	1,805,158	3,375,529	1,812,701
LIABILITIES.					
Notes in circulation	444,055,794	399,486,871	344,311,135	314,330,375	48,839,762
Deposits	34,003,411	23,628,852	31,664,431	22,260,176	4,704,919

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Sept. 15, 1922.	Position, May 31, 1924.
Coin and bullion—Gold	147,287	147,287	147,287	147,291	44,224
Balance abroad and foreign bills	18,640	19,149	19,926	39,857	28,533
Norwegian & Foreign Government securities	9,052	9,052	9,052	9,415	8,816
Discounts and loans	454,992	460,304	462,416	435,144	76,911
LIABILITIES.					
Notes in circulation	394,250	399,401	402,169	376,396	113,494
Deposits at notice	102,656	102,753	103,737	130,929	7,188

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

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	Aug. 24, 1923.	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 3, 1923.	July 27, 1923.	Aug. 25, 1922.
Govt. securities	11,537,077	11,537,789	12,433,755	12,433,755	12,433,755	12,433,755
Other securities	1,307,777	1,307,777	1,307,777	1,307,777	1,307,777	1,307,777
Loans	16,328,865	16,328,865	16,328,865	16,328,865	16,328,865	16,328,865
Cash credits	30,253,030	30,253,030	30,253,030	30,253,030	30,253,030	30,253,030
Inland bills	4,521,414	4,521,414	4,521,414	4,521,414	4,521,414	4,521,414
Foreign bills	26,077	26,077	26,077	26,077	26,077	26,077
Dead stock	2,413,641	2,413,641	2,413,641	2,413,641	2,413,641	2,413,641
Sundries	28,822	28,822	28,822	28,822	28,822	28,822
Balance with other banks	8,377	14,599	80,377	19,119	14,100	25,922
Cash	37,941,411	36,633,999	36,611,141	36,733,733	36,288,477	44,988,448
LIABILITIES.						
Subscribed capital	11,250,000	11,250,000	11,250,000	11,250,000	11,250,000	11,250,000
Capital paid up	6,625,000	6,625,000	6,625,000	6,625,000	6,625,000	6,625,000
Reserve	4,350,000	4,350,000	4,350,000	4,350,000	4,350,000	4,350,000
Public deposits	22,865,955	22,865,955	24,075,959	26,155,288	29,033,041	27,372,288
Other deposits	71,181,181	71,005,000	71,415,588	71,707,788	69,697,877	69,477,377
Sundries	69,555	67,277	69,011	68,922	70,922	57,155
The above includes—						
Deposits in London	206	302	590	327	338	218
Advances in London	305	273	277	396	408	520
Cash, &c., at other Banks in London	48	89	529	118	86	162

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	Sept. 8, 1923.	Aug. 31, 1923.	Aug. 23, 1923.	Sept. 8, 1922.	Position, May 31, 1924.
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	507,238	399,822	421,785	170,530	90,379
Finnish and Foreign Government securities	571,411	571,414	571,415	697,511	21,826
Discounts and loans	794,414	889,544	855,470	813,435	105,151
LIABILITIES.					
Notes in circulation	1,389,329	1,389,701	1,348,330	1,360,281	123,941
Deposits at notice	312,414	287,094	310,513	116,277	21,225

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Aug. 1, 1923.	July 25, 1923.	July 18, 1923.	July 11, 1923.	Aug. 2, 1922.
Coin and bullion	27,051	27,014	27,101	27,099	26,660
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	72,899	61,597	61,036	58,104	3,661
Discounts	228,785	230,407	214,050	205,459	150,417
Government loans	1,035,127	1,035,127	1,035,127	1,040,354	720,089
LIABILITIES.					
Notes in circulation	1,253,363	1,224,805	1,228,436	1,231,082	843,659
Deposits	42,489	57,988	54,851	55,282	44,869

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 20, 1923.	Aug. 13, 1923.	July 31, 1923.	Aug. 31, 1922.
Gold	47,953	46,888	46,887	46,887	31,625
Silver	32,877	35,040	34,908	34,752	34,752
Foreign coin (a)	2,250	2,242	2,275	2,262	2,262
Foreign banks (a)	24,327	26,377	26,773	30,642	1,777,433
Advances to the Govt.	6,475,000,000	5,797,000,000	4,602,000,000	4,105,000,000	285,000,000
Private loans and discounts	2,009,419,073	1,551,726,780	1,358,464,077	1,148,963,791	77,446,507
LIABILITIES.					
Notes in circulation	5,871,776,522	5,391,937,122	4,887,351,221	4,478,790,588	385,787,489
Deposits	1,727,763,993	1,585,386,666	1,252,079,130	1,042,638,778	59,293,859

(a) Gold marks.

BANK OF LATVIA.—In gold francs (000's omitted).

Assets.	Sept. 12, 1923.	Sept. 5, 1923.	Aug. 23, 1923.	March 14, 1923.	Nov. 22, 1922.
Total cash	15,739	15,345	15,281	13,391	13,085
Gold coin & bullion	15,798	15,794	15,792	13,251	12,993
Of which held abroad	3,744	3,744	3,744	172	172
Foreign banks	60,999	61,409	59,565	39,900	24,466
Discounts and loans	23,821	23,141	21,964	13,166	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	15,287	4,005
Capital paid up	10,000	10,000	10,000	8,000	8,000
Government deposits	38,338	36,700	33,418	22,329	16,697
Other deposits	40,981	40,759	40,225	17,877	16,955

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Sept. 7, 1922.
Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,913	10,096,913	10,096,913	10,096,913	10,096,913
Discounts & advances	1,525,111	1,539,827	1,519,402	1,533,356	1,567,122
Gold & silver holdings	1,060,668	1,060,308	1,055,813	1,055,458	1,055,288
Foreign bills and balances abroad	2,451,998	2,445,017	2,538,241	2,559,599	2,577,326
Other assets	486,134	487,022	565,077	663,566	713,567
LIABILITIES.					
Notes in circulation	9,084,484	9,218,475	8,779,059	8,969,523	10,066,720
Deposits	5,563,143	5,503,830	6,124,688	6,055,815	5,985,771
Other liabilities	973,197	906,782	871,699	883,674	880,499

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Sept. 8, 1923.	Aug. 31, 1923.	Aug. 22, 1923.	Aug. 15, 1923.	Sept. 8, 1922.
Gold	63,071	63,105	63,065	63,063	63,686
Other coin and notes	20,164	19,429	17,962	20,780	17,108
Foreign credits	347,327	346,863	349,973	345,602	421,323
Bills	1,331,507	1,292,876	1,253,179	1,224,945	1,267,704
Govt. advances	4,568,639	4,568,637	4,568,617	4,568,608	4,566,075
LIABILITIES.					
Notes in circulation	5,842,833	5,719,291	5,605,319	5,650,371	5,185,185
State credits	373,136	373,136	373,116	373,107	333,903
Deposits	530,762	530,762	530,762	530,762	850,612

LONDON RATES.

	Sept. 14, 1923.	Sept. 15, 1923.	Sept. 17, 1923.	Sept. 18, 1923.	Sept. 19, 1923.	Sept. 20, 1923.	Sept. 21, 1923.
Bank rate (changed from 3% July 5, 1923)	4	4	4	4	4	4	4
Market rates of discount—							
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
4 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
6 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Discount (Treasury Bills)—							
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

Aug. 1923.	Sept. 14, 1923.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Aug. 1923.	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
21	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
24	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Sept. 7	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
14	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
21	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2

OVERSEAS BANK RATES.

Changed.			%	Changed.			%	
Amsterdam	July 18, 1922	..	4	Madrid	Mar. 23, 1923	..	5	
Albena	Jan. 14, 1923	..	73	Paris	Mar. 11, 1922	..	5	
Berlin	Sept. 15, 1923	..	90	Prague	Mar. 28, 1923	..	54	
Brussels	Jan. 22, 1923	..	54	Rome	July 11, 1922	..	54	
Bucharest	Sept. 4, 1920	..	8	Sofia	June 14, 1919	..	64	
Budapest	July 5, 1923	..	18	Stockholm	July 1, 1922	..	44	
Calcutta	June 28, 1923	..	4	Swiss Bank	places	July 14, 1923	..	4
Christiania	May 1, 1923	..	6	Tokio	Nov. 18, 1919	..	8	
Copenhagen	May 1, 1923	..	6	Vienna	Sept. 2, 1922	..	9	
Helsingfors	Sept. 13, 1923	..	9	Warsaw	Feb. 1923	..	12	
Lisbon	Sept. 12, 1923	..	9					
New York Federal Reserve	Feb. 21, 1923	..	4 1/2	Irish	July 5, 1923	..	5	

RATES OF EXCHANGE.

London on	Usance	Par.	Sept. 22, 1922.	Sept. 14, 1923.	Sept. 21, 1923.
Paris	francs to £1	T.T.	35-22 1/2	58-20-25	77-90-78.00
Berlin	marks to £1	T.T.	30-43	6150-6200	450-48-00
Vienna	krone to £1	T.T.	34-02	320/330,000	320/325,000
Prague	krone to £1	T.T.	44-02	140-142	151-151 1/2
Warsaw	zloty to £1	T.T.	30-43	33,000-34,000	1,250,000
Budapest	lei to £1	T.T.	25-24	680-700	970-980
Budapest	kr. to £1	T.T.	24-02	10000	75,95,000
Constantinople	piastres to £1	T.T.	110	755-775	760-780
Sofia	levas to £1	T.T.	35-22 1/2	700-750	445-485
Belgrade	dinas to £1	T.T.	35-22 1/2	290-310	410-430
Amsterdam	florin to £1	T.T.	12-10 1/2	11-41-41 1/2	11-55 1/2-55 1/2
Brussels	francs to £1	T.T.	25-22 1/2	61-58-63	94-10-20
Christiania	kroner to £1	T.T.	18-15 1/2	26-25	28-30-35
Stockholm	kroner to £1	T.T.	18-15 1/2	16-17-72	17-08-12
Copenhagen	kroner to £1	T.T.	18-15 1/2	21-19-22	25-28-33
Helsingfors	F. marks to £1	T.T.	25-22 1/2	202-203	169-170
Reval	E. marks to £1	T.T.	25-22 1/2		1560-1590
Riga	Lat. rbl. to £1	T.T.	25-22 1/2	1,140-1,170	1140-1190
Greece	drachmas to £1	T.T.	25-22 1/2	185-190	235-245
Italy	lire to £1	T.T.	25-22 1/2	105 1/4-106 1/2	102-102 1/2
Switzerland	francs to £1	T.T.	25-22 1/2	25-66 1/2-77 1/2	25-54-7
Madrid	pesetas to £1	T.T.	25-22 1/2	38-88-91	34-09-13
Lisbon	pence to escu.	T.T.	53-23	23-18	24-05
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4-86 1/2	4-41 1/2-48	4-54 1/2-54 1/2
Montreal	dollars to £1	Cable	4-86 1/2	4-41 1/2-48	4-64 1/2-48
Buenos Ayres	pence to peso.	T.T.	47-62 1/2	43 1/2-4	39 1/2-39 1/2
Sao Paulo	pence to mil.	90 day	15	68	15 1/2
Montevideo	pence to peso.	90 day	15	68	15 1/2
Valparaiso	pence to peso.	90 day	13-33	13-42	33 1/2-39 1/2
Lima	Eng. to Per. £1	90 day	par	9 1/2-12	35-80
Calcutta	ster. to rupee	T.T.	10 to 1	1s 3 1/2-4 1/2	9 1/2 prem.
Bombay	ster. to rupee	T.T.	Gold	1s 3 1/2-4 1/2	1s 4 1/2-4 1/2
Madras	ster. to rupee	T.T.	Sovn.	1s 4 1/2-4 1/2	1s 4 1/2-4 1/2
Hong Kong	ster. to dollar	T.T.		2s 6 1/2-7 1/2	2s 3 1/2-4 1/2
Shanghai	ster. to dollar	T.T.		3s 5 1/2-6 1/2	3s 1 1/2-2 1/2
Singapore	ster. to dollar	T.T.		2s 3 1/2-4 1/2	2s 3 1/2-4 1/2
Yokohama	ster. to yen	T.T.		2s 3 1/2-4 1/2	2s 3 1/2-4 1/2
Manila	ster. to dollar	T.T.	24-58 1/2	2s 2 1/2-3 1/2	2s 1 1/2-2 1/2
Mexico	pence to dols.	T.T.	24-06 1/2	2s 2 1/2-3 1/2	2s 2 1/2-3 1/2

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Aug. 31, 1923.	Sept. 7, 1923.	Sept. 15, 1923.
Notes in circulation	17,630	17,656	17,736
Silver coin and bullion in India	9,447	9,473	9,553
Silver coin and bullion out of India			
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India			
Securities (Indian Government)	5,751	5,751	5,751
Securities (British Government)			

The coinage during the week ending 15th inst. amounted to 4 lacs of rupees. The stock in Shanghai on the 15th inst. consisted of about 27,200,000 ounces in sycee, 35,000,000 dollars, and 170 silver bars, as compared with about 27,800,000 ounces in sycee, 36,500,000 dollars, and 1,600 silver bars on the 8th inst.

GOLD AND SILVER PRICES.

1923.	Gold Per Ounce.	Silver—Per Ounce.		Date.	Silver Cash.
		Cash.	Forward.		
Sept. 15..	90 10	31 1/2	31 1/2	Sept. 28, 1917	49 1/2
17..	90 9	31 1/2	31 1/2	28, 1918..	49 1/2
18..	90 9	31 1/2	31 1/2	26, 1919..	63 1/2
19..	90 10	31 1/2	31 1/2	24, 1920..	59 1/2
20..	90 10	32 1/2	32 1/2	23, 1921..	41 1/2
21..	90 8	32 1/2	32 1/2	22, 1922..	35 1/2

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim Div.	Date of Payment.	Method of Payment.	Dividend for Whole Years.	
					Lat'at Pre-vious.	Pre-vious.
Railways.						
Buenos Ayres Great Southern	4 1/2	Oct. 24	Less tax	7	7	
Buenos Ayres Western	4 1/2	Oct. 23	Less tax	7	4	
Central Argentine, Ord.	3 1/2	Oct. 25	Less tax	6	4	
Do Def.	1 1/2	Oct. 25	Less tax	6	nil	
New York Central Railroad	1 1/2	Nov. 1	Less tax	10	7	
Nizam's Railway	7 1/2	Nov. 1	Less tax	10	7	
Banks.						
National City Bank (New York)	4	Oct. 1	..	..	..	..
National City Co.	4	Oct. 1	..	..	..	..
Yokohama Specie Bank	12	Oct. 1	..	..	..	..
Insurance.						
Atlas Assurance	5/10 p.s.	Oct. 27	Tax free	..	..	..
General Accident	12 1/2	Nov. 1	Less tax	..	..	..
Yorkshire Insurance	25	Oct. 19	Tax free	..	..	..
Mining.						
Broken Hill South	1/6 p.s.	Nov. 2	..	..	..	..
Gopeng Consolidated	9 p.s.	Sept. 29	Less tax	..	..	..
New Jagersfontein	3/4 p.s.	..	..	..	..	..
Oriental Consolidated	50 cents	p.s. Oct. 15	..	..	..	..
Shamva Mines	5	Oct. 18	..	..	..	..
Tea and Rubber.						
Associated Ceylon Tea	20 1/2	..	Less tax	25	nil	
Edarapola Tea (Ceylon)	7 1/2	..	Less tax	..	..	..
Grand Central (Ceylon) Rubber	3 1/2	Oct. 5	Less tax	..	..	..
Highland Tea (Ceylon)	7 1/2	..	Less tax	..	..	..
North Latis Rubber	5 1/2	..	Less tax 4/10 in £	10	..	..
Scottish Ceylon Tea	10 1/2	..	Less tax	..	..	..
Other Companies.						
Aird and Coghill	10 1/2	Oct. 16	Less tax	7 1/2	7 1/2	
Apex Oilfields	7 1/2	Oct. 5	Less tax	10	..	..
Argentine Land and Investment	7 1/2	Oct. 5	Less tax	10	..	..
Bath Grand Pump Room Hotel	1 1/2	Oct. 1	Tax free	4	..	..
Berthelem Steel	1 1/2	Oct. 1	Less tax	..	..	..
Bravett, Lindley, and Co.	5	Oct. 1	Less tax	..	..	..
British Aluminium	3 1/2	Oct. 1	Less tax	..	..	..
Cons. Waterworks (Rosario)	5	Oct. 1	Less tax	..	..	..
D. H. Evans and Co.	5	Oct. 18	Less tax	..	..	..
Dominion Glass	1 1/2	Oct. 1	Less tax	..	..	..
East Hall Gas	5	Sept. 29	Less tax	..	..	..
Electric Supply Corporation	7	Sept. 26	Less tax	..	..	..
Frederick Hotels	10	..	..	10	6 1/2	
Fallers	10	Sept. 11	Less tax	..	..	..
Gandy Belt Manufacturing	1/6 p.s.	Oct. 1	Tax free	..	..	..
Henry Tomlinson	5	Nov. 1	Tax free	..	..	..
Imperial Tobacco (Canada)	1 1/2	Sept. 27	..	..	..	..
James W. Cook	10	Oct. 1	Less tax	..	..	..
John Barker and Co.	6 1/2	..	..	10	8	
London United Laundries	4	Oct. 20	..	..	..	..
Mexican Petroleum	1 1/2	Oct. 1	..	..	..	..
Mississippi River Power, Pref.	1 1/2 p.s.	Oct. 1	..	..	..	..
Monte Video Waterworks	3 1/2	Oct. 1	Less tax	..	..	..
Natal Land and Colonisation	5	Oct. 1	Less tax	..	..	..
Pan-American Petroleum	4	Oct. 20	..	..	..	..
Parker, Winder, and Ashurst	5	..	..	..	..	..
Pearson and Knowles	4	..	Less tax	5	5	
Pryor Jones	4	..	..	..	..	..
Rio de Janeiro City Improve-ments	5	..	Tax free	..	..	..
Shanghai Electric	6 1/2	..	..	..	..	..
Shawinigan Water, &c.	1 1/2	..	Less tax 4/7 1/2 in £	..	..	..
Shrewsbury and Wem Brewery, Pref.	10/10 p.s.	Oct. 1	Less tax	..	..	..
Sir J. L. Hulett and Sons	2	Oct. 1	Free of S. African tax	8	8	
Swift and Co.	2	Oct. 1	..	..	..	..
Van den Berghs	1 p.s.	..	..	..	..	..

Shown Brothers announce that, having regard to results of last year and to fact that trade has not yet shown any marked improvement, directors deem it advisable to postpone consideration of payment of dividend on cumulative preference shares, due Oct. 1st, until after completion of accounts for current year.

Marion and Wynn.—The directors announce that, although the business for the present year is in excess of the similar period of last year, they think it right to inform the shareholders that, owing to the adverse foreign exchanges, they feel it prudent to wait until the accounts for the year have been made up before considering the declaration of a dividend on the preference or ordinary shares.

ANALYSIS OF BALANCE-SHEETS.

BRITISH CELLULOSE AND CHEMICAL MANUFACTURING.

February 28, 1923.

LIABILITIES.		Compared with June 30, 1921.	ASSETS.		Compared with June 30, 1921.
Amount.	£		Amount.	£	
7 1/2 cum. pref., £1 4,250,000 ..	4,250,000	..	Freehold land, buildings, &c.	3,445,376	.. 335,432
Ord. shares, £1 ..	1,150,000	.. 1,150,000	Inaugural production expenses ..	..	.. 120,862
1st mt. 8% deb.	300,000	.. + 300,000	Preliminary expenses ..	..	.. 305,035
6% inc. bds.	286,000	.. + 286,000	Goodwill, &c.	1,886,451	.. + 713
Loans	85,000	.. 95,000	Furniture, &c.	12,564	.. 195
Sundry creditors ..	119,109	.. 153,318	Investments at market price ..	..	.. 926
			Stocks	176,494	.. + 11,869
			Sundry debtors ..	74,862	.. + 25,662
			Cash	102,580	.. + 94,714
			Profit and loss ..	491,782	.. 181,626
Total	6,190,109	.. 812,318	Total	6,190,109	.. 812,318

MINING OUTPUT STATISTICS FOR AUGUST, 1923.

Gold.	Tons.	Ozs.	Ozs.	Ozs.	Value.	Profit.
Hampton Celebration (W.A.) ..	1,047	..	..	..	2,178	..
Jumbo	1,450	..	402	..	..	443
Prestea Block "A"	5,758	900	..	..	9,856	..
Gold.						
Output.						
Renong	50 1/2	..	..	..	..	..
Rukuba	4	..	..	..	..	..
Chinese Engineering	71,250	..	..	..	..	..
Withbank Colliery	..	..	..	..	..	..
Miscellaneous.						
Tehidi Minerals	..	..	..	..	..	..
Cornish Kaolin	..	..	..	..	..	..

FALCON MINES.—August: Crushed, 17,157 tons of ore producing 228,399 short tons of blister copper, containing 2,206 ozs of gold, 4,141 ozs of silver. Estimated value £23,878 (taking copper at £60 per short ton, gold at 90s per oz, and silver 2s 6d per oz). Decreased output due to movement of ground upper levels affecting grade.

Reports and Notices.

The directors of the General Accident Assurance Corporation, Limited, announce that Mr Stanley Norrie-Miller, M.C., J.P., M.A. (Oxon), has been appointed deputy-general manager, and Mr Godfrey Scott Pearce and Mr Patrick Constable Hunter joint foreign managers of the corporation.

We are informed that Henry Hope and Sons, Limited, of Smethwick, Birmingham, have received the contract for the steel windows for the new General Post Office at Shanghai. This contract follows the recent completion by the same firm of the windows for the new Hong Kong and Shanghai Bank and the new municipal buildings in the same city.

GOVERNMENT STOCKS, &c.

GOVERNMENT OF VICTORIA 5 PER CENT. CONVERSION LOAN, 1932-1942.—Holders of Victoria 3 1/2 per cent. sto k, 1888 and 1889, and the 6 1/2 per cent. stock, 1923-25, repayable October, 1923, are reminded that the offer of conversion expires on Monday, the 24th instant. The list for cash applications will close on the same date.

BANKS.

BANK OF ATHENS.—In view of the trials undergone by Greece, during the last twelve months, it is interesting to compare the figures of the following half-yearly balance-sheets of the Bank of Athens, as drawn up on June 30, 1922 and 1923:—

LIABILITIES.	June 30, 1922.	June 30, 1923.
Capital, fully paid ..	48,000,000.00	48,000,000.00
Statutory reserve ..	5,250,000.00	8,750,000.00
Special reserve ..	5,600,000.00	7,600,000.00
Provision for taxes ..	5,602,372.55	5,602,372.55
Deposit accounts ..	493,560,546.62	646,797,761.40
Current accounts ..	84,648,383.71	137,905,539.17
Foreign correspondents ..	18,614,48.24	14,008,693.24
Cheques payable ..	15,696,141.63	57,071,846.59
Unclaimed dividends ..	2,558,545.50	1,949,678.59
Interim dividend, free of Greek tax ..	2,400,000.00	2,400,000.00
Profit and loss account ..	9,528,867.58	9,914,140.26
	685,896,966.28	940,000,632.08

ASSETS.	194,386,351.91	244,070,197.95
Cash in hand and Treasury bills ..	132,672,074.47	144,469,084.51
Balances due from banks abroad ..	8,491,343.33	46,532,141.91
Bills receivable ..	320,740,902.31	457,000,704.07
Loans, advances, bills discounted, &c.	..	6,996,628.50
Forced loan bonds of unsettled accounts ..	15,007,955.72	29,611,938.59
Investments ..	14,598,303.54	11,319,296.53
Freehold premises and property ..	35.00	40.00
Furniture, installations, safes, &c.	685,896,966.28	940,000,632.06

These totals show an increase of 254,103,065 drachmæ in favour of 1923, this notwithstanding the temporary interruption of the activities of the bank's branches at Constantinople. Profits for 1923 have exceeded those for 1922, and have again allowed the declaration of an interim dividend of 5 drachmæ per share.

MISCELLANEOUS.

ANGLO-SIAM CORPORATION, LIMITED.—The report and accounts just issued show a reduction in net profits from £94,679 for year ended March 31, 1922, to £76,346 for year ended March 31, 1923. The ordinary dividend has been reduced from 30 per cent. for 1921-22 to 25 per cent. for 1922-23. The directors have placed £4,265 10s to the general reserve funds, £7,500 to the reserve for contingencies, and £5,000 to provident fund, whilst they have written down the cost of acquiring the Indian business by £6,500, and they are carrying forward £32,303 to the current year, subject to any taxation payable. The directors point out that the 1922-23 floating season proved to be the fourth in succession of small deliveries at Bangkok, and forest stocks continue to increase, whilst, in view of the absence of demand in Europe and India for cut timber, and a further decline in the market value of teak, it was again decided to dispose of the deliveries of rough timber locally and take the opportunity of carrying out extensive repairs and additions to the saw mill. The profits derived from the timber business therefore are comparatively small, and at present there is no improvement in the outlook. In consequence of the depressed state of trade generally throughout the world, the turnover in the general business as a whole has suffered, but in India and at Singapore the results of the year under review are satisfactory. The new issue of capital, consisting of 22,134 ordinary shares and 50,000 preference shares of £1 each, offered in December last, was fully subscribed, and the premium obtained on the ordinary shares, less the expenses of the issue, and amounting to £20,734 10s, has been added to the general reserve funds, which, with the £4,265 10s mentioned above, now amount to £265,000. The company have found it necessary to obtain larger offices, and are removing to 5 and 7 St Helen's place, London, E.C. 3, on September 29th.

AUSTIN MOTOR COMPANY, LIMITED.—The report for the year 1922 shows a credit balance of £78,564, which reduces the debit balance brought forward to £1,805,037. The report states that "the directors did not resume active control of the company's affairs until April 5, 1922, too late to make adequate provision for the busy season, thus seriously limiting the output for the period. During the year the cash position was greatly improved and confidence established with our suppliers and agents. To maintain sales during the slack season in the home markets, strenuous efforts have been made to get back some of our pre-war export trade, and these efforts have met with success, in spite of the competition of those countries operating with the advantages of a depreciated exchange, and, in the case of the United States of America, with special contracts and facilities obtained during the war. Since January 1, 1923, the sales have considerably increased, and the position still further improved. It has been decided to revert to the pre-war custom of terminating the company's financial year at September 30th as being a more convenient date.

CHICAGO BREWERIES, LIMITED.—The following circular has been forwarded to us by the secretary of the Chicago Breweries, Limited:—"Although trading conditions in Chicago remain in the same unsatisfactory condition as last year, progress has been made in the realisation of some of the properties of the American companies in which we are interested. This has enabled them to remit further funds to our company, and has placed us in a position to pay off many of our outstanding debentures and to give notice of payment of the remainder on February 6th next. Seeing that money will not be required in Chicago, and that further realisation of assets may be expected, the board, after consultation with some of the principal holders, has decided to submit resolutions to the whole of the shareholders of the Chicago Breweries, Limited. It is proposed that the capital of the company be reduced from £400,000, divided into 40,000 shares of £10 each, to £200,000, divided into 40,000 shares of £5 each, to be effected by issuing one new share of £5 and one redeemable mortgage debenture for £5 in respect of each share at present held. It is also proposed that the redeemable mortgage debentures to be issued shall carry interest at the rate of 6 per cent. per annum as from the date when these resolutions shall have been confirmed, and shall be repayable at par only at the option of the company at any time, in whole or part, but if in part, then by means of drawings on one month's notice being given. These resolutions, if duly carried, will permit the redemption of the proposed issue of terminal mortgage debentures by means of drawings as money is remitted from the other side without interfering in any way with the conduct of their business. It is essential to keep these companies going with a view to beneficial realisation of their assets in the event of it being found impossible to carry on their business at a reason-

able profit under the altered conditions. In case it should be found that the profits earned were insufficient to provide for payment of interest on the debentures, then the same would be made good out of capital, but naturally this would diminish the ultimate return in the event of a deficiency on realisation of the assets."

ILLINGWORTH, MORRIS.—The chairman of Illingworth, Morris, and Co., Limited, at the meeting held September 19th to confirm the increase of capital to £5,000,000, announced that a contract had been signed whereby the company acquired 95 per cent. of the issued share capital of James Tankard, Limited, of Upper Croft Mills, Bowling, near Bradford, coloured worsted spinners, specialising in coloured yarns. James Tankard, Limited, was registered as a company in 1895, to acquire the century-old firm of the same name. The whole of the share capital, amounting to £200,000, is privately held, and it is stated that there will be no change in the present arrangement.

PACIFIC GAS AND ELECTRIC COMPANY.—The London office of the National City Company announce that its head office in New York is offering \$10,000,000 Pacific Gas and Electric Company first and refunding mortgage 5 1/2 per cent. bonds, due 1952, Series "C," at the price of 95 1/2 and interest, New York terms. The gross earnings of the company for the year ending July 31, 1923, amounted to \$39,448,000, while the net earnings amounted to \$16,684,000. It is pointed out that the present market quotations of the common and preferred shares represent an equity in excess of \$75,000,000.

PEARSON AND KNOWLES COAL AND IRON COMPANY, LIMITED.—An improvement is noticeable in the report just issued for the year ending June 30, 1923, as, after making all necessary provisions, the net profit amounts to £89,818, as compared with £40,918 in preceding year. The balance brought forward from last year is £59,912, making a total available balance of £149,730. An interim dividend of 3 per cent. on the first preference, and 3 1/2 per cent. on the second preference shares, less tax, amounting to £11,719, has been paid. The directors recommend that a final dividend be paid of 3 per cent. on the first preference shares, 3 1/2 per cent. on the second preference shares; the ordinary dividend is 5 per cent., same as last year, making a total distribution of £65,548 for the year, leaving a balance of £84,182 to be carried forward.

S. INSTONE AND CO., LIMITED.—The report states that the accounts have been extended to June 30, 1923, in order to meet the position arising by reason of the company's conversion into a public company at the end of 1922 and the advent of new shareholders. The directors announce that the work of opening out the roads to the recently located Barnsley seam in the Pollington district of Askern Colliery is proceeding satisfactorily, and coal is already being drawn therefrom. There is an increase in the output of Bedwas Colliery, and for the half-year ended June 30, 1923, has resulted in a net profit of approximately £45,000. No part of this profit, however, has been included in the accounts presented. The available balance at the credit of profit and loss account is £50,533, and it is proposed to deal with this as follows:—Dividend at the rate of 7 per cent. per annum on the 7 per cent. cumulative participating preference shares (already paid), further dividend on the cumulative participating preference shares at the rate of 3 per cent. per annum (for six months), thus bringing the dividend on the 7 per cent. cumulative participating preference shares up to 10 per cent. per annum, the maximum to which these shares are entitled; dividend at the rate of 7 per cent. per annum (for six months) on the ordinary shares. Further dividend on the ordinary shares at the rate of 3 per cent. per annum (for six months), leaving £19,464 to be carried forward.

SHEEPBRIDGE COAL AND IRON COMPANY, LIMITED.—The net profit for year ended June 30, 1923, amounts to £123,300. Add balance brought forward from last year, £41,631—£164,931; less interim dividend paid February 1, 1923, £33,463; balance for disposal, £131,468. It is recommended that this sum be appropriated as follows:—Final dividend of 5 per cent., making 7 1/2 per cent. for the year, less income-tax, payable on October 1, 1923, £66,926; to reserve fund, £20,000; balance to be carried forward, £44,542. The report points out that the demand for coal during the year has been satisfactory, owing principally to the increased foreign trade, and prices have advanced. The improvement in the realised price was reflected in the rise in miners' wages. The home trade in all iron products has been bad throughout the year. The occupation of the Ruhr district by the French caused a temporary increase in the export of pig-iron, with a corresponding increase in price, but the improvement was transient, and prices have fallen back to a level which is low as compared with working costs. The other departments of the ironworks have only been partially employed. The works and collieries have been maintained in an efficient condition. A new plant for breaking slag and making tar macadam has been erected at Sheepbridge works. In conjunction with Stokes Castings, Limited, of Mansfield, a company, entitled the Sheepbridge Stokes Centrifugal Castings Company, Limited, has been formed to purchase their patent rights and business in the manufacture of centrifugal castings, and a new plant is in course of erection at Sheepbridge for that purpose. The development of the new ironstone field at Roxby in Lincolnshire is approaching completion, and an area of 186 acres of surface near the company's ironstone mine at Desborough has been purchased. Having in view the necessity for commencing operations at Firbeck Main Colliery, the directors have arranged for the additional capital required by the undertaking by increasing this company's holding to 200,000 shares. The Dinington Main Coal Company, Limited, has also taken a further 31,000 shares. The Staveley Coal and Iron Company, Limited, have subscribed for 400,000 shares

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divid- end.
					Prefe- rence.	Ordinary.	Rate.				
		£	£	£	£	£	%	£	£	£	%
Banks.											
Royal Bank of Ireland	Aug. 31	5,957	67,268	73,225	..	22,500	10	43,019	7,706	..	..
Financial, Land, &c.											
Leach's Argentine Estates	Mar. 31	..	Dr 238,867	Dr 238867	..	..	..	Dr 238,867	..	1,038	..
Gas.											
Alliance and Dublin	June 30*	11,172	49,126	60,298	..	42,676	5½	5,819	11,803	47,295	5
Iron, Coal, and Steel.											
Pearson and Knowles	June 30	59,912	89,819	149,731	23,438	42,110	5	..	84,183	40,918	5
Sheepbridge Coal and Iron	June 30	41,632	123,300	164,932	..	100,389	7½	20,000	44,543	79,632	6
S. Instone and Co.	June 30	(b)	50,533	50,533	16,069	15,000	..	..	19,464	..	..
Staveley Coal and Iron	June 30	42,761	304,912	347,673	..	243,481	10	100,000	4,192	176,125	7½†
Motor and Cycle.											
Austin Motor	Dec. 31	Dr 188860†	78,564	Dr 180503†	..	..	..	..	Dr 180503†	..	..
Rubber, &c.											
Banteng (Selangor)	April 30	22,158	12,146	34,304	..	9,900	10	..	24,404	5,631	..
Chembong Malay	Mar. 31	7,107	5,597	12,704	..	..	..	..	12,704	3,226	..
Kawie (Java)	Mar. 31	18,432	2,456	20,888	..	7,500	10	..	13,388	982	nil
Tea.											
Associated (Ceylon)	June 30	7,007	17,567	24,574	3,600	12,500	25	5,000	3,474	6,275	nil
Other Companies.											
Alliance Produce Co.	Aug. 15	..	13,415	13,415	..	..	..	1,280	12,135	..	..
Anglo-Siam Corporation	Mar. 31	33,773	76,346	110,119	4,550	50,000	25	23,266	32,303	94,679	30
British Cellulose	Feb. 28	.. (†)	Dr 491,782	Dr 491,782	..	..	..	..	Dr 491,782	..	..
Henry Bucknall	May 31	408 (k)	13,294	13,702	13,500	..	..	..	202	..	..
Valparaiso Drainage	Mar. 31	405	2,718	3,123	..	..	..	2,529	594	Dr 1,344	..

* Half-year. † Free of tax. (k) Nine months. (l) 20 months.
(b) S. Instone and Co.—Period September 1, 1921, to June 30, 1923.

STAVELEY COAL AND IRON COMPANY, LIMITED.—The 60th annual balance-sheet for the year ending June 30, 1923, shows that, after allowing for depreciation and taxation, an interim dividend was paid on February 10, 1923, of 2½ per cent., and the directors now recommend the payment of a final dividend of 5 per cent., together with a Diamond Jubilee bonus of 2½ per cent., thus marking the 60th year of the company's operations. In future it is proposed to pay the interim dividend on March 30th instead of early in February as heretofore. It is proposed to allocate out of profits £100,000 to reserve fund, carrying forward a balance of £4,191 16s 7d. It is proposed to call up the 15s outstanding on the 463,773 shares now 5s paid, the call to be in three instalments of 5s each, the first to be made payable on November 5, 1923, the second on May 5, 1924, and the final on November 5, 1924. In view of the necessity of erecting a large number of additional workmen's houses, the requirements in the Staveley district being approximately 2,000, the company have decided to join the Industrial Housing Association, Limited, for the purpose of providing such dwellings. The directors have acquired a substantial interest in Firbeck Main Collieries, Limited. The whole of the plant and machinery has been maintained in good working order at the various collieries and ironworks.

barely steady. Broad bran quoted at 6s 6d, ordinary ditto 5s 6d, middlings 7s 9d-8s, bags included, ex mill. Light oats 5s 6d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 3d free on rail—all per cwt. Barley.—English quiet, with malting ranging from 10s 3d-14s, and feeding sorts 8s 3d-9s per 112 lbs free on rail, as to sample. Imported firm. Californian 40s-42s, Chilean brewing 39s-42s, as to sample, both landed, per 448 lbs. Persian 26s 6d, Karachi 28s 6d, Danubian 29s 6d-30s, all landed. No. 4 Canadian Western 29s 3d. American malting 48 lbs 27s 9d, Algerian-Tunisian 26s-27s—all ex-ship per 400 lbs. Maize firmer. Plate ex-ship quoted at 34s 6d-34s 9d as to position, ditto landed 36s, No. 6 yellow African ex-ship 34s 3d—all per 480 lbs. Oats.—English steady, but quiet, at 7s 9d-10s 4d per 112 lbs, free on rail, as to sample. Imported firmer. Plate ex-ship 22s 3d, landed 24s 3d, No. 2 Canadian Western landed 28s 3d, No. 3 ditto ex-ship 25s 6d, No. 1 Canadian feed ex-ship 25s, Danubian ditto 21s 3d, New Zealand A grade landed 37s-38s, B grade 36s—all per 320 lbs. Oatmeal in moderate demand at steady rates. London made all cuts quoted at 17s, rolled oats, also whole groats, 17s, flaked oats 17s 6d, ordinary Scottish oatmeal 19s 6d-21s, and American 16s 3d-16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24	1922-23	1921-22	1920-21
Estimated sales of home-grown wheat—				
1 week to September 15	Cwts. 391,281	Cwts. 249,051	Cwts. 469,141	Cwts. 396,208
2 weeks to September 15	715,283	455,335	831,416	688,038
Average price of English wheat per cwt.	s d 9 0	s d 8 9	s d 13 4	s d 21 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Sept. 8	Cwts. 322,002	Cwts. 84,953	Cwts. 54,889	s d 9 1	s d 10 10	s d 8 10
15	391,281	232,449	57,376	9 0	11 9	8 9
1919	167,147	303,239	45,240	17 1	26 6	22 0
1920	396,210	218,957	97,570	21 1	22 6	19 8
1921	469,140	338,493	70,662	13 3	17 7	10 9
1922	249,051	58,764	47,430	8 11	10 6	8 9

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated September 20th, is as follows:—Pig-iron: Whether the turn for the better will be maintained remains to be seen. There is undoubtedly more inquiry and a little more business, but, on the other hand, stocks of pig-iron are large, and the output could be increased if prices maintain a paying level. Prices are as follows:—Cleveland No. 3 G.M.B., 97s per ton; East Coast hematite mixed numbers, 99s per ton.

Manufactured iron and steel: The steel trade is dull, and we shall probably see no permanent improvement until the shipyard labour trouble is settled. Prices are:—Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s. Iron ore: With the reduced number of furnaces making hematite pig-iron, orders for iron ore are very scarce. The current price for best Bilbao Rubio is about 23s, c.i.f. Tees.

Our Sheffield correspondent writes:—A good many inquiries are about for steel for Japan, but these prove to be in the nature of speculation, and have not emanated from that country. That the reconstruction of Japan will consume vast quantities of iron and steel is a certainty, and the supplying of material will undoubtedly benefit trade here at some future time. A good deal of work is on hand for railway tyres, axles, springs, and forgings, but it does not suffice for full-time working, and bookings lately have tended to fall off in spite of the notorious shortage of railway rolling stock in this country. German competition with British cutlery, tools, aluminium, and enamelled goods has practically disappeared so far as imports are concerned, although considerable stocks of foreign goods are held by merchants in this country. The beneficial effects of the decline are already being felt in Sheffield, however, in the shape of increased orders for pen and pocket cutlery, small tools, and a variety of hardware. Makers of the more expensive tool steels are doing an improved trade in the home market, but business with America and the European Continent is impossible, with the exception of oddments, in the present state of import tariffs and exchange rates. The fuel market generally is weaker, and, owing to the reduced operations of the blast furnaces, coke is more easily obtainable. The export demand for steam coal and coke is brisk, and rather more is doing in house coal. Nominal prices per ton at the pits are:—Best hand-picked branch, 28s; best silkstone, 26s; best South Yorkshire steams, 20s to 21s; best Blythe steams, 24s; rough slacks, 11s; nutty slacks, 10s; smalls, 7s; blast furnace coke, 34s (home).

Our Glasgow correspondent writes:—Though it can hardly be described as an improvement, there is no question as to an increased volume of business having been handled this week in iron and steel trade connections and as to immediate prospects being the turn more hopeful. Scotch pig-iron has been more freely in request, and a number of local orders for hematite and foundry sorts have been booked—the former at £5 5s a ton and the latter at £5 to £5 5s a ton. Foreign buying has led to an inroad, on a small scale, on makers' stocks, and that has overcome the fears recently entertained that production might be curtailed. A strong plank in the shipment position is the continued placing of fair lines from the Pacific, in which relation some 2,400 tons were despatched from the Clyde last week. Probably the most cheerful trade factor of the week is the activity that obtains in the production of thin, black sheets. At the moment these are asked for in bulk, with the result that the biggest makers in Scotland have contracts in hand that will keep them running full for at least a couple of months to come. These firms, it appears, have reason to calculate, also, on the receipt of substantial orders for light building materials for Japan and markets further west, influences which, it is felt, will help forward to the general improvement so greatly desiderated. Values of sheets naturally stand firm at round £12 10s for 2½ in. and £19 for 24 b.g. sizes.

Our Cardiff correspondent writes:—There is no improvement to report in the state of the Cardiff coal market. The volume of trade is well maintained. Current approximate quotations are as follows:—Best Admiralties, 28s to 29s; second Admiralties, 27s to 28s; best drys, 28s 6d to 29s 6d; black veins, 27s 6d to 28s; Western Valleys, 26s 6d to 27s 6d; Eastern Valleys, 24s to 26s 6d; best bunker smalls, 18s to 20s; ordinary cargo smalls, 14s to 16s; anthracite big vein large, 47s 6d to 52s 6d; machine-made cobbles, 55s to 60s; French nuts, 57s 6d to 60s; stove nuts, 57s 6d to 60s; rubbly culm, 15s 3d to 16s; inland blast-furnace coke at ovens, 30s to 35s; coke for export, 37s 6d to 45s; patent fuel, 29s to 33s; pitwood, ex ship, 29s 6d to 30s 6d. In the iron and steel trades there has been a further improvement. Inquiries for material, and particularly for galvanised sheets from Japan, have been active; a better demand has also developed in the European markets, and prices, particularly for tinplates and sheets, are distinctly firmer. The stabilisation agreement has been continued for another three months, and the tendency at the moment is for prices to advance beyond the figures fixed under that agreement.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Demand for wool in London is well maintained, and prices are steady, but the good tone in the raw material market is having very little effect in stimulating demand for semi and fully manufactured goods. The outstanding feature continues to be the great disparity between selling prices of tops and yarn and replacement costs, and this becomes more pronounced the further one proceeds with the processes of manufacture. Good average 64's tops can be bought in Bradford at about 5s per lb, yet, although they would cost about 5s 3d if made out of wool bought at the current series of London auctions, there is no big demand. Similarly, yarns are being offered at all sorts of ridiculous prices, in some cases at little more than the price of the top. However, sellers cannot command better prices, notwithstanding the strength of the raw material market, and business is accordingly confined within narrow limits. The new selling season in Australia also looks like opening on a level entirely out of reach of Bradford users, and the indications are

that trade will be very restricted for some time to come. A moderate amount of business is passing in crossbred tops, but orders generally lack bulk. In the yarn section the position is most unsatisfactory. Spinners are doing their best to keep machinery running, but many are working to stock, and where sales are made prices are exceedingly poor. This, of course, is merely a reflection of the unsettled conditions which obtain in the piece goods trade. Manufacturers have a large proportion of idle machinery, and prices of cloth, except in the case of a few special lines, are cut so keen as to leave practically no margin of profit. The suggestion that some measure of protection should be afforded, however, is received with mixed feelings, many members of the trade being of the opinion that it is "better to bear the ills we have rather than to fly to others that we know not of."

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The daily offerings at the London sales amount to between 10,000 and 12,000 bales, and though this is a fairly large quantity, the auctions have proceeded briskly, notwithstanding the frequent withdrawals of second-hand lots. If importers had to accept the prices bid, they would frequently lose at least 3d per lb, and in some cases up to 6d, and it is still an outstanding fact that the choicest Geelong wools are still by far the cheapest. This is an aspect of the market which, to say the least, is somewhat tantalising. It is poor encouragement to Australian wool growers to produce anything very choice, but this can only be regarded as a temporary phase, and in no sense affects the general wool position. At the same time, it is more than annoying to see only 32d to 34d bid for these wools, for many of the lots cost 3d more in Geelong and Sydney. When one calculates the expenses incurred in bringing the parcels home, the difference is well on towards 6d per lb. The wools which are being sold at around 32d to 34d are intrinsically the cheapest, and we take this to mean that the woollen trade cannot have any really keen demand for high-class fabrics, otherwise the demand for the superior wools from which these goods are made would have been better. An opportunity is now being afforded to America to acquire these wools at most reasonable prices, but unfortunately competition from that quarter is exceedingly limited, and we fully expect that America will commence to buy these wools when everybody else wants them. However, there is not much change in values, a very healthy demand being in evidence for good average top-making wools suitable for the home as well as the Continental trades.

Last Monday the Australian season commenced, with an important sale at Sydney. Another sale at Adelaide was also to follow yesterday. The Sydney cables clearly indicate a very strong market, private cables received in Bradford confirming the information previously received that 64's top-making wools were selling on a clean basis of 53d landed Bradford, which means that tops will cost well over 5s per lb. Sydney prices are fully up to the level of Coleman street. It is very significant that the Continent made the market in that centre, while Japan was also a decent operator, as well as Germany.

All the sales being held at present go to indicate that the raw material occupies a sound position, and that the values current are well in advance of what can be realised for partly and fully manufactured goods in consuming centres. News from France indicates great activity in wool textile manufacturing circles, and the Continent is likely to be the chief operator during the ensuing season.

THE COTTON TRADE.

MANCHESTER, September 20.

(I.) Comparative Statement of the Cotton Trade.

	Previous Weeks in 1923.					
	Price Sept. 20, 1923.	Price Sept. 13.	Price Sept. 6.	Price Aug. 30.	Price Aug. 23.	Price Aug. 16.
Raw Cotton—Fully Mid. American .. per lb	18-58	17-29	16-02	15-30	15-38	15-43
— Sakellaridis Fully Good Fair	19-00	17-60	17-25	16-65	16-35	16-30
Yarns—32's twist	24	23	21½	21	21	21
— 40's twist	24	23	21½	21	21	21
— 60's twist (Egyptian)	31½	30	29½	29	29	29
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	34 0	32 9	31 3	30 6	30 6	30 6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	37 6	36 3	34 9	34 0	34 0	34 0
38-in. ditto, 38 yds, 18 by 16, 16 lbs	19 4½	19 18	18 7½	18 3	18 3	18 3
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17 9	17 6	16 10	16 6	16 6	16 6

(II.) Compared with Previous Years.

	Price, Sept. 20, 1923.	Corresponding dates in				
	1923.	1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	18-58	15-24	15-18	23-28	20-15	24-58
— Sakellaridis Fully Good Fair	19-00	17-50	16-00	27-50	23-00	30-19
Yarns—32's twist	24	19½	22½	49½	42½	56½
— 40's twist	24	19	21	45	41½	56½
— 60's twist (Egyptian)	31½	28	43	75	61½	69
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	34 0	31 0	36 0	74 6	59 0	73 6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	37 6	31 0	36 0	73 6	57 6	70 9
38-in. ditto, 38 yds, 18 by 16, 16 lbs	19 4½	17 6	22 0	44 6	35 0	41 9
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs	17 9	16 0	21 0	35 6	30 6	36 3

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Although weather conditions were somewhat unsettled, fair progress has been made with the ingathering of crops. The outturn of winter wheat and oats is fairly satisfactory, but less favourable with regard to spring cereals. Offerings of native grain were on a larger scale, and with a quiet demand from millers prices moved in a downward direction, while ranging from 8s 3d to 8s 9d per 112 lbs, free on rail, as to sample. Imported quiet, but North American grades fairly steady, owing to scanty offerings. No. 1 Northern Manitoba quoted 49s 3d, No. 2 hard winter ditto 44s 6d, Rosafé 62½ lbs, landed 46s 6d, Barusso 62½ lbs ex ship 44s 3d, choice white Karachi landed 44s 6d, and red ditto 43s 6d—all per 496 lbs. The floating and forward cargo section displayed quiet features, and prices occasionally the turn in buyers' favour. Sales included steamers of Rosafé 62½ lbs afloat at 42s 9d to 42s 6d, choice white Karachi September 41s, and Australian new crop January-February at 44s 6d per 480 lbs, the latter to France. Maize cargoes also dull and values weak. A steamer of No. 6 yellow African early October, loading, sold at 34s 3d, and 5,000 tons Plate September at 34s per 480 lbs. Flour remains quiet at previous rates. London standard straight run quoted at 38s, patents 40s-41s, town households 36s per sack delivered in. All English country straights 31s-32s, delivered to London stations. Imported, Manitoba patents range from 37s-41s. As to sample, Minneapolis good patents 40s 6d, soft winters 36s-39s, Australian 34s 35s per 280 lbs ex store. Millers' offers quiet and

Prices throughout the market have again gone against buyers, there being a further important advance in raw material rates. Business in yarn and cloth has been difficult to arrange, but there has been an extensive inquiry. Some operators have missed their opportunity of purchasing on a cheaper basis, and are now awkwardly situated. Some Manchester firms have been saved from financial trouble by the appreciation in value of stocks. In piece goods for India there has been a considerable demand, but actual business has been patchy. Offers have been dealt with for substantial quantities of grey shirtings for Calcutta, but most of the bids have been quite impracticable. Buying of fair extent has taken place in bleaching, printing and finishing styles. China has given very little support in standard makes, but useful orders have been booked in fancies and specialties. A little more activity has been shown itself for Egypt, with an improvement in the turnover for South America. Quotations in American and Egyptian yarns have hardened from day to day. It has not been an easy matter to obtain higher figures, but a fair amount of trade has been done, not only in home counts, but in export descriptions.

LIVERPOOL OFFICIAL QUOTATIONS - September 14, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Ben Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	d	d	d	d	d	d	d	d	d	d	d	d
Georgia do.....	d	d	d	d	d	d	d	d	d	d	d	d
American.....	Ord	G O	L M	M L	G M	M F	1202	1287	1352	641	756	931
Brazilian.....	Mid	M F	Fr.	G F	G F	G F	1142	1292	1352	641	756	931
Pernam.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Parahyba, Rio Grande, &c.	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Macao, &c.	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Mossoro, &c.	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Ceara.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Maranhão, &c.	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
São Paulo.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Egyptian.....	Fr.	G F	Fr.	G F	Fr.	G F	1142	1292	1352	641	756	931
Upper.....	1700	1775	1795	1895	1995	1450	1675	1975	1975	1975	1975	1975
Sakelariadis.....	1670	1730	1750	1795	1885	1300	1450	1625	1625	1625	1625	1625
Brown.....	Mid	M F	Fr.	G F	G F	G F	1142	1292	1352	641	756	931
Peruvian.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Rough.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Moderately Rough.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Smooth.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Tangul.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Mitani.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
West Indian, &c.	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
Do.....	1559	1659	1734	1734	1734	1734	1142	1292	1352	641	756	931
African, East, &c.	1175	1275	1425	1525	1625	1725	1100	1275	1475	625	825	1025
Do.....	1175	1275	1425	1525	1625	1725	1100	1275	1475	625	825	1025
East Indian.....	1175	1275	1425	1525	1625	1725	1100	1275	1475	625	825	1025
Machine Ginned Burtree.....	1240	1280	1320	1360	1400	1065	1105	1185	730	755	835	855
Machine Ginned Broach.....	1240	1280	1320	1360	1400	1065	1105	1185	730	755	835	855
Machine Ginned Bhowmgar.....	985	1035	1085	1135	1185	935	985	1035	569	619	694	704
Machine Ginned Comra. No. 1.....	995	1045	1095	1145	1195	945	995	1045	575	625	700	710
Machine Ginned Comra. No. 2.....	995	1045	1095	1145	1195	945	995	1045	575	625	700	710
Machine Ginned Khandelsch.....	1235	1275	1315	1355	1395	1075	1115	1155	695	735	815	825
Machine Ginned Bengali.....	920	960	1000	1040	1080	760	800	840	490	540	615	625
Machine Ginned Boinde.....	910	950	990	1030	1070	750	790	830	478	528	603	613
Tinnivelly.....	1370	1410	1450	1490	1530	1075	1115	1155	695	735	815	825
Madras, Western.....	1170	1210	1250	1290	1330	1010	1050	1090	695	735	815	825
Madras, Northern.....	1170	1210	1250	1290	1330	1010	1050	1090	695	735	815	825
M.G. Cocomada, Red.....	Fr.	1250	1250	1250	1250	1035	1035	1035	695	695	695	695
China, Smyrna, &c.	1170	1210	1250	1290	1330	1010	1050	1090	695	735	815	825

THE TIMBER MARKET.

(FROM A CORRESPONDENT.)

Imports of building and furniture woods have reached this country in large volume over the month. There undoubtedly has been some diminution in the arrivals of wood-laden vessels to the Port of London occasioned by the recent strike and the still congested state of the docks and a diversion of some cargoes to other ports, but up to the end of last month the statistics show in all descriptions a much larger import of wood into the United Kingdom than for the first eight months of 1922 and 1921.

Business in the metropolitan market is showing a decided improvement, and a large amount of material is going into consumption, mostly for building trade requirements, other timber-consuming trades being quiet and not calling for much wood. House building seems to have shown considerable improvement, and one can only gauge from this that those without a house, and who have the money or able to raise some ready cash and available opportunities for mortgage, are coming into line for the purchase of new dwelling-houses of their own.

Spot prices of timber for building certainly have firmed up for certain sizes over the month, especially two-inch thicknesses, but not so much as the lay Press sometimes informs us, for stocks generally are large (and will be larger later on, when the above-mentioned congestion is relieved and ships are able to come, discharge, and go more freely), money is somewhat tight and competition still keen, which presents anything like fancy prices for timber, and which is another confirmation of rumours early this year that there was a ring in the timber trade.

In the f.o.b. market the position is a little more promising for consumers and importers than when we last reported, there being an inclination on the part of a few Swedish and Finnish wood exporters to meet importers' ideas, though one cannot say yet whether the "concession" will be general or only coming from manufacturers of some middle-class and lower-grade stocks. The

imports from Russia, Latvia, and Danzig are increasing largely, and has had, and will continue to have, considerable influence on the market during the remainder of the year.

In the furniture woods trade the market seems fully stocked with the various kinds of American hardwoods, mahogany lumber included. Trading is difficult, and prices, generally, uneasy; but for good-class mahogany logs there is a demand, and values are increasing, stocks in first hands being of limited amount, with little expected to come forward.

VEGETABLE OILS AND OILSEEDS.

In view of a possible shortage of supplies of linseed between now and the arrival of the new Plate crop, there continues a fair amount of activity, and the market has thus kept pretty firm, with prices maintained. The oil produce has come in for a fair amount of attention, and value of crude Egyptian has advanced to £37 ex Hull mill for early delivery. A little more interest is evinced in soya beans, also in the crude oil, while palm kernel oil is likewise in good demand, more particularly for export.

Arrivals of oilseeds, nuts and kernels in Great Britain during August were 111,965 tons, which is 22,000 tons better than a year ago, but below the average of recent months. Exports of vegetable oils during the month were 4,729 tons, to which linseed oil contributed 2,390 tons. In the eight months to date, the exports of linseed oil from Britain totalled 27,363 tons, against 52,693 tons in the same period last year, when very large quantities were shipped to the United States.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides were steady at Thursday's Bermondsey auctions, best changing hands from 6½d to 8½d per lb. Seconds sold from 6½d to 7½d, and alterations in each class were unimportant. Best cows were unsold, seconds making from 5½d to 5½d. Best calf were steady from 5½d to 11½d, the demand for lights showing some improvement. Lambskins sold from 2s 1d to 7s 9d, and pelts from 4s to 7s 9d each. The provincial hide markets were weaker last week, as tanners to a very large extent abstained from buying. Liverpool merchants report trade in imported hides as steadily improving with a firm frigorific market at the reduced range of values. Dry hides are quiet, with values unaltered. Cables from the U.S.A. report the Chicago position as firm, with best heavy packers offering at 14½ cents.



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The output of heavy men's boots is much better, as Ireland is again in the market. Ladies' shoes are quiet, but sports goods are selling well.

OVERSEAS PRODUCE MARKETS.

Mining Lane, Friday, September 21.

Sugar was again a buoyant market, with no cessation in buying either on grocery or manufacturing account, and British refiners recorded early clearances of supplies placed on offer. An all-round advance of 1s took place. Messrs Tate and Lyle's cubes 59s 6d to 60s 6d; crushed, 57s 6d; nibs, 61s; granulated, fine and coarse grain, 57s 1½d; No. 1, 56s 10½d; No. 2, also London, 56s 7½d; ditto, October delivery, 56s 6d; yellow crystals, spot, 51s 1½d; and pieces, medium yellow to fine white, 47s to 52s 6d. A limited assortment of grocery imported commands support, and rates appreciated in sympathy with the British product. Canadian granulated, spot, sold, 55s 9d to 56s. Recent extensive Continental requirements respecting white Javas have made a marked and unexpected inroad into available supplies of same, and something approaching a dearth of offers to-day imparted further strength to the market in general. It is computed that about 50,000 tons have been absorbed by French, Belgian, Scandinavian, and Russian interests. Spot parcels of white Java of medium quality opened with business at 51s 6d, and later 52s 6d was paid, with grocery lots 52s 9d to 52s 10½d. Afloat steamers, sold, 25s 9d to 26s, c.f. and l., London. White Brazilian, spot, sold, 50s to 51s; and Hungarian crystals, 51s 6d to 51s 9d. Czechoslovakian granulated, November, done 24s 9d; ditto, November-December, 24s 6d, f.o.b., Hamburg. Of Dutch, Dinteloord, November-December, held for 24s 6d, f.o.b., Rotterdam. Belgian granulated, November-December, 23s 3d; crystals, ditto, 23s, f.o.b., Antwerp. Of Scottish granulated, Glebe K quality, prompt delivery, London, also Greenock, sold, 56s 3d. Raw refining kinds scarce, and where business results prices gradually move against the buyer. White terminal market generally active, and prices firmer though slightly irregular. September delivery sold, 25s 9d to 26s 3d; November, 24s to 24s 6d; December, 24s 1½d to 24s 3d; March, 24s 3d to 24s 4½d; May, 24s 7½d cwt. It would appear that certain buying back on the part of Continental beet fabricants is taking place respecting contracts entered into previously with British refiners. Java shipments to all parts for last month, 188,200 tons, against 287,350 same time last year. U.K. and Continent accounted for 19,980 tons, against 85,000 last year. Cuban stocks, 363,560 tons, against 364,800 last year. Liquid glucose, spot, 30s 6d cwt.

COFFEE.—Spot market very steady for all the finer qualities and which receive fair support. Bold sizes of Nairobi, sold, 81s to 93s 6d; Matagalpa, 100s to 104s; Costa Rica, bold, 110s to 126s 6d. Futures idle.

COCOA.—Market generally quiet on spot at about late rates. Accra F/F, new crop, November-January, 30s 9d, f.o.b. terms.

TEA.—Indian auctions embraced some 54,830 packages, and while all the finer qualities met a good demand at steady rates inferior sold rather quietly at rates favouring buyers. Ceylon sales of 19,750 packages received fair support, but medium and common kinds sold in buyers' favour with fine commanding steady rates. Java and Sumatra firm for the more desirable qualities with a good demand.

RICE.—There is very little disposition shown to handle Burma grain owing to the comparatively high prices now current, and the general situation closed flat, and, as far as Europe is concerned, is somewhat nominal at the moment. Twostars, spot, 16s; September-October, 14s, c.f. and l., London. Demand for Siam and also Saigon is limited. Spanish is somewhat quieter, after recent liberal trading, and No. 3, October shipment, sells at 18s 6d to 18s 9d, c.f. and l., London. It is interesting to note that cutting operations have been completed respecting the Spanish crop, and which is a good one, but bearing in mind that the bulk has yet to be housed, it is not an opportune moment to touch upon quality. The Italian crop is also favourably commented upon, while the Egyptian leaves nothing to be desired, and exports thence are anticipated in the next two or three weeks. American cable reports record some delay in harvest work owing to heavy rains. Japanese peas, September-October, 21s 6d; October-November, 20s.

PEPPER.—Pepper steady, quiet. Fair black Singapore, spot, 4½d; October-December, L.S., 4½d; Lampung, October-December, 3½d; Muntok, L.S., ditto, 6½d. Zanzibar cloves, October-December, 1s 1d; Singapore flake tapioca, spot, 3½d; fine Java, 4½d per lb; and October-November shipment, 29s 9d and 35s respectively. Sago flour, October-December, 12s 10½d; desiccated coconut firm. Halves, spot, 40s 9d; September-October, sold, 39s 9d; October-November, 39s 9d per cwt. Ginger quiet, unaltered.

JUTE.—Barely steady, and general trade quieter. First grade, September-October, usual continental ports, sold, £20 2s 6d; October-November, £20 5s; November-December, £20 10s; December-January, £20 12s 6d; lightning grade, October-November, £18 15s per ton. The Indian Government's final forecast points to a crop of nearly 7,000,000 bales, against about 6,000,000 last year. Hessians remain slow. 10 oz, spot, 28s; October-December, 25s 3d; 8 oz, spot, 21s 9d; October-December, 20s 100 yards. A twills, spot, 84s; B, 72s; October-December, 74s and 64s respectively; sugars, October-December, 78s; flour, 75s 6d 100 bags.

HEMP.—Manila dull and featureless. J grade, October-December, quoted, £31 5s; K, £26 15s; L, £26 5s; M, £25 per ton. African sisal unaltered.

SHELLAC firm. T.N., spot, 295s to 300s; October, 300s; December sold, 295s to 300s cwt.

COPRA steadier. F.M.S. Straits, August-October, Rotterdam, sold, £27 5s; October-December, £26 18s 9d; Ceylon, October-November, quoted £29; Java, ditto, £27 5s; Dutch E.I., October-December, £26 18s 9d; Cebu, £26 10s; South Sea, £26 5s. Palm kernels, November-January, Liverpool, sold, £18 10s ton.

RUBBER.—Fair trading, particularly in the near positions, but selling pressure led to easier prices. Heavy shipments from the

Straits of 10,500 tons first half of the month to U.K., Continent and America, coupled with liberal estimates for second half, affords the market no encouragement. Plantation standard crepe and sheet, spot, sold, 15½d; October, 15½d to 15½d; October-December, 15½d to 15½d and 15½d; January-March, 15½d to 15½d; April-June, 16½d. To New York, standard estate sheet, November-December, sold, 15½d, c.f. and l. Wild dull.

MENTHOL.—Japanese, spot, sold, 80s; peppermint oil quoted 12s per lb.

OILSEEDS.—Linseed firmer, with a fair demand. Bold Bombay, September, sold, £21 15s; small Bombay, ditto, £21 2s 6d; Calcutta, afloat, £21 7s 6d; September, sold, £21 2s 6d; September-October, £20 10s. Plate, afloat, £19 12s 6d; August-September, £19 10s; January-February, £16 10s. Rapeseed firmer. Toria, September-October, sold, £17; real bold Ferozepore, September-October, sold, £17; Jamba, £13. Cottonseed firm. Egyptian black, October, £11 15s. Sakelariadis, sold, £11, to Hull. Bombay, November-December, £9 7s 6d; December-January, £9 2s 6d. Gingelly seed firm. Large Bombay, October-November, Continent, sellers, £23 17s 6d. Chinese, October-November, £22 15s, Continent. Groundnuts firmer. Coromandel, machine-dried, August-September, £22 12s 6d. Chinese decorticated, f.a.q., October-December, £21 7s 6d; East African, September-November, £21 15s. Soya beans quiet. Manchurian, September-October, £11 10s. Castor-seed quiet. Bombay, September-October, £20 2s 6d per ton.

OILS.—Linseed irregular, with a steady demand for all positions. Spot, net, naked, 42s; September, 41s; September-December, 39s 9d; January-April, 36s 3d. Rape firm. Crude, spot, 38s; refined, 41s. Cotton firm. Crude Egyptian, spot, 37s; Bombay, 36s; common edible, 44s; deodorised (in barrels), 47s. China-wood firm. Hankow, spot (barrels), 91s; September-October, 89s. Coconut quiet. Ceylon, spot, 44s 6d; September-October, 43s 3d; Cochin, ditto, quoted 48s. Soya steady. Oriental, barrels, August-September, 39s 3d. Cod quiet. English, spot, 34s. Groundnuts firm. English, crushed, naked, spot, 44s; deodorised, barrels, 54s. Turpentine irregular. American, spot, 74s 9d; October-December, 75s; January-April, 77s. Rosin firm. American, grade B, 13s; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; WG, 16s; WW, 17s per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil steady. First pressure, spot, quoted 51s; second pressure, 49s, and pharmaceutical 56s per cwt.

METALS.—Tin opened with a firm tone, but with buyers not disposed to follow any advance a generally quiet tone resulted. Values were slightly erratic, with chief attention centred on forward positions. Business included standard cash at £193 15s to £193 5s, with three months fluctuating between £195 and £194 to £194 10s. Sales were reported in the East on the basis of £199, c.i.f. Prices subsequently took a sharp upward turn, in sympathy with higher Eastern cables, combined with a good demand for distant dates. By the middle of the week cash sold at £197 5s and three months £198 to £197 to £199. Further sales in the East occurred at £201 15s, c.i.f. At Thursday's market, on selling pressure forward, prices for these positions ruled easier; cash, however, remained firm. A fair business took place. Standard cash sold at £197 10s to £198, and three months £198 to £198 12s 6d to £198 5s. The downward movement continued on the following day. Standard, cash, sold at £197 5s to £197 10s, and three months at £197 10s to £197 to £197 5s. English ingots quoted at £198 5s to £198 10s. Copper commenced easier, due to lower American advices and selling pressure, though at the lower range of prices established a good business transpired, and a partial recovery resulted. Standard, cash, quoted at £62 10s, with dealings in the months at £63 7s 6d to £62 18s 9d to £63. Later prices were somewhat irregular while rather lower on balance, and a fair trade passed. On Wednesday standard, cash, sold at £62 1s 3d, and three months £62 10s to £62 15s. On the following day values were the turn firmer. Standard, cash, quoted at £62 10s, with transactions in three months at £62 15s to £63 to £62 15s, while finally at £63 2s 6d. At the final market rates again ruled firmer, with business on a good scale. Standard, cash, sold at £62 12s 6d; and three months at £63 5s to £63 10s. Electro, £67 15s to £68 5s. Best selected, £66 to £67 10s; strong sheets, £66; wire bars, £68 5s per ton. Lead easier at £25 10s to £25 2s 6d as to position. Spelter firmer at £33 10s to £32 15s, according to position. Aluminium quiet. Home trade, £115; export, £120. Antimony quiet. Ordinary brands, £30 to £32; specials, £34 10s to £35.

TALLOW.—Messrs Colchesters and Woolner wrote as follows on September 19th:—The tallow market was firm during the week, and prices averaged 3d dearer to-day. There is still a good export demand, but the demand from the home trade is not what it should be at this time of year. Shipments from Australasia in August

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METROPOLITAN CATTLE.—SEPTEMBER 20.												
British Beasts, per stone of 8 lbs to sink the official. Sheep, per stone.												
	s	d	s	d		s	d	s	d		s	d
Beasts—Herefords	6	8	7	0	Beasts—Heavy Bulls ..	nominal						
Shorthorns	6	6	6	10	Canadian	6	4	2	6	8		
Devons	7	2			Sheep—Downs	10	4					
Norfolks	nominal				Ewes	6	0	6	6			
Scottish	nominal				Crossbred	10	0					
Irish	6	4	9		Scottish	10	0	10	6			
Fat Cows	nominal				Lamb—Downs	11	4	12	4			

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

[illegible]

A. M. LEVOUNIS, *Chief Accountant.*

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THE short-loan market has continued very firm in tone, but the market has escaped being forced into the Bank. Up to 3 per cent. has occasionally been offered for overnight accommodation, but in general the rate has been $2\frac{1}{2}$ per cent., which was also the charge for weekly fixtures. The discount market, too, has shown little change, the market still being disinclined to work at all freely. The three months' bill rate has remained at about $3\frac{1}{4}$ per cent.

while end of December Treasury bills have found very few buyers at less than 3 per cent., though the banks have bought a few Novembers at 2½ per cent. Yesterday's allotment of Treasury bills naturally went at a higher rate, as they represent January maturities, and the market is not looking for any relaxation in the short-loan market for the present, while the rate for January commercial bills was called 3½-5 per cent.

	Sept. 28, 1923.	Sept. 21, 1923.	Sept. 14, 1923.	Sept. 7, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discounts (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½-5	3½-5	3½-5	3½-5	..

The Bank return shows an increase of £618,500 in the active note circulation, presumably in connection with quarter day requirements, for the movement is seasonal, while the high Public deposits of the previous week have been drawn upon to reduce Government securities, the former showing a decline of £4,568,600, and the latter of £3,283,300. Other securities have declined by £616,800, after their rise, due to special transactions, in the previous week, and other deposits, despite the outflow of notes, have gained £52,800 on balance. As the result of the shrinkage of liabilities, the Reserve ratio is 0.3 higher at 19.8 per cent. The amount of currency notes outstanding showed a further decline of £347,800 on the week, the total standing at £282,784,250, which includes £1,447,150 for notes called in but not yet cancelled. The fiduciary issue is £231,887,100, or £38,296,700 below the maximum.

THE STOCK MARKETS.

The foreign bond market has responded to the rally in the exchanges following Continental developments, but elsewhere business has been spasmodic. In the industrial section tea, nitrate, and tobacco shares have been prominent. The success of the Victorian Government loan and talk of further Colonial issues produced a slight dullness in the gilt-edged market after early strength, but Home Railway prior charges have been in demand at rising prices. Rubber shares are languid, and in the oil market prices have moved downwards. Shipping shares have been very quiet, but banking and insurance shares have made slight progress. The Kaffir market has revived a little with the assistance of buying from Johannesburg and Paris.

THE COMMODITY MARKETS.

Irregular movements are noticeable in the commodity markets. An important feature has been a downward movement in cotton, followed by reduced quotations in the cotton trade, and, as usual, in a falling market buyers have been acting with caution. In the wool trade the market has shown some response to the improved outlook, which has been created by the suspension of import duties in Japan and the latest developments in regard to the Ruhr. Jute was in fair demand, but prices were irregular. In the Cardiff coal market it is thought that buyers are holding back in anticipation of lower prices. In Cumberland the coal trade is dull. There is as yet no decided improvement in the demand for pig-iron, while it is stated that steel works can only keep going with difficulty. Tin and copper are both lower on the week. Little change is shown in wheat quotations. The firm tone prevailing in the sugar market during the past few weeks has become more pronounced. Tea values are slightly higher. The London hide market is steadier, and linseed maintains its value.

FOREIGN EXCHANGES.

Political factors have again been the decisive influence in an excited and uneasy market. The Paris rate, which closed on Saturday last at 75.85, reflected on Monday a strong optimistic tendency, and fell to 73.75. On the following morning it fell at one time as low as 71.10, but this could not be maintained, and there was a reaction through the day to 72.95. The two following days showed a continuance of this reaction,

the rate at one time rising as high as 75, but closing on Thursday at 73.87½. Yesterday morning, at 74.27, the tendency was still upward. This reaction is quite natural, in view of the exaggerated fall in the early part of the week, and the less hopeful view is strengthened by the growing realisation in France that the collapse in the Ruhr does not mean the solution of the German problem, but only a reversion to the position in January last, with even less likelihood of Germany being able to pay than before. A further cause for uneasiness is the more attractive terms which the Government have felt it necessary to offer for the new bond issue. The movements in the Brussels rate have been more exaggerated in both directions than the French, but as compared with the quotation of 90.30 on the 21st, the rate of 87.75 yesterday morning shows a decided recovery. Forward quotations in Paris and Brussels have narrowed to 2 to 3 centimes per month over spot in both centres. The Italian rate has also fluctuated sharply, but at 99½ yesterday shows an improvement of 1½ lire on the week. The mark quotation is now little more than nominal, each transaction of any importance being a matter for a special arrangement. The rate quoted fell from 650,000,000 on the 21st to 500,000,000 on the 25th, but since then has risen again to 800,000,000 and over on the news of the declaration of martial law. Forward rates are no longer quoted. In conformity with the general optimism in the earlier part of the week regarding the European situation, the dollar rate recovered from \$4.54½ on the 21st to \$4.56½ on the 25th, but since that time there has been a gradual reaction again to \$4.54½ yesterday. A few more cotton bills are coming forward, but business is still very quiet. Amsterdam, in the early part of the week, moved sharply in our favour to as high as 11.60, but since then most of this recovery has been lost, the rate of 11.56½ being only 1 cent higher than the previous week's quotation. Forward guilders are quoted at par to ¼ per month over spot. Switzerland, after moving sharply against us, is up again to 25.52½, as compared with 25.67½ a week ago. Madrid has been somewhat irregular, but on balance shows an improvement from 33.52 to 32.90. In Northern Europe Stockholm, Christiania and Copenhagen have all moved slightly in our favour, and Helsingfors at 170 also shows a further slight depreciation. In Central Europe Vienna is unchanged, and Budapest remains more or less nominal at 85,000. Prague at 151½ is about ½ krone higher. Bucharest is about the same at 980. In the East the rupee is very slightly cheaper at 1s 4½d, as compared with 1s 4 9-32d; the yen has moved from 2s 1½d to 2s 1¼d. In the silver market there has been active buying in India counteracting sales from China. Towards the end, however, the tendency was rather easier. Shanghai is ¾d cheaper at 3s 1½d, Hong Kong ¼d cheaper at 2s 3½d. In South America Buenos Ayres shows a further slight recovery from 40½ to 39 31-32d, Montevideo is about the same at 40½, after being dearer, Rio at 5 3-32d is 3-32d cheaper, while Valparaiso has depreciated from 35.60 to 36.70.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended September 22nd:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	7,800	From Revenue	15,121
Interest, &c., on Debt	588		
Sinking Fund	486		
Reduction of Debt	5,195		
Added to Exchequer Balances ..	148		
Sundries	804		
	15,121		15,121

Revenue at £15,120,700 compares with £18,025,000 in the corresponding week last year. Excise receipts were mainly responsible for this decline, amounting to only £6,516,000, as against £9,022,000 a year ago. Property and Income-tax amounted to £2,626,000, and Super-tax to £330,000, against a combined total of £3,912,000 a year ago. Special Receipts yielded £509,300, against nothing in the corresponding period. The week's operations reduced the National Debt by £5,195,100, and caused the following changes:—

National War Bonds paid off	Min. £	National Savings Certificates	Min. £
Other Debt	550	Treasury Bills	1,990
Public Departments Advances ..	6,612		4,797
Sundries	4,450		
	220		
	11,832		6,787

There was again a good demand for National Savings Certificates, which reached a net sale of £1,950,000. The floating debt was increased by £320,000 to £807,511,500.

FINANCIAL YEAR, 1923-24 (April 1 to September 22, 1923).

	£		£
Total Expenditure ..	351,794,235	Raised by Revenue ..	354,196,755
Net Repayments	5,248,022	Decrease in Balances	2,845,502
Total	357,042,257	Total	357,042,257

ESTIMATES for YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found reports of the following company meetings:—British Cellulose and Chemical Company, Anglo-Austrian Bank, S. Instone and Co., and the Cam and Motor Gold Mining Company. Sir Harry McGowan, at the meeting of British Cellulose, made some interesting remarks on the merits of artificial silk as against natural silk. At the Cam and Motor meeting, the chairman was remarkably optimistic as to the current year's prospects.

LORD MORLEY.

THE sudden death of Viscount Morley of Blackburn, at his Wimbledon residence last Sunday, removes one who held, even in the opinion of those differing from him on political issues, a high place among our most notable public figures. Lord Morley was one of that rare company who have achieved distinction both in letters and in politics. The study of history and philosophy is the natural training of the politician, but few attain to the highest rank in both spheres. Lord Morley has fully earned his place among the small band of Englishmen of the eighteenth and nineteenth centuries who have succeeded in this dual task. Born in 1838, it was not until 1882 that Lord Morley entered Parliament. But from 1867, when he assumed the editorship of the *Fortnightly Review*, his influence in politics and letters was unmistakable. Apart from a short period in the editor's chair of the *Morning Star*, his most important editorial work in the political sphere was comprised within the years, when, under his hand, the transformed *Pall Mall Gazette* became the authoritative mouthpiece of intellectual Liberalism. He first secured Parliamentary office in the Gladstone Ministry of 1885, but the defeat of Home Rule, which was adopted by Mr Gladstone and the Liberal party largely through his influence, made his tenure of the Secretaryship of Ireland very short-lived. He was again a leader in the Irish fight as Chief Secretary for Ireland in the Liberal Government of 1892-95, and at this period was Mr Gladstone's most intimate lieutenant. Lord Morley set his seal on his devotion to the Gladstonian tradition and policy by his great Life of Gladstone, which occupied his time between 1899 and 1903. His passing removes one of the few remaining links with that era. Entering Parliament rather late in life, his actual political career is contemporary with those of Mr Asquith and Lord Balfour. But he was over ten years their senior in age, and his activities really belonged to a somewhat earlier period. In his most important political efforts—the Irish agitation, and later on his opposition to the Boer War, he fought a losing fight; but he lived long enough to see his views carried out in the granting of independence to the Irish Free State and the establishment of the South African Commonwealth.

Lord Morley was a member of the Liberal Government of 1906 to 1914. If his influence on policy was less prominent during those years it was due mainly to advancing age; but it may also to some extent have been the result of a regret that it should be necessary for the Government to intervene so actively in individual affairs as is implied in National Insurance, Trade Boards, and other innovations of that epoch. His particular contribution to the

work of this period, namely, the legislative reforms in India, was, however, important, because it launched this country on the road which must lead ultimately to the granting of much greater independence to the Indian Empire. We have yet to hear his account of the reasons which led him to resign in August, 1914, and surrender to younger hands the ungenial task of carrying on a great European war.

In political outlook Lord Morley was in the direct succession to Cobden; his political philosophy being mainly distinguished by his devotion to economy and peace and to individual liberty as the greatest factor of human progress. His long life began before the repeal of the Corn Laws, and covered a period during which these principles carried this country through a period of exceptional moral and material progress. His name will be remembered not so much for his actual achievements as for his qualities of character. A reputation for honesty and uprightness is not a comfortable one to live with, and he was wont to deprecate the use of the sobriquet "Honest John." But no man was better fitted year in and year out to stand the test that such a reputation demands.

Lord Morley's life was marked by political consistency. This quality may be the result of prejudice or mere obstinacy, but it acquires the merit of one of the greatest political virtues when it is based, as in Lord Morley's case, upon an early and thorough understanding of the fundamental problem of politics. In the passing of Lord Morley English contemporary literature loses one of its outstanding figures; the public lose a statesman whose life was a reminder of the value in public affairs of honour, and high principle; and his political associates mourn in the words of Mr Asquith, "a comrade of unblemished integrity, a valiant and resourceful fighter, an indulgent, warmhearted, and affectionate friend."

THE NEW SITUATION IN GERMANY.

ANOTHER chapter in the long history of the Reparation question is brought to a conclusion this week by the abandonment on the part of the German Government of the policy of passive resistance in the Ruhr. The proclamation announcing this decision was issued by President Ebert on Wednesday. After thanking the population of the Ruhr for its loyalty, it frankly explains that the cost of continuing the struggle is beyond its power, and would make the creation of a stable currency, the reconstruction of commerce and industry, and even the securing of a bare existence for the German people impossible. The proclamation was promptly followed by the appointment in Bavaria of a Civil Dictator in the person of Herr Von Kahr, a man identified with definite monarchist aspirations. The Berlin Government hastened to counter this stroke by suspending civil liberties throughout Germany, and appointing the Minister of War as Dictator for the Reich. This action seems to indicate a state of nerves in Berlin, and it may be that the counter stroke has been overhasty, since later advices seem to indicate that the action in Bavaria was not prompted by any Separatist intentions, but to the fear in Munich of an attempt at a Communist *coup d'état*. We are not disposed to take too tragically these threatenings of a break-up of Germany, and at the moment affairs seem fairly quiet. At the same time it has to be recognised that the state of tension which has prevailed so long in Germany has worn away the power of self-control and produced over-wrought nerves, short tempers, and a discredit of moderate counsels. In this atmosphere the unexpected may happen, but it is at least as likely that apathy will produce ready submission to firm government wherever it may be shown. Indeed, the process of climbing down has been accomplished by the German Government more smoothly than might have been expected. This is due to the fact that for months past the secret conviction has gained ground among the people that their resistance could not succeed in the long run; that France's attitude was not to be influenced by diplomatic pressure or even by world opinion, and that her economic situation was too strong to be seriously affected by the disturbance which the Ruhr adventure was causing to international commerce.

It is not, however, surprising that in France there has been a singular absence of jubilation. The surrender has no doubt been a satisfaction to patriotic instincts. But most people in France are beginning to wonder whether they are much nearer their goal. We do not imagine that France is yet prepared to face the full implications of the economic debacle in Germany, but in England, at all events, there will be general agreement with Mr Lloyd George's summary of the situation in the preface to a reprint issued this week of his recent articles on public affairs.*

"I have never doubted that France could impose terms on Germany. It was clear that she could starve Germany into submission to any conditions dictated to her. It is astonishing that the Germans should have held out so long. What I have steadily predicted in these articles is that those terms will not produce as much reparation as a more conciliatory course would have brought—that to operate them will be a source of constant friction, and that the methods employed to impose and execute them will rouse a spirit of patriotic wrath which will in the end bring disaster to the victor of to-day."

If France is to falsify this dismal prediction she will need to draw upon all her reserves of statesmanship and chivalrous understanding of the havoc that the present situation is causing, not merely to her ancient foe, but to all the nations of Europe and to the prospects of establishing a more peaceful world.

It needs no argument to show that the prospects of immediate payment by Germany, which were small in January last, are grievously diminished. This fact is now clearly realised in Paris, and perhaps explains the extraordinary absence in the French Press, or in the many speeches that have this week been made in various towns of France, of any clear idea of what is to happen next. Indeed, most French publicists seem to be reduced to the statement that France will retain her attitude of watchful waiting, and even suggest that the only test of whether Germany has really given way will be the actual resumption of production in the Ruhr and the deliveries in kind to France. But this negative attitude is not what the world expects from the French Government. Belgium and France, as well as Great Britain, received in May an offer from Germany which, in British opinion, held out a basis of negotiations. The only ground for refusing to negotiate with Germany on these or any other terms was that passive resistance must cease. Nothing was said about waiting till the Ruhr had returned to a normal condition, and even M. Poincaré is not likely to attempt to enforce the terms of the London Schedule of Payments which are juridically still in force. We cannot believe that the French Government would be so churlish as to make a grievance of the form of words in which President Ebert has announced the end of passive resistance, seeing that the substance has been fully conceded. The world waits for a move from France.

But when we ask on what terms any arrangements must be made, we come back to all the old difficulties. It is difficult to say anything new on this perennial question, but an interesting, if belated, contribution towards the history of the subject is made in Mr Lloyd George's preface, already alluded to, where he gives for the first time a summary of the terms proposed to France by Great Britain in the August Conference of last year.

"It was proposed:—

(1) That Germany should be called upon to take such measures as the Reparation Commission should stipulate in order to balance her Budget and restore her financial stability.

(2) That the Reichsbank should be made independent of Government control.

(3) That 26 per cent. of the total value of German exports should be collected in gold or foreign currencies and paid into a separate account in the Reichsbank in the name of the Sub-Committee of the Reparation Commission, known as the Committee of Guarantees.

(4) That the produce of all German import and export duties other than the levy should be paid monthly to a special account at the Reichsbank, which should be under the security of the Committee of Guarantees. The German Government should have the disposal of the

* "Is It Peace?" By the Right Hon. David Lloyd George, O.M., M.P. Hodder and Stoughton, Limited, London.

sums standing to the credit of this account so long as the Reparation Commission was satisfied that it fulfilled the obligations imposed upon it. If at any time the Commission was not satisfied that this was the case, the Committee of Guarantees should have the right to take over the sums standing to credit of this account, and to secure the payment to it of the produce of these duties thereafter.

(5) There were stern provisions for supervision of German finance by the Committee of Guarantees, and for preventing the export of German capital.

(6) There were provisions for supervision over State mines and forests in the event of there being a failure in delivery of coal or timber, as the case might be.

A Moratorium up to December, 1922, was to be given conditionally on the acceptance of the above terms by the German Government, and the Reparation Commission were then to proceed to fix the further annual payments."

Mr Lloyd George is evidently obsessed with the efficiency of a 26 per cent. export duty on German exports, for, in another place, he says that by his plan "fifty millions would have been already collected in gold and paid into the Allied account. The mark would have been stabilised, and could have been made the basis of a considerable loan." This suggestion must not be confused with the 26 per cent. of German exports which figures in the London Schedule of Payments. In the latter case, this figure is merely used as an index of Germany's capacity to pay, the actual collection from the people of Germany in the form of various taxes and its transfer to her creditors either in the form of payments in kind or in cash being left entirely open to the discretion of the Reparation Commission. But Mr Lloyd George seems to think that practically the whole of the Reparation payment can be collected by means of a single export tax. He forgets that export taxes are often paid by the buyer, and not by the seller; and even where they are paid by the seller they do not simplify in the long run the task of making a large Reparation payment overseas, since if the exporter receives a reduced amount of foreign exchange for his exports, some other means has to be found of obtaining the foreign balances which are needed to pay for Germany's imports.

The August terms are, however, of great interest as showing that the British Government was prepared to go a very long way in the direction of controlling German finance and placing many of its revenues in the hands of the Allies, and of controlling the sources of delivery in kind in the event of a German default. The summary of these terms, and the fact that they were rejected out of hand, is a useful reminder that the root difficulty of agreement between England and France is not so much what the Allies are to get out of Germany as the question of allocating the proceeds between England, France, Belgium and Italy, and of deciding what payments in respect of the Inter-Allied debt are to be insisted upon. Mr Lloyd George omits to mention that what really destroyed any hope of success at the Conference of August, 1922, was the Balfour Note issued the day before M. Poincaré reached England.

THE COMING CONFERENCE.

WITHIN a couple of days of the assembling of the Imperial Conference the public do not yet know what it is to discuss, and we now learn that it will settle its own agenda at its first meeting. As a matter of form this is, of course, perfectly correct and in order, but it is to be presumed that the Dominions will expect the home Government, as the convener of the Conference, to have a schedule of subjects ready for submission, and it might have been anticipated that some indication would have been given of the Government's intention in order that public opinion might have some opportunity of expressing itself. The trouble is, however, that the Government has not been entirely free from embarrassment on the vexed question of the agenda. In the first rush of enthusiasm, when the new Cabinet took office last winter, it offered as the keynote of its economic policy the development of trade within the Empire—an object which every person in the country devoutly desires to see brought about—but

since the Departments came to grips with the question of how this was to be achieved some unpleasant truths began to emerge. In the first place, unless the Government are prepared to propose taxes upon food and raw material, which are bound to arouse the united hostility of the whole industrial and consuming population, any attempt to use Imperial preference as a regulator of Britain's commerce is like endeavouring to control the movement of the sea with a mop. In the second place, it was quickly realised that the hope of rapidly developing the capacity of the Empire to purchase British goods was not likely to be very successful, even if the Dominions abandoned many of their schemes for stimulating home manufactures. The President of the Board of Trade, in a number of statements which are in effect a warning to those who have placed their hopes too high, has pointed out that British exports to the Empire, though privileged by preferential tariff rates in most of the Dominions, only remain a constant proportion of our total exports. If the existing preferences have failed to make any vital changes in the channels of trade, it is not expected that high preferences will be much more successful. In these circumstances the object of the Conference has naturally and almost imperceptibly shifted from the economic to the political sphere. Two issues in this connection are of the very greatest importance. First and foremost comes the necessity for keeping the Dominions in touch with the home Government on foreign policy. There is no doubt that the Chanak affair, which brought the Dominions to the brink of war almost without warning, has caused a good deal of disquiet throughout the Empire. In the second place comes the closely related question of Imperial defence. In both of these matters the situation is complicated by the fact that the Dominions are now independent members of the League of Nations. The real problem of the Conference is to organise the new relationship between the self-governing Dominions and the Mother Country in such a way that the former retain an increasing measure of independence and yet remain united by a special tie to the Empire, of which they are an integral part. The Dominions attach the greatest importance to their status in the League of Nations, and the solution of what appears at first sight to be a contradiction should be sought principally along the lines of their retaining diplomatic representatives in London in some formal association with the Foreign Office. The solution of this problem is more likely to promote friendly relations and ultimately to react favourably upon trade between the members of the Empire than any manipulation of tariffs.

Though it appears most improbable that Imperial preference will emerge as the vital issue, it is, nevertheless, worth while considering briefly what is implied in the idea of a self-sufficing Empire which is at the back of the minds of most advocates of this strange conglomerate of interested sentiment.

The first question for consideration is one of economic fact: how far is the British Empire actually self-sufficing, and how far is it capable of being made so? In some materials the Empire already enjoys an actual or virtual monopoly of the world's market.* Thus Canada produces much the largest proportion of nickel, cobalt, and asbestos; New Zealand enjoys an actual monopoly of kauri gum and phormium fibre; and the Union of South Africa has a virtual monopoly of the world's supply of diamonds and ostrich feathers. India controls the world's production of jute, and, together with Canada, is the greatest producer of mica. The importance of the Federated Malay States in rubber production is, of course, well known; and these Eastern Colonies share with Nigeria a virtual monopoly of tin. Again, the acquisition of Nauru put the Empire into a very strong position as far as phosphate supplies are concerned. In these cases production is more than sufficient for the needs of the Empire itself, and an exportable surplus will probably always be available. This is also true of gold and wool, where production, though not constituting a world monopoly, is nevertheless very large indeed.

In the case of a large number of commodities, the Empire's requirements are approximately equalled by Empire production; though, while the Dominions have

* These supplies were considered in detail, and an account thereof embodied in the Report of the Dominions Royal Commission. Cd. 8462. 1917.

more than sufficient for their needs, the British Isles are far from being self-sufficing. Foodstuffs predominate in this category. Before the war the production of wheat in the Empire was probably slightly less than the consumption, though the phenomenal development of Canada, together with the great increase in the area down to this cereal in Australia, appears to have turned the balance of recent years. Of course, not all Empire-grown corn is consumed within the Empire itself, though it would presumably be so available in case of emergency. The meat supplies of the Empire have also been increasing fast of recent years, and the inter-Imperial trade in dairy produce has risen enormously.

The advocates of self-sufficiency appear to consider that it is imperative that Empire-grown foodstuffs should be consumed within the Empire itself, and propose, in effect, that trade should be diverted from its normal channels with this end in view. Of course it cannot be denied that, as far as our present knowledge goes, such minerals as quicksilver, platinum, borax, and potash are not available in sufficient quantities: and it is possible that petroleum production will still fall short of consumption within the Empire. Further prospecting may, however, show that the Empire's resources of these materials are much larger than is at present realised, though it seems doubtful whether it would ever be physically possible for the Empire to be self-sufficient in these commodities. At present, again, our cotton supplies are derived in very large measure from the United States, though development may well be expected in the future in Australia and South Africa: while the latter country, together with Rhodesia, offers great promise in the production of maize, which is at present derived almost exclusively from extra-Imperial sources. In a word, the ideal of economic Imperialists is that such articles as the principal foodstuffs, which are at present derived in large measure from the Dominions, should ultimately come exclusively from that source; that articles like cotton, maize, and timber, which might be produced within the Empire, but which do in fact come to us from foreign countries, should be encouraged to come from Imperial sources; and, finally, that a strict control should be exercised over articles in which the Empire enjoys a virtual monopoly, so that effective pressure could be brought to bear where necessary in bargaining for those articles which must of necessity be derived from foreign sources.

With regard to the first contention, an analysis of trade figures for foodstuffs shows that, without any artificial measures of protection or of preference, both Canada and Australia have found no difficulty whatsoever in maintaining and extending their position in the London market. An attempt to force the pace would lead to very great difficulties. On the one hand trade between Canada and the United States has acquired immense importance, and American industries are, on the whole, much better designed than our own to meet Canadian requirements. Moreover, to restrict the area of supply of so vital a commodity as wheat would inevitably lead to considerably wider price variations than we experience under existing circumstances. Australia and India are notoriously precarious as wheat exporters, and while in the past we have been extremely fortunate in replacing our crop failures here by a surplus there, a restrictive policy would mean putting too many eggs into one basket.

Again, just as it would be impossible for all Imperial raw products to be consumed within the Empire, so it would be highly unlikely that British industry could find in the Empire itself a sufficiently diversified market for its manufactures. This is all the more the case in that a number of our industries have been developed particularly to meet the requirements of foreign markets, whether in Europe, China, or South America. This consideration is even more important when we consider those materials which could theoretically be produced within the Empire, but which are not, in fact, produced in sufficient measure to meet Imperial requirements. If, for instance, the importation of maize and meat from the Argentine were to be subjected to artificial limitations in the interests of Canadian and South African production, what would happen to British exports to South America? Again, if trade restrictions succeeded in shutting out Scandinavian and French timber and substituting Canadian or New-

foundland timber in its place, British exports to Scandinavia and France would be rendered to that extent more difficult to finance. This would clearly affect our shipping position, for some three-quarters of our outward cargo consists of coal, and British coal exports to the Dominions and Colonies are practically negligible. Finally, it should not be forgotten that, even when allowance is made for preferential reductions accorded to goods of British origin, the British self-governing Dominions, and to some extent India as well, all impose high tariffs on imported manufactures in the interests of home industries.

Against all these economic arguments stands the political case based upon safeguarding supplies in the event of war. We can only say that if the overseas route to the United States or the Argentine is cut, we cannot hope for help from Canada or Australia; while a war in which the United States joins with South America, Russia and Roumania against Great Britain is not a contingency to be taken seriously.

It would seem to us, therefore, that any attempt to force trade within the Empire by the adoption of artificial restrictions is likely to produce very serious dislocations. The Empire is not a naturally self-contained economic unity. Many of its raw materials, no less than of its manufactured products, must perforce seek a foreign market, while for other products it is itself dependent upon foreign sources of supply. If, on the other hand, an attempt were to be made to monopolise commodities like tin, or wool, or rubber, for Imperial consumption, this would lead to serious loss, and would also give rise to considerable political friction.

THE QUARTER'S NEW CAPITAL.

As usual the past three months have proved to be the quietest period of the year in the new capital market, and our statistics, moreover, show that the past quarter has the distinction of producing the lowest total for any quarter since the third quarter of 1914, when the outbreak of war put a summary stop for the time being to all new capital operations. The total for the past three months is £25,381,000, which compares with £95 millions in the preceding quarter and £62 millions in the corresponding quarter of 1922. New capital applications in London quarter by quarter since the beginning of 1910 are shown in the following table:—

Year.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.	Total for Whole Year.
1910.....	£ 99,355,600	£ 88,721,400	£ 28,111,600	£ 51,250,500	£ 267,439,100
1911.....	61,245,000	56,238,800	14,914,500	59,361,200	191,759,400
1912.....	47,966,100	62,377,500	48,687,100	59,819,300	218,850,000
1913.....	50,344,700	70,014,900	29,961,800	46,216,000	196,537,000
1914.....	97,610,200	54,739,100	20,265,200	339,908,100	512,522,600
1915.....	46,313,500	25,693,200	586,772,500	26,462,500	685,241,700
1916.....	156,251,200	131,022,500	111,578,000	186,584,700	585,436,400
1917.....	825,925,200	221,254,300	57,054,400	214,362,100	1,318,596,000
1918.....	475,258,700	220,921,500	329,674,000	367,527,200	1,393,381,400
1919.....	291,901,400	93,879,000	536,502,200	113,776,800	1,036,059,400
1920.....	135,094,500	98,011,700	61,195,600	73,247,800	367,549,600
1921.....	63,382,100	65,281,900	57,890,600	202,423,600	388,978,200
1922.....	286,207,100	162,567,100	61,920,200	62,981,200	573,675,600
1923.....	86,251,500	95,050,100	25,381,000	..	..

These figures include British Government borrowings, except money raised by the sale of Treasury Bills and by Ways and Means Advances, and were, of course, immensely swollen thereby during the war and early post-war years. During the past three months, however, borrowing on the part of the British Government has been on a much reduced scale, amounting to less than £5 millions. This is entirely the produce of the sale of National Savings Certificates, which was stimulated in September by the announcement of a reduction in interest as from Monday next. In the corresponding period of last year the British Government raised £42½ millions, of which £39½ millions was in the form of 4½ per cent. Treasury bonds and the balance in Savings Certificates. The new capital issued by other borrowers in the London market in the past three months was £20,531,000, which is about

£1 million more than the amount similarly raised in the comparable period of 1922. In the next table we set out the various purposes for which new capital was raised in the past quarter and in the nine months:—

Description.	Total, First Half-year, 1923.	Third Quarter, 1923.	Total Nine Months to September 30.	
			1922.	1923.
British Government Loans	£ 63,727,000	£ 4,850,000	£ 346,752,200	£ 68,577,000
Colonial Government Loans	39,337,900	1,083,700	41,582,300	41,02,600
Foreign Government Loans	25,561,900	nil	13,066,600	25,561,900
British Municipal and County Loans	nil	nil	5,555,300	nil
Colonial corporations	3,257,200	295,500	5,839,100	3,552,700
Foreign corporations	nil	nil	6,107,500	nil
British railways	1,199,700	nil	2,872,000	1,199,700
Colonial railways	1,963,000	3,520,000	14,687,500	5,483,000
Foreign railways	522,500	38,400	16,500	560,900
Australian mines	1,656,800	262,500	409,200	1,919,300
South African mines	778,000	nil	1,263,500	778,000
Other mines	3,944,600	1,228,800	5,385,300	5,173,400
Exploration, financial, & investment trust	3,975,000	nil	784,000	3,975,000
Merchants, importers, &c.	6,935,000	4,264,000	6,252,500	10,899,000
Manufacturing	1,382,000	645,000	170,500	2,027,000
Stores and trading	755,800	nil	612,500	755,800
Estate and land	2,041,000	26,200	125,700	2,067,900
Rubber	4,231,700	150,000	16,765,000	4,381,700
Oil	6,910,700	986,400	11,323,300	7,897,100
Iron, coal, steel, and engineering	6,567,000	1,453,400	3,566,800	8,020,400
Electric lighting and power	292,500	101,000	nil	393,500
Gas and water	262,100	466,200	1,687,300	728,300
Hotels, theatres, and entertainments	74,000	nil	1,628,900	74,000
Patents and proprietary articles	17,600	120,000	nil	137,600
Docks, harbours, and shipping	550,000	nil	14,102,700	550,000
Banks and insurance	230,100	1,405,000	2,920,700	1,635,100
Miscellaneous	4,828,500	4,484,900	6,733,500	9,313,400
	181,301,600	25,381,000	510,694,400	206,682,600

Foreign Governments have not put in an appearance in the market since the middle of the year, but there have been two Colonial Government loans, one by the Government of Newfoundland for £408,700 and one by the Kasimbazar Raj for £675,000. The City of Rangoon was the only municipality, either home or foreign, to raise fresh money during the period. Under foreign railways, the whole amount represents the issue of £4 millions by the South Manchurian Railway in 5 per cent. guaranteed bonds at 88. Three investment trust companies issued over a million during the quarter, while a further £200,000 in this group was raised by the Levant Company in ordinary shares. In the manufacturing group the bulk of the total is accounted for by the Newfoundland Power and Paper Company and the Newfoundland Pulp and Paper Company, both of which issued £2 millions in debentures, the former being guaranteed by the British Government under the Trade Facilities Act. In the iron and steel group the main item is an issue of £1 million in 8 per cent. debentures at 92 by the Skoda Works, while the Lima Light and Power Company accounts for £1,350,000 under the electric light and power section. Three banks have been in the market, the two principal ones being the Queensland National Bank, with an issue of £560,000, and Bank of New Zealand with £750,000, both in ordinary shares. In the miscellaneous group the chief items were preference share issues for £3,382,500 by the Union Cold Storage Company and for £575,000 by J. Lyons and Co.

In the final table we show the destination of new capital raised in London, distinguishing Government from other borrowing:—

Destination of New Capital.	First Nine Months.					
	1912.	1913.	1920.	1921.	1922.	1923.
United Kingdom—Government.....	£ nil	£ nil	£ 22,054,000	£ 59,159,300	£ 346,752,200	£ 68,577,000
Other	36,533,400	25,595,200	242,528,900	58,942,100	58,259,800	35,171,700
British Possessions—Government.....	7,714,900	20,003,800	7,970,000	32,409,600	41,582,300	41,021,600
Other	27,786,900	36,944,200	17,032,600	14,069,200	13,528,500	18,547,700
Foreign countries—Government.....	35,501,800	56,948,000	25,002,600	46,478,800	55,110,800	59,569,300
Other	9,584,500	24,021,500	nil	5,905,000	13,066,600	25,561,900
	69,411,000	43,756,700	4,716,300	15,979,900	37,505,000	17,802,700
Grand total	151,030,700	150,321,400	294,301,800	186,465,100	510,694,400	206,682,600

The greatest decrease in non-Government borrowing in the nine months is shown in the capital raised for home purposes, which has declined by over £23 millions, while

the money for foreign countries other than foreign Governments shows a drop of nearly £20 millions. Five millions more, however, have been absorbed by industrial and other enterprises in the Dominions. In the case of the United Kingdom, the non-Government issues are up to the pre-war average, but those destined for overseas are very much lower. Overseas Governments, however, are borrowing on a heavier scale than in pre-war days. The total amount going overseas, nevertheless, remains well below the pre-war average.

THE STATE OF TRADE.

THE less pessimistic view which we gave last week of the prospects of trade is confirmed by reports which continue to come to hand. The buying of goods as a result of the Japanese disaster has particularly affected South Wales, where the output of black steel sheets, which can be used for reconstruction purposes, has been sold up to April or May next year. Further information as to the stocks of steel in the Ruhr, while confirming that these are very large, indicates that they are in the main the more highly manufactured forms of steel, and are therefore only useful for limited purposes. On the other hand, buying from the Continent is more active than in the last few months. Any restoration of confidence resulting from a Ruhr settlement would make itself felt almost immediately, whereas it would be some months before either the Ruhr or Lorraine would be in a position to meet demand. There is a feeling of hope that in the metallurgical trades and perhaps also in some others an upward turn of trade is still possible this winter.

The position of the shipping industry is still extremely difficult, and likely to remain so for the reasons given by Sir Alan Anderson in our supplement last week; but even in this case a note of optimism is struck by Lord Inchcape, who writes as follows:—

“Notwithstanding the present arrest of trade, the impetus to travel, pent up during the war, is still unexpended, and with the substantial reductions in ocean passage rates which have lately become operative, passenger traffic should continue at a fairly satisfactory level. Its influence as a stimulant of the revival of international trade is not negligible, and anything that may tend to enlarge the quantity of cargo—at present woefully deficient—offering for British ships, at home and abroad, is to be welcomed.

“In my opinion, a rehabilitation of Germany's currency, a renewal of her purchasing power, and a revival of her foreign trade, inwards and outwards, would bring its own compensations for the trading nations of the world, and particularly for Great Britain. We withstood German competition in an economically free and active market before the war, and I believe could do so again. It is the present partial paralysis of the machine of world-commerce which is causing much of our economic mischief, and which is reflected in the unemployment of our people.”

Lord Inchcape adds a note of warning as to the harmful effect of any attempt by Imperial preference or otherwise to restrict the scope and freedom of British shipping.

“I am in entire agreement with the pronouncement which occurs in the Memorandum prepared by the Committee appointed by the Chamber of Shipping and the Liverpool Steam Ship Owners' Association for the Imperial Economic Conference:—

The prosperity of British shipping and the maritime ascendancy of the Empire is bound up with the maintenance of freedom in the overseas trade of the world. The British Mercantile Marine, as it exists to-day, carries one-half of the overseas trade of the world, and could not find scope in any restricted market.

Our opinion of trade conditions is not based, however, merely on the facts of the last few days or so, but rather on the indications that, taking the world as a whole, there are signs of a movement—though as yet a very slight one—towards expansion. The improving undertone of world trade through the early part of this year, and so far as figures are available, is illustrated by the trade

statistics given in our supplement last week. We supplement them in the table below, in which the values of imports and exports for each month of this year for each country have been reduced to sterling equivalents, and the totals found for the countries quoted:—

Month, 1923.	Number of Countries.	Imports.		Exports.	
		Total.	Average per Day.	Total.	Average per Day.
		Mln. £	Mln. £	Mln. £	Mln. £
January	23	361	11.6	295	9.5
February ..	23	334	11.9	296	10.6
March	23	384	12.4	324	10.4
April	21*	376	12.5	310*	10.3
May	17*	381	12.3	319*	10.3
June	14*	370	12.3	320*	10.7

* Average allowances have been made in the totals for the missing countries.

These figures show that though there has been a small set-back in the average volume of imports per day since April, the corresponding volume of exports has recovered, and in June was higher than for any other month of the year. On the whole, then, world trade has probably increased, though there is not much in it either way. This, of course, must not be interpreted as meaning that things might not have been better had the Ruhr not been occupied. It does, however, indicate one thing, that international trade has not decreased since the occupation of the Ruhr, as most of the prophets foretold at the time that it would.

The figures used above are open to the objection that they may not be representative. With a view to finding out how far they may be taken as a fair sample of world trade as a whole, the value of exports and imports for countries omitted from the lists of the *Economist* have been collected for the year 1921. In that year imports to some 74 other countries and dependencies (excluding, however, Russia and Austria) amounted to rather more than 1,100 millions sterling, and exports to over 1,000 millions. For the 23 countries used above, the total values of imports and of exports for six months were respectively 2,206 millions sterling and 1,864 millions. Thus the countries of the *Economist's* list may be taken as sharing something alike 80 per cent. of the total international trade of the world, and what is true of them may be taken as being true of the world as a whole.

Incidentally, it may be indicated that the difference between the import and export figures gives approximately the payments for freight and insurance, which, it will be seen, add 18 per cent., on average, to the f.o.b. cost.

PROTECTIONIST OPINION IN CANADA.

(BY A CANADIAN CORRESPONDENT.)

PROTECTIONIST sentiment in Canada showed its first signs of life nearly a century ago, but did not come into full flower until Confederation had created at least the semblance of an unified national spirit and germinated a desire for the possession of all the attributes of a modern nation, including industrial factory establishments. Since it achieved its great triumph in the popular endorsement of Sir John Macdonald's "National Policy" at the General Election of 1878, it has waxed or waned in volume according to general economic conditions. In times of stress and adversity the critics of protection multiply; in days of prosperity and boom its defenders and eulogists increase. But there has always been available for the safeguarding of the fabric raised by Macdonald a basic reserve of protectionist sentiment, which only needed skilful organisation to prevent any serious tampering with the main structure. While the Conservatives have openly and consistently championed the protectionist system, it has been the habit of the Liberals to revile it fiercely from the Opposition benches, and then, after they attain office, to accept and condone it.

It was Western impatience with the fiscal backslidings of the Liberals and the menace of a political insurgency

which drove Laurier to negotiate the Reciprocity Treaty of 1911, and if his Ministry had been less feeble, and not discredited by a series of scandals, he would have carried it through. To-day many strong opponents of the 1911 treaty regard its rejection as a cardinal error, and the general impression is that if the same bargain were to-day submitted to the Canadian electorate it would be endorsed by a handsome majority. The cry "Let well enough alone" which defeated it has ceased to be efficacious.

The Conservatives came to power in 1911 pledged to maintain the existing protectionist system. Despite vigorous pressure from the triumphant manufacturers, the Borden Ministry did not dare to move until the revenue necessities after the outbreak of war provided a pretext for a special war Customs surtax which raised the general tariff by $7\frac{1}{2}$ per cent., and the British preferential rates by 5 per cent. However, the Western Liberals, whose alliance alone had made possible the Coalition Ministry of 1917 and the enforcement of conscription, exacted, as the price of their continued support, the removal of this special surtax, and the 1919 Budget brought the main body of tariff schedules back to the pre-war level. The West, however, was far from satisfied with this standard, and as the Conservatives could make no further concessions, the managers of the Liberal party saw an opportunity for the rehabilitation of their fortunes, and embodied at the party convention in 1919 pledges of sweeping fiscal reductions in the official platform, which was solemnly ratified and accepted by Mr Mackenzie King, the new leader. Whether if the Westerners had swallowed the proffered bait and thrown in their lot with the Liberal party the latter's whole fiscal programme would have been carried out is a matter of speculation, but they were suspicious of the good faith of the Liberal leaders, and proceeded to organise a new third party called the Progressive, to which all the Radicals and Free-traders of the country rallied. So the Liberal party fell back under French-Canadian domination, and its leaders calmly proceeded to jettison the fiscal planks of the 1919 platform. The Liberal Ministry has now produced two Budgets, and the small tariff reductions sanctioned by them, chiefly by way of increases in British preferential rates, represent a feeble and timorous attempt to fulfil the very definite pledges of the Liberal platform on which Mr King reiterated time and again that he would stand or fall. His position, however, while hardly consistent with a fine sense of political honour, is intelligible. He was left dependent upon the support of the Province of Quebec, and Quebec, which, possessing in 1911 comparatively few factories outside Montreal, and being more interested in the naval than the fiscal issue, gave Laurier a substantial majority for reciprocity, has meanwhile moved definitely into the protectionist camp. In the intervening years large developments of hydro-electric power and the discovery that French-Canada is a fine reservoir of cheap, docile, and reasonably efficient labour, have made Quebec very attractive to industrial entrepreneurs, and to-day not only is Montreal a great industrial centre, but the rural counties are dotted over with small towns each containing a few factories; the St Maurice Valley, for instance, is filled with them. This industrial population creates a very accessible market for local farm produce, and the adjacent farmers, as in Ontario, are easily convinced that any lowering of the tariff means the ruin of these small industrial towns and the removal of their customers. The result is that to-day Quebec is probably the most protectionist province in Canada, and as it has always been the great harbour of the nationalist idea, its reproduction in politics is a logical outcome. The manufacturers of Ontario have a special dislike of American competition, but as the sittings of the Drayton Tariff Commission revealed in 1920, the chief bugbear of their brethren in Quebec is British competition, which coming to them as it does for half the year by cheap water freight rates, is more serious in its effects. Not that certain Ontario manufacturers do not show an acute aversion to British competition. To-day the cotton and woollen manufacturers are filling the heavens with their plaints that recent tariff cuts have flooded Canada with British goods offered at prices which they cannot hope to meet, and they are conducting a sedulous campaign of propaganda for the restoration of the old schedules.

But, on the other hand, powerful factors are working definitely against the Protectionists. The patriotic flavour of appeals for the support of home industries and demands for the achievement of national self-sufficiency have been enormously weakened by the wholesale invasion of the Canadian industrial field by American capital. It is impossible to appeal to local Canadian patriotism for the preservation or increase of the special privileges of an industrial concern which is known to be merely the Canadian branch of a great American corporation. The spectacle of Henry Ford making the same cars on two sides of the same river under parallel conditions, and, thanks to the Canadian tariff, charging Canadian purchasers at least 25 per cent. more than American, is not calculated to generate enthusiasm for the protective principle. Two years ago the *Toronto Star* found by careful investigation that, by the admission of their managers, industrial firms, which had plants both in the United States and Canada, faced no special handicaps in the latter country, but many of them profited greatly by the Canadian tariff. In the event of another election on the reciprocity issue the attitude of these American-Canadian firms would be doubtful. Some of them would want to keep their valuable preserves intact, but others would cheerfully see the fiscal barrier between Canada and the United States wiped out. Shrewd observers have argued that complete Free-trade on a permanent basis between the two countries would redound largely to the advantage of Canadian industry, for once an open door to the great United States market was assured manufacturers would flock in droves to utilise the vast water-powers of the St Lawrence and Ottawa valleys, and make of them the chief industrial region of North America. Undoubtedly some owners of Canadian water-powers discern the possibilities of such an outcome, and are no longer wedded to protectionist theory.

Other recent developments are inimical to the protectionist system. Up to 15 years ago the industrialists of Canada were almost a unit in favour of the protective tariff, but the development on a large scale in Eastern Canada, firstly, of pulp and paper manufacture, and, secondly, of mining, has destroyed that solidarity. The pulp and paper makers control the whole domestic market and export three-fourths of their produce; all that Protection can do for them is to increase their cost of production. The same is true of mining, which is handicapped by heavy duties on machinery and a wide variety of supplies. If some political leader arises who will educate the voters in the mining camps of Northern Ontario and British Columbia and in the numerous little pulp and paper towns about the true merits of the fiscal question from their point of view, and bring them into line with the large body of agrarian foes of the tariff, then it may easily go hard with the existing protectionist system.

The issue of Imperial Preference is not likely to be raised by Mr Mackenzie King, a professed disciple of Gladstone, and in this connection many eastern manufacturers would prefer a policy of *quieta non movere*. The Dominion Millers' Association at its annual meeting adopted a proposal that "The Dominion Government be requested to instruct its delegates to bring before the Economic Conference a resolution advocating Free-trade in such natural products as are produced within the Empire in sufficient quantities to meet the requirements of the Empire, and that a duty for revenue be imposed on such articles imported from without the Empire," but the *Toronto Globe* assailed the proposal as unfair to Great Britain, because out of a list of natural products imported into Canada last year exceeding 250 million dollars in value only a fraction came from Great Britain.

The idea of Free-trade within the Empire has an influential body of supporters in Canada, which is not decreasing. It is an integral part of the programme of the organised farmers, and it has many attractions for the numerous American-Canadian firms who appreciate the value of Mr Chamberlain's preference, and now conduct most of their export business from their Canadian plants. If the support available for it were efficiently organised it might be made to prevail, as far as Canada is concerned, despite the resolute opposition of manufacturers who are only interested in the domestic market. Compared with it the typical Imperial preference schemes of *Morning Post*

zealots are sheer futility, but one change in sentiment should be noted. The collapse of the old Tariff Reform campaign in Britain was materially helped onward by the repudiation on the part of the leaders of the Canadian farmers of any desire for a preference on their grain at the expense of the British workers, but it is doubtful if such a repudiation could now be secured. The average western grain grower regards himself in a plight too sorry to permit any indulgence in altruism, and he would probably now regard as a welcome windfall any preference which would give him a favoured position in the British market and offer a prospect of increased prices. But he also knows that no British preference can ever compensate him for exclusion from the vastly more valuable market in the United States, and he will always be wary of schemes which might set up permanent obstacles to good trade relations with the United States. The sum of the matter is that until a better substitute is proved to be available for them the people of Canada will not abandon their protectionist system, but they no longer regard it as a sacrosanct institution, and may, unless general prosperity returns within a reasonable time, be ready to contemplate an experiment with a fresh fiscal régime.

THE INDIAN TARIFF ON IRON AND STEEL.

RECENT advices from India state that the Tariff Board set up in June as the outcome of the recommendations of the Fiscal Commission commenced its meetings towards the end of last month, and in accordance with the recommendation that the "question of extending protection to the manufacture of steel should be one of the first subjects for inquiry by the Tariff Board" heard evidence from representatives of the steel manufacturing industry in favour of protection. Next to cotton and jute mills, the workshops which supply railway materials are the most considerable industrial establishments in India. The Indian import duty on iron and steel and railway materials was raised in 1922 from $2\frac{1}{2}$ per cent. *ad valorem* to 10 per cent. This was not then a measure of protection, but rather one for increasing revenue from Customs. Most of the other Indian import duties were advanced at the same time. But since the Indian Fiscal Commission advocated generally a policy of industrial protection for India, subject to a great many qualifications, and pressure is being exerted upon the Government to take up the question of iron and steel, as the Commission recommended in the words quoted above, there is small reason to doubt that iron and steel products from the United Kingdom are threatened with the possibility of increased Indian duties or of a subsidy to local manufacturers of similar goods.

We mention a subsidy or bounty because the Fiscal Commission, in discussing this very subject at considerable length, leant rather towards a bounty on Indian iron and steel than towards a protective tariff. Iron and steel, certain chemicals and minerals, and lubricating oils were discussed by the Commission as "basic industries." Protection by tariff, they suggested, might be regarded as undesirable in the case of basic industries, seeing that the effect of protection would be to raise the cost of the raw material of a number of Indian industries. "For this reason," said the Commissioners, "it may often be found that the best way of assisting a basic industry is by a bounty rather than by a protective duty." And also as regards machinery, for since the supply of machinery, at the cheapest possible cost, was an essential condition of India's industrial progress, the conclusion of the Commission was "that when a case is made out for the encouragement of the manufacture of machinery in India such encouragement should be given by means of bounties." This attitude of the Commissioners is consistent with the general trend of their report, which was that protection for Indian industries—whether by tariff or by bounty—should be temporary and not permanent, and should not be continued longer than was necessary to establish local industries on a firm competitive basis. This idea of temporary protection is common enough,

but the history of it is not encouraging. Many countries have started, no doubt in good faith, to give what they intended should be a temporary protection, and then found that the vested interests created by protection were sufficiently strong to prevent its subsequent removal. The tariffs of the United States and of the Dominions are full of "temporary" duties subsequently made permanent and even progressively protective.

The principal iron and steel producing company in India, associated with the name of Tata, will no doubt press for protection on a large scale. Its officials are reported to be asking for a tariff on wrought iron of 20 per cent., and on steel of 30 per cent., respectively double and treble the present rate of duty of 10 per cent. For the year ended March 31st last India imported iron and steel goods equivalent to about 1,200,000 tons of ingot steel. The Tata company claim that, with the extensions now projected, they will have a capacity of 570,000 tons of ingot steel per annum. So that even with these extensions the company will not be able to supply more than half the steel requirements of India. Their plea for protection, therefore, amounts to a proposal that the prices of their own production of steel, and as much more than they produce, should be raised against consumers for their benefit. This is protection in its very crudest form which, if acceded to, would knock on the head the Fiscal Commission's notions of using duties or bounties to give new industries a safe start and not to keep them in force longer than was necessary to effect this purpose. It is, however, perhaps just as well that the Indian Government should have its eyes opened to the difference between the Commission's pretty theories and the rude game of grab which is protection in ugly practice.

There are less than 1,400,000 industrial workers in the whole of India, and for every one industrial worker there are nearly 200 persons engaged in pasture and agriculture. Any protection of the industrialists would throw a direct burden upon the cultivators of the soil, who are already close to the margin of subsistence even in India. An increase in the price of iron and steel due to a tariff would at once raise the cost of the railway materials on which a cheap railway service depends. The Commissioners were clear on the point that machinery and railway material must not be made artificially more expensive—that their Indian manufacture must be encouraged, if at all, by bounties and not by tariffs. Yet it is obvious that if the manufacture of wrought iron and steel products were protected by tariffs then a demand for similar protection against imported machinery and railway materials would instantly arise and would be difficult to resist. Tariffs all round or bounties all round would inevitably follow. In economic effect a bounty is perhaps less objectionable than a protective duty, but both bounties and tariffs would have to be paid for by the Indian cultivators of the soil, who, as the Commissioners recognised, could themselves get no countervailing advantage.

NORTHUMBERLAND SHIPBUILDING COMPANY.

It is somewhat rare in the history of public companies to find the rapid expansion of a huge undertaking as shrouded in mystery as the development of the Northumberland Shipbuilding Company. Registered in 1898 as a private company, it was converted into a public company in February, 1919. In 1918 its capital was given as £500,000, which was increased in 1919 to £2,400,000 and in 1920 to £7,000,000. Six per cent. debentures were authorised for £3,000,000. Thus we are dealing with big figures. The issued share capital is now stated to be £6,900,000, and the loan capital £2,000,000. The ordinary shares of 1s each are quoted in the Stock Exchange Supplementary List of September 27th at $1\frac{1}{4}$ d, the latest bargain being on September 17th—a week before the presentation of the balance-sheet. The 10 per cent. preference shares of £1 were quoted at $1\frac{1}{2}$ d, this bargain being done on September 27th. As late as the year 1918-19 a distribution of 70 per cent. was made on the ordinary shares, while for 1919-20 10 per cent. and a capitalised bonus of

150 per cent. are recorded. For 1920-21 an interim dividend of 5 per cent. was paid. Then the distributions ceased. The veil, however, is lifted by the publication of accounts for three years ended June 30, 1923. No explanation is vouchsafed in the directors' report as to why the accounts have been held back. Moreover, it is to be noticed that the report is dated September 12th, and it would be interesting to know why it was held over until after the Workman Clark meeting.

The story of the difficulties of the undertaking as told by the directors is interesting. Firstly, it is pointed out that "the cancellation of steel contracts resulted in serious losses. When these contracts were entered into trade was exceedingly good and seemed likely to continue so for some time, while steel material was very difficult to obtain. It was necessary to cover requirements for all the orders then on the books, and arrangements were made with three firms of steelmakers for the necessary supplies on favourable terms. Unfortunately, shortly afterwards the slump in trade came with startling suddenness. The cancellation and suspension of work on hand became general, and in consequence the companies were left with large quantities of steel which they could not possibly utilise. To get rid of these obligations they had to enter into agreements to pay considerable sums by way of damages; and these, in conjunction with the slump in trade, heavy taxation, strikes and lock-outs, have had a most crippling effect on the businesses. On the other hand, it was impossible to obtain adequate compensation from shipowners for the cancellation of their orders." The report then proceeds to explain that "owing to the change in the ownership of Workman, Clark, and Co., Limited, Messrs Baldwins, who had previously supplied most of their steel requirements, did not feel under any obligation to continue to supply Workman, Clark, and Co. As the supply of steel from that quarter was absolutely essential, it became necessary either to acquire control of Messrs Baldwins or close the yards of Workman, Clark, and Co. Apart from this, Messrs Baldwins was represented as a very valuable concern, and on the estimate of profits submitted this certainly was the case. In view of the necessity of securing supplies of steel for Workman, Clark and Co., and taking into account the value of its assets, the volume of its business and the prospective profits, it was decided to acquire the shares of Baldwins, Limited. The financing of the transaction was made possible by reason of the profits which would be available after the abolition of the excess profits duty, which was confidently expected would be taken off at that time. Before payment became due, however, the excess profits duty, instead of being abolished, was increased from 40 per cent. to 60 per cent., thus rendering it impossible to carry out the financial scheme. In consequence, the associated companies and this company became liable for heavy damages for breach of contract." To attribute the breakdown of the arrangement with Baldwins entirely to the decision in regard to E.P.D. is disingenuous. The fact is that the expectation of an indefinite boom in shipbuilding and the panic to get hold of supplies of ship plates, was due to a mistaken appreciation of the prospects of trade. Throughout these dealings ample warning had been given of the transient nature of the boom, the end of which came before the deal was completed. The promoters of this and similar post-war creations cannot escape responsibility for one of the most serious misjudgments in our recent commercial history.

The publicity given to the affairs of Workman, Clark, and Co. throws an interesting sidelight on inter-company finance. On July 12, 1921, the Northumberland Shipbuilding Company created 5,000,000 6 per cent. "B" preference shares; it was pointed out that the "creation of such shares did not increase the authorised capital of the company," and that "no shares were issued to the public." These shares, we are told, were "applied for at par by and allotted to associated companies." This might be good business for the Northumberland Shipbuilding Company, but it was certainly bad for Workman, Clark, and Co. The trustees' report to the debenture holders of Workman, Clark, and Co., it may be recalled, stated that the deplorable position of that company was brought about

by, amongst other causes, "the conversion of assets which were at the date of the debenture issue in readily realisable form, and the reinvestment of the proceeds in these 'B' preference shares of the Northumberland Shipbuilding Company." The recital of the bare facts, we think, is almost sufficient commentary on this inter-company transaction. The balance-sheet gives many details, but it is a shining example of the urgent need for holding companies to be compelled to disclose the actual assets and liabilities of their subsidiary or associated undertakings. Under assets a grand total of £10,422,387 is recorded. But some items which appear under this heading, such as debenture issue expenses, £32,279, and charges re increased capital, £16,252, are not in the nature of assets. These last two items are dated "as at June 30, 1920." Yet, according to the Stock Exchange Official Intelligence, this company gave away a capitalised bonus of 150 per cent. for 1919-20, and its financial year ends on June 30th. Surely these charges could have been written off out of such huge profits. Out of total assets £8,863,976 represents share holdings in associated companies. What these shares are actually worth may be disclosed at the general meeting, which is to be held on October 1st at Winchester House, Old Broad street, London, at 12 noon. The directors' remarks are illuminating in this direction. "The shares in associated companies have been retained at cost," but "the unprecedented slump in trade and the present depressed state of the shipbuilding industry have made them of comparatively small value at the present time." The auditors are somewhat more explicit. They state that "owing to the fact that the shares of the associated companies are not quoted on the market and that recent balance-sheets are not available, we are unable to form a definite opinion as to the value of the investments in these companies." They mention, however, that the value of the shares "is negligible." One is naturally led to ask the question, Why were recent balance-sheets of associated companies not available? Surely, it is somebody's duty in the company to watch over the assets and liabilities of associated concerns. Until the exact facts are known about the value of these holdings the adverse profit and loss balance of £390,850 is of relatively small importance.

We fully recognise the adverse conditions which have prevailed in the shipbuilding industry, and do not minimise the difficulties with which soundly financed undertakings have had to contend. But the history of this group of companies is not one of which British industry may be proud. It is, however, to be observed that the scale of this setback is due to the combination of unwise finance with trade difficulties. The directors may properly remind us that the industrial and economic condition of some of the shipyards, &c., in the group is sound, and when trade improves may reasonably expect to become fully employed—though not to return a profit on excessive capitalisation.

Notes of the Week.

The Ambassadors' Decision.—Unless later information modifies the impression made by the first report of the Ambassadors' decision of the Italo-Greek controversy, the finding will produce something very like a feeling of despair among those who believe that fairness and justice are the only forces that can restore peace to Europe. The terms on which the Greeks accepted the arbitrament of the Conference of Ambassadors provided that the Conference reserved the right to order the payment of the full amount of the deposit of 50 million lire if the inquiry showed that Greece had not "ensured in all the desirable conditions of celerity the search for and the exemplary punishment of the culprits." Apparently the inquiry has pointed to Albanians as being responsible, and the murder as being one of revenge for the actions of General Tellini when he was Governor of Avlona. The Ambassadors, however, on receipt of a report which cannot possibly be based on anything but a very hasty inquiry, have decided to award the whole sum to Italy, and not to apply to the Hague Court to consider whether all or only a part of it is due.

In other words, Greece is convicted of negligence in bringing to book the perpetrators of a crime in an uninhabited borderland who are believed to have taken refuge in Albania. Even in Paris the feeling is freely expressed that this decision is the result not so much of a desire for abstract justice as by a desire to avoid an awkward diplomatic conflict with Italy, who, it will be remembered, reserved to herself some freedom of action in the matter, and might have delayed the evacuation of Corfu if the money had not been paid before the 27th of this month. Italy has now no excuse for remaining in the island, but we cannot but feel that the prestige of the Great Powers as the custodians of justice will have suffered very much in the eyes of smaller nations. If the Great Powers are wise they will dissolve a body whose existence has become an anachronism, and take steps to see that such duties as it has been performing hitherto shall be transferred to the Council of the League, where the Powers when in agreement can act quite as effectively and swiftly as in the Council of Ambassadors, with the difference that at Geneva their actions are annually exposed to the healthy criticism of delegates assembled from all over the world.

Ireland and the Imperial Conference.—Our Dublin correspondent writes:—It is announced here that the Irish Free State will be represented at the pending Imperial Conference by the President and Vice-President of the Executive Council, Mr Cosgrave and Mr O'Higgins. Their task will be difficult. Fiscal rather than political issues will predominate in discussion, and in fiscal matters Ireland's representatives must necessarily find it very difficult, at the moment, to adopt any definite national policy. Opinion in Ireland on fiscal matters is still fermenting, and no real clarification can be expected immediately. Until that comes it would be unwise for Ireland to enter into any binding engagements either with Great Britain on the one hand or with the Dominions on the other. It would not be safe for her, without due consideration, to make common cause with the latter in matters fiscal, although in matters political there is identity of interest. So far as Irish opinion has exhibited any tendency, it has been in the direction of wishing to lessen its dependence on the British market by opening up, so far as may be, direct trade with foreign markets. Yet it might not be anxious to lose its hold upon the British market by assisting a policy of making that market more accessible to Dominion produce in competition with her own in pursuance of a policy of fostering Imperial trade by preferential tariffs. The Fiscal Committee has been industriously taking evidence, and is likely to report in the near future. It is doubtful, however, if its report can be conclusive. Its main duty was apparently the ascertainment of the "facts," so that possibly its findings will merely provide the controversial weapons for the ensuing discussions as to the best policy to be adopted for dealing with the various interests involved. Again, the issue between the employers and labour has yet to come to a head, and the development of the struggle may well help to determine fiscal policy. President Cosgrave in the Dail on Tuesday adverted in grave terms to the enormous losses inflicted on the country, and appealed for a reasonable spirit of compromise from every section of the community. He definitely declined to commit the Government to either side of the controversy, but was willing to finance a big housing scheme if the rival parties would guarantee to co-operate in making it a success. His words clearly showed that he was impressed with the unwisdom and injustice of trying to force a reduction of wages before there is any reduction in the cost of living, and that he was not satisfied that the high cost of living was due entirely to high wages. The Government was not satisfied, according to Mr Cosgrave, with the co-operation afforded to the Commission on profiteering, and information that should have been made available was not forthcoming; "it looked as if there was a conspiracy on one side to keep up prices, and on the other a conspiracy to keep up wages." Truth to tell, there is plenty of selfishness and folly on both sides, and sound employers and good work-

men suffer for it. But wages must fall if the commercial life of the country is to be carried on. And if wages are to fall the cost of living must first be reduced.

Earthquake Losses in Japan.—The number of deaths resulting from the recent disaster is not yet accurately known, but it is believed to be approximately 85,000 in Tokyo and 35,000 in Yokohama. In the latter city the destruction by the earthquake was much more severe than in Tokyo, but destruction by fire was much less severe than in the capital, where the small wooden dwellings caused over large areas almost complete destruction of property, and has created a much more serious problem than in the seaport. Reckoning in percentages, it is roughly estimated that out of 100 buildings in Tokyo, 9 per cent. were destroyed by earthquake and 41 per cent. by fire, a total loss of 50 per cent. In Yokohama approximately 45 per cent. were destroyed by earthquake, and only about 25 per cent. by fire, a total loss of 70 per cent. When it is remembered that the population of Tokyo is about 3 millions, and of Yokohama about 600,000, it is obvious that the task of finding temporary accommodation is one of very great magnitude. The total material damage is now thought to be between £150-170,000,000 sterling. This figure includes damage to goods, but probably £100 millions is in respect of house property. Even this figure may, however, be excessive, as there was apparently a tendency on the part of house owners in Japan to over-insure. It seems highly probable that rebuilding in Tokyo will be carried out on modern European lines, since, as the above figures show, fire losses were much more serious than the destruction directly due to the earthquake. On September 17th an Imperial Ordinance was issued in Japan providing for the suspension, until the end of March next, of the import duties on a large number of commodities, principally building materials and necessities of life. The duties are to be reduced to half until the same date on all motor vehicles and their component parts, and on all motive machinery, with the exception of motor lorries, which are free of duty.

Japan's National Debt.—Owing to the probability of Japan endeavouring to raise loans abroad for the reconstruction of the towns and cities decimated by the recent earthquake, it is interesting to review the state of the national debt and inquire into the present amount of gold standing to Japan's credit abroad. At the beginning of the war in 1914 the total national debt of Japan amounted to 2,560,778,000 yen, a per capita indebtedness of 44.02 yen, of which about 1,320,000,000 represented foreign debt. At the end of June last the total national debt had increased to 3,820,906,568 yen, of which 2,500,281,750 yen was domestic loans and 1,320,624,818 yen foreign loans, with local loans amounting to some 581,000,000 yen, a per capita indebtedness of over 65 yen. The census taken in 1921 estimated the total national wealth of Japan at 86,677,070,000 yen, or 1,539 yen per capita. On this basis every Japanese owes about 4.8 per cent. of his property to the nation's creditors. By way of comparison it may be mentioned that England's public debt last year amounted to about £181, or some 1,800 yen, per head, and this figure is probably not far short of one-third of the average wealth per capita. Thus Japan's debt is quite small in proportion to the resources of the country. Before the war the total specie holdings of Japan amounted to about 341,000,000 yen. At the end of the war they had increased to over 2,000,000,000 yen. Owing to adverse balances of trade, the total has since considerably diminished until it now stands at 1,780,000,000 yen, of which only 632,000,000 yen belongs to the Government, and 1,148,000,000 to the Bank of Japan. Of this total, 1,204,000,000 yen is in Japan, and the balance, 576,000,000 yen, is held abroad, mainly in England and America.

Electricity Commissioners' Report.—The Electricity Commissioners have now issued their annual report on the generation of electricity in Great Britain for the year ended March 31, 1923. This report deals with the generation of electricity by public supply undertakings and tramways and railway authorities, and gives statistics as to fuel consumption and output in units. It will be remembered that the question of coal conservation and that of the reduction in the cost of producing electricity have been the subject of Government Committees' inquiry—the Coal Conservation Sub-Committee reporting on the one aspect in 1917 and the Board of Trade Electric Power Supply Committee dealing with the second question in 1918. This report confirms the deductions made by these Committees from the somewhat inadequate data which alone were available at the moment. With regard to the claim of these Committees that there existed ample scope for big economies, the present report shows that an efficiency has been attained in two of the stations of the Newcastle-on-Tyne Electric Supply Company of under 1½ lbs of coal per unit generated. The table grouping the stations according to capacity also shows that, as the stations decrease in size, the corresponding amount of coal gradually increases to 3 lbs, 5 lbs, and even to 10 lbs and upwards per unit generated, thus substantiating the claim that great economies can be effected. Further evidence towards the same end is furnished by the comparison between the previous year and the one under review. The total units generated by all stations in 1922-3 was 5,738,718,485 units, and in 1921-2 4,884,666,038 units, the increase being 854 million units, or 17½ per cent. This increase in output incidentally attests to the big progress made, but the vital significance comes in when the corresponding fuel consumption of the two years are compared. The increase in fuel consumption to cover this 17½ per cent. greater output is only 3 per cent. This big saving in fuel is also reflected in the comparison of the average consumption of fuel at steam stations for the two years, the coal per unit generated being reduced from 3.11 lbs to 2.78 lbs, i.e., a saving of 10.6 per cent. These figures are of more importance than may appear at first glance. They show that the electricity production of the country is moving on the right lines—first, in the advancing economies due to more efficient plant and the better design of generating stations, and secondly in the important economy being gradually effected by the universal re-organisation which is now taking place whereby wasteful stations are being eliminated and supply being drawn from the big efficient stations. Further, this effectual wrestling, as it were, of more electricity from the same amount of coal is a permanent gain, and one of very different value from any mere reduction in cost of generation which often figures in a balance-sheet, but which may be due to quite adventitious factors, such as decrease in cost of coal, labour, or some other variable item. It is a gain both absolute and permanent.

Miners' Wages in September and October.—In view of the forthcoming discussion on proposed amendments of the National Wages Agreement in the coal industry, it is not without interest to consider the relationship between miners' wages at present and those ruling before the war. The figures for September and October are based upon the ascertainment of the working of the collieries in the two-monthly period May-June. The ruling rates are given in the following table, together with the corresponding rates in June, 1914, for purposes of comparison:—

District.	June 1914.		Sept. and Oct., 1923.		Col. 2 Expressed as % of Col. 1.
	Wages per Shift.	s d	Wages per Shift.	s d	
Northumberland	6 2-25	.. 11 0-26	.. 178-13		
Durham	6 2-50	.. 10 10-40	.. 174-55		
Scotland	6 9	.. 11 8-59	.. 173-57		
East. Fed. Area	6 7-75	.. 11 2-23	.. 168-31		
Somerset (Radstock)	4 9-50	.. 8 0-25	.. 167-39		
Bristol	4 8-75	.. 7 10-57	.. 166-64		
Forest of Dean	5 4	.. 8 10-60	.. 166-56		
S. Wales and Mon.	6 9-25	.. 10 9-43	.. 159-30		
S. Staffs and Salop	4 10	.. 7 6-31	.. 155-71		
Cumberland	6 2-25	.. 9 4-40	.. 151-38		
Lancs, Chesh., and N. Staffs ..	6 0-25	.. 8 9-53	.. 146-06		
N. Wales	5 10	.. 8 4-04	.. 142-91		
Great Britain	6 5-64	.. 10 8-35	.. 165-31		

The cost of living figure for September was 173 per cent. of the 1914 level, while miners' wage rates in Northumberland, Durham, and Scotland show a still greater rise. Moreover, in nine districts, employing about 85 per cent. of the total number of men engaged in the industry, the average earnings per shift are 90 per cent. or more of the present equivalent of those ruling in June, 1914; while it is worth remembering that the latter month is hardly typical of the general level in pre-war years. It will be interesting to see, however, whether the ascertainment for July and August will warrant the maintenance of the present wage levels under the terms of the National Agreement.

Need for Port Improvements.—In the current issue of the Baltic and White Sea Conference *Circular*, prominence is given to an article raising the question whether British harbour facilities are behind present-day requirements. Complaints of losses sustained by shipowners on account of congestion at various British ports are stated to be increasing, owners interested in the coal and timber trades being particularly affected. The present state of affairs, it is admitted, has been aggravated, though not entirely caused, by the recent strike of dock labourers in various ports, and by the temporary boom in the British coal trade, which resulted from the Ruhr occupation. Business has, however, now slackened off, and, if there is heavy congestion with the present volume of trade, what, it is asked, will be the condition if activity increases? The somewhat sweeping statement is made that no substantial improvements in the existing harbour facilities have been effected for a great number of years. There is undoubtedly some substance in the complaint, and some point in the comparison with the principal continental ports where this trouble does not occur. Not long ago there was, for instance, prolonged loading pressure and much delay at most of the South Wales ports. At present there is great congestion on the Tyne and at the Humber ports. In both these districts shipowners, shipbrokers, and coal exporters are uniting in pressing on the London and North-Eastern Railway Company their complaints at the delay in the shipment of coal. An analysis of the factors in the situation would, however, perhaps show that other causes than failure to carry out improvements in port facilities have contributed largely. There was the question of the third shift, and, beyond that, it is necessary to take into account in the years since the war the shortening of hours of work throughout the inland transport services. This has reduced the carrying power of ships by lessening the rate at which cargo can be passed through the ports. More ships are required. More ships have, in fact, been employed than would have been the case formerly, not only for that reason, but also because, with depressed trade, they have had to run with incomplete cargoes. These circumstances help to account for crowding of harbours and docks. At the same time it is true that repairs and maintenance of plant have fallen into arrear owing to the war, to say nothing of absence of improvements. These things take time to put right. As to the means of improvement, the question whether adequate use is being made of the Trade Facilities Acts naturally suggests itself. The scheme is that a Government guarantee of loans will enable money for works of a capital nature to be borrowed more cheaply than would otherwise be the case. The measure was expressly stated, in Parliament, to be intended to apply to such objects as extensions of docks and harbours. The loans guaranteed under that scheme include £125,000 in the case of Ipswich, where timber is a leading feature, £300,000 for the construction by a company of a large dry dock at Swansea, and £500,000 borrowed by the Workington Harbour and Dock Board to provide improved facilities for ore imports. An application for a large sum for improvements at Dover to provide for expected coal shipments is pending. So many of the ports are now in railway hands that the number of those where advantage might be taken of the scheme is limited. The railways, as now grouped, can borrow as cheaply without a Government guarantee as with it. They are, in fact, spending largely on improving port facilities, e.g., the Great Western in South Wales. In London itself very extensive port improve-

ment schemes are, of course, being carried out. On the whole, though there may be congestion and delay, those responsible for the development of British ports are not solely to blame. Various causes have contributed, and efforts are being made to bring about improved conditions. Emphasis on the need for more determined effort, however, does no harm, and indeed cannot be wondered at.

International Cotton Statistics.—The International Federation of Master Cotton Spinners and Manufacturers' Associations has published its usual statistics relating to the consumption and stocks of cotton for the half-year ended July 31st last. A little time ago the committee decided that the statistics should be presented in tables showing the total figures of each country instead of merely the actual returns received as heretofore. This decision was arrived at because this census represents now over 90 per cent. of the spindles of the world, and it was felt that the remaining spindles, for which no returns had been received, could be correctly ascertained by calculation. No returns have come to hand from Germany and Brazil. The world's consumption of American cotton during the second half of the cotton season ended July 31, 1923, was 614,000 bales less than in the first half-year, and the falling off was entirely due to Europe. Great Britain used over one-quarter of a million bales less of American cotton during the second half-year than during the first, and her consumption of this cotton during last season was below 2,000,000 bales, or only one-third of the consumption of the United States, in spite of the latter country, having only a little more than half the number of spindles of Great Britain. France, Germany, and Italy, together consume more American cotton than Great Britain, and Great Britain's consumption of all kinds of cotton represents barely more than one-third of Europe's total consumption. It may be of interest to point out that in 1913 Great Britain consumed 3,500,000 bales of American cotton. France is the only important country in Europe that increased cotton consumption during the second half-year as against the first. In Asia, India and China have consumed less, Japan a trifle more. The United States have added to their consumption figure. The total world's consumption of all kinds of cotton for the second half of the season was nearly 700,000 bales less than in the first half, though for the 1922-23 season the world used 22,076,000 bales, against 21,162,000 bales in the 1921-22 season. The returns show a most decided falling off in the stocks of American cotton held at the mills. This shortage of mill stocks accounts to a great extent for the abnormal demand that has sprung up during the last few weeks for American cotton to be delivered in the early months. Interesting statistics are given relating to the amount of short time worked by spinners. Increases in stoppages owing to trade depression have occurred in Great Britain, Italy, Spain, Austria, Denmark, Mexico, and China. Great Britain's stoppage during the half-year was equal to a suspension of the entire industry in the country for seven and three-quarter weeks out of 26 weeks. The spinning spindles throughout the world are given as 156,576,497, and of these Great Britain has 56,582,873, the United States 37,397,331, France 9,600,000, Germany 9,605,077, India 7,331,219, Russia 7,245,935, Japan 4,877,416, and Italy 4,570,000.

The Oil Share Outlook.—The reduction of another twopence per gallon in the price of petrol this week has lowered the price to 1s 7d per gallon, which is as cheap as at any time since the outbreak of the war. The effect upon share-values of the recent cuts in the price of the product, writes a Stock Exchange correspondent, has been to bring down quotations, and at the same time to accentuate a growing uneasiness in the minds of proprietors lest the principal producing companies should have to reduce their dividends. It may be recalled that the Mexican Eagle Company passed interim dividends on its ordinary and 8 per cent. preferred shares in July. Although recent apprehensions in regard to the possibility

of the company's 7 per cent. first preference shares not receiving the dividend due to them a month hence have been allayed by what seem to be inspired statements that the dividend will be duly paid, the market in the shares is weak, and the quotation has fallen to 15s 3d, or 5s 3d per share less than the issue price. Anglo-Persians, for which there was a wide scramble when the shares were offered at 65s, have fallen to £3 for the old and 55s for the new. Shells, which dropped to 3½ in July and recovered to 3¾ with little effort, have begun to weaken, in spite of the bear account which exists. Instead of there being a steady influx of buyers of oil shares upon every decline in prices, each successive fall now has a tendency to bring in further sellers. Some time ago the banks were exercising pressure upon those customers who were running loans upon the security of oil shares to pay off such obligations, and this caused a good deal of selling of actual stock, a source of supply which appears to have come to an end for the time being. The market, nevertheless, is dull and heavy. Apprehension at vague possibilities of unfavourable character pervade the mind of people who bought oil shares at substantially higher prices, and who for some time past have been hesitating whether they ought to cut their loss lest worse things befall the market. The root trouble in the industry is that, at a time when trade conditions throughout the world are not active, there have been discovered upon some of the American fields large numbers of wells, the owners of which have flooded the oil market with petrol. Echoes have reached this country in the shape of highly-coloured advertisements of oil shares from companies working in Texas and Wyoming. The innocent British investor is still being invited to put his money into oil schemes that have little more to recommend them than glowing references to colossal fortunes which have been made in the past by Indian squaws and farmers, who have become millionaires in a night by reason of oil gushers discovered on their properties. The United States Government has hitherto declined to intervene in the oil industry, but the supporters of a restriction policy now take the line that the national interests require something to be done to conserve natural resources of oil before these are squandered recklessly. Where consumption will receive its greatest impetus must be from the extensive use of oil in the shipping world, which would take millions of gallons where cars would require thousands. With shipping stagnant and trade throughout the world by no means active, there is but an ordinary demand for oil as fuel, and the consequence is that all these new oil producers in California and other American States add to stores of oil already adequate for meeting present-day requirements. The experience of the rubber industry is quoted as showing what can be done when official intervention imposes a practicable scheme of restriction upon output, and it remains to be seen whether the United States Congress will act in the direction along which it is being urged not only by people intimately connected with the oil industry itself, but by others who take a broader view of the necessity to conserve the resources of their country. Shareholders in the best-class oil companies are no doubt resigned to the prospect of seeing diminution in the profits of their undertakings. The course of the Stock Exchange market demonstrates this. A great number of people, however, hold oil shares as a speculative investment, and intend to keep them against such time as the wheel shall come full circle again and they reap the benefit of a patience that may be tried to a still further extent before it meets with the reward to which it will be amply entitled. Oil speculation is not less risky than gold mining itself, and it stands to reason that the elements of the unexpected may bring about a much sharper recovery in the oil industry's prosperity than may appear probable at the moment.

Industrial Profits in Australia.—The "Australian Investment Digest," of Sydney, publishes in its issue of August 1, 1923, an interesting survey of Australian company profits, based on reports published during the quarter ended June 30th last. The following summary table, exhibiting the total net profits earned and their relation to paid-up capital and reserves in the most important

groups, throws a certain amount of light on contemporary economic conditions:—

REPORTS PUBLISHED IN QUARTER ENDED JUNE 30, 1923.

Group.	Number of Companies.	Net Profits.		Percentage of 1923 Profits to	
		1922.	1923.	Paid-Up Capital.	Capital and Reserves.*
Banks	7	£ 2,501,245	£ 2,623,343	14.53	7.92
Pastoral and Agricultural	9	252,885	331,884	12.93	7.82
Shipping	4	227,363	224,735	14.74	8.79
Manufacturing—					
Foodstuffs	5	40,494	66,105	12.12	8.57
Other	6	80,567	104,420	9.81	8.47
Wholesale—					
Soft goods	1	5,463	35,068	12.01	10.34
Foodstuffs	2	73,061	82,670	14.19	10.09
Other	4	14,859	82,514	10.57	7.73
Retail—					
Soft goods	4	112,852	200,914	16.62	12.35
Other	8	57,538	119,719	12.27	10.44
Remaining companies	46	736,155	897,197	10.51	7.50
Total	96	4,102,482	4,768,569	13.19	8.10

* "Shareholders' funds."

Reports published in the second quarter of any year are mainly concerned with the trading of the previous calendar year, so that the profits figures here shown probably reflect the conditions of 1921 and 1922 respectively. As might be expected there is a substantial all-round improvement in the latter year, most marked in the wholesale and retail groups, less prominent in the pastoral and manufacturing, and scarcely perceptible among the banks, whose annual profits have varied very little in recent times. Shipping alone has failed to improve its profit-earning position. The last two columns demonstrate the "earning power" of the different groups. The most striking fact is that the largest profits have been made in retail trading, the next largest in merchanting, with manufacturing activities and transport in the third place. Pastoral and agricultural profits seem to be about the average, or a little below it. It appears to have been more profitable to open a shop than to buy a farm in Australia last year. The profits of 425 British companies during the same quarter, analysed in the *Economist* of July 14, 1923, worked out at 9.8 per cent. on the total capital, in comparison with 13.2 per cent. in the case of these 96 Australian concerns. The *Economist's* figures, however, exclude returns from banks, and if these are similarly excluded from the Australian totals it is found that the remaining 89 companies earned profits amounting to 11.86 per cent. of their paid-up capital, or 8.33 per cent. of their capital, reserves, &c. The seven Australian banks paid dividends on their preference shares at the average rate of 10.00 per cent., and on their ordinary at 10.95 per cent., while in the case of the remaining 89 companies the average rates were 5.69 per cent. and 9.29 per cent. respectively, against 5.4 per cent. and 9.9 per cent. in the case of the 425 British companies. Australian shareholders evidently receive much the same return on their investments as their brethren in England. The Australian dividend policy, however, was the more conservative in this period, as the following table shows:—

	DISTRIBUTION OF PROFITS.			
	Total Profits.	Ordinary Dividend.	Preference Dividend.	Reserves, &c.
425 British companies	100	64.3	19.9	15.8
89 Australian companies	100	68.4	6.1	25.5

The Australian companies appear to have issued a much lower proportion of fixed dividend-bearing stocks than the English, and in all probability they were less heavily capitalised, since, in a year not particularly brilliant in either country, they were able to pay dividends at the same rate by drawing on only 75 per cent. of their earnings against 85 per cent. Such conclusions are bound to be tentative, but, at any rate, they seem to indicate that Australian company finance has little to fear from a comparison with our own.

An Australian Conversion Loan.—Our Melbourne correspondent, writing on August 20th, says: "The conversion loan issue of the Commonwealth Government, to meet the 5 per cent. War Loan maturing on September 15th, is making slow progress, and it is expected that the Government will require to lean upon the banks, in addition

to drawing upon its cash balances in Australia, to meet part of the amount. The 5 per cent. conversion loan, 1928, is being offered at £98 per cent., giving a yield of £5 9s 3d, inclusive of redemption, with interest subject to Federal income-tax. Meanwhile, the State Governments of New South Wales and South Australia are issuing fresh securities at the Treasuries at 5 per cent., Victoria at 4½ to 5 per cent., and Queensland at 5½ per cent., all free of State and Federal income-taxes. Thus there is considerable Government competition for any fresh money available for investment, while privately the tendency is somewhat tighter, and there is more demand for money on the security of country property." A Reuter telegram from Melbourne, dated September 25th, states that the deficit on the Commonwealth Conversion operation amounts to nearly £7 millions, which has been met out of general Treasury balances.

U.S. Government's Sale of Ships.—Our New York correspondent writes:—The United States Shipping Board has announced the sale of seven of its combination passenger and freight steamships. The Dollar Line, of San Francisco, purchased the steamships "President Garfield," "President Monroe," "President Adams," "President Van Buren," and "President Polk." All of those vessels are now operated by the Shipping Board between New York and London. They will be supplanted by fast freight carriers from the Board's fleet, and it is understood that the steamship "Republic," now being reconditioned, will be used in the Shipping Board's New York and London passenger service. The Dollar interests also purchased the steamships "President Hayes" and "President Harrison," which have been operated in the Board's service between the Pacific Coast and the west coast of South America. An interesting feature is the announcement that the purchasers will use the vessels to inaugurate a round-the-world service, starting at San Francisco, and touching at Japan, China, the Philippines, Java, Straits Settlements, Singapore, India, thence through the Suez Canal to Egypt and Mediterranean ports to New York, and through the Panama Canal to San Francisco. The steamships are of 10,533 tons gross and 6,195 tons net register, and each accommodates about 120 passengers.

Polish Trade.—The Polish trade returns for the first six months of this year have now come to hand, and are summarised in the following table:—

	(In Gold Francs.)	
	Imports. Millions.	Exports. Millions.
January	99.4	71.8
February	81.5	94.4
March	98.2	143.2
April	100.5	108.8
May	101.3	94.7
June	92.0	93.3

It will be noted that whereas imports totalled 572.9 million francs over the half-year, exports were over 33 millions higher at 606.2 million francs. The returns are given in Swiss francs, calculated on the basis of the current rates of exchange, and the unit cannot therefore strictly be regarded as being the gold franc. At the same time, this method of calculation is relatively simple and approximates fairly closely to a stable basis, though it leads to considerable delay in the publication of the returns. The fact that the balance of trade is favourable to Poland may come as a surprise to many people, though the total turnover, at the rate of under £100 millions per annum, gives some idea of the general deterioration of the Central European market under present-day conditions.

Anglo-Austrian Bank.—The first report of the Anglo-Austrian Bank since its reconstitution as an English company covers the period from March 27, 1922, to December 31, 1922. The bank was formerly an Austrian company carrying on business in the old Austro-Hungarian Empire. The London office was opened for business on July 1, 1922. The profit for 1922 was £70,777, from which has to be deducted £25,156, the profit earned before the English company took over the business in March.

This sum is transferred to an "Opening Reserve Account," and of the balance £25,000 is paid in the form of a dividend of 2½ per cent., free of British income-tax, leaving £20,620 to be carried forward. Deposits figure in the balance-sheet at £4,574,800, acceptances at £896,100, advances at £3,012,300, cash at £354,400, and investments, including British Government securities for £470,300, at £2,187,200. With reference to the investments held at the foreign branches, the auditors state that they are satisfied that "they are conservatively valued, and are subject to a proper control and internal audit which we have supplemented by periodical tests." The paid-up capital was increased during the year by an issue of £400,000 in 6 per cent. non-cumulative participating preference shares which rank for dividend as from January 1st last, and now amounts to £1,406,370. The confidence engendered by the stabilisation of the Austrian exchange has been reflected "in a steady increase of deposits and in the number of new accounts opened with the bank of Austrian and other clients." The directors, however, remind the shareholders that the beneficial effects of the bank's reconstitution, particularly as to the development of the relations of the London financial market in Central Europe, must be gradual, and cannot be fully realised for a considerable time.

The Californian Fruit Crop.—The planting of fruit trees in California has shown an enormous increase during the last few years. This applies especially to apple, pear and peach trees; the increase has not been nearly so great in the case of cherries, apricots or plums, while the number of grape-vines has been steadily on the decrease for some years past. The pear crop this year is expected to yield 112,000 tons, which, in spite of the increased area, is considerably less than last year, but this is due to the unfavourable weather early in the season, which injuriously affected the entire fruit crop. Of last year's pear crop of 135,000 tons, 52 per cent. was shipped fresh, 32 per cent. was canned, 12 per cent. was dried, and 4 per cent. was consumed within the State. The apricot crop this year is the largest on record—210,000 tons against 120,000 tons in 1922. The plum crop has done very well this year, over 46,000 tons having been produced, while cherries also did well, the crop yielding 14,000 tons. Notwithstanding the decreased area devoted to the grape-vine the yield of grapes this year is expected to amount to 1,900,000 tons, while the amazing total of 4,500,000 boxes of apples are expected to be gathered and shipped. A peach crop of 393,000 tons is estimated, or about 27,000 tons less than in 1922.

Opportunities in Central America.—Sight should not be lost, writes a correspondent, of the favourable field afforded for British enterprise in the young Central American States, where the immense natural resources are still almost untouched, and, to a very great extent, unappreciated. Panama is under the domination of the United States, but there still remain Guatemala, Costa Rica, El Salvador, Honduras, and even Nicaragua, notwithstanding the strong position held there by the United States. If indifference to the attractions of these promising lands reigns in British financial circles, the same does not exist among other European capitalists. French, Italian, and Belgian syndicates have been formed, or are contemplated, for the purpose of exploiting the countries of Central America, notably in connection with the immense mahogany forests of Honduras, and the provision of electric traction for Guatemala. Regarding the latter, a valuable concession has recently been granted for a complete installation of electric light and power for the City of Guatemala, and, notwithstanding the financial position of Belgium, not the least difficulty has been found in raising the necessary capital of 10,000,000 francs, the whole of the plant and machinery contracts going, of course, to Belgian firms. It is a sad commentary that some such concession might have been obtained by an English syndicate as long ago as 1913; but failure to recognise the opportunity and courage to undertake the enterprise led to abandonment of the project.

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CABLE ADDRESS: BANKTRUST, PARIS

Consolidated Main Reef.—Our mining correspondent writes:—From the profit-earning standpoint this Witwatersrand company fared considerably better last year than in the preceding period. The quantity of ore crushed—621,700 tons—exceeded that put through in 1920-21, when there was no labour trouble, and the decline in revenue due to the fall in the gold premium was largely offset by saving in costs, with the result that the profit per ton figures at 4s 1d as against 3s 1d for the twelve months ended June 30, 1922, and 7s 1d for 1920-21. At £167,500 the working surplus amounts to more than double the 1921-22 total, and approaches within measurable distance of that secured in 1920-21. On the present occasion, however, capital expenditure absorbs a fair sum, and with further requirements in prospect the directors follow a conservative policy in the distribution of profits, the dividend being 6½ per cent. as against 5 per cent. previously, and 12½ per cent. in respect of each of the two preceding years. From the development standpoint, however, last year's experience was even more unfavourable than that of 1921-22. Despite the performance of a largely increased amount of exploratory work, the ore opened up failed to replace that extracted. About one-third of the tonnage crushed was obtained from reclamation; hence the ore reserves are no more than 71,300 tons down at 1,070,600 tons, representing well under two years' supply for the mill. In this connection the consulting engineer remarks that "with the exhaustion of the No. 2 shaft section the necessary exploiting of the better portions of the low-grade areas is likely to become a bigger factor, and the present rate of yield may not be maintained." It may be recalled that in last year's "Note" attention was drawn to the unfavourable development outlook. Meanwhile a substantial decline has occurred in the price of the shares. It is sometimes contended by Rand enthusiasts that the mining companies are mistaken in confining their attention to the main reef series, and that good results could be obtained from other ore bodies lying nearer the surface. It is, therefore, interesting to note that the C.M.R. Company has started prospecting the Kimberley reefs in a thorough manner. Information is at present too meagre to warrant the formation of an opinion as to the possibilities.

Union Diamond Industry.—Holders of shares in important South African diamond companies have lately received positive evidence of the revival in the demand for the stones, the De Beers Consolidated having paid off the balance of the arrears on its preference shares, while the New Jagersfontein is disbursing 3s per share on October 4th following upon 3s 6d in April, when the Premier announced a distribution of 7s 6d on the deferred shares. Official statistics just to hand show that for the six months to the end of June the production in the Union amounted to 755,200 metric carats, valued at £2,316,500, or more than for the whole of 1922. Moreover, the sales largely exceeded the production, totalling 1,130,700 carats, value £3,314,800. The average value realised was 58s 8d,

or about half-a-crown below the 1922 average. Of the half-year's total the appreciable quantity of 116,300 carats was obtained from the various alluvial fields, giving the high value of 135s 4d per carat.

The Co-operative Outlook.—A correspondent writes:—The report of the Co-operative Wholesale Society, Limited, to be submitted at the forthcoming delegate meeting, confirms the conclusions given in the *Economist* of July 7th, and strikingly endorses what was then written as to the impression gaining ground in many societies that "too heavy a tax is taken from the results of the present in the interests of the future." For the Committee will recommend alterations of rules to provide for new minimum rates of depreciation in place of the present system. The practice now is for all land and buildings (except for agricultural purposes), fixtures, and ships to be depreciated at not less than $2\frac{1}{2}$ per cent. per annum on land, 5 per cent. on buildings, and $7\frac{1}{2}$ per cent. on fixtures and ships. These amounts are taken half-yearly from the original value of such property. The proposed scale is at the rate of $1\frac{1}{2}$, $2\frac{1}{2}$, and 5 per cent. respectively, and this will afford partial relief, for according to the directors, "the excessive amount charged through the operation of these rates constitutes a very heavy burden upon our trading departments, and a severe handicap in the competition for trade." Evidently the directors have realised the force of the argument, so deeply impressed by the experience of the last few years, and have now determined on a policy which is essentially sound and safe—when the results of past depreciation have been completely to wipe out from the accounts much of the land and buildings. For the half-year ended June 23rd last the sales were £31,700,704, a decrease of £475,159, or $1\frac{1}{2}$ per cent. on the corresponding period of 1922. During the same period the supplies from the various productive works were £9,933,965, a decrease of £103,974, or 1 per cent. The profit was £952,354. From this £566,774 interest has been paid on capital according to rule, and £378,653 allowed as depreciation on property, leaving a surplus profit of £6,927, which is recommended to be placed to the credit of the reserve fund, which now stands at £721,847. It would thus appear that the slump in trade has been stayed, for the decrease of 17 per cent. in the first half of 1921, and of 24 per cent. in the first half of 1922, has been reduced to $1\frac{1}{2}$ per cent. in the past half-year. Trade has been restored to the 1918 level, which, having regard to the lower prices, means that in bulk the volume has been much greater. But there has been no great diminution in the distributive expenses. Before the war these were about $4\frac{1}{2}$ per cent.; in 1921 they rose to $5\frac{1}{2}$ per cent.; last year to $6\frac{1}{2}$ per cent., and during the past six months they were $6\frac{1}{2}$ per cent. In the C.W.S. Bank the deposits and withdrawals were £242,265,436 for the first half of 1923, a decrease of $4\frac{1}{2}$ per cent. Here the lessened funds of trade unions affected the returns as much as the reduced turnover of co-operative societies. At the present time there are 1,029 co-operative societies banking with the C.W.S., and there are now only 53 distributive or retail societies not banking with the central federal institution, while every society in the North-Eastern area is now conducting its banking business with the C.W.S. Conjointly with the Scottish Co-operative Wholesale Society the English C.W.S. has a tea department which sold 23,182,379 lbs, valued at £2,611,606, in the last six months, as compared with 23,146,802 lbs, valued at £2,553,136, in the corresponding period of 1922, increases of $\frac{1}{2}$ per cent. and $2\frac{1}{2}$ per cent. respectively. At its nine flour mills the society milled 1,500,970 sacks of flour and 1,123,203 sacks of offals, representing a value of £3,815,567; it sends out 744 tons of soap weekly, and made 1,390,876 pairs of boots and shoes in its works at Leicester, Derby, Leeds, Heckmondwike, Rushden, and Norwich, an increase of 40 per cent. as compared with the corresponding period of 1922. This is one of the most promising aspects of the co-operative industrial position. Altogether it would seem that the worst has been passed, and that the prospects of the co-operative movement for the coming year are more hopeful than they have been since the Armistice.

Overseas Correspondence.

UNITED STATES. — FOREIGN TRADE — INVISIBLE IMPORTS — GOVERNMENT FINANCE — STEEL CORPORATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 17.

ANOTHER monthly foreign trade balance in favour of the United States is shown by the returns for August, as compiled by the Department of Commerce. The total value of exports last month is placed at \$313,000,000, and of imports at \$275,000,000, as compared with \$301,774,000 and \$281,376,000 respectively, for August of last year. Last month's excess of merchandise exports, therefore, amounted in value to \$38,000,000, as against an excess of \$26,000,000 in July of this year, and of \$20,300,000, approximately, in August, 1922. For the eight months of the current year ending with August, however, the total value of imports was \$2,650,200,000 and of exports \$2,561,675,000, showing an excess of \$88,525,000 in imports, whereas for the corresponding period of 1922 exports were some \$470,831,000 larger than imports, and of 1921 about \$1,533,142,000 greater. Exports of gold last month amounted to \$2,200,961, as against only \$522,826 for July, while gold imports totalled \$32,837,397, compared with \$27,929,447 in July. During the eight months ending with August, gold imports aggregated \$192,699,304, against \$185,091,630 in the same period of 1922, while exports reached \$25,015,337, compared with \$11,744,036. The figures for the eight months' period reveal an excess of \$167,683,967 in gold imports over exports, as against \$173,347,594 in the like period a year ago. Exports of silver increased from \$6,233,163 in July to \$7,032,221 in August, but imports decreased from \$10,066,463 in July to \$6,465,949 last month.

The Department of Commerce has just completed an interesting report on the so-called "invisible" factors in the foreign trade and financial operations for the calendar year 1922. An analysis of the statistics presented showed that while the value of commodity and merchandise exports last year exceeded that of imports by some \$754,000,000, the "invisible" balance against this country was much larger and more than offset the favourable merchandise, or commodity balance. The balance of international dealings, including the "invisible" items, against the United States is placed at \$566,000,000, although it is admitted that is a rough estimate and that the current balance against this country may be as low as \$450,000,000, or as high as \$700,000,000. Various movements of capital and "invisible" items are set out in considerable detail. For instance, capital items, such as foreign loans matured and paid, show an unfavourable balance for last year of \$649,000,000, while invisible items indicate an adverse balance of \$425,000,000, and gold and silver imports exceeded exports by \$246,000,000. Expenditure by American tourists abroad in 1922 is put at \$300,000,000, and immigrants' remittances sent abroad at \$400,000,000. In striking an interest balance, those two items, it is explained, are in effect imports, since the money was spent abroad, although the actual commodities for which the money was spent were not imported into this country. Foreign Government loans floated in the United States last year totalled \$664,000,000, of which \$131,000,000 represented refunding. The net amount of capital advanced to foreign countries and corporations last year is put at \$637,000,000, and the par value of new loans to Europe, excluding refunding issues, is placed at \$229,000,000. Foreign securities purchased by Americans, the report shows, aggregated \$963,000,000, and yielded their holders in dividends and interest during 1922 about \$117,800,000. In the same period the gross value of imports into the United States reached \$3,113,000,000, and of exports from this country \$3,867,000,000. Referring to the present year, the Department says there have been further reports in recent weeks of buying of American securities by foreign investors, due to "unstable political and financial conditions abroad." In com-

menting on the report, Secretary of Commerce Hoover says that if the United States settled its balances in foreign trade and international finance every month in the year in gold "we should have exported gold to the amount of nearly \$340,000,000 during the year, instead of having imported gold and silver to the amount of \$245,000,000." The Department of Commerce refers also to the movement due to the smuggling of liquor into the United States, although that item is not included in its calculations. Estimates as to the amount involved in such smuggling, it says, vary from \$10,000,000 to \$250,000,000, but, it adds, there are "plausible statistics" indicating that "the value of smuggled spirits cannot be less than \$20,000,000."

As was quite generally expected, the Government's September financing took the form of an issue of approximately \$200,000,000 new Treasury certificates of indebtedness, dated September 15th, maturing March 15th, and bearing interest from September 15th at the rate of $4\frac{1}{2}$ per cent. per annum on a semi-annual basis. They were offered, as usual, to banks, trust companies, and investment interests generally at par and accrued interests, and were heavily over-subscribed. The total of applications approximated \$500,000,000, indicating that there is a large amount of loanable capital seeking employment in high-grade securities. About \$290,000,000 of Treasury certificates, according to Secretary Mellon's statement, became payable on September 15th, besides public debt interest of some \$145,000,000. Called and matured Victory notes aggregating \$53,000,000 and matured War Savings certificates amounting to \$30,000,000 approximately are still outstanding and coming in slowly. The Treasury Department expects to receive about \$340,000,000 in income-tax payments. The recent offering of Treasury certificates was intended to meet payments falling due the middle of this month over and above tax receipts, and to cover the Treasury's further cash requirements. No additional Government financing is expected until December, since no further payments of principal of the public debt will come due until December 15th. Last week's financing reduces the Government's outstanding obligations by about \$90,000,000.

The United States Steel Corporation's unfilled orders showed a further shrinkage of 496,100 tons last month, the total of unfinished orders on its books as of August 31st amounting to 5,474,663 tons, the smallest aggregate reported for any month since May 31, 1922. Since the end of March of this year the decrease in such unfilled business has totalled 1,988,669 tons. Shipments last month are estimated at not more than 1,200,000 tons, while new orders received are figured at 700,000 tons, approximately, or less than would have been sufficient, without using back orders, to assure profitable operations. The corporation's unfilled orders at the end of August represent about five months' business at the present rate of production, which is said to be close to 87 per cent. of capacity; it is not actually booked up to the end of January, however, since some of its business already booked consists of long-time contracts. Unless there is a material increase in new orders during the next month or two the leading interest will undoubtedly be obliged to curtail its present rate of production.

GERMANY. — RUHR — CURRENCY REFORM — FINANCES — BOURSE — PRICES — TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, September 25.

THE Stresemann Cabinet's decision—foreseen for some weeks—to abandon the passive resistance on the Ruhr has changed, without necessarily improving, the situation. On the one side is a gain through gradual cessation of the Ruhr subsidies, though it is not yet clear how soon the local industries will become self-supporting. On the other side are the threat of domestic troubles, and the possibility that neither the local Ruhr situation nor the reparations question generally will be helped by the surrender. The internal situation looks worse than at any time since the Armistice. The Communists have gained in strength through the failure of the Cuno Cabinet's financial policy, and from the various Nationalist, Fascist,

and Separatist movements, which have been increasing for months past, a combined move against Berlin may possibly take place. The probability, however, is against this. The future of the Ruhr and reparations questions is very vague. If the French maintain their claim that Germany had to abandon passive resistance without any pledge from their side, the present militarist terror may easily be continued in order to enforce surrender on the reparations and other questions. There would be nothing then to prevent a continuation of the wrecking measures against German industry and trade, and in that case the need for supporting the Ruhr might be as great as ever. The Stresemann Cabinet has practically admitted that it is helpless, and there has been nothing in France's policy of late to indicate that this helplessness will not be exploited with the aim of further destruction and perhaps of further invasion.

The Cabinet's currency reform measure has been published in the form of a Bill. This Bill has not been very well received, and already material changes have been made in it. The reform is tied up with the Ruhr surrender. It assumes the balancing of the Budget within a definite term, and would therefore be impossible to realise if the greatest industries continued living almost exclusively at the cost of the State. The central point is that a new bank, the Currency Bank ("Währungsbank"), shall be created with power to give the State limited credits, but no more, while the Reichsbank, being reconverted into a gold bank, and being entirely divorced from the State, will cease discounting Treasury bills altogether. The capital of the Currency Bank of 2,400 million "ground marks" (*Bodenmark*, according to a suggested amendment *Neumark*, or new marks) will be supplied in equal portions by agriculture, on the one hand, and by industry, trade, and banking on the other, and there will be a reserve of 800 million "ground marks." The Currency Bank will be taxation free and independent of the Government, except for the latter's right of confirming its president's nomination. The capital will be provided in the shape of gold mortgages of 3 per cent. of the 1913 value of agricultural and forest land, and in the case of industries and trade by gold bonds. Interest on the mortgages and bonds will be $6\frac{1}{2}$ per cent. (according to a suggested amendment, 6 per cent.). Industrial and trading concerns owning land will provide their shares in the shape of mortgages. On the security of the mortgages and bonds in its name the Currency Bank will issue gold-mark mortgage bonds bearing 5 per cent. interest, and these will be legal security for the bank's note issue, which is to be in "ground marks," each containing 100 "ground pfennigs." On the security of every mortgage bond of 500 gold marks the bank may issue notes for 500 "ground marks." The gold mark will contain 0.358 grammes of fine gold. The "ground mark" represents theoretically the same gold value, but it is convertible not into gold, but into a mortgage bond of the same number of marks. Also the Currency Bank is obliged to deliver "ground marks" in exchange for the same nominal value in mortgage bonds. The bank will transact general banking business only with the State, but (according to a proposed amendment) it may rediscount commercial bills discounted by the Reichsbank. After two years the Currency Bank will be liquidated. Within the two years the bank is authorised to give the Republic interest-bearing credits of up to 2 milliard "ground marks," and on the ground of this power to give the Republic an immediate non-interest-bearing credit of 300 million "ground marks," which the Republic must use for the partial or complete repayment of its Treasury bills debt to the Reichsbank, while the Reichsbank will use the money to redeem the present paper-mark circulation at a ratio yet to be fixed. The 300 million advance may be increased. The "ground mark" alone will be legal tender, but paper marks must be accepted in payments up to a value of 500 "ground marks" at whatever ratio is fixed. The persons and corporations contributing capital in the shape of mortgages and bonds will be shareholders of the Currency Bank, and will have a right to draw interest not exceeding 3 per cent.

This project, which is in principle the Helfferich plan, has, as stated, not been well received. In principle doubt is expressed as to the practicability of basing a currency primarily on land security, and there is historical reason

for such doubts. If the Government fails to balance its Budget after the credits provided for in the Bill are exhausted, there is nothing to prevent it, under a new law, increasing the 3 per cent. mortgage limit, increasing the bonds, and increasing the circulation. Also, the stability of value of the notes will depend exclusively upon the limitation of their issue, because they will be in no real sense convertible. The gold-mark mortgage bonds which the presenter of notes can claim will necessarily bear interest in, and ultimately be paid off in, the compulsory legal tender currency, which is the same "ground mark." The claim that the new notes, being immediately secured on land, industrial property, &c., in some way represent real values, is not justified. This defect seems to lie in the nature of the solution chosen, in the fact that land cannot possibly be made liquid. A foreign gold loan on mortgage or bond security of land, &c., would be in a different position, as this would make possible the issue of real gold notes, in which interest on the mortgages could be paid. In official quarters not very much faith is shown in the proposed solution.

The Finance Ministry has now published a final report on revenue in the financial year 1922-23 (ending March 31, 1923), with comparative figures for 1921-22:—

	1921-22. Marks.	1922-23. Marks.
Direct taxes and taxes on business	66,784,588,584 ..	958,068,405,397
Customs and taxes on consumption	21,215,592,983 ..	445,236,793,190
Export duties	3,311,465,068 ..	194,109,686,169
Not classified revenue.....	..	10,155,842,978
Totals	91,311,646,635 ..	1,607,570,727,734

The proceeds in 1922-23 of the Forced Loan (12,853 millions) are not included in the above. Revenue, it will be seen, increased over 18-fold. In the financial year 1921-22 the mark depreciated from 62 to 305 to the dollar; in 1922-23 it declined further to 21,000. The drop in the gold value of the revenue is therefore visible without testing it by the precise average gold value of the mark in the two years. The Cabinet is now, under the Law of July, raising excise duties in quick stages by administrative order, but the gold value of the yield continues to fall behind. The August report shows that 18 taxes, some of them direct, yielded at the month's average exchange £19 10s. The Customs gold surcharge has been raised as from the 26th to 3,479,999,900 per cent. Prussia has suspended payment of interest on her debt, 90 per cent. of interest instalments being under 500 paper marks. A new movement towards paying off the last mortgages and industrial bonds has begun, the aim being to provide against regulation under the currency reform. The Bill above described enacts that old mark debts shall be payable in the new "ground marks" at the ratio of conversion to be decided on. As this ratio will almost inevitably be fixed according to the paper mark's gold value of the day, the expropriation of secured creditors will be completed.

The Reichsbank's statement for September 7th shows a new drop in the gold reserve of 20,591,000 gold marks to 489,895,000 gold marks. The inflation of all figures continues; commercial bills rose by 113,795 milliards to 278,493 milliards, Treasury bills by 584,243 milliards to 1,571,462 milliards, while note circulation, rising by 518,838 milliards, passed the 1,000 billion limit to 1,182,038 milliards. The demand for credits from the Darlehnskassen increased rapidly, rising by 92,900 milliard marks to 107,000 milliards. This increase is in connection with a decline under the heading of advances. The statement says that the increase under the heading of commercial discounts is largely due to cheques, for which the bank is not a credit giver, and that the rest of the increase is due to short-distance credits, which it was not possible to put upon a stable value basis. In general, the bank's policy is that as long as the risk remains of further mark depreciation credits shall be stable value.

Money last week became easier, interest on day money dropping to between 4 and 7 per cent. a day. In Berlin large sums were received from the Rhineland in payment of exchange bought here. The "gold loan" (properly, stable-value loan on a gold calculation basis) was quoted on the Bourse for the first time on the 20th at 105,000,000, as against a dollar exchange of 109,725,500. This loan has become an object of speculation, as so long

as it fluctuates more or less in harmony with the dollar, it plays the same rôle as exchange speculation, though with prices automatically following the dollar a real gain from exchange speculation can hardly be made. Stocks last week had a slight fall. The *Frankfurter Zeitung's* index for dividend-payers shows 16,879,573,500 for the 21st, against 19,495,537,500 for the 14th. The decline was caused partly by shortage of money, partly by the mark recovery. Taking stock prices at 100 on January 4, 1922, the price on January 5, 1923, was 1,378, and on December 21st, 61,739,470.

The fall in the exchanges of last week brought no general drop in prices. Even those wholesalers and retailers who had for weeks avowedly changed their prices from day to day according to the exchanges, did not reduce them. Potash paper mark prices were reduced nearly 40 per cent., but coal gold prices have again been raised, the new price for standard Ruhr (Foerderkohle) being 38.46 gold marks per metric ton. There are other instances of prices of goods which are quoted only in gold being materially raised in gold. The cost of living index on the 17th was 14,244,900 times that of 1914, against 5,051,046 a week earlier. Trade reports are still unfavourable. Measures are being taken to encourage export and restrict import. The Finance Ministry has submitted a project for the imposition of duties on duty free goods, and for raising the duties on others. The goods concerned are mostly in the luxury or semi-necessary class. A very large number of articles which were hitherto exportable only under licence have been placed on the export free list.

FRANCE.—RUHR PLANS—COKE PRICES—NEW TREASURY BONDS—TRADE RETURNS.

(FROM OUR CORRESPONDENT.)

PARIS, September 26.

THERE is much speculation here as to what immediate action will be taken by the French and Belgian Governments in the direction of modifying the conditions of their occupation of the Ruhr once passive resistance has nominally and officially ceased. These speculations have involved the public in much confusion of thought, and as a result much nonsense has already been written and will be written as to the radical change which it is assumed will be brought about by the ostensible capitulation of Berlin. As a matter of fact, there is no reason to believe, if information gathered in high official quarters here be accurate, that any appreciable immediate change in the general situation will occur. According to present French plans, the actual conditions in the Ruhr will revert to the more or less "invisible" occupation that was in force when the French troops first entered the Ruhr in January. The French uniform will be much less seen than at present, but the French mailed fist will still continue to grip the Ruhr railways and collieries, and the postal, telegraph, telephone, Customs, and other services as firmly as at present. The German railway men and miners will be cordially welcomed back to work, and the German tax collectors will be given every possible moral aid in carrying out their duties. It will probably be some time, however, before Herr Krupp von Bohlen and his fellow-directors who are languishing in prison at Amiens, and other German common law prisoners are released, while some considerable interval must also elapse before those officials who have been expelled from the Ruhr will be able to resume their posts. The intention is that the cases of all these men shall be examined individually, and that all those whom there are no special reasons for maintaining in prison or in exile shall be restored to liberty. In the present temper of the French Government, however, there is not the remotest probability that the formal renunciation of passive resistance by the Berlin authorities will be followed immediately by a complete return to the status

quo ante in the Ruhr. The German authorities, industrial and working classes, will be almost certainly put on probation for several weeks, perhaps months, until the French and Belgians are satisfied that resistance is really and sincerely renounced, and after that period of trial, which will be utilised for a careful and detailed examination of the Ruhr's capacity to yield reparation payments under the changed conditions, we may expect the initiation of some kind of negotiations between the Allies as a whole and the German Government.

French plans to meet the new situation are stated in official quarters to be complete. The recent visit of M. Le Trocquer, the Minister of Public Works, to the Ruhr was for the express purpose of ensuring that the French authorities shall not be caught napping when industrial and commercial life is resumed there. It was foreseen that the staff which has the duty of issuing export and similar permits would be overwhelmed from the start unless very greatly strengthened, and this has already been done, while an adequate number of extra revenue officials has also been dispatched to superintend the collection of taxes, &c. The exact attitude the British Cabinet will take in the immediate future with regard to the French plans in the Ruhr is awaited with great interest, but no secret is made here of the fact that there is an intense desire in official circles that Great Britain and France should co-operate in the closest possible way in the general settlement of which the cessation of passive resistance in the Ruhr marks the commencement. Evidence of this is seen, to mention only one instance, in the proposal made by M. Poincaré in June last, that steps shall be taken to maintain in a state of seizure for some time to come the enormous stocks of metallurgical products that have been accumulated in the German factories since the occupation began. The reason for this, as M. Poincaré instructed the French Ambassador in London to point out to Lord Curzon, is that if the German manufacturers are able to carry out their obvious intention of suddenly throwing large quantities of these goods on the world's markets, very serious disturbance would be caused to British industries, as well as to those of other countries. The effect of such an eventuality on unemployment in England is too obvious to need comment.

A curious situation has arisen in connection with the supply of coke from the Ruhr for sale to the French metallurgical industry. It will be remembered that it was decided several months ago that the figure at which reparation coal and coke should be dealt with in France must be on the basis of German domestic prices for the same commodities. This for a long time proved very favourable to the French metallurgical industry. Lately, however, the price of combustibles in the German home market has risen so enormously that coke from the Ruhr, intended for the French metallurgical industry, has risen to 600f per ton, which is greatly above the price ruling in the world's markets. The conditions on which reparation combustibles are to be sold having been laid down by the Reparations Commission, the Minister of Public Works has addressed a letter to M. Poincaré urging that immediate steps shall be taken to induce that body to modify the conditions, in view of the altered circumstances, with a view to enabling coke to be sold at more reasonable prices. He asks, as a matter of fact, that the price should be fixed at the same figure as that of French coke in the home market.

The *Journal Officiel* on Sunday published the decree announcing the terms of the issue of the second portion of the Treasury Bonds authorised for the present financial year. The new bonds, which are in denominations of 500f and 5,000f, are issued at 98.50, and bear interest at the rate of 6 per cent. They are redeemable at par on May 20, 1926, at 103 per cent. in 1929, or at 108 per cent. in 1933. The first coupon is payable on November 20th next, and will be for 12f, instead of 15f, in view of the fact that the date of issue is as from June 27th only. The bonds are free of all present or future taxation.

The French trade returns for the first eight months of 1923, which were issued last Thursday, show an increase in the value of all categories of both imports and exports, as compared with the figures for the corresponding period of last year, together with a marked increase in the weight, except in the case of manufactured imports. The

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detailed figures for the eight months, as compared with those for 1922, are as follows:—

(In Thousands of Francs.)

	First Eight Months of		Increase in 1923.
	1922.	1923.	
Imports—			
Foodstuffs	3,593,761	4,623,737	+ 1,029,976
Raw materials	8,378,658	12,514,674	+ 4,136,016
Manufactured goods	2,633,691	2,799,913	+ 166,222
Total	14,606,110	19,938,324	+ 5,332,214
Exports—			
Foodstuffs	1,123,604	2,016,377	+ 892,773
Raw materials	3,480,443	5,870,051	+ 2,389,608
Manufactured goods	7,982,367	10,243,559	+ 2,261,192
Postal parcels	859,487	998,079	+ 138,592
Total	13,445,901	19,128,066	+ 5,682,165

These figures show that during the eight months of the present year the value of French exports increased by over 42 per cent., as compared with the corresponding period of 1922, while imports had an increased value of 36½ per cent. At the same time, on balance, the imports during the eight months of 1922 exceeded exports to the value of 1,160,000,000f, whereas during the past eight months the deficit balance was only 810,258,000f. The visible balance on French foreign trade, which was a favourable one of 78 millions in May last, was marked by a deficit of slightly over 90 millions in August, as compared with deficit balances of about 192 millions in July and 79 millions in June. The outstanding feature of the figures showing the weights of French exports and imports during the eight months is that France has imported nearly 30½ million tons of raw materials this year (as compared with 28,841,000 tons during the corresponding period of last year), the increase being largely in coal, while her exports of the same class of merchandise weighed 12,185,000 tons, or about a million tons more than last year. Compared with the first eight months of 1913, French imports in 1923 show an increase of 14,442,885,000f and 6,150,542 tons, while exports are greater by 14,691,497,000f and 1,363,121 tons.

SOUTH AFRICA.—MINING CAPITAL—AN INCOME-TAX POINT—DIAMOND PRODUCTION

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, September 4.

THE Union Department of Mines and Industries has issued its annual return of capital statistics of the mining industry, the figures applying as at December 31, 1922. Out of a total of £82½ millions net issued capital for the whole Union the gold mining industry accounts for £59½ millions, the Rand itself for £54 millions. As regards the Rand only £19½ millions was in receipt of dividends, the total amount paid for the year being £5,668,708. The remunerative capital of mines in the outside districts was only £918,362 (being almost entirely represented by the Sub-Nigel Company), the amount paid being £67,700. It should be pointed out that the strike in the first portion of the year practically wiped out that five months' profit, and only the more prosperous mines were able to make dividend distributions. This goes to explain the fact that £23 millions invested in producing mines of the Rand

were non-dividend paying last year, while in the outside districts the capital in this category was £1½ millions. Developing mines of the Rand have a capital of £2,880,000, being the New State Areas, which commenced crushing in May, and the West Springs, due to crush next year. It is rather unfortunate that mining expansion is so limited. Over £8½ millions issued capital is lying dormant in non-working mines of the Rand, and the relatively larger sum of £3 millions in mines of the same class situated in outside districts. The specification of issued capital shows that, in respect of Rand concerns, nearly £20½ millions were issued for cash, and approximately £33½ millions for property, equipment, shafts, mine development and other assets. About half the amounts received by way of premium on shares and from debenture issues have been written off, the net amounts outstanding being £7½ millions and £4½ millions respectively, while temporary advances, mainly in regard to producing but non-dividend concerns, account for £3,657,000. The balance-sheet of the entire gold mining industry (Rand and outside districts) shows a total of £108½ millions.

Next to gold mines in the Transvaal summary comes the coal mining industry with a net issued capital of not very far short of £5 millions in respect of which dividends of £213,600 were paid, the collieries being also seriously affected by the strike. Transvaal diamond mines have a capital of £192,500, inclusive of £80,000 for the important Premier diamond mine, the sole contributor to the dividend aggregate of £100,000. No dividend whatever was forthcoming in respect of base mineral mines in the Transvaal, whose capital debentures and temporary loans exceed £3¼ millions.

With the exception of the diamond mines of Kimberley and Jagersfontein and the coal mines of Natal the mineral activity in the other three provinces of the Union is of minor importance. The diamond mines paid dividends totalling £706,250, while the Natal collieries paid £162,260 on issued capital of £4 millions. The strike did not affect them, in fact the export trade increased owing to the shutting off of Delagoa Bay, which is supplied from Witbank, the principal coal-producing centre of the Transvaal. The entire mining industry of the Union paid in this unrepresentative year something under £7 millions in dividends on a net issued capital of £82½ millions.

The majority of the Smuts Government has been reduced to ten, owing to the retention of the Turffontein seat by Major Hunt, who resigned his membership of the South African party owing to disagreement with the Government's retrenchment policy in Civil Service and railway salaries and wages, though at the same time complaining of expensive administration and ineffectual and insufficient measures of unemployment relief. Truth to tell, the Smuts Government has in measures of railway construction, irrigation works, and afforestation done far more than can be financially justified. The cost of white as against native labour, normally utilised, runs into many thousands of pounds, and may so inflate capital expenditure as to make these schemes unremunerative. This is virtually admitted in respect of irrigation schemes, local farmers cannot pay the heavy rentals, and General Smuts proposes to seek wealthier agriculturists in Britain, Holland, and Denmark, while £170,000 capital and interest has been written off five irrigation schemes in Cape Colony.

Rather an interesting decision was given on an income-tax point by the Supreme Court last week. Mr F. J. Lunn, formerly a director of the Pretoria Portland Cement Company, received a gratuity of £1,000 for loss of office when the headquarters were transferred to Johannesburg, and he could no longer continue to devote the necessary time to the work. The Commissioner of Inland Revenue called for the inclusion of the sum in question in Mr Lunn's income-tax return. But Mr Justice de Waal held that it was in the nature of a gift, testimonial, or tribute by the company to the director, an appreciation of high services rendered to the company during his period of office, and that the amount would not be deemed to be taxable income. "Where a receipt or accrual lacked the element of recurrence it must be classed as an accrual or receipt of a capital nature, and as such not taxable."

The diamond production is increasing gradually. For July the output was 203,383 metric carats, valued at £545,000. For the six months to June 30th the output figured at 755,187 carats, valued at £2,316,500. This output is 85,600 carats in excess of that for the whole of 1922, but the value is only £50,000 higher. It is noticeable that the actual sales reached 1,130,700 carats, with a value a million higher than the production, the average price realised being 58s 8d per carat, as against 61s 2d in 1922.

NEW ZEALAND.—LOWER TAXES—SOLDIER SETTLERS.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, August 10.

THE present season finds New Zealand expectant of better prices for her next year's exports and generally of returning prosperity. The course of prices in Britain, our chief market, has been eagerly watched during these months of the off-season, and the generally higher values of wool, meat, and dairy produce, added to the known world shortage of all pastoral products, has resulted in a pleasurable feeling of anticipation. Though the winter has been exceptionally severe with an abnormal rainfall, yet production, except of particular crops, such as wheat, which is grown almost wholly for domestic consumption, will not be affected.

Parliament is at present in session, and the Prime Minister is hopeful of getting most of the important legislation on hand through before he is due to leave for the Imperial Conference at the end of the month. Though parties are very evenly balanced there has not been undue feeling, and it is probable that most of the business will be successfully concluded before that time. The most important announcement made so far has been the decision to reduce taxation as a result of the momentarily favourable position of the national finances. So far no detailed announcement has been made of the exact remissions beyond the statement that farmers who are in any case subject to land tax will be relieved of their present obligation to pay income-tax as well. A slight remission was made of the duty on tea, but it is confidently expected that there will also be all-round reductions of the general rate of income-tax, which at present stands at a maximum of 7s 4d in the £.

Meantime, it has been found necessary to readjust some of the liabilities undertaken during the boom period. Any very drastic readjustment of general land values has so far been held up by the existence of the different moratoria, which do not expire until the end of 1924. But boards of inquiry set up by the Government to consider the state of the advances to soldier settlers have reported, and the Government has passed an Act providing for a considerable revaluation of these advances. Up to the present time advances amounting to approximately £27 millions had been made to 21,000 returned soldiers, but a considerable number of these were made to purchase or erect dwelling-houses in the towns. These urban loans have not so far been reviewed, though many of them were made to buy houses at peak prices. Their total amounts to approximately £9 millions.

The inquiry boards estimate that it is necessary to meet the difficulties of 7,625 soldier farmers by writing off over £1½ millions from the capital value of the land, remitting accrued rentals to the extent of another half million, postponing payments to the extent of over £400,000, and providing additional capital to the extent of about £300,000. The reports and the official action taken on them amount, therefore, to a writing off of approximately £2 millions of the £18 millions advanced on land.

The basis upon which the suggested revaluations have been estimated is not made very clear in the reports, but it is fairly evident that the inquiry boards have either taken present-day prices of produce or have anticipated better prices in forthcoming seasons. One report points out that if prices should fall it will be necessary to reconsider values again.

Of the 4,332 farms visited by members of the various inquiry boards, it is estimated that 50.6 per cent. have been successful, 18.7 per cent. outright failures, and the remainder temporarily unsuccessful, mainly through the high land values and the high prices of stock and

materials when the settlement was made. One cannot help feeling that the obvious reflection upon such a conclusion is that there is nothing to show why those civilian settlers who bought in the boom ought not to be regarded as in similarly unsafe circumstances. If the position of the soldier settlers is so unsound, it looks as if the end of the moratorium may reveal a state of affairs almost as bad among the civilian settlers also. Meantime, the country is asked and has agreed to relieve the soldier settlers of a liability of £2 millions, which will be added on to the already considerable public debt.

POLAND.—FINANCES—MR KUCHARSKI'S FINANCIAL PROGRAMME—A PROPOSED BANK OF ISSUE—POLAND'S ENGLISH FINANCIAL ADVISER.

(FROM OUR CORRESPONDENT.)

WARSAW, September 18.

THE last returns of the Polish National Bank reveal a very unsatisfactory state of affairs in the financial situation, as may be seen from the figures below:—

		Foreign Coin and Bullion.		Foreign Banks.		Circulation.		Advances to the Sov. Govt.	
		Million Gold Marks.		Billion Paper Marks.		Billion Paper Marks.		Billion Paper Marks.	
May	31	87.5	...	25.2	...	2.8	...	2.4	...
June	30	85.0	...	32.5	...	3.6	...	3.0	...
July	31	82.9	...	33.6	...	4.5	...	4.1	...
August	31	82.1	...	26.5	...	6.9	...	6.4	...

Since the end of June the reserve composed of bullion and of foreign currencies has decreased by 10.9 million gold marks. The circulation increased in June by 800 milliards, in July by 900, and in August by 2,400 milliards. Nearly the whole of this increase was due to the advances made by the Bank to the Government. Only a small percentage was used for the discounting of private bills. An amelioration of the financial situation during the next months can hardly be expected. The effects of the new capital levy (see *Economist*, September 1st, p. 333) cannot make themselves felt before the end of this year. The increase of taxes voted by the Diet in July is quite inadequate, because of the depreciation of the mark. For instance, the land tax is to be increased by 10 per cent., while the prices of agricultural products have risen by 300 per cent.

After Mr Linde's resignation, the portfolio of the Ministry of Finance has been taken over by Mr Kucharski. Mr Kucharski was in 1919 and 1920 Minister for the former Prussian Poland, and in Mr Witos' Cabinet he was at the head of the Ministry of Industry and Commerce. Hitherto he has had but little experience in financial affairs—he is an engineer by profession—and it is not known why at such a very critical time he has been offered this responsible post. It is supposed that Mr Kucharski, who has recently conducted negotiations with foreign capitalists, will be able to obtain a loan for Poland, and this may perhaps explain his nomination.

At the opening of the Oriental Fair in Lvów (Lemberg) Mr Kucharski delivered a speech in which he exposed the principal outlines of his financial programme. The new Minister of Finance intends to present the Budget for 1924 in October. This will certainly be a great improvement in comparison with the previous Budgets, which were discussed by the Diet in the middle of the new financial year, and which in consequence had lost their practical value and were simply historical documents. Mr Kucharski also promised in his speech that the Budget will balance, and that the sources from which the deficit may be covered will be stated. On this subject Mr Kucharski's statements were very vague, and it may be hoped that he will present a more detailed plan which he intends to apply for stopping the printing press. In Lvów the new Minister of Finance did not even say if he will base his Budget on the paper mark or if he will return to the method applied by Mr Grabski, who tried to introduce the gold mark in all public accounts.

Mr Kucharski dwelt in his speech on the necessity of realising simultaneously, and not successively, the three postulates of a financial recovery:—(1) The balancing of the Budget; (2) the stabilisation of the currency; (3) the introduction of a new standard and the foundation of a

bank of issue. Hitherto it was believed that all efforts must be concentrated on the increase of revenue, and the decrease of expenditure, so that the printing press may be brought to a standstill. Only after the achievement of this reform was it considered advisable to pass to the foundation of a bank of issue, which in the plans of the former Minister of Finance was considered as the crown of the whole financial reform. In this respect a change has partly taken place in the opinion of financial experts. The capital famine which is becoming every day more severe makes it necessary to hasten the opening of a modern bank of issue. Many factories are obliged to close their workshops, not because of a lack of orders, but because of the impossibility of obtaining the wherewithal to carry on.

The statutes of the new bank of issue are being discussed by a special commission. It has been announced by the Press that the capital of this new bank will be subscribed to a great extent by an American concern.

The arrival of Mr Hilton Young as adviser to the Polish Treasury in connection with these plans of founding a new bank of issue is expected in October. According to reports in the Press, Mr Hilton Young will devote himself in the first instance to an examination of the Budget. He will study the possibilities of bringing it into equilibrium, and in the case of a favourable opinion, negotiations for the opening of a Polish bank of issue, with the assistance of English and American capital, will be started. Probably the capital of the bank will be fixed at 100 million dollars.

ROUMANIA.—CROP YIELDS AND MOVEMENT—EXPORTS—SUGAR—BULGARIAN RELATIONS.

(FROM OUR CORRESPONDENT.)

BUCHAREST, September 22.

ON the basis of the latest data made available by the Ministry of Agriculture, the areas sown to grain this year—in comparison with 1922—and the estimated crop yields are as follows:—

	AREAS SOWN.		Increase or Decrease.	
	1922.	1923.	1922.	1923.
	Hectares.	Hectares.	Hectares.	Hectares.
Wheat.....	2,648,640	2,683,700	..	+ 35,060
Rye.....	266,500	263,200	..	- 3,300
Barley.....	1,727,450	1,959,100	..	+ 231,650
Oats.....	1,335,500	1,355,700	..	+ 20,200

	CROP YIELD.		Increase or Decrease.	
	1922.	1923.	1922.	1923.
	Hectolitres.	(Estimated.)	Hectolitres.	Hectolitres.
Wheat.....	32,687,400	40,440,000	..	+ 7,752,600
Rye.....	2,252,400	3,616,500	..	+ 354,100
Barley.....	32,262,200	23,712,700	..	- 8,549,500
Oats.....	29,288,200	20,068,700	..	- 9,219,500

Although the earlier estimates of the Ministry that the 3,261,200 hectares sown to maize this year would yield almost 50 per cent. more than the slightly larger area sown in 1922, the latest reports are that the long dry spell is now seriously affecting this grain, and the crop in Transylvania is stated to be so poor that this province will need to import corn from other parts of the kingdom.

A competent authority has recently estimated that, if the Ministry's harvest expectations as to wheat, rye, barley and oats for this year are fulfilled, there will be an exportable surplus worth close on 15 billion lei (roughly 15 millions sterling) and that—figuring Roumania's annual imports at a present value of 20 billion lei—the deficit of 5 billion would be more than made good by exports of other foodstuffs, petroleum, lumber, &c.

An exportable surplus worth 15 billion lei, however, implies an excess over domestic requirements of close on 4 million tons of grain—or three times the quantity exported last year; and, even if such an exportable surplus should turn out to be available, there is not the least likelihood that this quantity could be moved to the seaboard; first, because the country's transportation system is not yet equal to the task, and secondly, because the present banking resources of the New Kingdom could not finance it. The Roumanian peasant, knowing little or nothing of finance,

will only sell his products for actual cash, and, in the present acute shortage of currency, the purchase of such products is becoming increasingly difficult—if not impossible. Furthermore, as Mr Alexander Adams, the British Commercial Secretary, pointed out in his report for 1922, whereas a grain shipment before the war could be liquidated within ten days, transportation conditions are now such as it might take up to three months to liquidate a movement—and this becomes a serious obstacle to exports with money (when it can be obtained) loaning at from 2 to 3 per cent. per month. Also, it should be remembered that wheat—which promises so well this year, and as to which preliminary estimates would seem to indicate that there will be a yield of more than half a million tons over and above internal needs—is still prohibited for export, and it is understood to be the Government's intention to continue this prohibition until at least two million hectares have been sown to wheat this autumn. With this grain now selling at 10,000 lei below the Government's maximum price of 45,000 lei per carload, and in the present exceedingly dry condition of the ground, it is hardly to be expected that autumn sowings of wheat will come up to the Government's requirements.

Apart from internal difficulties, the competition of the excellent harvests in other countries is now being felt by Roumanian exporters, and latest advices from the ports of Braïla, Constantza, and Galatz indicate that, as yet, shipments from this season's crops are moving out very slowly, with a considerable amount of tonnage still lying idle in the Danube waiting for cargo.

The sugar crop promises very well this year, with an estimated yield of 80,000 metric tons—or almost double last year's crop. If the railways are able to move all the beet to the refineries, and if the refineries are able to get all the fuel they need, the output of refined sugar this season will probably be sufficient—for the first time since the war—to meet the country's requirements.

Considerable satisfaction is being felt over an interview given a few days ago by Premier Tzankoff, of Bulgaria, to the Bucharest daily *Universul*, in which very friendly sentiments towards Roumania and the Little Entente were expressed. In this interview the Premier called attention to the fact that Bulgaria has already delivered to Roumania, on account of war reparations, some 15,000 sheep, 5,000 cows, 5,000 horses, and 3,000 oxen.

DENMARK.—TRADE BALANCE—EMPLOYMENT AND PRICES—CROPS—TRADE WITH RUSSIA.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, September 15.

THE June foreign trade report showed a welcome improvement, imports being only Kr.141,000,000, and the total exports Kr.136,000,000, the import excess being thus only Kr.5,000,000, as against Kr.20,000,000 in May and Kr.53,000,000 in April. Unfortunately, the July figures published a few days ago show that the deficit has now been increased to Kr.40,000,000, as the result of the increase of the imports to Kr.167,000,000 and the decline of the total exports to Kr.127,000,000. The last-mentioned figure includes Kr.6,000,000 for re-exports of foreign goods—the only unchanged figure. The import excess for July is the second largest this year, only having been exceeded in April. Imports for the seven months January to July this year aggregated Kr.1,094,213,000, while the exports have amounted to Kr.874,046,000, of which Kr.42,000,000 represent re-export of foreign goods. The seven months' import excess is, accordingly, Kr.220,000,000, or about Kr.31,000,000 per month.

The unfavourable movement in the balance of trade had a certain effect on the foreign exchange market, which is otherwise rather quiet. However, the increase in imports is partly due to preparations for increased production in this country. The figures for unemployment are not very favourable, last week's report of the Statistical Department showing that the general percentage for all trades

averaged 7.6 at the end of August, as against 7.4 at the end of July. The weekly movements for the principal groups of labourers during the month have been insignificant. The small increase of unemployment in the building trades of the capital is due to the completion of some repair work, for instance, on the schools. Throughout this year the percentage of unemployment has been considerably lower than for the corresponding months of 1922.

During August the wholesale price index of the *Finanstidende* declined from 207 to 202. Danish wholesale prices are now 13 per cent. higher than last year at the same time, and the krone possesses hardly one-half of its pre-war purchasing power. But the paper states that, "in spite of all, developments are in the right direction, and if the good prices of agricultural export produce are maintained for some time, it is probable that so large sterling amounts will fall due to the country from this source that a further rise in the krone rate may be predicted, and this will not be without influence on the wholesale price-level. However, it will not be quite easy to get prices down, even if conditions should be favourable. For high wholesale prices have now gradually affected the cost of living, which is clearly shown by the July index figure recently published by the Statistical Department, and the wages of labour as well as the salaries of officials have, therefore, already adapted themselves to the present high level of wholesale prices. There is now the closest possible correspondence between the dollar rate and the level of prices in Denmark, which appears from the fact that the rate on August 1st was 556, while the figure to be expected was 555. The purchasing power of the Danish krone should accordingly be practically alike at home and abroad."

In all important respects the trade statistics show that the exports of agricultural produce have been larger this year than in 1922. For instance, in January to July the exports of bacon were 95,800,000 kilos, as against 62,000,000 kilos in the corresponding period of last year. To the United Kingdom were supplied 53,200,000 and 36,200,000 kilos respectively, which is a larger proportion this year than last year. Czechoslovakia has bought increasing quantities of Danish butter. This year 2,500,000 kilos have been sold to the U.S.A., 1,700,000 kilos to Switzerland, 1,600,000 kilos to Belgium, and 1,300,000 kilos each to France and Norway. The export of eggs aggregated 21,800,000 scores this year, as against 19,800,000 scores only last year. The United Kingdom has been the principal market also for this article, as it has been for many years. The sale to England amounted to 20,000,000 scores, the corresponding figure for last year being 17,000,000 scores. The rainy and stormy weather has unfavourably affected the harvest. According to the official report at September 1st, however, the damage hitherto caused is not more than may be remedied by lasting dry weather. Subsequent weather improvement suggests that the position on September 1st has at least been maintained. At the said time the figures for wheat, rye, barley, and oats were 4.5, 4.2, 4.8, and 4.8 respectively on the islands, and 4.2, 4.4, 4.4, and 4.4 respectively in Jutland, which is quite promising, as the figure 4 indicates average crops.

The Russian Trade Delegation, which has been appointed according to the commercial treaty agreed upon between Denmark and Soviet Russia, has now been permanently established in Copenhagen, and the Danish Government delegation has left for Moscow. In the first instance no great results are expected from the treaty, however. Russia sells to Denmark some cattle food (sunflower cakes), and it is now reported that the recently established official Russian company "Eksportchleb grain export" has appointed a representation in Copenhagen as well as in a number of places abroad. The representative of the company here is the Russian Trade Delegation.

In the banking world conditions are once more steady and the alterations in the balance-sheets are very small from month to month. It has now been decided to merge the Kjøbenhavns private Laanbank (established 1854) with Den Danske Landmandsbank; thereby a consolidation of interests advantageous for both banks is attained.

Letters to the Editor.

IRISH ELECTIONS AND PROPORTIONAL REPRESENTATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Alfred J. Gray, Assistant Secretary of the Proportional Representation Society, takes me to task for certain brief references to Irish election results, and to P.R. as bearing upon them. I was emphasising the conclusive character of the results, and merely alluded to the system under which they had been obtained for the purpose of showing that the minority had had full scope for demonstrating its full strength. I was not canvassing the merits of the system, of which, in point of fact, I am a supporter.

I wrote:—"The Treaty and the Constitution are supported, therefore, by a total majority on the principal issue of 109 to 44, or roughly 2½ to 1. And this result emerges from a system which gives—and the figures illustrate it—a disproportionately large influence to minorities." Mr Gray replies categorically "neither does P.R. do so, nor do the figures of the election, which you quote, illustrate the fact."

The Treaty and the Constitution were supported—as the quoted figures showed—by 764,803 voters (excluding University elections), who returned 103 members to take their seats under and in accordance with the Constitution. The Treaty and the Constitution were opposed by 290,001 voters, who returned 44 members pledged to repudiate both. The quoted figures showed that the 764,803 were entitled theoretically to 106.6 members, or 3.6 more than they got, and the 290,001 to 40.4 (Mr Gray apparently in error says 41) members, or 3.6 less than they got. If the majority had obtained as many members proportionally as the minority, they would have obtained a fraction over 116 instead of 103. If the minority had obtained as many votes proportionally as the majority, they would only have obtained a fraction over 39 instead of 44. The figures showed, therefore, that in this case at least a minority did obtain disproportionately large representation—presumably in virtue of the "disproportionately large influence" which P.R. not unwisely puts within the power of minorities for their own protection.

Mr Gray appears to have erred through unfamiliarity with Irish affairs. The issue at the General Election lay between the Treaty and the Constitution on the one side, and militant, non-constitutional Republicanism on the other. The Farmers, Labour, and the Independents were, and were patently so treated by me, only sections of the majority on the main issue. The election addresses and speeches of their candidates, the voting and cross-voting of their supporters, and the action of their representatives since being elected, all prove this. The pursuit of sectional interests concurrently with the decision of the main issue led to some dissipation of majority strength by which the compact minority benefited. Mr Gray lumps these majority sections with the minority in one class to show that the "minor parties" received proportionately less representation than the Government party. The misfortunes of the majority sections, due to overlapping candidatures and cross-voting, are to cloak the advantages of the real minority. To do this is to base an unrequired arithmetical defence of P.R. upon a wholly fallacious handling of the facts.

Brevity robbed a further sentence, challenged by Mr Gray, of complete precision. I alluded to two main features, favourable to minorities, of P.R. on the single transferable vote system—viz., the limitation to a single vote and that vote's transferability. The voters for a successful candidate have their second preferences limited just as I stated, while their third and other preferences appear to be fortuitous in their effect—if they have any. The voters for the more unsuccessful candidates can by their second and other preferences have their votes passed on, as I stated, among the minority or other candidates until one is found whom they can help to elect. I omitted to state that the voters for a candidate who just fails to obtain a quota may never have their second or other preferences distributed

at all. The burden of electoral sterility is thus shifted from the shoulders of the supporters of the most unpopular candidates to those of the supporters of the less unpopular candidates. Some of the minorities, if not all, obviously benefit by the system—which was rather obviously designed for that very purpose. The mobility of their voting power facilitates their combination for effective action in varying contingencies.—I am, yours faithfully,
"YOUR DUBLIN CORRESPONDENT."

Dublin, September 27th.

Books and Publications.

FRANK ESSAYS IN ECONOMICS.

THERE are some people who imagine that the war has made it necessary to re-write political economy. To such we would commend the study of a *book of essays just published by the editor of the *Spectator*. The volume is called "Economics of the Hour," but a study of its contents quickly demonstrates how applicable to the present are the economic truths of the past. From beginning to end Mr Strachey's art illuminates and simplifies many subjects which in other hands would be difficult or dull. Perhaps the most arresting of them is the last of all, where he deals with the social conditions of England under the old Poor Law before 1834, and the situation to-day. The analogy between the forces which produced demoralisation a hundred years ago and the tendencies observable in our administration of measures of social reform to-day is, to say the least, disquieting. Mr Strachey's warning of the necessity for restoring into full vigour the incentives which will enlist the activity of the individual in the direction of finding work and of getting the utmost output is a timely one, and should be pondered upon by all thoughtful people.

In the matter of the national debt, Mr Strachey makes a strong appeal for abandoning ordinary sinking fund methods, and dealing with the burden by substituting a system of terminable loans, say, of 99 years' currency, on the analogy of leasehold property. It is by no means certain that the public, accustomed to perpetual loans, would understand or take up loans of this kind. But Mr Strachey thinks that the terminable clause could be introduced at a cost of very small increase in the interest yield, and his plan certainly has the merit that, once introduced, we should have a sinking fund which would be beyond the reach of needy Chancellors of the Exchequer. Mr Strachey deals his trenchant blows too freely on all sides to hope to escape without strong criticism. In his chapter on a Capital Levy, for example, an advocate of that measure would, we think, be able to show that he has exaggerated the technical difficulties which it would encounter. But whether they agree with him or not, readers of these essays will not fail to appreciate the healthy vigour of Mr Strachey's opinions, and his method of expressing them. Mr Strachey has dealt with his own intellect in the way in which he would have us deal with vices, or with the luxuries, whether of rich or poor. "The real test of luxury is 'are these things making me soft?' If they are, the man, in order to save his own soul, and curiously enough also to save his body, must cut them off."

* "Economics of the Hour." By J. St Loe Strachey, Editor of the *Spectator*. Hodder and Stoughton, Limited, London.

THE FINANCING OF FOREIGN TRADE.*

DURING and since the war widespread dissatisfaction has found expression among commercial communities with what is considered the unreasonable conservatism of bankers and their reluctance to help exporters in developing foreign and overseas markets. Business men of each country have cited the excellence of the facilities available to their foreign rivals. In England and France in particular the bold policy of the German banks has been held up

* "L'Organisation du Crédit au Commerce Extérieur en France et à l'Étranger." By M Maurice Caillez. (Paris) Librairie Générale de Droit et de Jurisprudence. 20 francs.

as an example. As it became apparent that mere criticism of the existing banks was unlikely to lead to any definite results, strong pressure was brought on the Government to act in the desired direction. This movement and the patriotic determination of business men and Government alike to capture German trade bore fruit in this country through the recommendations of Lord Faringdon's Committee in the British Trade Corporation. After the Armistice, the economic chaos of parts of the Continent led the Government to develop the War Risks Insurance Office into the Export Credits Department. In France the Government assisted in the formation of the Banque Nationale du Commerce, Extérieur, to which it makes an annual subvention. In Germany a similar scheme for a National Export Credits Bank has apparently failed to materialise. In the U.S.A. the Government found it necessary to revive for post-war purposes the War Finance Corporation, when private enterprise had shown itself unable to meet the somewhat exaggerated expectations of those who sought to restore Europe with American goods.

Dr Caillez' book, which was prompted by the recent controversies, treats the question on a historical and descriptive basis. After discussing the special need for credit in international trade, he describes the pre-war position of the banking system in England, France, Germany, and the U.S.A., with special reference to the commercial banks and the methods by which the special requirements of foreign trade are met, and goes in some detail into the measures taken by the various Governments and banks since the war to increase credit facilities.

Exigencies of time and space make credit of peculiar importance in international trade as compared with domestic trade. Standards of honesty and punctuality vary in different parts of the world, and in purely agricultural countries, especially where there is little diversity of crops, a bad harvest or fluctuations in the world price of the produce are always liable to affect the solvency of the local trader. Apart from risks arising from political and economic instability, judicial guarantees against fraud are often inadequate. The competition of the big manufacturing countries, especially since the entry of Germany into the markets of the world, has led to the offer of more attractive terms in regard to payment, and the consequent lengthening of the period for which credits are required by the exporter. Each additional reason, however, which makes credit a necessity to the trader is but one more reason to the banker against granting it. Deposit banks naturally dislike immobilising their resources for the lengthy periods often required in overseas trade, and on the varied forms of security offered. Even before the war, moreover, the risk of exchange fluctuations was not altogether absent. The gold point buffer was not always effective in new and comparatively undeveloped countries. Since the war the general inundation of paper money aggravated by the evils of currency speculation has brought about the present position, in which many States are no longer able as formerly to recover their equilibrium rapidly after a shock. The risk in foreign trade relates far more than formerly to the credit of the State rather than to that of the individual trader. This being so, it has generally been thought right that the State should shoulder part of the risk.

Dr Caillez' review of the steps taken with this object in various countries, and the ill-success which has generally resulted, leads him to reject absolutely the contention that the interchange of goods between country and country can be developed by the creation of export banks. The German banks, supported as they were by their Government, were possibly in certain cases able to open branches in countries where Germany had previously no trade. In so far as they did so, however, they were "expeditionary corps" rather than banks, and, apart from such manifestations of German imperialism, the truth is that the trader always precedes the banker. Before the war the banking organisation of each country tended to harmonise with the needs of its commerce, and the importance of the commercial banks depended on the state of international transactions. A time of general impoverishment like that following the war was, Dr Caillez considers, ill-chosen for an increase of credit facilities. The complex and artificial organisations created for that

purpose in various countries have not unnaturally yielded negligible results.

In the case of his own country in particular the author defends the banks against their critics, and points to the incompatibility of France's extreme protectionist policy, with her attempts to develop a big overseas trade. At bottom, he attributes the comparative stagnation of French foreign trade to the excessive cautiousness of the national character.

BOOKS RECEIVED.

- Risk and Risk-Bearing.* By Charles O. Hardy. (Chicago). University of Chicago Press. \$3.50.
Prohibition and Its Enforcement. (Philadelphia) The Annals of the American Academy of Political and Social Science.
Foreign Affairs. An American Quarterly Review. September 15, 1923. Vol. 2, No. 1. (New York) 25 West 43rd street. \$1.25.
Enquête Sur la Production. Rapport General. Tome Premier. (Paris) 5 Rue des Beaux-Arts.
The Federation of British Industries. (London) The Labour Publishing Company, Limited. 2s 6d.
The World's Wealth and Public Investments. (New York) Moody's Investors' Service.
The Free Trader. Special Conference Number. (London) The Free Trade Union, 69 Victoria street, S.W. 1. 6d.

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Foreign Exchange transactions arranged.

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Manchester Foreign Branch	94, Portland Street, Manchester.
Bradford Foreign Branch	19, Market Street, Bradford.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
October 3.	October 4.

There has been plenty of matter for excitement in Stock Exchange markets this week. The foreign market, in particular, was stirred in lively fashion by the various political developments reported from abroad. The way in which the value of the French franc improved gave a sharp impetus to French bonds of all kinds. Amongst industrialists, the boom in tea shares continued at an accumulating pace, while nitrates and tobacco shares have also bulked largely in the limelight. Business, however, has come spasmodically, but the end of the third quarter of the year turns over without the monetary apprehensions commonly current at this season.

The Victorian Government was very successful with its offer of £9,000,000 of 5 per cent. stock at 99, nearly twice that amount being applied for by the public. No doubt a good proportion was in respect of conversion operations. The price opened at 11½ premium and eased off to 10s premium. This, together with talk of other Colonial loans in the near future, led to the War Loan declining a trifle from its top price of 102½, and brought about sympathetic dullness in some of the other British Government securities. The Funding Loan is quoted ex dividend. It is noteworthy that the debenture and other prior-charge stocks of the British railway companies are in demand at rising prices.

Volatile movements in French Government, municipal, railway and shipping bonds are a feature of the week in the foreign market. The abandonment by Germany of the passive resistance policy in the Ruhr area led to a violent rise in French issues, and caused a little improvement in German bonds. Bears of French stocks climbed in hastily, and the market presented a one-time appearance of robust strength, which was not, however, fully maintained. Austrian scrip advanced on the increasing evidence that Austria is recovering from the effects of the war. Japanese municipal bonds are better, the effects of the earthquake wearing off to some extent, and Brazilians are coming into rather timid request from those who, being already holders at higher prices, think that the

present time is opportune for averaging their earlier purchases. Amsterdam Threes have gained 8 points.

Home Railway pre-ordinary stocks show up well, most of the prices being better. London, Midland and Scottish, still called "Brum" in the market, has also been a good spot. Profit-taking slightly reduced the prices of Metropolitan and Districts, though Undergrounds remain hard. The San Paulo Railway has declared an interim dividend of 4 per cent., against 2½ per cent. a year ago, and this had a striking effect upon the price, which rose by points at a time. Antofagasta deferred is another good spot, thanks to the activity and strength shown by nitrate-producing shares, where a long string of rises occurred. Argentine Railways continue to reflect the satisfaction felt with the recently-declared dividends, though the approach of next week's settlement brought in a few sellers, whose operations caused a setback from the top.

The rubber market is languid, the statistical position still being disappointing, but the boom in tea shares has assumed extensive proportions. It is curious that the higher-priced shares, to speculate in which absorbs large sums of money, are those which stand out most prominently in the movement, the public apparently eschewing the shares which are of more speculative character. Rises in most of the heavy tea shares are very substantial.

Oil shares pursued a downward course. Anglo-Persians gave way abruptly, on fears of earthquake disturbances, and although these were contradicted, part of the fall remained. Mexican Eagles improved, on buying said to be on behalf of a Paris syndicate, but fell back when the support was withdrawn. Shells gave way, and Agwis are flat, in consequence of the paucity of information vouchsafed as to how the company and its subsidiary are progressing. Hudson's Bays stand out with marked strength. Textiles are dull, in consequence of reports that the industry is doing none too well at the present time, and Courtaulds have reacted after their rise on expectations of elimination of competition from Japan, through the earthquake, for some time to come. Tobacco shares again went ahead, on support mainly from the West of England, but here again there was a reaction towards the end of the week. Liptons spurred, on consideration of the company's tea interests, and the rise brought in a good many sellers. Hotel shares are better, in consequence of the good results being published by some of the companies and the hopes of a proper season in 1924. Banking shares took a turn for the better, more especially in the Colonial and Foreign group, and insurance shares have made further upward progress. The shipping market is exceedingly quiet. The wireless list has drooped, and it is said that the expected Marconi meeting in October may have to be postponed. Cable shares, however, continue to advance, upon consideration of the arguments in their favour which have been set out in reply to an attack made upon the industry earlier this month. Newspaper shares weakened all round, owing to the fears of increased competition in the provinces.

The Kaffir market has enjoyed a modest revival, in the course of which the shares of the principal deep-level companies received most attention, some of the buying coming from Johannesburg, some from Paris, and a little from London. Considerations of this half-year's probable dividend payments are put forward as responsible for the attention which Kaffirs are now receiving. There has been little doing in Rhodesians, and some of the recently active Mexicans fell back, owing to lack of public interest. Tin has been up to £205 per ton, but its inability to maintain the price enforced caution upon people who might otherwise have been attracted to tin shares; the improvements in this market are confined mainly to shares in a few of the Malayan companies. Rio Tintos have depended upon Paris for their fluctuations.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 204,561,217	£ ..	£ ..	£ ..
Adjusted figure.	£ ..	£ ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHESQUE WEEK ENDED SEPT. 22, 1923.

April 1, 1923, to Sept. 22, 1923, £7,800,000	£ 1,950,030	£ 1,950,000
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To the Public—

Rhombia Mines, Limited, 600,000 Shares, 5s, at par....	150,000	150,000	15,000	135,000
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To Shareholders only—

Still Engine, £28,560, 8% Debts, at 75% ..	28,560	21,420	4,284	17,136
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Total offered for subscription to date

1923	£206,682,637	1922	£573,675,650
1922	510,694,450	1921	388,978,203
1921	186,465,047	1920	367,549,656
1920	294,301,833	1919	1,036,059,951
1919	903,538,300	1918	1,393,381,441
1918	1,025,395,237	1917	1,318,596,010
1917	1,104,327,350	1916	585,436,853

Total offered for subscription for whole year

The American Cellulose and Chemical Manufacturing Company, Limited.—Incorporated under the laws of the State of Delaware, U.S.A. Details are given of this company in the Press, to comply with London Stock Exchange regulations. The authorised capital consists of \$15,000,000 7 per cent. cumulative first participating preferred stock, \$10,000,000 7 per cent. cumulative second preferred stock, and 220,000 shares of no par value of common stock. \$4,000,000 of the first preferred, \$2,150,400 of the second, and 200,000 common shares have been issued. The company was constituted in January, 1918, and has an issued loan capital, in the form of 8 per cent. ten-year bonds, amounting to £400,000. The works were established during the war at the request of the American Government, and the company owns the sole rights for the United States and its Dependencies, &c., to manufacture cellulose acetate and articles produced under the Dreyfus patents and processes. The 8 per cent. bonds have been marketed in London at par. They are repayable on or before December 31, 1932, at 110 per cent., are secured by a trust deed, and constitute a first charge upon property and plant. The bonds are convertible into shares. "Celanese" is linked up in this country with a company which has not been very successful, and it is difficult to appraise the security of the American company without the story of the British undertaking passing through our minds.

Rhombia Mines, Limited.—Authorised capital £250,000 in shares of 5s each, of which 600,000 are now offered for subscription. The company has been formed to acquire certain mines and mining property in Rhodesia. An interesting report is submitted—the public is optimistically told that profits should provide a 25 per cent. dividend. The purchase price is £110,000, of which £60,000 is payable in cash. A mining speculation without unusual merit.

Kopermyz, Limited.—Capital £137,500, divided into shares of 5s each, all of which have been issued. The company holds the whole of the shares of M. Z. Copper Syndicate, Limited. This syndicate owns "a copper-bearing property" in the Transvaal. It is stated that "102,243 shares of £1 each (now represented by 408,972 shares of 5s each) were issued credited as fully paid up in part consideration for the purchase of the whole of the shares of M. Z. Copper Syndicate, Limited; the balance of the purchase of such shares being the sum of £8,500 in cash." These and other details are published in the Press in connection with a proposed application to the London Stock Exchange for permission to deal in the shares.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Change	Price	Change
War 3½% 1925-28 ..	95½	..	95½	..
Loans 4½% 1925-45 ..	97½	..	97½	..
5% 1929-42 ..	102½	..	102½	..
4% 1929-42 ..	100½	..	100½	..
Funding Loan 4% ..	92½	..	91½	..
Victory Bonds 4% ..	93	..	92½	..
Conversion Loan 3½% ..	79½	..	79	..
Consols 2½% ..	58½	..	58½	..
Irish Land Stock 2½% ..	60½	..	60½	..
Local Loans 3% ..	68	..	68	..
Aust. 6% 1931-41 ..	105	..	105	..
Canada 4½% 1920-25 ..	101	..	101½	..
India 3½% Stock ..	69½	..	69½	..
Do 7% 1926-31 ..	118½	..	118½	..
Do 5½% 1932 ..	102½	..	102½	..
Do 4½% ..	90	..	90½	..
N.S.W. 5½% 1922-32 ..	101	..	101	..
Nigeria 6% 1949-79 ..	111	..	111	..
U.S.A. 6% 1930-40 ..	106	..	107	..
Victoria 5½% 1924-34 ..	100	..	100	..
W.Aust. 6% 1930-40 ..	104	..	105	..

Banks.

Barclays B (£1, l.p.d.) 2½ ..	2½ ..	Nat. Bank of S. Africa (£10) ..	6 ..
Chartered Bk of India 1½ ..	19½ ..	Nat. Prov. & Union of England (£20, with £4 paid) ..	11½ ..
Lloyds (£5 with £1 paid) ..	3 ..	Standard of S. Africa (£20, with £5 paid) ..	11½ ..
London Joint City & Midland (£12 with £2½ paid) ..	8½ ..	Westminster Bank (£20, with £5 paid) ..	17½ ..
Nat. Bank of Egypt (£10) ..	22½ ..		

Colonial and Foreign Railways.

Antofagasta Cons ..	88 ..	Leopoldina ..	22 ..
B.A. and Pacific ..	83 ..	Mexican Railways ..	11 ..
B.A. & Southern ..	87 ..	Do 1st Pref. ..	32 ..
Buenos Ayres West ..	79½ ..	Do 2nd Pref. ..	19 ..
Canadian Pacific ..	157 ..	San Paulo ..	143½ ..
Central Argentine ..	73 ..	United Havana ..	74 ..

Foreign Government Securities.

Argentine 5% 1886-7 ..	99 ..	Greek 4% 1884 ..	44½ ..
Austrian 6% Guar. ..	101 ..	Japanese 4% ..	101 ..
£60, pd ..	63 ..	Do 4% 1910 ..	65 ..
Belgian 3% ..	65 ..	Mexican Cons. 1899 ..	60 ..
Brazil 5% Fund., 1914 ..	66 ..	Peruvian Corp. Pref. ..	29½ ..
Chilian 4½% 1895 ..	93 ..	P.L.M. 6% ..	87½ ..
Do 7% ..	104½ ..	Portuguese (New) ..	32 ..
Chinese 5% 1912 ..	67 ..	Russian 5% 1906 ..	11 ..
Egyptian 4% ..	73 ..	Spanish 4% ..	67½ ..
French 5% ..	28½ ..	Seine (Dept.) 7% ..	99½ ..
Do 4% ..	23½ ..	Siamese 7% ..	106½ ..

Telegraphs.

Anglo-American "A" 2½ ..	23 ..	Marconi Canada ..	1½ ..
Marconi Wireless ..	2½ ..	Marconi Marine ..	1½ ..

British Railways.

Price last week.	Latest Price.	Rise or Fall.	Price last week.	Latest Price.	Rise or Fall.
Great Western, Ord. 110 1/2	110 1/2	..	Southern, Ord. "A" 34 1/2	34 1/2	..
Do Def. 87	87	..	Do Ord. "B" 12 1/2	12 1/2	..
London & North-Eastern 86 1/2	87 1/2	..	Do Pref. Ord. 38 1/2	38 1/2	..
5% Pref. Ord. 32 1/2	32 1/2	..	Do Def. Ord. 38 1/2	38 1/2	..
Do Def. Ord. 32 1/2	32 1/2	..	Underground Electric (Edin.) 34 1/2	34 1/2	..
London, Mid., and 77 1/2	77 1/2	..	Do "A" (1) 98 1/2	98 1/2	..
Scottish, Ord. 105 1/2	105 1/2	..	Do Inc. Bds. (Edin.) 98 1/2	98 1/2	..
Metropolitan 54 1/2	54 1/2	..			
Metropolitan District 54 1/2	54 1/2	..			

American Railroads.

Chesapeake & Ohio 67	67	..	Southern 35	37	..
Erie 15	16	..	Do Non-cum Pref. 74	75	..
Do 4% 1st Pref. 23	24	..			

Miscellaneous.

Aerated Bread (1) 13	13 1/2	..	Imperial Tobacco (1) 38	38 1/2	..
Amal. Cottons (1) 3 1/2	3 1/2	..	Linggi Plantations (1) 1 1/2	1 1/2	..
Anglo-Persian Oil (1) 3 1/2	3 1/2	..	Lipton (1) 1 1/2	1 1/2	..
Armstrongs (Sir W.G.) and Co. (1) 1 1/2	1 1/2	..	Liver Brs. (1) 1 1/2	1 1/2	..
Ass. Pland. Cement (1) 1 1/2	1 1/2	..	Do 8% Cum Pref. (1) 1 1/2	1 1/2	..
Barker, John (1) 2 1/2	2 1/2	..	Do 20% Cum Pref. (1) 1 1/2	1 1/2	..
B'ham Small Arms (1) 2 1/2	2 1/2	..	Lister (1) 1 1/2	1 1/2	..
British Traction (100) 46	45 1/2	..	Lobitos Oilfields (1) 6 1/2	6 1/2	..
British-American Tobacco (1) 5 1/2	5 1/2	..	Lyons (J.) & Co. (1) 4 1/2	4 1/2	..
Burmah Oil (1) 4 1/2	4 1/2	..	Magadi Soda (1) 1 1/2	1 1/2	..
Costa (J. and P.) (1) 3 1/2	3 1/2	..	Mexican Eagle (10) 1 1/2	1 1/2	..
Courtaulds (1) 3 1/2	3 1/2	..	Rubber Plantations Investment (1) 1 1/2	1 1/2	..
Cunard (1) 1 1/2	1 1/2	..	Shell Transport (1) 3 1/2	3 1/2	..
Dorman, Long (1) 1 1/2	1 1/2	..	Smithfield & Argentine Meat (1) 1 1/2	1 1/2	..
Dunlop Rubber (1) 1 1/2	1 1/2	..	United Dairies (1) 1 1/2	1 1/2	..
Fine Cotton Spinners (1) 2 1/2	2 1/2	..	United Serdang (2) 1 1/2	1 1/2	..
Portland Cement (1) 1 1/2	1 1/2	..	United Tobacco (1) 3 1/2	3 1/2	..
Purewalley (1) 1 1/2	1 1/2	..	Valambrosa (2) 1 1/2	1 1/2	..
Highlands and Lowlands Rubber (1) 1 1/2	1 1/2	..	Vickers (1) 3 1/2	3 1/2	..
Hudson's Bay (1) 5 1/2	5 1/2	..	Watney Def. Stk. 176 1/2	176 1/2	..

Mines.

Brakpan (1) 3 1/2	3 1/2	..	Knights 2 1/2	2 1/2	..
Broken Hill Prop. (8) 4 1/2	4 1/2	..	Modderfontein (10) 4 1/2	4 1/2	..
Chartered (1) 1 1/2	1 1/2	..	Modderfont. "B" (5) 1 1/2	1 1/2	..
Cons. Gold Fields (1) 1 1/2	1 1/2	..	Modderfont. Deep (5) 2 1/2	2 1/2	..
Crown Mines (10) 2 1/2	2 1/2	..	Premier Def. (2) 6 1/2	6 1/2	..
De Beers Def. (10) 1 1/2	1 1/2	..	Rand Mines (5) 2 1/2	2 1/2	..
East Rand Prop. (1) 1 1/2	1 1/2	..	Reliance (1) 1 1/2	1 1/2	..
Geduld (1) 1 1/2	1 1/2	..	Rio Tinto (1) 3 1/2	3 1/2	..
Gov. Gold Areas 5 1/2	5 1/2	..	Spring Mines (1) 2 1/2	2 1/2	..

MINING OUTPUT STATISTICS FOR AUGUST, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Frontino and Bolivia	1,800	..	..	..	7,876	..
Do Marmajito	520	..	..	..	1,886	..
Oriental Cons. (July)	18,350	..	..	..	101,505	32,621
Ouro Preto	7,700	..	..	..	2,708	..
Wahai Grand (4 weeks to Sept. 8th)	8,050	..	7,464 silver	2,227 gold	..	..
Output.	Tons.	Tons.	Ozs.	Ozs.	£	£
Tin.	Tons.	Tons.	Ozs.	Ozs.	£	£
Geavor	30	..	..	..	..	..
Naraguta	50	..	..	..	..	..
Nigerian Base Metals	10	..	..	..	..	..
Coal.	Tons.	Tons.	Ozs.	Ozs.	£	£
East Kent	4,675	..	..	..	..	..

BROKEN HILL PROPRIETARY.—Four weeks ended September 12th:—Iron and steel works: Coke ovens produced 23,566 tons of coke, 294,891 gallons of tar, and 429 tons of sulphate of ammonia. Blast plant produced 58,580 gallons of benzol. No. 2 blast furnace produced 11,858 tons of pig iron. No. 3 blast furnace produced 12,772 tons of pig iron. Open hearth produced 12,991 tons. Blooming mill produced 19,497 tons. Rail mill produced 11,481 tons. 18-inch mill produced 5,772 tons. 12-inch mill produced 2,915 tons. 8-inch mill produced 1,505 tons. Rod mill produced 4,418 tons. Steel foundry produced 380 tons of castings. Iron Knob: Shipped 46,318 tons. Broken Hill (underground): Bailing out water preparatory to starting; otherwise position unchanged. Ore dressing mills produced 174 tons of lead concentrates and 5,367 tons of slimes. Zinc separation plant produced 488 tons of zinc concentrates. Slimes flotation plant produced 1,337 tons of lead concentrates and 3,669 tons of zinc concentrates.

BROKEN HILL SOUTH.—Six weeks ended Aug. 11th:—Crude ore treated, 29,910 tons, assaying 14.7 per cent. pb., 6.7 ozs ag., 12.9 per cent. zn., producing the following concentrates:—Lead conc. mill, 4,134 tons, assaying 69.4 per cent. pb., 21.8 ozs ag., 5.5 per cent. zn.; current lime, 1,238 tons, assaying 58.7 per cent. pb., 36.3 ozs ag., 8.3 per cent. zn.; total, 5,432 tons, assaying 66 per cent. pb., 25.3 ozs ag., 6.2 per cent. zn. Dump lime treated, 11,261 tons, assaying 13.7 per cent. pb., 6.8 ozs ag., 14.7 per cent. zn., producing the following concentrates:—7,752 tons, assaying 40.2 per cent. pb., 21.8 ozs ag., 17.8 per cent. zn. In addition to the above, 1,313 tons of classified sands from dump lime, assaying 4.6 per cent. pb., 3.5 ozs ag., 15.1 per cent. zn., were passed to the table section, producing the following concentrates:—37 tons, assaying 53.9 per cent. pb., 17.7 ozs ag., 13.0 per cent. zn. Slime zinc flotation, 14,965 tons, assaying 4.4 per cent. pb., 1.8 oz ag., 13.9 per cent. zn., producing the following concentrates:—4,008 tons, assaying 11.5 per cent. pb., 5.4 ozs ag., 4.5 per cent. zn. Despatches of zincy tailings, 15,881 tons net to Amalgamated Zinc.

MOUNT LYELL.—Four-weekly period ended September 19th:—Smelted Mount Lyell ore, 1,083 tons; North Lyell ore (direct to smelters), 801 tons; concentricates, 2,523 tons. The converters produced 511 tons of blister copper, containing copper 808 tons, silver 9,789 ozs, gold 190 ozs. The mill treated 8,512 tons of ore and produced 2,314 tons of concentrates. Furnace ran 23 days.

MOUNT MONAGHAN.—Four weeks ended September 18th:—Treated 5,883 tons Mount Monaghan ore, 5,078 tons concentrates, and 14 tons of purchased ore and secondary concentrates. Produced 428 tons blister copper, containing 424 tons copper and 2,394 ozs gold, including 3 tons copper from purchased ore and secondary concentrates. Concentrator treated 15,411 tons ore, assaying 6.6 per cent. pb., 1.3 ozs ag., 13.5 per cent. zn., containing 592 tons copper and 3,326 ozs gold. In addition to above production, have made on hand containing 43 tons copper and 430 ozs gold.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Date of Interim or Final Div.	Method of Payment.	Dividend for Whole Years.	
				Last Year.	Previous Years.
Railways.					
Bilbao River	3%*	Sept. 27	Less tax	..	..
Dublin and Kingstown	7 1/2	..	..	..	..
National of Commerce in N.Y.	3 %	Oct. 1	Quarterly	..	..
Northern Pacific	1 1/2 %	Nov. 1	Quarterly	..	..
San Paulo (Brazilian)	4 %*	Oct. 23	Tax free	..	..
Banks.					
Banco de Chile	8 1/2 p.s.	..	..	..	..
Banco Espanol del Rio	8	..	..	6	7
Colonial, "A" and "B" Ord.	12 1/2	..	Less tax	10	10
Royal of Ireland	..	..	Less tax	..	..
Insurance.					
Consolidated	10%*	Oct. 1	Less tax	..	..
Eagle Star & B.D.	30*	Oct. 1	Tax free	..	..
Licenses and General	5 %*	Oct. 26	Tax free	..	..
Phoenix	6/ p.s.	Nov. 1	Less tax	..	..
Tea and Rubber.					
Alliance Tea of Ceylon	15%*	Oct. 17	Less tax	..	..
Caledonian Tea and Rubber	5%*	Oct. 4	Less tax	..	..
Ceylon (Para) Rubber	10%*	Oct. 12	Less tax (4/7 1/2 in £)	..	..
Ceylon Tea Plantations	15%*	Oct. 30	Less tax	..	..
Ceylon Timber and Rubber	4 %*	Oct. 16	Less tax	..	..
Galaha Ceylon Tea	10%*	Oct. 10	Less tax	..	..
Imperial Ceylon Tea	5%*	Oct. 18	Less tax	..	..
New Crocodile River	24%*	Oct. 17	Less tax 4/7 1/2 in £	..	..
Nyalas Rubber	..	..	..	5	..
Rembia Rubber	..	..	..	6	..
Rubana Rubber	..	..	..	5	..
Seaport (Selangor) Rubber	6%*	Oct. 19	Less tax 4/11 1/2 in £	10	..
Sunmyama Co.	10%*	Oct. 2	Less tax (4/7 1/2 in £)	..	..
Tea Share Trust	7 1/2 %*	..	..	15	..
Victoria Estates	..	..	..	20	..
Victoria (Malaya) Rubber	11 1/2 %*	..	Less tax	5	..
Way-Hall Estates	..	..	Less tax	..	..
Mining.					
Otavi Mines and Railway	..	..	..	7 1/2	5
Other Companies.					
Argentine Land and Investment	7 1/2 %*	Oct. 16	..	10	20
Army and Navy Co operative	6 p.s.	Oct. 22	Less tax	..	..
Bell's United Asbestos	6 p.s.	Nov. 1	Less tax	..	..
Bombay Gas	8 %*	..	..	..	..
Bournemouth Imperial and	..	..	..	..	..
Bradley's (Chepstow Place)	10	Oct. 31	Less tax	..	..
Carlton Main Colliery	15	..	Less tax	..	..
Chamberlain, King, Jones	5%*	Oct. 1	Tax free	..	..
Chapman and Sons, Eastbourne	10*	Sept. 29	..	..	..
Cockshutt Plow, Pref.	1%*	Nov. 1	..	..	..
Coliseum Syndicate	25*	..	Less tax	..	..
Cork Electric Tramways	3%*	..	..	..	..
Cuba Submarine Telegraph	5*	Oct. 11	Tax free	..	..
Dalmellington Iron	1/ p.s.	..	Tax free	7 1/2	5
Direct West India Cable	5%*	..	Tax free	10	6
Edinburgh Invest. Trust, Def.	4*	Oct. 3	Less tax	..	..
English China Clay	24%*	..	Less tax	..	..
E. Rich and Co.	..	..	..	10	6 1/2
Frederick Hotels	33%*	Oct. 2	Less tax	..	..
Fortnum and Mason	1/6 p.s.	Oct. 1	Tax free	..	..
Gandy Belt Manufacturing	2 %	Oct. 15	Quarterly	..	..
General Electric (U.S.)	5%*	..	..	10	7 1/2
Do Special stock	5%*	..	..	15	15
Glenlossie-Glenlivet Distillery	..	..	..	..	..
Goldsbrough, Mort	..	..	..	..	..
Hackney and Shepherd's Bush	10*	..	Less tax	..	..
Empire	3%*	..	Tax free	6	6
Haitax and Bermudas Cable	5%*	Sept. 26	Tax free	..	..
Hendon Electric Supply	2 1/2 %*	..	..	..	..
H. Holdron	..	..	..	..	..
House Property and Investment	10	Oct. 1	Less tax	..	..
Howard and Bullough	10	Oct. 10	Less tax	..	..
Imperial Continental Gas	5%*	Nov. 15	Less tax 4/7 1/2 in £	..	..
International Harvester	12%*	Oct. 15	..	15	15
Jacob Johnson, & Co., Def.	2/ p.s.	..	Less tax	..	..
James Watson and Sons	5%*	..	..	20	20
Lambert Brothers	5%*	..	..	..	..
Lancashire Electric Light, 7 %	7 %*	..	..	..	..
Cum. Pref.	..	..	..	..	..
Leicester Palace Theatre	10*	..	Less tax	..	..
Linkwood Glenlivet	..	..	..	..	..
London and Provincial Trust	5	Sept. 30	Less tax 4/6 in £	10	10
Manchester Hippodrome	10 %*	..	Less tax	..	..
Niederlandsche Lloyd	4 %*	..	..	6	5
New Zealand & Australian Land	3%*	..	Tax free	..	..
Ogilvie Flour Mills	10%*	..	..	6	5
Page and Overton's Brewery	..	..	Less tax	..	..
Picture Playhouses	..	..	..	5	..
Reading Company	..	..	..	8	..
Redditch Gas	2%*	Nov. 8	..	..	..
Rio Negro (Argentina) Land	5%*	Oct. 1	Less tax	..	..
Royal Brewery, Brentford	5%*	..	Less tax	7 1/2	..
Scottish Malt Distillers	..	..	..	10	8
Sir J. L. Hulett and Sons	..	..	Tax free	..	..
Staffordshire & Worcester Canal	2	Sept. 19	Free of S. A. tax	..	..
Stage and Mantle	8	Oct. 1	Less tax	..	..
St. Augustine's Parade Hippo-	..	..	..	..	..
drome, Bristol	..	..	..	..	..
Stothert and Pitt	10*	..	Less tax	..	..
Sun Spinning	1/ p.s.	..	Tax free	..	..
Thomas Heaton and Co.	5	..	..	..	..
Thorncliffe Coal Distillation	..	..	..	..	..
Thos. W. Ward	5 %*	..	..	6 p.s.	..
United Fruit	2%*	..	..	7 1/2	..
Vine Spinning	5/ p.s.	..	Less tax	..	..
Woolley, Bangs, and Co.	3%*	..	..	10	..
Workington Brewery	..	..	..	6	..

(a) Also scrip bonus of one new share for each share held. BRITISH GLUCES AND CHEMICALS.—A dividend for the half-year ended September 30, 1921, on the 8 per cent. cumulative preference shares has been paid, and the shares are in arrears of dividend as from October 1, 1921. CHATWOOD WAGONS, LIMITED.—The directors regret that the accounts do not justify the payment of a dividend upon the 8 per cent. cum. pref. preference shares. ENGLISH MARGARINE WORKS (1919) announce that, after consideration of the accounts for the six months ended June 30, 1923, they are unable to declare a dividend on the preference shares. MACFARLANE AND ROBINSON.—The directors regret they are unable to recommend the payment of the half-yearly dividends on both classes of the preference shares usually payable at this time.

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

COMPANY MEETINGS, &c.

ANGLO-AUSTRIAN BANK, LIMITED.
FINANCIAL SITUATION IN AUSTRIA.

The first annual general meeting of the Anglo-Austrian Bank, Limited, was held, on the 28th instant, at Winchester House, Old Broad street, London.

General the Hon. Sir Herbert A. Lawrence, K.C.B., chairman of the company, presided.

The secretary (Mr M. McK. Turnbull) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that that was the first occasion on which he had had the privilege of addressing the shareholders of the bank since its reconstitution, in March, 1922, as an English company. He recalled how the former head office in Vienna, together with all the branches except those in the present Republic of Czechoslovakia, had been taken over as a going concern by an English group, and formed into a limited liability company. The

The Instone Air Line, Limited, was making good progress under exceptionally difficult conditions, but as the Government had decided that the present subsidy arrangements should come to a close in March of next year, and that a national company, to be the sole subsidised line, should be formed, introducing new capital and absorbing present operating companies, negotiations were proceeding on those lines.

With regard to the present position of trade, he was of opinion that the process of deflation had been far too rapid, and he suggested that the Government should give some relief from direct and indirect taxation, and call a halt for some years in the intensive deflation campaign, and so give merchants and manufacturers time to recuperate. There was a good demand for British coal all over the world, and he was glad to see that the increase in prices had been reflected in the miners' wages. What was the outlook in the coal trade for the future? One must never overlook the fact that the total output of coal in Great Britain was only about 300 million tons per annum. Now, bad as trade was with manufacturers, about 180 million tons of this quantity went for inland consumption and about 45 million tons was shipped as bunker coal at British ports, leaving a surplus of only about 75 million tons available for export. It was consequently obvious that, given a general revival of trade throughout the country, the quantities now available for export would soon be absorbed inland, and in consequence a shortage of coal would be felt which would naturally tend to harden prices. Development of the coalfields to increase output was therefore a necessity.

UNEMPLOYMENT.

He could not conclude without some reference to the alarming amount of unemployment at home compared with the actual shortage of labour on the Continent. He had always felt that the problem was not being successfully dealt with by the wasteful method of the dole and the rushing on with unproductive work, which was demoralising. His suggestion was that the Government would be taking steps to achieve that object in a far better way if they were to subsidise industrial firms all over the country. Such a method as this could be introduced by stages, and would, in his opinion, certainly help to solve the unemployment problem, as well as stimulate cheaper production, which in turn would enable us to sell abroad upon competitive lines.

Mr Theodore Instone (vice-chairman) seconded the resolution, which was carried unanimously.

BRITISH CELLULOSE AND CHEMICAL MANUFACTURING COMPANY, LIMITED.

PAST DIFFICULTIES OVERCOME—BETTER OUTLOOK. ENERGETIC SALES POLICY.

The fourth ordinary general meeting of the British Cellulose and Chemical Manufacturing Company, Limited, was held, on the 27th instant, at the Cannon Street Hotel, London, Sir Harry McGowan, K.B.E. (the chairman), presiding.

The Chairman, in the course of moving the adoption of the report and accounts, said: In the circumstances I do not think the loss, actually due to trading, is worse than was expected. But the following reasons, amongst others, should be present to your minds in any consideration of that result. During that period our processes of manufacture in almost every direction were undergoing changes, not only with the object of improving the quality of our material, but also with the object of cheapening cost. All our expenditure in this connection has been charged to revenue. Those of you who have practical knowledge of the running of a factory, particularly of a plant engaged in producing something of a novel character, will

appreciate the difficulties of endeavouring to keep up a steady rate of commercial output simultaneously with a keen and continuous battle against constructional and technical problems from day to day.

FRESH CAPITAL.

Since the date of our balance-sheet, as the report states, further money has been raised, and to some of you present to-day I daresay this recent increase in our bond indebtedness calls for explanation. Many discussions took place as to how best we should secure additional fresh capital. In these discussions we again placed all the facts of the company's position and prospects—as we saw them—before Messrs Dunn, Fisher and Co., with the final result that the Cellulose Holdings and Investment Company, Limited, agreed to take up a further £400,000 of debentures. While H.M. Government have no responsibility in connection with the decisions or the policy approved by your board, they duly and readily granted their consent to the increased debenture issue and the terms upon which it was arranged. To what has that money been devoted? Well, we have completed the extension of our numerous manufacturing departments, so that to-day Dr Henry Dreyfus assures us we can produce $\frac{1}{2}$ to 8 tons per day according to the varieties of yarn required by the trade. Our working capital remaining, composed of raw materials, goods in process and finished goods, and our liquid cash resources, are meantime sufficient to face the programme of production and sales we have set out to achieve, and given a return of demand in keeping with our new capacity to produce, we shall add to our working resources according as we make profits.

PRODUCTIVE CAPACITY.

Following upon the arrangements for new finance, to which I have referred, the company started to increase its capacity as quickly as possible, but during this time textile trade began to get worse, with the result that demand fell considerably. Coupled with this, we became conscious of reluctance on the part of the manufacturers to use our material, because, in spite of the superior qualities of our product, they were hampered in their dealings by the cheap material which was coming from the Continent, and, therefore, they were not willing to pay the prices at which we were prepared to sell at that time. Conditions of trade were such that they were inclined to take the line of least resistance and not to make the initial efforts which would be necessary to secure recognition for a new product with advantages which were not fully realised by them. During all this time we have had strikingly demonstrated to us the many different ways in which our basic material Celanese can be utilised in the production of fabrics of various kinds, with many beautiful qualities, and what we call the "applications" or more advanced uses of our material appear to us to be of the greatest importance in stimulating the demand for Celanese. Producers of fabrics may be conservative and satisfied with what they already market, and we cannot perhaps expect them to be eager pioneers without some demonstration, not only of the technical possibilities of manufacturing our material in the different fabrics, but also their superiority when made, and their high degree of saleability. We have, therefore, to show the way and also to stimulate demand by getting into closer touch with the public, who, when they get a knowledge of these fabrics, will undoubtedly ask the trade for them, and expect to have Celanese products, because of their quality. Such public recognition will be reflected indirectly upon the manufacturer and on the makers-up, and will induce them to buy our yarn and other intermediate articles, in order that they may meet the public demands. Simultaneously, therefore, with the erection of plant for the larger production of Celanese yarn, we have under installation weaving plant of various kinds designed to reproduce on a manufacturing scale what we have already seen satisfactorily produced in bulk samples.

THE FABRICS TO BE PRODUCED.

Now, I should like to say a word or two upon the class of output that we anticipate. The decision to carry our manufacture on a sufficient scale, beyond the stage of yarn and cord, was not suddenly adopted: it has been growing upon us as inevitable during the past two years. We had sufficient machinery of this class in our works to enable us to work out the various processes, as well as to assist other manufacturers to produce the materials. Moreover, in order to get quicker development, we made arrangements with a specialist in the natural silk trade, who had already produced with our material a series of bulk samples of articles which had never been produced before. The result was that over 100 fabrics, varied in kind, but all of great beauty, have been produced with our Celanese, and, particularly in the finer fabrics, these cannot be made with any of the existing artificial silks. They imitate natural silk with great exactness, and in certain instances are even more beautiful than articles made with natural silk. This fine-goods trade has, perhaps, the widest and most promising future, and has hardly any limit, although in saying this please do not forget that we are not neglecting the corn and yarn trade, for which there is a steadily growing demand.

THE INTRINSIC PROPERTIES OF THE PRODUCT.

It may not be out of place to give you an idea why we consider your silk is at least equal and in many respects superior to other artificial silks, and why it even supersedes natural silk in certain qualities. Celanese, which is the basic name of our product, is an excellent insulator for electricity and for heat and cold. Up to the present natural silk has been considered the best insulator from both points of view. It has now been proved, however, by tests made by various authorities that Celanese is much superior in its electrical insulating properties than natural silk. We are fully alive to the possibilities from the electrical point of view, but I will only say here that the non-conducting qualities have a special value in the textile industry, especially in clothing.

THE QUESTION OF DYEING.

At our last meeting you were told of the difficulties we had experienced, and the point that we had then reached. Since that time much has been done, and we have arrived at a stage when our technical advisers believe they are able to produce any colour, shade, or standard degree of fastness, as required. In view of this, you can take it that our dyeing methods are now just as simple as those for any other fibre, such as cotton, and are not likely to prove more costly. While upon the subject of dyeing, I might mention that it is a peculiar property of the new dyestuffs, in conjunction with Celanese, that if Celanese is mixed with cotton or other fibres, the latter will be unaffected by the dyes, and from this you will realise that when fibres are woven or knitted containing mixtures of Celanese with other fibres in various proportions, quite unique effects can be obtained. The other fibres can either be left white or simultaneously be dyed with other dyestuffs for the same or a totally different shade. The development is in its infancy, but the field of possibilities is a wide one. When these possibilities are developed, the saving in expense to the manufacturers of carrying different classes of stocks from which to make mixed colour goods should be very considerable.

SALES POLICY.

I do thoroughly believe that the quality of our goods is now such as to give satisfaction in their use, and believing that, we are pursuing a most energetic sales policy. We want to encourage manufacturers to see the advantage of using our material for their products. We want to encourage the friendliness of the wholesalers and retailers, but above all, it is necessary, in my opinion, that the demand should come from the actual user. To our mind, success is now a matter of selling, and I cannot too strongly urge our shareholders to help us in our efforts in this direction.

Of our ability to make profits under reasonable trading conditions I have no doubt whatever, and all our statistical records bear out this opinion, shared as it is by the entire board. Conditions of trade, now more difficult than ever in this country, may not right themselves so soon as we all might wish. Pending such improvement, we shall follow such a policy as will husband our resources to the best extent consistent with the development of our sales and the cheapening of our costs. We have continued to receive valuable assistance from our associates, the Tubize Company. Those of you who have been standing by patiently in the development of an unique product of such great prospects will, we feel sure, have ultimately a feeling of pride that you have continued to give your support to enable us to carry through when exposed to so many difficulties and temporary discouragements. We have given you our honest views as to our expectations, and what I have said to-day gives abundant justification for believing that the ultimate goal is worth all our efforts. Although the results to date must be looked upon as unsatisfactory, for the reasons given on

several occasions, this has not lessened our confidence in the future of this company, and we are convinced that we have a great industry in the making.

The report and accounts were unanimously adopted, and the proposed alteration of the title of the company to "British Celanese, Limited," was also approved.

CAM AND MOTOR GOLD MINING (1919), LIMITED. CHAIRMAN'S OPTIMISTIC FORECAST.

The ordinary general meeting of the Cam and Motor Gold Mining Company (1919), Limited, was held, on the 25th instant, at Winchester House, London, Mr L. E. B. Homan (the chairman) presiding.

Mr R. Roy Meldrum, representing the secretaries (the London and Rhodesian Mining and Land Company, Limited), read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said: We have made during the year a working profit of £127,653, or 13s 6d per ton crushed—a considerable improvement on the previous year, when the figures were £59,300 and 7s respectively. After writing off various items we have a balance to take to the credit of appropriation account of £111,606. This has been used, first of all, to write off depreciation amounting to £22,983 on machinery, plant, buildings, &c.; secondly, to write off the whole of our preliminary expenses account; and, thirdly, to write £15,054 off the old working account, reducing this item to a round £30,000. Of the balance £42,096 goes to pay the dividend declared in June last, leaving £16,540 to carry forward. The working costs are down to 24s 8d, as compared with 27s 9d for the previous year, and we hope to see this figure still further reduced during the current year. For August the costs are 24s 4d.

DEVELOPMENT WORK.

The main shaft at the end of August was down 1,651 feet; the shaft-sinking position is very sound, and need cause no anxiety. The sinking of the circular shaft was continued, and at the end of August its depth was 761 feet. A start was made with the deepening of the Petrol shaft, from which the petrol lode will be developed. The total development footage for the year was 8,939 feet, showing an increase of 3,545 feet—a record since milling started. The rate of development for the last quarter had improved to nearly 1,000 feet per month, and the costs per foot were 60s, as against 63s for the previous year. The values exposed are highly satisfactory in the lower levels on both the Cam and the Motor lodes.

The tonnage milled was again a record at 184,600 tons, an increase of 15,900 tons on the previous year's record. Taking the normal price of gold, the increase in the mill grade was 6.5s, from 44.9s to 51.4s per ton, and the increase in recovery grade was 5.2s per ton, from 31.7s to 36.9s. It is gratifying to note that the total actual extraction showed an improvement of 4.31 per cent., to 74.67 per cent.

As regards working costs, the reduction is largely due to the increased tonnage milled, and to a general improvement in efficiency. The future will disclose further reductions, especially when the Nissen stamps which we are now installing come into commission.

The increase of 90,000 tons in our ore reserves is after milling 184,600 tons, so that we really developed 275,000 tons during 1922-23. We have now four years actually in sight ahead of present mill capacity, which is a sound position to be in.

A short summary of the programme of underground work for the year 1923-24 may be of interest. All the shafts will be continued—the Motor Main shaft on single shift only, the circular and Petrol shafts as rapidly as possible. As regards development, the 12th level south on the Motor lode will have been extended. We should be about half-way through the 13th level south, and we should have reached the northern end of the 14th level. On the Cam lode the 8th and 10th will be continued; the 9th will be started from the winze connection between these two levels and the 12th will also probably be started—this latter at no distant date—by driving from the 12th level motor. On the Petrol lode the shaft should be connected with the long drive from the 5th level motor and the 3rd and 4th levels will probably be opened up, and, so far as possible, the necessary winzes and raise connections for stopping, ore passes and sand passes will also be made.

With regard to the results obtained since the end of our financial year, in July we crushed 15,800 tons and made a profit of £15,868; in August we crushed 16,000 tons and made a profit of £16,793, and I look for an increased profit for September.

The latest development results exceed our most sanguine expectations. From present indications the 13th level looks like being even richer than the 12th level.

CURRENT YEAR'S PROSPECTS.

I will now venture to give you another forecast. Assuming no

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untoward stoppage from causes impossible to foresee, the development footage will be increased, the ore reserve tonnage will be increased, its value will be higher, the tonnage milled will be higher, the grade recovery will be higher, working costs will decrease, and profits will be greatly in advance of last year, from all of which it is easy to anticipate increased dividends. In conclusion, I can reiterate that the Cam and Motor mine can now be classed as one of the best mines in the world, and its possibilities, with its vast unexplored grounds, are so great that I am confident we have not yet approached the zenith of our prosperity.

The report was unanimously adopted.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Sept. 22, 1923.	Total Receipts into the Exchequer from Sept. 22, 1923.	Week Ended Sept. 22, 1923.	Week Ended Sept. 22, 1923.
Receipts.					
Balances in Exchequer on 1st April:					
Bank of England	5,442,665	9,963,424			
Bank of Ireland	1,375,502	1,210,106			
REVENUE.					
Customs	116,900,000	60,727,000	2,775,000	2,941,000	
Excise	143,850,000	67,834,000	76,129,000	6,516,000	9,022,000
Motor Vehicle Duties	13,250,000	3,629,000	2,884,000		
Stamps, &c., Duties	52,000,000	25,270,000	31,011,000	700,000	740,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	500,000	560,000	10,000	
Property & Income Tax	261,000,000	100,411,000	132,946,000	2,626,000	3,912,000
Super-Tax	58,000,000	20,280,000	330,000		
Excise Profits Duties, &c.	12,000,000	954,000			
Corporation Profits Tax	20,000,000	9,850,000	7,957,000	540,000	310,000
Post Office	52,600,000	23,850,000	25,200,000	750,000	900,000
Crown Lands	900,000	410,000	380,000		30,000
Interest on Sundry Loans	12,500,000	6,022,162	3,767,925	18,706	
Miscellaneous—					
Ordinary Receipts	12,500,000	6,675,784	16,002,910	225,760	120,000
Special Receipts	40,000,000	19,987,809	25,069,449	509,264	
Revenue	818,500,000	354,196,755	391,057,284	15,120,730	18,025,000
Total, Inc. Balance		361,014,922	402,230,814		
OTHER RECEIPTS.					
Temporary Advances Repaid:					
Bullion		65,000	800,000		
Under the Unemployment Insurance Acts, 1921		3,690,000	2,650,000	100,000	
Money Raised by Creation of Debt:					
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1921 and 1922		1,750,000	1,650,000		
Under the Housing Act, 1914			13,000		
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922			950,000		
(b) Under the Unemployment Insurance Acts, 1921		270,000	1,450,000		
(c) For other issues:					
By Treasury Bills	1,178,069,000	1,427,262,000	44,742,000	58,824,000	
By National Savings Certificates	24,650,000	36,598,000	2,550,000	650,000	
By Exchequer and National War Bonds		20			
By Treasury Bonds—					
5½% 1927		61,543,782			
4½% 1932		52,648,508			
4½% 1931-33	29,202,627				
By Other Debt created under the War Loan Act, 1914 to 1919		11,869			
(d) Ways and Means Advances	335,853,500	349,224,500	9,250,000	5,000,000	
Anglo-Persian Oil Company—					
Dividends on Shares acquired	50,081	243,012			
Repayments of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	177,550	180,460			
Do Issues under Section 59 (4) of the Finance Act, 1920		6,827,960			
Interest received under Section 59 (5) of the Finance Act, 1920		162,425			
Total	1,934,798,680	2,344,456,350	71,762,730	76,499,000	

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Sept. 22, 1923.	Total Issues out of the Exchequer to meet Payments from Sept. 22, 1923.	Week Ended Sept. 22, 1923.	Week Ended Sept. 22, 1923.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	310,000,000	149,508,737	146,394,418	688,020	517,126
Sinking Fund	40,000,000	19,507,039		486,195	
Red. Fund	12,650,000	3,028,044	2,334,999		
Payments to Local Tax Authorities, &c.	10,348,000	3,361,316	2,458,302	700,000	291,976
Payments to Northern Ireland Exchequer	3,000,000	1,575,850	796,042	44,742	122,404
Grant-in-Aid to Local Authorities	1,500,000	308,517	538,061	5,154	25,022
Grants-in-Aid to Local Authorities	2,972,000	1,206,306	1,128,105	53,750	53,750
Supply Services	440,545,000	175,909,427	189,945,191	7,800,000	6,150,000
Expenditure	844,533,000	361,794,238	343,595,018	9,777,861	7,160,278

	Total Issues out of the Exchequer to meet Payments from Sept. 22, 1923.	Total Issues out of the Exchequer to meet Payments from Sept. 22, 1923.	Week Ended Sept. 22, 1923.	Week Ended Sept. 22, 1923.
OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000			
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	84,909		
Under the Unemployment Insurance Acts, 1921	270,000	3,060,000		430,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922	3,370,000	2,660,000	320,000	
Under the Housing Act, 1914	12,000	27,000		
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922		950,000		
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed	3,440,000	2,110,000		
Redemption of Debt—				
Treasury Bills	1,164,935,000	1,595,434,000	39,955,000	55,110,000
Principal of National Savings Certificates	16,850,000	13,050,000	600,000	400,000
Principal of Exchequer Bonds paid off		19,612,238		
Principal of National War Bonds paid off	31,636,910		550,000	
Other Debt under the War Loan Act, 1914 to 1919	6,981,184	9,446,601	6,612,048	
Ways and Means Advances Repaid	351,389,500	344,902,500	13,700,000	7,400,000
Anglo-Persian Oil Company—				
Issued to the National Debt Commissioners	50,081	243,012		
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)		5,000,000		5,000,000
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911				
	55,214	55,656		
Balances in Exchequer—				
Bank of England	5,442,665	9,963,424		
Bank of Ireland	1,375,502	1,210,106		
Total	3,972,665	4,225,446	147,721	996,722

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.
Treasury, September 24, 1923.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1915.	Dec. 31, 1915.	Mar. 31, 1916.	Mar. 31, 1917.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1919.	Sept. 22, 1923.
Funded Debt	688	318	315	315	315	314	314	314	314
Term Annuities	30	22	20	19	18	15	15	15	15
4½% War Stock	16	63	63	63	63	63	63	63	63
4½% War Stock	13	13	13	13	13	13	13	13	13
4½% War Stock	2,091	2,047	2,040	1,995	1,963	2,071	2,071	2,071	2,071
National War Bonds	649	1,509	1,476	1,413	1,201	971	971	971	971
4% Funding Loan		409	409	405	401	401	401	401	401
4% Victory Bonds		360	357	348	335	335	335	335	335
5½% Conversion Loan					266	690	687	686	686
5½% Treasury Bonds					23	24	24	24	24
5½% Treasury Bonds					381	166	166	166	166
Do by tender 5½%					4	69	69	69	69
Do by tender 4½%					84	108	108	108	108
Do 4½% 1931-33						2	2	2	2
Treasury Bills	15	961	1,107	1,107	878	719	616	629	629
Exchequer Bonds	20	323	323	319	289	185	150	150	150
Nat'l. Savings Certs.	138	267	274	285	342	350	354	354	354
War Expend. Certs.									
Other Debt	944	1,306	1,181	1,138	1,087	1,071	1,070	1,063	1,063
American Loan	1	501	51	51	147	147	147	147	147
Temporary Advances	684	5,872	8,033	7,829	7,574	7,655	7,768	7,662	7,658
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,730	7,725

POSITION OF THE FLOATING DEBT.

	Out. Sept. 22, '22.	Out. Sept. 22, '23.	Out. Sept. 22, '23.	Out. Sept. 22, '23.
Temporary Advances	151,623,500	193,897,500	178,361,500	4,450,000
Advances by Bank of England	151,623,500	193,897,500	178,361,500	4,450,000
Advances by Public Deposits	151,623,500	193,897,500	178,361,500	4,450,000
Treasury Bills outstanding	151,623,500	193,897,500	178,361,500	4,450,000
Total Floating Debt	865,543,500	809,942,500	807,511,500	320,000

* Includes £7,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Oct. 1-Oct. 6 were opened on Sept. 28, 1923, and the total amount applied for was £86,895,000. For bills at three months, dated Monday to Friday, at 99 3/8 to 8d, about 57 per cent., above in full; Saturday, at 99 3/8 to 1d, above in full. The amounts allotted were as follows:—in bills at 3 months, £45,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
Aug. 17	30,000,000	46,000,000	3 1/8 to 2 1/2	nil
Aug. 24	40,000,000	62,360,000	3 1/8 to 2 1/2	nil
Aug. 31	40,000,000	62,485,000	3 1/8 to 2 1/2	nil
Sept. 7	40,000,000	54,090,000	3 1/8 to 2 1/2	nil
Sept. 14	35,000,000	55,520,000	3 1/8 to 2 1/2	nil
Sept. 21	45,000,000	60,140,000	3 1/8 to 2 1/2	nil
Sept. 28	45,000,000	86,895,000	3 1/8 to 2 1/2	nil

Tenders will be received on Oct. 5, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance of Bank of England.
1922.								
Mar. 29	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28	295,374	13,338	6,000	28,500	19,650	16.3	254,312	250
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
1923.								
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 20	283,133	12,142	7,000	27,000	22,450	17.5	238,701	124
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, September 26, 1923.

	£	£
Notes issued	145,578,205	145,578,205
Government debt	11,015,100	
Other securities	8,734,900	
Gold coin and bullion	125,828,205	
Total	145,578,205	145,578,205

BANKING DEPARTMENT.

	£	£
Proprietors' capital	14,553,000	
Rest.	3,707,486	
Public deposits	13,516,990	
Other deposits	104,562,560	
Seven-day & other bills	9,948	
Total	136,349,984	136,349,984

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

	Amount, Sept. 26, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last
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NETHERLANDS BANK.—In florins (000's omitted).

Assets.	Sept. 24, 1923.	Sept. 17, 1923.	Sept. 10, 1923.	Sept. 3, 1923.	Sept. 25, 1923.	Position May 31, 1914.
Gold	581,775	581,789	581,789	581,790	593,859	163,092
Silver	10,305	10,333	10,387	10,505	9,033	8,436
Depts. & advances ..	349,952	356,322	354,911	423,827	352,330	153,504
LIABILITIES.						
Notes in circulation ..	967,417	967,270	964,812	967,317	960,119	316,632
Deposits	42,674	34,663	31,719	40,799	22,117	5,016

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 8, 1923.	Sept. 1, 1923.	Sept. 23, 1923.	Position May 31, 1914.
Gold	526,862	526,492	526,586	526,585	506,012	171,176
Silver	98,474	98,607	99,454	100,412	114,742	18,360
Depts. & advances ..	23,425	23,670	24,601	25,426	11,142	11,142
LIABILITIES.						
Notes in circulation ..	863,276	866,190	877,529	885,862	747,903	275,925
Deposits	98,973	100,265	132,348	75,565	240,264	33,750

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 8, 1923.	Sept. 1, 1923.	Sept. 23, 1923.	May 31, 1914.
Gold	572,615	572,642	572,676	572,745	573,626	104,818
Balance abt. and foreign bills ..	47,443	47,093	46,347	54,145	79,012	112,179
Swedish and for. Gov. securities ..	130,115	130,117	130,118	130,118	74,086	34,466
Discount and loans ..	257,902	271,448	278,350	292,382	365,052	118,868
LIABILITIES.						
Notes in circulation ..	528,297	541,825	544,567	571,406	522,859	236,555
Deposits at notice ..	125,076	123,273	128,286	133,669	301,370	369,660

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	Sept. 20, 1923.	Sept. 13, 1923.	Sept. 6, 1923.	Aug. 30, 1923.	Sept. 22, 1923.	May 22, 1914.
Coin (gold & silver and bullion) ..	347,136	347,623	347,508	348,766	332,778	322,850
Securities	1,014,619	1,018,308	977,471	1,015,509	492,973	697,800
LIABILITIES.						
Notes in circulation ..	7,097,703	7,139,547	7,144,738	7,193,698	6,483,141	934,150
Current accounts ..	433,556	421,653	426,337	304,195	547,945	118,126

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 23, 1923.
Gold	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills	3,027,742,294	3,042,406,926	3,050,084,956	2,917,953,149
Bills discounted	700,175,094	664,357,947	647,188,427	651,592,821
Treasury bills	2,537,661,138	2,537,661,137	2,538,718,937	2,538,718,937
LIABILITIES.				
Notes in circulation ..	5,770,597,978	5,870,550,044	5,894,786,367	5,458,159,892
Deposits	577,452,825	444,452,039	413,383,400	722,398,478

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 23, 1923.
Gold coin and bullion, bills ..	22,288	22,303	22,283	22,374
Silver coin, &c.	594	594	594	594
Bills, warrants, drafts, &c.	330,175,648	303,991,132	273,604,918	248,655,922
Loans	1,800,800	1,801,914	1,788,821	1,805,158
LIABILITIES.				
Notes in circulation ..	476,751,286	444,065,794	399,486,871	344,311,135
Deposits	73,532,102	34,003,411	23,628,852	31,664,431

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 7, 1923.	Sept. 22, 1922.	Position May 31, 1914.
Coin and bullion—Gold	147,287	147,287	147,287	147,291	44,224
Balance abroad and foreign bills ..	19,815	18,640	19,149	41,718	38,533
Norwegian & Foreign Government securities ..	9,052	9,052	9,052	9,415	8,816
Discount and loans ..	457,977	464,992	460,304	430,040	76,911
LIABILITIES.					
Notes in circulation ..	391,478	394,250	399,401	373,682	113,484
Deposits at notice ..	108,150	102,665	102,753	132,034	7,188

Through Royal resolution of February 3, 1922, it has been resolved that the extraordinary right of issuing bank notes has been reduced from 60 millions to 25 millions from February 4, 1922 (this date included).

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 24, 1923.	Aug. 17, 1923.	Aug. 10, 1923.	Aug. 3, 1923.	Sept. 1, 1923.
Govt. securities ..	11,37,46	11,59,07	11,59,79	12,43,75	13,73,99	10,47,71
Other securities ..	1,30,77	1,30,77	1,30,66	1,30,66	1,30,66	1,30,66
Loans	16,21,39	16,23,85	16,32,85	16,70,52	16,83,35	17,19,40
Cash credits	30,77,70	30,25,03	30,30,43	30,79,60	31,56,09	26,36,90
Inland bills	4,18,60	4,51,14	4,85,02	4,65,07	4,70,31	4,18,26
Foreign bills	24,41	26,07	34,21	25,47	85,96	7,47
Dead stock	2,42,06	2,41,83	2,41,64	2,41,32	2,41,18	2,44,35
Reserve	39,25	35,64	38,82	38,43	39,27	39,29
Bank with other banks ..	14,55	8,37	14,59	80,37	19,19	28,46
Cash	39,56,82	37,94,41	36,63,99	36,61,14	36,73,73	44,37,33
LIABILITIES.						
Subscribed capital ..	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00
Capital paid up ..	6,83,50	6,83,50	6,83,50	6,83,50	6,83,50	6,83,50
Reserve	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,11,85
Public deposits ..	23,18,91	22,86,95	22,82,23	24,07,99	26,15,28	26,06,60
Other deposits ..	72,57,11	71,18,16	71,05,00	71,41,58	71,70,78	70,33,12
Surplus	74,89	68,56	67,37	68,91	68,92	62,82
The above includes—						
Deposits in London ..	223	206	302	590	327	215
Advances in London ..	308	306	273	277	396	849
Cash, &c., at other Banks in London ..	91	48	69	529	118	180

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	Sept. 15, 1923.	Sept. 8, 1923.	Aug. 31, 1923.	Sept. 15, 1922.	Position May 31, 1914.
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills ..	396,432	607,238	399,822	261,704	90,379
Swedish and for. Govt. securities ..	571,407	571,411	571,414	695,536	21,836
Discount and loans ..	879,123	794,414	889,544	802,726	106,151
LIABILITIES.					
Notes in circulation ..	1,370,328	1,399,326	1,399,701	1,362,803	123,941
Deposits at notice ..	868,108	814,414	827,064	161,310	12,236

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Aug. 15, 1923.	Aug. 8, 1923.	Aug. 1, 1923.	July 25, 1923.	Aug. 16, 1922.
Coin and bullion ..	27,040	27,040	27,051	27,014	26,660
Of which gold ..	8,577	8,577	8,577	8,577	8,577
Balance abroad ..	80,892	70,709	72,899	61,597	3,143
Discounts	217,524	220,786	228,783	230,407	152,747
Government loans ..	1,012,140	1,042,140	1,035,127	1,035,127	720,097
LIABILITIES.					
Notes in circulation ..	1,260,245	1,254,065	1,253,363	1,224,803	849,511
Deposits	34,862	31,897	42,489	57,988	41,418

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Sept. 10, 1923.	Aug. 31, 1923.	Aug. 20, 1923.	Aug. 10, 1923.	Sept. 10, 1922.
Gold	48,071	47,953	46,888	46,867	31,719
Silver	32,994	32,877	35,040	34,908	44,137
Foreign coin	(a) 2,257	(a) 2,250	(a) 2,242	(a) 2,275	99,185
Advances to the Govt.	75,855,000	5,473,000,000	5,279,000,000	4,602,000,000	304,500,000
Private loans and discounts ..	20,345,435	2,009,419,073	1,551,726,780	1,568,464,047	79,131,072
LIABILITIES.					
Notes in circulation ..	788,342,661	6,871,776,522	5,390,193,712	4,887,351,121	409,266,106
Deposits	229,982,778	1,727,763,993	1,458,386,666	1,250,791,330	66,030,142

BANK OF LATVIA.—In gold francs (000's omitted).

Assets.	Sept. 19, 1923.	Sept. 12, 1923.	Aug. 22, 1923.	March 21, 1923.	Nov. 22, 1922.
Total cash ..	14,728	15,739	15,281	3,421	3,085
Gold coin & bullion ..	15,739	15,739	15,739	15,178	12,993
Of which held abroad ..	2,507	3,744	3,744	603	24,466
Foreign bills ..	61,181	60,959	59,565	39,151	15,562
Discounts and loans ..	24,239	23,821	21,904	13,562	9,551
LIABILITIES.					
Notes in circulation ..	23,000	23,000	23,000	16,397	4,005
Capital paid up ..	10,000	10,000	10,000	8,000	8,000
Government deposits ..	37,762	38,338	33,418	21,658	16,697
Other deposits ..	40,665	40,981	40,225	16,521	16,995

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Sept. 15, 1923.	Aug. 31, 1923.	Aug. 15, 1923.	July 31, 1923.	June 30, 1923.
Gold	16,388	16,383	16,378	16,373	16,320
Dollars & sterling, &c.	37,428	35,650	35,358	34,819	35,333
Other foreign currency ..	17	17	17	20	19
Discount and credits ..	13,740	13,919	13,863	13,797	13,786
Other assets	7,686	6,750	6,090	9,871	7,756
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation ..	57,640	52,274	51,973	50,685	49,378
Deposits	6,908	6,589	6,989	9,526	8,116
Other liabilities ..	3,658	2,159	2,973	2,498	3,809

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 23, 1923.	Aug. 15, 1923.	Sept. 15, 1922.
*Liabilities of the Austro-Hungarian Bank to the Bank of the Czechoslovak Republic ..	10,098,923	10,098,913	10,098,913	10,098,913	10,098,913	10,098,913
Discounts & advances ..	1,512,143	1,526,111	1,539,827	1,519,402	1,533,356	1,880,540
Gold & silver held ..	1,060,763	1,060,668	1,060,308	1,055,434	1,065,458	787,665
Foreign bills and balances abroad ..	2,444,593	2,451,998	2,445,017	2,538,241	2,569,599	1,736,393
Other assets	469,586	486,134	487,022	565,077	663,686	667,045
LIABILITIES.						
State's circ't'n ..	8,925,099	9,084,484	9,218,475	8,779,059	8,969,523	9,837,009
Deposits	5,665,832	5,563,143	5,503,830	6,124,688	6,055,815	3,125,080
Other liabilities ..	993,077	973,197	906,782	871,699	883,674	2,146,267

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Sept. 15, 1923.	Sept. 8, 1923.	Aug. 31, 1923.	Aug. 22, 1923.	Sept. 15, 1922.
Gold	63,078	63,071	63,105	63,065	63,683
Other coin and notes ..	20,980	20,164	19,429	17,962	16,687
Foreign credits ..	348,269	347,327	346,863	349,973	403,616
Bills	1,368,304	1,331,507	1,292,876	1,253,179	1,315,791
Govt. advances ..	4,568,637	4,568,639	4,568,637	4,568,617	4,568,617
LIABILITIES.					
Notes in circulation ..	5,820,101	5,842,833	5,719,291	5,605,319	5,149,031
State credits ..	373,136	373,136	373,136	373,116	333,903

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefer.	Ordinary.				
					Amount.	Amount.	Rate.			
Breweries.		£	£	£	£	£	%	£	£	%
Page and Overton's	June 30	13,975	12,948	26,923	5,672	5,460	6	2,500	13,291	..
Royal Brewery, Brentford	June 30	48,677	61,164	109,841	6,000	17,065	7½	38,500	48,276	7½
Scottish Malt Distillers	July 31	12,642	49,920	62,562	8,280	7,913	10½	28,000	18,369	10½
Financial, Land, &c.										
Argentine Land and Investment... ..	June 30	10,406	73,171	83,577	..	62,740	10	9,902	10,935	88,277 (s)
Hotels, Restaurants, &c.										
Bournemouth Imperial and Grand	June 30	2,235	12,018	14,253	8,000	..	..	5,500	753	9,470 ..
Frederick Hotels	June 30	38,531	61,995	100,526	27,500	20,626	10	13,500	38,900	51,350 6½
Rubber.										
Caledonian (Ceylon)	June 30	Dr 5,338	16,253	10,915	5,760	..	..	4,243	912	4,193 ..
Way-Halim (Sumatra)	Mar. 31	3,716	2,497	6,213	..	2,588	5	1,000	2,625	Dr 2,200 nil
Telegraphs, &c.										
Direct West India Cable	June 30	108,391	1,183	109,574	..	6,000	10½	80,000	23,574	15,941 6½
Halifax and Bermudas Cable	June 30	63,442	20,855	84,297	..	3,000	6½	50,000	31,297	4,885 6½
Other Companies.										
Aird and Coghill	June 30	2,480	5,704	8,184	1,123	1,134	7½	2,500	3,427	6,707 7½
British Glues and Chemicals	May 31	64,696	13,773	78,469	..	..	..	78,469	Dr 64,177	..
Goldsbrough, Mort, and Co.	Mar. 31	28,881	170,425	199,306	..	145,027	15	22,500	31,779	174,437 15
Manchester Hippodrome	June 30	59,091	Dr 1,146	57,945	..	6,216	..	..	51,729	3,525 (t)
Murex	June 30	Dr 6,247	1,144	Dr 5,103	..	..	..	..	Dr 5,103	..
Picture Playhouses	July 31	10,272	8,227	18,499	..	9,447	5	3,873	5,179	..

(s) Argentine Land and Investment.—Capital has been reorganised. For year ended June 30, 1922, 20 per cent. paid on ordinary shares, absorbing £10,446. Preference dividend absorbed £43,584. There are no preference shares in the reorganised company.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24	1922-23	1921-22	1920-21
Estimated sales of home-grown wheat—				
1 week to September 22	Cwts. 486,691	Cwts. 353,278	Cwts. 449,295	Cwts. 392,441
3 weeks to September 22	1,199,974	808,613	1,280,711	1,080,480
Average price of English wheat per cwt.	s d 8 10	s d 8 8½	s d 13 4	s d 21 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Sept. 15	Cwts. 391,281	Cwts. 232,449	Cwts. 57,376	s d 9 0	s d 11 9	s d 8 9
22	486,691	398,844	97,186	8 10	11 5	8 8
1919	231,553	571,311	50,973	17 0	26 7	21 7
1920	392,441	228,271	102,974	21 1	22 5	19 10
1921	449,295	419,814	65,587	13 3	17 8	10 7
1922	353,278	94,568	56,366	8 8	10 4	8 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated September 27th, is as follows:—Pig-iron: There is as yet no decided improvement in the demand for pig-iron, and business continues to be for immediate requirements only. The total output of pig-iron on the North-East Coast is moderate, only 39 blast furnaces being in blast. No. 3 Cleveland G.M.B. is quoted 96s 6d per ton, but a good order might be put through at a little below this figure. East Coast mixed numbers hematite is still 99s per ton. Manufactured iron and steel: The boiler-makers' strike still blocks the way, and serious efforts are now being made to settle it. Steel works can only keep going with difficulty. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s. Iron ore: Prices of best ore are firm, but unchanged. Best Bilbao Rubio is 23s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—Prices of raw materials appear to have reached bottom, but "cutting" is still rife in the cheaper grades of manufactured steel. The crucible steel branch has lost a little ground just lately. Germany is now out of the market as a competitor with Sheffield in cutlery, tools and hardware, but as this country contains large stocks of German goods, makers have only benefited to a slight extent. The coal market is weaker in the home market, and coke is becoming more plentiful. Moreover, it is felt that a settlement of the Ruhr dispute will result in decreased buying of British coke for export. Very little is doing in house coal, and prices are unchanged. Best South Yorkshire hards are still quoted at 20s, and coke at 34s f.o.t.

Our Glasgow correspondent writes:—Scotch hematites keep firm at £5 5s. No. 1 foundry also £5 5s, and No. 3

£5—each at producers' works. A fair turnover has taken place in ship plates at £10 (Glasgow stations). Black sheet makers keep busy, mainly on orders in light sections for Japan, China, and Australia. These markets are said to be ripe, with prompt business. Much interest attaches to the efforts that are in hand for arranging the troubles existing in the boiler-making trade, which have run over 21 weeks, and the satisfactory adjustment of which would work untold benefit to the engineering and shipbuilding trades. Electrical machinery and plant building engineers are well employed and report that their prospects are good. Conditions in the locomotive engineering and wagon building connections are more hopeful at the moment than has been the case since the year came in, and a host of subsidiary in-



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dustries are participating in the animation, which at the same time leaves not a little to be desired. Managements advise that of late in quite a number of instances they have succeeded in adding to their operating staffs. Messrs. Alley and M'Lellan, Polmadie, have booked orders for half a dozen shallow draft barges for South America, and additional wants are under consideration.

CUMBERLAND IRON.

The Continental and home requirements of West Coast hematite pig-iron are still satisfied by the production of the 13 furnaces in blast between Workington and Carnforth, but the prospects of a substantial improvement in trade are improving. Output is no longer in excess of demand, and immediate requirements are bigger than has been the case for six weeks past. No forward sales yet are being effected, but it is believed that there will be such a recovery in trade before Christmas as to necessitate an increase in production. The most hopeful feature of the situation is that makers are renewing contracts for raw materials at somewhat reduced rates. Values on the whole are well maintained. Bessemer mixed numbers are unchanged at £5 10s delivered at Glasgow and Sheffield. Needs of ordinary iron are larger than those of low phosphorus iron. There is little business stirring as regards manganese alloys, but in this case makers are almost indifferent to current conditions, holding, as they do, delivery orders which will keep them busy for the remainder of the year. The steel trade is dull, with the promise of nothing better than spasmodic employment at the rail mills at Workington during the greater part of the winter. Heavy sections are quoted at £9 10s, lighter sections £10 10s, and billets £8 per ton. All the native ore being raised, and the production is low, most of the privately owned mines being idle, is going into local consumption. Superior sorts of low phosphoric ore are 24s to 26s, and ordinary kinds 19s 6d to 21s 6d.

The coal trade is dull, but the bigger production available now that the Whitehaven collieries, after a strike that lasted for 17 weeks, are working again, is nevertheless being absorbed. A large portion of the coal is going to Ireland, though as a result of keen Scotch competition for a market which Cumberland owners regard as peculiarly their own, prices are lower, best round being 26s per ton for export. Locally prices are unaltered. Best house is 38s 2d at pit, best steam 30s, and washed steam 29s. There are short supplies of nuts and smalls for export, the needs of the local coke ovens being large. The entire make of the coking plants is being consumed, the Continent buying up any surplus at 34s to 37s per ton that is at command after iron smelters have taken what they require at 29s to 33s, according to carbon content. East Coast coke supplies to this district are over 8,200 tons per week. Residuals are a steady trade.

SOUTH WALES COAL MARKET.

Our Cardiff correspondent writes:—There has been very little change in the situation on the Cardiff coal market this week. The current demand has been very inactive, and prices for practically all classes of coal have shown an easier tendency. The contract season is approaching, but so far there have been very few inquiries for supplies for 1924. A few contracts have been arranged on the basis of about 27s, f.o.b., for best Admiralty large, but the majority of buyers are holding off in the anticipation of a further decline in values. The discontinuance of passive resistance in the Ruhr is a disquieting factor. During the past eight months France, Belgium, and Germany have been importing far in excess of normal requirements, owing to the suspension of work in the Ruhr, but if production is resumed in that coalfield, and reparation deliveries are restored to anything approaching the quantities provided for by the Spa agreement, there must inevitably be a contraction in the requirements of the Continental countries, in which event, and failing the discovery of new outlets, the volume of trade must decline. The only effective way by which a fall in prices can be prevented is that of the regulation of output, but, so far, no proposal in this direction has been mooted.

The following are the approximate current quotations:—Best Admiralties, 28s to 29s; second Admiralties, 27s to 28s; best dries, 28s 6d to 29s; Black Veins, 27s 6d to 28s; Western Valleys, 26s 6d to 27s 6d; Eastern Valleys, 24s to 26s 6d; best bunker smalls, 18s to 20s; ordinary cargo smalls, 14s to 16s; anthracite big vein large, 47s 6d to 52s 6d; machine-made cobbles, 55s to 60s; French nuts and stove nuts, 57s 6d to 60s; rubbly culm, 15s 3d to 16s; inland blast furnace coke at ovens, 30s to 35s; coke for export, 37s 6d to 46s; patent fuel, 29s to 32s 6d; pitwood, ex ship, 30s 6d to 31s.

In the iron and steel trade the improvement in the position has been maintained, and prices are now firmer than they have been for the past two or three months. The works are more active, and heavy shipments to the East are anticipated during the next few months. A proposal for the creation of a central agency in the tinplate trade has been revived, and is receiving the support of the principal groups of manufacturers.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—September 21, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.	..	..	..	..	..	..	..	..	..	..	..	..
Georgia do.	..	..	..	..	..	..	..	..	..	..	..	..
American	Ord G O L M	Mid G M	M F	G O L M	G M	G O L M	G O L M	G M	G O L M	G O L M	G M	G O L M
Brasilia	1650/1680	1730/1765	1865/1920	1158/1243	1313/1370	1265/1370	1600/1600	1600	1600	1600	1600	1600
Pernam	1665/1765	1840 ..	..	1108/1258	..	1255/1455	1108/1258	..	1255/1455	1108/1258	..	1255/1455
Parahyba, Rio Grande, &c.	1665/1765	1840 ..	..	1108/1258	..	1255/1455	1665/1765	1840 ..	..	1108/1258	..	1255/1455
Maceio, &c.	1665/1765	1840 ..	..	1108/1258	..	1255/1455	1665/1765	1840 ..	..	1108/1258	..	1255/1455
Mossoro, &c.	1665/1765	1840 ..	..	1108/1258	..	1255/1455	1665/1765	1840 ..	..	1108/1258	..	1255/1455
Ocara	1665/1765	1840 ..	..	1108/1258	..	1255/1455	1665/1765	1840 ..	..	1108/1258	..	1255/1455
Maranhão, &c.	1665/1765	1840 ..	..	1108/1258	..	1255/1455	1665/1765	1840 ..	..	1108/1258	..	1255/1455
São Paulo	1665/1765	1840 ..	..	1108/1258	..	1255/1455	1665/1765	1840 ..	..	1108/1258	..	1255/1455
Egyptian	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M	Fr. G. L. M
Upper	1715/1775	1795/1815	1840/1900	1300/1400	1500/1600	1700/1800	1715/1775	1795/1815	1840/1900	1300/1400	1500/1600	1700/1800
Sakellari	1790/1865	1885/1985	2085/2085	1450/1675	1975/1975	1975/1975	1790/1865	1885/1985	2085/2085	1450/1675	1975/1975	1975/1975
Brown	1715/1775	1795/1840	1930/1930	1300/1450	1625/1625	1625/1625	1715/1775	1795/1840	1930/1930	1300/1450	1625/1625	1625/1625
Peruvian	M F	Fr. G. F	Gd. Fine	M F	Fr. Gd.	Fr. Gd.	M F	Fr. G. F	Gd. Fine	M F	Fr. Gd.	Fr. Gd.
Rough	..	..	1700/1825	1815/1815	1450/1450	1450/1450	..	..	1700/1825	1815/1815	1450/1450	1450/1450
Moderately Rough	..	..	15625/1625	1975/1975	1300/1425	1425/1425	..	..	15625/1625	1975/1975	1300/1425	1425/1425
Smooth	1740/1790	1835/1875	1915/1915	1243/1393	1518/1518	1403/1680	1740/1790	1835/1875	1915/1915	1243/1393	1518/1518	1403/1680
Tangia	1690/1715	1765/1815	1890/1945	1243/1393	1543/1543	1543/1543	1690/1715	1765/1815	1890/1945	1243/1393	1543/1543	1543/1543
Mitsa	..	1600/1675	1750/1775	..	1100/1450	1450/1450	..	1600/1675	1750/1775	..	1100/1450	1450/1450
West Indian, &c.	..	..	1650/1750	1825/1825	..	1325/1325	..	..	1650/1750	1825/1825	..	1325/1325
Do Sea Island	..	1900/2100	2400/2500	..	2300/2900	2900/2900	..	1900/2100	2400/2500	..	2300/2900	2900/2900
African, East, &c.	1275/1375	1525/1625	1725/1825	1075/1250	1450/1600	1600/1600	1275/1375	1525/1625	1725/1825	1075/1250	1450/1600	1600/1600
Do West	1715/1725	1735/1815	1815/1815	..	1118/1313	1313/1313	1715/1725	1735/1815	1815/1815	..	1118/1313	1313/1313
East Indian	G F	roy Gd. F	G F Fine	S'n	roy Gd. F	roy Gd. F	G F	roy Gd. F	G F Fine	S'n	roy Gd. F	roy Gd. F
Machine Ginned Surtee	..	..	1530/1570	1815/1815	1210/1210	1210/1210	..	..	1530/1570	1815/1815	1210/1210	1210/1210
Machine Ginned Brown	..	1265/1305	1345/1385	1425/1425	1040/1080	1160/1230	..	1265/1305	1345/1385	1425/1425	1040/1080	1160/1230
Machine Ginned Bhowanugga	1035/1085	1135/1185	1235/1285	910/960	1040/1090	1190/1240	1035/1085	1135/1185	1235/1285	910/960	1040/1090	1190/1240
Machine Ginned Oomra No. 1	1045/1095	1145/1195	1245/1295	920/970	1050/1100	1200/1250	1045/1095	1145/1195	1245/1295	920/970	1050/1100	1200/1250
Machine Ginned Oomra No. 2	..	1120/1170	1220/1270	..	945/1025	1025/1025	..	1120/1170	1220/1270	..	945/1025	1025/1025
Machine Ginned Khandeish	..	1045/1095	1145/1195	1245/1245	870/920	1000/1000	..	1045/1095	1145/1195	1245/1245	870/920	1000/1000
Machine Ginned Comphal	1235/1275	1275/1275	1275/1275	1050/1050	1050/1050	1095/1095	1235/1275	1275/1275	1275/1275	1050/1050	1050/1050	1095/1095
Machine Ginned Bengal	970/1010	1050/1090	1130/1170	735/775	875/875	915/965	970/1010	1050/1090	1130/1170	735/775	875/875	915/965
Machine Ginned Seinde	960/1000	1040/1080	1120/1160	728/765	845/845	855/953	960/1000	1040/1080	1120/1160	728/765	845/845	855/953
Tinnivelly	1420/1460	1530/1530	1530/1530	1050/1050	1050/1050	1050/1050	1420/1460	1530/1530	1530/1530	1050/1050	1050/1050	1050/1050
Madras, Western	1170/1210	1250/1250	1290/1290	..	985/1025	1025/1025	1170/1210	1250/1250	1290/1290	..	985/1025	1025/1025
Madras, Northern	1120/1120	1275/1275	1275/1275	..	1050/1050	1050/1050	1120/1120	1275/1275	1275/1275	..	1050/1050	1050/1050
M. G. Coconada, Red	Fr. 1250	..	..	..	1010/1010	1010/1010	Fr. 1250	..	..	..	1010/1010	1010/1010
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

American yarns. Rather less business has been offering in Egyptian spinnings. There has been a tendency to withdraw bids for export yarns.

(I.) Comparative Statement of the Cotton Trade.

	Price, Sept. 27, 1923.	Previous Weeks in 1923.					
		Price, Sept. 20.	Price, Sept. 13.	Price, Sept. 6.	Price, Aug. 30.	Price, Aug. 23.	
Raw Cotton—Fully Mid. American . . . per lb	16-95	18-58	17-29	16-02	15-30	15-38	
— Sakellaridis Fully Good Fair	18-35	19-00	17-60	17-25	16-65	16-35	
Yarns—32's twist per lb	23	24	23	21 1/2	21	21	
— 40's twist per lb	23	24	23	21 1/2	21	21	
— 60's twist (Egyptian) per lb	31	31 1/2	30	29 1/2	29	29	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33 0	34 0	32 9	31 3	30 6	30 6	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36 0	37 6	36 3	34 9	34 0	34 0	
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	19 0	19 4 1/2	19 1 1/2	18 7 1/2	18 3	18 3	
38-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.	17 6	17 9	17 6	16 10 1/2	16 6	16 6	

(II.) Compared with Previous Years.

	Price, Sept. 27, 1923.	Corresponding dates in					
		1922.	1921.	1920.	1919.	1918.	
Raw Cotton—Fully Mid. American . . . per lb	16-95	12-78	15-71	20-90	20-02	25-24	
— Sakellaridis Fully Good Fair	18-35	17-25	28-25	54-00	30-00	29-40	
Yarns—32's twist per lb	23	18 1/2	23	47	42 1/2	56 1/2	
— 40's twist per lb	23	18 1/2	21 1/2	43	41 1/2	57	
— 60's twist (Egyptian) per lb	31	28	45	70	61 1/2	69	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33 0	30 0	37 0	72 0	59 0	74 6	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36 0	30 6	37 0	72 0	57 6	71 0	
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	19 0	17 3	22 6	43 0	35 0	42 0	
38-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.	17 6	15 9	21 6	34 0	30 6	36 3	

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market to-day has shown some response to the improved outlook which has been created by the suspension of import duties in Japan, and the latest development in regard to the Ruhr. While it cannot be said that there has been any great rush of new business, there has been rather more inquiry, and, in the aggregate, a fair amount has actually been done in tops. Topmakers' quotations are firm, with, if anything, a slight hardening tendency, and it would take very little in the present state of the market to give an upward movement to values. It has to be borne in mind that tops and yarns are selling to-day at prices entirely out of harmony with the cost of the raw material, and this anomaly cannot continue indefinitely, especially as wool remains so firm. The Continent is leading the way in the raw material markets of the world, and fancy prices are being paid at the Cape for the first of the new season's wool. Good twelve months' wool, for instance, is making about 53d, clean scoured, ex-warehouse, at Port Elizabeth, and this sort of thing, taken in conjunction with the prices in London and Australia, is making traders here wonder if they are not being unduly pessimistic as a result of the recent spell of bad trade. A survey of world conditions would seem to suggest that the various adverse factors are beginning to exercise less influence, and it seems certain that more settled conditions on the Continent and a substantial recovery in the franc, would definitely remove the main obstacles which have been preventing developments in the wool textile industry of this country. At present Bradford is probably the cheapest market in the world for tops and yarns, but increased machinery consumption would soon make a difference and lead to more stable conditions.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The September series of sales finished yesterday, after four weeks of almost continuous selling. Prices have not gone altogether as the owners of the wool would have liked, but apart from the withdrawal of second-hand parcels on account of prices being below cost, the auctions have left nothing to be desired. On an average there is not a very great deal of difference compared with the close of the July prices, any improvement being covered by 5 per cent. Still, the very fact of a steady firm market is something which indicates better conditions than the majority will give credit for, the greatest weakness of the auctions being undoubtedly the lack of competition on the part of the home trade for merinos. That has been the missing link throughout the auctions, a clear indication that home trade spinners and manufacturers are feeling the pressure of untoward circumstances, due to the absence of profitable business in tops, yarns, and pieces; in fact, business is undoubtedly tending more in the direction of crossbreds than anything, it being the opinion of those nearest to the actual consumer that the demand to-day is for something cheaper. It is a thousand pities that London wholesale people set the pace for practically all England, and it is a fact that to-day both in men's and women's wear, as well as hosiery fabrics, the demand is for something cheap. It is becoming apparent to those who see the big difference there is between manufacturers' actual sale prices and the retail figures that there is far more margin than is reasonable, and we are certain that the public could be served with excellent botany cloths at less than they are being charged

to-day. Some exceedingly good 18-19 oz blue botany serges can be obtained to-day from the manufacturer at 11s 6d to 12s per yard. It takes 3 1/4 yds for a suit, and yet suits from these cloths are being priced at seven guineas, and in some cases more. This is having a direct effect upon the general demand, but we are satisfied that inherently trade is sound, and consumption large, the raw material still being the dominant factor.

VEGETABLE OILS AND OILSEEDS.

The feature of the market continues to be the high prices maintained for linseed. A fair demand for the surplus old crop from Argentine has been supplemented by decreased interest in the new linseed, which will begin shipment early in January, and a sharp advance in values. Indian linseed continues to offer freely, but trade is not extensive. The oil product, in sympathy with seed, is still firm, and the value about £41, ex Hull mill, for prompt and October delivery. Supplies are, however, on the short side owing to the small quantity of seed crushed in the mills of late and the small arrivals. Both home and foreign demand is fair.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The London hide market has steadied itself, as the tone at Thursday's auctions was slightly firmer. Best ox sold from 6 1/2d to 8 1/2d, two classes showing declines of 1/2d and 1/4d, whilst one class went up 1/2d on last prices. Seconds sold from 5 1/2d to 7 1/2d, two selections showing slight advances. Best cows sold from 6 1/2d to 6 3/4d, whilst best calf made from 5 1/2d to 11 1/2d, showing practically no alteration. Lambs sold from 2s 1d to 7s 9d, and pelts from 4s to 8s each. The demand for foreign hides has fallen off in view of the higher prices asked for frigorifics at origin, \$38 being now asked for Argentine ox. Liebig Fray Bentos ox are reported to have sold to the home trade on a basis of 8 1/2d. Dry hides are again more active, the Continent being regular buyers of this class. Cables from New York report the Chicago hide position as firm, with best heavy packers now making 14 1/2 cents.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, September 28.

SUGAR.—The firm tone predominating in this market for some considerable time past became more pronounced this week, and with falling supplies of grocery imported descriptions, British refined is naturally sought after. Of the latter, refiners' boards were cleared early, particularly with regard to standards at 1s per cwt advance, crushed; coffee crystals and nibs being raised 6d per cwt. Granulated, forward, 1s 6d higher. Messrs Tate and Lyle's cubes now quoted 60s 6d to 61s 6d, as to quality; crushed, 58s; nibs, 61s 6d; granulated, fine and coarse grain, also stoved, 58s 1/2d; No. 1, 57s 10 1/2d; No. 2, also London, 57s 7 1/2d, with 2 cwt bags 1 1/2d less money; and second half October, 58s in 2 cwt bags. Yellow crystals, spot, 52s 1 1/2d; 2 cwt bags, 52s; finest caster, 60s 4 1/2d; A, 59s 7 1/2d; B, ditto, 58s 9d. Glebe K, granulated, prompt London, 57s 3d; ditto, Greenock, 57s 3d; caster and icing ditto, 59s 3d. Spot supplies of imported become beautifully less; in fact, nothing appertaining to granulated being available, with the exception of Javas. The recent exceptional drainage made upon

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same, not only on export account but also by British outports, has narrowed down the selection in London to an uncomfortable extent from a buyer's point of view. Offers of Java for shipment are very sparingly made, and then at firmer prices, owing to requirements on Indian and Japanese account being sustained in local centres. White Java, spot, sold, 54s to 54s 3d, duty paid; ditto, afloat, steamer "Hemisphère," changed hands at 27s 3d to 27s 6d; and August-September, 25s 9d, c.f. and i., London. White Egyptian, spot, 57s. Only retail quantities of Canadian granulated call for no comment. Dutch sugars for shipment remain scarce, and Dinteloord, October, quoted 27s 6d; November-December, 26s, f.o.b., Rotterdam. Belgian granulated, November-December, 24s 6d, f.o.b., Antwerp. There is a good inquiry for Czecho-Slovakian granulated, November-December shipment, with sellers of same reserved. Business resulted at 25s 6d to 25s 9d and 25s 1 1/2d, f.o.b., Hamburg. White Java, October-December shipment to Calcutta, sold, 24s 3d, c. and f. terms. The market for raw refining kinds tends upward on reserved offers, and there is a fair inquiry. Mauritius crystals, afloat, steamer, sold, 30s; October shipment quoted 27s 6d; West India, basis 96 per cent., October, 29s 9d; brown Java, October shipment buyers, 24s 6d. Peruvian basis 96 per cent., October, quoted 25s 6d; Brazilian basis 80 per cent., October, 18s 9d, c.f. and i. terms, U.K. An active and firmer market ensued in the white terminal section September delivery sold, 27s 6d to 27s 9d; October, 27s 6d to 26s 9d; November, 25s 9d to 25s 10 1/2d and 25s 6d; December, 25s 6d, 25s 4 1/2d, and 25s; March, 25s 3d to 24s 7 1/2d; May, 25s 7 1/2d to 25s 9d and 25s. Liquid glucose, spot, 30s 6d cwt.

COFFEE.—Spot market steady for all the finer qualities, and which sold to a fair extent, but demand for inferior descriptions remained quiet. Costa Rica, good to extra-fine bold colour, sold, 118s to 126s; Colombian ditto, 99s to 109s. Future delivery market firm but quiet.

COCOA.—Market barely steady, and general trade proved slow. Accra, F/F quality, new crop, November-January, sold, 30s to 29s 6d, and 30s, f.o.b. terms.

TEA.—Supplies of Indian brought to auction this week were on a smaller scale, amounting to 48,900 packages. With active and better distributed competition prices were not only fully maintained, but in some cases slightly exceeded. All the finer attractive parcels met a ready market. Some choice orange broken pekoe sold, 4s 1 1/2d per lb in bond. Ceylon auctions embraced some 18,680 packages, which cleared to a brisk demand at full rates. Java and Sumatra produced a fair quantity and realised a very good market. New season's China steadily dealt in.

RICE.—There is no new development to note with regard to Eastern grain. Of Burma Two Stars, parcels, September-October, sold, 14s, and buyers, c.f. and i., London. Saigon and Siam steady, but slow. No. 1 garden Siam, September-October, 17s; No. 1 Saigon, 15s 3d, c.f. and i. Spanish, new crop, October, 18s 9d to 19s, c.f. and i. London. American kinds very firmly held with business in force, particulars of which, however, are not forthcoming. It is stated that the crop will fall short of last year by about 3 1/2 millions of pockets (100 lbs each). Spanish, Italian, and Egyptian crops are very favourably commented upon. Japanese peas steady. September-October, sold, 21s; October-November quoted 20s 3d; November-December, 20s. Rangoon haricot beans, hand-picked, October-November, 9s 6d, sellers, c.f. and i. London. Madagascar butter-beans, spot, crop 1922, vary from 18s to 20s cwt, as to quality.

SPICE.—Pepper in moderate support, and market steady. Fair black Singapore, October-December, London standard, quoted 4 1/2d; Aleppy, ditto, 3 1/2d; Muntok, October-December, done, and buyers 6 1/2d for L.S. Zanzibar cloves opened flatly, but improved. October-December sold 1s 2 1/2d to 1s 3 1/2d; November-January, 1s 2 1/2d. Pimento, spot, 2 1/2d per lb. Tapioca unaltered on spot, forward firmer. Flake, Singapore, September-October, to Havre, sold 30s 6d. Penang seed, fair quality, spot, 30s. Sago flour, October-December, quoted 30s 3d. Desiccated coconut firmer. Spot halves sold 41s 6d; forward positions at 40s per cwt. Ginger slow, unaltered.

JUTE.—Market irregular, but with a fair demand and firm undertone on sustained covering orders. First grade, September-October, Continent, sold £20 15s; October-November, £20 17s 6d to £21 2s 6d and £21; November-December, £21 5s to £21; December-January, £21 7s 6d; January-February, £21 10s per ton.

HESSIANS firmer, with a good demand for spot and near parcels. 10 oz, spot, sold, 28s 6d; October-December, 25s 6d; 8 oz, spot, 22s 6d; October-December, 20s 6d 100 yards. A twills, October-December, 75s 3d; B ditto, 66s 3d; sugars ditto, 78s 9d 100 bags.

HEMP.—Manila met a quiet demand at about late rates. J grade, October-December, £31; K, £26; L, £25 10s; M, £24 10s. African Sisal, No. 1 Tanganyika, afloat, £36 10s ton. Indian slow, at late rates.

SHELLAC steady. T.N., spot, 320s; December, sold, 315s to 305s cwt.

GOPRA dearer, with reserve marked on the part of sellers. Demand from crushers is of a very steady character. F.M.S., Straits, August-October, Rotterdam, sold, £28 7s 6d; October-December, £27 12s 6d; Java to £27 10s; Ceylon, October-November, quoted £29 10s; Java ditto, £28; Dutch E.I., October-November, sold, £27 15s; October-December, £27 11s 3d to £27 12s 6d; Cebu, October-November, sold, £27 2s 6d to £27 5s; South Sea, September-October, quoted £27; Seychelles, afloat, London, £28 10s; F.M. Straits, September-October, Marseilles, sold, £27 2s 6d; Manila, October-December, quoted £26 17s 6d. Palm kernels, November-January, Liverpool, sold, £18 18s 9d to £19 1s 3d ton.

RUBBER generally steady, with business on a fair scale. Standard plantation, spot, sold, 15 1/2d; October, 15 1/2d to 15 1/2d; November, 15 1/2d; December, 15 1/2d to 15 1/2d; January-March, 16 1/2d to 16d; April-June, 16 1/2d; November-December, 15 1/2d; January-March, 16 1/2d to 16d; April-June, 16 1/2d. To New York, standard sheet, October-November, sellers, 15 1/2d; November-December, sold, 15 1/2d; December-January, 5 1/2d lb, c.f. and i. terms. Wild, quiet, unaltered.

MENTHOL.—Japanese, spot, 80s; ditto, peppermint oil, 11s 6d to

11s 9d; aniseed oil, spot, sold, 1s 10d; slab camphor quoted 3s 7d lb. **EGG PRODUCTS.**—Prime liquid yolk, spot, sold, 77s 6d to 80s cwt; albumen, spot, 3s 1 1/2d lb.

FRUIT (Dried).—With a continued slow demand for currants, there was only a small business doing during the week. Patras, quarter-cases, quoted 53s; Gulph, 55s; Vostizza, 63s to 66s; Australian, 62s to 66s. New crop, now about due, and Pyrgos, quarter-cases, 50s. Market remained quiet for sultanas at about late rates. Smyrna, good colour, quoted 50s; better qualities up to 67s. Raisins quietly steady. Cape, 48s to 50s. Dates selling quietly. Hallowee, 1st tide, 25s; Siar, 16s, paid, landed terms, London. There was only a quiet demand for evaporated fruits, and in some directions prices were too irregular to quote. Californian pears, 60s to 75s; Australian apricots, 55s to 65s per cwt.

CANNED GOODS.—Reports of the French pack remain unsatisfactory, only large fish being obtainable, and the market is firm. 18 oz, quoted, 16s 6d; quarters of good quality, 9s. Portuguese steady, unchanged. Quarters, 2s 6d to 3s 3d; ditto, 12 oz, 5s to 5s 6d; 18 oz, 9s 6d to 11s per dozen tins. Lobster easier, and fancy halves, quoted 150s to 155s; seconds, 145s. Salmon meets a very quiet market, at previous rates. 1 lb flat reds, labelled, 53s to 53s 6d; ditto, tall, 41s to 42s; 1 lb flat pink, 24s 6d; ditto, tall, 23s; and cases of 96 1/4 lbs, 28s to 31s. Canned fruits remained quiet, but mostly steady in value. Singapore pines, fair quality, spot, 5s 9d; Californian apricots, 7s to 11s; peaches, 8s to 12s; pears, 12s to 14s 6d. Tomatoes slow of sale. Spanish threes, quoted, 6s 3d; Italian, 6s 6d per dozen tins. Canned meats held for steady prices, but there is only a moderate inquiry.

EGG PRODUCTS.—Market is steady, but trade moves quietly. Prime hen liquid yolk, spot, 80s per cwt. Hen albumen, spot, 4s; September-October, 3s 1 1/2d per lb.

OILSEEDS.—Linseed active and dearer. Bold Bombay, September, sold, £22 2s 6d; small Bombay, ditto, £21 15s; Calcutta, afloat, £21 17s 6d; September, sold, £21 12s 6d; September-October, £21 10s. Plate, afloat, £20; September, £20; January-February, £16 15s to £17 5s; April-May, £17 7s 6d. Rapeseed firmer. Toria, September-October, £17 7s 6d; real bold Ferozepore, September-October, £17 7s 6d; Jamba, £13 2s 6d. Cottonseed irregular. Egyptian black, October, £11 5s. Sakellaridis, £10 15s, to Hull. Bombay, November-December, £9 7s 6d; December-January, £9. Gingly seed firm. Large Bombay, October-November, Continent, sellers, £24. Chinese, October-November, £23 15s, Continent. Groundnuts firmer. Coromandel, machine-dried, September-October, £23. Chinese decorticated, f.a.q., October-December, £22; East African, September-November, £22 17s 6d. Soya beans quiet. Manchurian, September-October, £11 15s. Castor-seed firmer. Bombay, September-October, £21 5s per ton.

OILS.—Linseed firmer, with a fair demand for all positions. Spot, net, naked, 42s 6d; September, 41s 3d; October-December, 41s; January-April, 37s 6d. Rape firm. Crude, spot, 38s; refined, 41s. Cotton firm. Crude Egyptian, spot, 38s; Bombay, 36s; common edible, 45s 6d; deodorised (in barrels), 47s. China-wood firm. Hankow, spot (barrels), 92s; September-October, 92s. Cocoanut firmer. Ceylon, spot, 46s 6d; September-October, 44s 9d; Cochin, ditto, quoted 48s. Soya steadier. Oriental, barrels, September-October, 39s. Cod quiet. English, spot, 34s. Groundnuts firm. English, crushed, naked, spot, 46s; deodorised, barrels, 54s. Turpentine irregular. American, spot, 73s 6d; October-December, 74s; January-April, 75s 6d. Rosin firm. American, grade B, 13s; F, 13s 6d; G, 13s 6d; H to I, 13s 6d; WG, 16s; WW, 17s per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil quiet. First pressure, spot, quoted 50s; second pressure, 48s, and pharmaceutical 55s per cwt.

METALS.—Tin opened the week with a strong tone, and prices advanced rapidly, chiefly for near position, which were in good request. Standard, cash, sold at £200 12s to £202 12s 6d, and three months £199 10s to £200 17s 6d. Eastern advances reported sales on the basis of £201 10s, c.i.f. After a further advance, prices became irregular, with an easier tendency on selling desire; but sales were generally on a liberal scale. On Wednesday, standard, cash, sold at £200 7s 6d, and three months £201 to £199 10s and £200 5s. Further sales occurred in the East at £203 15s, c.i.f. The downward movement was continued on the following day, while some irregularity was apparent forward. Standard, cash, sold at £198 to £199, and three months at £198 to £197 10s to £199 15s, while finally registered at £198 10s. At the final meeting prices ruled fully steady. Standard, cash, sold, at £199, and three months at £198 10s to £199 10s to £198 15s

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to £199. English ingots quoted at £199 15s to £200. Copper: Commenced firmly, with a good demand for distant positions. Standard, cash, quoted at £63 5s, and three months sold at £63 11s 3d to £63 15s. Later, however, rates gave way slightly, but at the lower range active dealings were recorded. By the middle of the week standard, cash, sold at £63 17s 6d to £63 5s, and three months £64 5s to £63 12s 6d to £63 13s 9d. Quiet trading ensued at Thursday markets, and sellers were obliged to make concessions; demand was mainly directed to three months. Standard, cash, sold at £62 16s 3d, and three months at £63 12s 6d to £63 5s to £63 7s 6d. Again easier on the following day, with liberal sales. Standard, cash, sold, at £62 5s, and three months £62 15s to £62 12s 6d. Electrodes, £66 15s to £67 5s; best selected, £65 10s to £67; strong sheets, £66; wire bars, £67 5s per ton. Lead firm at £26 5s to £25 10s, as to position. Spelter steady at £33 to £32 7s 6d, according to position. Antimony steady, but quiet. English regulus, £34 10s to £35. Aluminium quiet. Home trade, £115; export, £120.

TALLOW.—Messrs Colchesters and Woolner write on September 26th as follows:—The tallow market was firm during the week, and prices averaged 9d dearer to-day. As prices have advanced, the margin between fine and inferior qualities has shown a tendency to increase. At auction to-day 1,287 casks tallow were offered, and all were sold. Quotations are:—Australian mutton: Fine, 43s 6d; good to fair, 42s 9d to 41s 6d; dull to dark, 38s to 37s; hard, 42s 9d. Australian beef: Fine, 43s; good to fair, 41s 6d to 39s 6d; dull to dark, 37s to 36s 6d; sweet, 43s 3d. Present shipment from Australasia: good mixed, 41s 6d asked. Present shipment from South America, 40s to 39s. The market letter is dearer. Tallow, 1s; stuff, 1s. Town tallow, 36s 6d per cwt. Rough fat, per 8 lbs, 2d; melted stuff, 27s 6d per cwt. Quotations are:—Town, 35s 6d, net cash, naked, ex works. Country: Frail casks, 35s 6d; home melted, shipping casks, net, f.o.b., good coloured, 39s; fair to dull, 36s 6d to 35s 6d. Bone fat: White, none; pale, none; benzine, 33s; melted stuff, 33s 6d, f.o.b.

METROPOLITAN CATTLE.—SEPTEMBER 27.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	s
Beasts—Herefords	6	6	6 10
Shortfords	6	4	6 8
Devons	6	8	7 0
Norfolks	nominal		
Souths	nominal		
Irish	6	4	6 6
Fat Cows	nominal		
Beasts—Heavy Bulls	s	d	s
Canadian	6	4	6 8
Sheep—Downs	10	4	
Ewes	6	0	6 6
Scots	10	0	
Lamb—Downs	12	0	

LONDON POTATO MARKETS.—SEPTEMBER 27.

	Per Cwt.	s	d	s
English (new) Sharpe's	5	6	to	6 6
Express	5	0		
Elipse	5	0		
King Edwards	6	0		7 6
British Queens	s	d	s	d
Majestic	6	0		5 6

CONSOLIDATED MAIN REEF

MINES AND ESTATE, LTD.

(Incorporated in the Transvaal.)

Extracted from the Annual Report for the year ended 30th June, 1923.

Capital, £1,247,602 in 1,247,602 Shares of £1 each (all issued).
NOTE.—Of the above Issued Capital 85,207 ex-Enemy Shares have been purchased and are held by the Company.

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MAJOR C. S. GOLDMAN. J. L. JOURDAN. P. DREYFUS.
A. A. AURET. J. MUNRO. F. RALEIGH.
SIR EVELYN. SIR ABE BAILEY, Bart. J. H. L. MANISTY.
WALLERS, K.B.E. K.C.M.G., M.L.A.

Tonnage Milled, 621,700.

	Total Working Revenue	£	s	d	Per ton milled.
Total Working Costs	£886,652	7	2		£1 11 9
Working Profit	£191,776	17	3		1 6 4
	£167,475	9	11		20 5 5

Total Profit for the year .. £174,999 2 1
Balance unappropriated at 30th June, 1922 .. 157,152 0 9
£332,151 2 10

This amount has been dealt with as follows:—
Expended on Equipment .. £39,444 19 3
Consolidated Main Reef
Mines and Estate, Ltd.—
Expenditure in connection with the further purchase of ex-Enemy Shares .. 5,079 17 8
Forfeited Dividends—Refunded .. 52 11 9
Government and Provincial Taxes .. 27,989 2 2
£72,546 10 8

Dividend declared during the year:—
Butter—per cwt. .. £259,604 12 2
No. 28 of 6d per cent. on 1,212,395 Shares .. 75,770 18 9
Leaving a balance unappropriated of .. 183,833 13 5

The ORE RESERVES at the 30th June, 1923, were estimated as follows:—1,070,600 tons, having an average value of 7.3 dwts. over an average stoping width of 49 inches.

The full Report and Accounts (with plan of workings) may be obtained from the London Secretaries, A. MOIR AND CO., No. 1, London Wall-buildings, London, E.C.2.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

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Reserve ... " 180,000,000
Deposits ... " 5,359,000,000

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THE MONEY MARKET.

HAVING turned the corner of the Michaelmas quarter more comfortably than it expected, the market was slightly disappointed by the absence of extreme ease this week, which had been anticipated in view of the large interest payment at the beginning of October. The Bank return showed a net increase of less than three millions in the Government securities, so that most of the sum borrowed on Ways and Means advances from the Bank had ap-

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			
00000—Daily, British grown	s	d	s
25s. 4d. foreign 25s. cwt.	4	6	4
Trinidad, per cwt.	46	8	7
Grenada	37	0	4
Ceylon, plantation	65	8	5
Guayaquil	53	0	7
Bahia, finest	43	8	4
COFFEES—British grown			
25s. 4d. foreign 25s. cwt.	46	8	7
25s. 4d. local 25s. cwt.	46	8	7
Costa Rica, ord. to mid	89	0	105
Good to fine	108	0	125
Central America, 7d.	88	0	88
Ord. to mid	90	0	90
Mid. to fine	90	0	90
Colombian, ordinary ..	62	0	64
Do. ord. to low mid ..	68	0	68
Do. mid. to fine	85	0	108
CHERRIES—			
Acid, black	1	4	1 4
Norfolk	8	2	4
Orlando, net	8	2	4
Tartarian, English ..	1	1	8
Foreign	1	1	8
Alum lump	13	0	13
Do. ground	13	0	13
Ammonia, carb., ton ..	27	15	27
Muriate, white, ton ..	30	0	35
Sulphate	217	0	18
Arsenic, lump, per ton ..	80	0	85
Powder	60	0	65
Ashe, pot., per cwt ..	70	0	80
Pearl do	80	0	80
Bleaching pwr., p. ton ..	9 0/0	9 0/0	
Borax, gran., cwt ..	24	0	0
Do. crystals	25	0	0
Do. powder	25	0	0
Oran Tartar	85	0	88
95% powder	84	0	88
Camelot	4	10	4 11
Iodine, dry	1	1	1
Nitrate of Soda, p. ton ..	13 10/0	14 0/0	
Potash—			
Chlorate, net	8	4	8 4
Fromate	1	2	1 3
Do. Foreign	1	1	1
Sulphate	18	0	19
Sal-Acetone	1	1	1
Sal-Ammoniac, per cwt ..	67	0	60
Soda-Bleach, per ton ..	28 0/0	19 10/0	
Crystals, per ton ..	5 0/0	5 0/0	
Alkali	7 12 1/2	0 0/0	
Canale	16 17 1/2	18 7 1/2	
Sugar of lead white, ton ..	0 0/0	0 0/0	
Foreign white	240	0	41
Sulphate	2	2	2
English Brands	2	2	2
Foreign do	2	2	2
Sulphate-Copper, p. ton ..	26 0/0	26 10/0	
Sulphate-Zinc, p. ton ..	10 0/0	11 0/0	
Do. Roll	9 10/0	10 10/0	
Verdigris, p. lb ..	1	4	4
English	27	0	0
00000—per lb ..	27	0	26

parently been repaid by Wednesday evening. Even so, however, the sum at the credit of the Other deposits seemed to indicate greater ease than was actually experienced. Discount business was still very stagnant, and rates eased off slightly, January Bank bills being taken at $3\frac{1}{16}$ to $3\frac{1}{8}$ per cent., while November Treasuries were wanted at $2\frac{1}{2}$ per cent, and Decembers at $2\frac{1}{8}$ per cent. Yesterday the Treasury bills went at a rather lower rate than was expected, but market conditions were not affected.

	Oct. 5, 1923.	Sept. 28, 1923.	Sept. 21, 1923.	Sept. 14, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses' Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{1}{16}$ to $3\frac{1}{8}$	$3\frac{1}{16}$ to $3\frac{1}{8}$	$3\frac{1}{16}$ to $3\frac{1}{8}$	$3\frac{1}{16}$ to $3\frac{1}{8}$	..

The Bank return showed a decrease of £780,000 in the Reserve, almost entirely due to increased note circulation. Government securities rose by $2\frac{1}{2}$ millions, and Public deposits declined by 2 millions. Other deposits were thus 4 millions higher. Currency notes outstanding were increased this week by £1,158,700 to £283,942,900, which includes £1,445,600 for notes called in, but not yet cancelled. The fiduciary issue is £233,047,300, or £37,136,500 below the maximum.

THE STOCK MARKETS.

In the Consol market and in a few special sections like the tea share market, where some profit-taking developed, business this week has been on a fairly heavy scale; moreover, the supply of first-rate stocks is not always adequate to the demand. But, taking the markets as a whole, the restraining influence of foreign politics is checking activity, and the public is adopting a waiting attitude as regards the more speculative sections. Australian issues were affected by the big new Commonwealth Loan, but War Loan, and Conversion Loan (the latter after exceptional weakness) improved. In the foreign market the feature has been the decline in French bonds on the German situation, and the continued recovery of Japanese municipal issues. Home Rails lack interest, and the Argentine group is easier. Oil shares weakened, and prices of rubber shares were inclined to droop. Good industrial preferences and debentures are being steadily bought. South African mines were cheerful, Chartered advancing on the Government payment, but other mining sections remained dull.

THE COMMODITY MARKETS.

Irregular movements, with a tendency to higher prices, are the features of the commodity markets. Our Cardiff correspondent reports that the depression in the coal export trade has been felt more acutely this week than perhaps at any other period this year. Makers of pig-iron are getting a little relief by reason of rather easier coke prices, but manufacturers of iron and steel are acutely affected by the boiler makers' strike. The price of tin improved sharply, and copper values were a shade better. Wide fluctuations in raw cotton rates continue to have an unsettling effect in the trade, and buyers act with extreme caution. Continental competition is keeping wool values out of reach of home manufacturers. Wheat prices have advanced. General stability was again the salient feature in the sugar market, while tea of the better descriptions realised high prices. American demand supported rubber values, although prices were inclined to show some irregularity. Linseed and linseed oil continues to be in firm demand. Prices in the hide market are slightly higher.

FOREIGN EXCHANGES.

In the foreign exchange market the disturbing developments in Germany have had a further depressing influence, from which most of the important Continental currencies have suffered. Sterling, however, after some depression, the rate having at one time on the 2nd being

quoted as low as \$4.53 $\frac{3}{4}$, has recovered again, and showed yesterday a firm tendency at \$4.55 $\frac{1}{2}$, an improvement of nearly $\frac{1}{2}$ cent on the preceding week. No definite cause has been assigned for this movement, but it should be noted that prices are again on the upward move in the United States, a tendency which, if it continues, must find its reflection in exchange quotations. Forward dollars are quoted at $\frac{1}{16}$ to $\frac{1}{8}$ cents per month above spot. In German marks there are now very few dealings at all. The rate, after its partial recovery last week, has again gone to pieces, the quotation yesterday being about 2 milliards, after having been $2\frac{1}{2}$ milliards the day before. The plans for the introduction of the proposed "basic" mark have, of course, fallen again into the background as the result of the present crisis. The Paris rate has been affected by the general depression, and has moved from 73.92 $\frac{1}{2}$ on the 25th to 77.00 yesterday morning, after being as high as 78.25 on Thursday. In addition to the German position, there is also the adverse influence of the last return of the Bank of France, which shows an increase of 904,000,000 in note circulation and a heavy increase in advances to the State. The Brussels rate has moved equally sharply from 87.05 to 91.50, after being at one time as high as 93. Forward rates in Paris are 5 to 6 centimes per month over spot, in Brussels 5 to 7 centimes over spot, a considerable widening as compared with last week's figures. At 101 $\frac{1}{2}$ the lira has also depreciated sharply from 99 a week ago. Among neutral exchanges, Amsterdam, in sympathy with the dollar, has moved in our favour from 11.57 to 11.59 $\frac{1}{2}$, while Stockholm, under the same influence, has moved up from 17.15 $\frac{1}{2}$ to 17.17 $\frac{1}{2}$. In the same way, also, the Swiss rate has depreciated slightly from 25.42 $\frac{1}{2}$ to 25.47 $\frac{1}{2}$. Madrid is rather higher at 33.52 $\frac{1}{2}$, as compared with 33.14 a week ago, and both Christiania and Copenhagen have moved up to 28.94 $\frac{1}{2}$ and 25.75 $\frac{1}{2}$ respectively from last week's quotations of 28.60 and 25.41 $\frac{1}{2}$. Helsingfors, however, has steadied at 169 $\frac{1}{2}$. In Central Europe Vienna remains fixed at 322,500, but Prague has shown a rather sharper movement than usual lately from 151 $\frac{1}{2}$ to 153 $\frac{1}{2}$. Bucharest remains about the same at 985. Warsaw, in spite of vigorous attempts at financial reform, is finding itself swept away for the time by the collapse of the German mark, and the rate has risen rapidly during the week from 1,400,000 to 3,000,000. In the East the rupee is 1-32d higher at 1s 4 $\frac{1}{2}$ d, the yen is about the same at 2s 2 $\frac{1}{2}$ d. The silver market has been active, with heavy bear covering from India, which brought up spot prices with a run. At the end of the week, however, a reaction came with sales from China. The Shanghai rate of 3s 1 $\frac{1}{2}$ d is lower than the 3s 1 $\frac{1}{2}$ d quoted a week ago. In South America Rio has got dearer from 5 3-32d to 5 11-64d, but Buenos Ayres has relapsed a little from 39 $\frac{1}{2}$ d to 39 $\frac{1}{4}$ d, and Monte Video from 40d to 39 $\frac{1}{4}$ d. Valparaiso, on the other hand, has appreciated from 36.70 to 37.60 pesos.

NATIONAL ACCOUNTS.

FINANCIAL YEAR, 1923-24 (April 1 to September 30, 1923).

Total Expenditure ..	£ 362,832,762	Raised by Revenue ..	£ 365,829,941
Net Repayments	5,384,022	Decrease in Balances	2,386,831
Total	368,216,784	Total	368,216,784

ESTIMATES for YEAR 1923-24.

Ordinary Expenditure ..	£ 801,013,000	Ordinary Receipts ..	£ 778,500,000
Special Expenditure ..	15,603,000	Special Receipts ..	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found reports of the following company meetings:—General Mining and Finance Corporation, Anglo-Siam Corporation, and Frederick Hotels. The chairman of the Anglo-Siam Corporation referred to Government measures to stabilise the Siamese exchange and to the effect which the latter has had on trade. At the meeting of Frederick Hotels Mr. Ronald Peake was optimistic as to the outlook.

THE OPENING OF THE IMPERIAL CONFERENCE.

THE reasons for according a hearty welcome to the Dominion statesmen who are conferring in Downing street this week are more than sentimental. It is true that settlement in Europe is the paramount problem of the day. But in facing this problem the overseas members of the British Commonwealth have some contribution to make, and at the same time cannot escape a certain responsibility arising out of the war in which they all participated with the Mother Country in a common effort. Even were this not so, we should still regard the assembling of this Conference as wise and timely, not merely because of exceptionally difficult economic circumstances of the day, nor on account of elusive hopes of making new markets to replace the old, but because the problem of Empire development in its various aspects is second only in immediate importance to the problem of European settlement. Of these aspects, the political is at the moment the most important. But there is also the material side, as General Smuts reminded us picturesquely when he said: "We have an enormous estate, which is very largely undeveloped, and we shall be rendering not only a great service to the Empire, and to its various component parts, but to the whole world, if we develop this great estate that has been entrusted to our care." Another notable feature of the Conference is that the Irish Free State for the first time takes part as an autonomous Dominion in the counsels of empire.

The speech with which the Prime Minister of Great Britain opened the Imperial Conference, on Monday, has been severely criticised in certain quarters. In the ears of some critics it smacked of the heavy formality of a King's speech. By others it was attacked because it omitted to give an explanation of the *communiqué* issued in Paris after the talk between the French and British Premiers. This omission is presumably explained by the simple fact that there was nothing to disclose. Indeed, in our opinion, the only inexplicable thing about that *communiqué* was that anyone paid any more attention to it than used to be paid to the monotonous statements of "harmony of view" during the war, and the years that followed. The fact that any large body of the public believed that the Baldwin-Poincaré *communiqué* meant anything is in a way a testimony to Mr Baldwin, for it indicates that the public have reacted from the low war standards, and are now looking for a greater degree of straightforwardness in the public statements of Ministers than they were accustomed to under Mr Lloyd George's régime, when the periodic announcements of "complete concord" with France were rated on much the same level as were war rumours emanating from Amsterdam *via* Rome. Apart from the suspicion of frigid formality, Mr Baldwin's speech was an excellent performance, for he succeeded in striking the right note all through, and particularly in the concluding passage, when he said: "I weigh my words when I say that we shall achieve agreement and so strengthen the bonds which unite us only in so far as each and all of us are seeking how to relieve, not only our own difficulties and troubles, but those also of a distracted world." This sentence reveals a deep-rooted sense of fundamentals, and we trust that Mr Baldwin will have it well imprinted on his mind when some aspects of the Preference question come up for consideration. One other speaker who, both at the full Conference on Monday, and at the economic assembly on Tuesday, succeeded in striking a deep chord, was General Smuts, who not only in the phrases quoted above, but in almost every sentence revealed conspicuous grasp of the root of things.

As we said last week, the political questions before the Conference transcend other questions in importance. It is not through tariff manipulations and bickerings that the Empire can be cemented. The only high road to unity and sound development lies through the establishment of a common outlook on world affairs, and of common objectives, which in the main must be political. Among thinking people of all sections of opinion, it is recognised that the political problem of the Empire has arisen in a

new form which calls loudly and urgently for solution, and if the present Conference can take a step towards such solution it will have accomplished a great work. Mr Lloyd George's telegrams to the Dominions at the time of the Chanak crisis caused profound uneasiness throughout the Empire, and stimulated the demand of the overseas Governments to be kept in close touch with foreign policy. Since that unfortunate affair the Foreign Office and the Colonial Office have established a *liaison*, and have carefully kept the Dominions informed of any important diplomatic movements. In one way or another this *liaison* ought to be capable of development, and the problem is therefore probably not as difficult as it is made out to be. It is nevertheless difficult, for the people of the Dominions are notoriously, and quite naturally, sensitive about any arrangement which conveys the least suspicion of Downing Street domination. For instance, the mere suggestion that a small permanent body representing the Imperial Conference should be set up here in *liaison* with the Foreign Office is regarded in Australia as nothing better than a device for establishing such domination. Were it not for the fear that the proposal would arouse similar criticism, there is reason to believe that the British Government would like to approach the problem by suggesting that diplomatic representatives should be attached to each of the London headquarters of the Dominions; and there is, we believe, little doubt that Mr Baldwin would welcome such a proposition, if it should come from the Dominions themselves.

At the Economic Conference on Tuesday the chief subjects to be discussed were mentioned in preliminary manner by the various speakers, and among the chief were emigration, financial assistance for Empire development, and Imperial Preference. On the subject of emigration, Mr. Massey, the Prime Minister of New Zealand, complained that the majority of British emigrants were going to foreign countries, and were "lost to the Empire." This complaint contains elements of truth and good sense. But, on the other hand, a policy of confining British emigration to the Empire would under present circumstances be impossible, and even if it were possible in one case at least undesirable. To cut off the stream of British stock into the United States would tend to dilute the Anglo-Saxon element in that country. This would be a disaster to those, like ourselves, who regard a growing community of outlook between the United States and the British Empire as one of the most important factors in the world making for peace and progress. Then, again, the Empire's capacity for receiving increasing numbers of British immigrants is limited by the fact that agricultural development in the Dominions, as elsewhere, has been accompanied by an intensive use of labour-saving machinery; so that a large increase in successful migration from the home country to the other countries of the Commonwealth demands as its condition a degree of industrial development in those countries, which must take time, and for which they may or may not feel themselves at present prepared. Sir Philip Lloyd-Greame, the President of the Board of Trade, laid particular stress on the stimulus to Empire development that might be provided through an extension of the Trade Facilities Act and other plans of financial assistance. This, in our opinion, is the most hopeful line on which the Economic Conference can pursue its investigations.

The preliminary discussions on Imperial Preference raised one or two points that call for notice. In particular, a remark by Mr Massey, in connection with the question of the grant of tariff preferences by Great Britain, that "it will be for this Conference to advise the British Government what should be done," cannot pass unchallenged. Fortunately, this ill-advised suggestion of dictation on fiscal policy was counteracted by General Smuts, who, after Mr Massey had spoken, was at pains to disavow any intention "to launch an attack upon your fiscal policy" or to impinge upon the British Government's perfect freedom "to settle the fiscal policy of their own country, as they have always done hitherto." Nor can some other points in Mr Massey's speech be allowed to stand. In the first place, he attributed the passing of the sugar scarcity of the war period to the preference accorded to the West Indies—a claim too patently absurd to require statistical refutation. From this he went on to argue that the big step towards

Empire self-sufficiency, which he apparently believes has resulted from the preferential duties on sugar and tea, might be repeated in the case of even more important commodities. If, as we may presume, he has wheat in his mind, we would respectfully call his attention to the following figures, compiled from the official returns, which show the proportion of British wheat imports obtained before the war, during the war, and since the war from foreign countries and from the Empire.

ANNUAL AVERAGE WHEAT IMPORTS of the U.K. (Million Cwts.)				
	From Foreign Countries.	From Within the Empire.		Total.
Pre-war years 1904-14	68.4	47.8	.....	116.2
War period 1915-18	69.9	35.9	.....	105.8
Post-war period 1919-1922 ..	65.6	44.5	.....	110.1

The only individual years in which the United Kingdom obtained half or more of its imported wheat from within the Empire were 1912 and 1914. During the war period, when self-sufficiency, if ever, was surely of enhanced importance, the actual and proportional takings of wheat from the Dominions fell off, the sources from which the deficiency of receipts from Russia were made up being largely determined by compelling reasons of distance and shipping scarcity.

We trust that fallacious-founded illusions about diverting trade channels will not distract the attention of the Conference from useful work; for it has a real opportunity for achievement. That opportunity will be seized if it approaches its problems with a grasp on the fundamental ideas of Imperial development, and on the material side reveals an ability to eschew the pursuit of will o' the wisp and to concentrate on sound business propositions.

THE COMMON WILL IN INTERNATIONAL AFFAIRS.

A CORRESPONDENT writing from Geneva to *Headway*, the organ of the British League of Nations Union, calls attention to the striking fact that although the Assembly discussions this year have been robbed of much of their interest owing to the Italo-Greek dispute (which made it necessary to reduce the opportunities for inflammatory speeches to a minimum), the secondary and detailed work of the League, which is conducted in the Commissions, has aroused an unexampled amount of public interest. There has been an exceptional number not only of persons connected with various organisations, but also of private visitors, and evidence has been forthcoming that the international co-operation in various fields which is centred in the League is making its appeal to a steadily widening public. In finance, for example, the Austrian experiment has made everyone realise that the League is an organ to be taken seriously. The International Chamber of Commerce, whose influence, in its turn, is slowly percolating through commercial circles in many countries, is now working in harmony with the League, after having been at first somewhat suspicious as to what functions the League could properly assume in the commercial sphere. The League's economic and financial publications are now standard works of the highest authority and prestige. A similar record of ground consolidated could be given of many other spheres of League activity.

It is, however, in the political sphere that the League has advanced most this year, and developed from a vague and indefinite institution into a definite political influence which has to be reckoned with in Europe. The League has put its infancy behind it, and has reached the stage where its influence and the ideas for which it stands must measure their strength against the older methods of diplomacy and against narrow and selfish nationalism in politics. Every one realises that the League has played a leading part in the recent crisis in Europe. It is not so generally appreciated that it has asserted power.

It has not done this as an independent unit; but its influence, as must always be the case, has been proportionate to the degree of support given to it by its member States. The most important factor has been the attitude of the British Government, which has unreservedly committed itself to the view that the League is the most hopeful means to-day of solving the political issues of

Europe. We need not delay to refer to the currents of opinion which have led every political party in Great Britain to put active support of the League in the forefront of its political programme. It is more pertinent at this moment to observe that in adopting a strong League policy an important influence has been the attitude of the Dominion Governments. The political future of the British Empire is by no means easy to foresee, and it is not made simpler by the fact that the Dominions count as entirely independent voices in the League of Nations. This status seemed to follow naturally in 1919 from the great contribution that the Dominions made in the war. But in the rush and confusion of the Peace Conference we doubt if its full implications were more than half consciously appreciated by the British statesmen who insisted so strongly on this recognition. After three years, however, of experience, the Dominions attach more importance than ever to their position at Geneva, for to them it is not only a formal sign of their nationhood, but it is also the one channel through which they directly have a say in world affairs. In the Chanak incident, the Dominions found themselves almost at war without warning. In the case of the Corfu incident, if events had unfortunately led to economic or military sanctions being invoked, the Dominion representatives would have been present to give their vote on an equal footing with other interested nations.

The attitude of France is even more instructive and important. France has aspired to play the rôle of diplomatic leader in Europe. Last month she suddenly realised that there was growing up an independent force at Geneva with which she must put herself in harmony if she did not wish to arouse its hostility. There has always been a certain body of opinion in France which has heartily supported the League. To-day almost the whole of France, including the Government, is actively alive to its political importance, and we shall certainly see much more attention paid in France to the study of this new factor in Europe. Thirdly, it needs no gift of prophecy to see that German scepticism about the League will certainly become steadily modified with the realisation that at Geneva there is a machine through which there is being created a European opinion.

In short, it is commonly realised that the League has recently shown signs of developing a will of its own. This is, perhaps, not a correct phrase, for the League is merely a combination of Governments and peoples, and its will is the result of this combination. But this "common will" is something new, and the fact, which emerged last month, that there is in existence a means of giving expression to it, sets the present League of Nations on an entirely different plane from all former international organisations, such as the Court of Arbitration at the Hague or previous alliances or agreements.

For the politicians of the future the study of this common will is likely to be of the utmost importance, and philosophers will have to discuss not merely in terms of individuals, but now in terms of nations, whether and how far a common will is something different from the average of its component parts, and whether and in what ways it will react upon the national will of the individual nations composing it. That there will be such reactions is certain; for, as Governments act increasingly through the League, and as large sections of public opinion study and understand foreign problems better, policy will be directed with more conscious reference to the needs and the points of view of other nations. It is no more possible in international associations than in the case of trade associations or associations of individuals for any purpose whatsoever to enter into mutual relations without each member modifying to some extent his individual wishes, outlook and policy.

It may be objected that such confident assertions with regard to the League's position in Europe seem inappropriate after a session in which its authority has been flouted, apparently with success, by one of its leading members. An appeal to authority would show that the view we hold has been definitely supported this week by the Prime Minister and by General Smuts at the opening meeting of the Imperial Conference. We prefer to state quite clearly our own grounds. We believe the simple fact to be that the action taken by the Italian Government was decided upon without the least conception of the

OUR INDEX NUMBER.

CHANGES in commodity wholesale prices in September have restored our Index Number to approximately the level registered at the end of June last, an advance of 117 points in September, together with the very slight increase recorded in August, having sufficed to offset the decline of 119 points which occurred in July. The latest total is 4305, which compares with 4301 at the end of June and 4440 at the end of April, the highest point touched this year. As will be seen from the table below, last month's increase is entirely accounted for by the textile and subsidiary food groups, changes in the other sections being almost negligible:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Oils, &c.).	Total.	Percentage Change.
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	352	616½	464½	553	2565	116.6
" Dec., 1915	897	446	731	711½	848½	3634	165.1
" Dec., 1917	1286½	686	1684½	839½	1348½	5845	263.2
" Nov., 1918	1289	782½	1848	903	1389½	6212	282.6
" Mar., 1920	1508	914	2974½	1246	1709½	8352	379.6
" Dec., 1921	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921½	636	1106	762	951½	4357	198.0
" June, 1922	1000½	676½	1135	690	887	4389	199.5
" Sept. "	873½	682½	1116	699	818	4189	190.4
" Dec. "	861	706	1184½	705	807½	4264	193.8
" Jan., 1923	860	711½	1205½	739	808	4324	196.5
" Feb. "	847½	746	1201	797½	810	4402	200.1
" Mar. "	824	752	1178½	840	797½	4392	199.6
" Apr. "	858	752	1199	834	797	4440	201.8
" May "	869½	772½	1166½	818½	785	4412	200.5
" June "	815½	773½	1177½	773½	761	4301	195.5
" July "	813½	756	1115½	744½	746½	4182	190.1
" August "	828½	762½	1119	734	744	4188	190.4
" Sept. "	823	782	1222½	732½	745	4305	195.7

Among cereals and meat there were a fair number of changes, and these were mostly in an upward direction, but they were neutralised by a relapse of 24 points in pork, which rose by 20 points in August. Barley and rice rose by 11 and 9 points respectively, although in the case of the latter crop reports are favourable. In subsidiary foodstuffs the principal change was a rise of 10½ points in butter. Cane sugar has also risen. Commenting, in their latest fortnightly report, on the rise in prices, Messrs. Czarnikow, Limited, write that the motive power for the rise emanated from New York, where the statistical position is now making itself felt. "That America would be hard up for sugar during the latter part of the year was to be expected, in view of the short Cuban crop, and we should doubtless have had firmer markets during the summer months had it not been for the large invisible stock which kept down meltings. As the United States are mainly dependent on Cuba for their supplies, holders of sugar in that island are in a strong position, as the unsold portion of the crop cannot be a large one." There was a further small rise in tea prices. In the textile group, cotton, wool, and silk have all had a share in the advance, the last-named being most prominent owing to the expected effect upon supplies of the Japanese disaster. Raw cotton, yarn, and cloth have moved up substantially as a result mainly of the unfavourable nature of the American crop forecast. At the wool auctions prices for both merinos and crossbreds ruled about 5 per cent. higher than in previous sales in July. According to Messrs. Schwartz, Buchanan, and Co., competition was well maintained at the sales. "As in the previous sales, France and Belgium took the bulk of the merinos and fine crossbreds. The home trade operated sparingly in merinos, and then only in the broader stapled warp wools, but lifted the bulk of medium and coarse crossbreds." Flax, hemp, and jute were each a trifle lower on the month. In the minerals group there was a further small decline in pig-iron and steam coal, but tin and lead were both a little higher on the month. We make further reference to the non-ferrous metal markets in a Note of the Week. Changes in the miscellaneous group were of slight importance.

The month's changes in each commodity's index are shown in the following table, the figure 50 representing,

stern it would bring about their ears. But, having acted, Signor Mussolini could only have retreated from his position at the cost of losing his power in Italy. For the League to have carried the difference of view to a definite issue would thus have meant bringing pressure to bear which would have altered the internal government of Italy. In view of similar awkward actions in the past by Great Britain, the United States and France, an attempt to impose a higher standard upon Italy, under conditions which would apparently have met with the united opposition of the Italian people, would have been a difficult task over which the League would probably have come to grief altogether. In the result, peace has been maintained, Italy has retreated from Corfu, while a very unsatisfactory compromise has been reached on the payment of an indemnity—whose only merit is that it has served to cover the retreat of the Italian Government in other respects. The fact we wish to emphasise here, however, is not the terms of the settlement, but the certainty that neither Signor Mussolini nor any other Government in Europe, whether it be autocratic or democratic in its constitution, will again take drastic action without seriously considering, as one of the major factors in the diplomatic situation, what effect it will have on general opinion as expressed through the new organ—the Assembly of the League. This is a modest conception of the immediate power of the League, which has been fondly conceived by many as a heaven-sent invention capable of assuring forthwith an era of international peace. That higher conception is far from realisation while three leading nations of the world remain outside. The League is not an infallible support, but to have it on your side is at least the equivalent of the support of one of the major Powers, and might be worth considerably more. The demonstration that the "common will" of Europe may be organised into an effective influence is the best assurance that one day the League membership will be all-embracing.

To those sceptics who are accustomed to repeat the silly untruth that human nature never changes, we would point out that the development we have described is not an artificial thing manufactured by impractical idealists, but is the natural result of world-wide inter-communication, travel and the spread of knowledge. The transporting of millions of young men from the American and Australasian continents to Europe in the war was a fact of enormous educational influence, which largely explains why the Press of the most distant parts of the world finds it worth while to report the progress of European affairs; there are very few people among the industrial working classes in any country in the world to-day who do not appreciate and occasionally think about the meaning of depreciated exchanges and international competition. The fact that the world is more than ever a political and economic unity makes it inevitable that during the 20th century there will be a steadily growing international outlook which will find its political expression in the development of a common will such as that which has just been making its voice heard at Geneva. This evolution in the international sphere is as certain as was the spread of democratic institutions in individual countries in the 19th century.

A word in conclusion as to the question raised recently in the *Times* by Lord Hugh Cecil, who claimed that, though the recent action of the League might have been good for peace, it had been bad for justice. In response to this, Sir Ian Hamilton replied proclaiming loudly that at all costs the League must stand for justice though it should perish in the attempt. "Fiat justitia, ruat coelum." We may unite with Lord Hugh Cecil in regretting some of the features of the final settlement in the recent crisis. But we do not think there is any reason to fear in the long run that the League of Nations is in danger of becoming a machine for producing unsatisfactory settlements based upon opportunism or compromise between conflicting national interests. If we are right in thinking that the League contains the seeds of an international common will, we may rely upon it that its impulse will be in the direction of justice. Its influence will always be modifying action from a less just to a more just course. Perfect justice is unattainable in this world. But the stronger the League becomes the nearer will the relations between nations approximate to that ideal.

in each case, the average price during the basic period 1901-5 :—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	83	+ 13	Cotton, A.	154	+ 15	Copper	52	..
English	67	- 3	Cotton, E.	126	+ 11	Minerals	732	- 1 1/2
Flour	74	..	Yarn	148	+ 20			
Barley	85	+ 11	Cloth	134	+ 7 1/2			
Oats	77	+ 1 1/2	Wool, Eng.	138	+ 2 1/2	Balsa timber	103 1/2	..
Potatoes	75	..	Do Aust.	130 1/2	+ 8	Amer. timber	90	..
Rice	110	+ 9	Silk	164 1/2	+ 4 1/2	Leather	59	- 1
Beef	70	- 2 1/2	Flax	111 1/2	- 3	Petroleum	92	..
Mutton	92	+ 1	Hemp	44 1/2	- 1	Oils	73	+ 1
Pork	87	- 2 1/2	Jute	70	- 1	Oilseed	77	+ 2
Cereals & meat	82 1/2	- 5 1/2	Textiles	1,222 1/2	+ 103 1/2	Tallow	63 1/2	..
Tea	148	+ 4	Pig-iron	103 1/2	- 4	Indigo	87	..
Coffee	90	..	Steel rails	92	..	Crystals	85 1/2	- 1
Sugar, cane	215 1/2	+ 5	Iron bars	92	..	Rubber	14 1/2	..
Sugar, beet	113 1/2	..	Coal, steam	132	- 4 1/2	Miscellaneous	745	+ 1
Butter	99	+ 10 1/2	House coal	87	..			
Tobacco	116 1/2	..	Lead	109	+ 4	Total	4,305	+ 117
Other foods	782	+ 19 1/2	Tin	78	+ 3			

These changes restore wholesale prices to a level 67.8 per cent. above that of the end of July, 1914, as against 63.3 per cent. a month ago and 63.1 per cent. at the end of July, the lowest point touched since the Armistice. The table below shows how each group stands in relation to the level of July, 1914, which is taken as 100 :—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec., 1921	233	229	209	261	230	230.9
Dec., 1922	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
June "	141	220	191	167	137	167.7
July "	141	215	181	160	135	163.1
August "	143	216	182	158	134	163.3
Sept. "	142	222	199	158	134	167.8

Last month's increase in textiles has put that group at the highest figure recorded for over two years, while subsidiary foodstuffs are also at the highest point for a long time past. As compared with the end of June, when the total was practically the same as it is now, textiles are considerably higher, but minerals have fallen by a still larger amount.

THE IMPERIAL CONFERENCE: A DOMINION VIEW.

(BY OUR NEW ZEALAND CORRESPONDENT.)

THE first conference of British Premiers to meet in consultation after the world war is an event of international as well as Imperial importance. The problems of constitutional structure, of foreign policy, and of defence that must arise are both urgent and difficult. The British Commonwealth will, in fact, have to decide and declare its policy and build its machinery in relation to the embryonic world commonwealth that is struggling to birth. The decisions, and even the declarations, of the British League of Nations must clearly have an enormous influence upon the future of the wider League.

It is a little difficult at the Antipodes to glean reliable information of the probable procedure of the conference. The cable services are, perhaps, not quite untouched by party bias, or by a desire to provide news that is thought to be acceptable to colonial ears. From whatever reason, there is a steady neglect of the wider constitutional questions and an insistent emphasis on economic problems. Indeed, the conference is consistently described as an Imperial Economic Conference. It may be that this designation is not an accident, and that the conference has in some degree been instigated by those at home who see in the development of inter-Imperial trade the only possible recompense for the damage done by the war to Britain's international investments and commerce. It may even be that the conference is designed as part of that process

of Protectionist infiltration to which the *Economist* recently drew attention. It would not be the first time that patriotism has been used as a stalking-horse for economic advantage.

In any case, it is certain that the question of Imperial Preference will be resurrected, and probably supported and pressed by some or all of the Dominion delegates. The Premier of this Dominion, for example, has made no secret of his personal opinion that the Motherland might be expected to reciprocate the tariff advantages accorded to her by the various Dominions. While he has been wisely careful to avoid any utterance which would seem to demand such a return from the Motherland, he has stated his adherence to the principle of Preference and his intention to press for steamship subsidies and relief from double taxation. In this attitude he is supported by most of the newspapers and probably by a majority of the leaders of opinion in New Zealand, and quite possibly in other Dominions also. It seems clear, upon examination, however, that neither the Motherland nor the Dominions have much to gain, while they have a great deal to lose, from anything in the nature of a restrictive trade policy. It is true that the objections to straight-out subsidies to steamships and to relief from double taxation are not as weighty as the objections to concealed tariff preferences, though they raise very difficult and dangerous problems. The Dominion attitude on the whole question turns upon what is, perhaps, a pardonable exaggeration of the importance to British commerce of the various Dominion markets. The intimate dependence of Britain's prosperity upon the maintenance of her world-wide commerce and finance and the reduction in her purchasing-power by any policy that hinders freedom of trade, is, however, no less important to the Dominions than it is to the Motherland. The obvious fact is that Britain was, and is, still organised for world-wide trade, and that the direction of that trade is not a matter of choice or chance, but is largely determined by fundamental economic considerations. It does not need demonstration that whatever prejudicially affects the Motherland's organisation will be immediately reflected in her reduced capacity to purchase Dominion products.

There is no need in this connection to reopen the threadbare controversy concerning Free-trade and Protection. For various reasons, the Dominions have thought it better to use the Customs tariff for the protection of their secondary industries. It is an open question as to whether the results have been worth the cost. In New Zealand, as your correspondent recently showed, the protected industries are in a very weak economic position, employing less capital, paying lower wages, producing less output per unit of organisation than the natural strong industries of the country. Imperial Preference, in this and other Dominions, is really an additional form of tariff protection to local industries, though the patriotic argument provides one of the emotional bases of the protective policy. In the manufactures, while exports are chiefly raw materials and foodstuffs. There is no considerable export of manufactures needing cheap imported raw materials. In the Dominions, therefore, the "compact groups of producers" of whom Dr Marshall has written, who are active and zealous in the fiscal controversy, are all interested Protectionists. Moreover, the people of the Dominions have a real and deep affection for the land they call Home, so that any policy that is labelled "Imperial" and is represented as conferring benefits on the Motherland has a very strong *prima facie* appeal.

But it is a different matter when that muddled sentiment is used, under the guise of the proven loyalty of the Dominions, to play into the hands of interested groups at home whose real goal is Protection, even if they label it Imperial Preference. It seems, indeed, likely that the professedly democratic Dominions may be once again inveigled by their Imperialism into the support of policies that are anything but democratic.

It should be clearly understood that any tariff preference that does not tax food and raw materials will be of little or no value to the Dominions. Plantation owners in India or Ceylon or the West Indies may be helped by odd duties, but any real preference to the producing communities of Canada, Australia, South Africa, or New Zealand, must be given upon their principal exports—

wheat, wool, meat, and dairy produce. Upon these commodities they do not really need a preference. It is true that in each Dominion the farming community is temporarily in difficulties as a result of wild financing during the post-war boom, but even now these Dominion products need no artificial assistance in order to hold their own in the markets of the Motherland. Any preference would simply accrue as a windfall, a bonus that would directly inflate land values.

There seems little likelihood that the industrial areas of Britain will ever again consent to taxes on food or raw materials. There is, however, a considerable danger that, in supposed deference to the wishes of the Dominions, concessions will be made to the so-called principle of Imperial Preference, concessions that will give only psychological satisfaction to the Dominions, and yet will hamper British trade in its uphill recovery from the great depression. The slowness of that recovery, hampered by the warlike peace of Europe, by dear railway freights, and uncertain coal, is the real cause of the depressions in the Dominions. The outlying communities of the Commonwealth stand to lose far more by any further restriction of British trade and the consequent deterioration of their best market, than they can possibly gain by concessions made to their minor wares. The Imperial Conference had far better give its attention to the more prosaic, but constructive measures suggested by the Dominions Royal Commission, and especially to making the sea-ways into cheaper and more speedy highways for Imperial commerce. Whether the investment of public capital in the development of promising overseas markets in this way is worth making is largely a matter for Britain herself to decide.

THE FINANCIAL POSITION IN CHILE.

(BY A CORRESPONDENT.)

IT was a dictum of the late Lord Rothschild, who died in 1915, that through the quarter of a century that New Court had had financial relations with Chile the Government of that country had never caused trouble of any kind. In spite of the many difficulties caused by the war, and at a time when defaults were almost the order of the day, Chile, to her credit be it said, upheld the best traditions of South American finance by the faithful discharge of obligations incurred to her creditors. Indeed, the financial history of the country confirms the high opinion always held in London of her credit. Although more than one situation of greater or less gravity has been encountered, as in 1914 and 1915, embarrassments have been surmounted through wise and timely measures, courageously adopted and steadfastly adhered to, without compromising the financial future of the country.

The war, undoubtedly, affected Chile more deeply than most other neutral countries. Not only was the principal source of income—nitrates—suddenly stopped, but the crisis rendered it difficult, if not impossible, either to reduce expenditure or to find new sources of income. Yet this appeared imperative, since the whole of the reductions in expenditure which it was found possible to effect at that moment had already been included in the revised estimates. New direct taxation, therefore, was proposed in the shape of succession or death duties, liens on property, salaries, pensions, inheritances and legacies, as well as upon articles such as beer, tobacco, alcohol, &c. Broad as were these expedients, they did not wholly satisfy requirements, and Chile was once again compelled to have recourse to foreign borrowing. With a return to direct taxation in 1915, local interest was awakened rather in favour of economy than expenditure, since every measure benefiting any locality must inversely affect—by increasing—the burden. A desire for economy all round, therefore, became and remains the one object aimed at. The introduction of an income-tax was urged as one of the most important financial measures to be taken, such impost being regarded as the very axis upon which the most important factors of the Republic's revenue would turn. But not-

withstanding the strong desire of the Government to introduce such a tax, it has been unable, up to the present, to induce Congress to pass the Bill instituting it, which was introduced some time ago.

The financial status of the Republic to-day gives cause for some dissatisfaction. The external debt for 1923 amounts to \$34,739,000, while the internal debt in gold (which was reduced at the end of last year to \$4,714,000, and taking into account the \$150,000,000 of paper money in circulation) amounts to \$154,714,000 (gold) and 286,219,691 paper pesos, compared with 154,862,000 gold and 210,045,800 paper pesos at the end of 1921. To this has to be added the internal debt in notes, showing a balance of \$250,814,691 to the end of last year. The total revenues for the current year, including that derived from nitrate (estimated at \$23,235,000) are expected to amount to \$100,247,000 (gold); while total expenditures have been estimated at \$70,824,260 (gold), thus leaving an excess of \$29,422,740. But at the beginning of the financial year the general deficit reached the figure of 107,300,000 pesos, or very near the calculated deficit of 108,000,000 pesos.

On the other hand, in considering the internal debt one must not lose sight of the fact that against the \$150,000,000 of the paper money issue there is the Conversion Fund in actual gold specie—\$114,721,769—lying in the vaults of the Moneda (\$93,218,999), and of the Bank of England (\$21,502,780), which more than covers the amount at 14d per peso. The exchange is now below 7d. The notes issued under the Caja de Emisión law are also totally covered by actual gold deposits in London, at the rate of 12d per peso. The *Vales del Tesoro*, which have been issued against *vales salitreros*, are likewise completely covered by nitrate estimated far below the market price, and are, as the nitrate is disposed of, being withdrawn. Some surprise has been expressed that the considerable deposits represented by the Conversion Fund should be earning no interest. The question of a more advantageous distribution of this sum was raised by the ex-Minister of Finance (Señor Anibal Rodríguez), while the present head of the Treasury (Señor Guillermo Subercaseaux) finds his hands tied by the failure of Congress to arrive at a decision regarding the establishment of a State Bank, which would be based on the Conversion Funds as its capital.

Some home critics, like Señor Echinique, are inclined to regard with apprehension the facility with which the Chilean Government is enabled to raise sums abroad, as, for instance, in 1921, although this was the worst economic period that Chile had seen for 40 years. The Government, in the course of a little over 10 months, sought from Congress authorisation to contract more than \$1,000,000,000 (which, however, included the large railway loan)* at a time when the budgetary expenditure was estimated at \$320,000,000 (paper) and revenue \$200,000,000 (paper), and when exports had diminished in value by 44 per cent. (although the Treasury showed a favourable trade balance of \$19,000,000). There have not been wanting later indications that the Chileans will not for long reconcile themselves to paying-off old debts by raising new ones.

It is quite possible, however, to sympathise with Governments when they find themselves unable to carry out, in actual practice, honest resolutions arrived at for collecting revenue and effecting economies. In the spring of 1921, for instance, the exportation of nitrate of soda was estimated at 55,000,000 quintals; but, in the end, little more than 40,000,000 quintals were produced. In the summer of 1922 the Chilean Administration adopted the expedient of requesting each Minister to examine carefully the Budget for his particular Department, with the strict idea of recommending measures for reduction in expenditure, and, where possible, putting the same immediately into force. This expedient, however, was countered by a new and unexpected financial crisis, rendering it altogether impossible, in view of the closing down of nitrate oficinas and numerous mines, to discharge the quota of employed. A wide programme of public works of an extensive nature had also to be proceeded

* The proceeds of the Railway Loan are represented to-day by rolling-stock purchased, and by the electrification of the Santiago-Valparaíso line, which will effect an annual saving of a value of over 15,000,000 pesos.

with in order to provide work for these men, and for that purpose fresh borrowings had to be undertaken.

The critical position of the national finances at this time was revealed, in a cold analysis, by Dr Daniel Martner, then Minister of Finance. He confessed that at the beginning of the year the funds in the Treasury had amounted to no more than \$7,000,000, the previous Administration having been forced to make use of sums raised by special laws for the purpose of meeting expenses in the interval before the taxes were collected. At the same period pending obligations amounted to \$36,000,000.

The trade position contrasted with the financial shows very much better prospects. While the war removed Germany and Italy—two large purchasers of nitrate for agricultural uses (Germany alone having formerly taken 1,000,000 tons)—the demand for this product (for the manufacture of explosives in the factories of the United States) remained considerable, even if it failed wholly to compensate for the loss sustained by the closing of European markets. With the improvement in nitrate prices, which has been fairly maintained, there is justification for expecting an improved economic showing by the end of the year. An encouraging feature may be found in the condition of the crops, which are predicted at a little above normality. Should no marked change in the weather take place, growers of wheat may expect a good harvest. Industrial conditions generally have also shown capacity for improvement; although only three-quarters of the year have expired, there seems little doubt that imports and exports for the twelve calendar months will exceed the figures for 1922, which showed a total trading value at \$210,155,545 (imports \$86,571,275, and exports \$123,584,270). Much, however, will depend upon the political situation, which at present remains somewhat obscure and even disturbing, in view of the elections, which will be held in March next on a new registration of voters.

CANAL TRANSPORT PROBLEMS.

(BY A CORRESPONDENT.)

IN the coming session of Parliament the Government will be pressed to assist in, or to undertake, a great canalisation scheme. At least one member of the Cabinet is keen on a revival of the canals. A special Parliamentary Committee on Canals and Inland Navigation has been formed to push the idea. Outside Parliament we have a National Council for Inland Waterways, a very influential body, mostly composed of the old Waterways Association. Traders complain of high railway rates. It is observed that some foreign countries have excellent canals. It is urged that canals are useful and economical for certain heavy traffic. It is asked why we cannot have canals like those on the Continent. We have many men unemployed, and it is contended that some of these might be well employed in widening, deepening, and extending our inland waterways, many of which have fallen into decay within the last fifty or sixty years. The idea seems attractive. I beg to submit that it is not practicable.

When this country was thinly populated, when traffic was small and there was not much hurry, canals served a useful purpose. But they were made to meet purely local requirements. They were constructed without any attempt at uniformity or national organisation. The result is that they are of various gauges, and they are not well linked up. When the railway era came canals began to decay. Are they now worth reviving? For many years there has been a steady agitation for revival, conducted mostly under misapprehension. The question was subjected to inquiry by a Royal Commission, 1906-1909, and has since been kept to the fore by the Waterways Association (headquarters, Birmingham). The general plan is to modernise the canals so that 100-ton barges may travel between Birmingham and other Midland industrial districts and the Thames, Mersey, Severn, and Humber. The object is cheap carriage. But how can this object be attained in this little country, with its lack of rivers suitable for canalisation. Its lack of water for the

top levels, its abnormal number of lockages, involving many delays and much cost?

The Royal Commission presented an exhaustive report, but was not very definite or enthusiastic in its recommendations. And since then economic conditions have altered, and deeper study of the physical conditions strengthens the objections to canalisation. However, the Commissioners advised the formation of a Central Waterway Board to review the facts and opinions gathered, and, if satisfied that the acquisition and unification and, in addition, the reconstruction and improvement of the main lines of waterway would be desirable, they (the Board) should propose a scheme to Parliament for sanction before proceeding to carry it out. A very halting report. But the Commission did recommend the amalgamation and improvement of the waterways forming what is known as the "Cross" connecting the Humber, Severn, Thames and Mersey, *via* the Midlands, as the "first step in any comprehensive scheme" that might be decided upon. The Commission, however, was careful to lay it down that State funds or credit should be pledged only on the strength of a reasonable prospect of a return, direct or indirect, on the outlay.

The "Cross" comprises 464 miles of the 3,693 miles of inland navigations in England and Wales. Scotland has 183 miles and Ireland 848 miles of inland navigations. The nature of the "Cross" may be gathered from the following brief particulars:—Route 1 consists of the Grand Junction Canal, a portion of the Oxford Canal, the Warwick and Napton Canal, and the Warwick and Birmingham Canal. It starts at Digbeth Junction, Birmingham, and finishes at Brentford. It is 135 miles long. There are 160 locks, 336 bridges, and three tunnels. At Knowle the level is 379 feet above Ordnance Datum. Route 2 consists of part of the River Trent, the Loughborough Navigation, the Leicester Navigation, and the Leicester branch of the Grand Junction Canal to Norton Junction, where it joins Route No. 1, and it includes the Newark Navigation and the Nottingham Navigation. It is 157 miles long, has 58 locks, 108 bridges, and three tunnels. The tunnels are 880, 1,166, and 1,528 yards long. At Foxton the level is 412 feet above O.D. Route 3 is the main route from the Mersey and Manchester Ship Canal at Weston Marsh to Bordesley, Birmingham, by the Weaver Navigation, Trent and Mersey Navigation, the Coventry Canal, the Birmingham and Fazeley Canal, and the Birmingham and Warwick Junction Canal. The length is 97 miles, there are 82 locks, of which 27 are twins, one verticle lift, and 226 bridges. The level at Harecastle Summit is 408 feet above O.D. There are four tunnels, two of which are nearly 3,000 yards long. Route 4 connects Birmingham with the Bristol Channel—Worcester Bar to Sharpness Docks. It is made up of the Worcester and Birmingham Canal, the Severn Navigation, and the Gloucester and Berkeley Ship Canal, and includes the Worcestershire Canal to Wolverhampton, *via* Kidderminster. It is 75 miles long, has 62 locks, 115 bridges, and five tunnels, one of which is 2,726 yards long. At King's Norton the level is 453 feet above O.D.

Besides all these locks and bridges and tunnels to alter, there are hundreds of factories and other buildings right on the canal banks, and these would have to come down before the waterways could be widened. Sir John Wolfe Barry calculated for the Royal Commission that the cost of improving the "Cross" to carry 100-ton boats would be £17,500,000, apart from the purchase price and the cost of bigger barges. To-day the cost would be at least twice as much. And this is for what is little more than a local scheme—for only 464 miles out of a total of 3,822 miles in Great Britain. Figures were supplied to the Royal Commission showing that the cost of improvements sufficient to make our inland waterways accommodate 100-ton boats throughout would average £28,000 per mile. To-day the cost may be put at £50,000 per mile. Against that the German canals which take 150-ton boats only cost £8,000 per mile to construct, and those which take 600-ton boats were constructed for £8,450 per mile. British and Continental conditions are vitally different.

People who imagine that it is possible for this country, at any cost, to have a canal system approaching the Continental canals in utility and economy are hugging a delusion. In most of the Continental industrial districts

which are so well served by inland navigations there are big rivers flowing through comparatively flat country—natural waterways, which lend themselves to economical canalisation. Continental canals have been half made by Nature. But the rivers in our industrial localities are short, narrow, shallow, and full of weirs. The average rise or fall on the 7,000 miles of German canals is only 1.49 feet per mile. On our 3,800 miles the average is 10.80 feet. Only 1,482 miles of our United Kingdom inland waterways are natural or adapted river. If we brought our waterways to depths and widths to carry 100-ton boats throughout, at least nine miles in ten would have to be artificial. Against that Germany has 5,815 miles of natural river out of a total navigation of 7,038 miles; France has 4,392 miles of natural river out of 7,006 miles of navigation; Austria has 2,427 miles natural out of 2,772 miles, and Russia has 21,000 miles natural out of 22,000 miles.

In our case, the cost of construction, or reconstruction, would be colossal, owing to the bad levels, and the many bridges and locks, plus the many buildings on the existing banks of the canals. The consequent dues, or rates, to cover interest on the capital would be excessive. The constant and heavy pumping of water to the top levels would be a costly, if not an impossible, engineering problem. On our existing narrow canals there is often shortage of water in dry seasons. Suppose we widen and deepen the canals and locks, build bigger barges, and increase the traffic, involving a much greater loss of water downward with every boat "penned" up or down, how shall we stand with regard to water for the top levels? Finally, even if we spent the necessary money, we could never have anything like the cheap or speedy transport enjoyed on the Continent, owing to the abnormal number of our lockages. Between Berlin and Hamburg, 230 miles, there are only three locks—the country is so flat. Between Manchester and London we have 242 locks and seven tunnels!

In the Aire and Calder Navigation we have an efficient system, but there is tide water from Hull to Goole, and unusually level country from Goole to Castleford. This is an exceptional case. A few of our canals, or sections of canals, may be capable of economical improvement, and some are capable of carrying more traffic as they stand. This is purely a local question. The idea of a great national canal scheme is not practical politics.

THE MARCONI CONTRACT IN PERU.

(FROM A LIMA CORRESPONDENT.)

UNDER a contract, entered into provisionally on April 21, 1921, and approved by the Senate on February 23, 1923, the Marconi Company undertook the administration of all the Peruvian postal, telegraphic, and wireless services for a period of 25 years as from May 1, 1921. The chief undertaking, however, was the completion of a wireless station sufficiently powerful to maintain communication with the world-wireless system of stations maintained by the Marconi Company. There has always been a considerable amount of opposition. Existing contracts had to be cancelled, including that made for the sale of postage stamps (which earned a commission of £5,000 yearly) between the Government and the Compañía Recaudadora de Impuestos, the privilege being now conferred exclusively upon the Marconi Company.

These facts, together with other reforms, caused dissatisfaction, while opposition arose from political circles and also from certain American rival interests. Representations by the United States Government had been received by the Peruvian Government as early as 14 days after the provisional contract had been signed. On the other hand, the company was able to come to an arrangement with the Radio Corporation of America, La Compagnie de Télégraphie-sans-Fils, of Paris, and the Telefunken Company, of Berlin, while the rights of the Central and South American Cable Company, to the north

of Callao, were protected from anything which might affect them in the new contract.

Apart from the adverse majority-report of the Chamber of Deputies Committee, condemning the agreement, the Marconi Company formally advised the Peruvian Government of its intention to rescind the contract owing to the unexpected delay in confirmation, and, in any case, to insist upon several modifications in the original document before formal acceptance could take place. In the event of the contract being abandoned, very heavy losses will have been incurred. Under Article 31 of the agreement, if National Congress did not approve the reforms dealt with, or had not taken any decision regarding them, the company had the power to cancel the contract; and, in such a case, would have the right to demand—and the Government would be under the obligation to pay—an indemnity in reimbursement for the total sum, which, in compliance with this contract, the company might have expended up to the date of the cancellation.

The Marconi Company, which has been in actual control of the Peruvian postal, telegraphic, and radiographic services for more than two years, has, during this period, expended large sums upon the installation of radio-services (especially those between Lima and Casma, Lima and Tarma, and Lima and Ica); the construction of several new stations (including those at Callao, Etén, and Trujillo); designing at the London offices the necessary apparatus for the new system (the whole of which work, it is feared, must now be wasted); the despatch to Peru of a body of engineers and other employees from England; the drawing-up of elaborate plans and schedules; general administration of the services for over two years, &c.

In the first instance the company has been called upon to bear and pay all expenses on capital account of, or in connection with, the services, including the costs of construction, extensions, renewals, and rearrangement of the postal and telegraphic plant and services, or such proportion thereof as can be properly attributed to capital account. The company has also carried out, for the account of the Government, the construction and exploitation of extensions having administrative or strategical importance that the Government itself could not, or would not, execute. While all sums thus advanced by the company nominally earn 9 per cent. interest per annum during the first 10 years of the terms of the contract, and in the succeeding period at the rate of interest established by the Bank of England plus 2 points a large outstanding liability has been contracted, and remains to be paid.

The innovations introduced by Sir William Slingo (Controller-General of the Postal, Telegraphic, and Wireless Services Administration) from the outset caused much local obstruction and discontent, arising partly from the unaccustomed strictness with which the new control insisted upon reorganising each department, and the imposition of a partly British working staff. According to the contract of May, 1921, the Peruvian employees were to be retained "as far as possible," the company undertaking to inculcate modern methods, and at the same time to introduce no more than 20 per cent. of foreign employees. It is complained that this proportion has been exceeded.

Already considerable economies, as well as improvements, have been derived through the innovations introduced into the parcels post, postal delivery, telegraph and radio services. Up-to-date systems of message-filing, recording and accounting have brought the service into line with the regulations affecting the International Exchange of Radio-Telegrams laid down by the International Radiotelegraph Convention, of which Peru is a signatory. The greater part of the State telegraph lines have been completely overhauled or reconstructed, while in certain offices new batteries have been installed. Plans have been laid for a network of radio stations intended to form a trunk system supplementary to the existing telegraphic system, with corresponding improvement in the despatch of telegraphic messages throughout the Republic.

Should the Marconi Contract be cancelled, the carrying-out of the greater part of the plans for further increasing the efficiency of the Peruvian services will have to be abandoned, while it is feared that the improvements already effected will speedily be lost.

A STATISTICAL HISTORY OF THE WAR.

AT a time when Britain's interests and influence on the Continent are being somewhat underrated in Continental countries, it is as well to recall the importance of the part played by Great Britain in the war. This purpose will be served, and an important contribution made to the material available for the future historian, by the volume of statistics of the military effort of the British Empire, which has just been issued by the Stationery Office.* This document owes its origin to Mr Lloyd George, who, on becoming Secretary of State for War, took steps to introduce into the War Office a system of weekly statistical reports similar to that which had enabled him to keep an eye upon the many activities of the Ministry of Munitions during the preceding twelve months. The complexity of the activities, combined with the traditional reticence of departmental heads trained in the old army school, made the task more difficult, and in a short preface Sir Herbert Creedy tells us that it was not until October, 1916, that the machinery for compiling and abstracting monthly summaries of statistics was set up. Complete records are only available from that date, but subsequent study has enabled the compilers of this report to give as many figures as possible since the outbreak of war. The final edition of the monthly abstract was prepared for June, 1920, and the present volume contains gleanings of all the more important figures contained in the returns covering nearly four years.

It is impossible to attempt to summarise or even enumerate all the subjects dealt with in this valuable mine of information, and a few illustrations must serve to emphasise its importance. The first part of the volume is concerned with the growth of the Army itself. The actual strength shows the following changes between the opening and the end of the campaign:—

ARMY STRENGTH, AUGUST 1, 1914.

Regular Army	247,432
Army Reserve	145,347
Special Reserve	63,933
Channel Islands, &c., Militia	5,613
Territorial Force	268,777
Territorial Force Reserve	2,082
Bermuda and Isle of Man Volunteers	330

733,514
215,451

ARMY STRENGTH, NOVEMBER 11, 1918.

Expeditionary Force (including 558,143 men in Labour Units)	3,226,879
Troops at Home (excluding 248,444 Volunteers)	1,603,384
Troops in India and Burma	482,269
Garrisons of Defended Ports	24,411

5,336,943

In comparing the position on August 1, 1914, with that at the Armistice, it should, of course, be remembered that the Territorial Force and, still more, the National Reserve cannot for the most part be regarded as a fully effective fighting force. Moreover, the 1914 figure refers almost exclusively to British military forces, and makes no allowance for the peace-time effectives of India and of the Dominions. The distribution of the total on November 11, 1918, according to nationality is shown in the following table:—

NATIONALITY OF TROOPS.

British	3,563,466
Colonial	525,760
Indian Native	654,021
African Native	19,740
Egyptian and Native Troops	9,450
Local Forces	6,363
Natives, other than troops	558,143

The numbers enlisted show a considerable drop after 1915, and though the explanation is, of course, the need that existed for discriminating in the enlistment of recruits, it is significant that the highest total was reached in the year 1915 when enlistment was voluntary. The total amounts to 4,970,902, the figures for each year being:—

* 10s 6d net.

1914	1,186,357
1915	1,280,362
1916	1,190,075
1917	820,646
1918	493,462

The numbers of men in reserve occupations or protected in various ways amounted to 2,741,988. At the Armistice the numbers on the special register of the Ministry of National Service were 2,574,860. The total casualties reported throughout the war total rather more than 3,000,000, divided as follows:—

	No. of Soldiers Who Lost Their Lives in and Through the Great War.	No. of Wounds Received.	No. Reported Prisoners of War.
British Isles	702,410	1,662,625	170,389
Indian Empire—British	2,393	2,325	194
Indian	62,056	66,889	11,070
Dominion of Canada	56,639	149,732	3,729
Commonwealth of Australia	59,330	152,171	4,084
Dominion of New Zealand	16,711	41,317	498
Union of South Africa	7,121	12,029	1,538
Newfoundland	1,204	2,514	150
Other Colonies	507	810	..
	908,371	2,090,212	191,652

The figures of the output of munitions are already fairly familiar from statements made during and after the war by responsible Ministers. The report, however, contains more detailed statements than have yet been available, including the statement as to the number of guns, &c., in the field at various dates. The chief interest of this section will, however, be attracted by a brief note giving shortly the early history, from the War Office point of view, of the High Explosive Shell controversy. Toward the end of October, 1914, the head of the French Ordnance came to London to discuss the amount and nature of ammunition needed. In response to a query from London, G.H.Q. said that opinions were divided as to the efficiency of high explosives, but that they considered it advisable that H.E. should be produced if it could be done without affecting the supply of shrapnel. On October 19th 1,000 rounds of field gun H.E. shell were sent to France for report, which was favourable. On November 6th G.H.Q. asked for 50 per cent. shrapnel and 50 per cent. H.E., and a week later telegraphed to reduce the proportion of H.E. to 25 per cent. The War Office case for not turning over machines engaged on producing shrapnel to H.E. is conclusive. The expenditure of 18-pounder ammunition up to November 1st was 385,000 rounds, while up to that date the supply was only 45,000 rounds monthly. The note proceeds to state that additional instead of substituted orders were therefore placed at home and in America, but that out of 480,000 rounds due by May 15th only 52,400 had been delivered. It must, however, be admitted that this statement of the case does not altogether remove the doubt that the steps taken were sufficiently active and vigorous.

The orders placed as shown in this memorandum were very large indeed, particularly in view of the fact that Sir John French and General Joffre considered that 17 rounds per gun per day was all that they required—a very small figure compared with the 50 rounds per gun per day of later years for an enormously increased number of guns of all calibres. Moreover, in the early stages the War Office note shows that the official policy was to rely on the ordnance factories and large armament firms to organise the engineering industry, and not to trade direct with outside firms, but the delay is intelligible when it is realised that the pre-war output was only 3,000 rounds of field gun ammunition per month, and that this was raised to 1,000,000 rounds in a little over a year and that during the 33 months of the South African war only 273,000 rounds of gun ammunition of all natures were fired, whereas for the four weeks at the end of the Somme offensive the expenditure amounted to 1,120,000 a week.

The statistical tables are not without blemish; for example, in reporting on the artillery position in France at the Armistice it is a mistake to add up the number of rounds per gun for the different types of artillery and to say that the rounds per gun in general was 27,000. The average stock, in fact, was 2,804 rounds per gun. Again, on page 484 the surprising statement is made that in 1915 we supplied 189 and in 1916 396 guns to America. In the

latter year we did, indeed, supply guns to the United States, but these figures are evidently the number of guns of British type manufactured for Great Britain in the United States.

DIARY OF THE IMPERIAL CONFERENCE.

MONDAY, OCTOBER 1ST.—Full Conference opens. Survey of world politics and Empire problems by Mr Baldwin. Replies by Mr Mackenzie King (Canada), Mr Massey (New Zealand), General Smuts (South Africa), Mr Cosgrave (Irish Free State), Mr Warren (Newfoundland), and Maharajah of Alwar (India).

TUESDAY, OCTOBER 2ND.—First preliminary meeting of Economic Conference. General survey by Sir P. Lloyd Graeme, President of the Board of Trade. Other speeches by Mr King (Canada), Mr Massey (New Zealand), General Smuts (South Africa), Mr Innes (India), Mr McGrath (Irish Free State), Mr Warren (Newfoundland), and Mr Ormsby Gore (Crown Colonies). Among the chief subjects touched upon were migration, preference, communications, and financial assistance for Empire development. Some general aspects of the Conference, and the proceedings of these first two days are discussed in the first leading article in this issue.

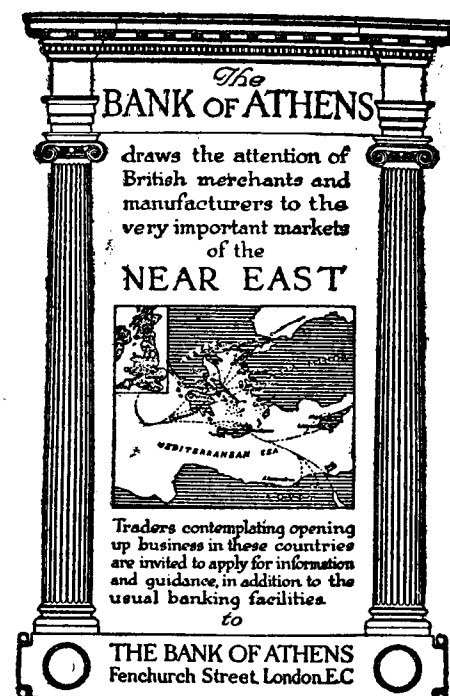
WEDNESDAY, OCTOBER 3RD.—Review by the Duke of Devonshire of policy and problems in the colonies and protectorates, among the territories and subjects referred to being West Indies, Kenya, Tanganyika, Rhodesia, Iraq, Palestine, Ceylon, Malaya, an all-British cable, tropical agriculture, &c.

THURSDAY, OCTOBER 4TH.—Second meeting of Economic Conference. In absence of Australian delegation no issue of great importance was raised. The agenda and time-table settled subject to approval by Mr Bruce (Australia). Plans for the furtherance of inter-Imperial trade were preliminarily reviewed, among the subjects discussed being the co-ordination of commercial intelligence, the collection of statistics, co-operation in regard to trade marks and patents, and the valuation of goods for customs duties. These and other subjects will be dealt with in detail by sub-Committees, with the appointment of which some progress was made.

FRIDAY, OCTOBER 5TH.—Statement by Lord Curzon on foreign relations and foreign policy.

Notes of the Week.

The Growing German Chaos.—Events in Germany have moved with considerable rapidity during the week. The proposal of Herr Stresemann to amend the Constitution for the purpose of strengthening the hands of the Government produced disruption in the Coalition, which eventually came to a head on the comparatively minor issue of the suspension of the eight-hour day. In describing this controversy as a minor one, we do not mean to underrate its importance. Indeed, if Germany were ever to pay the fantastic sums at one time discussed as fair reparations, the whole German population would have had to work long and weary hours while living on a low standard in order to create the necessary surplus. But at the moment the issue is a minor one, because no one believes that a comparatively small lengthening of the working day would have much effect in setting Germany on the road to recovery. On Thursday it was thought that an attempt would be made by the Chancellor to carry on with a Directorate of four, five or six persons governing without reference to Parliament. The various names suggested all indicate that power is shifting more definitely into the hands of the industrialists. But the task of governing Germany in its present condition is so thankless that it is by no means certain that Dr Stresemann will be able to carry through the suggestion, and indeed the latest news is that he will meet the Reichstag once more and endeavour to govern with a reconstructed cabinet from which the Socialist minister will be dropped. Meanwhile the air is full of rumours of all kinds. It is suggested, for example, that the Rhineland industrialists are disposed to look with a little more favour upon the Separatist movement, which, under French protection, is becoming an influence to be reckoned with. The



Bavarian Dictator is enlarging his field of action and issuing decrees such as that which professes to apply the severest penalties against anyone assisting a Power occupying, in time of peace, any part of German territory. These things are seized upon by the French Press, who see in them a subtle fraud on the part of Berlin, which, while pretending to stop passive resistance, is allowing continued opposition to France to be engineered from Munich. The one thing we fail to discern amid these events is any sign that the French Government realises the danger to Europe from the growing confusion, and we are reluctantly driven to concur with the opinion of our German correspondent—who, as our readers are aware, has often taken a very critical view of the policy of Berlin, and cannot possibly be accused of being pro-German—that current events prove beyond a doubt that France is not pursuing reparations but is systematically crushing the life out of Germany. We do not doubt that the French nation desires, and desires very acutely and sincerely, to get reparations from Germany; nor do we imply that M. Poincaré has intentionally misrepresented his objectives. But it has not always been easy for the neighbours of Germany to realise that the obtaining of reparations and a policy of so-called "firmness" are incompatible, and when decisions have had to be taken, it has always been easier to envisage the policy of the strong hand than a policy which would, in fact, procure tangible results. We had hoped, however, and we believe that the British Government had reason to believe, that the moment the Berlin Government modified its attitude of passive resistance M. Poincaré would make clear the lines of a liberal, not to say a generous, policy on the part of France towards Germany, and such may, indeed, have been the intention of M. Poincaré. But a case like the present, when Germany is hovering on the brink of chaos, calls for immediate action. Ever since the Armistice it has been obvious that if France hoped to get paid it could only be done through a Central Government in Berlin which had sufficient strength to put the country into order, and ultimately to ensure that adequate taxes were collected. The first principle of statesmanship for France should, therefore, have been to combine with her firm insistence on her demands the utmost support to whatever Government held out the most hope of establishing its authority. Her last chance of doing this, in our opinion, was in the case of the Government which has just taken the very great responsibility of calling off passive resistance. Instead of doing this, her policy seems to be, as it has been in previous cases, to watch Berlin from a distance floundering in its difficulties, and even, in a quiet way, to add to its embarrassments. To this attitude the British Government can lend neither sympathy nor active support, and we hope Lord Curzon will say this clearly and without hesitation.

The Half-Year's Revenue.—The figures of national revenue and expenditure for the first six months of the financial year are on the whole satisfactory, and suggest that the Chancellor's estimate of a diminutive surplus for the full year will be realised. Revenue for the period shows a drop of £38 millions at £365.8 millions, the principal items which contributed to this reduction being income-tax, which produced £13.4 millions less, Excise with £8.2 millions less, Estate Duties with £5.3 millions less, and Miscellaneous receipts, which fell by £15 millions. The reductions in Excise and Income-tax are, if anything, less than the half-year's proportion of the loss anticipated for the whole year in the Budget forecast; but the Miscellaneous and Estate Duty receipts are down by more than their proportion. The most prominent increases in revenue were £2 millions in Corporation Profits Tax—a fact which will increase the Chancellor's reluctance to part with this tax when the time comes—£2.2 millions in interest on sundry loans, £745,000 in motor vehicle duties, and £858,000 in stamp duties, for which the Chancellor expected a drop of £2½ millions. The high yield is doubtless due to the continued activity of the Stock Exchange. Of the total decrease in revenue of £38 millions, £30 millions occurred in the second quarter, the whole of the decline in income-tax receipts occurring in that period. Expenditure has increased by £4.2 millions to £362.8 millions, which equals the total anticipated Budget increase for the year, and there is thus a small surplus to date of £3 millions. National Debt services, which include payment of the first instalment of the service of the American debt, show an increase of £22.5 millions. As compared with actual disbursements in the first and second six months of last year, the Treasury has paid out a higher proportion of the estimated total for the current year. This may be due to changes in interest rates or to higher money rates combined with a larger proportion of debt funded in the shape of 4½ per cent. bonds than was the case last year. If the second explanation is correct, the estimate for debt charges for the year may be exceeded. This increase has largely been offset by a saving of £21.4 millions in the Supply Services, towards which the Civil Services contributed nearly £14 millions. This is approximately the proper Budget proportion. Other changes on the expenditure side are small, and include increases of a million in payments to Northern Ireland Exchequer, of £1.5 millions in payments to Local Taxation Accounts and of £700,000 in the Road Fund. The figures undoubtedly indicate the necessity, which is already being emphasised in many quarters, for a further substantial pruning of expenditure if the accounts for 1924-25 are to balance, for on the existing basis of taxation revenue is bound to shrink to a considerably lower level than that of the current year. This week the full Finance Accounts for the year 1922-23 have been issued, and with their aid we have made the necessary adjustments to our table of the National Debt, printed on a later page. These adjustments involve an addition of some £83 millions to the total of March 31st. This discrepancy is due to several minor items, such as the conversion of War Bonds into 5 per cent. War Loan and the tender of Victory Bonds in payment of death duties, the amounts of which are not vouchsafed in the weekly returns. The major part of the difference, however, is accounted for by the funding of accrued interest on the American debt, which is responsible for the addition of some £100 millions to the nominal capital now entered at £958 millions. On this, however, an exceptionally low rate of interest is payable, and for purpose of comparison with other international obligations it will be remembered that the Treasury recently estimated the present value of the American debt on a 5 per cent. table as £700 millions. After making the necessary corrections, our calculations show that the National Debt on September 30th amounted to £7,808 millions, as compared with £7,813 millions on March 31st. During the six months the Floating Debt has been reduced by £6.4 millions, Ways and Means Advances from Public Departments having declined by £16 millions, while Treasury bills outstanding have increased by £9.6 millions.

Signor Mussolini and Fascism.—Signor Mussolini has entered upon his inevitable conflict with Fascism, and it may be predicted with some confidence that he will emerge the winner. Fascism was his creation, and is regarded as such by his fellow-countrymen. The dictator made the movement, not the movement the dictator; and now that it has served his purpose by hoisting him into the seat of government, it is evident that he has no intention of being "moved on." Mussolini will win, firstly, because he is a stronger and more able man than his Fascist henchmen, and, secondly, because, if it is a choice between him and Fascism, a dictator is the less intolerable alternative as a permanent factor in Italian political life. The Italian nation accepted the fantastic domination of this lawless brigade of young men as a passing refuge from a passing danger, namely, the Communist movement in Northern Italy during 1920-1. The antidote, however, makes as unwholesome a diet as the poison itself, and it was obvious from the beginning that Fascism, in the form of an *imperium in imperio*, could not long survive its victory, or, in other words, its *raison d'être*. It is not so with the dictatorship of an individual; for, though that is equally the antithesis of orderly self-government, it is by no means incompatible with the existence of any government at all, being, in fact, the very form of government that usually follows periods of instability or revolution. As a "reformist" autocrat, recognised as the legitimate master, and servant, of the Italian State, Mussolini will no longer be fettered by the limitations of the rôle in which he walked on to the stage, and he is therefore likely to show even more fight in his struggle for this position than he has shown in his career up to this critical point. The crisis has been precipitated by the expulsion from the central executive committee of the Fascist party of Commendatore Massimo Rocca, a prominent Fascist, who takes Signor Mussolini's view of the proper relations between Italy and Fascism. His offence consists in the publication of articles deprecating the efforts of the party extremists to establish themselves by violence as a ruling caste, and maintaining that the object of the revolution was the good of Italy, and not the personal advancement of the Fascists themselves. On this account he has been found guilty of "a serious breach of discipline and political unworthiness"; but it is more to the point that he has been received since his expulsion by Mussolini, and that when the Fascist executive sent in their resignations as a protest these were accepted by the dictator. The formal conflict will take place in the grand council of the Fascist party next week, but the issue will probably be decided in advance by the adherence of the local Fascist organisations to Mussolini (declarations to this effect are already pouring in), and by the discreet but solid support of all the moderate elements in the country. In this conflict the victory of Mussolini will certainly be to Italy's advantage, and it is probably better, from the point of view of Italy's neighbours, that one man of violence should rule in Rome than an army of fire-eaters. It would be far better for all parties, however, if some government of a less abnormal character could be re-established in Rome again, and we can only look forward with satisfaction to Mussolini's victory in this fight in so far as it may be a symptom of his settling down.

Irish Free State Problems.—Yesterday, writes our Dublin correspondent on October 4th, the Governor-General addressed the Oireachtas assembled in joint session. The address and the occasion correspond to the Speech from the Throne on the opening of the Imperial Parliament at Westminster. Following this precedent, the address was the work of the new Cabinet, and with some references to tasks achieved, contained the general programme for the ensuing session. Stress was laid upon the entry of Ireland into the League of Nations, and her participation as a full-fledged Dominion in the present Imperial Conference. Various measures were outlined, in particular one dealing with the administration of justice and a new judicial system, "including provisions for the reciprocal enforcement of judgments and judicial orders as between this country and the other members of the British Commonwealth in the interests of mutual accommodation in matters pertaining to the administration of

justice." The extraordinary powers exercisable for the maintenance of internal order will be gradually relaxed, and the "detained" prisoners released (they are, in fact, being released at the rate of some hundreds per month) so far as may be found compatible with the public safety, but the determination is expressed to take all necessary steps to protect the community from disturbance and destruction. Most important, however, were the references to the present industrial unrest and the fact that the Dail subsequently adjourned for a week to enable conferences with the different parties to be held as a prelude to further announcements of intended Government action. After a reference to unemployment and industrial disputes, which have begun seriously to affect the interests of the community, and to "inflation caused by the European war and artificially prolonged by our domestic strife," the Address proceeded: "High prices, high profits and high wages can no longer be sustained by a country whose economic life has agriculture as its base and foundation. Those engaged in the production and sale of essential commodities must realise their responsibilities to the general consumer, and your Ministers will vigilantly scrutinise the discharge of this responsibility in the coming winter. A recognition of these facts is of the first necessity if industrial friction is to be allayed." And again, this reference to pending fiscal changes is of interest:—"You will, in due course, be recommended to make such use of your fiscal powers as close and dispassionate inquiry shows to be best calculated to promote and diffuse prosperity." These considerations must receive effect if the Government schemes of large capital outlays upon roads and housing are to operate with success to reduce unemployment. Railway affairs are to be overhauled with a view to a reduction of costs. The Address has been well received by the Press and the public, but there is some little anxiety as to how the industrial problem is to be handled. Business is being strangled by labour disputes—particularly in Cork, though matters are serious enough in Dublin, and, apart from the real crux of wages and prices, there are evil-disposed influences at work seeking to make mischief. The Government clearly recognises that the cost of living is the crucial factor if wages are to come down to a practicable level. The point has been emphasised in these columns more than once. The difficult question remains, how the prices of commodities consumed by the poor and the wage earners are to be reduced. Little hope can be found in any attempted system of price fixing by the Government. In the meantime, the Exchequer returns continue to afford encouragement. From April 1, 1923, to September 29, 1923, revenue has been collected to the amount of £14,985,986, against the sum of £11,464,107 for the period from April 1, 1922 to September 30, 1922. The Government borrowings include £1,214,000 raised on Irish Free State bills, presumably from the banks, and £220,000 by Irish Free State Savings Certificates.

Broadcasting and the State.—There may be many people who regard broadcasting as a mild amusement on a par with the gramophone, and wonder why it should claim the time and attention of special committees set up by Parliament. The explanation is the simple one that the power of making one voice speak simultaneously to millions is a development of science the range of whose effects it is impossible to foresee. In their report just issued (White Paper Cmd. 1951) the Broadcasting Committee go so far as to say:—"It may be that broadcasting holds social and political possibilities as great as any technical attainment of our generation." This report loses some of its interest because it was issued simultaneously with a statement by the Postmaster-General indicating decisions already taken, which do not wholly carry out the Committee's recommendations. The immediate cause for the appointment of the Committee was the existence of a large and growing number of "listeners in" who were without licences, and had constructed their own apparatus. To meet this evasion the Committee recommend the placing on sale of one single type of receiving licence, and strong steps, including prosecution, to stop unlicensed receiving. The other main recommendations of the Committee are:—(1) That a Broadcasting Board

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Railroad, Public Utility and
Industrial Financing

should be established by statute; (2) that the broadcasting service should not be operated by a Government department, and that the existing service of the British Broadcasting Company should be continued and extended for two years on modified terms; and (3) that no protection should be given to the British manufacturers by the licence. In his statement the Postmaster-General explains that the terms of the existing agreement between the Government and the company make it impossible for the Committee's scheme to be brought into immediate operation. For instance, under this agreement it was intended that no licences should be granted to anyone except those using receiving sets marked "B.B.C." and manufactured by one of the firms forming the present company. Thus the agreement promised protection to the British manufacturer. As a compromise, the Postmaster-General has decided to issue for a limited period at an annual fee of 15s (as compared with 10s for the "B.B.C." licence) a "constructor's licence." Amnesty is offered to unlicensed users of receiving apparatus—estimated to number 200,000—if they purchase such licences before October 15th. This system of licensing will continue till December 31, 1924. Out of the licence fees the B.B.C. is to receive 10s on each constructor's licence and 7s 6d on each ordinary licence, instead of 5s per licence as at present. Experimental licences at 10s each will continue to be issued by the General Post Office to applicants who prove their *bona fide* status as qualified experimenters. Any surplus profit over 7½ per cent. is to be surrendered by the B.B.C. to the Post Office. As regards the other recommendations of the Committee, the Postmaster-General is to set up an advisory board, and also agrees to prolong the licence held by the B.B.C. Company, on certain conditions, up to the end of 1926. But after 1924 the power is reserved to license competing organisations and allot them a share of the proceeds of licence sales. In view of the existence of a binding agreement between the Government and the company, the compromise at which the Postmaster-General has arrived, with the consent of the company, is probably as satisfactory as it could be. But one of the most satisfactory points about it is that it is provisional and temporary, and the Government in a year or two will be free to re-examine the problem in the light of the developments in broadcasting which may be expected to take place. An interesting passage in the Committee's report is that which sets out the arguments for and against State operation of broadcasting. For State operation it is argued that it may be utilised for matters of widespread public importance, and therefore should not be in private hands; that it is undesirable for the State to collect licence fees and hand over part of the proceeds to a private concern; and that the service is analogous to others already controlled by the Post Office. On the other side, it is argued that a Government department is not a suitable body to arrange entertainment programmes, and that Government operation might lend itself either to political propaganda, or, through the desire studiously to avoid suspicion of propagandism, to intolerable dullness. These two arguments

against State operation seem to us, as to all the members of the Committee, with one exception, to be conclusive. Nevertheless, in respect of a public service so rich in potentialities of public influence, some sort of government supervision should be reserved.

Emergency Measures in Japan.—The moratorium proclaimed in Japan at the time of the earthquake disaster for a period of one month (September) having now terminated, an Imperial Ordinance regarding compensation for the discounting of bills has been promulgated. This ordinance authorises the Government to enter into a contract with the Bank of Japan to pay compensation up to an amount not exceeding 100,000,000 yen for loss which may be incurred by the bank through discounting certain categories of bills maturing before September 30, 1925. The time limit for discounting, however, by the Bank of Japan is March 31, 1924, for bills of the categories (a), (b) and (c) set out below. The different bills affected by the Ordinance are as follows:—

(a) Bills payable in the area devastated by earthquake or drawn by a person whose business domicile was in such district at the time of the disaster or in cases where the drawee was domiciled in the said district at the same period.

(b) Bills drawn in renewal of bills of category (a).

(c) Bills drawn by the Bank of Japan, either on the security of deposit certificates or call loan certificates issued before September 1, 1923, by banks domiciled in the devastated area to other banks, or on the security of the bills mentioned in categories (a) and (b).

(d) Bills drawn in renewal of either of the foregoing three categories, and discounted by the Bank of Japan.

The Bank of Japan has stated that, in addition to the discounting of bills referred to above, a more liberal accommodation will be given to banks against national bonds, municipal bonds, debentures and stocks or shares. In order to restore the various small industries scattered about in the devastated area, the Japanese Government is prepared to lend a certain amount of the Treasury fund through the Industrial Bank of Japan. For the larger industries the Government is promising the bank to give any help in its power so that the bank may be able to make ample accommodation for reconstruction.

Japanese Demand for Australian Wool.—As far as one can see, writes our Bradford correspondent, Japan is likely to be again a big buyer of wool in the Commonwealth markets. According to Dalgety and Co., Japan purchased in Australia during the season 1913-14, 20,500 bales; 1914-15, 81,890 bales; 1921-22, 207,786 bales; and 1922-23, approximately 235,000 bales. We have no actual figures for last year yet to hand from the firm named, but a leading buyer in Australia gave us the particulars when over in this country a good month ago. It is quite true that some woollen and worsted mills have been seriously damaged by the earthquake, but all the same we expect Japan to purchase no less wool during the ensuing season than last year. It has given the most satisfaction in Bradford in particular to know that no cancellations of piece goods are now going to take place, and during the past week further inquiries have come to hand for both yarns and pieces, and any time any important orders can be placed for dry combed 64's and 70's tops. This business will be very welcome indeed, for there are only too many causes for dissatisfaction and uneasiness in the home industry. The calls made for protective measures may do some good in rallying the forces of the industry, and compelling greater attention to be paid to factors which might otherwise have been overlooked. Whatever policy prevails it is beyond doubt that the consumption of wool is being curtailed by the unsettled conditions and the need for values for partly and fully made goods of fine quality to be put on a more economic basis.

Australia and Preference on Dried Fruit.—It is understood, writes a correspondent, that the Australian delegate to the Imperial Conference will press for an increased preference on dried fruit coming into this country from the Commonwealth. The question arises, however,

as to what purpose is likely to be served by an increased duty at the present moment. In the course of a conversation with a prominent dried-fruit merchant in the City I was able to confirm the opinion that Australian producers would not derive any genuine benefit, because the Australian season for the fruit alternates with the season when the fruit comes in from Greece and Spain, the two principal foreign suppliers to the English market. Arrivals of dried fruit from Australia cease at the end of September, when the first shipments reach London from Greece, and they begin again around May, when, except for a very cheap grade of currants, the Greek and other Mediterranean supplies drop off. Actually, therefore, there should not be any competition between the supplies from the two sources. That at the present moment there are quantities of Australian dried fruit unsold in London warehouses which will now have to face the competition of fresh arrivals from the Mediterranean is entirely due to the poor selling organisation for the Australian product. Sales on this side have been greatly mishandled. At the commencement of the season, for instance, a price of 110s per cwt was demanded for Australian sultanas, but this figure was altogether too high. Now the price is down to 66s, and even at this figure it will not be possible to sell the stock of around 3,000 tons now on hand, because Greek sultanas now coming in are quoted at 39s to 50s c.i.f., to which prices 15s should be added to put the quotation on an equal basis with that of the Australian fruit. The loss to the Commonwealth producers, or rather to the pool which the Australian Government has established for the disposal of the fruit, is therefore already a heavy one, and if the price is not now reduced to the level of the new supplies, the stocks are likely to rot in the warehouses. In the opinion of the market here, if the price of 90s, or thereabouts, had been asked for the Australian sultanas at the beginning of the season, all supplies would probably have been sold. As further proof that the Australian selling methods are getting worse, rather than better, it may be mentioned that the stocks of Australian sultanas in the United Kingdom at August 31st totalled 3,346 tons, whereas at the same date a year ago there were only 376 tons, and there was no appreciable difference in the quantity shipped to this country this season as compared with the previous year. Under these circumstances, and with such wide differences in prices, can it be wondered at that merchants in this country are not willing to give preference to the product of the Empire? It is absurd for Mr Bruce, or any other Australian politician, to come over here and expect that the British Government will agree to a preferential duty which would be sufficient even to put the price of Australian fruit on a level with the price of other supplies, and so give encouragement to the inefficiency with which the Australian dried fruit trade is at present carried on. If producers in the Commonwealth wish to make their business economically sound, they must immediately turn their attentions towards better organisation, both as regards packing and selling, and not look to artificial means, which, after all, only provide a temporary benefit.

American Cotton Crop.—Our Manchester correspondent writes:—The Department of Commerce of the United States Government has this week published important information relating to the cotton crop for the season 1923-24. The amount of cotton ginned up to September 25th has been given as 3,217,000 bales, against 3,866,396 bales at this time last year and 2,920,392 bales in 1921. The statement was rather worse than expected and prices hardened. The condition report which followed a little later caused some confusion in trading circles. The figure was 49.5 per cent., against 54.1 per cent. a month earlier and 50 per cent. same time last year. The report was about equal to expectations, but when it was announced that the Agricultural Bureau had increased the yield per acre compared with a month ago from 134.8 lbs to 137.7 lbs, the indicated crop being 11,015,000 bales, bearish sentiment prevailed, and there was heavy selling of futures in the Liverpool and New York markets. On the whole supplies this season will probably be rather more plentiful than anticipated two or three weeks ago. With linters the growth should be

about 11,500,000 bales. It is exceedingly difficult to estimate the consumption during the next 12 months. Last season it was 12,600,000 bales, and the requirements of users depend to a considerable extent upon industrial developments in Europe and a revival of demand in Lancashire. The consumption, however, is not likely to be less than 12,200,000 bales. There is a possibility of steadier prices for raw cotton before very long, as more settled ideas are beginning to prevail as to supplies this season. Spinners and manufacturers in Lancashire are faced with the problem as to how to do a larger trade with Eastern countries at relatively high prices compared with pre-war values.

The Consumption of Fuel Oil.—It is fair to say (writes a correspondent) that the only bright feature of the prevailing oil situation is the steady growth in the consumption of fuel oil. The biggest users of fuel oil are the railways and the merchant marine. Speaking generally, the higher costs of coal since the war have enabled fuel oil to make a keener bid for the locomotive and marine boiler, while further experience has enabled a more definite appraisal to be made of the economies resulting directly and indirectly from the use of liquid as against solid fuel. Railways derive much the same advantages from fuel oil burning as ocean-going vessels. They can increase runs on account of the time saved at terminals in handling and stoking. Steam can be raised more quickly, steam pressure can be maintained at the desired maximum more easily, the conditions of a changing load can be more rapidly met, with oil fuel. Moreover, unlike coal, fuel oil does not lose its calorific value when stored. On the other hand, the railway does not obtain nearly so great an advantage as the passenger ship, which can reduce its stokehold staff by 70 per cent., get away with less bunker space, and so with more cargo, and save labour on cleaning, apart from offering greater comfort and speed to its passengers. For this reason railways have not adopted fuel oil burning so widely as the passenger steamship lines except in oil-producing countries, which can offer special advantages in price and continuity of supplies. Taking the merchant marine as a whole, it is evident there is an increasing partiality for oil. In 1914 about 11 per cent. of the world's shipping had oil-fired boilers. To-day the percentage is over 31. In the building of new ships the 1919-20 programme provided for oil-burners to the extent of about 50 per cent., while the 1922-23 programme increased that percentage to 65. It is true that the construction of motor vessels shows a higher rate of increase than the construction of oil-burning vessels, and that the consumption of fuel oil under boilers is wasteful, and a passing economic phase. But it is not believed practicable to convert ships built for coal or oil-fired boilers into diesel-engined ships (*pace* the U.S. Shipping Board, which is going to make the experiment), and it is therefore obvious that until the existing fleets of steam-raising ships are worn out or scrapped, fuel oil burning will not be displaced by the diesel engine. The policy of the big steamship companies leaves no doubt as to the future magnitude of fuel oil consumption. The s.s. "Olympic" and "Aquitania," the queens of the Atlantic passenger service, were converted from coal to oil burning in 1920, and it was largely as a result of the startling economies obtained by these two ships that the White Star and Cunard lines decided to turn to fuel oil for their express passenger services. The Cunard Company converted the s.s. "Mauretania" and "Berengaria" and the White Star s.s. "Majestic" from coal to oil burning in 1922, and the s.s. "Homer" is laid up at the present time for a similar purpose. The "A" class of the Cunard Company—"Andania," "Ausonia," "Albania," and "Antonia," which run between Liverpool and New York—comprises oil-burners entirely. The s.s. "Scythia," "Sameria," "Laconia," "Tyrrhenia," and "Francia" are other additions to the huge oil-fired fleet of the Cunard Company. Of other important "converts" may be mentioned the Red Star liners "Finland," "Kronland," "Zeeland," and "Belgenland," the Royal Mail liners "Minnewaska," "Mooltan," and "Maloja," and the mail steamers of the P. and O. line, which sail between London and Australia. Then there is

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the s.s. "Leviathan," of the United States lines, which under full steam will consume about 7,000 barrels of fuel oil every 24 hours, or about 6,000-7,000 tons on the round trip between this country and America. The total production of wells in Pennsylvania, producing 20,000 barrels a day, would not fill the requirements (supposing the wells were flowing fuel oil) of three of these mammoth Transatlantic liners going steadily under full steam. The following statistics will give some idea of the enormous and increasing turnover in bunker fuel oil:—

	Barrels (6.6 barrels to the ton).
Fuel oil taken in ships' bunkers (excluding Navy), at U.S. ports—	
1921	43,053,000
1922	51,996,000
1923—January	2,278,440
February	2,526,475
March	3,140,217
April	3,173,168
May	3,198,746
June	3,456,628
At U.K. ports—barrels a month	about 400,000

There is no doubt that for the passenger liner fuel oil burning has come to stay, but it should not be overlooked that for the ordinary freight ship the question of relative prices between coal and oil is the sole deciding factor.

Investors and Jobbers' Prices.—A Stock Exchange correspondent writes:—The continuance of the boom in tea shares, together with the recent revival of interest in nitrates and electricity supply issues, has brought once more to the front some of the questions that offer perennial matters for misunderstanding between broker and client, matters which require constant correction for them to be properly understood. Most people are aware, in a rather vague way, that Stock Exchange jobbers make prices, that is to say, they quote double prices in a particular share. At the higher price they are prepared to sell, at the lower price to buy, shares from any broker who comes along with an order, and who ascertains this dealing price before he announces what he wishes to do, whether to buy or to sell. This making of prices is one of the fundamental distinctions of the London Stock Exchange, and it is carried to a point in excess of that reached by any other exchange in the world. It is regarded as being the reason for the supremacy of London as a liquid market in so many hundreds of Stock Exchange securities. The willingness of jobbers to stand in the market-place ready to sell shares, or to buy them, indifferently, is always held up to be the justification for the system of jobbers that prevails in Capel Court. The tea boom, however, has emphasised one matter which is not readily grasped by the outsider who thinks that jobbers are compelled, under the rules of the Stock Exchange, to make prices in everything in which they deal. A client writes a broker to buy certain tea shares, and is annoyed to find from the answer that such shares are not obtainable at all; the broker replies that there are none in the market. Upon this, the client promptly demands how it is that the jobber will not make a price at which the broker could buy, however unwilling the jobber might be to sell. The fact of the matter is that jobbers are always willing to make prices in stocks and shares, provided they know where to get the stock if they sell it, or where to sell it if they buy it, or, alternatively, whether they think there is

a reasonable business risk of their being able to replace or to sell securities which they sell or buy, respectively, from the brokers. If a jobber has no shares on his book, and does not know where to go for them, he makes a price at a risk which is obviously considerable if the market in the shares happens to be active and popular. Some of the tea shares have been going up by a pound or a couple of pounds per diem, and were a jobber compelled to make prices, whether he wanted to or not, it would be impossible for him to satisfy people, who bought shares from him, if he were unable to get these back and had none of his own with which to supply the purchasers. This seems obvious enough to the Stock Exchange mind; to the outsider it carries little or no weight. If, however, the transaction were thought out to its logical conclusion, it would be obvious that the buyer who was able to force the jobber to sell to him shares which the jobber did not possess, and could not buy, that buyer might have to wait some very indefinite time before he could obtain delivery. And such waiting is, naturally, not to the liking of any client. It is the same with sales of stock. A man may be eager to get rid of securities—or, more frequently, insecurities—if a purchaser could be found at any price at all, and he demands from his broker how it is that the latter will not compel a jobber to make a price. But if the jobber has no buyer, and does not want the shares, if he sees many other sellers eager to get out, and nobody wanting to relieve him of his previously acquired stock, it is hardly fair to suppose that he is obliged to make a price which would ensure, nine times out of ten, his being landed with stock for which he could not find a home. The making of prices is an integral part of London Stock Exchange life, and has more to do than anything else with the liquid character of the London markets. But there are times, as I have endeavoured to show, when the making of prices is impossible, and perhaps this brief explanation of what happens in abnormal circumstances may help to dispel the misunderstandings, sometimes even suspicions, that arise in the minds of clients in connection with this particular branch of business procedure in the London Stock Exchange.

The Non-Ferrous Metals.—Copper last week fell to a very low level, with only a margin of about £4 between standard and refined, and although buyers were attracted this week the undertone still continued easy, with a further decline in values. The news from New York is very uncertain, and the big producers are feeling the absence of the German demand. Last year Germany absorbed fully 85,000 tons of American copper, but there has been a big falling off in this trade recently, and the stocks in producers' hands are accumulating very quickly again. Copper round about current rates looks cheap, and there should be more firmness later in the year. Tin, after rising to £205 towards the close of last month, fluctuated considerably round about the level figure, and after a strong opening this week the market became easier again on selling to take profits and the absence of American buying. The Government of the Federated Malay States have announced that up to September 25th they had sold 2,000 tons of their holding of Straits tin. This coming on top of rumours that the authorities mentioned were selling, caused a rather uncertain feeling, but when it was realised that the clearance of part of the State-owned tin was really a bull point for the metal, sentiment improved again. Early this week the position was very firm, but the publication of the monthly return showing that the visible supply is now 17,450 tons, against 16,295 tons in the previous month, and 20,440 tons on September 30, 1922, caused another set-back, although really the figures denote a very moderate total for the whole world, bearing in mind the possibilities of the late autumn demands of the tinplate trade both in this country and also in the United States. The Straits shipments for the month of September totalled 6,115 tons, against only 4,990 tons for August, and the total supplies were 8,632 tons, with deliveries only 7,477 tons. Of the shipments referred to above, no fewer than 5,025 tons went to the American ports, and the shipments to Great Britain were only 565 tons. The tin stocks in the United Kingdom are very small, being down to 2,995 tons, of which 1,584 tons

are in London and 1,411 tons in Liverpool. The tinplate trade in South Wales is well booked up, makers reporting good order-books; thus there is no reason why tin should not keep up to a price level round about the two hundred mark. America will buy more tin later on, and the feeling is that the market will come up again as soon as the present liquidation is finished. Lead has shown a very firm undertone, with the price of soft foreign pig lead over £26 per ton again, and this despite the liberal arrivals. There is still a fairly heavy premium on prompt metal, and the undertone of the market this week has been very hard. Spelter has been inclined to fluctuate a little after its good rise to £34 from below £28, but the market is still firm, and galvanisers this week have been buying more freely. The unsold surplus of zinc on October 1st was not more than 40,000 tons for the whole world, and there is a possibility of a shortage arising later on in the year. Japan is a buyer of slab zinc both in Australia and the States, and offers are small. Efforts are to be made next year to enlarge the British output. The statistical position of all the non-ferrous metals in this country is healthy. Copper stocks are 27,674 tons, tin 2,995 tons, lead 1,439 tons, and zinc (spelter) 803 tons. These would not go very far if trade revived.

The British Piano Trade.—The English pianoforte trade, both as regards exports and imports, has not yet regained the pre-war level. Imports both before and since the war have always exceeded exports. During the last entire pre-war peace year 93 per cent. of the pianos imported came from Germany, the average price of the German pianos being £31 os 5d. Our main exports went to Australia and New Zealand, smaller numbers to other colonies, and a few to South America. Holland, Belgium, and France also imported limited quantities. Comparing the numbers of instruments imported and exported, the latter were only 40 per cent. of the former. The following schedule gives our imports before and since the war:—

Year.	Number.	Value. £	Average Each. £ s d
1913.....	24,482	756,800	30 18 0
1919.....	418	24,900	55 0 0
1920.....	6,247	428,900	68 13 0
1921.....	9,079	334,500	36 16 0
1922.....	16,274	570,100	35 0 0
1923 (8 months)	7,817	320,200	40 19 2

These figures show remarkable fluctuations in the average prices of pianos from year to year; the more recent tendency is to increase. The present higher price-level will probably be maintained. The exports have been as follows:—

Year.	Number.	Value. £	Average Each. £ s d
1913.....	9,780	351,400	35 18 7
1919.....	1,862	135,100	71 9 1
1920.....	3,098	295,700	95 8 11
1921.....	1,538	150,100	97 11 10
1922.....	2,446	164,500	67 5 10
1923 (8 months)	3,395	179,700	52 18 7

These figures suggest that a better type of instrument is exported than imported. Our exports now are only half those of pre-war years.

United Steel Companies.—The report of the United Steel Companies for the year ended June 30th last states that the trading of the company's branches and subsidiary companies resulted in a net profit, before providing for depreciation, income-tax, and corporation profits tax, of £605,506, as compared with a loss on the same basis for the previous year of £505,531, an improvement of £1,111,037. In arriving at the previous year's loss, the report stated that stocks were written down altogether by £298,667, while the charge of maintenance of idle plant amounted to £312,321, so that apart from these items there was a surplus of £105,457. Moreover, the figure of £505,531 in any case bore no relation to the company's own balance-sheet, as it included £348,856 as the losses of "associated companies." The losses were said to be covered by these company's undistributed profits. The company's own profit and loss account, on the other hand, showed a profit in which it appeared that interest from associated companies, presumably on prior

charges, figured largely. This profit, after payment of debenture interest, amounted to £240,008. The profit for the past year on the same basis amounts to £348,032. A comparison of results for the past five years is set out below:—

	1918-19.	1919-20.	1920-21.	1921-22.	1922-23
Gross revenue.....	1,164,585	930,521	711,146	388,034	504,633
Administration expenses and income-tax.....	48,133	38,007	81,485	148,026	156,601
Interest.....	209,820	146,853	146,254	148,026	156,601
Net profit.....	906,632	745,661	483,407	240,008	348,032
Brought forward.....	64,674	64,674	80,381	308,293	440,743
Reserve and written off	906,632	810,335	563,788	548,301	788,775
Preference dividend....	41,822	119,369	32,021	32,021	79,890
Preference dividend....	79,024	79,051	55,336	27,668	122,626
Ordinary dividend.....	721,112	507,042	168,138	..	..
(10%)	(10%)	(10%)	(3%)	(nil)	..
Carried forward.....	64,674	104,873	308,290	440,473	666,149

The directors remark that "the trade depression referred to a year ago continued with rather less intensity until very close upon the end of 1922, when a material improvement was experienced, and the works which had been idle were enabled to resume operations to a moderate extent. The improvement is not quite so pronounced at this date, but considerable business is in hand, and there are large inquiries." Having regard to the requirements of increased business, the directors, however, do not propose to make any distribution to shareholders even upon the preference shares, and the available balance, after reserving £27,881 for sinking fund and £94,745 for taxation, is to be carried forward. The decision is a wise one. The amount provided for depreciation is only £67,067 this year, and nothing last year—for which the chief explanation given was the large expenditure on the maintenance of idle plant. But the chief problem for the company is to find funds for completing and paying for the enormous plate mill at Appleby, a very heavy task when added to the depression of trade and the high capitalisation of a combine formed at a time of swollen values. The dividend on the 6 per cent. cumulative preference shares is in arrear from January 1, 1922. The balance-sheet, which is analysed in detail in another column, shows no very striking changes. Creditors have risen by £383,000 and debtors by £279,500, while advances to associated companies have increased by £234,700 to £3,009,400. The auditors in their report point out that, except the amounts included under investments, or otherwise stated, nothing is included in the balance-sheet in respect of the assets and liabilities of associated companies. Shares in the latter stand in the balance-sheet at £6,803,200. It is highly desirable in the interests of shareholders that more information should be given as to the financial position of the constituent companies of a concern of this magnitude, whose total assets figure at nearly £17 millions.

Scottish-American and Tankers.—It is certainly to the credit of the directors of Tankers, Limited, and Scottish-American Oil and Transport Company, Limited, that the reports and accounts of both undertakings are issued simultaneously for like periods. As far as the accounts of the Scottish-American undertaking are concerned, we are at least presented with a simple document which is almost eloquent in its brevity. The Scottish-American now has an issued capital of £1,196,964, divided into ordinary shares of 5s each, fully paid. Sundry credits figure at £5, while there is a modest reserve item of £2,000. The undertaking is a holding company, its investment being the ordinary capital of Tankers, Limited, which consists of 4,787,855 ordinary shares of 5s each, fully paid, amounting to £1,196,964. Cash at bank is recorded as £2,005, which, balancing the two small items referred to above, finishes the balance-sheet of the Scottish-American Oil and Transport Company. Turning to the subsidiary concern—Tankers—we are informed that for the year ended March 31, 1923, a loss of £37,384 has been experienced, "after charging to profit and loss a sum of £28,896 16s. 2d., being the interest due to builders on current bills of exchange." The report then proceeds to remind us that "during the year under review the freight market has been exceedingly slack, and rates generally have been of a very unremunerative character." The directors mention that—"During a portion of the year it was impossible to obtain remunerative employment for a

considerable part of the Fleet, which necessitated laying-up a number of vessels, with consequent loss of revenue, and which was added to by the necessary lay-up charges. Fortunately, the directors are able to report an improvement, and, since the commencement of the current financial year, the vessels have all been employed at remunerative rates." In considering the question of the new boats which have been delivered, bringing the total of steamers owned by the company to eight in all, an examination of the balance-sheet is an essential preliminary. These eight boats are reckoned at £3,762,004. But depreciation of £60,000 has been written off to March 31, 1921. Six completed vessels are mortgaged—for what total we do not know, but under "liabilities" five steamers are pledged for £1,027,500. The next item of assets is tugs and barges as at March 31, 1922, £250,000. Of these two items, the auditors remark that "no provision has been made for depreciation on steamers, tugs and barges for the year ended March 31, 1923." This naturally leads one to ask the question if any depreciation has been allowed for the steamers for 1922. A year ago it was stated that "no provision has been made for depreciation on steamers" for 1922. The share holdings of the company are apparently still unremunerative. These total £921,343, but what the real value is it would be difficult to say. There are 769,210 shares of common stock of 10s each of Southern Oil and Transport Corporation, taken as at March 31, 1922, as worth £774,821. This is the value placed upon the shares when acquired from the Scottish-American Oil and Transport Company. Shares in the British Equatorial Oil Company represent £143,477, a further £20,000 being added in this direction on account of a 10s per share call on 40,000 shares. The auditors remark that "We have no evidence as to the present value of the investments in other companies," and though the few paragraphs in the report relating to these investments may be of use to shareholders, it behoves us to be very suspicious of share values when the auditors tread so warily. When the steamers are written down to current values, and some light is thrown on the value of the actual assets behind share holdings, it is doubtful if the market valuation of 1s 1½d each for Scottish-American shares is warranted. The annual general meetings of both companies are to be held on October 11, 1923.

Wankie Colliery.—South African coal undertakings as a whole, writes our mining correspondent, have recently experienced anything but prosperous times. There is, however, one prominent exception—the Wankie, which operates a large area in Rhodesia, and is favourably situated for supplying most of the mines in that country. Since the commencement of dividends in 1910 no break has occurred in the distributions. These have ranged from 10 to 15 per cent. upon the present increased capital; on account of the current year 5 per cent. was disbursed in February and 7½ per cent. in July. About a month ago rumours were current as to the intention of the directors to distribute a scrip bonus. Particulars are now issued of a scheme of reconstruction which, it is explained, has become necessary in view of the acquisition of additional coal rights and other developments. Shareholders are to receive three fully-paid 10s shares in respect of every two now owned, and a cash dividend of 7½ per cent. is to be paid on the existing capital—the latter presumably bringing the total for the financial year up to 20 per cent. Doubtless there will be few dissentients at next Tuesday's meeting.

Brazilian Trade and Exchange.—A correspondent writes, "The serious effect of the depreciation of the milreis upon Brazilian trade is to be seen in the official figures of the first three months' trading of the current year. The comparisons are remarkable. Whereas exports increased in value from 266,891,000 milreis for the first quarter of 1913 to 787,696,000 milreis in 1923, the actual dollar equivalents were \$86,205,793 and \$89,009,648 respectively. Imports, which totalled 266,662,000 milreis in 1913, increased to 554,671,000 in 1923, but here, again, the dollar equivalents were \$86,131,826 and \$62,677,823 respectively. The real value of the country's trade, how-

ever, can be best judged by studying the tonnage returns. Here the exports for the first quarter of the current year were larger than those for any corresponding period in the country's history, showing an increase of 86 per cent. over 1913. While coffee accounted for 70 per cent. of the total value of exports, sugar, raw cotton, cacao, rubber and other products realised, like the berry itself, prices higher than those prevailing in the previous year. Brazilian foreign trade still constitutes the more important factor of the economic situation, but the industrial position of the country revealed is even better than mentioned in the *Economist* of September 8th, when the writer, dealing with conditions in Brazil, pointed out the immense increase in the textile output. According to the figures adduced at the First Congress of Brazilian Textile Operatives, held recently at Rio de Janeiro, Brazil has 243 cotton textile mills, with 1,700,000 spindles and 60,000 looms, employing 130,000 operatives. The capital represented is 16,000,000 milreis, and the annual produce 700,000,000 metres of cloth.

Conditions in Belgium.—The cessation of the railway and postal strike, which so seriously affected Belgium in May this year, and the re-establishing of general confidence, aided no doubt by the depreciation of the exchange, have stimulated Belgian production and exports in the last few months, and caused something like a boom in industrial securities in Brussels. The movement of securities is shown by the following index numbers, quoted by the "Moniteur des Interêts Matériels":—

	State and Industrial Loans.	Other Fixed Interest Securities.	Industrial and Financial in General.
1922.			
May 1.....	83.64	87.68	123.00
Aug. 1.....	84.86	89.43	143.00
Nov. 1.....	84.43	89.15	180.00
1923.			
Feb. 1.....	80.91	89.10	204.40
May 1.....	79.33	89.62	198.76
Aug. 1.....	75.05	86.71	270.35

A notable feature of this table is the depreciation of Government securities since the occupation of the Ruhr by comparison with other fixed interest securities. Between May and August of this year a significant fall in the quotations of securities in the second column is indicated, illustrating the rule that when trade is prospering, absorbing capital, and increasing the rate of profit, fixed-interest securities tend to fall. The upward movement in general securities is not unconnected with the depreciation of the Belgian franc, but the rise is much greater than can be accounted for in this way. The price of the dollar in Belgian francs, and the internal level of Belgian prices for the periods comprised in the earlier table were as follows:—

	Wholesale Price Index (1913=100).	Number
1922—May 1.....	226.4	344
August 1.....	247.4	360
November 1.....	279.8	385
1923—February 1.....	311.8	434
May 1.....	335.4	480
August 1.....	395.2	504

* Average of quotations during preceding month.

Thus, over the period general securities have risen 110 per cent. since May, 1922, wholesale prices have risen 46 per cent., and the price of the dollar in francs has risen 80 per cent.

Venezuela's Finances.—A further amelioration in Venezuelan conditions is to be noted, writes a correspondent, the outlook for the current financial year being considered especially favourable. Budget estimates of revenues and expenditures, which again balance, show totals of 62,845,000 bolívares, against 61,706,000 for the previous year. The increase of 1,139,000 bolívares is distributed over a number of different items, mines being conspicuous, the actual revenues from this source showing latterly a remarkably steady advance. Other important sources of revenue are derived from Customs and Consular receipts and internal revenues, their respective proportions of the whole being 40 per cent. and 52 per cent. Perhaps the most satisfactory feature of the Venezuelan economic

situation is the continued reduction of national debt. The foreign debt was reduced, in 1922, to 114,803,092 bolívares from 124,790,291 bolívares in 1921, while, over the same period, the internal debt declined to 44,883,870 from 46,580,105 bolívares. The reduction of the Diplomatic Debt of 1905 amounted to 8,026,965 bolívares, and has accounted for approximately 90 per cent. of the entire reduction in the national debt. This security is held principally by British investors, while the home of the National Diplomatic Conventions Debt is found chiefly in France. Between January 1, 1909, and December 31, 1922, the amortisation and cancellation of the national debt totalled 118,177,402 bolívares, while, during the 14-year period (1909-1922), amortisation and cancellation reached a total exceeding the whole amount of the present national debt. The inauguration of Venezuela's financial reformation synchronised with the first period of office (as Acting-President) of Señor José Vicente Gómez, now serving his fourth full Presidential constitutional term.

Improvement in Cuba.—Political complications aside, writes a correspondent, economic affairs in Cuba show considerable improvement. The long-existent sugar production crisis seems to have come to an end, reports from the principal plantations foreshadowing a profitable season. The principal railways have been carrying increased traffics, both passenger and goods. The lines under British management are in little way concerned with the movement to consolidate the transport interests of the island by the abolition of a number of small ports. Notwithstanding the strong exception taken by American sugar interests to this measure, the Cuban Northern Railway Company have declared, through their counsel, that they consider the proposal to be both "fair and legal." Opponents to the port concentration scheme have invoked the intervention of the United States Government, which threatens strong measures against the Cuban Administration in regard to this and other recent enactments concerned with their domestic affairs. The Budget for 1923-24, now passed by Congress, is divided into two parts—fixed and variable expenses. The total expenditure upon both Budgets is \$61,672,169, against \$54,852,302 for the previous financial year, while revenues are put at \$68,500,000 against \$55,638,000. The figures are only approximate, however; while no details are issued, it is thought that the receipts will prove to be considerably above the total shown.

Conditions in Uruguay.—Although economic affairs in Uruguay mend but slowly, the two main industries of the country—wheat cultivation and live-stock breeding—are not without promising features. Climatic conditions, writes a correspondent, have, so far, proved distinctly favourable to the sowing now taking place over an area wider than that of last year, which produced one of the smallest harvests on record, namely, 140,220 tons, equal to a yield of 522 kilos. per hectare over a cultivated area of 268,450 hectares. With the exception of the 1914-15 harvest, the total yield of which was no more than 97,857 tons, averaging 309 kilos. to the hectare, over 316,962 hectares cultivated, the last harvest (1922) was the most unsatisfactory since the year of the war. One of the best years enjoyed was 1917-18, when there was a yield of 355,443 tons, or 900 kilos. per hectare, from a cultivated area of 394,949 hectares. Fat cattle is steadily improving in price, some recent quotations being as high as \$65 per head on the estancias. Late reports speak of 10 to 11 cents per kilo. live weight being offered for selected beasts; while, upon the entire stock of an estancia recently changing hands, horses and cattle realised \$13 and sheep \$4 per head, the total transaction reaching the sum of \$70,000. But while encouragement is lent to private enterprise, the financial position of the Government remains unsatisfactory. It has become necessary to raise a new foreign loan. This has been fixed at \$35,000,000 (Uruguayan) gold, or its equivalent in U.S. currency. It is not proposed to issue the whole of the amount at once, tenders being invited in two portions, one for 20 millions and the other for 15 millions. It was hoped to secure the loan to carry interest of 6½ per cent., at the highest, with amortisation

in 30 years. But as no guarantee was offered, failure to raise the loan upon such terms was a foregone conclusion. An offer by the National City Bank of a loan of \$20,000,000 at 89, carrying interest at 7 per cent., was, it is said, offered and rejected by the Minister of Finance, who, apparently, must look nearer home for the financial assistance required.

The Russian State Bank.—The balance-sheets of the Russian State Bank come to hand very late, but are, nevertheless, of considerable interest to the student of economic conditions in that country. On August 1, 1923,

the total balance of the Russian State Bank stood at 60 million tchervonetz, including the head office and 230 provincial branches, the former accounting for 44 million, and the latter for 16 million. This disparity between the central and provincial activity of the bank reflects the fundamental weakness of the present situation, in which the economic life of Russia suffers from the rupture of exchange between town and country—a situation which becomes more acute as the gulf between the indexes of industrial and agricultural commodities widens, and which is accentuated by the fall in cereal prices on the realisation of the harvest. Signs were, however, evident during July

THE REVENUE.

I.—An ACCOUNT of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned period of the Year ending March 31, 1924, as compared with the corresponding period of the preceding Year.

	Quarter from July 1 to September 30, 1923, compared with the corresponding Quarter of the preceding Year.				Period from April 1 to September 30, 1923, compared with the corresponding Period of the preceding Year.			
	Quarter ending Sept. 30, 1923.	Quarter ending Sept. 30, 1922.	Increase.	Decrease.	Period ending Sept. 30, 1923.	Period ending Sept. 30, 1922.	Increase.	Decrease.
Customs	30,754,000	31,341,000	..	587,000	63,043,900	62,650,000	393,900	8,217,000
Excise	32,521,000	40,478,000	7,957,000	..	68,999,000	77,216,000	745,000	5,341,000
Motor Vehicle Duties	1,488,000	1,181,000	307,000	..	3,629,000	2,884,000	745,000	..
Stamp, &c., Duties	12,940,000	15,480,000	2,540,000	..	26,730,000	32,071,000	858,000	60,000
Stamps	4,520,000	5,060,000	540,000	..	9,360,000	8,502,000	858,000	..
Land Tax, House Duty, and Mineral Rights Duty	90,000	100,000	10,000	..	510,000	570,000	..	13,437,000
Property and Income Tax	61,259,000	80,931,000	13,252,000	..	104,307,000	138,364,000	..	954,000
Super Tax	6,430,000	..	..	..	20,620,000	954,000	..	2,043,000
Excess Profits Duties, &c.	4,950,000	4,460,000	490,000	..	10,390,000	8,277,000	..	1,600,000
Corporation Profits Tax	8,400,000	8,950,000	550,000	..	15,000,000	16,600,000	..	..
Postal Service	1,250,000	1,250,000	..	..	2,500,000	2,500,000	..	..
Telephone Service	3,600,000	3,500,000	100,000	..	7,100,000	6,900,000	200,000	..
Crown Lands	200,000	160,000	40,000	..	460,000	380,000	80,000	..
Interest on Sundry Loans	1,596,651	1,903,219	306,568	..	6,022,162	3,836,680	2,185,482	..
Miscellaneous—	2,664,365	2,845,451	181,086	..	7,240,978	16,391,187	..	9,150,209
Ordinary Receipts	6,175,188	11,099,589	4,924,401	..	19,988,809	25,797,545	..	5,808,736
Special Receipts	178,828,204	208,739,259	937,000	30,848,055	365,829,949	403,893,412	6,504,482	44,567,945
			Net Decrease, £29,911,055.				Net Decrease, £38,063,463	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Period ending September 30, 1923, as compared with the corresponding period of the preceding Year.

RECEIPTS.	Period ending Sept. 30, 1923.		ISSUES.	Period ending Sept. 30, 1923.	
	£	£		£	£
Balances in Exchequer on April 1—			Expenditure—		
Bank of England	5,442,665	9,963,424	National Debt Services—	153,225,426	150,216,903
Bank of Ireland	1,375,502	1,210,106	Interest, &c.	13,507,039	2,334,999
	6,818,167	11,173,530	Sinking Fund	3,028,044	2,603,797
Revenue, as shown in Account I.	365,829,949	403,893,412	Road Fund	1,731,791	796,042
Temporary Advances Repaid—			Payments to Local Taxation Accounts, &c.	345,930	573,456
Bullion	65,000	800,000	Land Settlement	1,290,840	1,309,480
Under the Unemployment Insurance Acts, 1921	4,010,000	2,660,000	Other Consolidated Fund Services	46,350,000	52,200,000
Money Raised by Creation of Debt—			Supply Services—	106,897,672	120,657,044
(a) For Capital Expenditure (Money) Acts, 1921 and 1922	3,370,000	3,360,000	Army, Navy, and Air Force	25,797,545	28,071,510
Under the Telegraph (Money) Acts, 1921 and 1922	12,000	27,000	Civil Services	362,832,762	358,663,631
Under the Housing Act, 1914	..	950,000	Revenue Departments and Post Office	5,000	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	270,000	1,450,000	Capital Expenditure (Money) Act, 1904	36,891	84,909
(b) Under the Unemployment Insurance Acts, 1921	1,230,136,000	1,498,488,000	Under the Unemployment Insurance Acts, 1921	270,000	3,000,000
(c) For other Issues—	27,850,000	30	Issues to meet Capital Expenditure—	3,370,000	3,360,000
By Treasury Bills	..	..	Under the Telegraph (Money) Acts, 1921 & 1922	12,000	27,000
By National Savings Certificates	..	..	Under the Housing Act, 1914	..	950,000
By Exchequer and National War Bonds	..	..	Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000
By Treasury Bonds—			Unemployment Insurance Acts, 1921—	4,010,000	2,110,000
5-15 Year, 1925-35	..	61,543,782	Repayment of Amounts borrowed	1,220,370,000	1,656,864,000
5½ per Cent.	..	52,648,508	Treasury Bills	17,350,000	13,450,000
5 per Cent., 1927	..	..	Principal of National Savings Certificates	31,886,910	19,612,208
4½ per Cent., 1934	29,208,627	..	Principal of Exchequer Bonds paid off	..	..
4 per Cent., 1931-33	..	11,869	Principal of National War Bonds paid off	6,981,184	11,254,348
By Other Debt created under the War Loan Acts, 1914 to 1919	469,985,900	456,214,000	Other Debt under the War Loan Acts, 1914 to 1919	486,091,000	455,316,000
(d) Ways and Means Advances	50,081	243,012	Ways and Means Advances Repaid	50,081	243,012
Anglo-Persian Oil Company—			Anglo-Persian Oil Company—		
Dividends on Shares Acquired	177,550	180,460	Issued to the National Debt Commissioners ..	..	5,000,000
Repayments—			Proceeds of National Savings Certificates—		
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	..	6,827,960	Issued under Section 59 (4) of the Finance Act, 1920	55,214	55,656
Do Issues under Section 59 (4) of the Finance Act, 1920	..	..	Old Sinking Fund, 1910-11—		
Interest—			Issued under Section 16 (1) (b) of the Finance Act, 1911	..	..
Received under Section 59 (5) of the Finance Act, 1920	..	162,425			
	2,137,752,374	2,537,881,978			

MEM.—		
Floating Debt outstanding March 31, 1923	£ 809,907,500	
	Sept. 30, 1923.	Sept. 30, 1922.
Ways and Means Advances outstanding—	£	£
Advances by Bank of England	177,761,500	148,199,500
Advances by Public Departments	*625,785,000	725,725,000
Treasury Bills outstanding	803,546,500	871,924,500
Total Floating Debt outstanding	6,361,000	
Net Increase	..	..

* Includes £10,000, the proceeds of which were not carried to the Exchequer within the period of the account.

Treasury, September 29, 1923.

that the operations of the bank's provincial branches were showing a tendency to develop faster than those of the central organisation, and every effort was made to stimulate this progress. In country districts there is a currency famine, and it is feared that the necessity of paying half of the single agricultural tax this year in money will compel the peasants to dispose of their produce at all costs, with the result that cereal prices will fall still further. The State Bank has instructed its provincial branches to grant liberal credit to traders anxious to realise articles of primary necessity in rural districts. The possibility of relieving the currency famine among the peasants by financing co-operative and agricultural credit societies with tchervonetz banknotes is restricted, because the denominations of the tchervonetz are not small enough to make them easily assimilated in local markets, where traders are often unable to give change, and can only offer written receipts. The fact that the bank's own resources are in Soviet roubles explains their continuous depreciation. Thus, the foundation capital fell during July from 172,000 tchervonetz to 117,000, and the profit and loss accounts for similar reasons show a decline during the same month of from 536,000 to 375,000 tchervonetz. At the same time, interest on operations and commission show an increase—from 1,904,000 to 2,462,000 tchervonetz, representing on August 1st 4 per cent. of the total balance-sheet. Interest and non-interest-bearing current accounts in tchervonetz, and in gold and foreign currency, show an increase of 470,000 tchervonetz on the returns for July 1st, but have fallen from 18 to 14 per cent. of the total balance-sheet. It is to be noted that, whereas the head office shows little or no change in current accounts, the provincial branches show a marked increase, both absolutely, and in relation to their balance-sheet, amounting to 5,251,000 tchervonetz on August 1st, as against 4,282,000 on July 1st. It is evident from these figures that the bank's activity, as far as the head office is concerned, is acquiring the character of a bank of issue, its banknotes providing the basis on which the greater part of its active operations are conducted. The provincial branches are, however, developing like ordinary banks, whose active operations expand in proportion to the growth of the resources which they attract. The difference in the composition of the liabilities of the head office and those of its provincial branches is reflected also in their active operations, as the following table shows:—

(In Thousands of Tchervonetz.)

	Head Office. July 1.	Aug. 1.	Provincial Branches. July 1.	Aug. 1.
Cash	351 ..	368 ..	2,624 ..	2,122 ..
Discount and loan operations	15,026 ..	15,243 ..	5,969 ..	8,421 ..
Foreign currency and precious metals	7,995 ..	10,297 ..	839 ..	1,260 ..
Goods and securities ..	1,112 ..	1,184 ..	1,140 ..	1,182 ..
Financing of branches ..	4,791 ..	5,888 ..	..	..
Other articles	1,447 ..	2,323 ..	633 ..	349 ..
Inter-branch accounts ..	..	..	1,839 ..	2,718 ..
Total balance*	30,722 ..	35,303 ..	13,044 ..	16,042 ..

* Less special State subsidies to industry in case of head office.

Discount and loan operations are being energetically developed by the provincial branches, but the head office shows most progress in respect of its balances of foreign currency in coin and banknotes, drafts, precious metals, and correspondence. While goods and securities belonging to the bank showed little change, the proportion of cash in hand to the total balance showed a further decrease in the period under review.

THE Board of Trade announces that the following gentlemen have been appointed to be members of the British Delegation to the League of Nations Conference on Customs Formalities, which will open in Geneva on October 15th: Delegate, Sir H. Llewellyn Smith, G.C.B. (Board of Trade); Deputy Delegates, Mr W. Christian, Customs Adviser; Mr H. W. Malkin, C.B., C.M.G., Legal Adviser; Sir Arthur Balfour, K.B.E., Business Adviser.

Oversea Correspondence.

UNITED STATES.—ATTORNEY-GENERAL'S DECISION AGAINST SHIPPING BOARD PLAN — OCEAN FREIGHTS IMPROVE—BANKERS' CONVENTION—TEXTILE MERCHANDISING OUTLOOK—COAL COMMISSION'S REPORT.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 24.

ATTORNEY-GENERAL DAUGHERTY'S recent decision that, under the Merchant Marine Act, the Shipping Board has no authority to dispose of the Government-owned merchant fleet to subsidiary corporations definitely eliminates the so-called Lasker-Farley plan for the future operation of such vessels, and places upon the Shipping Board the necessity of proposing some other solution of the complicated shipping problem, if direct Government operation is to be avoided. The Board is now taking up that difficult task, and various schemes are being discussed, but it is uncertain at the moment just what new method may be suggested by the Board. Meanwhile, the different trade and passenger services, in which Government vessels are being used, will probably continue to be handled, as heretofore, by the managing operators. It is quite possible that the matter may be referred to the Congress before any final plan is decided upon, unless some way can be found which will lead to private ownership and operation, and comply with the existing statute. The plan, which the Shipping Board is now barred from carrying out, contemplated the incorporation under State laws of some 18 subsidiary concerns to own and operate the Government's merchant ships in the various services. Briefly outlined, the Government was to hold the stock of those corporations, and the latter were gradually to acquire ownership of the vessels as such stock was retired from earnings. The Attorney-General, in his decision, holds that it was evidently the intention of Congress to authorise a sale of the ships either for cash or for credits up to 15 years, and that any arrangement whereby the Government received shares of stock for the ships was not a sale within the provisions of the Merchant Marine Act. Furthermore, serious questions, he points out, might arise if the Government assumed stock ownership in corporations controlled by State laws.

After months of acute depression and periods of almost complete stagnation, the ocean freight and charter market shows decided improvement in volume of business and in rates, although the increased activity is confined largely to the transatlantic grain trade, and in most instances vessels are being chartered for Montreal loadings. Comparatively little ocean tonnage is being engaged for full cargo grain shipments to Europe from United States Atlantic ports. There are prospects, however, of considerable business from such ports developing during the next month or two if charter rates become attractive to vessel owners. An exceptionally large amount of berth grain business has been done lately by regular steamship lines to Mediterranean, United Kingdom, and Continental ports, in marked contrast to the dearth of orders in recent weeks. Practically all grain parcel room available for prompt loading has been taken up, and in some instances has commanded premiums, whereas only a month or so ago steamship men could not secure such grain business even at ridiculously low rates. Prompt grain berth rates have advanced sharply from the season's minimum levels, but are still below the basis which owners of full cargo steamers will consider. Demand for overseas coal tonnage is extremely light in all directions, only occasional fixtures being reported. Time chartering is very dull, except in West Indies trade.

At the American Bankers' Association Convention, which opened to-day at Atlantic City, Mr Charles E. Mitchell, president of the National City Bank, declared in his address that business conditions at present are the most favourable this country has known since its entry into the great war. "So far as American business is concerned,"

he added, "the war is over and is paid for. The great body of indebtedness owing on that account from foreign countries represents commodities sold years ago, and while I am not advocating the wiping out of that indebtedness, I say that if we never got a penny of it, we would be no worse off than now." Mr Mitchell emphasised the difficulties American business must meet in the next few years, when conditions the world over, and especially in Europe, become stabilised, and business and trade become active; and turning to the gold problem, he declared: "We have a very real problem on our hands in determining how to accomplish a redistribution of this gold without going through the usual round of credit inflation, rise of adverse trade balances, falling prices and credit disturbances. The symptoms of last spring were alarming, but the good sense of the business community averted the danger for the time being. That danger will, however, continue to overhang so long as gold continues to flow into our already abundant reserves."

In primary markets, all descriptions of cotton goods, both finished and unfinished, are decidedly firmer, owing to the further sensational rise in prices of raw cotton, which has carried the staple above 30 cents a pound for spot middling. Although prices of cloths and finished lines have been advanced sharply, they are still far below parity of cotton at that level. Notwithstanding the latter fact, prospective buyers as a rule have thus far shown great reluctance in paying even moderate advances, and have confined their purchases in most cases to quantities only sufficient for current and nearby requirements. Among both buyers and sellers, especially manufacturers, there is, in fact, much uncertainty felt over the outlook for merchandising at the higher levels which must eventually be asked for all kinds of cotton textiles if the staple holds at present levels, or continues its upward trend. This is strikingly illustrated by the action of leading gingham manufacturers in naming prices on ginghams for the next spring season, unchanged from those that have prevailed for this autumn season, and on the same basis that was established for last spring, even though raw cotton is now fully 5 cents a pound higher and wages have been advanced 15 per cent. The doubtful prospect of a satisfactory distribution of those fabrics for the spring, 1924, season is probably the reason why prices were not advanced. It is unlikely, however, that mills, generally, will be willing to accept a large volume of business, should it be tendered, at such prices, because few manufacturers, apparently, have been able to cover their raw material needs at prices that would afford a profit on ginghams sold on the current basis. Another evidence of the unsold on the current basis. Another evidence of the unsold on the current basis. Another evidence of the unsold on the current basis. Another evidence of the unsold on the current basis.

In its final report to the President and Congress, the United States Coal Commission expresses its belief that "the logical and appropriate agency to exercise the necessary administrative and quasi-judicial functions required for the coal industry already exists in the Inter-State Commerce Commission," and it recommends "the creation, for this purpose, of a special division in that Commission. The fundamental evil of the anthracite industry, the Coal Commission declares, is monopoly—the treatment of limited natural resources as if they were like other private property. Reliance upon competition without supervision, it says, has resulted in the persistence of a permanent level of higher prices above which extortionate increases are made whenever a suspension gives rise to a premium on coal. The Commission vigorously assails the Pennsylvania State tax on anthracite coal, and suggests an excess profit tax to be imposed upon hard coal operators. "The price of anthracite," it declares, "is directly affected by the Pennsylvania State tax of 1½ per cent., producing a revenue of from \$7,000,000, to \$8,000,000 a year, which is necessarily borne by consumers. The higher the price to the consumer, the

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greater the return to the State. The monopolistic feature of this tax is recognised by the policy of the State (Pennsylvania) in taxing anthracite, while its bituminous fields remain untaxed."

GERMANY.—POLITICAL CRISIS—CURRENCY—FINANCES—EXCHANGE AND BOURSE—BUSINESS.

(FROM OUR CORRESPONDENT.)

BERLIN, October 2.

THE fears of some pessimists that abandonment of passive resistance would not improve the general situation have so far been realised. Conditions on the Ruhr are not changed for the better. The reversal of Berlin's policy has merely been the signal for an outbreak by the very small, but openly French-supported, faction of Rhine-Republicans. The persecution of the local population by the military is as bad as ever, and Paris seems determined to use its present advantage in order to produce general anarchy. The "Putsches," and disorders nearer the centre, and in particular the anti-Republican action of Bavaria, are dangerous, not because they foreshadow any general overthrow of the present system of Government, but because they act as chronic irritants. There is no prospect of civil war or of a monarchical or Communist revolution, and the prospect of a formal Bavarian secession is small; but there is also no reason why the present movements in those directions should subside. A clear-cut, irreconcilable difference between two great factions which could be solved only by a test of strength would be in many ways preferable to the present situation, because the beaten side would presumably accept the logic of the situation. But there is no such difference, and there are no two great factions. The parties now making trouble are relatively small, and the great majority, who un-

doubtedly stand for the Democratic Republic, do not show the enthusiasm which they probably would show in a clear issue. A home settlement seems to be impossible without a Reparations settlement. It is on the Ruhr question, as a matter of national prestige, that the various extreme "vaeterlaendisch" associations, which are now making trouble, thrive; and the same question creates economic tensions which operate against national solidarity. The truth about the whole situation, domestic and international, is that France has got Germany by the throat, and is systematically crushing the life out of her. The view of those German extremists who maintained that the abandonment of passive resistance would not propitiate France, and would only facilitate her destruction policy, has been thoroughly justified by facts.

With such conditions, there is a certain unreality in Dr Stresemann's attempts at reform. The currency reform, it is admitted, cannot be carried out as long as the Ruhr crisis is unsettled. The Bill, however, is still being considered. The Reichsrat has suggested as an amendment that the new Currency Bank be required to give, via the Reichsbank and the private note banks, credits to industry of one million "new marks." The German Democratic Party has condemned the Bill in principle, declaring that the mortgage security of the new notes will be useless, not being realisable, and complaining that the old abuse of covering State deficits with notes is to be at least temporarily maintained. The party demands gold notes and a new gold note bank. This could be done on the basis of the present funded "gold loan," if only this loan (which is at present a paper mark, stable-value loan) were strengthened by payment of interest actually in gold, the resources therefor to be raised by collecting taxes in gold (or high exchange). In other quarters, including the financial committee of the Reichswirtschaftsrat, the general sentiment is against the planned "new marks," and in favour of a gold-secured mark. The president of this committee, Herr George Bernhard, has submitted a scheme for raising the necessary gold fund (at least one milliard gold marks) by the issue of gold shares and gold bonds by the Reichsbank. This, like all the currency schemes, is associated with a demand for State-financial reform, the first feature of which would be a gold mark Budget. The Cabinet's difficulties in putting through any financial and currency reform which require taxing away capital will be increased by divergences of opinion in the Cabinet. The German People's Party is objecting to some of the Socialist Ministers and their measures, and aims at the inclusion in the Cabinet of the avowedly Monarchist (and, in regard to Reparations, intransigent) German National Party. To this the Socialists, who stomach the much more moderate People's Party unwillingly, will certainly not agree. Should the Socialists withdraw from the Cabinet, they would probably actively oppose, and that would make government impossible.

Although nominal receipts from taxation have largely increased as the result of the August multiplications, only a fraction of expenditure is still being covered. The ten-day report for September 11th-20th shows expenditure of 5,445,794 milliards, of which 1,566,498 milliards were loss on railways, while revenue from taxes was only 84,660 milliards. Revenue from funded debt appears at 399,682 milliards. This really represents subscriptions to the "gold loan," while 4,961,451 milliards were added to the Funded Debt. On September 20th the Funded Debt of discounted Treasury bills reached 7,342,178 milliards, as against 2,380,727 milliards ten days before, and 1,494 milliards at the end of 1922. The Customs gold surcharge has been raised to 3,599,999,900 per cent. A new supplement to the Budget provides for the immediate raising of 12,416 billion marks, and for a further issue of 20,000 billion marks Treasury bills. The quarterly tax payments due in October have again been multiplied. The income-tax payments, in August 400-folded, will be 30,000-folded;

the 600-folded company income-tax will be 45,000-folded. Payment may be postponed on condition that the taxpayer compensates the State for further mark depreciation. A Government Bill putting certain taxes on a gold basis has been submitted. The Property Tax will be entirely in gold; after an exemption of property worth under 2,000 gold marks, the tax will be 2 per mille per annum on the first 10,000 gold marks of property, 4 per mille on the next 25,000 gold marks, and so on progressively up to a maximum of 10 per mille on property worth over 1,185,000 gold marks. The Succession Tax is also put on a gold mark basis. The Sales (Turnover) Tax is to be raised from the present 2 per cent. to 2½ per cent. Another Bill provides for "stable-value" tax payments. After December 31, 1923, all taxes which are not paid before the legal date must be paid in gold, irrespectively of whether or not the tax is itself a gold mark tax. Payment, if not made in gold, must be made in foreign exchange or in paper marks on the basis of the paper mark's current gold value, as determined by the Finance Minister. The Financial Committee of the combined Socialist Trades Union has put forward its own financial reform programme, based on partial expropriation of capital values. Companies should be required to increase their capitals by one-third in the interest of the State; all concerns employing more than 100 persons should become companies; and 25 per cent. State mortgages should be imposed on landed properties of above a certain value. In general, direct taxes should be collected at the source.

Money continues to be plentiful, and stocks last week had another big rise, the *Frankfurter Zeitung's* index for dividend-payers showing 22,987,073,500 on the 28th, against 16,879,573,500 a week earlier, and 376,685 at beginning of the year. The renewed rise in the foreign exchanges yesterday sent up all quotations, the favourites being oil papers. Despite new intervention by the Reichsbank, the Bourse regards the prospect of stopping the mark decline as very small. The home demand for foreign bills continues to be heavy, and the semi-speculative circles, which need foreign currency for genuine business purposes, but which in buying it are influenced by politics and sentiment, have been very active. Bonds were yesterday even firmer than stocks.

The rapid upward price-movement has begun again. The gold calculation, or "key-number" system proves very unsatisfactory, owing to the arbitrary way in which the basic prices are fixed. Staple food products are sometimes 100 per cent. higher in one town than in another. The temporary mark recovery had very little effect on wholesale prices, and none on retail. The official cost-of-living index for September 24th shows 28,000,000 against 14,244,900 a week earlier, and 1,183,434 on August 27th, having thus risen 25-fold in four weeks. The official wholesale index number for the 25th was 36,200,000, against 36,000,000 on the 18th.

The condition of industry continues bad. Iron-trade journals predict that the release of the stocks of iron and steel in the Ruhr district will not have any appreciable effect on the international market. The amount of heavy iron and steel stocked is estimated at 1,750,000 tons. Unoccupied territory can absorb a great part of that, and it is doubtful whether the owners will be willing to export it at the prices prevailing in the world-market. When the Government lately put certain heavy iron products on the export-free lists, home manufacturing consumers protested that exporters were charging low prices, often below production cost, to foreign buyers and recouping themselves by charging very high prices at home, being enabled to do this by the difficulty which the exchange shortage creates against importing. Unemployed in the metal industries in the second week of September amounted to 7.8 per cent., as against 3.8 per cent. at the beginning of August. The condition of most export industries is bad. This applies in particular to machines, the home demand for which has somewhat improved. In the textiles branch things are very bad. Export has almost entirely ceased, home prices are as a rule above foreign, and concerns with sufficient orders have difficulty in getting raw materials. Very small quantities of raw cotton are being imported, and the stock at Bremen has fallen to 16,632 bales, as against 115,000 bales a year ago.

CANADA.—THE BANKING SITUATION—HARVEST PROSPECTS—BUSINESS CONDITIONS—WHEAT POOL SCHEMES—THE GRAND TRUNK AGITATION—IMPROVEMENT IN C.N.R. EARNINGS—CANADA'S REPRESENTATION AT THE ECONOMIC CONFERENCE.

(FROM OUR CORRESPONDENT.)

OTTAWA, September 10.

THERE have been no more overt developments in the banking situation, but the impression prevails that further mergers may be expected in the near future. Last week the stock of the Molson's Bank fell 10 points in one day on the Montreal Exchange, and there is considerable doubt about the exact situation of some of the smaller banks. Meanwhile pressure from the Press and public for a thorough public inquiry into the circumstances surrounding the Home Bank's failure has gathered force from the disclosure of the fact that early this year its president, when the true state of affairs must have been known to him, disposed of 1,000 shares of his stock holdings, and that other favoured insiders also managed through timely warnings to escape any serious loss. The curator has not made any report, but the condition of the bank's affairs is thought to be more serious than was at first surmised, and as the calls under the double liability clause of the Bank Act have always been disappointing in their results, the depositors have little chance of being paid in full. There seems now to be almost general agreement among the Press that some sort of Governmental inspection of the banks will have to be set up to restore public confidence.

The reports about the western wheat crop have once more taken a more favourable tone, and while the Dominion Bureau of Statistics will not commit itself to more than 366 million bushels of wheat for the three prairie provinces, the *Manitoba Free Press* in its latest survey of the date of September 8th claims a very much higher figure. Undoubtedly Alberta has one of the best crops in its history, reaching the high average of 25 bushels per acre; in the more northerly districts it is very late, and considerable areas still uncut are facing the serious risk of frost. The Manitoba wheat crop, on the other hand, which has been badly spoiled by rust, will not average more than 12 bushels per acre, and the quality is poor. This year only 20 per cent. of the Manitoba wheat inspected up to date has graded No. 1 Northern, whereas at the same date in 1922 about 80 per cent. had reached that standard. The Government of Saskatchewan, the chief wheat-growing province, predict a yield of 20 bushels per acre, which would give a total volume of 250 million bushels, but this figure is probably too optimistic. A substantial proportion of Saskatchewan's wheat will not reach the higher grades, but the crop is turning out better than was expected a fortnight ago. There is a serious scarcity of labour in the west, and complaints are made that the harvest labourers imported from Britain lack the physique needed for the strenuous work of the harvest fields. The harvest is practically complete in Ontario, and is on the whole good. In Quebec the grain harvest is late, and along the lower shores of the St Lawrence is very poor. However, thanks to six weeks of favourable weather, the Maritime provinces are in possession of very good crops.

Business continues to be reasonably good, and the lumbering, pulp, and paper industries are all very active. The toll now being taken from Canada's forests is exceedingly heavy, and the Government have now, as was forecast last session, appointed a Royal Commission to investigate the whole question of the country's timber resources, and the best policy which should be adopted for their judicious conservation. The cotton and woollen manufacturers complain that they are being ruined by British competition, but other kinds of factories report a sufficiency of orders. The stock markets, owing to the banking disclosures and the Japanese disaster, have been reactionary in tone.

The indications are that no wheat pools will operate in the Western provinces to handle the 1923 crop. The wheat pool committees have failed to reach the agreement which they hoped to make with the private elevator in-

terests for the use of their plants. The elevator owners are dissatisfied with the arrangements made for financing the wheat pools, and even some directors of the Saskatchewan Graingrowers' Association have openly criticised the scheme. Furthermore, the promoters of the pools, although they found a satisfactory response in Alberta, have been unable up to date in Saskatchewan to get the necessary minimum acreage under contract.

There is considerable disappointment among cattlemen at the announcement that as the result of the outbreak of foot and mouth disease among Irish store cattle a quarantine has been imposed upon Canadian store cattle because they use the same lairages, and if it is continued indefinitely on this pretext it is bound to generate the suspicion that it is merely a device to cancel the concessions secured by the removal of the embargo this spring. The continued virulence of the campaign of propaganda which is being sedulously conducted by certain interests in London against Canada on account of the Grand Trunk award is now creating some resentment here. Comparisons of the Canadian Government to the Bolsheviks such as have appeared in an investment circular issued by Arthur Wheeler and Co., to which considerable publicity has been given in Canada, do not promote good relations between the two countries, and simply tend to harden Canadian opinion in support of their Government's action. It is still felt, however, that the British public has been very imperfectly informed of the strength of the Canadian case.

The returns of the earnings and expenses of the State railway system for the current year up to the end of July continue to show a very welcome improvement, as the following comparative figures demonstrate:—

	1922.	1923.	Increase.
July—			
Gross earnings	19,534,941 ..	21,002,848 ..	1,467,907
Operating expenses	18,811,937 ..	19,530,620 ..	718,683
Net	723,004 ..	1,472,228 ..	749,224
Seven months—			
Gross earnings	122,105,576 ..	137,781,521 ..	15,675,945
Operating expenses	124,308,569 ..	134,797,061 ..	10,488,492
Net	*2,202,993 ..	2,984,460 ..	5,187,453

* Deficit.

In July the net earnings are actually more than double the revenue of July, 1922: as the gross earnings were only up 7½ per cent. this represents a very commendable improvement in the operating ratio, which has been ominously high compared with the parallel ratio of the C.P.R. In the first seven months of the year a deficit of \$2,202,993 has been transformed into a surplus of \$2,984,460, and as the crop movement in the last five months always swells the traffic returns there ought to be an operating surplus of at least 4½ million dollars at the end of the year. This sum will not begin to pay the fixed charges against the system, but it offers a hopeful augury that the annual drain upon the Federal Treasury for the railways may be steadily cut down. The notable feature of the situation is that the C.P.R. have not been able to record any such improvement in returns this year as the national system, and it is believed that this fact is not regarded without anxiety in C.P.R. circles. The *Montreal Star*, a powerful paper which has always been friendly to the C.P.R., has been publishing a series of alarmist articles entitled "The Whisper of Death." Assailing all the parties and the leading politicians for their folly and incompetence, they assert that Canada is drifting to bankruptcy, and that absorption in the United States is an imminent peril, and they lay the main responsibility for this untoward state of affairs at the door of the burdens which the country has to carry as the result of the acquisition of the national railways. Their return to private ownership is urged as the need of the hour, and at judicious intervals the merits of the C.P.R. are eulogised. This series of articles, which is still continuing, has attracted widespread attention, for their reproduction in leading papers from coast to coast was paid for, and they have been severely criticised as likely to endanger the public credit of Canada. Their exaggerated pessimism greatly discounts their authority, but there has been a sufficient substratum of truth in them to earn a hearing. Considerable speculation about their purpose exists, and one theory is that they are the preliminary moves in a well-planned campaign whereby the State railways will be sold by the Government to a

powerful syndicate of Canadians and Americans, and the menace of competition subsidised by the backing of the Federal Treasury removed from the C.P.R. However, in view of the recent improvement in the C.N.R. figures the time is scarcely propitious for such a coup.

As the Prime Minister will be preoccupied with the business of the main Imperial Conference, the representation of Canada at the subsidiary Economic Conference will chiefly be entrusted to Sir Lomer Gouin, the Minister of Justice, and Mr G. P. Graham, the Minister of Railways; a number of departmental officials from Ottawa will also be in attendance. It is understood that the Department of Trade and Commerce has prepared an exhaustive memorandum for submission to the Conference, in which Canada's trade position in relation to the rest of the Commonwealth is thoroughly reviewed, and the contention is made that Canada is taking advantage of the markets of the other British countries much more fully than they are taking advantage of the Canadian market. A plea is made for other British countries to concentrate more effective selling power in the Canadian market. There is no expectation that the Canadian delegates will of their own volition raise the preference issue, but as both Sir L. Gouin and Mr Graham are avowed Protectionists they are likely to give at least silent support to the demands for a more extensive system of preferences for the Dominions, which the Premiers of Australia and New Zealand evidently intend to make.

HUNGARY.—TAX ON BOURSE DEALINGS—EXCHANGE REGULATIONS—HOUSING CONDITIONS—INFLATION.

(FROM OUR CORRESPONDENT.)

BUDAPEST, September 23.

A CERTAIN amount of indignation has been expressed on the Stock Exchange here at the decision of the Government to double the tax on all transactions on the Bourse. The former tax was not a very heavy one, and if, as some contend, the effect of the change is merely to "freeze" out the "weaker brethren" and small speculators generally, little harm and some good may result. On the other hand, the first commercial paper here, viz., the *Pester Lloyd*, is up in arms against the proposal, and foresees a heavy loss of revenue to the Government in consequence.

A far more important matter is the concession made in regard to the Devisen Centrale and foreign exchange relating to export sales. Hitherto a Hungarian exporter could only receive the value of the foreign monies paid for his wares through the Devisen Centrale, which gave him exchange value at the official rate, a rate often as much as 50 per cent. below the commercial rate. The result was that many of the peasants refused to sell their produce. Now the exporter is permitted, to the extent of half his price, to purchase at any rate he can get, Hungarian crowns circulating outside Hungary, which he may import into the country. The other half of his money he will get as before through the Devisen Centrale. It is hoped by this means to induce the peasants to sell their produce, and also to relieve, to some extent, the shortage of money which is becoming extremely inconvenient, to say the least.

The question of the price of the crown continues to be the subject of much speculation. On the whole, the opinion seems to prevail that it should keep firm for the next month or so, in any case, owing to the import of foreign money by exporters. If, however, months are to elapse before anything is done about a foreign loan, and order is to be maintained, it is clear that the printing of notes will and must increase greatly.

The high cost of food must be causing terrible suffering to the poorer classes already, and the amount of poverty is appalling. Owing to the fact of millions of Hungarians being handed over to foreign countries, a great number of refugees have settled in Budapest, and it is as much as if not more than, the resources of the town are equal to furnish them with any sort of lodging. One of the most prominent of the members of the National Housing and Town Planning Council, who have been on a visit to Budapest, declared that, after what he had seen here,

he should find it hard to talk about the sufferings of the poor in England. This being so, a continuance of a policy of deflation must be accompanied by some drastic steps to relieve those in need, or trouble will ensue.

Apart from this depressing side of the picture, the outlook is brighter. The crop reports are constantly improving. Even the maize crop, which was said to be negligible, turns out to be better than last year, while potatoes largely exceed last year's crop.

Many new companies are being formed, of which one at least has managed to secure some English capital. This is a large agricultural company with a capital of two milliards, with a large number of landowners on the board. Again, a very old-established and well-known porcelain factory has been changed into a company with the modest capital of five hundred million crowns, the shares of which are already dealt in at a huge premium. Between September 7th and 15th the fiduciary liability of the country has been increased by 32 milliards, and now stands at 476.75 milliards of crowns, which from the Hungarian point of view is a large sum of money. Reduced to sterling, it is less than four million pounds, which is a reminder that a loan of even five millions would go a long way to placing the country on its feet.

FINLAND.—FOREIGN TRADE—STATE TIMBER AUCTIONS—BUDGET—COST OF LIVING—AGRARIAN REFORM.

(FROM A CORRESPONDENT.)

ACCORDING to Finnish foreign trade statistics for the first six months of the present year, Germany continued to occupy the premier place among supplying countries, with 35 per cent. of Finland's total imports, while Great Britain came next with 19 per cent., and the United States third with 13 per cent. of the total. The value of German imports exceeded by 193.5 million F.marks the value of German imports for the same period in 1922, a result partly due to the fact that Finnish imports of colonial products are arranged through commercial houses in Hamburg, the post-war attempt to shake off this system by establishing Finnish buying offices in foreign countries having been unsuccessful. Imports from Great Britain and the United States showed an increase in value respectively of about 20 million F.marks, in comparison with the same period in 1922. Imports from Russia were 14 times as great as last year. Argentina trebled, and Poland and Belgium doubled their exports to Finland. The largest class of imports consists of grain and grain products, of which the United States are the chief source of supply, with Russia second on the list. In colonial produce and metal goods, Germany comes first, while in the textile and spinning materials sections Great Britain heads the list with a total of 145.3 million F.marks, Germany being second with 126.5 million F.marks. As regards exports, Great Britain was far and away Finland's best customer, taking goods to the value of 888.5 million F.marks, or 42 per cent. of the whole. The United States came next to Great Britain with 220.4 million F.marks, or 10 per cent., and France third with 174.6 million F.marks. Compared with the corresponding period of last year, exports to England increased by 72.6 million F.marks, and to the United States by 89.9 million F.marks; on the other hand, exports to France declined by 58.2 million F.marks, while Germany bought from Finland 70.2 million F.marks less goods than last year. The total trade was as follows:—

(Million F.Marks.)			
First six months, 1922	Imports.	Exports.	
" " 1923	2,013.4	2,207.8	
" " 1923	2,520.7	2,133.9	

The State timber auctions resulted in higher prices everywhere except in East Finland, the increase being attributable to the rivalry of Finnish firms and combines in Central Finland and Ostrobothnia, and to competition between important Swedish saw-milling concerns in the northern districts.

The following table shows the total number of trunks for which bids were taken or rejected, and the average figures of accepted bids:—

	Bids Accepted.		Bids Refused.	
	No. of Trunks.	Average Price per Trunk, 1923.	No. of Trunks.	Average Price per Trunk, 1922.
Northern	181,185	35.21	25.85	235,133
Ostrobothnia	473,851	29.22	18.51	238,595
Western or Central ..	260,447	63.91	57.16	10,942
Eastern	74,579	54.16	55.89	662,975
	990,062		1,147,645	

The bids made for the 2,137,707 trunks offered for sale, with some pulpwood and birch, amounted to 64,954,894.40 F.marks, while the bids accepted totalled 41,728,729.60 F.marks. In addition, 66,604 cubic metres of props and pulpwood and 2,523 cubic metres of birch and alder were disposed of. It is expected, moreover, that the Forestry Department will be able to effect sales of timber direct to purchasers later in the year.

The Budget for 1924 is now receiving the consideration of the Financial Committee of the Diet, and the Government's proposals will be laid before the Diet in October. The task of the Finance Minister has been on this occasion comparatively easy. Not merely has expenditure in 1923 been covered by revenue, but it is anticipated that the Treasury's reserve, which amounted to 683 million marks at the end of 1922, will have considerably augmented when the present financial year closes. The estimates of income and expenditure are as follows:—

	1924.
	F.Marks.
Ordinary revenue	2,730,688,650
Extraordinary revenue	1,201,000
Total	2,731,889,650
Ordinary expenditure	2,283,333,485
Extraordinary expenditure	448,446,358
Surplus	69,807
Total	2,731,889,650

The anticipation of an expansion of revenue in 1924 rests largely upon the experience of the present year, in which receipts from various sources have exceeded expectation. As regards expenditure, appreciable savings have been effected as a result of the rise in value of the Finnish mark and the fall in prices. Land taxes are to be reduced, the exemption limit for income and property taxes raised, company taxation lightened, and certain small taxes which have special importance for the rural population will be lightened. The new Budget, however, shows an increase of 82.7 million F.marks in ordinary and 15.6 million F.marks in extraordinary expenditure, an increase due partly to the exigencies of national defence, and partly to extension of more remunerative works.

The stringency of the money market continues, and there is little expectation of a reduction in the rate of discount. The reports of the State Bank show that home loans have been larger than in 1922, and in the private banks the excess of loans over deposits has been increasing. Since 1919 it is estimated that more than 300 million marks have been invested in the electrification of the country districts, and that since 1917 new emissions of capital for industrial purposes have amounted to over 200 million marks. The state of the labour market is satisfactory, all skilled workers being readily absorbed by industry. In Helsingfors building operations, after a lock-out which lasted for six weeks, have been resumed and are making good progress. The cost of living index rose by 12.1 points in June and by 2.2 in July to 1110.7. Rents increased in June, and the index for wood fuel rose from 1345.1 at the beginning of the year to 1501.4 in July. On the other hand, articles of clothing have become cheaper, and the index number for food has fallen from 1107.9 in January to 1002.5 in July.

The unsatisfactory conditions of rural life in Finland, which rendered some measure of agrarian reform absolutely indispensable, are presented with remarkable vividness in the cold ink of official statistics. In 1901, of 478,142 families living in the rural districts of Finland, only 110,629, or approximately 24 per cent., owned land, while, of the remainder, 160,525,

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or approximately 33 per cent., were tenants, and 206,988, or 43 per cent., were landless. Of the estates, which made up the total cultivable area, 26.4 per cent. were small holdings of less than 125 acres; 57.2 per cent. were of moderate size (125 to 625 acres); 15 per cent. were large properties (625 to 2,500 acres); and 1.4 per cent. were very large estates of over 2,500 acres. Excluding land owned by the State, only 4.4 per cent. of the cultivable area was held in small holdings, as against 39.3 per cent. in holdings of medium size; and 38.7 per cent. in larger holdings. The very large properties, despite their relative numerical insignificance, accounted for no less than 17.6 per cent. of the total agricultural area. A Bill was prepared by M. Kyösti Kallio, the Minister of Agriculture, in 1921, which, after being first submitted to the electorate, was passed by the new Diet, and ratified by the President of the Republic on November 25, 1922. This law, which is popularly known as the "Lex Kallio," contemplates the creation of two forms of holdings, one for the purposes of agriculture and the other for the provision of housing accommodation. An agricultural holding is defined as a holding which shall include so much arable land as can be worked in a satisfactory manner by a family of medium size, depending entirely upon its own labour, with a maximum of 50 acres, exclusive of such forest land as may be necessary for the needs of the family. A housing allotment, on the other hand, includes sufficient land for the raising of vegetables and fruit for the use of the household. These holdings will be provided in the first instance from the properties of the State, and secondly, by voluntary purchase from the Ecclesiastical and Communal authorities, and public or private persons. Where these means fail, land for purposes of colonisation may be purchased compulsorily from public companies or private owners. The purchase price of the land may be paid in cash in advance, in State bonds bearing 7 per cent. interest, or in cash and bonds. The occupier of an agricultural holding or building lot will repay the redemption money to the State in annual instalments amounting to 7 per cent. and 9 per cent. respectively. This law crowns the legislative efforts of a generation to solve the gravest problem in the social economy of Finland. If it achieves its purpose the landless population will become contented peasant proprietors, and the political stability of the nation will rest upon a broader and securer basis than it has ever occupied in the past.

SWITZERLAND.—THE LEAGUE ASSEMBLY—THE ITALO-GREEK AFFAIR—A UNANIMOUS DECLARATION—DRAFT TREATY—HUNGARIAN RECONSTRUCTION.

(FROM OUR CORRESPONDENT.)

GENEVA, October 1.

THE prolonged debates of the Council of the League of Nations on the procedure by which the constitutional and juridical points arising out of the Italo-Greek affair shall be settled, concluded just before the close of the Assembly, and the communication to the Assembly of the Council's decision led to a scene which must be unique in the annals of diplomacy. By a unanimous vote, including that of Signor Salandra of Italy, the Council made a formal declaration that any dispute between members of the League likely to lead to rupture is within the sphere of action of the League, and that if such dispute cannot be settled by diplomacy, arbitration, or judicial settlement, it is the duty of the Council to deal with it in accordance with the terms of Article XV. of the Covenant. This, though it seems somewhat like an affirmation that the Covenant is the Covenant, is, nevertheless, an important step, for though six weeks ago every member of the League would have regarded it as ridiculously unneces-

sary, the importance of it may be gauged from the fact that it required a great deal of persuasion to get the Italians to assent, for it looks dangerously like admitting the competence of the League where they have denied it. However, what they mean to say—curious though it may seem—is that they always have observed the Covenant, and their challenge is on the interpretation of the Covenant.

On acceptance of this declaration, which Lord Robert Cecil pressed as a reaffirmation of the essential principles of the League for the reassurance of public confidence, the members of the Council agreed to refer to a special committee of jurists for report to the December meeting of the Council the five questions on the interpretation of Articles XII. and XV. of the Covenant, on the question of rights of coercion, and on the responsibility of States for political crimes against foreigners committed on their territory, instead of insisting on at least some of these questions going to the Permanent Court of International Justice. Mr Branting made a stout reservation that, in his view, the questions should go to the Court, more especially that of a State's responsibility for political crimes, in view of the last decision of the Ambassadors' Conference compelling Greece to hand over the £500,000 to Italy, but he did not press it against the general agreement of the Council. When this decision was reported to the Assembly, Mr Branting mounted the platform amidst prolonged applause, and in more definite form repeated his criticism of the decision of the Ambassadors' Conference and the reference of the questions to a committee of jurists instead of to the Court. Lord Robert Cecil, who followed him, was in general agreement, though he claimed that they had to do what they could, and the arrangement, which was reasonably satisfactory, did not rule out ultimate reference to the Court.

Delegate after delegate from the small States in the Assembly emphatically affirmed their complete belief in the competence of the League, and the reception which they had, one after the other, showed that they obviously voiced the confirmed opinion of the vast majority of the delegations. Denmark, Holland, Finland, the Irish Free State, Persia, Colombia, Norway, and South Africa addressed the Assembly in varying terms of emphasis, and though, with India, they generally, if somewhat reluctantly, acquiesced in what the Council had done, they left no doubt about their real feelings on the fundamental points. The full Italian delegation sat throughout this demonstration, but made no effort to defend Italy against the mass attack. The Assembly did, in the end, prove itself to be the focussing point for the general public opinion of the world, and for the first time expressed itself plainly on the attitude of those who, while the leading powers in the League, thrust it aside in the interests of the old game. The whole story ought to strengthen vital interest in the League.

The profound differences on the subject, of which I wrote in my last letter, have not been disposed of, and what has finally happened is that the Treaty, with the various reservations and the various suggestions and commentaries, is to be forwarded to the Governments with a request for their views, and in view of the variety of opinions it seems scarcely possible that this particular Treaty will ever be put into force. Its value lies in the exploration of the ground in the hope that the time will become ripe later on for some general agreement.

It at last seems certain that the financial restoration of Hungary will come before the League. Negotiations in Geneva between the Little Entente and Hungary have resulted in a resolution of the Council, in which Dr Benes participated, giving authority to the Secretariat and the Financial Committee of the League to take up the study of the matter in view of the request to do so which is expected from the Reparation Commission. This has been done in order that the Financial Committee may go straight ahead without waiting for further authority from the Council, and so have its conclusions ready for the December meeting. The Council has decided that all decisions in the matter shall be taken unanimously, including the votes of Hungary and the Little Entente who will sit in the Council when the subject is under consideration. The Council has also set on foot the scheme for the settlement of Greek refugees on a productive basis, so that two

more valuable pieces of reconstructive work by the League in Europe are now within sight. On the Greek scheme the Greek Government has undertaken to transfer to a Settlement Commission appointed by the League land suitable for settlement, and the Government will hand over to the Commission the proceeds of the loan which it is to raise and of any provisional advances, including the million pounds sterling already offered by the Bank of England. The service for the interest and amortisation of the loan will be guaranteed by certain Greek revenues, the proceeds of which will be controlled by the International Financial Commission, which has for many years controlled the receipts of monopolies, &c., for the service of the external Greek debt.

Letters to the Editor.

THE SPANISH REVOLUTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Allow me to pass a few remarks on your interesting article on "The Revolution in Spain," which appeared in your issue of the 22nd ult. It is strange that among British people a misapprehension should exist when judging the effects of the Spanish revolution.

I should not call it a "pronunciamiento" proper. The movement, although determined by an act of force, is a popular one, and not merely a domestic matter, but something connected with the political problems arising from the Great War. Since 1914 the dominant spirit in the world has been for renovation of Customs, systems, and procedures. Spain, of course, could not escape this fatal law of history. Your correspondent analyses the movement in Spain, and seems somewhat sceptical as to the realisation of General Primo de Rivera's programme.

It is obvious that there are two different stages in every non-chaotic revolution: a destructive or eliminative period followed by one leading to reconstruction. And General Primo de Rivera's decrees show how both are developing simultaneously. The author of the article fears that the military movement in Spain will prove a further blow to the stability of Europe, because it will lower the prestige of the Parliamentary system of government. It is not safe to predict under the present circumstances. I assume, however, that a reformed electorate law is likely to arise as the result of the measures adopted to eradicate the electoral abuses, and may lead to a representative régime in politics and a completion of the economic and administrative reorganisation of Spain.

The centre of gravity of the movement is, in fact, the industrial region of Catalonia, Barcelona. The *coup* in its nature is a national one, but a close study of its spirit and tendencies reveals the origin. No one who knows Spain can for a moment doubt that there are ample resources in store, and that a new spirit and new ideals will accomplish much effective reconstruction of Spain.

Assuredly the strong nucleus of first-class mentalities, so far unknown in public life, even among the professional "politico" (there are many respectable examples), are sound elements for ruling the country free from old party intrigues and according to the modern exigencies of statesmanship.—Yours faithfully,

A SPANISH CORRESPONDENT IN LONDON.

London, October 1st, 1923.

P.R. IN THE IRISH ELECTION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your Dublin correspondent is a supporter of proportional representation, and the differences between us are questions of detail, but it is well, nevertheless, to elucidate, in the hope of reducing, them. In his first message, your correspon-

dent laid down a general proposition that P.R. gives a "disproportionately large influence to minorities," and he holds that he finds confirmation in the Irish election. I still reply that as a general proposition the statement is wrong, while, as regards Ireland, it is now evident that conclusions will differ according as one believes that there were only two rigidly distinct parties, or more than two. Your correspondent throws together as Pro-Treaty the Government, Labour, Farmers, and Independents, who obtained the support of some 764,803 voters and thereby 103 seats, while their calculated proportion is 106.6. The aggregation of these four groups may serve as a rough-and-ready division; but it is clear, from an examination of the result sheets, that a proportion of the voters who gave their first preferences to Labour, Farmer, and Independent candidates were Republican in sympathy, for when their votes came to be transferred, they passed to Republican candidates. Such voters, though they may be appropriately ranked under their respective minorities, when these are considered as separate parties, cannot fairly be included in a Pro-Treaty total.

In the Irish boroughs and counties 1,054,804 electors elected 147 members, which gives some 7,200 votes per seat. Labour, Farmers, and Independents polled 353,729. If we assume that some 10 per cent. of the minor parties favoured the Anti-Treaty party, there would be a transfer to the Republicans of 35,372 votes over the whole of Ireland, equivalent to nearly five seats, which is more than the number of seats which the Republicans obtained in excess of their proportionate share, whether we regard that as three or four. Though professing no intimate personal acquaintance with Irish politics, I venture to suggest that the assumed figure of 10 per cent. nearly represents the net gain to Republicans, allowing for any transfers from Republican to the minor parties. There was also a slight interchange of votes between Government and Republican, but it is small enough to be negligible.

As an example of Republican support among minor parties, take the case of Dublin South, the result sheet of which constituency (published in the *Freeman Journal* of the 1st inst.) is before me. The following table shows the votes transferred to Republicans from Labour and Independent candidates as they were one by one excluded at the bottom of the poll:—

Candidates.	Party.	Total Votes when Excluded.	Votes Transferred to Republicans.
Munden	Independent..	290	30
Tucker	Trades Council	430	41
Byrne	Independent..	487	18
Shanks	Business	535	8
Shields	Independent..	742	57
O'Brien	Labour	1,136	152
Medlar	Independent..	1,491	196
McCabe	Business	1,700	76
Farrelly	Trades Council	1,816	516
Totals		8,627	1,094

The total number of votes transferred from Republican candidates to Labour and Independents in the same election was 139. The latter parties, therefore, gave an addition to Republicans of 955 votes, which was a material factor in securing the return of the second Republican member for this division instead of Sir A. Beattie (Independent), the runner-up in the election. Although all estimates of party strength based upon first preferences can only be regarded as approximations, I would claim that a nearer approach to truth is obtained by regarding the minor parties as separate forces, and if this view is adopted, the Irish elections confirm the general experience of P.R.

In his last paragraph your correspondent alludes to P.R. as being "favourable" to minorities. With the word "favourable"—unqualified—I have no quarrel. P.R. is favourable to minorities in the sense that it gives them a chance of a fair representation, which is denied by many other forms of election. The more technical argument can hardly be pursued with advantage apart from actual illustration of the points to which criticism is directed. I gave an example in which I showed that the vote of the elector was not increased in power because it was transferred either as surplus or from an excluded candidate. May I suggest that your correspondent should try to fashion an example in which minorities get advantages over majorities owing to the fact that "the mobility of their voting power facilitates their combination for effective return."

Whatever conclusion readers of the *Economist* may come to on the point at issue, the broad fairness of the results of P.R. will not be called in question.—Yours truly,

ALFRED J. GRAY.

Assistant Secretary,
Proportional Representation Society.

82 Victoria street (Flat 24), Westminster, London, S.W. 1,
October 3rd, 1923.

Books and Publications.

RECENT ECONOMIC LITERATURE—A SIX WEEKS' SURVEY.

AUGUST and September are months of preparation, not of publication, and the economic student has had more or less of a holiday in the last six weeks. He will, if he is wise, have given more than a glance to the monthlies, since the shadow of the fourth winter of unemployment has pushed this and other economic topics well to the front in almost all of them, and the brisk discussion on price stabilisation now going on possibly heralds a controversy as important in its way as that once raging round the Free-trade issue. Attention should be called to an article by Mr. James Bellerby in the *Economic Journal* which stresses the need for international action in matters of currency policy, while the *Liberal Magazine* for September contains some most useful statistics about unemployment, both as to numbers and as to schemes for their relief.

The period under review has produced two outstanding books. One is Mr Asquith's *Genesis of the War* (Cassell, 25s). The other, Mr and Mrs Hammond's *Lord Shaftesbury* (Constable, 12s). The second the student of economics who takes, as in these days he must, a wide and human view of his subject must certainly read, and will read with absorbed interest. Lord Shaftesbury was a philanthropist, not a democrat, and much nearer the curiously cruel mysticism of Mr Austin Hopkinson, M.P. (as expressed in the volume he has, with apparently quite unconscious irony called *The Hope of the Workers* (Martin Hopkinson, 1s), than to the standpoint of the very differing writers who contribute to the collection of papers called *The Way Out* (Oxford University Press, 4s 6d). Lord Grey, who writes the introduction to this volume, and all his co-operators, accept democracy in the fullest sense, but hold that only education, above all adult education, can make it a reality. Moreover, education is for them the road along which, ultimately, the solution of the social problem is to be found. To Lord Shaftesbury all this would have been repugnant. He would have agreed with Mr Hopkinson, and with M. Edmond Villey, whose *L'Etat et le Progrès Social* (Presses Universitaires de Paris, 7f) is a forthright and animated attack on all that has been done under that head in France. Every co-operative effort is, in his view, a sapping of individual energy and initiative; his views on such bodies as the Confederation Générale du Travail are, of course, extremely harsh. "Social progress," indeed, works out as a contradiction in terms.

Each of these books, in its different way, is concerned, in the last resort, with those moral questions which underlie and complicate so much of economic discussion. There are, however, aspects more or less free from this irrelevancy. There is a school of writers to-day which attempts, with more fervour than success, to connect credit and conscience; but, on the whole, books about banking are free from sentimental bias. It is from a realistic and technical point of view that *American Banking Methods*, by Mr L. Le Marchant Minty (P. S. King, 15s), is valuable. Its value is increased by an introduction from the pen of Sir F. Drummond Fraser. The subject is one of enormous importance, and this is a useful survey. That Mr Ernest Sykes' *Banking and Currency* has now achieved a fifth edition (Butterworth, 5s) is sufficient proof of its quality. Another book which one is glad to see attaining the dignity of a second edition is the brilliant volume which Mr R. G. Hawtrey called *Currency and Credit* (Longmans, 15s). There must be a larger number than is sometimes supposed of persons who have the courage for stiff reading. In Mr Hawtrey's case the effort is well worth while; the attentive student will find his mind really stimulated and strengthened by contact with him. This particular volume is even more worth attention to-day than when it appeared first in 1919. In the useful series being published by the Chicago University Press, under the general title of "Materials for the Study of Business," there is a new volume from the pen of Professor Hardy, entitled *Risk and Risk Bearing* (\$3 50c). Risk, as he interprets it, has nothing whatever to do with what is vaguely called the "romance of business." It is a

sternly practical aspect, and he gives it a sternly practical treatment. There are useful chapters on insurance of various kinds, and a very good general account of business operations.

For the elementary student there is a new edition, the sixth, of Mr Albert Crew's *Commercial Economics* (Jordan, 5s), and a new and revised edition of Professor Briggs' excellent *A Text-book of Economics* in the University Tutorial Series (Clive, 8s 6d).

THE SOCIAL PROBLEM.*

THE first and indispensable preliminary to a removal of evil is an acute realisation of it. To-day more people, in all classes, are aware of social inequalities, maladjustments, waste, than ever before. To some this realisation appears as a form of unjustified pessimism. They call upon us to be silent and remember how much worse conditions were in the fifties or even in the seventies. In so doing, however, they forget that the effect of any improvement, whether in the individual or the community, is to make him capable and desirous of further improvement still; that the sign of social advance is a progressive standard. So perhaps the most hopeful sign to-day is precisely that "unrest" which disquiets so many—an unrest by no means confined to the comfortable—and the questions being asked about every sort of fundamental hypothesis.

Viscount Grey suggests in the illuminating prefatory note that appears as a foreword to the interesting collection of papers by members of the British Institute for Adult Education published under the title of "The Way Out," that democracy can only be a reality if the public opinion, which is accepted as the supreme arbiter, is instructed and alert. For this education—above all, adult education—is essential. In the chapters that follow Lord Haldane, Messrs. Zimmern and Laski, and Lord Eustace Percy discuss ideals, while Mr Mansbridge, the creator of the Workers' Educational Association, the Hon. W. N. Bruce, Sir William McCormick, Sir Frank Heath, and Miss Elizabeth Haldane, how those ideals are to be achieved. All these papers are worth attentive perusal. Perhaps the most suggestive is that of Lord Eustace Percy, who deals very frankly with what he calls the "stiffness of the political atmosphere to-day," both in international and in national politics; notes our growing "insularity," in spite of all our talk about Europe and the dearth of any sort of philosophy of politics, of which coalition is a logical result. The passionate interest, everywhere, in education is due, he thinks, to an impatience with every existing political party. He may be right, but he probably knows that this impatience is specially directed against the party which, in power, is starving and stunting education and jeopardising that basis without which, as Lord Haldane insists, there can be no adult education worth the name. "The highest forms of education are only possible if the intelligence has been delivered from the hampering sense of incapacity to wield the instruments required for intellectual work."

Mr Philip Snowden's little book comprises the articles which he contributed to the enlightenment of the readers of the *Morning Post* earlier in the present year, together with an additional chapter in the nature of a reply to critics. About education he is perfectly definite. In the view of the Labour party, as set forth by Mr Snowden, "The social and industrial problem in its final analysis is a question of education. A Labour Government will be enthusiastic about this subject.....It will attach supreme importance to the training of the young." At the same time, it will not aim at training them all for the black-coated professions.

In sharpest opposition to all these idealists is the member for Mossley. Social reform, in Mr Hopkinson's stern view, "is probably the cause of more human degradation and misery than all the wars in history. For it is a device by which evolution is thwarted, and the survival

* "The Way Out." Edited by the Hon. Oliver Stanley. Oxford University Press. 4s 6d.
"Labour Rules." Philip Snowden, M.P. Labour Publishing Co. 1s.
"The Hope of the Workers." Austin Hopkinson, M.P. Martin Hopkinson. 1s.

of the unfittest is brought about." Mr Hopkinson's sincerity is not open to doubt, even when he is laying down the law with the smallest regard for logic; but his is a dark and gloomy outlook, shot through though it is by the exaltation of the fanatic. The hope of the workers, as he conceives it, is that they should clear their minds of all the fallacies and follies of Socialism, which he identifies first with Bolshevism, and second with theft, and wait till capitalists become good men. Among the Scripture parables that he does not quote is that about the rich man and the kingdom. It is bound to occur to his readers, however.

BOOKS RECEIVED.

The Romance and Tragedy of Banking. By T. P. Kane. Second edition. (New York) The Bankers' Publishing Company.

Obtainable in London from Mr Effingham Wilson, 16 Copthall Avenue. 2s 6d net.

Is it Peace? By the Rt. Hon. David Lloyd George. (London) Hodder and Stoughton, Limited. 10s 6d net.

Key-Book of the League of Nations. By C. B. Fry, with a chapter on the Disarmament Question by H.H. Prince Ranjitsinhji. (London) Hodder and Stoughton, Limited. 7s 6d net.

The Background of Economics. By Professors Merlin H. Hunter and Gordon S. Watkins. (New York) McGraw-Hill Book Company.

Obtainable in London from McGraw-Hill Publishing Company, Limited. 15s.

The Stockbroker's Office, Organisation, Management and Accounts. By Julius E. Day. (London) Sir Isaac Pitman and Sons, Limited. 7s 6d net.

The Cambridge History of British Foreign Policy. Vol. III. (1866-1919). Cambridge University Press. 31s 6d.

Income-taxes in the British Dominions. Compiled in the Inland Revenue Department, London. (London) His Majesty's Stationery Office. 5s net.

Economics and Ethics. By J. A. Marriott. (London) Methuen and Co., Limited. 10s 6d net.

Guide to Current Official Statistics. First Issue 1922. (London) His Majesty's Stationery Office.

Handbook of the Ulster Question. Issued by the North-Eastern Boundary Bureau. (Dublin) The Stationery Office.

The Smithsonian Institution. Annual Report for 1921. (Washington) Government Printing Office.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
October 17.	October 18.

It is not very easy this week to describe in a word the volume of Stock Exchange business that has been transacted, for some members are very busy, while others are doing literally next to nothing. In a few departments, such, for instance, as that for tea shares, this week's settlement has proved one of the heaviest experienced during the present year, and the Consol market continues to drive a steady course in its own particular stocks, while in certain other sections a good deal of business is afoot. Taken as a whole, the restraining influence of foreign politics lays a check upon activity, and, although clients complain that it is difficult to find first-rate stocks which are obtainable in the markets, the disposition of the public is apparently to adopt a waiting attitude in regard to the more speculative sections.

The new Victoria scrip, which started at a premium of 7½, went back to 7½ premium, on the appearance of a 7½ million Commonwealth 5 per cent. Loan at 99, accompanied by rumours that other big borrowers will shortly put in an appearance. Nevertheless, the demand for good-class stocks is insistent, and the Victoria scrip improved again, together with the prices of the War Loan, Conversion (which has been exceptionally weak), and a few of the Home Railway prior-charge securities. The existing Commonwealth Fives fell about 15s on the appearance of the latest corner.

French bonds have given way, upon further consideration of the position as it now stands in the Ruhr area. The recent little spurt in Russian bonds tempted a certain amount of selling, which had the effect of pulling prices down again. The new Austrian scrip has remained steady about 3 premium. French Railway bonds have given way in sympathy with the Government issues. South Americans are quiet, calling for no

particular comment, and Japanese municipal bonds continue their recovery; the reports of further earthquake shocks were not read very seriously.

The speculative position in the Home Railway market, as disclosed by the contangoes on Tuesday, showed little alteration from that of a fortnight ago. The public are taking scant interest in the market at present, and the consequence is that prices have given way. The Argentine Railway group is also easier on the whole; sales followed the B.A. Pacific's announcement of dividend, which brings the rate for the full year up to the expected 7 per cent. Central Uruguays are better, upon excellent dividend declarations. San Paulo has spurred further, thanks to the increase in the interim distribution, and Antofagasta keeps firm, owing to the continued strength of nitrate producing shares. United of Havana did not move on the dividend, which makes 6 per cent. for the year.

The rubber market is quiet, with prices still inclined to droop. It may be remarked that fairly material falls have occurred in some of the leading rubber shares from the prices touched in the short-lived spurt of August. The tea boom halted in its stride, though a few of the leading shares are again higher on the week. The settlement brought in a good many sellers, who had bought shares in order to make a turn. The oil market weakened, on the considerations set out in the *Economist* last week (page 473), coupled with rumours that some of the companies may require fresh capital in the near future. Workman Clark debentures and Tata debentures have both fallen, the former to 35. A drop in Courtaulds was said to be due to forced liquidation; it is possible that an equally good reason may be found in the fact that holders who can still see a profit on their shares are selling, the effervescence of the market having so noticeably subsided. Some of the other textiles are better, after going through a weak period. Hotel shares are good; the Carlton has raised its dividend from 8 per cent. to 10 per cent. After a further show of robust strength the tobacco list reacted, though merely a trifle, from the top. There is some inclination to buy motor shares, in view of the advertisement which the industry will receive from next month's Motor Show. Amongst land shares Sudan Plantations went ahead, the buying coming partly from Egypt. Iron and steel shares continue sluggish. The newspaper list went flat upon the idea that competition in the provinces may affect profits of the London companies, but a rally started on the announcement that the Associated Newspapers proposed to give a bonus of one new deferred share for every five now held, the meeting to confirm which takes place to-day (Saturday). The brewery market feature is a rise of 30 points in Beckett's ordinary, on dividend and report anticipations. There is nothing much doing in wireless or cable shares. One of the less conspicuous features of the industrial market is the manner in which good debenture and preference issues are being persistently absorbed. Tokyo Electric debentures, after their drop to 20 discount on the first news of the earthquake, have recovered to 7 discount.

South Africans make a cheerful showing, with a fair sprinkling of rises in the deep-level and some of the outcrop companies' shares. Chartered have advanced now that the Government has paid the company the 3½ million pounds sterling, of which it is hoped that part, at all events, will be returned to shareholders. Copper shares are weak, and the recent animation in Canadian and Mexican mining shares has given way to quiet conditions, with the usual concomitant of sagging prices. The price of tin, the metal, has been keeping fairly stable at a little over £200 per ton, though without quickening public interest in tin mining shares. The Stock Exchange declared an interim dividend of £3 per share on its own shares last Wednesday, and the price went ex div. on the following day, being now 10½. The nominal paid-up value is £25, and the dividend is the same amount as that of a year ago.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liab.
	£	£	£	£
Amount previously recorded	..	206,682,637 ..	..	..
ISSUES OF THE WEEK—				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED SEPT. 30, 1923.				
April 1, 1923, to Sept. 30, 1923, £10,500,000 ..	2,700,000 ..	2,700,000 ..		
To the Public—				
Government of the Commonwealth of Australia, £7,500,000 5% Reg. Stock, 1923-24 (rep. at par), issued at 99% ..	7,500,000 ..	7,425,000 ..	375,000 ..	7,050,000
The Lancashire Electric Light and Power Co. Ltd., 350,000 7% Cum. Pfg. Pref. Shares, £1. at 23s per share ..	350,000 ..	402,500 ..	17,500 ..	385,000
Do 350,000 Ord. Shares, £1. at 21s per share ..	350,000 ..	367,500 ..	17,500 ..	350,000
Total offered to the public	..	8,195,000 ..	410,000 ..	7,785,000

Total offered for subscription to date in—	Total offered for subscription for whole year—
1923	1923
1922	1922
1921	1921
1920	1920
1919	1919
1918	1918
1917	1917
1916	1916

Government of the Commonwealth of Australia 5 per Cent. Loan, 1935-1945.—Issue at 99 of £7,500,000 registered stock. The principal is repayable in London at par in June, 1945, but the Government has the option of redemption after June 1, 1935, on giving three months' notice. The proceeds of this loan will be used to meet expenditure for settlement of emigrants from Great Britain, for development works, and for the redemption of Treasury bills and other securities. The prospectus points out that "Sinking fund contributions will be paid into the National Debt Sinking Fund of Australia in respect of this loan in accordance with the provisions of Section 9 of Act No. 5 of 1923, entitled the National Debt Sinking Fund Act, 1923, of the Parliament of the Commonwealth of Australia." Under clause 9 of this Act it is provided that:—The Treasurer shall pay into the Trust Fund, under the head of the National Debt Sinking Fund: (a) in each financial year for a period of fifty years, commencing with the financial year 1923-24, a sum of £1,250,000; (b) in each financial year for the said period of fifty years a sum equal to 10s per centum of the net debt created in that financial year and in any financial year prior thereto and after June 30, 1923. The yield on this loan, allowing for redemption in 1945, works out at £5 1s 6d per cent. The previous Australian Commonwealth Loan, made in April of last year, was of a very similar description; the terms and date of redemption were the same, but the issue price being 96, a yield of £5 4s was obtainable. In view of the trend of money rates since this date, the present issue appears to be an attractive trustee investment.

The Lancashire Electric Light and Power Company, Limited.—The total authorised share capital is £2,071,415, consisting of £571,415 6 per cent. (income-tax free up to 6s in the £) cumulative first preference shares of £1 each, of which £511,440 has been issued, £750,000 7 per cent. cumulative participating preference shares of £1 each, of which £562,500 is now issued, and £750,000 in ordinary shares of £1 each, of which £628,560 has been issued. The present issue of 350,000 7 per cent. cumulative participating preference shares at 23s per share and 350,000 ordinary shares at 21s per share are included in the above-mentioned issued capital. It is intended to pay off out of the proceeds of the issue the existing £535,000 7½ per cent. prior lien debenture stock and £150,000 6 per cent. first mortgage debenture stock, which constitute the whole of the outstanding loan capital of the company. The participating preference shares carry the right, after payment of a dividend at the rate of 6 per cent. per annum on the cumulative first preference shares, to a fixed cumulative preferential dividend at the rate of 7 per cent. per annum, and in any year in which the ordinary shares receive a dividend at a higher rate than 7 per cent., then the participating preference shares are entitled to a dividend at a rate equal to that paid on the ordinary shares up to a maximum of 10 per cent. The company owns all the issued debenture and share capital of the Lancashire Electric Power Company, which supplies electricity over a highly developed industrial area of about 150 square miles. The prospectus gives a table of progressive profits of the power company. It is stated that a profit equal to that for 1922 permits the power company to pay to the Lancashire Electric Light and Power Company the sums required for dividends of 6 per cent. on the first preference shares, 7½ per cent. on the participating preference shares, and 7½ per cent. on the ordinary shares of the latter company, leaving a surplus for depreciation, &c., of the power company of £45,716. This is a fairly reasonable offer.

The Leeds Forge Company, Limited.—Authorised share capital £1,300,000, of which £750,000 has been issued and is fully paid. Loan capital outstanding amounts to £479,420, consisting of £150,000 5 per cent. first mortgage debentures and £329,420 8 per cent. convertible debenture stock. This is an issue of £400,000 6 per cent. debenture stock at 95 per cent., repayable at par on December 31, 1950, but the company reserves the right to redeem at 102 after 1930 on giving three months' notice. The stock has been created primarily for the purpose of redeeming the outstanding 8 per cent. convertible debenture stock. The company give holders of the 8 per cent. convertible stock the option of being repaid at par on January 1, 1924, or alternatively of converting into the new security. The present issue has been underwritten by Messrs Cammell, Laird and Co., who have acquired a controlling interest in the concern. This debenture issue is a charge upon fixed assets after the rights of the first mortgage debentures have been satisfied. Moreover, the company reserves the right to charge assets up to £100,000 with its bankers "in the ordinary course of business"—an elastic term in these days of company merging. Profits are given from 1913. Fixed assets are valued at £650,529. If these assets have been valued in accordance with current costs of building and machinery, the margin is sufficient. But the prospectus does not make this clear.

Amalgamated (Rubber) Development Company, Limited.—Authorised capital £125,000, divided into shares of 2s each. These shares—1,250,000 with 6d per share paid up—are being issued as "rights" to the shareholders of Amalgamated Rubber Estates, Limited, shareholders in the latter company having the right to take one share for every four shares held. The Amalgamated Rubber Estates, Limited, have guaranteed a dividend at the rate of 6 per cent. per annum up to 1928, on which date the shares are to be exchanged at par into holdings of Amalgamated Rubber Estates. The company has been formed to develop in Sumatra 5,000 acres of the unplanted area of the Amalgamated Rubber Estates. These details are given in the Press as "information only."

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
War 4½% 1925-28	95½	95½	95½	95½
Loans 4½% 1925-28	97½	97½	97½	97½
4½% 1929-31	100½	100½	100½	100½
Funding Loan 4½% 1925-28	91½	91½	91½	91½
Victory Bonds 4½% 1925-28	92½	92½	92½	92½
Conversion Loan 4½% 1925-28	79	78½	78½	78½
Consols 2½% 1925-28	58½	58½	58½	58½
Irish Land Stock 4½% 1925-28	60½	60½	60½	60½
Local Loans 3½% 1925-28	68	67½	67½	67½

Banks.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Barclays B (£1, l.p.d.)	21½	21½	21½	21½
Chartered Bk of India 19½	19½	19½	19½	19½
Lloyds (£5 with £1 paid)	3	3	3	3
London Joint City & Midland (£12 with £2 paid)	8½	8½	8½	8½
Nat. Bank of Egypt (£10)	22½	23	23	23
Nat. Bank of S. Africa (10)	6	6	6	6
Nat. Prov. & Union of England (£20, with £4 paid)	11½	11½	11½	11½
Standard of S. Africa (£20, with £5 paid)	11½	11½	11½	11½
Westminster Bk (£20, with £5 paid)	17½	17½	17½	17½

Colonial and Foreign Railways.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Antofagasta Cons. 89	89½	89½	89½	89½
B.A. and Pacific 81½	80	80	80	80
B.A. Gt. Southern 85	83½	83½	83½	83½
Buenos Ayres West. 78½	78	78	78	78
Canadian Pacific 157	155½	155½	155½	155½
Central Argentine 71½	70	70	70	70
Leopoldina 21½	21½	21½	21½	21½
Mexican Railway 11	11	11	11	11
Do 1st Pref. 32	32	32	32	32
Do 2nd Pref. 19	19	19	19	19
San Paulo 143½	143½	143½	143½	143½
United Havana 74	74	74	74	74

Foreign Government Securities.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Argentine 5%, 1886-7	99	99½	99½	99½
Austrian 6% Guar.	63	63	63	63
Belgian 3%	66	66	66	66
Brazil 5% Fund., 1914	68	68	68	68
Chilian 4½%, 1895	93	93	93	93
Do 7½% 1905	105	105	105	105
Chinese 5%, 1912	67	66½	66½	66½
Egyptian 4½%	73	73	73	73
French 5%	30	28½	28½	28½
Do 4%	23½	23½	23½	23½
Greek 4%, 1884	43½	43½	43½	43½
Japanese 4½%	101	101	101	101
Do 4½% 1910	67	68	68	68
Mexican Cons., 1899	58½	58½	58½	58½
Peruvian Cons., 1899	29	29½	29½	29½
P.L.M. 6%	82	82	82	82
Portuguese (New)	31	31	31	31
Russian 5%, 1906	11	11	11	11
Spanish 4%	67½	67½	67½	67½
Seine (Dept.) 7%	100	100	100	100
Siam 7%	107	106½	106½	106½

Telegraphs.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Anglo-American "A"	23	23	23	23
Marconi Wireless	24	24½	24½	24½
Marconi Canada	1½	1½	1½	1½
Marconi Marine	1½	1½	1½	1½
British Railways.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Great Western, Ord.	110½	109½	109½	109½
Do Def.	87	87	87	87
London & North-Eastern 5% Pref. Ord.	87½	87½	87½	87½
Do Def. Ord.	32½	32½	32½	32½
London, Mid., and Scottish, Ord.	105½	104½	104½	104½
Metropolitan	76½	77½	77½	77½
Metropolitan District	54½	54½	54½	54½
American Railroads.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Chesapeake & Ohio	67	69	69	69
Erie	16	16	16	16
Do 4% 1st Pref.	24	25	25	25
Southern, Ord.	37	38	38	38
Do Non-um Pref.	75	75	75	75

Miscellaneous.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Aerated Bread (£1)	14½	14½	14½	14½
Amal. Cottons (£1)	14½	14½	14½	14½
Anglo Persian Oil (£1)	3	2½	2½	2½
Armstrong (Sir W.G.) and Co. (£1)	1	1	1	1
Ass. Pind. Cement (£1)	1	1	1	1
Barker, John (£1)	2½	2½	2½	2½
Pharmaceuticals (£1)	45½	46½	46½	46½
Brazil Traction (£100)	45½	46½	46½	46½
British-American Tobacco (£1)	58	58½	58½	58½
Burmah Oil (£1)	44	44	44	44
Coats (J. and P.) (£1)	37½	38	38	38
Courts (J.) (£1)	37½	38	38	38
Cunard (£1)	37½	38	38	38
Dorman, Long (£1)	37½	38	38	38
Dunlop Rubber (£1)	37½	38	38	38
Fine Cotton Spinners (£1)	2½	2½	2½	2½
Forestal Land (£1)	14½	14½	14½	14½
Furness, Withy (£1)	14½	14½	14½	14½
Highlands and Lowlands Rubber (£1)	14½	14½	14½	14½
Hudson's Bay (£1)	6	6	6	6
Mines.				
	Price Last Week.	Price Last Week.	Price Last Week.	Price Last Week.
Barropan (£1)	3½	3½	3½	3½
Bokan Hill Prop. (5)	14	14	14	14
Charterhouse (£1)	14	14	14	14
Cons. Gold Fields (£1)	14	14	14	14
Cons. Mines (10)	23	23	23	23
Cons. Mines Def. (25)	12	12	12	12
Cons. Mines Prop. (5)	14	14	14	14
Gold (£1)	14	14	14	14
Gov. Gold Areas	14	14	14	14
Knights	48	48	48	48
Modderfontein (10)	48	48	48	48
Modderfont. "B" (5)	14	14	14	14
Modderfont. Deep (5)	24	24	24	24
Premier Def. (25)	12	12	12	12
Band Mines (5)	24	24	24	24
Selkwa	24	24	24	24
Rio Tinto (25)	34	34	34	34
Spring Mines (10)	24	24	24	24

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ROYAL

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ALL CLASSES OF INSURANCE EFFECTED

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

COMPANY MEETINGS, &c.

GENERAL MINING AND FINANCE CORPORATION, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

IMPROVED RESULTS AND PROSPECTS.

The twenty-third annual general meeting of shareholders was held at Johannesburg, on August 30, 1923, Sir George Albu, Bart., presiding.

The Chairman, in moving the adoption of the report and accounts, said:—The two main points brought out by the directors' report and the accounts of the corporation for the past financial year are, firstly, the effect of the general strike of white workmen which took place in the early part of January, 1922, and, secondly, the metamorphosis of the financial position and prospects of our company resulting from the effects of the purchase from the Custodian of Enemy Property of the whole of the ex enemy held shares of the corporation and its affiliated companies. The first point was dealt with at some length by the chairman at the previous annual meeting of the corporation, and I need only to-day emphasise the remarks appearing in your directors' report as to the serious immediate effect which the disastrous strike on the part of the employees had on the operations of the gold-producing mines of our group.

EX-ENEMY SHARES AND DEPRECIATION.

The other leading feature of the report and accounts for the past year is of a more pleasing kind. In his remarks at our last annual meeting, the Chairman referred to the far-reaching importance of the acquisition of the ex-enemy shares of our group, and foreshadowed that the next balance-sheet would probably show that the heavy depreciation shown in the annual accounts of the corporation for so many years would almost entirely, or perhaps wholly, disappear. This prediction was regarded in some quarters as being probably too optimistic, but, so far from this actually having been the case, it has proved to be well within the mark. Not only have we succeeded in wiping out the whole of the £1,186,786 depreciation shown in the balance-sheet at December 31, 1921, but we have also been able to provide further substantial amounts against any possible loss which might accrue in realising other assets of the corporation. But, highly satisfactory as these statements are, they are not the full measure of the tale. For the first time for many years our share and debenture holdings, which appear in the balance-sheet at a total valuation of £853,589, have been taken at or under the market prices ruling at the date of the accounts, and I am pleased to be able to state that, if valued at today's market quotations, they would show a very substantial surplus. By far and away the largest portion of our investments is in the shares and debentures of our subsidiary companies. If you will note the low figures at which most of these stocks are quoted at the present time (several of them at less than the value of their cash assets), and, further, take into account the fact that in nearly every case they are standing in our books at a price below existing quotations, you will realise the conservative basis upon which the balance-sheet at December 31st last has been framed.

BALANCE-SHEET ITEMS.

Under the head of capital a very important change is apparent: the issued capital still remains at £1,875,000, but from this is deducted £847,202, representing a similar number of shares, previously held by ex-enemies but since acquired from the Custodian of Enemy Property and held by our Corporation. This reduces our liability to shareholders to £1,027,798. As mentioned in the report of your directors, it is possible there may be a certain additional number of shares to be acquired from the Custodian under our agreement, but on this point we have no definite knowledge. However, it is to be presumed that we shall have some reliable information before the compilation of the next balance-sheet, and subsequently the necessary formalities will be effected with the object of reducing the capital account by the total number of shares purchased from the Custodian.

The final item on the balance-sheet is cash and Treasury bills

amounting to £194,592, or an increase of £131,618 as compared with the cash position at the close of the previous year. Our financial position is, in common with our general position, vastly improved, as our liabilities to creditors are practically balanced by cash in hand and British Treasury bills, leaving our sole remaining liability, under deposits, covered by assets standing in the balance-sheet at over £1,200,000, and valued conservatively at that.

The net profit for the past year of £78,858 (as compared with £40,346 for 1921) was carried to appropriation account, which already showed a credit balance of £174,048 at December 31, 1921. Adding to these two amounts the difference of £762,458 between the par value and the purchase price of the 847,202 General Mining shares acquired from the Custodian, there was available an amount of £1,015,364, of which £1,004,135 was appropriated for reducing the book value of share and debenture holdings to (or under) market prices, and the balance of £11,229 is carried forward to the current year.

Now that the tide has turned we shall go forward with renewed energy in the effort to further the interests of the Corporation and of the group of companies which we control.

This concluded the proceedings.

THE ANGLO-SIAM CORPORATION, LIMITED.

GOOD RESULTS—INCREASED NET PROFIT.

The twenty-sixth annual ordinary general meeting of the Anglo-Siam Corporation, Limited, was held at the registered offices of the corporation, 5 and 7 St Helen's place, London, E.C., on October 2, 1923, the chairman, Mr J. M. Ryrie, presiding.

In the course of his speech the Chairman referred to the new offices, and mentioned that the increasing business of the corporation had necessitated larger and more up-to-date premises.

Commenting on the accounts for the past financial year, the Chairman stated that, having regard to the depression in trade generally, shareholders could congratulate themselves upon the satisfactory results achieved, and pointed out that the net trading profit exceeds that of the previous year.

SATISFACTORY INDIAN BUSINESS.

Whilst there was no reason to be dissatisfied with the profits of the business in and with Siam, it was encouraging that the results from the Indian branches were very satisfactory and more than

justified the acquisition of that business, whilst the Singapore branch has now arrived at the profit-earning stage.

Continuing his speech, the Chairman referred to the reduction of 5 per cent. in the bonus on the ordinary shares, and expressed a hope that shareholders would be satisfied with the return on their investment, pointing out that whilst the new capital was subscribed only towards the end of the year, the dividends and bonus are being paid upon the increased capital.

RESERVE FUNDS EQUAL PAID-UP CAPITAL.

The Chairman remarked that, in his opinion, the balance-sheet was the best and strongest yet published by the corporation—the general reserve funds being now equal to the paid-up capital—and after dealing at some length with the various items appearing therein he acknowledged, on behalf of himself and his colleagues on the board, the devotion of the staff at home, and particularly in the East, to the interests of the corporation, and also dealt with the changes in the staff at Bangkok necessitated by the retirement from the East of Mr S. H. Hendrick, who had acted as the general manager in Siam for 15 years, and who has now joined the board.

The Chairman then reviewed the position generally, and confessed his inability to forecast the probable results for the current year, remarking that he would prefer to say nothing as to the immediate prospects, except that the corporation is quite ready and in a position to take full advantage of any revival in trade when this comes.

In regard to timber, large deliveries at Bangkok are assured this year, and whilst some satisfactory sales have already been effected locally, it will be necessary to reopen the saw mill for the purpose of disposing of these deliveries, whilst it is to be hoped that the new royalties fixed by the Siamese Government will not prove so burdensome as was at one time feared, though much in excess of those at present in force.

SIAMESE EXCHANGE RATE.

The recent large rice crop in Siam ought to have a favourable influence on the general business in Bangkok this year, though the question of exchange there is a factor which is to some extent retarding trade, and, whilst the Siamese Government are to be congratulated upon having maintained a stable rate of exchange when other exchanges were fluctuating wildly, he hoped that if any further reduction was in contemplation the Siamese Government would announce their intention with as little delay as possible, and at the same time state that the change, if any, is final.

THE
ANGLO-SOUTH AMERICAN BANK,
LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

Referring to India, the Chairman said that he did not expect such satisfactory profits as in the past year, and that at Singapore only moderate results could be looked for.

The directors' report and the statement of accounts for the year ended March 31, 1923, were adopted, and final dividends of 3½ per cent. on the preference shares and 12½ per cent., together with a bonus of 5 per cent. on the ordinary shares were declared, making a total distribution of 25 per cent., less tax, on the ordinary shares for the year.

Mr J. M. Ryrie, Mr Henry Bateson, and Mr S. H. Hendrick were re-elected directors, and Messrs Turquand, Youngs, and Co. were appointed the auditors for the current year.

A vote of thanks to the directors and staff having been passed, the proceedings terminated.

FREDERICK HOTELS, LIMITED.

FINANCIAL POSITION "BEST IN COMPANY'S HISTORY."

The twenty-fifth ordinary general meeting of the Frederick Hotels, Limited, was held, on the 3rd instant, at the Hotel Russell, Russell square, London.

Mr Ronald Peake presided, and, in moving the adoption of the report and accounts, said: The accounts and balance-sheet from the point of view of business done, profit earned, and financial position are the best in the history of the company, and I have no doubt that shareholders will be pleased with the results shown. The net profit for the year was £61,994, and allowing for the compensation received from the Government for the Hotel Great Central and included in the previous year's accounts, represents an increase in earnings of £26,977. I think you will all consider this very satisfactory. The balance brought into the accounts from the previous year was £38,531, to which has to be added the profits for the year, amounting after payment of debenture and mortgage interest to £61,994, giving us an available total of £100,525. The preference dividend of £27,500 has already been paid. The dividend of 9d per share on the ordinary shares will absorb £20,625. £10,000 is added to reserve fund, bringing it up to £40,000, and we have provided £3,500 for work which is being carried out during the current year. After appropriating these amounts there is a balance of £38,900, which we propose carrying forward to the next account. I am sure you will all agree with the policy of your board in keeping the hotels in a thorough state of repair, providing additional bathrooms and making other improvements to keep pace with the requirements of our visitors. Your directors have devoted considerable time and attention to the improved and more efficient working of the hotels, and I venture to say that our kitchens, larders, and staff quarters will compare favourably with any hotel in the country. We are always ready to consider suggestions from shareholders or visitors for the improvement of the working of our business, and we are prepared to authorise any expenditure which may be necessary so long as we are satisfied that the outlay will result in increased efficiency or bring its return in increased trade.

With regard to the balance-sheet and profit and loss account, in the profit and loss account the item which appeared last year for compensation for the occupation of the Hotel Great Central disappears. The profit on trading and investments shows an increase, and the net result of the profit and loss account is to increase the sum available by £10,744. We have now had the returns for the first three months of the current year, and I am pleased to inform you that the business at our hotels is being well maintained. The Right Hon. Lord Bethell seconded the motion, which was carried unanimously.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 252,000,000
Deposits and Cheque Accounts
(30/6/23) - Fmk. 1,587,000,000

BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1914	Mar. 1918	Dec. 1919	Mar. 1920	Mar. 1921	Mar. 1922	Dec. 1922	Mar. 1923	Sept. 30, 1923
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	28	28	28	28	28	28	28	28
4½% War Stock	18	19	18	18	18	18	18	18	18
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	13	13	13	13	13	13	13	13	13
4½% War Stock	2,091	2,047	2,040	1,996	1,963	2,071	2,095	2,095	2,095
National War Bonds	649	1,509	1,476	1,413	1,301	971	953	924	924
4½% Funding Loan	...	...	...	...	...	...	...	...	...
4½% Victory Bonds	...	...	...	...	...	...	...	...	...
5½% Conversion Loan	...	...	...	...	...	...	...	...	...
5½% Treasury Bonds	...	...	...	...	...	...	...	...	...
5½% Treasury Bonds	...	...	...	...	...	...	...	...	...
Do by tender 5½%	...	...	...	...	...	...	...	...	...
Do by tender 4½%	...	...	...	...	...	...	...	...	...
Do 4½% 1931-33	...	...	...	...	...	...	...	...	...
Treasury Bills	15	961	1,107	1,107	1,181	878	719	616	628
Exchequer Bonds	80	329	323	319	289	185	150	150	150
Natnl. Savings Certs.	...	...	...	...	...	...	...	...	...
War Expnd. Certs.	...	...	...	...	...	...	...	...	...
Other Debt	...	...	...	...	...	...	...	...	...
American Loan	...	...	...	...	...	...	...	...	...
Temporary Advances	1	204	243	205	154	147	222	194	178
Other Capital Liabilities	654	5,872	6,033	7,829	7,574	7,655	7,743	7,739	7,739
Total Liabilities	711	5,921	6,079	7,876	7,633	7,721	7,835	7,813	7,808

* Figures adjusted in accordance with Finance Accounts, 1922-23.

POSITION OF THE FLOATING DEBT.

	Out. Sept. 30, '22	Mar. 31, '23	Sept. 30, '23	Sept. 30, '23
Temporary Advances	...	...	...	...
Advances by Bank of England	...	...	...	...
Advances by Public Debt Office	148,199,500	193,897,500	177,761,500	600,000
Treasury Bills outstanding	723,725,000	616,045,000	625,785,000	3,365,000
Total Floating Debt	871,924,500	809,942,500	803,546,500	3,965,000

* Includes £10,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Oct. 8-Oct. 13 were opened on Oct. 5, 1923, and the total amount applied for was £61,220,000. For bills at three months, dated Monday to Friday, at £99 4s 5d, about 46 per cent., above in full; Saturday, at £99 4s 8d, above in full. The amounts allotted were as follows:—in bills at 3 months, £35,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Aug. 24, 1923.	£40,000,000	£62,360,000	3 1 9.18	nil
Aug. 31, 1923.	45,000,000	62,485,000	3 1 2.86	nil
Sept. 7, 1923.	40,000,000	54,090,000	3 5 5.9	nil
Sept. 14, 1923.	35,000,000	55,520,000	3 2 4.63	nil
Sept. 21, 1923.	45,000,000	60,140,000	2 19 11.2	nil
Sept. 28, 1923.	45,000,000	86,895,000	3 4 5.59	nil
Oct. 5, 1923.	35,000,000	61,220,000	3 1 4.25	nil

Tenders will be received on Oct. 12, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Foreign Accounts.	Silver Coin.	Gold and Silver Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Secret Reserves.	Balance at Bank of England.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177	177
June 28, 1922.	295,374	13,338	5,000	28,500	19,650	16.3	264,112	180	180
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169	169
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	16.9	258,922	137	137
Mar. 28, 1923.	285,616	12,316	7,000	27,000	22,450	17.3	241,294	190	190
June 27, 1923.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123	123
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140	140
Oct. 4, 1923.	283,943	12,312	7,000	27,000	22,450	17.4	239,695	110	110

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,800,000, for 1921 at £317,555,200, for 1922 at £309,368,400, and for 1923 at £276,183,800.

The Bankers' Gazette.

BANK OF ENGLAND.

* Week ended Wednesday, October 3, 1923.

ISSUE DEPARTMENT.

	£	Notes issued	Government debt	Other securities	Gold coin and bullion
		145,581,765	11,015,100	8,734,900	125,831,765
		145,581,765			145,581,765

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS

CLAIMS PAID

Accidents and Illnesses.
Employers' Liability.
Burglary, Fire, Motor Cars, Public Liability.
Insurance of Boilers, Engines, Electrical Plant and Lifts.
Excursions and Trusteeships.

Head Office: 36-44, MOORGATE, LONDON, E.C.2.

BANKING DEPARTMENT.

	£	Government securities	£
Proprietors' capital ..	14,553,000	Other securities	44,658,834
Reserve	3,716,392	Notes	71,260,165
Public deposits	11,503,591	Gold and silver coin ..	20,798,315
Other deposits	108,762,384		
Seven-day & other bills ..	9,718		
			138,545,085

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

	Amount, Oct. 3, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,716,392	+ 8,906	+ 621,222
Public deposits	11,503,591	+ 2,013,399	+ 5,192,054
Other deposits	108,762,384	+ 4,199,824	+ 13,404,823
Government securities ..	44,658,834	+ 2,878,597	+ 15,608,139
Other securities	71,260,165	+ 96,546	+ 2,329,369
Notes	22,826,086	+ 780,004	+ 463,370
Reserve	124,783,450	+ 781,310	+ 1,583,705
Note circulation	127,659,536	+ 1,268	+ 237,505
Coin and bullion	184	- 1%	+ 24%
% of reserve to liabilities ..			

Date.	Coin and Bullion.	Circulation (Excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
Aug. 29	127,643,180	124,604,970	120,130,927	115,488,723	22,788,210	19 1/4
Sept. 5	127,649,945	124,884,900	124,144,204	119,475,995	22,515,045	18 1/2
12	127,648,292	124,090,785	122,860,180	117,295,132	23,307,507	19
19	127,648,696	123,384,615	122,595,340	116,843,998	24,015,081	19 1/2
26	127,658,268	124,002,140	118,079,550	112,943,856	23,406,128	19 1/2
Oct. 3	127,659,536	124,783,450	120,855,975	115,918,999	22,626,086	18 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to August 29	21,481,806	1,040,252	1,879,434	24,401,492
September 5	599,342	27,070	52,079	678,491
12	523,933	24,981	49,702	598,586
19	538,293	25,487	51,512	615,292
26	530,384	25,595	48,136	604,115
October 3	699,332	30,723	52,192	782,247
Total to date 1923	24,373,060	1,173,514	2,132,855	27,679,429
Do 1922	25,352,442	1,204,556	2,138,866	28,695,864
Increase or decrease in 1923 ..	- 979,382	- 31,042	- 6,011	- 1,016,435
%	- 3.8 %	- 2.6 %	- 0.3 %	- 3.5 %
Total for year 1922	32,780,635	1,092,303	2,806,165	37,161,199
Total for year 1921	30,268,214	1,121,720	3,002,179	34,392,559
Increase or decrease in 1922 ..	+ 2,512,421	- 29,417	- 196,014	+ 2,286,990
%	+ 8.3 %	- 2.6 %	- 6.5 %	+ 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to September 29.			
BIRMINGHAM	84,301,400	87,655,100	+ 3,353,700
BURMINGHAM	53,236,000	45,087,000	- 8,149,000
BRISTOL	237,093,300	232,578,700	- 4,514,600
DUBLIN	42,241,300	41,566,900	- 674,400
HULL	41,248,000	39,514,900	- 1,733,100
LEEDS	30,584,000	28,983,000	- 1,601,000
LEICESTER	321,602,900	334,211,500	+ 12,608,600
LIVERPOOL	579,505,700	562,907,200	- 16,598,500
MANCHESTER	71,688,700	78,186,600	+ 6,497,900
NEWCASTLE-ON-TYNE	25,680,900	25,273,900	- 407,000
NOTTINGHAM	35,958,500	34,788,300	- 1,170,200
SHEFFIELD	...	...	...

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Bulgaria appeared in the *Economist* of July 28; Esthonia in August 11; Roumania in September 8; Egypt and Lithuania in September 18; Canada and Greece in September 23; Japan, Italy, Belgium, Norway, and Poland in September 29.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Sept. 28, 1923.	Sept. 20, 1923.	Sept. 13, 1923.	Sept. 6, 1923.
RESOURCES.				
Total gold reserve	3,116,600	3,121,970	3,110,660	3,076,940
Legal tender notes and silver reserve	76,090	77,830	77,000	126,180
Bills discounted for member banks	862,010	774,240	841,360	420,180
Bills bought in open market	172,120	171,040	179,310	228,120
Government obligations owned	91,890	92,590	99,860	451,450
All other resources	68,770	68,280	67,920	63,470
LIABILITIES.				
Government deposits	56,280	37,970	39,600	19,950
Other deposits	1,875,750	1,849,870	1,896,850	1,820,190
Federal Reserve Notes in actual circulation	2,447,830	2,254,760	2,262,530	2,243,380
F.B. Notes in actual circulation	400	500	510	46,070
All other liabilities	21,310	21,450	20,580	23,640
Capital and surplus	328,030	328,010	328,050	321,570
Ratio of total reserves to liabilities ..	76.4%	77.2%	75.9%	78.4%
Federal Reserve note liabilities combined ..				

BANK OF FRANCE.—In francs (000's omitted).

	Oct. 4, 1923.	Sept. 27, 1923.	Sept. 20, 1923.	Oct. 5, 1923.	Position May 28, 1914.
ASSETS.					

HUNGARIAN BANK.—In krona (000's omitted).

Assets.	Sept. 23, 1923.	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Sept. 23, 1922.
Gold coin and bullion, bills	22,324	22,288	22,303	22,283	13,493
Silver coin, &c.	594	594	594	594	597
Bills, warrants, drafts, &c.	341,485,356	320,175,648	303,991,105	273,604,918	44,795,454
Loans	1,847,195	1,800,800	1,801,914	1,788,821	1,851,138
LIABILITIES.					
Notes in circulation	527,227,850	476,751,286	444,055,794	399,486,871	55,412,204
Deposits	64,286,059	73,532,102	34,003,411	23,628,852	6,553,619

NATIONAL BANK OF DENMARK.—In kroner (000's omitted).

Assets.	Sept. 19, 1923.	Aug. 31, 1923.	July 30, 1923.	June 30, 1923.	Sept. 30, 1922.	Position, May 30, 1924.
Gold and bullion	209,672	209,672	209,682	228,194	228,299	76,644
Loans & discounts	362,890	353,990	360,838	399,235	516,854	88,470
Debtors abroad	18,566	33,404	32,668	14,246	13,745	24,102
Securities	8,483	8,495	7,498	7,545	15,910	11,988
LIABILITIES.						
Circulation	458,861	449,256	447,269	482,301	466,555	157,266
Deposits	46,432	42,583	45,800	41,767	211,064	6,696

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	Sept. 30, 1923.	Aug. 31, 1923.	Aug. 24, 1923.	Aug. 17, 1923.	Aug. 10, 1923.	Sept. 8, 1922.
Govt. securities	11,50,49	11,37,86	11,59,07	11,59,79	12,43,75	10,20,58
Other securities	1,30,77	1,30,77	1,30,77	1,30,66	1,30,66	1,28,31
Loans	16,24,05	16,21,39	16,23,86	16,32,85	16,70,52	17,10,74
Cash credits	31,22,05	30,77,70	30,25,03	30,30,43	30,79,60	25,43,81
Foreign bills	4,34,82	4,18,60	4,54,14	4,85,02	4,65,07	4,24,32
Dead stock	2,42,30	2,41,83	2,41,83	2,41,64	2,41,32	2,45,67
Sundries	38,22	39,25	25,64	28,82	29,43	30,81
Bal. with other banks	51,91	14,55	8,37	14,59	80,37	24,72
Cash	37,43,09	39,56,82	37,94,41	36,63,99	36,61,14	41,03,64
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,56
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,39
Reserve	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,11,85
Public deposits	22,06,72	23,18,91	22,06,95	22,52,23	24,07,59	19,09,95
Other deposits	73,01,68	72,57,11	71,18,18	71,05,00	71,41,58	71,69,82
Sundries	75,74	74,89	69,56	67,27	69,01	68,30
The above includes—						
Deposits in Lond'n	421	223	206	302	590	218
Adv'nces in Lond'n	308	308	305	273	277	879
Cash, &c., at other Banks in London	339	91	48	89	529	155

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 8, 1923.	Sept. 23, 1922.	Position, May 30, 1924.
Gold	42,704	42,704	42,704	42,625	35,091
Balance abroad and foreign bills	383,116	396,432	507,238	329,655	90,379
Finland and Foreign Government securities	571,407	571,407	571,411	695,535	21,826
Discounts and loans	883,494	879,123	794,414	745,694	105,151
LIABILITIES.					
Notes in circulation	1,346,544	1,370,528	1,389,329	1,354,750	133,941
Deposits at notice	313,509	296,103	312,414	180,339	21,225

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Aug. 22, 1923.	Aug. 15, 1923.	Aug. 8, 1923.	Aug. 1, 1923.	Aug. 23, 1922.
Coin and bullion	27,066	27,060	27,040	27,051	26,557
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	90,580	80,832	70,709	72,599	3,978
Discounts	212,760	217,524	220,786	228,783	153,140
Government loans	1,057,225	1,042,227	1,042,227	1,035,214	720,097
LIABILITIES.					
Notes in circulation	1,278,213	1,260,245	1,254,065	1,253,363	851,366
Deposits	34,932	34,862	31,897	42,489	41,622

BANK OF LATVIA.—In lats (gold francs) (000's omitted).

Assets.	Sept. 26, 1923.	Sept. 19, 1923.	Aug. 29, 1923.	March 27, 1923.	Nov. 22, 1922.
Total cash	14,781	14,728	15,578	15,537	1,884,793
Gold coin and bullion	15,797	15,799	15,794	13,145	12,993
Of which held abroad	2,506	2,507	3,744	603	
Foreign banks	61,017	61,181	60,736	41,294	24,466
Discounts and loans	25,706	24,239	21,425	13,937	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	16,697	4,005
Capital paid up	10,000	10,000	10,000	10,000	8,000
Government deposits	39,405	37,762	36,319	19,843	16,697
Other deposits	41,023	40,665	39,495	18,720	16,995

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Sept. 23, 1923.	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 23, 1923.	Sept. 23, 1922.
Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,926	10,096,923	10,096,913	10,096,913	10,096,913	10,096,713
Discounts & advances	1,525,406	1,512,143	1,525,111	1,539,827	1,519,402	1,884,793
Gold & silver held	1,061,080	1,060,763	1,060,668	1,060,308	1,055,813	805,786
Foreign bills and balances abroad	2,446,755	2,444,593	2,451,938	2,445,017	2,538,241	1,670,090
Other assets	431,723	469,586	486,134	487,022	565,077	667,804
LIABILITIES.						
State notes circ'n	8,813,121	8,925,099	9,084,484	9,218,475	8,779,059	9,664,517
Deposits	5,755,544	5,665,832	5,563,143	5,503,830	6,124,688	3,258,372
Other liabilities	993,225	993,077	973,197	973,782	871,699	2,202,897

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 8, 1923.	Aug. 31, 1923.	Sept. 23, 1922.
Gold	63,078	63,078	63,071	63,105	78,287
Other coin and notes	20,321	20,380	20,164	19,429	16,753
Foreign credits	357,287	348,269	347,327	346,863	377,703
Loans	1,375,624	1,368,304	1,331,507	1,292,876	1,361,943
LIABILITIES.					
Notes in circulation	5,829,170	5,820,101	5,842,833	5,719,291	5,144,293
State credits	373,136	373,136	373,136	373,136	332,903
Deposits	848,810	848,165	848,815	848,815	902,792

LONDON RATES.

	Sept. 26, 1923.	Sept. 19, 1923.	Sept. 12, 1923.	Sept. 5, 1923.	Oct. 2, 1923.	Oct. 5, 1923.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%
Market rates of discount—						
60 days' bankers' drafts	3	3	2 1/2	3	2 1/2	3
3 months' do	3 1/2	3 1/2	3	3 1/2	3 1/2	3 1/2
4 months' do	3 1/2	3 1/2	3	3 1/2	3 1/2	3 1/2
6 months' do	3 1/2	3 1/2	3	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)—						
3 months	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.		%	%	%	%	%	%	%
Aug	31	2 3/4	3 1/4	3 1/4	3 3/4	4 3/4	4 3/4	4 3/4
Sept.	7	2 3/4	3 1/4	3 1/4	3 3/4	4 3/4	4 3/4	4 3/4
	14	2 3/4	3 1/4	3 1/4	3 3/4	4 3/4	4 3/4	4 3/4
	21	2 3/4	3 1/4	3 1/4	3 3/4	4 3/4	4 3/4	4 3/4
	28	2 3/4	3 1/4	3 1/4	3 3/4	4 3/4	4 3/4	4 3/4
Oct.	5	2 3/4	3 1/4	3 1/4	3 3/4	4 3/4	4 3/4	4 3/4

OVERSEAS BANK RATES.

Bank	Changed.	%	Bank	Changed.	%
Amsterdam	July 18, 1922	4	Madrid	Mar. 23, 1923	5
Athens	Jan. 14, 1923	7 1/2	Paris	Mar. 11, 1922	5
Berlin	Sept. 15, 1923	90	Prague	May 28, 1923	4 1/2
Brussels	Jan. 22, 1923	5 1/2	Rome	July 11, 1922	5 1/2
Bucharest	Sept. 4, 1920	8	Sofia	June 14, 1919	6 1/2
Budapest	July 5, 1923	18	Stockholm	July 1, 1922	4 1/2
Calcutta	June 28, 1923	4	Swiss Bank		
Christiana	May 1, 1923	6	places	July 14, 1923	4
Copenhagen	May 1, 1923	6	Tokio	Nov. 18, 1918	8
Helsingfors	Sept. 13, 1923	9	Vienna	Sept. 2, 1922	9
Lisbon	Sept. 12, 1923	9	Warsaw	Feb., 1923	12
New York Fed.	Feb. 21, 1923	4 1/2	Irish	July 5, 1923	5

RATES OF EXCHANGE.

London on	Usance	Par.	Oct. 6, 1922.	Sept. 28, 1923.	Oct. 5, 1923.
Paris	francs to £1	T.T.	25-22 1/2	58-15-20	74-00-05
Berlin	marks to £1	T.T.	30-43	9500-9600	750-560,000
Vienna	krone to £1	T.T.	24-02	300/330,000	320/325,000
Prague	krone to £1	T.T.	24-02	129-131	151-151 1/2
Warsaw	P. marks to £1	T.T.	30-43	3,000-41,000	1,400,000
Bucharest	lei to £1	T.T.	25-22 1/2	710-740	980-1,000
Budapest	kr. to £1	T.T.	24-02	9,500-11,500	75,95,000
Constantinople	piastres to £1	T.T.	110	720-740	760-780
Sofia	levas to £1	T.T.	35-22 1/2	725-775	480-500
Belgrade	dinas to £1	T.T.	25-22 1/2	270-780	385-405
Amsterdam	florin to £1	T.T.	12-10 1/2	11-37-38 1/2	11-58-57
Brussels	francs to £1	T.T.	35-22 1/2	62-13-18	93-20-30
Christiana	kroner to £1	T.T.	18-15 1/2	25-00-05	28-54-59
Copenhagen	kroner to £1	T.T.	18-15 1/2	16-64-67	17-13-16
Helsingfors	kroner to £1	T.T.	18-15 1/2	21-62-67	25-40-45
Helsingfors	P. marks to £1	T.T.	25-22 1/2	195-198	169-169 1/2
Greece	drachmas to £1	T.T.	25-22 1/2	123-158	270-280
Italy	lire to £1	T.T.	25-22 1/2	102 1/2-103 1/2	98 1/2-99 1/2
Switzerland	francs to £1	T.T.	25-22 1/2	23-58-61	25-45-50
Madrid	pesetas to £1	T.T.	25-22 1/2	29-07-10	34-10-15
Lisbon	pence to escu.	T.T.	53-4	2-2 1/2	33-58-63
Alexandria	piastres to £1	Sight	7 1/2	2-2 1/2	2-2 1/2
New York	dollars to £1	Cable	4-8 1/2	4-4 1/2	4-5 1/2
Montreal	dollars to £1	Cable	4-8 1/2	4-4 1/2	4-5 1/2
Buenos Ayres	pence to peso	T.T.	47-62 1/2	44 1/2-45 1/2	39 1/2-40
Rio de Janeiro	pence to mils.	90 days	18	41-41 1/2	40-40 1/2
Montevideo	pence to peso	T.T.	51	41-41 1/2	40-40 1/2
Valparaiso	pence to £1	90 days	13-33	31-80	36-70
Lima	King. to Per. £1	90 days	11 1/2	11 1/2	11 1/2
Calcutta	ster. to rupee	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Bombay	ster. to rupee	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Madras	ster. to rupee	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Hong Kong	ster. to dollar	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Shanghai	ster. to dollar	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Singapore	ster. to dollar	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Yokohama	ster. to yen	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Manila	ster. to dollar	T.T.	10 to	1s 4-4 1/2	1s 4-4 1/2
Mexico	pence to dols.	T.T.	24-58 1/2	25-2d	24-58 1/2
			24-06 1/2	25d-28d	24d-26d

more than the second settlement. There was good business doing in the bazaar, and the banks were also active. The up-country demand for the metal is about 100 bars per day. No fresh Indian currency returns have come to hand. The stock in Shanghai on the 29th ult. consisted of about 26,700,000 ounces in sycee, 37,500,000 dollars, and 4,330 silver bars, as compared with 26,100,000 ounces in sycee, 36,000,000 dollars, and 1,380 silver bars on the 22nd ult. Statistics for the month of September are appended:—

	BAR SILVER—Per Ounce Standard.		BAR GOLD	
	Cash.	2 Months' Delivery.	Per Ounce Fine.	Per Ounce
Highest price.....	32½	32	91	4
Lowest	30½	30½	90	2
Average	31.697	31.390	90	8.7

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash.	Forward.	Cash.
Sept. 29..	90 7	31½	31½	Oct. 12, 1917.. 44½
Oct. 1..	90 8	32½	31½	12, 1918.. 49½
2..	90 9	32½	31½	10, 1919.. 62½
3..	90 7	31½	31½	8, 1920.. 56
4..	90 7	31½	31½	7, 1921.. 41½
5..	90 4	31½	31½	6, 1922.. 35½

NOTICES.

The London Joint City and Midland Bank announces the opening of a new branch at Meads, Eastbourne, under the supervision of Mr A. E. Parsloe, manager of the Eastbourne branches, and a new office in Station road, Colwall, near Malvern. The retirement is also announced of Mr J. W. Houlgate, one of the assistant general managers of the London Joint City and Midland Bank, Limited. Mr Houlgate has completed 50 years' service with the Midland Bank and its constituents.

Barclays Bank, Limited, announce that they have opened new branches at 161-163 New Bond street, W. 1, under the management of Mr F. S. Lawrence, also manager of Conduit street branch, and at High street, Torrington, Devon, under the management of Mr W. G. Hall, and at 1 Fountain street, Guernsey, under the management of Mr G. S. G. Martell. They also announce that their sub-branch at Clydach-on-Tawe, Glam., has been converted into a full branch, and the business transferred to new premises at 44-46 High street, Clydach-on-Tawe, under the management of Mr John John, also manager of Pontardawe branch. Their office at Cadoxton (Glam.) has been converted into a full branch under the management of Mr W. P. Phillips (also manager of Barry branch).

Mr Joseph Grieve, assistant manager of the English, Scottish, and Australian Bank, Limited, retired on pension as from September 30th, after 32 years' valuable service. He is succeeded in the position by Mr A. A. Shipston, whose post as sub-manager is filled by Mr J. Argyll Robertson as acting sub-manager.

ANALYSIS OF BALANCE-SHEETS.

UNITED STEEL COMPANIES.			
June 30, 1923.			
LIABILITIES.	Compared with June 30, 1922.	ASSETS.	Compared with June 30, 1922.
Ordinary shares .. 8,006,549 ..		Land, minerals, &c..... 4,205,843 ..	+ 31,697
Prefer. shares .. 1,317,516 ..		Goodwill..... 816,930 ..	+ 105
Debt capital .. 2,427,798 ..	— 16,000	Sundry stocks .. 613,071 ..	+ 71,458
Mortgages & loans .. 23,568 ..	— 23,568	Wagons .. 170,284 ..	+ 6,236
Bank notes .. 1,025,644 ..	+ 279	Cash .. 77,528 ..	— 65,797
Reserves .. 963,805 ..	+ 45,703	Sundry debtors .. 973,835 ..	+ 279,531
Provisions .. 1,224,711 ..	+ 383,040	Advances to associated cos. .. 3,009,397 ..	+ 234,695
Investments .. 928,461 ..	— 127,592	Investments .. 6,803,305 ..	+ 37,026
Trustees for deb. holders .. 826,149 ..	+ 225,406	Trustees for deb. holders .. 158,122 ..	+ 35,233
Total .. 14,441,111 ..	+ 147,268	Total .. 16,828,215 ..	+ 487,268

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Sept. 28, 1923.	(c) Week ended Sept. 23, 1923.	Week Ended Sept. 30, 1923.			Aggregate 30 Weeks 1923.		
		Miles Open.	Passen- gers, &c.	Goods, &c.	Passen- gers, &c.	Goods, &c.	Total Re- cepts.
Great Western.....	3,745	303,000	350,000	653,000	1,062,400	1,354,000	24,166,000
London & North-Eastern.....	8,702	462,000	735,000	1,197,000	1,783,200	2,628,000	46,103,000
Do same period 1922.....	6,657	516,000	705,000	1,219,000	1,945,200	2,897,000	48,422,000
London, Mid., & Scottish.....	6,962	649,000	881,000	1,530,000	2,642,200	3,491,000	60,339,000
Southern.....	2,115	374,300	132,000	506,300	1,332,700	1,509,800	17,892,500
Midland & S.W. Juncos.....	63	1,596	1,316	2,912	5,648	52,506	1,025,564
Metropolitan (c).....	79½	31,293	3,909	35,202	1,254,343	142,087	1,396,430
Underground E.R. (c).....	..	..	..	235,615	..	..	8,858,109
London & Sub. Group (c).....	..	..	..	1,059	..	..	142,201
Belfast & Co. Down (b).....	80	5,373	1,365	6,738	214,597	47,329	261,926
Dublin and S.-East. (b).....	160	6,676	3,539	10,215	243,694	130,851	374,545
Midland Gt. West. (b).....	538	10,478	18,411	28,889	397,776	563,958	961,734

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or —	1923. + or —

INDIAN.

			Rs.	Rs.	Rs.
Assam Bengal.....	22 weeks	Sept. 1	1,072	2,40,800 +	21,014
Barat L. Ry.....	23 weeks	Sept. 8	1,118	17,600 +	49,96,014
Bengal & N. Western.....	23 weeks	Sept. 8	2,062	1,600 +	53,700
Bengal Nagpur.....	22 weeks	Sept. 1	12,738	4,61,540 +	88,238
Bombay, Bar. & C.I.....	25 weeks	Sept. 22	2,994	17,94,000 +	25,000
Burma.....	22 weeks	Sept. 1	1,342	5,09,367 +	8,894
Delhi, Umballa & Kalka.....	24 weeks	Sept. 15	239	85,000 +	87,027
East Indian.....	25 weeks	Sept. 29	2,856	31,58,000 +	231,000
G. Indian Peninsula.....	25 weeks	Sept. 22	3,164	20,13,500 +	98,800
Madras & S. Mah.	23 weeks	Sept. 8	3,029	13,50,000 +	40,051
Rohilk'd & Kumaon.....	22 weeks	Sept. 1	1,259	44,203 +	3,649
Do Lucknow-Breilly.....	22 weeks	Sept. 1	1,259	41,985 +	6,560
South Indian.....	23 weeks	Sept. 8	1,877	9,53,839 +	39,516

CANADIAN.

Canadian National ..	33 weeks	Sept. 21	22,680	5,092,806	— 224,325
Canadian Pacific ..	33 weeks	Sept. 30	13,539	6,365,000 +	54,000
					13,066,000 + 5,238,000

ARGENTINE (a).

			£	£	£
Argentine N.E.	13 weeks	Sept. 29	763	11,900 +	400
B. A. & Pacific.....	13 weeks	Sept. 29	3,317	136,000 +	1,000
B. A. Gt. Southern.....	13 weeks	Sept. 29	3,948	161,000 +	3,000
B. Western.....	13 weeks	Sept. 29	1,882	47,000 +	1,000
Central Argentine.....	13 weeks	Sept. 29	3,306	205,000 +	26,700
Cordoba Central.....	13 weeks	Sept. 29	1,206	58,000 +	4,500
Entre Rios.....	13 weeks	Sept. 29	729	21,000 +	3,500

BRAZILIAN (b).

S. West. of Brasil.....	39 weeks	Sept. 29	1,006	8,800 +	3,800
Leopoldina.....	39 weeks	Sept. 29	1,831	30,622 +	7,520
San Paulo.....	39 weeks	Sept. 30	1,534	40,566 +	12,026

CHILEAN.

Antofagasta.....	39 weeks	Sept. 30	31,936 +	1,970	1,367,410 +
Nitrato (4-monthly).....	39 weeks	Sept. 30	366	17,048 +	4,383

CUBAN.

Havana Central.....	13 weeks	Sept. 29	11,947 +	2,322	149,506 +
United of Havana.....	13 weeks	Sept. 29	1,210	87,877 +	12,506

URUGUAYAN.

Central Uruguay.....	13 weeks	Sept. 29	273	22,264 +	2,543
C. Urug. (East Ext.).....	13 weeks	Sept. 29	311	4,088 +	217
C. Urug. (North Ext.).....	13 weeks	Sept. 29	185	2,801 +	198
C. Urug. (West Ext.).....	13 weeks	Sept. 29	211	2,069 +	597

OTHER OVERSEAS.

Alcoy and Gandia ..	39 weeks	Sept. 29	33	18,000 +	4,100
Egyptian Delta ..	25 weeks	Sept. 20	876	7,646 +	921
Gt. Southern of Spain.....	38 weeks	Sept. 22	104	151,777 +	15,370
Mexican Railway ..	13 weeks	Sept. 30	403	314,400 +	107,300
New Cape Central.....	36 weeks	Sept. 8	205	2,043 +	198
Paraguay Central.....	12 weeks	Sept. 29	274	4,800 +	2,770
Salvador.....	13 weeks	Sept. 29	100	1,893 +	593

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1923. + or —	1923. + or —
Anglo-Argentine.....	39 weeks	Sept. 29	329	£83,454 +	5,880
Burnley Corporation.....	1 week	Sept. 29	12	£3,028 +	480
Calcutta Tramways.....	39 weeks	Sept. 29	354	£127,654 +	26,445
Chatham & District.....	38 weeks	Sept. 20	15	£1,612 +	77
Egyptian Markets.....	38 weeks	Sept. 20	..	£1,582 +	18
Glasgow Corporation.....	17 weeks	Sept. 29	106	£45,656 +	2,514
Isle of Thanet.....	52 weeks	Sept. 26	..	£1,301 +	48
Leamington Corporation.....	39 weeks	Sept. 25	39	£2,864 +	251
Liverpool Corporation.....	26 weeks	Sept. 29	124	£27,026 +	2,922
L.O.C. Tramways.....	26 weeks	Oct. 3	163	£85,267 +	10,711
Madras Elect. (2 wks).....	39 weeks	Sept. 30	..	£49,661 +	5,480
Pernambuco Tramway.....	39 weeks	Sept. 30	..	£3,556 +	422

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Method of Payment.	Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Interim div. †		Final div. ‡	Last Year.	Previous.
Railways						
Buenos Ayres and Pacific	4 % †	Oct. 2	..	Less tax	..	% nil
Central Uruguay	10/ p.s. †	Oct. 21	..	Less tax	..	4 nil
Central Uruguay Eastern	6/ p.s. †	Oct. 21	..	Less tax	7½	6 ½
Central Uruguay Northern	..	..	..	Less tax	5	4 ½
Dorado Extension	3½ % †	..	..	Less tax	5	5
Entre Rios, 1st Pref.	4½ % †	..	..	Less tax 4/10½ in £	6	nil
United of Havana	..	..	..	..	..	4 nil
Banks.						
Bank of Adelaide	10*	Oct. 15	..	Less tax	..	..
Bank of Scotland	16	..	..	..	..	..
Insurance.						
Commercial Union (£2 10s)	6/3 p.s. †	Nov. 6	..	Tax free	1/9 p.s.	1/6 p.s.
Standard Insurance (N.Z.)	9 p.s. †	..	..	(& bonus 3d p.s.) ..	..	..
Tea and Rubber.						
Batigalla Estate	10%* †	Oct. 12	..	..	..	..
Bandarapala Ceylon	5 %* †	..	..	Less tax	..	(3 yrs arrears)
Bernam-Perak, Pref.	18% †	..	..	Less tax	..	..
Bogawantalawa Tea	6 % †	Oct. 12	..	Less tax 4/6 in £	10	nil
Brooklands (Selangor) Rubber	..	..	..	Less tax 4/10½ in £	..	..
Bukit Selangor Rubber	2½ % †	..	..	Tax free	30	8
Ceylon and Indian Planters	20% †	..	..	..	..	..
Ceylon Tea	15% †	Oct. 30	..	Less tax	..	..
Cheras	5%* †	..	..	Less tax	..	..
Doloswella	4%* †	Oct. 26	..	Less tax	..	..
Eastern Produce	10%* †	Oct. 31	..	Less tax	..	..
Hornsey Tea Estates	6 % †	..	..	..	..	..
Jaya Para Rubber	..	..	..	..	..	..
Kintyre Tea	10 % †	Oct. 13	..	..	15	nil
Kurugama	15% †	Oct. 15	..	Less tax	25	17½
Nagole (Ceylon)	4% †	Nov. 2	..	Less tax	..	..
Namunakula Tea	40% †	..	..	Less tax	50	..
New Sylhet Tea	10%* †	Oct. 20	..	..	..	..
North Labis (Johore)	..	..	..	Less tax	10	nil
Pabbolajan Tea	7½ % †	Oct. 16	..	Less tax 4/7½ in £	..	..
Selangor United Rubber	2½ % †	..	..	Less tax 4/6 in £	8½	nil
Singapore Para	5 %* †	..	..	Less tax	..	..
St George Rubber	5%* †	..	..	Less tax	..	..
Sungei Puri	5%* †	..	..	Less tax	..	..
Sungei Salak Rubber	5%* †	..	..	Less tax	..	..
Telbedde, Ceylon	25% †	Oct. 12	..	Less tax	..	..
Tyspane Tea	5%* †	..	..	Less tax 4/7½ in £	..	..
Velikkal Tea	10%* †	..	..	Less tax 4/7½ in £	..	..
Yataderia Rubber and Tea	2½ % †	Oct. 17	..	Less tax	..	..
Mining.						
Gold Coast Amalgamated	2½ % †	Oct. 31	..	Less tax 3/3½ in £	..	..
Oreogum Gold	9 p.s. †	Oct. 27	..	Less tax 3/4½ in £	..	..
Pengkalen	..	Oct. 15	..	Less tax 4/9 in £	5	..
Other Companies.						
Acme Tea Chest	15% †	..	..	Tax free	20	20
Alliance Investment, Def.	5*	Nov. 1	..	..	..	..
Associated Fire Alarms	..	..	..	Less tax	5	..
Associated Newspapers, Defd.	2/ p.s.* †	Oct. 5	..	Less tax	..	..
Bell Telephone of Canada	2 % †	Oct. 15	..	Quarterly	..	..
Bell Telephone of Canada	..	..	..	..	7	2½
Bengal Iron	9 p.s. †	..	..	Less tax	..	..
Benger's Food	..	..	..	..	..	..
Birmingham Small Arms, &c. A. Pref.	5	Oct. 10	..	Less tax	..	..
Do "B" Pref.	6	Oct. 10	..	Less tax	..	..
Boots Pure Drug	9% †	..	..	Less tax	..	..
Borneo Company	2½ % †	..	..	..	5	nil
British Motor Trust	..	..	..	..	10	10
Canadian Car and Foundry, Pref.	3½ % †	Oct. 10	Arrears	..	..	..
Do Pref.	3½ % †	Jan. 10	Arrears	..	..	..
Canada Company	10*	Oct. 22	..	Less tax	..	..
Carlton Hotel	..	..	..	..	..	..
Central Canada Loan & Savings	2½ % †	..	..	Quarterly	..	..
Chacturn's (Ship) Telegraph	8*	Oct. 17	..	Less tax 5½ in £	6	6
Corn Line	..	..	..	Less tax	6	6
Empress Brewery	3*	Nov. 2	..	Less tax	..	..
E. Robins and Son	10*	Oct. 26	..	Less tax	..	..
Freehold Assets	5% †	..	..	Tax free	10	10
Fleming and Ferguson	6/ p.s. †	Nov. 1	..	..	..	..
Furness, Withy, and Co.	2½ % †	..	..	..	..	..
Gas Lighting Improvement	4 % †	..	..	..	..	..
Gateshead and District Trams	5%* †	..	..	Tax free	..	..
Hickton Main Colliery	..	..	..	Tax free	3/ p.s.	3/ p.s.
Hunt, Nelson, and Co.	2½ %* †	Oct. 31	..	..	..	..
International Linotype	..	..	..	Tax free	3	..
Iale of Wight Electric Light	..	..	..	Less tax	8	7
J. Hepworth and Son	4%* †	Oct. 1	..	Less tax	..	..
John Dickinsons	..	..	..	Tax free	2/ p.s.	..
Joshua Perkins and Sons	..	..	..	..	15	17½
Kern River Oilfields	..	..	..	Tax free	10	15
Manchester Liners	1/ p.s.	..	..	..	..	..
Manor-Powis Coal	2/6 p.s. †	..	..	Tax free	23	10
Manvers Main Colliery	35% †	..	..	..	40	..
Maynards	10*	Oct. 15	..	Less tax	8	7
Midland Electric Corporation	10% †	..	..	Less tax	..	..
National and Foreign Securities	10*	..	..	Less tax	..	..
North British Canadian Invest.	10*	Oct. 1	..	Tax free	10	12½
Parsons' Marine Steam Turbine	9 % †	Nov. 15	..	Quarterly	10	10
Pennant's	12½ % †	..	..	..	5	5
Raphael Tuck and Sons	2½ % †	..	..	Tax free	..	..
Robinson and Cleaver	..	..	..	..	..	..
Rowland and Marwood's Steam ship	6*	Nov. 1	..	Less tax	25	..
Scottish Mortgage Trust	2½ %* †	Nov. 6	..	..	..	..
Second Mercantile Trust	10%*(a) †	..	..	Less tax	..	..
Second Scottish Northern Trust	4 %* †	..	..	Less tax	14	17½
Southend Waterworks	..	..	..	Tax free	10	..
Stephen Smith and Co.	..	..	..	Tax free	..	..
St Neots Paper Mills	..	..	..	..	10	10
Stock Exchange	£3 p.s.* †	Dec. 15	..	Less 1/ Col. tax	10	10
Stuttsford and Co., Limited	6 % †	..	..	..	5	5
Tampus Shipping	2½ % †	..	..	..	..	..
Thompson and Shackell	..	Dec.	..	..	7	nil
Tube Investments	25 %* †	..	..	..	..	..
Tweedies and Smalley	3½ %* †	Oct. 4	..	..	8	5
U.S. of S. American Investment	..	..	..	Less tax	15	15
Victoria Falls, &c.	2/ p.s. †	..	..	Less tax	..	..
Vulcan Foundry	5%* †	..	..	Tax free	..	..
Wales, Limited	9 p.s. †	..	..	Tax free	..	..
Walker and Homfray	5*	..	..	Less tax	..	..

Reports and Notices.

The National Bank of South Africa, Limited, notify the receipt of a cable from the head office, Pretoria, intimating that the resolution relating to the reduction of the £10 fully-paid share to £7 fully paid was adopted at the extraordinary general meeting of the bank, held at Pretoria, on October 2, with only one dissident.

The Canadian Bank of Commerce, 2 Lombard street, E.C. 3, announces that notices have been posted to its shareholders, calling a special general meeting on November 21, 1923, for the purpose of approving an agreement entered into with the Bank of Hamilton for the purchase of its assets by the Canadian Bank of Commerce.

It is announced that Sir Edward Mackay Edgar has retired from the chairmanship of Crosses and Winkworth Consolidated Mills, Limited, but retains his seat on the board of directors. Mr W. A. Greenhalgh has been appointed chairman, and the registered offices are to be removed from Manchester to Bolton.

We are informed that General Sir Hubert Gough has resigned his directorships of the Rio Janeiro Land and Mortgage Company and the Anglo-German Trust.

A branch of the Meadow Dairy Company, Limited, has been opened at High street, Maltby, Yorks.

The registered offices of Bukit Panjong, Limited, Doranakande Rubber Estates, Limited, Edible Nut Oils, Limited, Kinta Kellas Rubber Estates, Limited, Kuala Hidong Rubber Estate, Limited, Kali (Java) Rubber Plantations, Limited, Lochnagar (Ceylon) Produce Company, Limited, Merton Rubber Syndicate, Limited, Pahi Plantations, Limited, Selangor River Rubber Estates, Limited, Taylor, Noble, and Co., Limited, and Woodend (Kelani Valley, Ceylon) Rubber and Tea Company, Limited, are now situated at 481,484, Salisbury House, London Wall, E.C. 2.

BANKS.

BANK FOR COMMERCE AND INDUSTRY IN WARSAW, LIMITED.—Balance-sheet, July 31, 1923 :—

LIABILITIES.		ASSETS.	
	Mkp.		Mkp.
Capital	691,200,000	Cash in hand	17,258,100,784
Reserve funds	355,100,000	Bank of Poland (P.K.K.P.)	3,729,964,422
Other reserves	35,213,776	Post Office Bank of Poland	1,529,113,940
Sinking fund	625,822,464	Bank of France, National Bank of Belgium, and others (Fr. 5,010,940 at Mk. 6,000)	30,065,650,740
Deposits	71,481,897,080	Foreign monies	485,505,343
Re-discounted bills	30,198,058,434	Foreign deeds	948,019,313
Correspondents, "Loro"	33,835,468,805	Deeds in portfolio	3,815,596,618
Correspondents, "Nostro"	7,835,127,518	Sundry share holdings	876,915,169
Interest and commissions	30,625,315,002	Discounted bills	48,165,668,710
Sundry bills for collection	113,500,676,090	Open credits	69,497,467,031
Savings bank for employees	3,027,223,382	Loans for a period	3,757,547,039
Accounts with branches	142,072,146,039	Correspondents, "Loro"	1,939,893,069
Sundry accounts	103,307,886,659	Correspondents, "Nostro"	17,862,526,034
Dividends for 1922	2,278,627,988	Furniture	3,511,085,562
		Real property	304,719,042
		General expenses	26,143,063,652
		Bills for collection	104,470,781,568
		Account of the head office with the branches	168,997,571,048
		Sundry accounts	36,522,580,163
	539,881,769,237		539,881,769,237

In conformity with the decision of the general meeting of shareholders of June 23, 1923, the paid-up capital of Mkp. 691,200,000 will be increased, subject to the sanction of the Minister of Finance, to Mkp. 1,920,000,000 by : (a) Converting the shares of the ninth issue, which have a nominal value of Mkp. 540 each, into shares with a nominal value of Mkp. 1,000 each; (b) the issue of one free share in the 10th issue for each two shares of preceding issues. It has been likewise decided to augment the capital to 5 milliards of Polish marks. This bank has just opened, with the sanction of the Polish Minister of Finance and the Minister of Commerce and Industry, an agency in London situated at 31 and 33 Bishopsgate, E.C. 2. This agency will carry out banking operations of every description as authorised by the statutes, and will devote itself especially to the development of commercial relations between Poland and Great Britain. The engagements contracted by the agency in London will be guaranteed by the whole assets of the bank.

COLONIAL BANK.—The report for the half-year ended June 30, 1923, shows a net profit for the half-year of £42,615, which, with £28,740 brought forward from the last half-year, makes £71,355 available. The directors recommend that the sum of £15,000 be carried to provision for bad and doubtful debts, that a dividend of 8 per cent. per annum, less tax, be declared for the half-year, absorbing £27,450, leaving £28,905 to be carried forward.

GOVERNMENT STOCKS, &c.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 14 to July 31, 1923, compared with those from January 14 to August 13, 1922 :—

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
Gross receipts, July, 1923.....	Drachmæ. 9,033,531.40	Drachmæ. 17,536,924.50
Do do do 1922.....	8,231,265.75	9,521,343.25
Estimated receipts for seven months (Law of Control) ..	1923 15,829,018.23	1923 5,861,557.11
Actual receipts for seven months, 1923	1922 16,858,333.33	1922 6,241,666.67
Actual receipts for seven months, 1922	51,035,252.80	130,595,759.20
	48,902,504.90	70,095,119.40

NOTE.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper and naxos emery, 45 1-5 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the external gold loans of 1881 to 1893. Owing to the change in the Greek calendar from old to new style, both the estimated and actual receipts in the above statement are for 13 days less in 1923 than in 1922. As regards receipts, subject to the system of plus-values, all increases in duties and prices are excluded therefrom in the above table. Minimum receipts have, however, been fixed, in order to guarantee the plus-values against eventual diminution in the consumption.

RUBBER, &c.

BERNAM-PERAK PLANTATIONS.—A better year has been experienced by this company. The net profits have risen from £116 in the year ended June 30, 1922, to £7,073 for year ended June 30, 1923. The available balance is £10,769. Of this sum £5,805 is to be utilised to pay preference interest for three years, i.e., 18 per cent., which will make preference interest paid right up to June 30, 1923. The remaining £4,964 is to be carried forward. The board state that the rubber market having shown signs of improvement, the directors felt justified in paying on January 31, 1923, the dividend of 10 per cent. in respect of the financial year ended June 30, 1920, which was declared at the general meeting held on November 4, 1920, but the payment of which was postponed at the discretion of the board. During the year the rubber harvested amounted to 337,050 lbs, the net average price realised for the portion sold being 1s 1.15d, as against 7.11d per lb for the previous season.

SEAPORT (SELANGOR).—The report for the year ended June 30, 1923, shows that net profits have risen from £3,524 in 1921-22 to £12,759, and a 10 per cent. dividend is being paid on the ordinary shares, as compared with no dividend in the preceding year. The sum of £20,812 is carried forward, as against £26,803 brought into the accounts. The report adds that the restricted crop of rubber collected for the year amounted to 495,000 lbs, against a yield in the previous year of 530,000 lbs. The average net sale price, including the estimated value of the unsold portion of the crop, is 1s 1.41d. per lb. The cost of production, free on board at port of shipment, including depreciation, commission to staff, &c., was 6.91d per lb, against 6.74d per lb for 1921-22. A heavy programme of draining was carried out, which is proving of benefit to the trees. The estate is in excellent order throughout. An adequate force of Indian labourers was maintained. Health was good. Buildings were upkept in good condition. A new washing mill was installed in the factory. With regard to crop estimate for 1923-4, the standard output now allowed to the company under the scheme for regulation of exports is 651,418 lbs, and the crop to be harvested will be dependent upon the quantity allowed for export at the minimum rate of duty. At present the rate is 60 per cent. of standard.

MISCELLANEOUS.

ANTWERP WATER WORKS COMPANY.—The approximate revenue account to June 30, 1923, shows the working for the six months, subject to debenture interest, British taxation, trustees' fees, sinking fund contributions and commission, and reveals a net profit of £12,129. The profit for the same period of last year was £30,181. The profits for the half-year have been arrived at after charging a loss on exchange of £6,593. The directors draw attention to the fact that the large reduction shown in income for the half-year is due entirely to the adverse rate of exchange, the income in Antwerp showing a considerable increase over the corresponding period of last year. The same cause is also responsible for the

apparent reduction in working expenses. The following figures will show the effect of the exchange on the sterling receipts in London during the first six months of last year and this year. Amount remitted in francs during the first six months of 1922, 1,600,000f, realised £30,381; amount remitted during the first six months of 1923, 1,800,000f, realised £21,602. As the rate of exchange is considerably worse now than it was during the first half-year, the directors regret that they do not feel justified in declaring an interim dividend for the past six months.

BENGAL IRON COMPANY, LIMITED.—The fourth report for year ended March 31, 1923, shows an improvement on the preceding report, as the net profit amounts to £214,228 against £76,376 in the preceding year, and the ordinary dividend has been raised from 2½ per cent. to 7 per cent. Depreciation and colliery sinking fund absorbed £31,126; debenture interest, £41,345; amount written off debenture issue expenses, £43,283; transfer to taxation reserve, £5,000; transfer to general reserve, £15,000—£135,754—£172,648. Deduct preference share dividends paid October 2, 1922, and April 3, 1923, £37,500, leaving a balance to be carried forward of £24,966, against £21,703 brought into the accounts. The report observes that during the year the company's works have been fully employed, and still continue to find a ready market for their output. Considerable extensions and improvements have been made in the works' plant and at the collieries in the same period, and the fourth battery of coke ovens is now almost completed. The directors have written off this year one-tenth of the discount applicable to the recent debenture issue (£2,400), and the whole of the remaining issue expenses therewith connected (£40,883), amounting in all to £43,283.

BRITISH SOUTH AFRICA COMPANY.—The following information has been sent to us by the secretary of the British South Africa Company :—"In accordance with the arrangement with the Crown, approved at the extraordinary meeting of shareholders on July 24th, the British South Africa Company received from H.M. Government on October 1st the sum of £3,750,000. Of this sum, the amount of £1,315,000 has been lent against gilt-edged securities for the four months from October 1st to February 1st next, on which date it will be devoted to the repayment of the company's outstanding 5 per cent., free of tax, debentures. Notice of redemption of the debentures has already been given. The balance of the £3,750,000 has been invested in or lent for short periods against British Government and other gilt-edged securities. The company has arranged to purchase from the Custodian of Enemy Property approximately 260,000 ex-enemy-owned shares at 12s 3d a share. These shares, it is expected, will be delivered and paid for in the near future, and the number of the issued shares of the company will be reduced accordingly. Steps are being taken, in consultation with the company's legal advisers, to endeavour to obtain such alterations of the company's charter and deed of settlement as would enable the board to offer to shareholders a return of capital which would not be liable to be called up again."

HUDSON'S BAY COMPANY'S LAND SALES.

	For Quarter Ended September 30.		For Six Months Ended September 30.	
	1922.	1923.	1922.	1923.
Farm lands—				
Acres.....	3,070	4,896	8,970	10,430
Sold for	£8,500	£14,920	£27,700	£28,530
Town lots—				
Sold for	£1,750	£3,680	£3,820	£5,350
Total receipts	£53,620	£49,020	£141,190	£126,420

IMPERIAL CONTINENTAL GAS ASSOCIATION.—The board of directors of the Imperial Continental Gas Association intend shortly to declare an interim dividend at the rate of 5 per cent. actual on the £1,976,000 capital stock of the association, payable, less income-tax, at 4s 7½d in the £ (i.e., the average rate for the year 1923) on November 15, 1923. As the Inland Revenue Authorities have advised the association that the proportion of the German Compromise which has been received to date must be apportioned over capital and revenue in the accounts for the year 1923, an apportionment has been made which gives a net revenue sum of £86,157 available for appropriation, after making provision for taxation. The board propose that the interim dividend, amounting to £75,952 10s net, shall be appropriated from the German Compromise revenue. In view of the violent fluctuations in foreign exchanges, and the consequent difficulty in framing reliable estimates of the final results of the working year 1923, the board have decided not to pay a dividend in respect of the whole year workings of the association until the final results of the whole year 1923 have been definitely ascertained. The transfer books of the association will be closed from October 24th to November 6th, both days inclusive.

MANCHESTER LINERS, LIMITED.—The directors observe in their report for the year ended June 30, 1923, that the difficult trading conditions referred to in last report have continued during the

past year in accentuated form, again necessitating the laying up of a portion of the fleet for varying periods, notwithstanding which the company's regular services have been satisfactorily maintained. As hitherto, the steamers have been kept in a state of thorough efficiency. In order to meet the requirements of shippers and to stimulate the direct import of refrigerated produce to Manchester during the year, six of the vessels employed in the Canadian trade have been fitted with cold storage accommodation, which, with the special ventilation appliances already installed, specially adapts them for the safe carriage of perishable goods of all classes. After providing for depreciation, directors' fees, and all charges (including preference share dividend), and including the balance brought forward from last year, the amount of profit available is £107,396. Out of this the directors propose to pay a dividend of 10 per cent., free of income-tax, as against 15 per cent., free of income-tax, in preceding year, on the ordinary share capital of the company, absorbing £44,520, leaving a balance of £62,876 to carry forward to next account.

KERN RIVER OILFIELDS OF CALIFORNIA.—The report for the year ended May 31, 1923, shows that the net amount of oil produced has been as follows :—

	Year Ending May 31, 1922.	Year Ending May 31, 1923.	Three Months Ending Aug. 31, 1923 (As Cabled.)
	Barrels.	Barrels.	Barrels.
Kern River properties	593,975	582,603	144,820
St Helens properties	659,982	716,949	155,489
	1,253,957	1,299,552	300,309

Properties in course of development—

Kern Mex Oilfields, S.A.	..	13,557	2,505
Kern Romana, Limited.	..	11,802	4,998
Kern Trinidad Oilfields, Limited	..	87,737	29,593
	1,253,957	1,412,648	337,405

The gross profit for the year amounted to £250,367, against £338,951 in preceding year. Depreciation and amounts written off amounted to £53,810, against £99,663. The ordinary dividend has been reduced from 17½ per cent. to 15 per cent. The sum of £67,811 is carried forward.

RIO NEGRO (ARGENTINA) LAND COMPANY, LIMITED.—Improved results are revealed in the latest balance-sheet just issued. The net profit has risen from £12,122 to £39,547, and the ordinary shareholders are to receive 8 per cent., against a 5 per cent. distribution in the preceding year. The sum of £10,000 goes to reserve fund, against nothing a year ago. The balance of taxation suspense account, a reserve set aside in 1920 from profit on exchange to meet the liability in respect of excess profits duty, has been liquidated by the transfer of £10,000 to general reserve, and £5,596 to renewals and contingencies reserve.

ROBERT HEATH AND LOW MOOR, LIMITED.—The profit on trading in 1922, after crediting munitions levy recovered, coal awards, guarantee payments received in respect of previous periods, and amount transferred from taxation reserve not now required, is £90,376; to which has been added £11,976 transferred from capital reserve account, being the balance not now required of the amount of £57,101 brought into that account at the acquisition of Robert Heath and Sons, Limited, at December 5, 1919, as a reserve for the liability of that company for excess profits duty, £11,976, making £102,352; deduct debenture interest for the year with income-tax thereon, £64,564, leaving a profit for the year of £37,788. The balance to the debit of profit and loss account brought forward from December 31, 1921, was £71,271; deduct profit for 1922 as above, £37,787, leaving a balance to be carried forward to the debit of profit and loss account £33,484. The report states that the buildings, plant, and other property of the company have been well maintained out of revenue, and, in view of the sums of £112,931 and £148,041 to the credit of depreciation and capital reserve accounts, the directors do not consider it necessary to allocate a further sum for depreciation. The stocks are included in the balance-sheet at cost or market values, whichever are the lower.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS.—Estimated gross production of crude oil for the month of September was 55,980 barrels, equal to approximately 8,000 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 4,900 tons.

LOBITOS OILFIELDS, LIMITED.—The production for September is cabled as 10,867 tons.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefer.	Ordinary.				
					Amount.	Rate.				%
Banks.										
Colonial Bank.....	June 30*	28,740	42,615	71,355	..	27,450	8	15,000	28,905	53,601
Financial, Land, &c.										
Rio Negro (Argentina) Land	June 30	21,393	39,547	60,940	..	24,000	8	10,000	26,940	12,122
Iron, Coal, and Steel.										
Bengal Iron.....	Mar. 31	21,703	214,228	235,931	37,500	110,182	7	63,283	24,966	76,376
Parsons Marine Steam Turbine	June 30	29,210	22,074	51,284	..	21,128	10†	..	30,156	34,198
Robert Heath and Low Moor	Dec. 31	Dr 71,271	25,811	Dr 45,460	..	..	..	Dr 11,976	Dr 33,484	Dr 308,513
United Steel Cos.	June 30	440,743	348,032	788,775	..	..	..	122,626	240,008	nil
Oil.										
Kern River Oilfields	May 31	51,255	196,556	247,811	..	180,000	15	..	67,811	218,055
Tankers	Mar. 31	100,520	Dr 37,384	63,136	..	..	..	..	63,136	93,308
Rubber, &c.										
Bernam-Perak	June 30	3,696	7,073	10,769	5,805	..	..	..	4,964	116
Brooklands Selangor.....	June 30	14,270	5,657	19,927	..	15,000	10	..	4,927	5,217
Bukit Selangor	Mar. 31	5,974	3,509	9,483	..	5,828	2½	..	3,655	Dr 3,783
North Labis (Johore).....	June 30	17,346	11,432	28,778	..	10,937	10	..	17,841	175
Seaport (Selangor).....	June 30	26,803	12,759	39,562	..	18,750	10	..	20,812	3,524
Singapore Para	June 30	7,787	6,796	14,583	..	12,500	8½	..	2,083	970
Victoria (Malaya)	June 30	12,610	10,694	23,304	..	10,019	20	..	13,285	Dr 797
Shipping.										
Manchester Liners.....	June 30	64,471	65,812	130,283	22,886	44,520	10†	..	62,877	85,290
Rowland and Marwood's Steamship	July 31	68,013	79,358	147,371	..	55,025	25†	25,700	66,646	77,647
Tea.										
Ceylon and Indian Planters'	June 30	4,295	22,932	27,227	1,500	13,200	30	7,000	5,527	10,714
Hornsey	June 30	1,094	4,070	5,164	600	1,440	12	2,000	1,124	1,599
Kintyre Estates	June 30	3,348	14,090	17,438	1,000	7,181	15	1,000	8,257	5,427
Kurugama	June 30	1,816	10,245	12,061	..	10,000	25	..	2,061	..
Textiles.										
Jabez Johnson, Hodgkinson, and Pearson	July 31	19,524	52,996	72,520	6,000	12,000	10P.F.O.	10,000	26,520	47,227
Joshua Perkins and Sons.....	June 30	16,933	8,462	25,395	1,800	4,000	10†	2,295	17,300	10,874
Robinson and Cleaver	July 31	20,158	30,331	50,489	7,582	12,500	5†	11,000	19,407	42,872
Other Companies.										
Hurst, Nelson, and Co.....	July 14	18,187	62,229	80,416	12,000	30,000	15†	20,000	18,416	82,680
J. Hepworth and Son	July 31	8,283	53,151	61,434	6,000	31,466	8	12,432	11,537	39,491

* Half-year.

† Free of tax.

range from 10s-13s 9d, with feeding sorts 8s-8s 9d as to sample per 112 lbs, free on rail. Imported maintained. Californian quoted at 40s-42s, Chilean brewing 39s-42s as to sample, both landed, per 448 lbs. Persian 26s 6d, Danubian 30s 6d, both landed. No. 4 Canadian Western 27s 6d, American malting 48 lbs 27s 9d, Algerian-Tunisian 27s-27s 6d, all ex ship per 400 lbs. Maize firmly held. Plate ex ship quoted 35s, ditto landed 36s 3d, No. 6 yellow African ex ship 35s, all per 480 lbs. Oats: English steady at 7s 8d-10s per 112 lbs, free on rail, as to sample. Imported steady. Plate ex ship 22s 3d, landed 23s 6d, No. 2 Canadian Western ex-ship 27s 6d, landed 28s 6d, No. 3 ditto ex ship 26s 6d, Danubian 21s. New Zealand landed A grade 37s-38s, B grade 36s, all per 320 lbs. Oatmeal steady, and in fair demand. London-made all cuts quoted at 17s 6d, rolled oats also whole groats 17s 6d, flaked oats 18s, ordinary Scottish oatmeal 19s 6d-21s, American 16s-16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924	1922-1923	1921-1922	1920-1921
Estimated sales of home-grown wheat—				
1 week to September 29	Cwts. 452,342	Cwts. 351,578	Cwts. 435,314	Cwts. 395,721
4 weeks to September 29	1,652,316	1,160,191	1,716,025	1,476,201
Average price of English wheat per cwt.....	s d 8 9	s d 8 9½	s d 13 3	s d 21 1½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.	Cwts. 486,691	Cwts. 398,844	Cwts. 97,186	s d 8 10	s d 11 5	s d 8 8
Sept. 22	452,342	388,291	110,315	8 9	10 11	8 10
29	..	..	..	..	..	..
1919	221,014	465,246	38,153	17 1	26 5	21 4
1920	395,721	243,368	93,711	21 1	23 1	20 1
1921	436,564	527,696	56,851	13 3	17 3	10 4
1922	351,579	168,536	65,988	8 9	10 5	8 10

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated October 4th, is as follows:—Pig-iron: There is no marked change to report this week. Makers are getting a little relief by reason of rather easier coke prices. To-day's price for No. 3 Cleveland G.M.B. is 96s per ton. Hematite prices are steady, and about 99s is quoted for East Coast mixed numbers. Manufactured iron and steel: We are still awaiting a statement of the Boilermakers' dispute, and cannot expect any improvement until this difference is arranged. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s. Iron ore: A little prompt Rubio has been sold at 23s, but otherwise business is very quiet.

Our Sheffield correspondent writes:—The immediate effect upon the iron and steel markets of the sensational development of the Ruhr trouble has been to intensify the feeling of uncertainty of the future of the trade, and users are less disposed to buy forward than ever. The talk of vast quantities of steel in the Ruhr district about to be unloaded, although regarded with some amount of scepticism, is inducing a spirit of caution. On the whole, the settlement is causing a revival of confidence, as it is calculated to clear the air and give trade generally a move which has long been absent. It should also result in cheaper supplies of fuel in the home market. Makers of pig-iron who do not own collieries and coke ovens declare that they are producing at a loss of ten shillings per ton on current quotations. The reduction this week of blast furnace coke from 26s to 24s at ovens will bring them some relief. The market for pig-iron is in a very depressed state, and the recent reduction of output has had no effect in the direction of bringing about remunerative prices. Makers of crude steel in this district are booking no business of weight, and although more than half of the furnaces are idle the output exceeds demand. Very little German cutlery and tools is now arriving in this country, while the prices of such goods are advancing towards those of British goods. Australia and Canada are the only considerable overseas buyers of Sheffield cutlery. Cheap steel is going to the Far East. The coal trade is quiet, and a drop in Continental requirements is believed to be imminent, so that supplies at home, both of coal and coke, should be abundant throughout the winter. Householders are buying comparatively little coal for their winter stocks. Current quotations per ton at pits are: Best

hand-picked branch, 29s; Barnsley best Silkstone, 26s; Yorkshire hards, 20s; Derbyshire ditto, 19s; rough slacks, 11s 6d; nutty slacks, 10s; smalls, 7s; blast furnace coke, 24s.

Our Glasgow correspondent writes:—The shipbuilding position remains unaltered, with builders disappointed at the slow progress being made with the negotiations designed to attain peace in the industrial camp. Official figures as to building operations on the Clyde in the course of last month present a most unsatisfactory picture. The total was no better than 13 vessels of 6,945 tons, which compares with an average output in normal times of 50,000 tons per month. For the nine months of 1923 85 boats, with a gross tonnage touching on 155,222 tons, were put into the water, as against 101 steamers of 289,218 tons in 1922. It is believed that shipowners in Scotland have placed a respectable amount of new tonnage with builders, conditional on prices per ton being substantially reduced from the basis that presently obtains. Bolt and nut makers are well employed, so are tube makers, cast-iron pipe makers, bar makers, locomotive engineers, and wagon builders. At the L. and N.E. works at Springburn 26 coupled tank locomotives are under construction, and some of the men are actually engaged on overtime. At the usual weekly meeting of the pig-iron warrant market on Wednesday Scotch No. 3 was called 102s per ton, No. 3 Middlesbrough 90s, mixed numbers hematite 99s 6d, standard warrants, one month, sellers 94s. Good shipment demand for coal, and prices generally 6d per ton higher than last week.

Our Cardiff correspondent writes:—The depression in the coal export trade has been felt more acutely this week than, perhaps, at any other period this year. The demand for most foreign countries has sagged appreciably, and more particularly that from France and Italy. The exports from the South Wales ports last week were over 100,000 tons, or between 15 per cent. and 20 per cent. less than those in the previous week, and only about two-thirds the exports

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Harvesting operations are now completed in the English counties, but late crops are being secured slowly. Farmers are now actively engaged in preparing the land for winter sowings, and it is hoped that a good acreage will be placed under the all-favoured cereal. All root crops have greatly benefited from recent rains. Offerings of native wheat continue on a moderate scale, and, with a generally good demand, late rates were maintained. Good milling samples ruled at 8s 9d to 9s 3d, and inferior down to 7s 6d per 112 lbs, free on rail. Imported fully steady, especially for North American descriptions, which are somewhat sparingly offered. No. 1 Northern Manitoba ex ship quoted 48s, ditto ex store 50s, No. 2 mixed Durum ex ship 44s, No. 2 hard winter ditto 44s 9d, Rosafe 62½ lbs 45s 6d, choice white Karachi landed 43s 6d, and red ditto 43s per 496 lbs. The floating and forward cargo market remained quiet, but there was no pressure to sell, and prices remained at a generally steady level, especially for Manitoba qualities. Steamers of Australian afloat sold at 45s 3d, and No. 2 Northern Manitoba to Mediterranean, shipment from the Pacific seaboard January, at 42s 9d, Baril 62½ lbs afloat 41s 9d. Maize cargoes were in better request, and steamers of La Plata afloat sold at 34s 6d to 34s 9d, October-November 34s 6d, and a sailer of No. 6 yellow African afloat at 34s 9d, all per 480 lbs. A cargo of Dan-Bess-Kustendji barley due out to load done 27s 9d per 400 lbs. Flour in fair demand at late rates. London standard straight run quoted 38s, patents 40s-41s, town households 36s per sack delivered in. All English country straights 31s-32s per sack delivered to London stations. Imported quiet. Manitoba patents range from 37s-40s as to sample, Minneapolis good patents 40s, Australian 33s-34s per 280 lbs, ex store. Millers' offals tend firmer. Broad bran quoted at 7s 3d, ordinary ditto 6s 3d, middlings 8s-8s 3d, bags included, ex mill. Light oats 5s 9d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 9d, free on rail, all per cwt. Barley: English steady, and malting kinds

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when trade was abnormally active between March and May. The uncertainty created by the discontinuance of passive resistance movement in the Ruhr and the resumption of work at the collieries is chiefly blamed for the weakness of the market. The actual deliveries from the Ruhr during the past few weeks have been decreasing, and for some time past the exports from South Wales to France, Italy, and other Continental markets have been on a reduced scale. As meanwhile the French industries have been very active, the stocks of coal in that country must have been considerably reduced, but buyers in the Allied countries are hopeful that with the collapse of resistance in the Ruhr, deliveries will be resumed on an increasing scale, and at prices which, under the perequation system, will be much lower than those of coals imported from foreign sources of supply. It remains to be seen to what extent these hopes will be justified. The immediate effect of the postponement of business has been to depress prices at Cardiff, as well as to curtail the volume of the export trade. The quotations of all classes of coal are lower than they have been in any month since last January, and the f.o.b. value of best Admiralty large is to-day 15s less than it was quoted three months ago. Current quotations are as follows:—Best Admiralty large, 27s 6d to 28s 6d; second Admiralties, 26s 6d to 27s 6d; best drys, 27s 6d to 28s 6d; Black Veins, 26s 6d to 27s 6d; Eastern Valleys, 24s to 25s 6d; Western Valleys, 26s to 27s 6d; best small steams, 17s to 19s; ordinary cargo smalls, 13s to 16s; anthracite big vein, large, 45s to 47s 6d; machine-made cobbles, 55s to 57s 6d; French nuts, 60s to 62s 6d; stove nuts, 55s to 57s 6d; rubble culm, 15s to 15s 3d; coke for export, 40s to 45s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 29s to 32s 6d; pitwood, ex ship, 27s 6d to 28s 6d.

In the iron and steel trade the improvement is still maintained. The imports of raw materials, including French and Belgian blooms, billets, and bars, as well as the exports of such finished goods as tin plates, galvanised sheets, rails, sleepers, &c., are increasing. The inquiries from Japan have not yet led to any expansion in the shipments to that country, but the demand from Europe and South America is increasing. Prices are unchanged, but quite firm.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—September 28, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Same Period 1922.			Same Period 1921.		
						Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord	G O L M	Mid	G M	M F	G O L M	Mid	G M	M F	G O L M	Mid
Brazilian.....	1566	1596	1646	1691	1721	1776	1100	1185	1255	1257	1362
Peru.....	Mid	M F	Fr.	G	F	Gd.	M F	Fr.	Gd.	M F	Fr.
Parahyba, Rio Grande, &c.	1636	1736	1811	1811	1811	1811	1065	1215	1257	1467	1467
Macao, &c.	1636	1736	1811	1811	1811	1811	1065	1215	1257	1467	1467
Mosoro, &c.	1636	1736	1811	1811	1811	1811	1065	1215	1257	1467	1467
Cera.....	1636	1736	1811	1811	1811	1811	1065	1215	1257	1467	1467
Maranhao, &c.	1636	1736	1811	1811	1811	1811	1065	1215	1257	1467	1467
St. Paulo.....	1636	1736	1811	1811	1811	1811	1065	1215	1257	1467	1467
Egyptian.....	Fr.	G	F	Gd.	Fr.	Fr.	Fr.	G	F	Gd.	Fr.
Upper.....	1680	1740	1760	1780	1805	1805	1200	1300	1400	1400	1400
Sakellaridis.....	1740	1815	1835	1895	1925	1925	1400	1675	1900	1900	1900
Brown.....	1680	1740	1760	1780	1805	1805	1200	1350	1525	1525	1525
Peruvian.....	MF	Fr.	G	F	Gd.	Fr.	MF	Fr.	Gd.	Fr.	Fr.
Rough.....	1550	1650	1750	1850	1900	1900	1300	1425	1450	1450	1450
Moderately Rough.....	1686	1736	1786	1836	1861	1861	1200	1350	1475	1475	1475
Smooth.....	1661	1686	1736	1786	1861	1861	1200	1350	1500	1500	1500
Tangul.....	1600	1675	1750	1800	1800	1800	1100	1450	1450	1450	1450
Mitad.....	1650	1750	1825	1825	1825	1825	1175	1275	1275	1275	1275
West Indian, &c.	1900	2100	2400	2500	2500	2500	2300	2900	2900	2900	2900
Do.....	1225	1325	1475	1575	1675	1775	1025	1200	1400	1400	1400
African, East, &c.	1616	1696	1766	1786	1805	1805	1075	1150	1150	1150	1150
Do.....	1616	1696	1766	1786	1805	1805	1075	1150	1150	1150	1150
East Indian.....	G F	Fr.	Gd.	Fr.	Fr.	Fr.	Fr.	G	F	Gd.	Fr.
Machine Ginned Surtee.....	1240	1280	1320	1360	1400	1400	1015	1055	1135	1255	1280
Machine Ginned Broach.....	935	1045	1095	1145	1195	1245	835	935	1015	1019	1069
Machine Ginned Bhownagur.....	1005	1055	1105	1155	1205	1255	895	945	1025	1025	1075
Machine Ginned Comra. No. 1.....	1080	1130	1180	1230	1280	1330	920	1000	1000	1000	1000
Machine Ginned Comra. No. 2.....	1005	1055	1105	1155	1205	1255	845	895	975	950	1000
Machine Ginned Khandesh.....	1210	1250	1290	1330	1370	1410	1025	1095	1175	1175	1225
Machine Ginned Comptah.....	930	970	1010	1050	1090	1130	885	925	1005	985	1035
Machine Ginned Bengal.....	920	960	1000	1040	1080	1120	875	915	995	975	1025
Machine Ginned Seinde.....	1395	1435	1475	1515	1555	1595	1185	1225	1305	1285	1335
Tinnivelly.....	1145	1185	1225	1265	1305	1345	960	1000	1080	1060	1110
Madras, Western.....	1225	1265	1305	1345	1385	1425	1025	1065	1145	1125	1175
Madras, Northern.....	1225	1265	1305	1345	1385	1425	1025	1065	1145	1125	1175
M.G. Coconada, Red.....	1225	1265	1305	1345	1385	1425	1025	1065	1145	1125	1175
China, Smyrna, &c.	1225	1265	1305	1345	1385	1425	1025	1065	1145	1125	1175

MANCHESTER, October 4.

The market this week has been very unsettled by the wide fluctuations in raw material rates, and owing to much uncertainty with regard to future values, buyers have been cautious. In cloth there has been a considerable inquiry, and the opinion is gaining ground that many customers have orders to place, but they hesitate to commit themselves until the tone is steadier. Fair lines have been booked for India in light fabrics and fancies, but very little has been done in grey staples. A little more demand has been about for China. Trade prospects in the Near East appear to be rather brighter. Some useful orders have been booked in home trade cloths. American yarns have been very irregular in quotation when tested, and spinners have reported a limited turnover. Moderate contracts have been arranged in Egyptian spinnings. Although business in bundle yarns for India has been patchy, offers for fairly substantial weights have been on the market.

(I.) Comparative Statement of the Cotton Trade.

	Price, Oct. 4, 1923.	Previous Weeks in 1923.				
		Price, Sept. 27.	Price, Sept. 20.	Price, Sept. 13.	Price, Sept. 6.	Price, Aug. 30.
Raw Cotton—Fully Mid. American.....per lb	16.99	16.95	16.58	16.02	15.30	
— Sakellaridis Fully Good Fair.....per lb	18.90	18.35	19.00	17.60	17.25	16.65
Yarns—32's twist.....per lb	23	23	24	23	21	21
— 40's twist.....per lb	23	23	24	23	21	21
— 60's twist (Egyptian).....per lb	31	31	31	30	29	29
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	33	33	34	32	31	30
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	36	36	37	36	34	34
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	19	19	19	19	18	18
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs.....	17	17	17	17	16	16

(II.) Compared with Previous Years.

	Price, Oct. 4, 1923.	Corresponding dates in					
		1922.	1921.	1920.	1919.	1918.	
Raw Cotton—Fully Mid. American.....per lb	16.99	12.44	14.07	19.87	21.40	23.84	
— Sakellaridis Fully Good Fair.....per lb	18.90	17.15	28.50	52.00	30.00	29.40	
Yarns—32's twist.....per lb	23	19	22	46	43	55	
— 40's twist.....per lb	23	18	22	42	42	56	
— 60's twist (Egyptian).....per lb	31	28	45	67	62	69	
	s	d	s	d	s	d	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	33	30	37	70	61	73	
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	36	30	37	70	69	70	
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	19	17	22	41	35	41	
39-in. ditto, 37 yds, 16 by 15, 8 1/2 lbs.....	17	15	21	32	31	35	

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Keen Continental competition in the world's primary markets is keeping wool values on a level quite out of reach of users in this country. Importers are therefore operating with extreme caution, and until trade in the West Riding recovers, this policy would appear to be the safest. The strength of the raw material markets is reflected here in a somewhat better tone, and, in the aggregate, more business has been put through in tops and yarns than for some weeks past. There is no quotable change in tops, but quotations are firm with, if anything, a slight hardening tendency. Demand leans mostly to medium and low qualities, merinos being comparatively neglected. Prices ruling in Bradford are well below costs based on current rates of wool, and this is checking development. Rather more activity is reported in the yarn section, both botany and crossbred yarns having been sold in some fair weights during the last few days, but the general complaint is that prices are cut to such an extreme point that there is no profit in the business. Spinners anxious to keep machinery running appear to be willing to accept business almost at any price, and quotations are very irregular. The piece trade is quiet, but inquiries both on home and export account have been more numerous lately.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

It can now be said that the Australian season is well under way, and this week sales have taken place at Sydney, Melbourne, and Perth. In other words, all the selling centres "down under" have had their initial auction, and although the season is yet young, yet the way wool has moved clearly indicates a sounder situation than the majority expected. At the same time members of the home trade are wondering what is going to happen, for large Bradford buyers say that they are in a quandary, and are completely out of it, so far as actual operations are concerned. There are buyers still in Bradford who ought to have been in Melbourne and Sydney, though one or two are leaving next week. It is by no means satisfactory for the home trade to occupy the position it does to-day in regard to merinos, and so far Australian sales have been one-sided, competition being forthcoming almost entirely from the Continent and Japan. Our cable from Sydney states that good topmaking 64's merino combing wool is selling on a clean basis of 52d to 53d, and in Perth the same standard of values prevails, which means fully 5s 2d in the top, a price which cannot be made in Bradford to-day except for a very good article indeed. It looks as if the home trade is less disposed to embark on buying merinos than for a long time back, simply because there is not the slightest encouragement to put money into fine tops on to-day's level of values. A good many home trade limits went out to Perth on a 4s 9d basis for a 64's top, and many importing topmakers frankly say that that is going to be their price for the next month, until it is seen whether France gets her wants satisfied and then settles down to more rational buying. It is certain that in its present temper the home trade is not the least disposed to buy wool on a basis of over 5s in the top, for apparently neither spinners nor manufacturers can do the slightest good with wool and tops on that level.

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VEGETABLE OILS AND OILSEEDS.

The feature of the markets is still the firmness of linseed and linseed oil. Supplies of seed in hand and on passage are comparatively small, and probably not more than sufficient to meet consumptive demands and crushers' commitments between now and the shipment of the new Plate crop. Plate linseed has further advanced in value, and linseed oil is about 20s dearer on the week, spot and near positions being quite firm. The new Egyptian cottonseed is arriving better, and the shortage of oil is thus being relieved. Demand for the latter, however, is not heavy, but prices are steady, and show little variation on the week. Palm kernel oil is in steady demand for export, and what little trade there is passing in soya, rape, and ground nut oils is at late rates. A better inquiry for oilcake is now being experienced from the cattle-rearing farmers.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides and skins were slightly firmer at the auctions held in London on Thursday, three weights in ox and heifers making advances of from 1/2d to 1d per lb. Cows and bulls also showed an upward tendency, as was also the case with kips. Calf skins were firmer to the extent of from 3/4d to 1d per lb, best light skins now making 12d per lb.

The demand for imported hides has rather fallen off, tanners preferring to meet sellers at the fair next week. Prices are without much change, although the United States are reported to be again bidding for supplies. Dry hides are rather slow, and sellers anxious to effect business. The American hide market is cabled as steady, with best heavy Chicago packers offered at 14 1/2c.

To the surprise of many, business has shown more activity this week in Bermondsey. True, inquiries only have been frequent, but it is hoped the various sampling and quoting will lead to business at the fair. Tanners are firm on prices, and where certain grades are scarce, advances are even hinted at. The spell of bad weather which has set in has led to inquiries for a better class of sole leather, and medium grades of home and wet salted bends have gone out more freely. Offal is as firm as ever, and in some cases tanners have booked well forward in shoulders and bellies.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, October 5.

SUGAR.—General stability was again the salient feature in this market, and with regard to actual parcels something approaching a dearth of supplies has now overtaken the imported section. Apart from white Javass there is really nothing left to handle, and even of these it seems that far too great a quantity was allowed to leave the London distributing centre, and which culminates in a difficult state of affairs upon the point of buyers satisfying requirements. In these circumstances the British produced article is well sought after, with delivery now absorbing refiners' attention. A very tight market has also to be faced in the case of raw refining descriptions, and paucity of supply has become more pronounced of late owing to extensive operations on the part of American refiners in both Peruvian and Brazilian 96 per cent. No change was made in quotations of British goods. Messrs Tate and Lyle's cubes, 60s 6d to 61s 6d; granulated, 57s 7 1/2d to 58s 1 1/2d, as to quality. White Java, spot, sold, 53s 9d to 54s 3d; afloat, steamer "Hemisphere," quoted 27s 6d; ditto, per "Nias," sold, 27s 6d; August-September shipment, 25s 6d, c.f. and i., London. Czech granulated, November-December, sold, 25s 4 1/2d to 25s 6d, f.o.b., Hamburg, with some buying back of same, still taking place. Belgian granulated, November-December, quoted, 24s 6d, f.o.b., Antwerp. White Egyptian, spot, 56s 9d. Mauritius crystals, October, quoted, 30s, c.f. and i., London. White terminal market active and stronger. October, done, 27s; December, freely dealt in at 24s 9d to 24s 10 1/2d, 25s; March, sold, 24s 9d to 24s 3d, 24s 6d; May, 25s 1 1/2d to 24s 3d, 24s 9d.

COFFEE.—Spot market steady, with a moderate trade stirring in the finer qualities. Futures, December, quoted, 55s; March, 54s 3d. **COCOA.**—Steady, with a fair demand. 150 bags Trinidad, sold, fair pale red, 45s; fine plantation, 56s. 500 bags summer Ariba, sold, 61s. Java very scarce, and when obtainable brings fancy prices. Ceylon, also in, but retail supply, and high rates obtainable. Fine red, sold, 105s to 109s. Accra easier forward, and F/F quality, November-January, sold, 29s 3d cwt, f.o.b. terms. English butter, 1s 3 1/2d lb. Dutch auctions met a good demand at dearer prices regarding cocoa-butter.

TEA.—55,300 packages Indian were submitted to auction, and while the commoner qualities were barely steady, fine were wanted and realised stiff rates, despite the fact of general run of quality marking some falling off. Pekoe, sold, 1s 4 1/2d to 1s 10 1/2d; broken ditto, 1s 4 1/2d to 2s 4 1/2d; orange pekoe, 1s 6d to 2s 4 1/2d; good to fine, 2s 2d to 2s 8 1/2d; broken orange, 1s 6d to 2s 4d; fine and fines, 2s 10 1/2d to 3s 7 1/2d per lb, in bond. Low-priced new season's China continue to meet a good inquiry. Ceylon auctions totalled 21,200 packages and proceeded with good spirit, though prices on balance disclosed some irregularity. Common about steady, but the finer qualities easier in most cases, while largely accounted for by a corresponding falling-off in quality. Pekoe, sold, 1s 4 1/2d to 1s 10 1/2d; broken ditto, 1s 5d to 1s 11 1/2d; orange, 1s 6 1/2d to 1s 11d; broken orange, 1s 6 1/2d to 2s 3 1/2d.

RICE.—Burma grain dull and featureless. Two Stars, spot, 16s; September-October shipment, 14s 3d. Spanish from second-hands, October, quoted, 18s 6d. Japanese peas, September-October, 21s cwt.

SPICE.—Pepper steady, but trade moved quietly. Fair black Singapore, L.S., October-December, quoted, 4 1/2d; Lampong, October-December, buyers, 3 1/2d; Muntok, ditto, sold, 6 1/2d to 7 1/2d. Zanzibar cloves quiet. October-December, done, 14 1/2d lb. Tapioca quiet, steady. Singapore flake, October-November, Havre, 29s; Penang seed, ditto to London, 28s 6d. Desiccated coconut steady. Halves, spot, 42s 3d; September-October, sold, 41s; October-November, 40s 6d; November-December, 40s 3d.

JUTE.—Steady, with a moderate demand. First grade, October-November, Continent, sold, £20 15s to £21; November-December, £20 17s 6d to £21; December-January, £21 2s 6d; lightning grade, October-November, quoted, £19 10s ton. Hessians steady. 10 oz, spot, 29s; 8 oz, ditto, sold, 25s; October-December, quoted, 26s and 21s respectively per 100 bags. Twills unaltered.

HEMP.—Manila dull, unaltered. J grade, October-December, quoted £31; K, £26 5s; L, £25 15s; M, £24 10s; African sisal, No. 1 Tanganyika, October-December, £36.

SHELLAC.—Market steady. T.N., spot, 31s; October, 310s; December, 295s.

COPRA in quiet request, and pressed for sale. Prices lower. F.M.S. Straits, August-October, Rotterdam, sold, £28 to £27 2s 6d; October-December, £27 8s 9d to £26 15s. Ceylon, October-November, quoted £29 5s; Java ditto, £27 15s; Dutch East Indies, August-October, sold, £28 to £27; October-December, £26 13s 9d; Cebu, October-November, quoted £26 15s; South Sea, £26 5s. Palm kernels quiet. August-October, Liverpool, sold, £18 10s; November-January, £18 17s 6d to £18 5s.

RUBBER was accorded fair support, partially on American account, but prices, though slightly better, were inclined to show certain irregularity. Standard plantation, crepe and sheet, spot, and October, sold, 14 1/2d, 15 1/2d, and 15d; November, 15d; December, 15 1/2d, 15 1/2d; January-March, 15 1/2d; April-June, 16d to 16 1/2d. To New York, standard sheet, estate, November-December, sold, 15d to 15 1/2d, c.f. and i. Fine hard Para, spot, quoted 14d; soft fine, 13 1/2d. Caucho ball, 12 1/2d per lb.

FRUIT (Dried).—There is only a moderate amount of business doing in currants, and prices moved against sellers. Pyrgos, quarter cases, quoted 43s; ditto, Amalias, 50s; Patras, 53s. Regarding Sultanias, new crop, Smyrna, now arriving; but most of the shipment has already been sold, though some selection will be available shortly of raisins. Valencia, half-boxes, quoted 54s; quarters, 60s to 70s; Australian, four crowns, 49s. New crop dates in moderate demand at steady prices regarding shipment parcels. First-tide Siar quoted 16s; Khredrowie, 20s; and Hallowee, 25s, landed terms, London. Figs.—Genuine naturals, in bags, 38s to 39s; layers, in boxes, 95s to 105s; small boxes of pulled, 145s to 160s. Evaporated Fruits—Californian pears quoted 55s to 85s; Australian apricots, 55s to 65s; peaches, 43s; new crop apricots, 69s to 95s per cwt.

CANNED GOODS.—Sardines met with moderate patronage, and the market is firm owing to the French pack being unsatisfactory. 18-oz market at 16s 6d; quarters,

MONETARY abundance was again diminished this week, by the larger amount of the Treasury bills that had to be paid for, as compared with that of the market's holding of maturing bills, and by Wednesday borrowers found that they had considerable difficulty in supplying their needs, and paid up to 3 per cent. for loans over the night. Extreme stagnation was reported in discount business, bank bills being still conspicuous by their scarcity, but the reduction in the floating supply of cash and the low

level of the Other deposits disclosed by the Bank return checked the demand for bills, and $3\frac{1}{2}$ per cent. became the lowest rate for three months' paper. Yesterday the Treasury Bill allotments went at lower rates than the market had anticipated, but the rate for commercial bills was hardly affected.

	Oct. 12, 1923.	Oct. 5, 1923.	Sept. 28, 1923.	Sept. 21, 1923.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	5 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills) ..	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	..

The Bank return showed an increase of nearly a million in the Reserve, owing to the return of notes from circulation. Repayments by the Government to the Bank were reflected in a decrease of over three millions in the Government securities, while the Public deposits had risen by two millions. These movements left the Other deposits nearly four millions lower. Currency notes outstanding were reduced by £343,400 to £283,599,500, which includes £1,444,100 for notes called in but not yet cancelled. The fiduciary issue is £232,705,400, or £37,478,400 below the maximum.

The monthly statement of average weekly balances for September, issued by the London clearing banks, and printed in detail on a later page, shows only very slight changes in comparison with the figures for August. In the table below we summarise the figures for the nine English banks:—

	Dec. 1922.	May, 1923.	June, 1923.	July, 1923.	August, 1923.	Sept. 1923.
Capital and reserves	116.0	116.2	116.3	116.3	116.3	116.3
Acceptances	72.8	77.5	73.8	73.8	70.7	72.7
Deposits (incl. undivided profits, &c.) ..	1,684.7	1,608.5	1,637.7	1,638.0	1,611.2	1,609.6
Total liabilities	1,873.5	1,802.2	1,827.8	1,828.1	1,798.2	1,798.6
Coin, notes, balance at bank, and cheques in course of collection	253.0	234.6	240.7	236.6	231.0	230.2
Money at call	106.0	108.8	113.3	104.4	99.4	102.5
Investments	384.5	349.4	355.5	362.5	362.7	361.2
Discounts	298.3	262.3	270.8	276.4	264.7	260.4
Loans and advances	732.7	743.0	746.9	747.3	742.7	744.3
Cover for accept., premises, &c.	99.0	101.1	100.6	100.9	97.7	100.0
Total assets	1,873.5	1,802.2	1,827.8	1,828.1	1,798.2	1,798.6

Some of the previous month's decline in acceptances has been recovered, but deposits have again dropped. A decline of over £4 millions in bills discounted and slight decreases in cash and in investments have been offset by an increase of £3 millions in money at call and a small expansion in advances.

THE STOCK MARKETS.

The steadiness of investment demand has been one of the predominating features of the stock markets this week, and money has flowed freely into gilt-edged stocks. The Commonwealth of Australia and Victoria Government issues were readily absorbed, and underwriters are anticipating an equally favourable reception for the Nigerian loan for £5,700,000 in 4 per cents. at 88, the lists for which were opened yesterday. Prices are mostly better in the foreign bond market, while Home Rails have enjoyed quite a little burst of activity under the lead of Southern deferred. Argentine railway stocks have not been affected by the publication of the reports, but the fall in the exchange has created uneasiness. Rubber shares have fallen a little, and the tea share market has reacted, while oils are neglected. The best features in the industrial section have been textiles, nitrates and electricity supply shares. The Kaffir market is inclined to give way, and there is little business passing in the shares either of copper or tin mines.

THE COMMODITY MARKETS.

Perceptible signs of improvement are noticeable in a few markets. Transactions in the Manchester cotton trade have been difficult to effect, but there is stated to be a good demand, although buyers are not willing to pay the prices asked. Our Bradford correspondent reports active buying of wool "in the Colonies" on Continental and Japanese account, but mentions that wool values are

on too high a basis for Yorkshire operators. The pronounced demand for sugar has somewhat abated, but a firm tone is noticeable in the tea market for all grades. Prices have further declined in the Cardiff coal market, Continental demand having slackened. The pig-iron market is better, and more inquiry is reported. The steel position is slightly better, although our Sheffield correspondent writes in pessimistic vein. On the other hand, our Glasgow correspondent records several interesting developments. Tin and copper were both weaker, and the wheat position is slightly easier. There is a scarcity of linseed oil for prompt delivery.

FOREIGN EXCHANGES.

In the foreign exchange market real business has again been relatively quiet, although political anticipations have as usual lately produced some sharp speculative movements in the Reparation currencies. The mark débacle has been intensified, and its quotation has now little meaning as far as business on this side is concerned. From a quotation of 2.2 milliards on the 6th, the rate rose by leaps and bounds to well over 20 milliards on Wednesday, and though there has been a nominal recovery since then to about 17 milliards on reports of strong action by Herr Stresemann and rumours of the possibility of a German loan in the U.S.A., the currency is practically unsaleable. In Germany itself these fluctuations are, of course, causing complete confusion, and in Bavaria the paper mark has already been discarded by the Government in its Budget calculations in favour of the gold mark. In the meantime, it is announced that a few weeks' time will see the introduction of what is now officially known as the "new mark." It may be noted that future quotations for the mark have now been definitely given up. In Paris optimism as to progress in the Ruhr has been reflected in a sharp recovery in the franc, the quotation for which, after reaching 77.20 on Saturday last, after Lord Curzon's statement to the Imperial Conference, has moved, with some fluctuations, to 74.75 yesterday morning, being quoted at one time on the 10th as low as 73.90. Brussels has as usual moved in sympathy with Paris, and has appreciated from the high point of 91.15 on Saturday last to 87.75 yesterday morning. In Paris future quotations were 4 to 4½ centimes per month above spot, in Brussels 8 to 10 centimes above. The lira also shows an improvement, although less marked, from 101½ to 99½. After falling away a little from the quotation of \$4.55½ reached on the 5th, and moving up again to about \$4.55½, the dollar has shown a slightly weaker tendency, and was yesterday down to \$4.55. There is a general feeling that the full autumn pressure has not yet been felt, and that rates may sag somewhat for some little time to come. Forward rates are quoted at $\frac{3}{4}$ to $\frac{1}{8}$ dollars per month over spot. Amsterdam following the dollar has moved against us from 11.59½ to 11.57½, and Switzerland has also appreciated slightly from 25.47½ to 25.39½. Madrid, too, shows a recovery from 33.72½ to 33.54½. In Northern Europe Helsingfors is about the same at 169½, Stockholm has moved from 17.22 to 17.20, but Christiania has risen again from 28.90 to 29.02½, and Copenhagen from 25.62½ to 25.74½. In Central Europe Vienna is, as usual, unchanged at 322.500. Warsaw, however, largely under the influence of the German mark, has slumped again from 3,000,000 to 3,500,000. It is to be hoped that the visit of Commander Hilton Young may assist the Polish Government in the necessary reorganisation of its finances in order that the favourable factors of the general economic position of the country may be allowed to play their part. Prague, after its recent rise to 154, is back again at 152, and Bucharest is also rather better at 970. In the East the rupee has depreciated somewhat from 1s 4 9-32d to 1s 4½d, and Yokohama is also slightly cheaper (2s 1½d as compared with 2s 1 23-32d). Heavy shipments this week to Bombay have kept up spot prices for silver, but it is expected that the market will be easier again. Hong Kong is unchanged at 2s 3½d, but Shanghai at 3s 1½d is ½d dearer. In South America Rio has moved down from 5½d to 5 3-32d, and Buenos Ayres has depreciated again from 39½d to 38½d, while Monte Video at 39d is ½d cheaper. The Valparaiso quotation is also worse at 39 pesos, as compared with 37.60 pesos a week ago.

NATIONAL ACCOUNTS.

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

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	11,718	From Revenue	15,893
Interest, &c., on Debt	24,549	Amount borrowed	19,364
Sinking Fund	380	Taken from Exchequer balances ..	1,535
Sundries	145		
	36,792		36,792

Revenue amounted to £15,893,500, against £19,153,000. The chief reason for the decline was the lower receipts from Property and Income-tax, which amounted to £5,807,000, and Super-tax to £370,000, against a combined total of £9,137,000 in the corresponding period. Customs produced £2,528,000, against £2,031,000, and Excise £1,294,000, against £1,704,000. The week's operations increased the National Debt by £19,364,000, and caused the following changes:—

	Min. £
National Savings Certificates	+ 4,450
Treasury Bills	+ 4,005
Bank of England Advances	+ 6,500
Public Departments Advances	+ 4,100
Sundries	+ 309
	+ 19,364

It will be noted that the sale of National Savings Certificates were again on a large scale. The floating debt was increased by £14,610,000 to £818,156,500.

FINANCIAL YEAR, 1923-24 (April 1 to October 6, 1923).

£	£
Total Expenditure .. 399,625,539	Raised by Revenue .. 381,723,413
	Net Borrowings 13,980,026
	Decrease in Balances 3,922,100
Total 399,625,539	Total 399,625,539

ESTIMATES FOR YEAR 1923-24.

£	£
Ordinary Expenditure 801,013,000	Ordinary Receipts .. 778,500,000
Special Expenditure .. 15,603,000	Special Receipts 40,000,000
Total 816,616,000	Total 818,500,000
	Surplus 1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the meetings of the United Steel Companies; the Clerical, Medical and General Life Assurance Society; the Kern River Oilfields of California; and the Java Para Rubber Estates. At the meeting of the Clerical, Medical and General Life Assurance Society the chairman made the interesting announcement that as from yesterday premiums on new assurances will be "substantially reduced." Mr Albert Peech took a moderately hopeful view of prospects in the steel trade, while the feature of the speech to shareholders in the Kern River company was the statement that owing to the reduction in oil prices revenue from the Kern Field had dropped by 60 per cent.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

MR BRUCE AND THE POLICY OF TRADE RESTRICTION.

We are grateful to Mr Bruce for the frankness of his speech last Tuesday, in which he put forward the views held by certain sections of opinion in the Dominions. At the outset let us say that it would be ridiculous to cavil at the observations of the Australian Premier on the ground that he is discussing a matter of domestic interest to Great Britain. On the contrary, we think that a better understanding will come from mutual criticism and suggestion. We, therefore, hope that we shall not be considered discourteous or be misunderstood if our comments on the proceedings of the Conference are couched in terms of equal frankness. We are grateful to the Australian Premier because he has called a spade a spade. More clearly than any other speaker at the Imperial Conference,

he has explained that what he invites us to do is to put barriers in the way of commerce in the interests of the Dominions. He made it clear that the sort of preferences which have already been granted and instituted by Great Britain, though acceptable as an earnest of good intentions, are not of much real significance, but that what Great Britain is really asked to do is to impose restrictions in favour of the stable agricultural products of the Dominions, and notably wheat, wool, and meat. "That is what the Dominions produce, and that is what will bring about the development of the Dominions, and it is no good our passing pious resolutions, talking about better preference to the Dominions, and ever dodging what is the great issue." In putting forward for discussion his views upon this subject the Australian Prime Minister began with the suggestion of a duty upon food and materials. His particular proposal has, indeed, put into the shade all those tariff reformers known before the war so euphoniously as "whole-hoggers," for he goes right back to the principle of the old Corn Laws of the 18th century by suggesting that "protection for British agriculture and preference for the Dominions should be introduced on a sliding scale." The tariff would come into effect when prices dropped beyond a certain figure, and presumably the duty would increase in proportion as world prices fell below this level. This device is intended to secure, and would undoubtedly be extremely successful in securing, that the price of agricultural products would remain high. The Australian Premier added that the price at which the duty became operative would depend upon the cost of production in this country. This was also the theory of the old Corn Laws. The scheme would insure a steady expansion in the wheat area of Great Britain. Land on which it does not now pay to grow wheat would be sown once more, and wheat culture would be driven into less and less suitable land. That was also the effect of the old Corn Laws. The toll which the agricultural community would take from the towns would steadily increase (though in accordance with economic laws well understood, the greater part of the benefit would in the long run come to the land-owners in higher rent, and would not permanently raise the return to the farmer), and in the end the reduced standard of living, which would be the fate of all our town population, would smash the system, as it did in 1845.

Mr Bruce tells us that Dominion farmers, as well as home farmers, are in many cases incurring losses on their arable crops, and that in the long run it is of no advantage to ourselves or to any other country to buy at prices below the cost of production. Along this road we shall, he says, find reduced production, scarcity, high prices, and ultimately starvation. Nevertheless, he adds that "in view of the high price which the British consumer has to pay for produce, there is no real reason why a system of protection and preference based on a tariff should necessarily increase the cost of living." But it will obviously not serve its purpose unless it adds to the receipts of the producer. We can only suppose that the public report of Mr Bruce's speech is an expurgated one, for there must obviously be a paragraph missing at this point to explain how the producer can get more, while at the same time the consumer is to go on paying the same price. Again, Mr Bruce observes that "unless Empire agriculture can be encouraged Britain must expect to see the control of its food supplies pass more and more into foreign hands, with what results in time of war recent experience may show us." What those results were we mentioned in the *Economist* last week in the case of wheat. Owing to the submarine campaign and a shortage of shipping tonnage it became difficult during the war to get produce either from Australia or, to a less extent, from India. Moreover, the man power of Australia and Canada was reduced by the very heavy call made upon them for the fighting forces. The result was that our imports of wheat from the Empire fell from an average of 47.8 million hundredweights per annum in the decade before the war to an average of 39.5 million hundredweights in the four years of the war, while our imports from foreign countries rose from 68.4 million cwts to 69.9 million cwts a year.

But, of course, the Government will have none of this. The Conservative party managers remember their recent

history well enough to know that the "fair trade" movement of the eighties vanished into thin air as soon as it was realised by the public that it meant keeping this country out of the cheapest market for food, and that the Tory disaster of 1906 was directly due to the fact that a movement, which started on a modest basis of Imperial Preference, and developed in the hands of Mr Balfour into a tariff to be used as a weapon for driving down other people's tariffs, inevitably ended in thorough-going protection, including taxes upon food. In a country which realises more than ever before in its history that its prosperity depends upon the utmost development of the international exchange of goods, it is a thankless task to preach a policy of trade restriction. The Government is, therefore, in something of a dilemma. Having called the Conference they are anxious to show that they mean business, and, in any case, are quite properly concerned to cultivate the goodwill and co-operation of the Dominions, for it is on Imperial solidarity and on good Anglo-American relations that the future peace of the world depends. At the same time they are fully conscious that it would be suicidal to allow a protectionist movement, even though born of Imperial sympathies, to get out of hand, or to find themselves committed to anything more than comparatively innocuous preferences on unimportant commodities. Mr Bruce is by now probably well aware that in saying this we are not expressing a sectional or party view, but that the British nation is "prejudiced" beyond hope of conversion against any policy which involves raising the cost of living of the industrial population for the benefit of any sectional interest.

Mr Bruce is too good a politician to be blind to such considerations. He, therefore, produced three other possible plans for the stimulus of home and Dominion agriculture. The first is that the British taxpayer should pay a subsidy to home and Dominion agriculturalists. The argument, so far as the Dominions are concerned, runs that the preference now granted by Australia is worth £7½ millions to Great Britain, and that we might reasonably be asked to pay a proportion of this back to the Australian exchequer for the benefit of Australian farmers. If we understand this line of reasoning, it means that if the Australian tariff on British goods had been some 33 per cent. higher than it actually is, and if we had nevertheless sent into Australia the same quantity of goods that we do at present—a very large assumption—the Australian exchequer would have been so much the richer. But does it not occur to Mr Bruce that if his tariff wall against English goods were higher, this difference would be paid by the Australian consumer, in the shape of higher prices, partly to the Australian exchequer in respect of more highly taxed imports, and partly to Australian manufacturers in cases where they were enabled by the additional protection to secure the market. We do not wish to belittle either the material or the psychological advantage to British industry of Australian preference, but to speak as though low rates of duty which enable Australian consumers to buy at lower rather than higher prices is a present of so many millions to this country is, to say the least, a curious way of putting things. Mr Bruce recently claimed in his own Parliament that Australia was England's second best customer—India being the first. This has been true for a few months in 1921-22; but, with these exceptions, France has been our second customer since the war, having taken the place held by Germany in 1913. But it is a curious fact that, in spite of Dominion preferences, the proportion of British trade which goes to the Dominions is almost exactly the same as in the decade before the war, whereas in our comparatively indiscriminating market imports from the Dominions have increased from 24 per cent. of our total imports before the war to about 32 per cent. of the total since the war. Moreover, we buy more from the Dominions than the Dominions buy from us, thanks largely to the tariffs against us. Every British manufacturer knows what a handicap he was faced with when Australia added several more storeys to her tariff wall in 1921. We are gradually overcoming the difficulty, and expanding somewhat our trade with Australia because we have reduced our manufacturing costs more than any country in the world, thanks to the comparatively low cost of living and of food in Great Britain. We are afraid there is little prospect of any direct subsidy by the British

taxpayer to the Australian producer so long as he recognises these disabilities, and is, moreover, conscious that he is carrying a war debt of £152 per head of population against £53½ in Australia, and is contributing £3 11s a year per head (1922) to the defence of the Empire, compared with £1 0s 4d per head in Australia.

We have not left ourselves much space to deal with Mr Bruce's remaining suggestions, viz., the prohibition of import into Britain of food and raw material, except under licence, or the setting up of national purchasing organisations. The former of these, which is the most objectionable of all forms of trade restriction, need not detain us; but on the latter we would recall that when last year it was proposed to renew the life of B.A.W.R.A., an organisation of precisely the kind Mr Bruce has in mind, the Australian wool growers turned it down by an overwhelming majority. We are reminded also of a little item of £25 millions, which the latest accounts reveal as the loss incurred over a period of years by the Sugar Commission.

But perhaps, after all, Mr Bruce's remarks were made with chief reference to the "home front." If so, we are glad the case has been put so bluntly; for it has afforded an opportunity to the Dominion Premiers to realise the strength of opinions which perhaps would have gone unexpressed if the issue had not been so clearly stated. We take it, however, that the discussion of these general ideas is not likely to be pressed much further, and that the Conference will henceforth devote itself to proposals of a more restricted scope.

LORD CURZON AND THE TURKS.

THERE will be great differences of opinion as to the merits or demerits of the Treaty of Lausanne*. It may be a ramshackle document, full of patches and ragged edges, but it at any rate has the merit of being a genuine product of negotiation, in which the opposing aims and interests of the parties have been reduced by compromise to middle terms which are not unendurable for either side. Lord Curzon did not fail to make these points in his speech to the Imperial Conference at the end of last week. "The principal problems" that faced him when he went to Lausanne "seemed almost insoluble," he said, "unless the Allies were prepared to dictate their terms at the point of the bayonet. Such had been the case with all the previous post-war treaties. These had in each case been drawn up by the victorious Powers, sitting, so to speak, on the seat of judgment in the absence of the culprit, and imposing what penalty or what settlement they chose. Only when the terms had been drawn up was the beaten enemy admitted to be told his sentence, and to make the conventional protest of the doomed man. Such, indeed, was the environment in which the original Treaty of Sévres was drawn up and signed, though never ratified by the Turkish representatives. Far otherwise was it at Lausanne. There the Turks sat at the table on a footing of equality with all the other Powers. Every article of the Treaty had to be debated with and explained to them. Agreement had to be achieved not by brandishing the big stick, but by discussion, persuasion, and compromise."

This passage, in which Lord Curzon has defended his remarkable diplomatic achievement at Lausanne with his usual ability of exposition, is the most tremendous indictment of the post-war treaties that has yet been delivered by any of the leading statesmen responsible for them. Lord Curzon was Secretary of State for Foreign Affairs when the Treaty of Versailles, as well as the Treaty of Sévres, was drafted and signed, and though he was not a member of the Council of Four, it is not unfair to recall the measure of responsibility which he incurred, since throughout his speech he has taken a very personal line. The vindication of Lord Curzon presented is, in fact, a condemnation of Lord Curzon in his last phrase but one, and the tone of the speech leaves it uncertain to what extent this is realised by the speaker. Does Lord Curzon

* "Treaty of Peace with Turkey and Other Instruments Signed at Lausanne on July 24, 1923." [Treaty Series No. 16 (1923); Cmd. 1929.] London, 1923, H.M. Stationery Office, 8s net.

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regret that the big stick was not this time in his hands? From his words it might appear so, yet in the same breath he admits the inefficacy of the big stick at Sévres, while the Government, of which he is now a member, deprecates (to say the least) its even more disastrous employment by M. Poincaré in the Ruhr. Possibly Lord Curzon would argue that the big stick might have knocked Turkey on the head effectually if only France had lent a hand; but such a contention would give M. Poincaré an opening for a *tu quoque* in regard to Germany, and the parallel between the two arguments would demonstrate the fallacy of both. The reason for the failure of the big stick is something more profound than divergence of view and action between the Allies; it flows from the inherent impossibility of imposing permanent peace settlements by the methods of violence which secure military victory in war. The fact is that Lord Curzon has been over-anxious to defend himself in circumstances in which he has exercised the proper functions of a diplomatist with patience, industry, resourcefulness, and credit, and that he has incidentally passed judgment upon previous transactions which it would be a travesty to call diplomatic, and for which a defence is hardly possible.

As regards the policy of the British Government towards Turkey since the Armistice, for which Lord Curzon's personal responsibility was most direct, he maintains that his "object throughout" was to bring the "ill-fated hostilities" between Greece and Turkey to a close. An unkind critic might paraphrase this as "*Video meliora, deteriora sequor*," but it would be unprofitable and ungenerous to rake up out-of-date controversies. Since the moment when the crisis produced by the Greek collapse surprised him, Lord Curzon has done his utmost, in negotiations with M. Poincaré at Paris and with Ismet Pasha at Lausanne, to retrieve the position, and he is to be congratulated on his substantial success under difficult conditions. He deserves to benefit himself by the "goodwill" of which he offers "our sincere expression" to Turkey "in making what will be a great experiment," and, instead of pursuing him with praise or blame into his detailed discussion of the Treaty of Lausanne, it will be more profitable to turn to the text of that document itself.

The broad outlines of the new Treaty are sufficiently familiar already. Indeed, they were already apparent in the draft treaty which was published by the British Government, together with the minutes of the meetings, after the close of the first session of the Conference at Lausanne. But it is worth taking note of the final terms agreed upon in regard to the more controversial points, especially those which at moments threatened to produce a deadlock during the second session. The rights of minorities are a question with which opinion in Great Britain is particularly concerned; for the Greek and Armenian minorities in Anatolia (together with the Turkish population of the war-zone) have been the chief victims of the unhappy events since the Armistice, for which the late British Government cannot escape responsibility. If now, after more or less successfully extricating ourselves from the quandaries in which we had been placed by our Government's policy, we found that

we had left the minorities in a permanently intolerable position, the effect would be equally bad upon our self-respect, our prestige in the East, and our future political relations with Turkey. The position of minorities in Turkey (as elsewhere) depends, of course, much less upon written guarantees than upon the temper of the majority among whom they live and of the Government to which they are subject. If the better spirit now noticeable is more than a passing phase, the non-Turkish minorities in Turkey stand to benefit by it particularly; and in that case the terms assured to them in the Treaty will probably turn to good effect, since they are the most favourable that could have been granted to the minorities without defeating their own object by inspiring the Turks with resentment. In these clauses the Lausanne Treaty substantially follows the lines of the minority conventions accepted by defeated or aggrandised states in Europe. Individual non-Muslims are to enjoy complete equality before the law and in the public service; they are to retain the right to organise and control their charitable, religious, social and educational institutions at their own expense, and they are not to lose their judicial autonomy in matters of personal statute. The Turks have abandoned one of the cherished but most misguided aspirations of their chauvinists by agreeing that no restrictions shall be placed upon the free use by any Turkish national of any language in private intercourse, in commerce, religion, in the Press, or in publications of any kind or at public meetings; and adequate facilities are to be given to Turkish nationals of non-Turkish speech for the oral use of their own language before the Courts. These provisions are of interest to foreign residents, whose lawful activities in Turkey have been as much menaced as those of the native minorities by threats to insist on the exclusive employment, for private as well as official purposes, of the Turkish script, numerals and language. Foreign residents will presumably benefit by rights which native minorities acquire, since the general effect of the section relating to foreigners seems to be to secure them "most-favoured Ottoman subject" treatment. While the minorities have lost much, at least on paper, by the abolition of the old "millet system," they have made a distinct gain in the provision that, in districts where they constitute an important element, they are to be assured an equitable share in the enjoyment and application of the sums which may be provided out of public funds under the State, municipal or other budgets for educational, religious, or charitable purposes. They may also benefit greatly by Turkey's formal acknowledgment that the minority clauses constitute obligations of international concern, and by her consent to their being placed under the guarantee of the League of Nations.

As regards the status of foreign residents (in which our interests, as well as our sentiment and conscience, are concerned), the general position is not unlike that of the minorities. If the minorities miss the precarious shelter of the "millet system," it is even more unpleasant for the foreigners to lose the capitulations, under which they had enjoyed not merely a secure, but a privileged

position for generations. Yet, considering that, in the new circumstances, the capitulations had lost the effective sanction of force, it was undoubtedly better in this case, too, to accept a *régime* on the same footing as that which prevails in most independent civilised countries, on the calculation that if the Turks were not alienated and exasperated by differential treatment, they could be induced to behave with the same degree of sanity as other nations. Equality of status (and therefore, implicitly, of standards of behaviour) is the principle on which the clauses relating to foreign residents in Turkey are drafted; and this equality is asserted in two ways—by reciprocity for Turkish nationals abroad and by identical treatment of foreign and Turkish nationals, corporations and institutions in Turkey. The very first sentence provides that "the application in Turkey of each of the provisions of this chapter to nationals and corporations of the other contracting Powers is expressly subject to complete reciprocity being accorded to Turkish nationals and corporations in the territories of the said Powers." The provisions against discrimination are worked out in considerable detail. Here, again, the foreign residents, though, like the minorities, they have lost much by the lapse of their old status, have made a distinct gain in the express recognition of their right to acquire immovable property. They are to have complete freedom to reside, circulate, and trade. Like the native minorities, they preserve their judicial autonomy in matters of personal statute. Turkey agrees to recognise commercial, industrial, and financial corporations, including transport and insurance corporations, which are regularly incorporated on the territory of any one of the other contracting Powers. Foreigners remain in a distinctly privileged position in so far as they are not to be subject, in any circumstances, to forced loans or capital levies, and are to be exempted from military service (though, in the absence of any provision to the contrary, their descendants born in the country will presumably fall within the scope of whatever may be, from time to time, the Turkish naturalisation laws).

The only approach to a substitute for the capitulations consists in a unilateral declaration by Turkey regarding the administration of justice. For a period of not less than five years she will take into her service a number of European legal counsellors, whom she will select from a list prepared by the Permanent Court of International Justice at the Hague from among jurists nationals of countries which did not take part in the war of 1914-8, and who are to be engaged as Turkish officials. These counsellors are to be observers without executive power, but they are to be empowered to receive complaints and to make representations to the Minister of Justice. In comparison with the old capitulatory extra-territorial jurisdiction, these functions are narrow, but anyone who is acquainted with contemporary conditions in Turkey will realise that they are far from being unimportant. Turkey has now a sufficient number of able, educated and enlightened men to occupy the highest posts of responsibility, but not yet enough to control, let alone to fill, the minor ranks of the official hierarchy. The underpaid and under-educated functionary at the bottom of the ladder largely frustrates the policy of his superiors, to the detriment of the Turkish nation itself, as well as of the native minorities and the foreign residents. The new legal counsellors (whose reference is not restricted, in the declaration, to cases in which foreigners are concerned) may prove to be at least as valuable to the Turks as to the non-Turkish elements in the country.

IMPERIAL PREFERENCES: PRESENT AND PROSPECTIVE.

MANY times during the preparations for the Imperial Economic Conference the Government must have put forth songs of gratitude for the famous pledge of Mr Bonar Law. For, bound as they were by that pledge, no clamour of Dominion representatives could drive them to make a really fundamental change during the existence of the present Parliament in the fiscal policy of this country. And seeing that the last thing which Mr Baldwin and his colleagues are prepared to face is a General Election on

food taxes, they have been under no temptation to risk all by going to the country. That pledge has been a precious sheet anchor on which they could depend to stop any dangerous drift towards a substantial extension of Imperial Preference. Mr Joseph Chamberlain's dictum is as true now as it was 20 years ago when his Tariff Reform campaign split upon it:—"If you want to give a preference to the Empire you must put taxes on food."

The smallness of the concessions announced by the President of the Board of Trade this week will be more readily appreciated if we show how closely they fit in with the system of Imperial Preference set up by Mr Austen Chamberlain in 1919, and with the Bonar Law pledge not to make any fundamental change in our fiscal policy. Mr Chamberlain's principle was to allow a remission of existing and future customs duties in favour of Empire products from whatever part of the Empire they came. There was no reciprocity about it. The United Kingdom granted to all Empire products, which were subject to Customs duties, a remission of duties usually amounting to one-sixth. Spirits from the Empire do not get a direct preference, but foreign spirits are subjected to a surtax of two shillings and sixpence a gallon. The greater part of the Customs revenue comes from the duties on tea, sugar and tobacco, in which the Dominions are not at present greatly interested. We give India a reduction of one-sixth on tea and tobacco, though India gives no preference to us, and is totally opposed to giving a preference to us; the remission of duty which West Indian growers were intended to get on sugar is intercepted by the wholesale traders in sugar, and much the same thing happens to any tobacco which comes from South Africa or Nigeria. Unless an Empire product can be handled and marketed as a distinct commercial commodity—such as Indian or Ceylon tea—the growers can derive little benefit from a preference in duty.

There are other duties now in the United Kingdom on which an Imperial preference is also given. The McKenna duties of 33½ per cent. on private motor cars, clocks and watches, musical instruments, and cinema films are shorn of one-third when these commodities come from the Empire, which they rarely do. The Safeguarding of Industry Act (Part I.) duties on "key industries" do not apply to Empire products when there are any, and the specific duties levied against certain countries under Part II. do not affect the Empire at all. On the whole we see that the application of the principle of Imperial Preference to British customs has not done much for the Dominions, and cannot do much unless the food taxes, forbidden by the Bonar Law pledge and by the fate of Mr Joseph Chamberlain, become enshrined in British fiscal policy.

Sir Philip Lloyd-Greame proposes to remit altogether the existing duties on dried figs, raisins, currants, and plums, in respect of Empire products—the Imperial preference hitherto has been one-sixth of the duty—and to impose a duty on foreign dried fruits and preserved fruits which are not at present dutiable, while admitting Empire preference of about ¼d a lb on sugar for ten years, even though the general level of the duty be reduced, and as regards tobacco, either to stabilise the preference of about 1s 4d a pound or to increase the rate of preference from one-sixth of the duty to one-fourth. The most substantial of these proposals is the one to admit dried and preserved fruits from the Empire duty free, while maintaining or imposing duties on those which come from foreign countries. It may be plausibly argued that so far as figs, raisins, and plums are concerned (which are at present dutiable), the Bonar Law pledge has been kept, but it requires some sophistry to contend that the imposition of a duty on foreign preserved and dried fruits (not at present dutiable) in order to give Empire products a preference is not a breach of the spirit of the pledge. This would be a deliberate tax imposed on food with the object of giving Imperial preference, and though not

perhaps in itself of great importance, would be as fundamental a change in fixed policy on a small scale as Mr Joseph Chamberlain's food taxes would have been a fundamental change on a great scale. It would be a definite departure from our fiscal system of imposing Customs duties for revenue purposes, because its imposition would be admittedly political in purpose. If, within the Bonar Law pledge, the Government can put a tax on foreign dried and preserved fruits, in order give the Dominions a preference, then they could—if they were not afraid of the electors—put a tax on foreign wheat in order to give the Dominions a preference. Both things, in principle, are on the same plane. In practice, they differ widely; the duty on foreign dried and preserved fruits does not excite anybody very much, whereas a tax on foreign wheat would set the whole country ablaze.

We will now deal concisely with the other side of the account—the preferences in trade given to British products by Dominions and Colonies. Their importance is frequently exaggerated. Far and away the most important part of the Empire for our export trade is India, and India gives us no preference. Indeed, India is busy with a Tariff Board establishing protection against British exports. Nevertheless, we give India a preference of one-sixth of the duties on tea and tobacco, and on any other dutiable product which she sends to us. The self-governing Dominions, with the exception of Newfoundland, our "oldest colony," do grant us varying measures of preference. Newfoundland never has done so. In Australia the preferential tariff was made more favourable to us in 1921, and most categories of British goods benefit to the extent of from 10 to 15 per cent. in competition with foreign goods. New Zealand, which also revised its tariff in 1921, aims at charging British products two-thirds of the full rate of duty; this preference affects about two-thirds of the items in the tariff, and amounts to a benefit to us of from 10 to 20 per cent. on the value of the goods which come under it. Canada, which started Imperial preference as long ago as 1897, now has a tariff on which British goods get roughly a preference of one-third of the rates charged on the general tariff. The benefit ranges from 5 to 15 per cent. *ad valorem*, and may be taken as about 10 per cent. *ad valorem* on the more important classes of British goods. There was a temporary war extension of the Canadian preference, but that has since lapsed. The South African preference amounts to 3 per cent. *ad valorem*. On the whole of our exports to the self-governing Dominions the preference amounts to an average remission in duties of 10 per cent. *ad valorem*.

So far as proportion of Imperial preference to general rates of duty is concerned, the West Indies treat us more handsomely than some of the self-governing Dominions. Jamaica, it is true, does not remit more than one-quarter of its duties to British goods, but several other islands give us a preference of one-third, and some grant us a full half. The level of duties in the West Indies is generally lower than in the Dominions, so that the benefit *ad valorem* is not so large as the 10 to 15 per cent. of Australia, New Zealand, and Canada on competitive classes of goods. Nevertheless, as a set-off against the geographical advantages of the United States, the West Indian preference is of real value.

The extent to which Imperial preference has benefited inter-Imperial trade is not possible to estimate with any accuracy. Whenever one brings it to the test of figures the results evade the statistical vision. It is not possible to discover by how much we should have lost export markets in the Dominions and Colonies if they had not given us any preference at all. The one queer fact which no one seems able to explain satisfactorily is that over a considerable period of years, in times of depression as in times of prosperity, the proportion of our trade with the Empire remains as an almost constant factor of our total overseas trade. Tariffs come and go; in 1920 and 1921 they came in furious volume almost everywhere; preferences are varied in amount and in incidence, yet the proportions between our Imperial and our foreign trade over statistical periods continue almost unchanged. Even in these most depressed days, with Europe in ferment, we sell approximately the old proportion of 60 per cent. of our exports to foreign countries and 40 per cent. to the Empire.

IMPROVEMENT OF INDUSTRIAL RELATIONS.—I.

THE century old struggle between Labour and Capital for high wages on the one hand and high profits on the other has entered upon a new phase as a result of the war boom and the peace collapse.

While in some respects the new phase has an even more sinister aspect than the old, there are also to be found in it elements which, if fairly and equitably explored, may tend to a far greater community of interests between men and employers than has seemed possible in the past.

The wages in any industry must in the long run depend upon two things. On the one hand, they are determined by the valuation which the public puts upon the joint services rendered by the capital and labour employed in it—i.e., for practical purposes upon the margin between the selling price of its products and the cost of its materials, its payment for the use of land, &c.; and, on the other, by the amount of labour and capital engaged in it. Over a long period the remuneration of both labour and capital must be sufficient to prevent them leaving the industry, or, at all events, to insure that natural wastage is adequately replaced. Hence these profits and wages must bear a relation to current rates of wages and profits in general, having regard to any special risks on the one hand or any incidental advantages on the other which the industry may possess for either party.

But for short periods in most cases neither capital nor labour can move very rapidly either into or out of industry, and, therefore, the division of the net proceeds of the industry is capable of very considerable variations without at once calling into operation influences which will restore a normal economic remuneration, either to wages or capital. But to leave this distribution to chance or for either side to press unduly the advantage which monetary conditions may give to it is foolish and shortsighted, and it is a recognition of this fact that makes us hopeful of the possibility of better industrial relations. The old view of employers that it is reasonable for them to take full advantage of a temporary over-supply of labour is dying slowly but surely. Such a theory would only give to each class of workpeople a bare subsistence wage, or even less when labour is strategically very weak. Indeed, in modern conditions, trade union organisation, by means of its strike pay, imposes a check upon such exploitation, and recently it has been further limited by the rates payable under unemployment insurance schemes. Both of these plans have the effect of artificially limiting supply, and prevent cutthroat competition for the available jobs. If there were no such limitations it is true there would be few unemployed, except the margin of unemployables who are normally on the Poor Law, production would be stimulated and prices lowered; but wages would at such times produce less than a living wage. In the United States, where such checks are less developed than in Great Britain, the power of labour to limit supply has, however, been supported by laws restricting emigration.

On the other hand, there is an obvious limit to the extent to which labour can drive up wages at the expense of capital. If by strikes or other means wages are forced to a point where they absorb the whole of the net product of industry, either business is abandoned or selling prices have to be raised so seriously as to curtail demand. In either case the reaction upon employment is the same; capital loses its profits, but a large number of workpeople are thrown out of work and lose the whole of their income, being only saved from starvation by voluntary or Governmental assistance.

Labour usually thinks that capital is getting too large a share of the joint produce, and in some cases this may be so; but, on the average, it is usually true that the reward of capital is not unreasonable. The record of two great industries—railways and coal mines—in which disputes and strikes have been all too frequent, shows that in these cases the general average reward of capital has not been excessive, while the endeavour in the former to maintain a standard of wages based on an assumed

scale of "cost of living" has resulted in charges for the product which have admittedly crippled industry generally, and are in part responsible for the volume of unemployment.

If due consideration be given to the elementary fact that both wages and profits are limited by the value and cost of the product, it must be recognised more and more that continual disputes as to the level of wages can never lead to any satisfactory result.

The one source out of which increased remuneration to both parties can come is reduction of cost (which in great part must be achieved by increase of output) and a consequent increase in the margin in which both share. Without doubt in the half-century before the war, by improvements in methods, great savings have been effected in cost of manufacture in our staple industries, and while a large part of these savings has gone to the consumer in reduced prices, the demand has thereby been stimulated, a far larger amount of labour has been employed, wages have considerably increased, and the standard of living of the workers has been raised. The process has been continually hampered by disputes and strikes, usually in periods of depression and falling prices, and much of the extra benefit that might have accrued to consumers, capital and labour, has thereby been lost. In recent years attention has been naturally directed to the great apparent extravagance on many sides, which is taken to indicate great prosperity on the part of the so-called capitalists. No attention is given to the much less obvious reduced standard of living, due to high prices and destruction of capital resulting from the war. If the real facts about each industry were known to the workers therein, they would come to realise that unless the losses of the war are repaired by greater skill and energy on the part of both labour and capital, by which alone lower costs, greater production, and its disposal can be ensured, a fall in the standard of living (even more severe than has already taken place) is inevitable.

It is essential that employers and employed work together so as to reduce the cost of production in every way possible, and increase the available margin out of which alone can come the funds to maintain fair remuneration to both labour and capital and a fair price to the consumer.

In his report on the results of the Coal Commission, Mr Justice Sankey made the following statement:—

"For a generation the colliery worker has been educated socially and technically. The result is a great national asset. Why not use it?"

To what extent has this motto been followed in industry generally, and what reduction in cost of manufacture might not be obtained if the full experience of the workers in an industry were taken advantage of and combined with the knowledge and skill of the owners and managers?

In many individual cases consultation with representatives of the workers has been tried with success, and it has been found that the acceptance of a share in the responsibility by such representatives, and the increased knowledge of the financial aspect of the business which they have thereby acquired, has resulted in more harmonious working and in better results both to employers and owners, without any increased burden on the consumer. Individual efforts of this kind, whilst most useful as examples of what can be done, cannot go very far in the reformation of a whole industry; what is required is a collective effort to attain the necessary community of interests and to make use of the united experience of owners and workers. So far endeavours in this direction have been few, and while in the case of certain gas companies representatives of Labour have been admitted to a seat on the board of directors, it has been as capitalists (by subscriptions for shares) and not as labourers.

The capitalist risks his money; the labourer his livelihood, and in some trades his life and health. Failure means to the capitalist some, but usually not a total, loss of his possessions; to the labourer it may well mean starvation. Surely it is not unreasonable to suggest that if the capitalist is entitled to representation on the board of directors, the labourer is also so entitled, and that the business as a whole would benefit largely by the joint consultation and activities of these two elements.

It is said that representation would put an end to discipline, but this objection overlooks the elementary fact that a director has no power or authority as an individual; acts of directors being valid only when they are decisions of the board as a whole. Moreover, the fact that the board contains representatives of the workers is more likely to promote discipline, on account of the greater feeling of responsibility and loyalty thereby induced in the workers.

The first step towards a solution of the continuous struggle is to put labour in the position to obtain all information—financial and technical—about the industry, and to share with capital the responsibilities for decisions taken as a result of this information. Section 2 of the Mining Industry Act passed in August, 1920, provided for a complete system of Pit and District Committees, and Area and National Boards, consisting of equal numbers of representatives of owners and workers, to whom were referred questions of:—

- (a) Safety, health, and welfare of workers.
- (b) Maintenance and increase of output.
- (c) Disputes.

(d) Any others referred to them by the Board of Trade. Unfortunately, this section of the Act was rendered abortive by the failure of those entitled to appoint representatives to these Committees, and it was repealed in March, 1922.

The second step is to determine for any industry the fair division between capital and labour of the margin between cost and selling price of the product. If the average capital employed be known, a minimum rate of interest corresponding to a minimum rate of wage can be determined, and it should not then be difficult to settle the rate of division between the two parties of any further surplus. This is the principle adopted in the Coal Mines Agreement of July 1, 1921, and it will be useful in a second article to note the main outlines of this Agreement, and see how it has operated in the difficult period through which that industry has passed.

INDIAN AND COLONIAL MUNICIPAL STOCKS.

WHAT Mr Baldwin and his colleagues may be saying *sub rosa* in reply to the requests of the Dominion Premiers for more privileges in the British market at the expense of our consumers and taxpayers and foreign customers we have no means of ascertaining; but it has too long been our practice in dealing with Dominion demands to use less candour in our answers than they in their requests. For example, is not Great Britain in an economic sense even more valuable to the Dominions than they are to her? Is not a free market without a Preference better than a protected market with a Preference? Is not the defence of the Dominions almost wholly provided by the British fleet and at the expense of the British taxpayer? If the British Government has to borrow, where does it borrow? At home. If the Dominion Governments need money, where do they borrow? Frequently, perhaps usually, in Great Britain. Altogether the balance of advantage is clearly on the Dominion side. Great Britain gains much, but the overseas Dominions gain more. In this article we propose to examine one particular item of Dominion indebtedness, that of the cities or municipalities.

Taking the whole overseas Empire, about 75 towns seem to have borrowed in London, and the total amount borrowed (about £86,000,000) would not be excessive if it represented the whole debt. But many of the municipalities have mortgages or other debts contracted locally which ought to enter into the valuation of their credit. If a municipality became insolvent, it might choose to default on its foreign and continue to pay its local debt.

The market valuation of this £86,000,000 is about £68,700,000, or an average price of about £79 per £100 stock. Taking the average price of issue as 95 per cent., this represents a loss to investors of 16 per cent. of their capital, apart from the depreciation in the purchasing power of sterling which affects pre-war issues.

Throughout the stocks quoted in the Stock Exchange

Official List there are numerous anomalies. Owing often to some temporary cause two municipal stocks equally good stand at different levels. We should have thought that the credit of the great city of Calcutta would at least be as good as that of some smaller Dominion town, but we find that during the recent political turmoil Calcutta had to borrow at 7 per cent. Consequently the Port of Calcutta 7 per cent. debentures yield as much as £6 8s 9d, whereas the 4½ per cent. debentures of the City of Regina return only £5 10s. Then, again, the Bombay 4 per cent. guaranteed sterling loan is on a 5½ per cent. basis, while only £4 17s 9d can be got on the Victoria (British Columbia) 4 per cent. debentures.

Five Indian cities have raised money in the London market, and their stocks are quoted, namely, Bombay, Calcutta, Karachi, Madras, and Rangoon. Bombay has a rupee debt of Rs. 50,00,000, which is also dealt in on the London Stock Exchange.

The following is a list of some of the Indian municipal stocks the yields of which range from 5½ per cent. to £6 8s per cent.:—

	Price.	£	s	d
4% Bombay sterling guaranteed loan	76½	5	15	9
4% Bombay Port debentures	80½	6	3	9
7% Calcutta Port debentures	106	6	8	9
4% Do	81	6	2	0
6% Calcutta Corporation debentures	104x	5	14	6
4% Karachi Port debentures	81	5	18	0
6% Karachi sterling debentures	104	5	16	3
5½% Madras Port debentures	100	5	10	0
4% Rangoon Port	79½	5	14	0

These and subsequent yields are worked out to allow for profit or loss on redemption at varying dates. A great number of Canadian municipalities have borrowed in this country, and the largest amounts have been raised by Toronto, Montreal, and Edmonton. Generally their credit as judged by the yield at current prices is good. Moose Jaw debentures, however, give a return of £6 10s 6d, but the 3 per cent. Montreal permanent stock yields only £4 15s 3d. A good number of the cities are in the newer provinces:—

	Price.	£	s	d
4½% Calgary debentures	90	4	9	9
5% Edmonton sterling bonds	99	5	4	6
4½% do	88½	5	9	0
4% Hamilton debentures	88	5	5	3
5% Medicine Hat debentures	89	6	0	6
3% Montreal permanent stock	64	4	15	3
4½% Montreal sterling stock	92½	5	1	0
4½% Moose Jaw debentures	83	6	10	6
4½% New Westminster sterling debentures	83½	5	12	3
4½% North Vancouver debentures	89½	6	6	9
4% Vancouver consolidated debentures	83	5	4	6
4½% Vancouver debentures	92	5	6	6
5% Port Arthur sterling debentures	94	5	10	6
5% Point Grey debentures	90½	5	11	6
3½% Quebec consolidated registered stock	73½	5	4	3
4½% Quebec sterling debentures	93	5	0	6
4½% Regina debentures	89½	5	6	0
5% Regina consolidated stock	94½	5	7	6
5% Saskatoon consolidated stock	92½x	5	10	0
4½% do	85½x	5	8	9
4½% Toronto consolidated debentures	91	5	7	9
4% Toronto general consolidated debentures	85	5	2	3
4½% do	92	5	2	3
4% Ottawa sterling debentures	85½	5	5	6
4½% Victoria consolidated stock	85½	4	17	9
4% Winnipeg consolidated registered debentures	83½	5	0	6
4½% do	91	5	1	0

Few of the above stocks yield more than 5½ per cent., but it must be remembered that many of them are not very active, and the difference between the buying price and the selling price is considerable.

Turning to South Africa, we find the credit of the municipalities is about equal to that of Canadian towns, but here again most of the stocks are not very active, and prices are wide. Johannesburg has raised over £5 million in London:—

	Price.	£	s	d
4% Bloemfontein inscribed	82½	5	5	6
4% Cape Town inscribed stock	83	5	3	9
3% Cape Town debentures	79	5	13	6
3½% Durban inscribed	71½	5	15	6
4% do	82	5	7	0
4% East London	77½	5	14	9
4% Johannesburg inscribed	89x	5	7	9
5½% do	102½	5	7	0
4% Pietermaritzburg	81	5	6	9
4% Pretoria inscribed	87½	5	3	3
4% Port Elizabeth inscribed	79½	5	8	3
4% Rand Water Board	90	5	5	6

A large proportion of the population of Australia is concentrated in the several capitals. The Queensland Land Act Amendment Act has somewhat prejudiced British investors, and Queensland has turned to New York; but the yield on Queensland Government stocks does not appear to have been affected materially, though Brisbane water debentures afford the highest return:—

	Price.	£	s	d
6½% Brisbane (Water) debentures	108½	6	0	3
5% Brisbane (Water), "25-year" debentures	98	5	4	3
6½% Melbourne and Met. Board	106x	5	18	9
6½% Melbourne Harbour debentures	106	5	19	3
6½% Sydney 10-year debentures	107	5	6	0
6% Sydney debentures	106	5	4	9
4% Perth debentures	81	5	15	9

Many New Zealand towns have come to London for money, but in some cases the amounts have been quite small. The yields are about the same as those of Australian municipal securities:—

	Price.	£	s	d
4% Auckland consolidated loan debentures	91	5	9	6
6% Auckland debentures	106	5	12	9
6% Lyttleton Harbour Board	103	5	9	0
4½% New Plymouth Harbour	90	5	14	9
5% Otago Harbour Board	96½	5	12	0
5½% Wellington Electric	104	5	1	6
4% Wellington debentures	91x	5	13	9

To the above lists must be added the Singapore 4 per cent. sterling debentures, which yield £5 8s, and the Dublin 3½ per cent. stock, which returns £6 4s 9d. Hong Kong comes under the Crown Agents. Its credit is good; the 3½ per cent. stock is on less than a 5 per cent. basis.

Amongst the large cities, of whose solvency there can be no reasonable misgivings, those generally have better credit which managed to avoid borrowing at a high rate of interest during the period of dear money after the war.

Although investors who subscribed to Dominion municipal issues in pre-war days have, on the whole, lost part of their capital, they have not much to complain of. Defaults have been very few, and the record of the Dominion cities compares very favourably with the United States, where townships have been known to walk away during the night. Holders of Dominion municipal stocks may be thankful that they did not put their money into Central European securities, to have their dividends paid in worthless paper, or into Russian and some South American municipal stocks such as Moscow, Petrograd, Kieff, Manao, or Para, to mention only a few.

COAL PRODUCTION, WAGES, AND PROFITS.

THE practical working of the National Agreement in the coal mining industry is being followed with the greatest interest by all who believe in the possibility of a working understanding being arrived at between Labour and Capital. Not the least important feature of this experiment is the fact that secretiveness is now largely a thing of the past, and the agreed ascertainties of output costs and profits, which are available for the use of the general public, merit the closest attention, reflecting, as they do, the fluctuations in the general position of one of the most important of British industries. In the following table will be found the more important totals for the second quarter of this year, together with those for the three previous quarters for purpose of comparison:—

Totals.	1922.		1923.	
	Third Quarter.	Fourth Quarter.	First Quarter.	Second Quarter.
Tonnage raised tons	58,717,767	64,550,171	67,099,121	65,550,443
Tonnage disposable tons	53,694,293	58,977,291	61,357,470	60,117,435
Wages £	30,533,993	33,658,099	35,441,768	35,921,946
Net costs £	46,106,227	50,108,391	50,663,203	51,724,937
Proceeds £	49,013,908	54,603,996	58,156,716	61,400,723
Net profit £	2,907,681	4,495,605	7,493,513	9,675,786

* Total costs, less proceeds of miners' coal sold at special prices.

These figures relate to undertakings which between them were responsible for some 94 per cent. of the total coal raised in the country. The output is not quite so high in the second quarter as it was in the first quarter of this year, though it is much greater than the corresponding

figure last year. The increase in the average selling price of coal is reflected in the rise in the statistics of proceeds, profits and wages. The position is, however, made clearer by reducing all these returns to a tonnage basis:—

	Proceeds per Ton.		Wages per Ton.		Net Cost per Ton.		Net Profit (+) or Loss (—) per Ton.	
1922.	s	d	s	d	s	d	s	d
First quarter	20	9-90	13	4-08	19	8-28	+ 1	1-62
Second quarter	18	11-41	12	7-39	18	11-58	— 0	0-17
Third quarter	18	3-08	11	4-48	17	2-08	+ 1	1-00
Fourth quarter	18	6-18	11	4-09	16	11-90	+ 1	6-28
1923.	s	d	s	d	s	d	s	d
First quarter	18	11-48	11	6-63	16	6-17	+ 2	5-31
Second quarter	20	5-12	11	11-41	17	2-49	+ 3	2-63

The rise in the selling price is, of course, due mainly to the increased demand for British coal following upon the occupation of the Ruhr, and the resultant paralysis of production in that important field. It cannot thus be regarded as more than a temporary advantage, and may well lead in the near future to a corresponding set-back in the general upward trend of trade which has been noticeable in the coal industry since the third quarter of 1922. It is disquieting, too, to learn that the net cost per ton has increased more rapidly than have wages as compared with the previous quarter. Meanwhile, however, net profits show a further rise to over 3s 2d per ton, this making an average for the twelve months ended June 30th last of 2s 1.18d per ton. Wages in May and June were based on the ascertainment for January and February, and do not therefore as yet fully reflect the improved financial position of the industry. The labour situation is further described in the following table:—

	Number Employed.	Total Manshifts Worked.	Total Manshifts Lost.	Output per Man- shift Worked.	Earn- ings per Man- shift Worked.
1922.				Cwts.	
First quarter....	1,020,207	63,236,314	6,171,819	18-23	11/0-18
Second quarter..	1,025,592	59,831,062	4,677,252	17-80	10/2-51
Third quarter ..	1,027,853	65,446,658	5,476,180	17-94	9/3-97
Fourth quarter..	1,068,623	71,323,137	5,696,488	18-10	9/5-25
1923.					
First quarter....	1,087,733	73,504,058	6,163,833	18-26	9/7-72
Second quarter..	1,102,381	73,205,708	6,291,749	17-91	9/9-77

It will be observed that, while the total number employed has risen, there has been a slight fall in the total number of manshifts worked. Absenteeism remains much the same, but the output per manshift worked shows a not inconsiderable falling-off. Average earnings, however, continue the upward movement which began in the fourth quarter of last year. The general impression obtained from these returns is that although the efficiency of labour and management which characterised the first three months of this year has not been maintained, the financial position of the industry continues to improve, while naturally enough, the wage assessments for September and October, which were described in our issue of September 29th last, based as they are on the general ascertainment for the months of May and June, show a considerable improvement over the rates ruling during the second quarter of the year.

GERMANY'S CAPACITY TO PAY: SOME AMERICAN VIEWS.

WHILE British economists and publicists have been occupied with the political aspects of the reparations problem, a considerable number of books and pamphlets on the economic aspects of the problem have been issued recently in the United States. Among these there are two of special interest. In the first place, the American Institute of Economics has published an "investigation into Germany's capacity to pay. The institute has carried out this research apparently at considerable

labour and expense, having realised that there is little likelihood of the matter being officially inquired into by an expert commission of business men and economists. The other contribution is an anonymous one contained in the current number of "Foreign Affairs," written by an American who obviously has the closest touch with the Reparations Commission. The latter takes the form, in the main, of a criticism of English economic writing on the subject, and in particular of that Liberal school of thought which the author curiously enough describes as the Manchester school. There is an important respect in which an instructive contrast may be drawn between these two documents.

The research of the American Institute starts, continues, and ends with strong emphasis upon the difficulty of a nation making large payments abroad. But the book, which we heartily commend to those who wish for a summarised discussion of the economic difficulties of the problem, combined with a fairly complete statement of the salient facts, is open to one important criticism. The thesis of the book is stated in the following phrase—"The total capacity of Germany to pay will be measured by the excess of her exports of goods and services rendered to foreigners over the imports of goods and receipt of services from foreigners." This is very much what Mr McKenna said to the Institute of Bankers a year ago. But it is very liable to be misunderstood. If the authors had said that "the total reparation payments which Germany in fact makes in any year will be the difference between visible and invisible imports and visible and invisible exports," they would have been on unassailable ground. But the statement as printed seems to imply that Germany's actual export surplus this year, last year, or for some period of years is a measure of her ability to pay in the future, and therefore a test of what reparations should be demanded from her. If this doctrine were even approximately true, the facts and figures as to Germany's trade situation in the past would be extremely discouraging. But it is just in arguing from the past or present to the future that the whole uncertainty arises. The view of those politicians and economists who have maintained that Germany could pay considerable sums in reparations, implies that it is possible substantially to modify previous conditions of German trade, and to create an export surplus by the fact of enforcing reparation payments. The argument runs thus. If the German Government imposes and succeeds in collecting heavy taxation, and the proceeds are transferred to the account of foreign Governments, the total purchasing power available for the home population will be reduced, the demand for goods for internal consumption diminished, and the demand for goods for export increased through the increased holdings abroad of purchasing power over German goods. The receivers of reparation would not always want to take the proceeds in German goods, but the transfer of currency or of credit held in Germany into foreign currency would tend to create an exchange situation favourable to German exports. The authors of this book at various points state the conditions needed for re-establishing a new equilibrium in this way. They obviously imply a lower standard of living in Germany than in competing countries, and a somewhat higher purchasing power of the mark at home than abroad, a condition not necessarily incompatible with a stabilised mark. There may be political or psychological reasons for doubting whether, in practice, a new equilibrium can be established on these conditions. But the book contains no economic argument which disproves the assumption that it would be possible, given the will of Germany to levy taxation and pay the proceeds to foreign governments, for a large export surplus to be created. The practical limitations depend upon the ability of Germany industry to adjust production to meet world requirements rather than home needs, and the ability of the world to absorb an increased surplus of

exports from Germany. On this latter point we may observe, in passing, that the pre-war exports of the leading exporting nations amounted to some two thousand millions sterling; that this is equivalent to at least three thousand millions to-day; that an annuity involving increased exports by Germany of £100 millions would add 3 per cent. to pre-war exports; but that reparation payments of this amount need not, in fact, involve an absolute increase of this amount in Germany's exports, since the surplus could partly be achieved by reduced imports into that country.

If the possibility of creating an export surplus is admitted, it is very relevant to study the surplus of Germany's annual production over consumption—which the authors of this report describe as a fallacious measure of capacity to pay—and the surplus must be studied not merely in the past, but under the new conditions that would be created when an obligation of this kind was, in fact, in process of being paid by Germany. Before the war, Germany's excess of production over consumption was very large. But the authors do not think this surplus could have been diverted abroad, for they point out that, in view of the tremendous efforts that Germany was making to expand her foreign trade by means of low freight rates on export duties, and in view of the struggle of other countries to prevent Germany's expansion, "it does not appear that Germany could have appreciably increased her manufactured exports." But this statement is highly debatable. Germany's surplus production was being used to increase, at a very rapid rate, her plant, factories, buildings, and other forms of invested capital. She was, in fact, in a state of rapid internal growth. England, on the other hand, was sending her capital rapidly abroad. If Germany's opportunities for internal expansion had been fewer, and it had been more profitable for her to export capital, this increased foreign investment would, without doubt, have produced an export surplus; Great Britain would have felt Germany's competition more keenly, and the foreign trade position would have been created that will be brought into effect if Germany, instead of adding another £100 millions a year to her home capital, has to pay this sum abroad as a reparations annual annuity. The authors of this paper add that any curtailment of imports affects exports indirectly by restricting the purchasing power of those foreigners who would otherwise have sold goods to Germany. But this is not true if the curtailment of imports is due to the fact of Reparations payments which transfer abroad to someone or other the control of marks in Germany just as effectively as the despatch of goods from London to Hamburg does. The funds may at first be in the hands of foreign Governments; but, even so, the effect will be passed on to the people in reduced taxation or in the form of new capital expenditure in the recipient country.

We have dwelt somewhat at length on these points, not because we think that Germany can be proved to have a very large capacity to pay or the world a very large capacity to absorb, but because the way the case is presented in this book tends to minimise the possibilities. In the unlikely event of the question ever being brought to the test of serious economic investigation, it would be of the utmost importance that the kind of considerations we have mentioned should be weighed in just proportion.

On the other hand, the writer in foreign affairs goes too far in the opposite direction. Without formally associating himself with their arguments, he repeats the reasons which make French economists sceptical of the difficulty of making foreign payments, and regards the question of Germany's ability to pay as almost entirely a budgetary one. In stating his case he brings to the forefront the fact that the Reparation question is not merely one of how Germany can pay her debts, but of how France can pay hers. He quotes the striking figure that, even if Germany's internal war debt were honoured at the gold value it had when it was incurred, German indebtedness, including Reparation at its present nominal value, would amount to \$928 per head. The French *per capita* debt is \$816, and will be \$990 per head when the work of Reparations has been completed. If Germany should reimburse all Reparation hitherto made and start afresh, the French *per capita* debt would become \$650 per head.

For these reasons the writer urges that if the case is really made out for reducing Germany's debt to a negligible quantity on the export argument, we are at a deadlock. The writer also adds that, as we have more than once stated in the *Economist*, French taxation, when looked at from the point of view of total tax receipts from all sources, is nearly as heavy in proportion to the nation's wealth as taxation in Great Britain, and that there was some justification for France in not levying heavier taxation during the war, owing to the fact that she had lost some of her best sources of revenue in the occupied areas, and that she mobilised no less than 19 per cent. of her population. Alpha's statement, though an *ex parte* one, is the best exposition of the French attitude that we have seen for some time past. He regretfully admits that it is useless to look to America for a lead, and believes the solution lies with England. With apologies for venturing to offer advice to a nation not his own, he therefore suggests the following British programme:—

1. The Allies to make it plain to Germany that the debt as at present established must stand, subject to a re-examination of the question in ten years' time.
2. Germany to be called upon to cease printing paper money, and to balance her budget by taxation within a year; also to submit to measures of financial control.
3. Subject to satisfactory guarantees, including the pledging of assets, the Ruhr to be gradually evacuated and Germany to be granted a moratorium for two years, except for deliveries of certain essential commodities, and an initial cash payment of 250 million dollars from present foreign balances.
4. An investigation to be started by the League of Nations into the budgets and fiscal and tax systems of Germany, of the powers claiming reparation and of such other ex-belligerents as may desire it. The investigation also to include an examination into Germany's foreign exchange operations. A first report to be rendered prior to the expiration of the moratorium. A second report on the same subjects, plus a study of economic resources and national income to be made four years later, and a final report four years after that. The complete text of all reports to be given immediate publicity in English, French, German, and Italian.
5. The first report of the League to be examined by a sub-committee of bankers, including American and German members. The committee to submit recommendations to the Reparation Commission as to the fixation of Germany's payments for a period of four years after the moratorium. These recommendations to include proposals on the subject of payments by delivery of German industrial securities.
6. Payments for a further period of four years to be fixed after a similar examination of the second report of the League of Nations. A world conference, if necessary, to be summoned at the expiration of ten years to consider the final report of the League.
7. The principle to be accepted that, if proper guarantees can be obtained, German products, instead of being delivered directly on reparation account, shall be allowed to follow their natural export channels, and create foreign balances in a normal way.
8. The principle to be accepted that payments may, if necessary, be extended over a longer period of years than now contemplated.
9. The principle to be accepted that advantageous discounting provisions will be offered to Germany as an incentive to discharge portions of her capital obligation through the raising of loans.
10. The governments concerned to agree to introduce measures looking to the repeal of differential tariffs which have been erected against German goods.

The author suggests that this programme ought to command the support of France, of America, and even of Germany. We need hardly say that if Alpha is right we would gladly press this plan upon the British Government. But we can only confess to surprise that a writer so obviously well informed on the subject should imagine that even in return for allowing the present German debt to stand on paper without reduction, France would accept the decision of the League of Nations upon what Germany should in fact pay period after period; and further, that any programme at all can be made so long as no decision is arrived at as to the inter-Allied debt. Great Britain has offered to write down claims against Germany amounting to £1,250 millions, plus loans to her Allies amounting to £1,800 millions, to a total of £700 millions. For our part we have constantly urged that it would be wise to write them off altogether. America has outstanding obligations against the European Allies of 10 billion dollars, or about 2,000 million sterling. If the United States would make a sacrifice proportionate to that of Great Britain and would write off all debts except the 700 millions which Great Britain has undertaken to pay her, the finance of reparations would be comparatively simple. Without such concession Alpha must recognise that his proposal leaves unsolved the greatest of the financial difficulties.

* "Germany's Capacity to Pay," by Moulton and McGuire. Obtainable from McGraw-Hill Publishing Company, 6 Bouverie street, London.

† "Reparations and the Policy of Repudiation: An American View," by "Alpha." "Foreign Affairs for September." *American Quarterly Review*. Published by Council on Foreign Relations. Printed in New York.

DIARY OF THE IMPERIAL CONFERENCE.

MONDAY, OCTOBER 8TH.—After welcoming Mr Bruce, the Australian Prime Minister; Senator Wilson, Honorary Minister in charge of the Commonwealth Department of Health and Migration; and Sir Lomer Gouin, Canadian Minister of Justice, all of whom attended for the first time, the Conference proceeded to the adjourned debate on foreign affairs. Discussions, which naturally had special reference to Lord Curzon's speech on Friday last, were carried on throughout the day, and all the principal delegates made their views known. The nature of the topics discussed, and the paramount need for plain speaking, led to a unanimous decision that the day's proceeding should be treated as strictly confidential. Further consideration of Empire foreign policy was deferred until the next meeting of the conference on Thursday.

The return to secrecy, which marks a departure from the precedent set by the publication *in extenso* of important passages from Lord Curzon's speech last week, naturally makes it impossible to discuss the proceedings of this meeting with any degree of certainty. It is believed, however, that they were of the very greatest importance; and that, although the present situation in Europe was the main topic, there was also some discussion of the rôle of the Dominions in the sphere of foreign policy.

TUESDAY, OCTOBER 9TH.—In its morning session, the Imperial Economic Conference listened to a speech by Mr Bruce, the Australian Prime Minister, which would have been delivered at the opening session of the Imperial Conference had he arrived in time. This, together with the Government proposals for fuller Imperial preference, which were made in the afternoon by the President of the Board of Trade, are dealt with elsewhere in this number.

WEDNESDAY, OCTOBER 10TH.—The Imperial Economic Conference discussed first the question of Imperial preference in the granting of public contracts. To a great extent this is already the accepted practice in the Dominions. The Chancellor of the Exchequer was of opinion that the granting of a fixed percentage of preference would be undesirable, but strongly expressed the hope that the contract for the Sydney bridge, which is now under consideration, should not go outside the Empire.

The afternoon session was devoted to the question of "Co-operation in Financial Assistance to Imperial Development." The President of the Board of Trade stated that the Government was proposing to give financial assistance to local authorities and public utility companies at home, and announced further that the same policy would be pursued with regard to the Dominions and Colonies, with a view to speeding-up Empire development. In effect, the proposal was that part of the interest should be advanced for a period in respect of anticipated schemes put in hand before their normal time.

THURSDAY, OCTOBER 11TH.—The Imperial Conference met once again for the discussion of foreign affairs. Apart from a preliminary statement by Lord Curzon on the political results of the Janina murders—which will probably not be published—to-day's meeting was devoted to a discussion of the activities of the League of Nations, and is not, thus, a continuation of Monday's discussions. Lord Robert Cecil reviewed the whole work of the League, and the Prime Minister of every Dominion took part in the discussion which followed. The official report of the meeting will not be issued until Saturday, but it is understood that all the speakers were strongly in favour of giving the fullest possible support to the League.

The committee of the Economic Conference dealing with Empire settlement discussed, *inter alia*, the question of passenger rates, of arrangements for the reception of immigrants, and of schemes of preliminary training.

FRIDAY, OCTOBER 12TH.—Committee work of the Imperial Conference. The next full meeting will be held on Monday, while the Economic Conference has also been adjourned until next week.

Notes of the Week.

The German Crisis.—If this week has not produced any clearer light than existed a week ago on the chances of a break-up in Germany, it has produced fresh elements of anxiety in several directions. The riotous plunge of the currency is causing rapidly increasing economic and social disturbance; unemployment is rising rapidly, the impossibility of adjusting wages and prices fast enough have caused commercial dislocation, and serious food riots are reported from Cologne, Dusseldorf, and other centres. Ugly temper is already visible, and there is no telling what the progressive fanning of this temper by economic causes may or may not produce in the coming weeks. Meanwhile Herr Stresemann has met the Reichstag with a reconstituted Cabinet, and has faced a bitter obstructive fight in his attempt to carry a Bill suspending important parts of the Constitution. The final voting on this Bill is postponed till to-day; but there are indications that if the Bill does not receive the necessary two-thirds majority, the President will confirm it over the heads of the Reichstag, which, in that case, Herr Stresemann will dissolve. It may therefore be known in a few days whether a lament on the death of Parliamentarism in Germany, delivered on Thursday by a Nationalist deputy, is premature or not. The terms of this bitterly contested "Powers Bill" are described in a later column by our Berlin correspondent, who also shows that every week is plunging German finances deeper and deeper into chaos. In other directions, beyond those which we have mentioned, the task confronting the rulers of Germany becomes daily more difficult. Bavaria has adopted the pose of an independent State, willing to observe only such laws of the Reich as she chooses, and proclaiming devotion to the monarchical system. The separatist movement in the Rhineland is taken a step farther by the proposals made by the industrialists to France for an agreement, and the ultimatum demands made by Herr Stinnes and other Ruhr magnates on the Berlin Government. All these elements making for physical disintegration and social upheaval, the Berlin Government have to face under conditions of bankruptcy and deepening chaos, moral, financial and economic. How pregnant with danger to Europe this position is, is self-evident. But contemplation of it has apparently produced no effect on French policy, except in the direction of greater "firmness." To a *démarche* by the German Government in Paris and Brussels, M. Poincaré has replied that he will enter into negotiations with Germany when passive resistance has really disappeared, and when the condition of affairs existing before it was introduced has been restored. Only a few weeks ago it was believed that the cessation of passive resistance dictated and subsidised by Berlin was M. Poincaré's condition for negotiation. Now not only must local passive resistance, which Berlin cannot control, cease, but also Ruhr industry must be restored to its pre-occupation state before negotiation can begin. The latter task, M. Poincaré is reported to estimate, could be performed in a fortnight. Most people will agree with our Berlin correspondent in estimating the minimum time in which restoration could be accomplished at many months. This being the Paris attitude, little hope arises from the suggestion that, when once he has obtained his extraordinary powers (with or without the Reichstag's consent), Herr Stresemann will make a new reparations offer. Only by immediate action can Germany be clutched back from the brink of chaos and incalculable European trouble averted; but M. Poincaré's policy could hardly help on the arrival of catastrophe more effectively, even if it were framed with that avowed object. This surely is a critical position in which the British Government must speak at once and without ambiguity. Lord Curzon has told the Dominion Premiers that the British Government is waiting for France to take the next step. The time factor is all important, and demands that this waiting policy should be abandoned forthwith. It would seem that our position in the occupied area of Cologne might be the key to a fresh British initiative, a basis for justifiable and effective measures

being our moral responsibility for the third city of Germany, and the important industrial area which surrounds it.

Overseas Trade in September.—In the statistical pages of this issue will be found some detailed comparisons of the official overseas trade returns for September, and the nine months period of this year and last. In reading these and also the summary given below the usual caveat must be entered regarding the unknown effect on the figures since last April of the separation of the returns of the Irish Free State:—

MONTH OF SEPTEMBER.				
	1922.	1923.	Increase or Decrease in September, 1923.	
	£	£	£	%
Imports	76,766,577	83,265,581	+ 6,499,004	+ 8.5
British exports	62,511,099	63,836,144	+ 1,325,045	+ 2.1
Re-exports	6,381,443	8,110,443	+ 1,729,000	+ 27.1
Total exports	68,892,542	71,946,587	+ 3,054,045	+ 4.4
Excess of imports over total exports	7,874,035	11,318,994	+ 3,444,959	+ 43.6

NINE MONTHS ENDED SEPTEMBER 30TH.				
	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	728,213,962	787,464,274	+ 59,250,312	+ 8.1
British exports	534,723,767	566,122,381	+ 31,398,614	+ 5.9
Re-exports	77,873,526	86,857,891	+ 8,984,365	+ 11.6
Total exports	612,597,293	652,980,272	+ 40,382,979	+ 6.6
Excess of imports over total exports	115,616,669	134,484,002	+ 18,867,333	+ 16.3

On the nine months the import excess has averaged just over £2 millions per month more than in 1922. When compared with the August figures, imports are £5½ millions lower, British exports £3¼ millions higher, and re-exports £2 millions higher. A glance at the figures for recent years shows that imports tend to fall and exports to rise in September, and although on the face of them the returns for last month are quite as good as was expected, it is difficult to glean from them any very definite evidence bearing on the trade position. Raw cotton imports were larger in quantity than in August or in September, 1922, but in the nine months the imports were over 2 million cents less than in the corresponding period of last year, while on a similar comparison imports of wool were lower by 3 million cents. Silk and jute are among other raw materials which show a drop on the nine months. On the other hand, our imports of flax, hides, rubber, timber, and wood, are considerably in excess of last year's figures. On the export side coal shipments at 6.3 millions in September were the lowest since February. Germany and France each took less than in August, but more than a year ago, Germany taking in September over 1.1 million tons, and France 1.3 millions. Iron and steel and manufactures thereof show aggregate September exports slightly in excess of the August total; they were 333,985 tons, against 323,877 tons in August and 279,168 tons in September, 1922. Cotton yarn exports were over ¾ million lbs less than in August, and nearly 5 million lbs less than a year ago. September exports of cotton piece goods, on the other hand, at 344 million square yards, were 15 millions better than in August, and the total for the nine months is slightly in excess of the figure for January-September, 1922. German takings, both of piece goods and yarns, showed a considerable drop in September, and her imports of the former from us in the nine months were less than one quarter of her last year's takings. Woollen and worsted manufactures were exported in rather less quantity than in August, but the nine months' figures show an excess over those of last year. The advance in re-exports as compared with the previous month is spread over a wide range of commodities, and the explanation may partially be in the ending of the London dock strike. The bullion and specie account for the nine months of this year and last reads as follows:—

	Jan. to Sept., 1922.	Jan. to Sept., 1923.
Imports	31,040,499	42,543,488
Exports	39,326,658	48,682,379
Excess of exports	8,286,159	6,138,891

For the past nine months gold sent to British India was £18.3 millions, compared with £10.6 millions last year, but gold sent to the United States was almost unchanged at £17½ millions. The statistics of shipping engaged in the foreign trade in September show no very important changes from the previous month.

The September Iron, Steel, and Coal Output.—The statistics just published by the National Federation of Iron and Steel Manufacturers show that in September, for the fourth month in succession, there was again a decline in the production of pig-iron, though when allowance is made for the shorter month the decrease is seen to be less than 4 per cent. compared with August (19,350 tons daily and 18,620 tons daily in August and September respectively). Six furnaces went out of blast during the month, bringing the total of furnaces ceasing operation since the end of May, to 33. Steel production, which was specially low in July and August owing to the holidays, rose to 695,100 tons, which, although 128,000 tons better than August, was 126,000 tons less than in May. The following table shows the furnaces in blast and the production and exports of iron and steel in each of the last five months:—

1923.	Furnaces in Blast at End of Month.	Production of		Exports of Iron and Steel.
		Pig-Iron.	Steel.	
		Tons.	Tons.	Tons.
May	223	714,200	821,000	424,500
June	222	692,900	767,700	365,100
July	206	655,100	639,500	307,700
August	196	599,800	567,500	323,900
September	190	558,600	695,100	334,000

It will be seen that the exports of iron and steel have shown a slight rise in each of the last two months, but are 90,000 tons less than in May. While the production of pig-iron in Great Britain has been steadily declining, production both in France and Belgium has been steadily increasing. The latest figures available relate to August, and in France these show a rise from 300,800 tons in February to 478,700 tons in August, or about 95 per cent. of the pre-occupation rate, and in Belgium from 149,000 tons in February to 195,800 tons in August, which is 24 per cent. above the production of December last. In Belgium production is practically at pre-war level, but it is interesting to note that it is being obtained from some 15 furnaces less than were normally working before the war, the new furnaces which have replaced those destroyed during the war being of greater capacity. The output of coal in the five weeks ending September 29th averaged nearly 5,400,000 tons per week, and in the last week of the period reached 5,574,600 tons, a figure higher than in any week since that ending June 23rd. Exports of coal amounted to 6,316,000 tons, of which 1,347,000 tons went to France, 1,130,000 tons to Germany, and 635,000 tons to Italy. Exports of coke remain high (438,800 tons), and although the trade returns are silent as to its destination, it is understood that most of it goes to Germany. The difficulty of obtaining coke from the Ruhr and the dearth of English coke has stimulated production both in France and Belgium, French production having risen from 132,000 metric tons in January to 181,000 tons in August, and Belgian production from 324,000 tons in January to 364,900 tons in August. Great Britain is the only coke-producing country which does not collect and publish the output of coke monthly.

Irish Finance and Labour Troubles.—Our Dublin correspondent writes:—The Dail met again on Wednesday after its week of adjournment, which was to give the Government time to seek remedies for an adjustment of the numerous industrial disputes which are causing much loss and general dislocation. President Cosgrave made a brief statement that the position is exceptionally grave,

and that more time will be required before a definite solution is achieved. He deprecated detailed discussion at the moment, and stated that, while the price of bread had been recently reduced, it was hoped that the prices of other essential commodities would shortly follow. Taking the dockers' strike as the most important and difficult of his problems, he suggested that there should be an immediate reduction of wages by 1s per diem, with consequential reductions in tonnage and overtime rates, and that the Minister of Industry and Commerce should, on work being resumed, set up a Court of Inquiry to report on the question of dock labour under the Industrial Courts Act, 1919, with a view to its treatment upon a national basis. He kept the problem of the cost of living well in the foreground, as being, by general consent, one of the essential points upon which adjustment is necessary. There is, therefore, no settlement in sight this week, and it is not yet clear whether his suggestion for a temporary truce will be accepted. There are many difficulties. The employers are by no means a cohesive or homogeneous body, and they are little accustomed to collective action or the handling of these matters on broad lines. Labour, on the other hand, while more experienced in collective bargaining, is split from top to bottom by competing factions aiming at control of its organisation. Since Jim Larkin arrived from America he has been bitterly at feud with the leaders, who in the Dail and outside have been guiding the movement on constitutional lines. His strength lies in his outstanding qualities as a demagogue, and his weakness in his extreme revolutionary views, which are not acceptable save to a relatively small minority of Dublin labour. In the meantime, a carters' strike in Dublin has been added to that of the dockers and the chemical workers and others. There is a certain amount of uneasiness being expressed behind the scenes about financial policy, but it is not always intelligently directed. Thus a demand is being made that the Government shall not merely formulate now, but even state publicly the main lines of its Budget, which will not be due for six months. The suggestion is that only thus can the public here and in Great Britain be assured that the Free State is paying its way. Behind it lies the idea that there is a good deal of extravagance, due to lack of system, experience, and skilled supervision and accountability. It is doubtless good that the public should be vigilant in such matters, but it is questionable whether it is helpful to clamour for premature Budget figures from a Finance Minister who has barely been a month in office. It is known that a continuous and drastic overhaul, both of expenditure and methods of accountability, has been in progress for some months throughout the whole administrative machine. There has been little, if any, delay in starting the process of regularising, reorganising, and pruning. Perhaps a little more uneasiness is warranted in regard to high finance, of which neither the Ministers nor the departmental officials can possibly have had any experience. A national loan of twenty or thirty millions touches or tempts many large interests, which may seek to serve their own purposes in many different ways, direct and indirect. The path of those charged with the guardianship of the national exchequer is full of pitfalls. But nothing is likely to be undertaken without due deliberation. The Ministry has now been completed by the appointment by the Dail of Mr P. J. Hogan, Agriculture, Mr F. Lynch, Fisheries, Mr James A. Bourke, Local Government, and Mr J. J. Walsh, Post Office.

Australian Canned Fruit.—A correspondent who described last week the shortcomings of the management of the dried fruit trade of Australia, writes:—The canned fruit industry is equally as bad. Under a pooling arrangement organised by the Commonwealth Government a big effort has been made to regulate the quality and general appearance of the exported article. Standard grading of the fruit, proper packing, and appropriate labelling have all been well advanced since its organisation, and there is less to complain of now as against a few seasons back, when a comparison is made with the Californian or Hawaiian product. In this respect the industry is to be complimented upon its progress. When the questions of production costs and marketing are considered, however, it is quite another story. Australian fruit growers and

canners have not yet succeeded in turning out their product as cheaply as the Californians or the Hawaiians. Only recently was the balance of 176,000 cases of Australian canned peaches and pears of the 1922 shipments disposed of at the ridiculous price of 7s per dozen, duty paid. Had the "pool" authorities let their agents in London sell this fruit when the time was ripe in the summer of 1922, it would have realised on average 15s per dozen. It is true that even at this figure a loss would have resulted; but, as a consequence of mis-handling, the loss has been added to the extent of 8s per dozen. The total loss amounts to £280,000, as against only £30,000, if sales had been made in 1922. The 1923 output totalled 800,000 cases, but not a single case arrived on the London market in time for this season's sales, and of the fruit which has arrived practically none has been sold. This inefficiency displayed by the "pool" authorities is noteworthy in view of the British Government's proposal to place a duty of 5s per cwt on all canned fruit coming into the country from foreign sources, but to admit the Empire product free.

Shipping Freight Index.—A slight upward tendency in the movement of ocean freights on the majority of routes in September resulted in a rise of over 3 points in our index, following upon a continuous decline from April to August. The figure for September was 119.88, which, it will be noted from the table below, restores the level of freights to approximately that of July, but compares unfavourably with a figure of 128.40 for September, 1922:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (avg., 1898-1913) ..	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Average, 1913	110.03	113.08	123.37	106.29	117.38	127.89	116.34
Feb., 1920	814.31	529.89	757.52	744.81	587.02	712.16	690.95
Dec., 1920	258.90	277.17	244.10	256.79	286.72	347.18	280.14
Dec., 1921	184.06	164.07	144.43	143.25	141.25	166.47	156.67
Sept., 1922	143.00	115.60	122.48	129.48	124.62	135.31	128.40
Nov., 1922	148.89	124.56	134.22	130.86	130.47	155.31	138.95
Jan., 1923	132.05	126.47	124.85	120.20	142.14	150.44	132.69
Feb., "	149.60	116.85	123.93	117.83	134.49	144.21	131.15
Mar., "	163.55	124.30	130.43	125.40	125.35	135.31	134.06
April, "	142.72	133.38	137.32	133.77	134.06	124.63	134.31
May, "	134.91	140.03	143.05	126.99	134.48	120.18	133.27
June, "	131.77	121.04	124.56	125.50	133.90	118.84	124.27
July, "	132.42	107.20	118.67	122.44	126.10	114.83	120.28
Aug., "	124.79	109.11	114.33	117.70	117.51	115.73	116.53
Sept., "	129.83	112.36	116.28	117.77	118.44	124.63	119.88

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade	136.16	+12.40	S. America—Outwards ..	106.26	— 3.36
Bay—Outwards	139.45	+ 3.66	Homewards	126.30	+ 7.26
Homewards	140.33	+ 4.85	India—Outwards	116.55	— 7.0
Mediterranean—Outwards ..	124.25	— 2.32	Homewards	119.00	+ .84
Homewards	102.66	— 74	Far East, &c.	118.44	+ .93
North America	112.36	+ 3.25	Australia	124.63	+ 8.90

The month witnessed an expansion of inquiry rather than increased volume of traffic. Grain freights from British North America rose sharply towards the end of the month; nitrate sales encouraged the hope of better demand for tonnage on that route; rates from Australia showed a marked firmness for the new crop; the River Plate indicated the probability of fuller demand for January loading, but rates for early shipment remained at a ruinously low level. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1920.	1921.	1922.	1923.
January	545.42	194.59	131.60	114.05
February	593.90	164.54	135.76	112.73
March	588.24	162.17	135.53	115.23
April	519.40	147.48	129.46	115.45
May	480.60	158.42	125.12	114.55
June	463.16	165.73	117.45	106.82
July	384.43	169.87	114.52	103.39
August	350.96	170.60	113.16	100.16
September	360.27	154.47	110.37	103.04
October	394.80	141.85	114.42	..
November	340.33	136.47	119.43	..
December	240.79	134.66	117.39	..
Mean for year	438.52	158.40	122.02	..

With freights so depressed, it is probable that considerable additions will continue to be made to the amount of tonnage laid up pending a more marked recovery than is indicated above.

Welsh Tinplate Merger.—Messrs Richard Thomas and Co., Limited, will shortly amalgamate with the Grovesend Steel and Tinplate Company, Limited, by an exchange of shares and probably a cash payment to the latter's shareholders. The new combine will have a capital of something like £7,000,000, and it will be the largest concern of its kind in the world. Messrs. Richard Thomas and Co., own at present thirteen tinplate works and 110 mills, while the Grovesend Steel and Tinplate Company have 48 mills. Thus the amalgamated companies will have 158 tinplate mills, with an estimated output of 150,000 boxes per week. The steel production will be anything from 12,000 to 14,000 tons a week, and as the combine will own its own collieries, foundries, and be practically self-supporting, it is bound to exercise a very marked influence upon both steel bars and tinplates. The amalgamated companies will thus control something like 50 per cent. of the total tinplate output of this country, and there is some talk of further extensions in the plant being made, but for the time being this may be ignored. The combine will naturally have a leading place in the sheet trade generally, as well as the tinplate industry, and there will be nothing else like it in the world except the United States Steel Trust. London merchants are now very much concerned about the future of the trade. Under the stabilisation scheme selling prices have been fixed at a minimum of 23s 1½d basis I.C., cokes f.o.b. Bristol Channel, up to the middle of January, 1924, but sales made meantime will obviously be governed by that figure even if delivery takes place after the date mentioned. The matter of the minimum prices and also commission to merchants will be considered again next month, and the question of the proposed selling agency is now being discussed by those concerned. It is understood that the amalgamated companies wish to set up a central selling agency and also retain the stabilisation scheme. Many of the smaller tinplate makers and the merchants are dead against this idea, as it clashes with their interests, and it looks as though the trade will be split up, with the new combine in one camp and the smaller makers in the other. Obviously with a big capital, 158 mills to keep going, with something like 10,000 hands to find employment for, and competition to face from the American tinplate makers, the amalgamated companies would like to see steady markets, with a regular flow of orders. Merchants, of course, buy speculatively from the mills when the latter are slack, and they claim that they have done much in the past to find new business and also to help the mills financially. A central selling agency, with fixed selling prices, would injure the merchants' trade, and before the controversy is settled feeling may run even higher than it has done of late. Most of the tinplate makers in this country are holding well-filled order books at present, and the tendency of values is firmly upwards, owing to the strength of tin, high working costs, &c. Some people consider the present minimum price too low, but it remains to be seen what attitude the stabilisation committee will take next month when the question of prices is again considered.

New Departures in China.—On Friday of last week Marshal Tsao Kun was elected President of the Chinese Republic by more than the requisite proportion of votes, and by an overwhelming majority over all his rivals. He is regarded by competent English observers as possessing some force of character, his personal record is distinguished, his age is about 50—which is not too old for a President—and he has a much stronger military backing than any of the rival leaders. Moreover, we are informed that he is a blood relation of Chang-tso-lin, who at present controls Manchuria, and such relationship means much in China. In any case, the country has now a Government with which foreign Powers may feel that they can effectively negotiate. Stress is laid by the *Times* correspondent at Peking on the bribery practised in the election; but the members seem to have been induced to attend chiefly by the hope of obtaining their salaries, hitherto greatly in arrear. Tsao Kun's inauguration took place last Wednesday, and was followed by the promulgation of a Constitution, the draft of which, we believe, was discussed by the Parliament in 1917, and was among the subsidiary causes of the dissolution of that body under

pressure from the militarists of the North. It will apparently secure the elimination of the Tuchuns, and will establish provincial Home Rule and the apportionment, in principle, of revenue between the provinces and the Peking Government—a reversion to the old order which Sir John Jordan and other high authorities regard as necessary for the restoration of internal peace. Holders of Chinese securities have been encouraged by the announcement made last week by the chairman of the Hongkong and Shanghai Bank that a Commission has been appointed by the Chinese Government to consider this and other financial problems, among them the funding of the floating debt. Its chairman, Dr Yen, ex-Minister of Foreign Affairs, is regarded as extremely able, and it comprises representatives of the Chinese Ministry and Parliament, the foreign financial administrations, the Peking bankers, French interests, and the Consortium—though these last are to be present only as individual advisers, and not as representing the Consortium's views. Its composition inspires confidence, and it should have excellent prospects of success. And pending the result of its deliberations, we may fairly expect that the Tuchuns will suspend their warfare. The projected International Commission on the Customs Surtax, of which it was thought the scope might be enlarged to include these financial problems, cannot meet until France has ratified the Washington Treaty, and must be regarded as postponed indefinitely. But this action on the part of this Chinese Government shows that it means business, and may provide a more rapid solution of the financial difficulties of China.

The Rise and Reaction in Tea Shares.—A Stock Exchange correspondent writes:—After the boom in tea shares which took place during August, it is natural enough that there should have been reaction from the top prices. Part of the later buying was of the rather ragged order. A good many shares were taken by people who had no intention of keeping them, and who were attracted to the market simply by the rapidity with which prices rose and the ease with which it seemed possible to make money in less than a day. The fact of so many of the companies' shares being of high denominations, instead of those of the popular £1 order, causes the tea share market to be contracted. It always is, and always has been. Nor is this state of affairs likely to be altered until the companies split their shares into the popular £1 denomination. Some of them have already done this, and others purpose doing so in the near future. The old-fashioned director who opposes such procedure on the ground that it encourages gambling can point to the recent boom as evidence that his contention is justified. Undoubtedly, had there been £1 shares in the big companies instead of £5 and £10 shares, the area of speculation would have been enormously widened. For the tea share market has captivated the popular imagination. The rise in the price of the article led to inquiries coming in for the shares from people all over the country. Curiously enough, when two or three of the big companies declared greatly-increased dividends in the spring, these announcements had little effect upon the quotations at that time. It was left for two or three months later to provide purchasers, but when the buying movement fairly started, it assumed an accumulative force, and the demand pushed up prices to a remarkable extent. To gain some idea of the movements this year, a few examples may be quoted:—

	Share.		
	January 2.	October 10.	Rise.
Amalgamated	12½	18½	5½
Assam	68	112½	44½
British Indian	9½	21	11½
Cachar	13½	24	10½
Chubwa	19½	29	9½
Consolidated	19½	35	15½
Doom Dooma	22	34	12
East Assam	15	26	11
Jhazie	12	21½	9½
Jokai	26	43	17
Nuwara	19½	27	7½

The figures in the third column are substantially lower than those which prevailed a week or ten days ago before the boom showed signs of wear and tear. Assams have been over 120, and Doom Doomas touched 38. The divi-

dends declared this year have been not only good, but excellent. Moreover, the price of tea keeps up well, and some of the companies are declared to have sold the whole of their 1924 crop at a price as high as any which obtained in past years. Good authorities consider it assured that the tea industry is in for a profitable fifteen months at least. Meanwhile, some of the Mincing Lane experts very wisely caution people against being led to take too bullish a view of the outlook. Owing to the misfortunes of the industry some few years ago, there has been much fine plucking, and no doubt it is to the good quality of the tea that no little increase in consumption is due. If the estates yield to the temptation to pluck coarse, as they may, a decline in the quality of tea would probably make itself felt within a short period, but the tea companies have learnt wisdom from experience, and are scarcely likely to flood the market with rubbish. The reaction is a natural sequel to the previous boom, but people who hold shares in sound companies need feel no particular regret at having missed the top prices, for these may be readily regained if a new set of buyers should become attracted by the outlook for tea. In any case, dividends in respect of the present year will be eminently satisfactory to those who are discreet enough to confine their attention to the best shares.

Dyeing Prices.—Our Manchester correspondent writes:—A remarkable situation has arisen in the relations between the piece goods merchants of Manchester and dyers. "For a long time the merchants have pressed the dyers to reduce their charges, as it is held that, compared with pre-war times, the list rates are excessive. About a month ago the Piece Dyers' Association made a proposal that on condition that merchants would not place any of their business with firms outside the association in England, Scotland, Wales and Ireland, they were prepared to grant a discount of 10 per cent. The scheme was considered at a mass meeting of merchants in Manchester, and it was unanimously rejected. After this decision was conveyed to the Dyers' Association several discussions took place between representatives of the merchants and dyers for the purpose of effecting a compromise, the aim of the merchants being to get the dyers to withdraw the condition that all business must be placed with members of the association. This week the dyers have offered a slight alteration in the agreement, but it has not satisfied the merchants, and has been turned down by a further mass meeting. The latest proposal of the Dyers' Association is that at the end of each month merchants should make a return to the association, giving the names and the amount paid to members of the association, and also a return of the amount paid to dyers outside the association. It is understood that if merchants can prove that certain dyeing processes cannot be obtained from members of the association, then the discount on the work done by members of the association will not be stopped. The object of the Piece Dyers' Association is undoubtedly to create a complete monopoly, and it is quite evident if merchants sign the suggested agreement outside firms will have to give up business. At the moment the negotiations have reached a deadlock, and it is now for the dyers to make the next move. The situation is of more than local interest, as a vital principle is at stake. Those who value free competition and individual liberty are rallying to the side of the merchants, but it is no use disguising the fact that the dyers have a strong organisation, whereas amongst merchants there is a fear of a few firms breaking away and consenting to accept the 10 per cent. discount and at the same time agreeing to place all their orders with members of the association.

Agricultural and General Engineers, Limited.—To show during the four years of existence a trading loss of £252,125 on an issued capital of £3,753,852 is possibly considered in some quarters a happy achievement when comparisons are made with other of our post-war large boom flotations. This, however, is but a small part of the troubles of the Agricultural and General Engineers, Limited, as the reconstruction proposals now put forward by the directors show. The original prospectus of this

undertaking, dated October 30, 1919, which we advise shareholders to re-read in the light of subsequent events, is concerned with a public issue of £840,000 in 8 per cent. cumulative preference shares at par. Surplus assets, including the proceeds of this issue, were valued at £3,007,409, and the prospectus added that, "On the basis that 100 per cent. of the capital of each of the associated companies will be acquired, the preference shares will therefore be covered by assets three times over." Incidentally "three times" was printed in black type to emphasise the point. The prospectus then proceeded to cajole the unwary investor by the statement that "Nothing has been included for goodwill," and to explain that advantageous terms had been arranged in "order that the company may start on a most conservative basis of capitalisation." It is probable that four years of trading has mellowed these optimistic opinions. And yet the accounts present some curious aspects. Assets were valued in the prospectus, we conclude, at boom prices. The ordinary shares of the parent undertaking, however, were exchanged for shares in the associated companies on a basis which averaged 33⅓ per cent. below the total value of net assets available for such shares. That was the picture four years ago. In the directors' report in front of us we now find that, "Owing to the trade depression, about 25 per cent. of the normal producing facilities of the companies, treated as a whole, are in use." A serious seeker after truth might question the proposition involved that the loss of 75 per cent. of normal production capacity was solely on account of trade depression. It would be interesting to know how the normal producing facilities are to be ascertained. From 1911 to 1918 the average of profits is £147,262 per annum. In other words, this was a normal profit. Were producing facilities considered from past experiences or calculated by studying the future through rose-coloured glasses? The conservative basis of valuation of 1919 was apparently a mistake, for the directors feel that the investments in associated companies should now be written down by £1,233,445, to bring the share capital into relation with the actual value of the assets of the associated companies. In other words, nearly 2½ million ordinary shares of £1 each are to be written down to 10s each. On turning to the accounts of the associated undertakings some interesting figures are available. Against a manufacturing profit of £270,034, rent, rates, taxes, insurances, and establishment charges amount to £161,000, while directors' fees are £10,568, and bank and other interest total £9,618. Further, in obtaining this manufacturing profit of £270,034, selling and distributing expenses worked out at £103,668. Evidently there is good ground here upon which an economy committee could get to work. The balance-sheet of the combined companies is up to March 31, 1923. A bank overdraft secured by a charge on the assets of the company and by the deposit of debentures in associated concerns appears for £444,688. The assets side is not attractive. Investments appear at £2,983,445, which we know are to be cut down. Loans and advances to associated companies have increased from £693,291 to £918,424, and it is rather disturbing to find that "no interest has been charged to the associated companies on the sums advanced them, as your board felt that no useful purpose would be attained by increasing the loss which the associated companies have, as a whole, made." On the face of it, this does not appear to be a satisfactory method of finance. Those of the associated undertakings which are running at a profit do not receive much encouragement by this process. The company certainly possesses a substantial property in Kingsway. This has cost up to date £423,577. At the time—the boom period—we were inclined to doubt the wisdom of embarking upon a building scheme on such a large scale. It should be noted that the expenditure upon this building is given, and not the present value. The fourth annual meeting is to be held on Friday, October 19th, at Winchester House, Old Broad Street, E.C.

Clerical, Medical, and General Life Office.—As exponents of life assurance finance, the general manager and directors of this life office always attract deserved attention.

In their report for the year ended June 30th last they show a slight falling off in new business—from £1,313,355 net in 1921-22 to £1,210,964—a further advance in the net interest yield from £4 7s 8d per cent. to £4 14s per cent., and the usual very low rate of mortality. Added to the substantial benefits of low mortality—the death claims for the year were 58 per cent. of the amounts expected—a declining rate of expenses, and an advancing yield from interest earnings, there has been a profit on securities realised of £60,958, and an excess in Stock Exchange values over book values of £224,000. The life assurance fund increased in the course of the year by £489,514 to £7,493,768. With the society's report is issued a leaflet showing reduced scales of premium for whole life and endowment assurances.

Harrisons and Crosfield.—Although they complain that the disorganisation of many of the foreign exchanges has greatly restricted or rendered impossible the transaction of business in several important markets, the directors are able to show a substantial improvement in net profits for the year ended June 30th last, which at £192,700 are £43,600 higher than in the preceding year, and £28,300 higher than those of 1920-21. A comparison of results for the last pre-war and for the past six years reads as follows:—

	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Net profit.....	£ 134,269	£ 212,190	£ 200,571	£ 249,204	£ 164,466	£ 149,138	£ 192,711
Brought forward	23,879	37,340	37,530	36,147	37,873	44,525	45,114
Preference dividend ..	158,148	249,530	238,101	285,351	202,339	193,663	237,825
Pref. ord. div. (10%) ..	27,500	33,000	36,165	37,230	37,800	37,800	37,800
Management shares ..	30,000	30,000	37,500	80,000	100,000	100,000	100,000
Reserves, &c.	35,118	74,000	41,024	24,922	5,941	1,250	2,500
Deferred ord. shares ..		15,000	50,088	59,982	14,073	9,499	18,999
Carried forward	35,530	37,530	36,147	37,873	44,525	45,114	66,526

Conditions ruling in both the rubber and tea industries, says the report, have improved during the past year. The full dividends of 6 per cent. on the cumulative preference shares, and of 10 per cent. on the preferred ordinary shares, are paid, £12,000 is transferred to reserve for income-tax, and dividends of 10 per cent. are paid on both the management and the deferred ordinary shares, as against 5 per cent. on each twelve months ago. This distribution allows an increase of over £21,000 to be made to the balance carried forward. The principal changes in the balance-sheet, which is analysed in another column, include increases of £125,900 in bank overdrafts, of £98,700 in sundry debtors, and of £36,000 in investments. Loans to companies have declined from £343,500 to £262,700, and property has fallen by £31,000 to £971,800. The directors state that the depreciation in the total market value of the company's investments, referred to in the reports of the last two years, had practically disappeared at the date of the balance-sheet, and since that date it has been replaced by an appreciation. Investments figure in the present balance-sheet at £1,445,100.

Nourse Mines.—Our mining correspondent writes:—It is distinctly satisfactory that in the year ended June 30th last this Rand mining enterprise should have secured a profit within measurable distance of that earned in 1920-21, when the gold premium was at its maximum. This result is partly due to the crushing of an increased tonnage of ore, but the main factor consists in a marked reduction in the expense ratio, due to the reorganisation which followed the labour trouble of 1922. The working profit figures at £100,400, or 3s 6d per ton, as against £118,300, or 4s 8d per ton, for 1920-21, the expenses averaging 23s 9d and 30s 10d respectively. The dividend total of 8½ per cent., calling for £68,500, appears to represent a rather conservative distribution of the profits, but after providing for taxes and £16,400 expenditure on equipment, &c., the carry-forward is only increased to a small extent. On the development side the results proved no more than moderate. The new deep level shaft was brought into operation, and an increased footage performed; but the ore opened up did not greatly exceed in quantity that extracted, while the value fell off in such a degree as to reduce the average of the reserves by .4 dwt to 6½ dwts. The report of the consulting engineer

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suggests that the results for the current year will approximate to those of the past session. On the basis of the dividends for 1922-23 the yield on the shares is close upon 12 per cent. gross. This is perhaps not excessive in the circumstances.

Transvaal Gold Output.—The latest returns issued by the Chamber of Mines show that the output of gold of the mines of the Transvaal in September amounted to 739,504 ounces fine gold, as compared with 769,371 ounces in August, 1923, and 747,089 ounces in September, 1922. The following table shows the comparative outputs for the first nine months of each year since 1917, and the complete year's output:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January...	782,634	714,182	676,059	670,503	651,593	639,728	764,469
February...	781,321	659,759	636,728	625,330	558,157	558,157	704,970
March...	787,094	696,281	712,379	707,036	671,123	671,123	761,586
April...	742,778	717,000	694,944	686,979	681,382	681,382	743,651
May...	773,385	741,317	724,995	699,041	687,776	687,776	786,564
June...	729,724	727,696	702,379	715,957	678,490	678,490	755,309
July...	757,839	736,199	725,497	736,099	689,555	730,635	754,306
August...	756,658	740,210	706,669	702,083	711,526	752,490	769,371
September...	738,231	708,206	698,558	682,173	691,026	747,089	739,504
Total (9 months)	6,885,664	6,440,850	6,278,208	6,225,201	6,020,608	6,686,763	6,779,730
October...	751,290	679,764	723,722	662,472	707,825	778,159	..
November...	724,839	658,701	677,970	633,737	704,235	764,476	..
December...	722,419	641,945	650,191	632,215	681,847	792,712	..
Total (12 months)	9,082,212	8,420,560	8,330,091	8,153,625	8,114,516	7,020,110	..

This year's figures make a very favourable comparison with preceding years. With three months still to run, the output for the nine months is almost up to the complete figures for 1922, and is the best for the period since 1917. The following table shows the number of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	Feb., 1923.	Mar., 1923.	April, 1923.	May, 1923.	June, 1923.	July, 1923.	Aug., 1923.	Sept., 1923.
Gold mines	182,983	181,473	178,337	175,591	170,865	166,443	167,600	174,466
Coal mines	14,717	14,710	15,040	15,176	15,598	16,020	16,156	16,225
Diamond	1,227	1,273	1,860	2,668	3,063	2,893	3,107	3,134
Total	198,927	197,456	195,237	193,435	189,526	185,356	186,863	193,765

A further improvement is noticeable in the labour position during the past month.

Great Boulder Perseverance.—It is seldom indeed that a company, after having been in the hands of a liquidator for several years, resumes its place in the active list. Such, however, has been the experience of this Kalgoorlie undertaking. Last year an engineer sent out to inspect the mine reported that it could be resuscitated as a payable proposition provided that certain development work were performed. This involved the raising of further capital—a measure which could not be carried through by a liquidator. After consultation with the largest shareholders, the decision was arrived at to form a new company with a capital of £125,000, divided into 1,400,000 ordinary and 1,100,000 priority shares of 1s each. The former were allotted to the shareholders in exchange for the existing £1 shares; of the latter, 700,000 were offered at par under guarantee, the consideration being a small commission and an option at par on the balance of the shares. The priority shares carry all the rights of ordinary shares, and in addition are entitled to one-half of the profits until their par value has been repaid, when they become ordinary. Although the new company was not

registered until quite recently, it is understood that it has been credited with the earnings as from May. The first declaration of the new company is £4,450 working profit for September. Dealings have been commenced this week in the priority shares on the basis of 6d to 9d premium.

THE Lord Mayor-Elect, Sir Louis Newton, has granted the use of the Mansion House for the annual dinner of the Newsvendors' Institution, which is arranged for Wednesday, November 14th, under the presidency of Sir Charles Wakefield, Bart.

MR P. D. LEAKE, F.C.A., will deliver an address on "Wasting Assets and Depreciation" at the Institute of Chartered Accountants on Wednesday, the 17th inst., in the course of which the recommendations contained in the Report of the Royal Commission on the Income-tax in regard to material wasting assets and income-tax will be examined and criticised.

PROFESSOR H. S. FOXWELL, M.A., F.B.A., will deliver a course of ten lectures, at the School of Oriental Studies, Finsbury circus, E.C. 2, on "Money and the Exchanges," illustrated from some problems of the day, on Thursdays, at 6.15 p.m., beginning October 18th. Fee for the course, £1 1s. Tickets may be obtained from the secretary, Dr Walter W. Seton, University College, London.

NEWMARCH LECTURES ON STATISTICS.—Mr Henry Higgs, C.B., M.A., LL.B., will deliver six public lectures, at University College, on "The Part of Statistics in Civic Education," with special reference to the uses of statistics in economics, finance, and the problems of central and local government, on Wednesdays, at 6.15 p.m., beginning October 31st. The lectures are open to the public without fee or ticket.

IN view of numerous applications which the Board of Trade have received from associations of traders and others for certificates under Section 78 of the Act for the purpose of enabling them to lodge objections with the Railway Rates Tribunal against the proposed schedules of standard charges, the Board desire to make it known that such certificates are not being required by the Tribunal for that particular purpose.

Oversea Correspondence.

UNITED STATES.—BANKERS' CONVENTION — BUSINESS STEADILY INCREASING—IMPROVEMENT IN STEEL INDUSTRY.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 1.

AT its annual convention in Atlantic City last week, the American Bankers' Association unanimously adopted resolutions dealing with important economic and financial matters now engaging attention in this country. The Association's attitude on some of the chief present-day problems, as expressed in its resolutions, may be summarised briefly. Complete isolation from European affairs, it was insisted, could not be maintained indefinitely without grave danger to American interests. The bankers, therefore, urged upon the Administration the advisability of giving an official standing to the American representative upon the Reparations Commission. They recommended also that the Debt Funding Commission immediately begin negotiations with Great Britain and France with respect to such part of the reparation question as may be included in the inter-Allied indebtedness, to the end that the Commission may be able to make what recommendations to Congress it may consider desirable and in the interest of the United States. Although the Association issued a warning that the full use of this country's tremendous gold reserve for credit expansion would be likely to lead to inflation and disaster, the bankers

saw no occasion to adopt extraordinary measures for disposing of the surplus gold reserve. A decided stand was taken against the menace of unwarranted extension of Government interference and regulation in business, while the growing agitation for Government purchasing of wheat or fixing its price above that in the open market was strongly condemned. The association severely criticised the recent settlement of the anthracite coal strike. With reference to the new machinery of agricultural credits, set up last year, the bankers declared that, though of doubtful value, it should be allowed to demonstrate its effectiveness "without further tinkering." The convention approved a report submitted by the association's Economic Policy Commission which advocated several amendments to the Federal Reserve Act, for the purpose of keeping the Federal Reserve Board free from political control. The Commission's proposed amendments, which were commended to all bankers as embodying the views of the best friends of the system, suggested the appointment of two members of the Board by the 12 Federal Reserve Banks; the reappointment of members of the Board at the expiration of their terms by the President of the United States without confirmation by the Senate; the designation by the members of the Board, instead of by the President, of governors and vice-governors; and making the governor of the Federal Reserve Board the chairman of that body, with an Under-Secretary of the Treasury as an ex-officio member, instead of the Secretary of the Treasury. Other recommendations, if carried out, would prevent the establishment of any branches of the Federal Reserve system in foreign countries under the guise of agencies, and would transfer the principal functions of the Comptroller of the Currency to the Federal Reserve Board. The Economic Policy Commission expressed the opinion, which was endorsed by the Bankers' Convention, that if the Federal Reserve system is to survive, and is to render the invaluable services which it can give when properly protected and directed, it is imperative that the position of the Federal Reserve Board be strengthened, and that measures be taken to assure for it the continued service of the best men available.

Striking evidence of the marked improvement that has taken place in the railroad situation and outlook in this country is found in the fact that, after a lapse of four years, one of the largest railroad systems, the Baltimore and Ohio, has resumed payment of dividends on its common stock. Last week the directors declared a quarterly dividend of 1½ per cent., a quarterly dividend of 1 per cent. being declared on the preferred issue. The restoration of the common stock to a 5 per cent. annual basis was a great surprise, for it is six years since the Baltimore and Ohio paid that rate on its ordinary shares. The company's income account for the nine months ended September 30th (September estimated) fully explains why the directors felt justified in taking such action; for net operating income totalled \$34,755,742, representing an increase of \$22,264,522. In commenting on the resumption of common dividend payments, President Daniel Willard declared that the physical condition power, had been brought up to a higher standard than had prevailed for 10 years, and that, unless there were extraordinarily unfavourable and unexpected developments affecting the company or the entire railroad situation, the company's common stock had "come back for good as a dividend-payer." Judging from car loadings, he added, business has kept up in spite of what has been said to the contrary, and he saw no reason for thinking there would be any serious falling off in the near future. Earnings statements for August from all railroads are not yet available, but many of those that have come to hand make an exceptionally good showing.

While considerable irregularity is still noted in trade and industry throughout the United States, business generally is steadily expanding, though the autumn revival is not so rapid as many people had expected. Wholesale and jobbing distribution in most centres has shown a material increase in the past week, and retail trade, as a whole, has improved somewhat. Free marketing of cotton at high prices has served to stimulate trade in the South, notably in Texas, and the volume of business,

taking the country as a whole, still exceeds that of a year ago, as is evidenced by the remarkably heavy car-loadings; the latest returns of the latter are the third biggest total ever recorded. Every week since the latter part of June, barring weeks in which holidays occurred, has shown aggregate car-loadings above the peak figures of any autumn in the past. There has been a quickening of activity in a number of basic industries, notably in steel. Demand for steel products has materially increased. According to reliable authorities, the United Steel Corporation's bookings in the first three weeks of September averaged 31,300 tons daily, approximately, as against only about 15,200 tons daily in the corresponding period of August. The Steel Corporation is now operating at slightly more than 90 per cent. of capacity, as compared with about 87 per cent. a week or two ago. The average for the entire steel industry now probably exceeds 80 per cent. of capacity. Consumers' stocks of steel are said to be low.

FRANCE.—THE RUHR POSITION—GERMAN COMPETITION.

(FROM OUR CORRESPONDENT.)

PARIS, October 10.

THE events of the week have shown that, despite the theoretical cessation of passive resistance in the Ruhr, M. Poincaré's recent grave warning against premature shouts of victory was fully justified, and that the Franco-German struggle is still far from being ended. It is felt here, both in official and other quarters, that a substantial step forward was made on Sunday, when the directors of the great Phoenix group of collieries and coke plants signed an agreement with the Inter-Allied Commission for Coal and Metallurgical Factories, under which they have agreed to resume reparation payments in kind, and again to pay over to the German Government the tax on coal imposed by the Allied Powers. This agreement has been sent to the Reparations Commission for approval, and appears likely to receive it, in which case, other things being equal, it will probably become operative before the end of the current week. Whether it will actually come into operation, however, is regarded here as by no means certain. At the time of writing passive resistance had only ceased in theory. Neither the Ruhr miners, the Ruhr factory hands, nor the Ruhr railway men have yet actually resumed work. In these circumstances the requests that were made yesterday and to-day to the Belgian and French Governments, by the German *chargés d'affaires* in Brussels and Paris respectively, for negotiations to be opened between the three Governments in regard to questions connected with the cessation of passive resistance, were obviously foredoomed to failure. These matters, M. Poincaré made it plain, must be dealt with by the authorities representing the Occupying Powers in the Ruhr in direct conversations with the inhabitants of the area concerned. At the same time, like the Belgian Foreign Minister, M. Poincaré insisted that if the German Government, "as soon as passive resistance has ceased," wish to put forward proposals in regard to reparations, they must deal with the Reparations Commission. In this the French Premier is not only acting strictly in conformity with the Treaty, but is obviously leaving the question to be dealt with not by the French and Belgian Governments alone, but by the organisation in which the whole of the Allied Powers have voices.

The most striking feature, from the point of view of British interests, of the agreement signed on Sunday between a section of the Ruhr industrialists and the Inter-Allied Control Commission is that portion of it which aims at preventing the German manufacturers from unfairly competing with British, French, and Belgian producers. Article 1 of the agreement stipulates that the coalowners must pay forthwith the coal tax left unpaid for the last three months of 1922, "in order to prevent them from throwing on the market manufactured products that would otherwise have an advantage of 24 gold marks per ton" (as compared with products manufactured from coal on which the *kohlensteuer* has been paid). Further, it is provided that the embargo placed on the enormous stocks of metallurgical goods that have been accumulated in the Ruhr since the beginning of the year will be lifted as and

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when future reparation payments in kind are made. Once the conditions of the agreements are fulfilled the signatories will be granted permits allowing them to sell their coal and other products in Germany at any prices they like, and they will be given permits to export a *certain number of thousands of tons*. The Inter-Allied Commission for Coal and Metallurgical Factories, however, "always reserves the right to restrict or extend its permits according to the general situation." These conditions are in conformity with the proposal made by M. Poincaré, in a despatch published in a recent Yellow Book, under date June 12th last, in which he alluded to the "profound disturbance" that would be caused "to British, as well as to French, Belgian, and even German industry," if the enormous accumulated stocks of metallurgical products in the Ruhr are suddenly thrown on the market.

In other directions it is becoming evident that people here, now that the matter apparently has to be faced in earnest, are beginning to be much more sceptical as to the possibility of "making Germany pay." Certain French experts are now pointing out that it would be disastrous to French industry if this country succeeds in extracting anything more than quite moderate annual instalments from Germany. It is suggested that France could not absorb, except at risk of loss of trade and serious unemployment in her own labour market, more than 400,000,000 gold marks (£20,000,000) of reparation payments in kind per annum, and even then practically the whole of this must consist of coal. On the other hand, if Germany is called on to pay a large sum in cash, she could only do this by developing her industry to a point that would be disastrously prejudicial to that of this and other countries. One novel but plausible suggestion put forward here is that, as Germany has now no internal debt, thanks to the collapse of the mark, the burden of the two nations might be to some extent equalised by imposing on Germany the payment of the interest charges on a portion of the French debt. It is held by a good many people here that, if some guarantee could be obtained that Germany would continue to pay the interest charges in question, this form of solution would be far more practicable than even an international loan, which it is felt would have very slight chance of success in view of the present state of Germany.

GERMANY. — POLITICS — FINANCES — EXCHANGE MEASURES — BOURSE — TRADE — PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, October 8.

THE Cabinet difficulties of early last week rapidly developed into a crisis, ending in the resignation of Dr Stresemann, and the formation of a new Cabinet on the former "great coalition" basis, excluding, that is, only the German-Nationals and the Communists. The suggestion that a non-party Cabinet should be formed, which suggestion is part of the general assault, not confined to Germany, on Parliamentary Government, was not taken. The main changes are that the Socialist Finance Minister, Dr Hilferding, has been replaced by Dr Luther, until now Food Minister, and the Minister for Industry, Herr von Raumer, has been replaced by Dr Knoeth, of late a direc-

tor of the Darmstadt Bank, formerly demobilisation commissary, and during the war a manager of the Hindenburg programme, and an assistant of Dr Rathenau in organising the raw materials supply. The Reichstag parties, including a majority of, but not all of, the Socialists, have voted for a programme of increased production, including "new regulation of the working hours law with, in principle, maintenance of the eight hours day as normal working time." This seems to mean that in practice the eight hours day will be abandoned. The "Empowering Law" (Ermächtigungsgesetz), creating a sort of legal dictatorship, which was one cause of the Cabinet crisis, was to-day sanctioned by the Reichsrat against a considerable minority. The law, which will now be submitted to the Reichstag, authorises the Government to "take the measures which it considers necessary and urgent in the financial, economic, and social domains. In this it can depart from the fundamental rights enacted by the Federal Constitution." The Cabinet cannot use this power to alter working hours or social insurance. Measures taken under the law must be rescinded on demand of the Reichstag. Subject to the last proviso, the Bill replaces legislation by administrative decree in the three domains mentioned. The new Cabinet will have to face even greater difficulties than the old. The Ruhr and Reparations questions show no sign of being settled. Even negotiations are made by France conditional upon the resumption of deliveries, which is in part an impossibility. Ruhr technical journals state that it will take at least three months to put the cokeries into full working order. The blast furnaces have escaped serious damage, and can be refired as soon as coke and ore are available.

The position on the Ruhr gives no encouragement to the Cabinet to submit the homogeneous and entirely new financial reform which alone can bring the deficit system to an end. The vast subsidies to Ruhr industry cannot be materially reduced until a Reparations settlement comes. After the multiplied direct tax payments for the third quarter of 1923 were received, the Finances again sagged, and in the third ten-day term of September produced a new record in that receipts from taxation constituted only about 1-500th of expenditure. The mere loss on the railways exceeded by more than a hundredfold the whole tax yield; the loss on posts exceeded the tax yield more than tenfold. In the following account the revenue item "Funded Debt" represents subscriptions to the "gold loan":—

REVENUE.		September 21-30.
From taxes	81,848,151,464,000	
" Floating Debt	39,374,437,422,930,000	
" Funded Debt	609,568,761,801,000	
	40,065,854,336,195,000	
EXPENDITURE.		
Peace Treaty liabilities in foreign currencies	187,615,878,416,000	
Administration and Peace Treaty liabilities in marks	23,994,284,411,242,000	
Service of Floating Debt	5,271,904,155,724,000	
" " Funded Debt	137,740	
Loss on Posts and Telegraphs	764,518,293,527,000	
" " Railways	9,847,531,460,078,000	
	40,065,854,336,727,000	

The new multiplication of taxes will not remedy this condition. As soon as the Ruhr special expenditure ceases, the putting of taxes and State services charges upon a "wertbeständig" basis ought to improve the finances. The Customs gold surcharge has been raised to 13,699,999,900 per cent., or 137 million times the nominal. Railway fares will again be doubled on the 10th, the fares index being then 60,000,000, or 100 times more than the 600,000 index of the beginning of September. The sugar, salt, and most other taxes on consumption are now being raised almost automatically according to the mark's gold value, or to the general price movement.

The foreign exchanges last week again ran away. There is a big demand from the Rhineland, caused partly by genuine need, partly by lack of confidence in Government plans. The Exchange Dictatorship has so far yielded only disappointment and a vast crop of scandals. That the exchange decrees of August 25th and September 7th are illegal has been repeatedly pointed out by distinguished jurists, and the Government is so well aware of

this that it not only does not reply but is afraid to take the threatened penal measures against persons who violate the decrees. Instead, it exercises a kind of terrorism, directed against petty hoarders and speculators who can be counted on not to resist and not to appeal to the courts; and most of the victims are foreigners belonging to countries whose Governments do not protect them. Although the Exchange Dictator's first acts led to a public scandal, and had to be revoked and annulled, the chain of scandals continues. Wholly innocent persons are attacked by the police and plundered of their money, receipts being refused; sailors in German ports who go ashore for a few hours are similarly plundered. Last week the Exchange Dictator attacked several banks and carried off cheques deposited by foreigners for sale on the Bourse in a perfectly legitimate way, and some of the foreigners were unable to meet their engagements. The stolen cheques, if endorsed, will later be presented by the German Government agents for payment by foreign banks, and as English banks may be involved, it is well to say that according to German law cheques presented in such a way in no way differ from cheques stolen by private individuals, and there is no doubt that an English court examining the German exchange decrees in the light of German law would decide that this was the case.

The yield from these measures is extraordinarily small. The Reichsbank, notwithstanding them, has to continue sacrificing its gold in dribblets. The gold reserve, which at the close of 1916 totalled 2,600 million gold marks, has now fallen to 469,727,000 gold marks. At the beginning of this year the total was 1,004,800,000 gold marks. The bank's claims upon the public and the State trebled in the week ending September 23rd, Treasury Bills rising by 8,420,984 milliards to 12,229,418 milliards, commercial bills by 1,497,607 milliards to 2,200,636 milliards, while note circulation rose by 5,444,048 milliards to 8,627,727 milliards. In the month since August 23rd circulation has increased more than 30-fold (from 273,906 milliards); since the beginning of the year it has increased approximately 7,000-fold (from 1,280 milliards). Money market rates fluctuated greatly in the past week. The supply of money was relatively plentiful. Increases of company capitalisation in September totalled 24,975 million marks, against 26,567 million marks in August; issues by new companies 124,950 millions, against 62,807 millions; and bond issues 2,259 billions, against 1,794 milliards. The large increase in bond issues is due mainly to the "gold loan," and to a Hamburg sterling loan, which are entered at their paper mark current value.

The Bourse continues active and firm. The boom in home loans has gone further, the chief buyers this time being native Germans. There is also an enormous demand for mortgage bonds and municipal loans, but the present holders mostly hold fast, and for most municipal loans for weeks past no quotations have been fixed.

The condition of home trade and industry is getting worse. Outwardly this is visible in the big cities in the desertion of retail establishments by the public. The out-of-date official unemployment reports also show a decline in business activity, but they do not fairly represent to-day's conditions, which are considerably worse. At the close of August 6.3 per cent. of members of trades unions were unemployed, against under 1 per cent. a year ago; partly employed were 26 per cent., against also under 1 per cent. a year ago. The Prussian Trade Ministry's monthly report shows bad business everywhere. In most export branches the gold price system recently adopted has made it impossible to compete, and there is no stimulus at home to buy more than is necessary. The iron-ore mines in unoccupied territory cannot sell their output, and have cut down work. The potash mines have also cut down production. Practically no orders are being received in the locomotive branch. The export of chemical preparations has heavily fallen off. In the paper industry, some concerns are working only three days a week. The wool, linen and cotton branches also complain of small turnovers. The wool manufacturers report that foreign goods are 15 to 20 per cent. cheaper than German.

Price movements are very irregular. Most indexes show that at beginning of this month gold prices of certain commodities, e.g., minerals and coal, had risen, as

compared with 1914, nearly 200 per cent. more than other commodities, e.g., food.

The *Frankfurter Zeitung's* general index is:—

	Food.	Textiles and Leather.	Minerals.	Miscellaneous.	Manufactured Articles.	All 98 Commodities.
Middle 1914	1	1	1	1	1	1
January 1, 1923	1,758	3,206	2,622	1,778	1,518	2,504
September 14	23,794,857	36,977,404	31,578,765	17,989,895	22,688,881	25,649,210
October 4	109,667,361	215,778,470	307,306,550	185,445,210	147,975,350	182,953,500

All commodities together had, on October 4th, about reached world market level. For the first time an index for home produced goods is materially higher than the index for wholly imported goods. Whereas on August 31st the home goods index number was 1,869,627, and the foreign 2,818,949, on October 4th the home number was 156,440,452 and the foreign 143,368,670.

CANADA.—NEW FEDERAL LOAN—BANKING SITUATION—FEDERAL REVENUES—IMPROVEMENT IN C.N.R. EARNINGS—GRAIN BLOCKADE THREAT—CROP CONDITIONS—BUSINESS CONDITIONS—CANADA AND THE IMPERIAL CONFERENCE.

(FROM OUR CORRESPONDENT.)

OTTAWA, September 25.

THE Federal Government has decided to raise the whole of the money required to liquidate the \$172,000,000 of Victory Bonds, which mature on November 1st, by a domestic loan, and a campaign for this purpose is now in progress. The Minister of Finance began cautiously by offering \$50,000,000 on the local market through a syndicate of investment houses, but when subscriptions amounting to almost 70 millions were received at once he decided to abandon any idea of resorting to the New York market for the balance, and to place the whole issue at home. The composition of the original syndicate has been widened till it embraces every bank and practically every bond and brokerage house of any standing in the Dominion, 220 agencies in all being employed. The bonds will bear 5 per cent., and two series are being issued; 20-year bonds, maturing October 15, 1843, are offered at 98.25, and will yield 5.14 per cent., and 5-year bonds, maturing October 15, 1928, are offered at 99, and will yield 5.23 per cent. Holders of 1923 bonds are given a conversion privilege; if they exchange their bonds for the same amount of the new issue they will receive a bonus at the rate of \$1.75 per \$100 for 20-year bonds and \$1.00 for 5-year bonds. Holders of the old bonds who convert will also get an extra half-month's interest, as the new bonds are dated a fortnight before the expiry of the old. The campaign is being very rigorously prosecuted by public advertising and personal canvassing, and is meeting with great success. Already the subscriptions exceed 100 million dollars, and the expectation is that the full amount will be raised by the end of the week. The circumstances are peculiarly favourable to a domestic loan because the recent banking revelations have made depositors very suspicious, and many of them welcome an opportunity to transfer their funds to Government bonds. Moreover, many American investors who were ready to subscribe to the issue which was expected in New York are taking the bonds through Canadian channels.

The banking situation is by no means cleared up. The depositors of the Home Bank have been holding meetings throughout the country and organising themselves to bring pressure upon the Government and the Bankers' Association for payment in full of the deposits. At these meetings very violent criticism of the banks is offered, and demands are made that the Finance Department institute a thorough investigation of all the banks and report upon their condition for the guidance of the public. The Government are awaiting the report of the curator before they will make any decision about a public investigation of the Home Bank débâcle. Meanwhile, however, depositors in the smaller banks have become so anxious that very serious withdrawals of deposits are taking place, and the position of these banks is bound to be weakened to a danger-point unless confidence is restored. The result is that many of the directors of the smaller

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banks have suddenly become converted to the idea of a system of regular Government inspection, because they realise that it will be very difficult to restore confidence in their institutions without some such certificate of stability. The larger banks, however, are profiting by these recent developments, and are as hostile as ever to Government inspection, but a cleavage of interest has now developed, and next session the demand for State inspection will be difficult to resist.

The Federal revenues for the first five months of the year make a very satisfactory showing, amounting to 182 million dollars, as compared with 171 million dollars for the parallel period of 1922, and in the same period the ordinary expenditure has declined from 119 to 116 millions, which shows a net betterment of 14 million dollars. In his farewell speech at Quebec, on the eve of sailing for the Imperial Conference, Mr Mackenzie King prophesied that Mr Fielding would show a balanced Budget next spring, but this forecast is regarded as unduly optimistic. The returns of the Canadian National Railways, however, for the first eight months of the calendar year show that an operating deficit of \$1,166,098 in that period of 1922 had been this year transformed into an operating surplus of \$5,011,845, which means a net betterment of over six million dollars. The crop movement in the autumn months always gives a fillip to the railway returns, and under normal circumstances the operating surplus for the year might easily reach 10 million dollars.

But an unfortunate situation has developed about the crop movement. A few American vessels have come into the Canadian ports at the head of the Great Lakes for grain cargoes, but the great majority still persevere with their boycott, and decline to submit to the new regulations prescribed for lake boats in the matter of filing tariffs, &c. October shipments of grain from the West are estimated at over 90 million bushels, and the available Canadian bottoms cannot take out more than 28 million bushels. As wheat is now pouring into the lake ports from the West, it is bound to pile up there, and a very serious blockade, which will adversely affect grain prices for the farmer, will certainly materialise in October. Meanwhile, the American shipowners are bidding from Duluth for cargoes of Canadian grain; on September 22nd the rate from Duluth to Buffalo was 2½ cents per bushel, as against 5½ cents from Fort William to Buffalo. Duluth has good railway connections with Canada, and it seems probable that unless the Government suspends its regulations there will be a diversion of Canadian grain traffic on a very large scale to Duluth, which will mean a considerable loss of business to the Canadian railways and terminal elevators. Up till the middle of September the Eastward movement of the grain crop had been very slow, but during the past week a marked acceleration has been visible.

Unseasonable conditions in the shape of sleet and snow have kept back threshing operations in Saskatchewan and Alberta, but work has been vigorously resumed this week. In Saskatchewan almost 50 per cent. of the wheat crop has been threshed, and in Manitoba more than 75 per cent. Frost has done some damage to late grains in the more backward districts, but the aggregate loss is small. Many carloads of wheat still show on inspection traces of rust damage, which relegates them to the lower grades; but the proportion thus affected is steadily declining, and the threshing returns are generally better than was expected. In the three prairie provinces pasture

conditions are very good, and livestock are thriving. In British Columbia the weather has been warm and dry, with cool nights, and the apple crop has ripened to a good size and colour. In the Eastern provinces the weather has for the last two weeks been very summer-like, and the farmers have been able to finish their harvest under very favourable conditions. Throughout many districts of Ontario there has been an excellent second hay crop, and pastures are in fine condition. The fruit crop in the Niagara Peninsula lost in quantity through some severe storms, but the average quality, especially of peaches, is high. The optimistic tone of the Western crop reports and the advent of autumn weather have tended to stimulate business in Canada. Wholesalers report a good demand for goods, and retailers find the public more disposed to spend freely. Retailers, however, have formed the habit of buying for immediate delivery and in small quantities, and show no inclination to abandon it till more settled prosperity is assured. In the industrial field some factories have more orders than they can fill, and others cannot get enough.

The public is still in complete mystification about the policies which the Canadian delegates will advance either at the political or economic Imperial Conferences, but it is not expected that they will propose any startling departures. It is believed that the Government is prepared to endorse the formation of some Empire Trade Council, but as they are completely averse to any plans of political centralisation, its function can only be advisory.

AUSTRALIAN TARIFF AND PREFERENCE.

(BY OUR MELBOURNE CORRESPONDENT.)

THE Commonwealth Premier, Mr Bruce, who left Melbourne on September 1st to attend the Economic Conference in London, announced the proposals of the Commonwealth Government in Parliament on July 24th, the three subjects of primary importance being foreign relations, defence, and Empire trade relations. With regard to trade relations, he stated that he would press for trade preference with all the power that in him lies, and that "Australia is certainly entitled to raise the question whether the time has not arrived for giving preferential tariff treatment to Australian products landed in Great Britain." He proceeded to discuss the question of an alternative as follows:—"In 1921 Australia sent £76,849,000 worth of her products to Britain. It would be serious to Britain if because of her negligence we were forced to make reciprocal trade arrangements with some other country, which would then be the outlet for our surplus production. I do not for a second imagine that that will happen. I sincerely hope it will not. We must, however, look at the facts. I suggest that we place the facts before Great Britain, and that we do not first go to some other country and enter into an arrangement which will deprive Britain of our trade and later go to her and say, 'You knew that was the position.' We certainly should give the Mother Country the opportunity to take full advantage of anything we have to offer."

Mr Bruce further explained that it is not proposed to place enormous duties upon the foodstuffs of the people of Britain, and that, apart from tariffs altogether, there are a number of things that could be done as a matter of Imperial policy, including a proposal that Great Britain should make moneys available to the Dominions, either at no interest or at very reduced interest charges, to carry out great developmental public works.

Since Mr Bruce's speech in Parliament on July 24th, the subject has undergone public discussion, the effect of which is to make it clear that the dominant Protectionist interests in Australia are opposed to any relaxation of the present high tariff, and that no concession in this respect can be looked for in return for any tariff arrangements which Great Britain may make for Australian benefit. A little apprehension has been expressed, from a Protectionist point of view, lest Mr Bruce might be inclined to do this in order to obtain concessions for Australian primary products. Some ground for this apprehension appears to be furnished by the amendment which has just been made by Parliament in the constitution of the Tariff Board (which has power to recommend variations of duties

by administrative action) with a view to enabling a rural representative to be appointed to the Board, as it is feared that such a representative would have Free-trade leanings. The removal of the duty on sulphur and the substitution of a bounty in order that farmers may purchase superphosphate at a lower price is also distasteful to Protectionist interests. In some quarters there is a tendency to advocate still higher duties than are now in force, but there is no general agitation on the subject. The object, however, is frequently attained by administrative imposition of anti-dumping duties both on foreign and British goods.

The present Australian tariff has been in force since 1921, having succeeded the interim tariff imposed in 1914, which represented an increase on the 1908 tariff. These tariffs have included preferential rates in favour of British goods, but in all cases the one great object is the protection of Australian manufacturers, preference being little more than an ornamental superstructure. Little has been done to give preference to other portions of the British Empire. There is a long-standing arrangement with South Africa, trade with which consists almost entirely of exports to South Africa from Australia. The practical possibilities of trade in the opposite direction are confined to occasional importations of South African sugar and maize. At present Australian sugar control leaves no opening for South African sugar, and after the recent drought in Australia led to imports of South African maize the Commonwealth Government imposed an anti-dumping duty. Proposals for reciprocal preference with New Zealand made no progress until about a year ago, when Australian boot manufacturers found that they were losing custom in New Zealand to British manufacturers. No arrangement has yet been made with Canada, as Australian makers of agricultural machinery are opposed to any concession that would be of benefit to Canadian manufacturers. An arrangement between New Zealand and Canada has been in force for a number of years past, and the result is that New Zealand butter and other produce are admissible into British Columbia at lower rates of duty than similar Australian articles. Australian tariff policy has been hostile to the Pacific Islands, and not only is there no preference, but in the last revision of the Australian tariff a practically prohibitive duty was imposed on bananas, which has aroused much feeling in Fiji.

Australian imports of merchandise during the year ended June 30, 1922, and the duties collected were as follows:—

	Imports.	Duties.
General tariff	£ 56,261,542	£ 11,226,368
Preferential tariff	46,761,590	6,961,653
Total	103,023,132	18,188,021

Total imports, £103,023,132, include £38,400,193 free of duty (viz., £17,136,543 under the general tariff and £21,263,650 under the preferential tariff) and £64,622,939 subject to duty (viz., £39,124,999 under the general tariff and £25,497,940 preferential tariff).

Letters to the Editor.

P.R. AND THE IRISH ELECTIONS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr Alfred J. Gray, assistant secretary of the Proportional Representation Society, apparently reassured by the fact that I am a supporter of P.R., says that "the differences between us are questions of detail," and adds, "whatever conclusion readers of the *Economist* may come to on the point at issue, the broad fairness of the results of P.R. will not be called in question." To the latter proposition I agree, and in doing so must point out that I never suggested that P.R. failed to give results which are broadly fair. To the former proposition I demur. The differences between us are not mere questions of detail, but concern the accuracy of the information furnished to the readers of the *Economist* by its Dublin correspondent. My position remains intact. Mr Gray's frontal attack upon it, delivered in full force, has somehow converted

itself into a rearguard action. I merely desire to clear my front, and have no intention to engage upon a pursuit.

Mr. Gray still claims that the "minor parties" should be regarded "as separate forces." Now the whole discussion hinges upon the distinction between majorities and minorities—you cannot discuss whether minorities, or a minority, have adequate, inadequate, or excessive electoral influence unless you have majorities or a majority to contrast with them. In his effort to show that in the Irish elections the minority got less than its proportionate share of representation, Mr Gray detached from the majority certain of its sections, which consists of groups standing for special interests—Farmers, Labour, Commercial, and the like. He then added these sections to the true minority, so as to lower its percentage of proportionate gain. This surprising method of handling the facts lands Mr Gray into a *reductio ad absurdum*—it results that there was no majority, and that there emerged from the General Election nothing but a bunch of minorities, or, as Mr Gray prefers to call them, "minor parties." He had only to add one more minor party (holding 1.3 of the elected members) to his bunch, and he could then have proved triumphantly that as, between them, they held all the representation, the minorities had exactly the correct amount of representation!

Now was there or was there not, as I wrote in the passage assailed by Mr Gray, "a total majority on the principal issue of 109 to 44, or roughly 2½ to 1"? Was there a majority at all, or only a bunch of minorities? For twelve months or more a bloody conflict had been waged by an armed Republican minority against majority rule and constitutional methods. As the election approached, the armed minority proclaimed a species of cease-fire, but made no submission to the Government and no surrender of arms and munitions to the proper authority. It organised an electoral campaign to test popular opinion and to embarrass constitutional government by its elected representatives refusing to act in the Free State Parliament. Its candidates were carefully selected as pledged opponents of the Treaty and the Constitution. Against this militant minority were arrayed the great majority, the supporters of Treaty and Constitution and of peaceful, ordered government. None of the elected candidates of the minority have taken their seats in the Dail. All of the elected candidates of the majority have taken their seats, and are engaged in working the institutions which they are pledged to uphold against the Republican minority. And there is a perfectly stable Government resting upon the secure foundation of majority support. I suggest that it would be difficult in any country to find a case of majority and minority with a more clear and definite line of demarcation between them.

But, says Mr Gray, "it is clear.....that a proportion of the voters who gave their first preferences to Labour, Farmer, and Independent candidates were Republican in sympathy, for when their votes came to be transferred, they passed to Republican candidates." He goes on:—"Such voters..... cannot fairly be included in a Pro-Treaty total." This is a most amazing proposition. *Simpliciter*, it means that a second preference indicates a voter's politics more accurately than his first preference. The voter gives his first vote for a candidate who will support the Treaty and the Constitution, and sit in the Dail if elected and support certain policies in debate—and because in the event of failing to carry his candidate his second preference is given to a Republican, he is to be deemed to be an opponent of the Treaty and the Constitution. This strange proposition is utterly and wholly inconsistent with the ordinary and orthodox P.R. method of calculating what the true *pro rata* representation should be from the first preference votes, as indicating the distribution of the respective parties.

The Republican minority, then, won 44 seats where their rateable share was 40.4. This, I submit in conclusion as at the outset, illustrates that minorities have "a disproportionately large influence"—which arises from the mobility of their voting power, which facilitates their combination for effective action in varying contingencies. Mr Gray asks for an example of this. An example can be found in the phenomenon of the Independent, or other voter, who after voting for his own candidate gives his second preference to the Republican as the result of a log-rolling agreement by which certain of the weaker candidates endeavour to pool their resources or to engage in "combination for effective action." There is, of course, a reciprocal arrangement for the second preference of the Republican voter to be given to the Independent or other candidate. But such an arrangement does not warrant Mr Gray in treating Pro-Treaty as Anti-Treaty nor Anti-Treaty as Pro-Treaty.

As to the more technical propositions regarding the effects of second and other preferences, and how the system favours minorities, which were indicated in the concluding paragraph of my last letter, I am not disposed to embark upon illustrations of them unless their accuracy is specifically challenged.—I am, yours faithfully,

"YOUR DUBLIN CORRESPONDENT."

Dublin, October 10th, 1923.

Books and Publications.

BRITISH FOREIGN POLICY.

THE third volume of the Cambridge History of British Foreign Policy which has now been published* carries the story from 1866 to the Peace of Versailles. It thus completes the work undertaken under the editorship of the *doyen* of Cambridge historians, Sir A. W. Ward, and Dr G. P. Gooch, the object of which was to provide the general reader, no less than the specialist, with a study of our foreign policy, based on authentic documents, a study "indispensable for an insight, however incomplete, into the problems engaging that policy at the present day."

The difficulties of an undertaking of this kind naturally increase the nearer one approaches to the turmoil and complexity of present-day conditions, and the resultant temptation to fall into the cataloguing habit has not been entirely avoided by some of the contributors to this volume. Thus Mr W. H. Dawson, who will be known to our readers for his admirable studies of life and conditions in Imperial Germany, gives what is in many ways a very efficient summary of known facts covering the last 25 years of the XIXth Century, though his two chapters convey the impression of a series of short and crisp articles in a useful encyclopædia rather than a co-ordinated account of the main trend of developments.

Short, but very suggestive, is the chapter in which Sir Valentine Chirol estimates the influence of the Boer War on the international situation in general, and on British foreign policy in particular. The turn of the century, in fact, coincided with a reconsideration of the whole doctrine of "splendid isolation," and witnessed the beginning of an entirely new phase in the long history of the balance of power. In two thoroughly admirable chapters, Dr Gooch, whose patient research in this sphere is by now well known to all students of contemporary history, treats of the development of those agreements which are collectively known as the Triple Entente, and which completed the division of Europe into two armed camps. We are shown the approach, slow but inevitable, of the final cataclysm, which has done so much to justify the dictum of Sir Robert Walpole that in war we cannot be great gainers if we win, and cannot but be losers if we lose.

More than a mere passing reference is due to Mr Algeron Cecil's chapter on the history and the organisation of the Foreign Office from its birth in 1782 down to the present day. Written in an interesting style, this chapter teems with intimate details which make even the Foreign Office appear a human institution, despite so many Olympian associations. We can well imagine that Palmerston's dictum that "eight hours work, when little is doing, must be your daily minimum," should cause some surprise amongst the easy-going officials of that day, although now, no doubt, the eight-hour day is taken for granted. Of particular interest is the brief summary of the not unimportant question of commercial intelligence. "Generally speaking," we are told, "it seems clear that the Foreign Office has done either too much or too little in the matter of foreign trade." In any case, the demand of Mr Hirst—a former editor of the *Economist* (and not of the *Economic Review*, as the Index to this volume has it)—made in evidence before the Civil Service Commission in 1914, that the Foreign Office itself should be "a mirror of the nation.....an intelligence department for foreign commerce.....a kind of meteorological office for publishing conditions in foreign countries," is still far from being satisfied.

This history suffers from the disadvantage of a lack of co-ordination, which is an almost inevitable concomitant of team-work, no less than from the difficulties inherent in treating coherently a subject at once immensely complex and controversial. At the same time, the three volumes taken together provide a most useful introduction to the study of current problems in foreign affairs and supply a very real need.

* "Cambridge History of British Foreign Policy, 1783-1919." Volume III. Pp. xix and 664. Cambridge University Press. Price, 31s 6d.

LABOUR v. CAPITAL.*

THE Labour Research Department in this short brochure delivers an attack upon the Federation of British Industries. The account of the origin, working, and influence of the F.B.I. is fairly accurate as far as it goes, but the picture is far too rosy. Indeed, deliberately or designedly the authors have drawn a picture of such a marvellously efficient machine that we should have expected them to have been lost in admiration of it, in view of the difficulties of building up a similar organisation in the labour world which have recently been somewhat loudly advertised. But the account entirely fails to depict the weaknesses, conflicting interests, and personal difficulties that are inherent on the side of capital no less than of labour in trying to cover with a single organisation so immense a field as the whole of British industry. The authors bravely endeavour to show that the National Federation of Employers' Organisation which deals with the labour question is merely an agent of the F.B.I. This is very far from the truth. The outlook of the leading men in the two bodies is very wide apart, and there is unfortunately still very little co-ordination throughout British industry between those who direct the labour policy and those who endeavour to formulate commercial opinion. The report prints some of the rules of the F.B.I., but anyone who has read a prospectus knows that there is a very great difference between the theoretical scope of an association and the tasks which it in fact carries out, nor does an enormous membership of concerns which take a very little interest in an association necessarily represent great strength, and it would be a revelation to many who take for granted the solidarity of the employing classes to realise the difficulty of getting agreement among them on what would seem to be comparatively straightforward questions.

We have the greatest respect for the organisers of the F.B.I., but they will be a little surprised to find themselves described as the brain centre of British capital. Such phrases give a totally false impression to the public, which becomes mischievous when the policy of the F.B.I. is represented as being to secure the co-operation of trade unions in order to make them the ready instrument of the employing classes. The report admits that on the whole the Federation is anxious to secure industrial peace by co-operation of organisations on both sides. The outlook of the authors of the report is very much to be regretted when they imply that such co-operation involves merely the submission of workers' organisations.

* "The Federation of British Industries." Studies in Labour and Capital, No. V. Prepared by the Labour Research Department. The Labour Publishing Company (London). 2s 6d.

INCOME-TAX WITHIN THE EMPIRE.*

THIS is a publication which has been urgently required by the public for some time past. The extended adoption of income-taxes in recent years by the Dominion and Colonial Governments of the British Empire, combined with the increases due to the war in the rates of tax imposed in the United Kingdom and elsewhere, have in recent years focussed more attention upon the question of income-tax generally than in pre-war times, when the comparatively small amount of the rate caused little anxiety. Here is an official attempt—by the Inland Revenue Department of London—to set out carefully the provisions of the various Dominion laws. In an interesting preface it is pointed out that these "digests, following the meaning given to the term 'Dominion' in the Finance Act, 1920, include not only those of the self-governing Dominions, but also those of British India and British Colonies, Protectorates, &c." But readers are warned that the "inclusion of any law does not, however, necessarily mean that claims to relief from double taxation will be admitted in respect of tax thereunder, for some taxes have been included to elucidate others, or because no decision as to the precise nature of the tax dealt with has yet been given." We venture to suggest that few large offices will eventually be without a copy of this work.

* "Income Taxes in the British Dominions." (London) His Majesty's Stationery Office. 5s net.

BOOKS RECEIVED.

Dumping: A Problem in International Trade. By Jacob Viner. (Chicago) University of Chicago Press. \$2.25.

Costs and Profits. Their Relation to Business Cycles. By Hudson Bridge Hastings. (Boston) Houghton Mifflin Company. \$2.50.

Tales of Travel. By the Marquess Curzon of Kedleston. (London) Hodder and Stoughton, Limited. 28s net.

The East India Trade in the VII. Century. By Shafaat Ahmad Khan. (London) Oxford University Press. 14s net.

The Action of Alcohol on Man. By Ernest H. Starling, Robert Hutchison, Sir Frederick W. Mott, and Raymond Pearl. (London) Longmans, Green and Co. 12s 6d net.

Modern Brazil. By William Howarth. (Liverpool) C. Tinling and Co., Limited. 5s net.

Some Factors Relating to the Re-Housing of Slum Dwellers. By John J. Clarke, M.A. (Liverpool) University Press of Liverpool, Limited. 2s net.

Anglo-Brazilian Trade and Enterprise. (Rio de Janeiro) British Chamber of Commerce in Brazil, Royal Mail buildings.

The secretary of the British Chamber of Commerce in Brazil writes: "I enclose a copy of the 'Anglo-Brazilian Trade,' issued by this Chamber. It was compiled especially in view of the discussion respecting Empire trade at the present time, and in particular in view of the Economic Conference." We would add that this is a very useful little work, giving much interesting information about Brazil.

Awakening Palestine. By Various Authors. Edited by Leon Simon and Leonard Stein. (London) John Murray. 7s 6d net.

BARCLAYS BANK

LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL £20,000,000

ISSUED CAPITAL £15,592,372

RESERVE FUND £8,250,000

DEPOSITS (30th June, 1923) £295,905,730

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168, Fenchurch Street, London, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
October 17.ACCOUNT.
October 18.

Public appetite for investment grows by what it feeds on—such, at least, is the experience of the past week in the matter of new issues offered by front-rank borrowers. Victoria, Commonwealth, and now Nigeria have offered 22 millions of stock within a fortnight, and the first two-named had no difficulty in placing their proportion. The Nigerian underwriters express no qualms as to the result of the subscription in this particular case. Money flows freely into gilt-edged stocks, and during the past few days a dozen rises have occurred in short-dated securities, such as Treasury, Exchequer, and National War Bonds. There is not much change in the price of the War Loan, but Conversion stock rose to 79 bid. The Home Railway prior-charge market is also good, with a growing scarcity of stock available to meet the investor's demand.

Several other big borrowers are expected to put in an appearance in the near future. Curiosity centres around the possible advent of a big Indian Government issue. German bonds rose to 16s 6d before they subsided to 14s 6d, and there was a temporary recovery in French Government bonds as the franc rallied. Argentine, Brazilian, Chilean, and Japanese descriptions are better. The effect of the Japanese earthquake has practically worn off so far as Japanese bonds are concerned. Peruvian preference drooped on rather less optimistic dividend expectations. The Austrian scrip has strengthened, though it failed to hold its best price.

Home Railways have been in good fettle. A brisk rise in Southern Deferred stock led an improvement throughout the market as a whole. The Heavy stocks joined in the rise. Undergrounds went up with the rest. The preferred stocks are harder, and, although it is said that the public buying

which has wrought this change is comparatively modest, the rises on the week are worth noticing. Some men in the market attribute the increased attention as being due to the approach of the dividend times; nothing, of course, will be declared for another three months.

In the Argentine railway market changes are insignificant, the reports which have appeared this week sufficing to keep prices tolerably steady; the fall in the exchange arouses a little uneasiness. San Paulos fell back after their big rise. Antofagasta, notwithstanding an interim dividend of 3 per cent., against nothing a year ago, yielded a little ground, and United of Havana just holds the rise which it secured by reason of its own interim dividend announcement.

Rubber shares have gone back because the raw produce is lower in price, and there has been a substantial reaction in the tea share market. Speculation busied itself over-much in tea shares, and there has been a somewhat eager anxiety to get out, on the turn of the market, amongst those who had bought shares without any intention of keeping them for long. Anglo-Persians have been particularly flat in the oil market, fears still being entertained of a new issue. Burmah Oils strengthened on the interim dividend being the same as that of a year ago. The general oil list is neglected by the public, and what movements there have been this week are the result of more or less professional dealing. Hotel shares have advanced, thanks to the latest-declared dividends; the idea is that hotels will do well this winter, and also next season, when the Exhibition opens.

Amongst textiles, Coats advanced on hopes of the Christmas bonus being increased, though the improvement was slight, and other textiles took their cue from this. Courtaulds are very quiet, their supporters evidently lying low at present, possibly because of the rumoured competition that may come from Switzerland. Nitrates again moved up, though more slowly than of late. The insurance group is good, a good many advances occurring by reason of the gilt-edged market's strength, while the banking market shows irregular changes. Anglo-South Americans and London Brazilians weakened on the reduction in the dividends. Shipping shares are steady, with Cunards in quiet request. It is understood that the expected October Marconi meeting will have to be postponed. The wireless list is slightly better. Cable issues show no changes worth mentioning, but the preference shares in the manufacturing companies are better. Indeed, it is extremely difficult to obtain sound preference shares that offer a yield of 6 to 6½ per cent. on the money. Electricity supply shares maintain their upward tendency.

The rise in the Kafir market lacked staying power, and neither Cape nor Paris is in the mood to render active support. A drop in Randfontein Estates is disquieting to those who had looked for a 10 per cent. dividend at the end of the year. In the Rhodesian market, a new introduction has been Sherwood Stars, where dealings started on the basis of 36s 3d. The shares were run up to 50s. The copper market weakened, some little disappointment being felt with the 10s dividend on Rio Tintos, the same as that of a year ago. The price of tin keeps above £200 per ton, without, however, leading to any noticeable increase in business amongst tin shares, either any Cornish, Malayan, or West African. The Canadian-Mexican list, which recently has been attracting mild attention, has moved but little, and there is nothing doing in Indian mining shares.

Sir Wilfrid Atlay, who was chairman of the Stock Exchange Committee up to March 25th last, sailed yesterday for Bombay at the invitation of the Indian Government. His mission is to advise upon certain matters connected with the working of the Bombay Stock Exchange, and the work is expected to occupy two or three months.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£216,807,637	£	£	£
* Adjusted figure.				

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED OCT. 6, 1923.

	£	£	£	£
April 1, 1923, to Oct. 6, 1923, £14,950,000	4,450,000	4,450,000		
To the Public—				
Nigeria Government, £5,700,000, 4% Inscribed Stock, 1923, at 88%	5,700,000	5,016,000	285,000	4,731,000
East African Power and Light Co., Ltd., 200,000 Ord. Shares, £1, at par (Oct. 9)	200,000	200,000	25,000	175,000
Tamplin and Son's Brewery, Brighton, 300,000 7½% "B" Pref. Shares, £1, at par (Oct. 10)	300,000	300,000	37,500	262,500
Rembau Jelei Rubber, 125,000 Shares, £1, at par	125,000	125,000		125,000
Total offered to the public....	6,410,000	5,641,000	347,500	5,293,500

To Shareholders only—				
Sungei Tamu Rubber, 67 10% Conv. Mort. Debs., £50, at par	3,350	3,350	335	3,015
Total offered to shareholders only	3,350	3,350	335	3,015
Total offered for subscription to date				
in—				
1923.....	£226,901,987	1922.....	£573,675,650	
1922.....	513,881,637	1921.....	388,378,203	
1921.....	216,528,547	1920.....	367,649,656	
1920.....	313,575,105	1919.....	1,036,059,951	
1919.....	937,501,048	1918.....	1,393,381,441	
1918.....	1,084,884,757	1917.....	1,318,596,010	
1917.....	1,121,390,360	1916.....	685,436,853	

Nigeria Government 4 per Cent. Inscribed Stock, 1923.—This is an issue of £5,700,000, at 88 per cent. It is the first instalment of an issue to produce a total of £10,528,730, plus the cost of issue. The proceeds are required for the construction of railway, harbour, and other public works in the Colony. The loan is secured on the general revenues and assets of the Government of Nigeria, and the principal will be payable at par on October 15, 1923, by a sinking fund of not less than £1 per cent. per annum, the first half-yearly contribution being taken not later than April 15, 1927. This is a good long-dated trustee investment, and, allowing for redemption, the yield works out at £4 13s 5d per cent.—rather a modest yield.

Tamplin and Son's Brewery, Brighton, Limited.—Share capital £740,000. The present issued capital of the company is £300,000, of which £85,000 is in 6 per cent. preference shares and £60,000 in 5½ per cent. "A" preference shares, the remainder (£155,000) being in ordinary shares. This is an issue at par of 300,000 7½ per cent. (cumulative) "B" preference shares of £1 each. The company was incorporated in 1889, and took over a business which was established in 1821. In 1920 the company entered into an agreement with the Southdown and East Grinstead Breweries to purchase certain premises and to take on lease 93 licensed properties for 35 years. The lease contains an option for the company to purchase the freedom or copyhold reversion of the premises for £295,150. Three reversions have already been acquired, and the purchase price of the remainder is £288,542. Profits are given for three years, but the prospectus is somewhat lacking in information as to what the assets actually are and how they are valued.

The East African Power and Lighting Company, Limited (Incorporated in Kenya Colony under Indian Companies Acts.)—Share capital 350,000 ordinary shares of 20s each, of which 70,000 have been issued and are fully paid. The company has also issued £100,000 10 per cent. mortgage debentures, but these are to be redeemed out of the proceeds of the present issue. This is an issue of 200,000 ordinary shares of 20s each at par. The company was formed in January, 1922, to take over an existing power and lighting concern for £160,000, payable in cash. The supply of electricity in and around Nairobi was begun in 1908. Profits are shown for 1919, 1920, 1921, and 1922, and the company paid a dividend of 8 per cent. in the last-mentioned year. Meanwhile, an interim dividend at the rate of 5 per cent. per annum has been paid. A cautious investor would want to know what the plant was worth and what sums had been allocated to depreciation. We might also suggest that the cash consideration of £15,000 for subscribing for £100,000 of debentures of the company denotes either that the directors made a bad bargain, or that money was difficult to obtain for the concern.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 4½%, 1925-28..	95½	95½	+	Aust. 6% 1931-41.....	105	105	..
Loans 4½%, 1925-45..	98½	98½	+	Canada 4½% 1920-25..	101½	101½	..
4½%, 1929-47..	102½	102½	+	India 3½% Stock.....	69½	69½	..
4½%, 1929-42..	100½	101½	+	Do 7% 1926-31.....	118½	118½	..
Funding Loan 4%.....	91	91	+	Do 5% 1932.....	102½	102½	..
Victory Bonds 4%.....	92½	92½	+	Do 4½%.....	91	91	..
Conversion Loan 3½%.....	78½	78½	+	N.S.W. 6½% 1922-33..	100½	100½	..
Consols 2½%.....	58½	58½	+	Nigeria 6½% 1949-79..	115	115	..
Irish Land Stock 2½%.....	60½	60½	+	U. of S.A. 6% 1930-40..	105x	105x	..
Local Loans 3%.....	67½	68	+	Victoria 5½% 1924-34..	101	101	..
				W. Aust. 6% 1930-40..	105	105	..

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Barclays B. (£1, f.p.d.)	21½	21½	..	Nat. Bank of S. Africa	6	6	..
Chartered Bk of India	19½	19½	..	(£10).....			
Lloyds (£5 with £1 paid)	3	3	..	Nat. Prov. & Union of England (£20, with £4 paid)	11½	11½	..
London Joint City & Midland (£12 with £4 paid)	8½	8½	..	Standard of S. Africa (£20, with £5 paid)	11½	11½	..
Nat. Bank of Egypt (£10)	23	23	..	Westminster Bank (£20, with £5 paid)	17½	17½	..

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons.....	89½	88½	-	Leopoldina.....	21½	21½	..
B.A. and Pacific.....	80	78	-	Mexican Railway.....	11	11	..
B.A. Gt. Southern.....	83½	83½	..	Do 1st Pref.....	32	32	..
Buenos Ayres West.....	78	76½	-	Do 2nd Pref.....	19	19	..
Canadian Pacific.....	159x	159x	..	San Paulo.....	146½	142½	-
Central Argentine.....	70	69½	-	United Havana.....	74	75½	..

Foreign Government Securities.

Price	Week	Latest	Rise or
Price	Price	Fall	
Argentine 5%, 1886-7, 99x.. 99x			
Austrian 6% Guar., £60 pd.	63	63 1/2	+ 1/2
Belgian 3%	66	67	+ 1
Brazil 5% Fund., 1914	68	71	+ 3
Chilian 4 1/2%, 1895	93	92	- 1
Do 7 1/2%	105	105 1/2	+ 1/2
Chinese 5%, 1912	66x	66x	
Egyptian 4%	73	73	
French 5%	28 1/2	27 1/2	- 1
Do 4%	23 1/2	22 1/2	- 1

Telegraphs.

Anglo-American "A" 23	23	23	
Marconi Wireless	2 1/2	2 1/2	

British Railways.

Great Western, Ord.	109 1/2	111 1/2	+ 2
Do Def.	87	87	
London & North-Eastern	87 1/2	87 1/2	
5% Pref. Ord.	87 1/2	87 1/2	
Do Def. Ord.	32 1/2	33 1/2	+ 1
London, Mid., and			
Scottish, Ord.	104 1/2	106 1/2	+ 2
Metropolitan	77 1/2	77 1/2	
Metropolitan District	54 1/2	54 1/2	

American Railroads.

Chesapeake & Ohio	69	72	+ 3
Erie	16	15	- 1
Do 4% 1st Pref.	25	24	- 1

Miscellaneous.

Aerated Bread (£1)	1 1/2	1 1/2	
Amal. Cottons (£1)	1 1/2	1 1/2	
Anglo-Persian Oil (£1)	2 1/2	2 1/2	
Armstrong (Sir W.G.)	2 1/2	2 1/2	
Ass. Flnd. Cement (£1)	1 1/2	1 1/2	
Barker, John (£1)	2 1/2	2 1/2	
B'ham Small Arms (£1)	1 1/2	1 1/2	
Brazil Traction (£100)	46 1/2	47 1/2	+ 1
British-American Tobacco (£1)	5 1/2	5 1/2	
Burmah Oil (£1)	4 1/2	4 1/2	
Costs (J. and P.) (£1)	3 1/2	3 1/2	
Courtauld (£1)	3 1/2	3 1/2	
Cornard (£1)	3 1/2	3 1/2	
Donnan, Long (£1)	3 1/2	3 1/2	
Dunlop Rubber (£1)	1 1/2	1 1/2	
Fine Cotton Spinners (£1)	2 1/2	2 1/2	
Forestal Land (£1)	1 1/2	1 1/2	
Furness, Withy (£1)	1 1/2	1 1/2	
Highlands and Lowlands Rubber (£1)	1 1/2	1 1/2	
Hudson's Bay (£1)	6	5 1/2	- 1/2

Mines.

Brakpan (£1)	3 1/2	3 1/2	
Broken Hill Prop. (8)	1 1/2	1 1/2	
Chartered (£1)	1 1/2	1 1/2	
Cons. Gold Fields (£1)	1 1/2	1 1/2	
Crown Mines (10)	2 1/2	2 1/2	
De Beers Def. (£2 1/2)	12 1/2	12 1/2	
East Rand Prop. (£1)	3 1/2	3 1/2	
Geduld (£1)	3 1/2	3 1/2	
Gov. Gold Areas (£1)	5 1/2	5 1/2	

Imperial Tobacco (£1)	3 1/2	3 1/2	
Linggi Plantations (£1)	1 1/2	1 1/2	
Lipton (£1)	1 1/2	1 1/2	
Lever's 7% Cum. Pref. (£1)	1 1/2	1 1/2	
Do 8% Cum. Pref. (£1)	1 1/2	1 1/2	
Do 10% Cum. Pref. (£1)	1 1/2	1 1/2	
Lister (£1)	1 1/2	1 1/2	
Lobitos Oilfields (£1)	6 1/2	6 1/2	
Lyons (J. & Co.) (£1)	4 1/2	4 1/2	
Magadi Soda (£1 Ord.)	1 1/2	1 1/2	
Mexican Eagle (£10)	1 1/2	1 1/2	
Pekin (2)	1 1/2	1 1/2	
United Tobacco (£1)	3 1/2	3 1/2	
Vallambrosa (2)	3 1/2	3 1/2	
Vickers (£1)	1 1/2	1 1/2	
Watney Def. Ssk.	180 1/2	185 1/2	+ 5

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Interim Div.	Date of Payment.	Method of Payment.	Rate % per Annum, except where marked % or stated in Cash.	Dividend for Whole Years.	Lat/Pre-vious.
Railways.						
Antofagasta	3%	Nov. 1	Less tax 4/7 1/2 in £		3	nil
Assam Railways & Trading, "B"	4 1/2%	Nov. 7	Less tax 2/6 in £		9	7
Bengal Doars	4 1/2%	Nov. 1	Less tax		10 1/2	7 1/2
Lima	7 1/2%	Oct. 18	Less tax		1 1/2	nil
Nizam's Guaranteed State	7 1/2%	Oct. 18	Less tax		1 1/2	nil
Uruguay Northern, Pref.	4%	Nov. 1	Less tax		30	30
Vera Cruz, Pref.	4%	Nov. 1	Less tax		10	12
Banks.						
Anglo-Polish	4/ p.s.	Oct. 29	Less tax		14 1/2	Nov. 2
Anglo-South American	1 1/2%	Nov. 2	Quarterly		3 1/2	Nov. 1
Banque Nationale	3 1/2%	Nov. 1	Quarterly		6/ p.s.	Oct. 30
Equitable Trust of New York	4%	Nov. 1	Quarterly		3%	Nov. 1
Imperial of Canada	6/ p.s.	Oct. 30	Less tax		19 1/2	Nov. 1
London and Brazilian	3%	Nov. 1	Quarterly		5%	Nov. 1
North of Scotland	5%	Nov. 1	Less tax		6/ p.s.	Nov. 1
Standard of Canada	5%	Nov. 1	Less tax		5%	Nov. 1
Insurance.						
British and European	5%	Nov. 1	Less tax		12/ p.s.	Nov. 1
London and Lancashire	6/ p.s.	Nov. 1	Less tax		3/ p.s.	Oct. 15
London and Scottish	12/ p.s.	Nov. 15	Subject to tax		2/ p.s.	Oct. 11
Royal	12/ p.s.	Nov. 15	Subject to tax		2/ p.s.	Oct. 11
World Marine and General	2/ p.s.	Oct. 11	Tax free		7 1/2%	Nov. 1
Tea and Rubber.						
Bajoe Kidol	7 1/2%	Nov. 1	Less tax		6%	Nov. 1
Bambakelly Tea and Rubber	6%	Nov. 1	Less tax 4/7 1/2 in £		10	nil
Batu Rata Rubber	10%	Oct. 16	Less tax		10%	Oct. 16
Bukit Selangor	10%	Oct. 16	Less tax		10%	Oct. 16
Kandapolla Tea	10%	Oct. 16	Less tax		10%	Oct. 16
Kayan (F.M.S.) Coconut	5%	Oct. 23	Less tax		5%	Nov. 1
Malayan Produce	5%	Nov. 1	Less tax 4/7 1/2 in £		40%	Nov. 1
New Dimbula Co.	40%	Nov. 1	Less tax		2 1/2%	Oct. 20
Selangor United Rubber	2 1/2%	Oct. 20	Less tax 4/10 1/2 in £		4 1/2%	Oct. 29
Straits Plantations	4 1/2%	Oct. 29	Less tax		7 1/2%	Nov. 1
Sungei Ohoh Rubber	7 1/2%	Nov. 1	Less tax 4/7 1/2 in £		5%	Nov. 1
Sungei Chumor Estates	5%	Nov. 1	Less tax		11 1/2%	Nov. 1
Tenagore United	11 1/2%	Nov. 1	Less tax		15%	Oct. 11
Tenagore United	15%	Oct. 11	Less tax			
Victoria (Malaya) Rubber						
Wanarajah Tea						

DIVIDEND ANNOUNCEMENTS.—Continued.

Mining.						
Gold Fields Rhodesian	1/6 p.s.	Oct. 31	Less tax		10	10
Hyderabad (Deccan)	1/6 p.s.	Oct. 29	Less tax 4/6 in £		7 1/2	nil
Lahat	1/ p.s.	Oct. 29	Less tax		10	10
Renong Tin	10/ p.s.	Nov. 1	Less tax		12 1/2	10
Rio Tinto	10/ p.s.	Nov. 1	Less tax		16	16
Other Companies.						
Australian Mercantile Trust	5%	Nov. 8	Tax free		10	10
Alanza Co.	20%	Nov. 8	Less tax		5	5
Alanza Company (bonus)	60%	Nov. 8	Less tax 4/6 in £		16	16
Argentine Southern Land	20%	Nov. 8	Less tax		10	10
Borax Consolidated, Pref.	20%	Nov. 8	Less tax		10	10
Bristol Brewery	20%	Nov. 8	Less tax		10	10
Bryant and May	4 1/2%	Nov. 1	Tax free		10	10
Burmah Oil	10%	Nov. 7	Tax free		10	10
Caledonian Property Inv.	10%	Nov. 7	Tax free		10	10
Canada Cement	10%	Nov. 7	Tax free		10	10
Canadian Explosives, Pref.	10%	Nov. 7	Tax free		10	10
City of Santos Improvements	10%	Nov. 7	Tax free		10	10
Consolidated Trust, Deid.	5%	Nov. 16	Less tax		10	10
D. and W. Murray	5 1/2%	Nov. 16	Tax free		10	10
Dominion Steel Corp., Pref.	14%	Nov. 1	Tax free		10	10
Elder, Smith, and Co.	14%	Nov. 1	Tax free		10	10
Electrical Utilities, Pref.	14%	Oct. 15	Quarterly		10	10
Field Cycle Company	14%	Oct. 15	Quarterly		10	10
Ferranti	14%	Oct. 15	Quarterly		10	10
Glenboig Union Fire Clay	14%	Oct. 15	Quarterly		10	10
Goode, Durrant, and Co.	14%	Oct. 15	Quarterly		10	10
Harrisons and Crosfield, Def.	14%	Oct. 15	Quarterly		10	10
Hope Brothers	14%	Oct. 15	Quarterly		10	10
International Nickel, Pref.	14%	Oct. 15	Quarterly		10	10
Investment Trust Corp., Def.	14%	Oct. 15	Quarterly		10	10
Jute Industries, Cum. Pref.	14%	Oct. 15	Quarterly		10	10
Kingsley and Thackeray Hotels	14%	Oct. 15	Quarterly		10	10
Lawson, Limited	14%	Oct. 15	Quarterly		10	10
London Trust, Def.	14%	Oct. 15	Quarterly		10	10
Longmore-Glenlivet Distilleries	14%	Oct. 15	Quarterly		10	10
Melbourne City Properties	14%	Oct. 15	Quarterly		10	10
Mitcheil and Muir	14%	Oct. 15	Quarterly		10	10
National and Foreign Securities	14%	Oct. 15	Quarterly		10	10
N. of Scotland Reversionary	14%	Oct. 15	Quarterly		10	10
Port Madryn (Argentina)	14%	Oct. 15	Quarterly		10	10
Queen Anne Residential Man-	14%	Oct. 15	Quarterly		10	10
Queens and Hotel	14%	Oct. 15	Quarterly		10	10
Richard Whitaker and Sons	14%	Oct. 15	Quarterly		10	10
Rosario Drainage	14%	Oct. 15	Quarterly		10	10
Savoy Hotel	14%	Oct. 15	Quarterly		10	10
Second Edinburgh Invest. Def.	14%	Oct. 15	Quarterly		10	10
South African Lighting	14%	Oct. 15	Quarterly		10	10
Spillers Milling and Associated	14%	Oct. 15	Quarterly		10	10
Stothert and Pitt	14%	Oct. 15	Quarterly		10	10
Thomas Gater, Bradford	14%	Oct. 15	Quarterly		10	10
Thomas Smith's Stamping	14%	Oct. 15	Quarterly		10	10
Thomas W. Ward	14%	Oct. 15	Quarterly		10	10
Traction and Power Securities	14%	Oct. 15	Quarterly		10	10
Trafford Park Cold Storage	14%	Oct. 15	Quarterly		10	10
Trafford Park Estates	14%	Oct. 15	Quarterly		10	10
United Dairies	14%	Oct. 15	Quarterly		10	10
United River Plate Telephone	14%	Oct. 15	Quarterly		10	10
Western Electric Distributing	14%	Oct. 15	Quarterly		10	10
West Hartlepool Steam Navigation, Pref.	14%	Oct. 15	Quarterly		10	10
Waldorf Hotel	14%	Oct. 15	Quarterly		10	10
Yates and Thom.	14%	Oct. 15	Quarterly		10	10

CHARLES BAKER.—Charles Baker and Co. regret that no interim dividend on preference and "B" preference shares can be recommended.

CHARLES MARSDEN AND SONS.—Directors announce that trading results do not admit payment of preference dividend due October 1st.

INTERNATIONAL LIGHT AND POWER.—Directors report that unless present circumstances alter materially company's cash position will permit of a commencement being made towards the payment of accrued arrears of preference dividend early in 1924.

MANN, BYARS, AND CO. regret that it has been necessary to postpone payment of the preference dividend due on September 30th.

THE AMALGAMATED COTTON MILLS TRUST, LIMITED.—The directors announce that the dividend on the preference and "B" preference shares of the company for the half-year ending 31st inst. will be paid on that date.

THE CANADIAN NORTHERN RAILWAY COMPANY announce that the earnings for the half-year ended June 30, 1923, are insufficient to enable them to declare any interest on the Five per Cent. Income Charge Convertible Debenture stock. No payment has been made since June 30, 1914.

TINSELEY ROLLING MILLS.—Directors are unable to recommend dividend on ordinary shares.

TOURNAI TO JURBISSE RAILWAY.—The Tournai to Jurbisse and Landen to Hasselt Railway Company has declared dividend of 6.37 Belgian francs on coupon No. 119 preference shares, 6.37 Belgian francs on coupon No. 34 ordinary shares of fixed dividend, and 36 Belgian francs on coupon No. 34 ordinary shares of variable dividend, less tax.

THE WINTERBOTTOM BOOK CLOTH COMPANY, LIMITED, have decided to capitalise cumulative preferred ordinary shares of £1 each among ordinary shareholders in the proportion of one for every two ordinary shares held. This will absorb practically £500,000 of reserve.

ANALYSIS OF BALANCE-SHEETS.

HARRISONS AND CROSFIELD, LIMITED.

LIABILITIES.		ASSETS.	
Amount	Compared with June 30, 1922.	Amount	Compared with June 30, 1922.
Pref. shares	£30,000	Properties	£97,768
Ord. shares	£1,000,000	Plant	£4,533
Def. ord. shares	£18,986	Furniture	£15,197
Management shs	£25,000	Sundry stocks	£326,351
Reserves	£473,000	Loans to cos.	£262,734
Mortgages	£129,000	Bills receivable	£65,106
Unclaimed divs.	£533	Sundry debtors	£371,456
Sun. depositors	£123,452	Acceptances	£54,025
Bills payable	£232,413	Investments	£1,445,109
Acceptances	£54,025	Cash	£12,890
Sundry creditors	£289,947		
Bank overdrafts	£289,864		
Pref. dividends	£45,449		
Profit and loss	£100,024		
Total	£3,582,694	Total	£3,582,694

COMPANY MEETINGS, &c.

UNITED STEEL COMPANIES, LIMITED.

GREATLY IMPROVED RESULTS.

BOARD'S SOUND DIVIDEND POLICY.

TAXATION AND FOREIGN COMPETITION.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The sixth ordinary general meeting of shareholders of the United Steel Companies, Limited, was held, on the 8th instant, at the Royal Victoria Hotel, Sheffield. The chairman of the company (Mr A. O. Peech) presided, and other directors present were Mr Barber, Mr J. V. Ellis, Mr H. Guedalla, Mr J. Henderson, Sir F. J. Jones, Bart., Mr W. B. Jones, Mr T. Jowett, Mr M. Manna-berg, Mr J. E. Peech, and Mr F. S. Scott-Smith.

Mr A. Blackmore (routine director and secretary) read the notice convening the meeting and also the auditors' report.

The Chairman, who was greeted with applause on rising, said: The report of the directors and the accounts have been in your hands some days. You will probably desire, therefore, that they should be taken as read. Since our last meeting your board have lost the valuable services of their friend and colleague Mr William Tozer, who died in August. Mr Tozer had been connected with the Ickles works for nearly 50 years, and had a very intimate knowledge of the conditions of their special trade. His death leaves a gap which it will be difficult to fill. You will, no doubt, share our very great regret and our sympathy with Mrs Tozer and the family. As mentioned in the report, Mr William Steel has found it necessary to retire owing to failing eyesight. We are extremely sorry to lose his help, and I am sure you will join with us in the hope that his affliction may be less serious than is feared.

NEW DIRECTORS.

competition, which has materially affected the results of the year. At Stocksbridge in the heavy departments work has been very intermittent. Other departments have done fairly well. In May last an unfortunate fire broke out, which resulted in the complete destruction of the cold rolling plant and buildings. The loss was almost entirely covered by insurance, but the dislocation of our business was considerable. The position has been met by arrangement with other cold rollers in Sheffield, so that the dislocation has been minimised to a considerable extent. Rebuilding was started as soon as possible, and it is hoped to resume operations at an early date.

Our Yorkshire collieries and coking plants have been fully employed during the year with very satisfactory results.

STOCKS.

I am pleased to say that during the present financial year there has been no necessity for abnormal writing down of stocks, such as was our bitter experience in the two previous years. All stocks at the various works are now down to perfectly safe prices.

Depreciation has received the careful attention of your board, but, except as appears on the balance-sheet, no provision has been made during the current year. Your directors are of opinion that the question of depreciation may quite prudently be left until the profits are better able to bear the burden.

The whole of the works of the constituent companies have been very fully maintained during the year, and considerable improvements have been made.

We have closely examined our methods of manufacture, with beneficial results. It is not too much to say that we are prepared for a large turnover, and are quite ready to take advantage of whatever revival of trade comes along.

We have still not settled the outstanding figures of taxation. The matter remains in negotiation with the Inland Revenue authorities; our experts have been engaged upon it continually during the whole of the past year.

The construction of the Workington new dock is progressing satisfactorily, and, without any setback, the dock should be completed and ready for use early in 1925. As you are aware, this company owned the whole of the ordinary share capital of the Cleator and Workington Junction Railway. Under the Railways Act, 1921, this railway has been taken over by the London Midland and Scottish Railway, and ordinary share scrip of that railway has been substituted.

As stated in the directors' report, the United Strip and Bar Mills, Limited, have made considerable headway during the year. As regards manufacture, the mills continue to be quite successful. Unfortunately, it has been impossible to book sufficient work to keep them fully employed, and therefore they have not shown the results which may be expected when more work is available.

PROSPECTS.

With regard to prospects, full recovery in trade depends largely upon relief in taxation and cost of transport, and upon stabilised conditions in Europe and the Near East. General trade revival throughout the world is hindered by impoverished markets; purchasing power is at present limited. The general view seems to be that business is on a more stable footing, and that we may expect some improvement by the end of the year.

The concession in railway rates since our last annual meeting, while not nearly so large as manufacturers and traders expected, is helpful, and we appreciate the efforts of the railway companies in this direction. The cost of transport is still so very heavy as to constitute a serious handicap to the business of the country, but we feel sure that this important question is always receiving the sympathetic consideration of the railway management of the country.

The amount of taxation, local as well as Imperial, to which business in this country is now subjected, is a burden which cannot be carried with any chance of living under it. A great responsibility rests upon the Government and local authorities in this matter. Let us hope they realise it, and will take measures to give us speedy relief.

Your directors had an opportunity of acquiring on satisfactory terms, in conjunction with the Parent Tyre Company, the Hoffmann Manufacturing Company, of Chelmsford, the celebrated makers of ball bearings. This company uses a considerable quantity of the highest quality steel, and it was in view of supplying this steel that we acquired an interest in the business.

In conclusion, I desire for myself and my colleagues to pay a tribute to our workmen and staff. We have had no serious trouble with labour at any of our works during the year—on the contrary, we have seen and experienced a continuance of the spirit I referred to a year ago, which is much appreciated by the board and officials. We have received most excellent service from the whole of the officials and staff. We have a very competent staff, and our thanks are due to them for the loyalty and devotion with which they are carrying out their responsible duties. I now beg to move formally the adoption of the report and accounts to June 30, 1923, as presented, and call upon Mr Guedalla to second the resolution.

GOVERNMENT AND FOREIGN COMPETITION.

Mr H. Guedalla: Ladies and gentlemen, in seconding this resolution I have nothing to add to the faithful exposition of the company's affairs which you have just heard from the chairman, but I would like to say, as a member of the board, how much I appreciate the successful manner in which the directors and the management of the company have devoted the whole of their time to your interests, have tackled the many problems which present themselves—have presented themselves continually—in these abnormal times. The chairman has alluded to one or two of these difficulties common to ourselves and many other trades. This country cannot live unless it has its exports. The chief competitive factor is the question of foreign exchanges. It is all very well to tell foreign countries that they must put their financial house in order. Why should they take this view when they find they are taking the trade which we used to get. Our Government has deliberately adopted and embarked upon a financial policy which is calculated to hinder trade and produce unemployment. Until this policy is rectified I do not think we can hope for any important amelioration in the burden of taxation, which multiplies its effects on our working interests in so many directions. Unemployment, apart from its demoralising influence, must be costing quite £150,000,000 a year, and this money, being unproductive, is simply thrown into the gutter. Unemployment, therefore, must be the urgent question of the day. Patchwork schemes will not cure it, but we must get down to the root cause.

The resolution was carried unanimously, there being no response to the invitation of the chairman for questions.

RE-ELECTION OF DIRECTORS.

Mr Edwin Stockton proposed the re-election of the directors—retiring by rotation—Mr H. Guedalla, Mr J. V. Ellis, Mr J. Henderson. He prefaced his remarks with an expression of sympathy with those bereaved by the death of Mr William Tozer, and said he hoped Mr William Steel's illness would not prove to be so serious as had been feared. He warmly approved of the policy of the board in choosing as new directors those actually in harness in the firm—Mr James Valentine Ellis, the general manager of the Workington branch, and Mr James Henderson, the managing director of the Frodingham and Appleby companies.

Mr Twigg seconded, and the resolution was carried.

The retiring auditors, Messrs W. B. Peat and Co., were re-elected.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

A vote of thanks to the chairman, directors and staff was accorded with applause, on the proposition of Mr Edwin Stockton, who said that in difficult times the thanks of the shareholders were really more due than when times were good and a dividend was paid.

Mr Allott seconded, and the resolution was carried. The Chairman, in reply, said they had had a very difficult year, and, with the splendid help and co-operation of the whole of the staff, the company had not done badly. He only hoped they would do as well this present year.

CLERICAL, MEDICAL, AND GENERAL LIFE ASSURANCE SOCIETY.

HIGH RATE OF INTEREST EARNED.

The annual general meeting of the Clerical, Medical, and General Life Assurance Society was held, on the 12th instant, at the chief office, St James's square, London, Mr Francis E. J. Smith (the chairman) presiding.

The general manager and actuary (Mr Arthur Digby Besant) having read the notice convening the meeting, and the certificate of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: One of the most noticeable figures in the transactions of the past year is that of the rate of interest earned. There are many factors which go to make the success or failure of a life assurance office, but there is none of such paramount importance as the net rate of interest earned upon the invested funds. It is very gratifying to be able to report that the gross rate of interest has gone up by a sum of no less than 5s to £5 10s 10d per cent., and that the net rate, after deduction of tax, is 6s 4d per cent., and higher than last year, and has now reached the high level of £4 14s per cent. This is the highest rate earned since the society's foundation in 1824. The relatively marked rise in the net rate is, of course, accounted for by the reduction in the income-tax.

You will all be interested if I give an indication of the causes which have brought about this substantial rise in the rate of interest. Some years ago we bought, as you will remember, 5,000 £100 fully-paid shares in the General Reversionary and Investment Company; that transaction is proving most profitable to the society, both indirectly, as a conduit pipe through which new life assurance business reaches us, and directly, inasmuch as, although the Reversionary Company is valued on a most conservative basis, the rate of dividend has again moved upwards. Then again, in the early part of the financial year, we realised a large sum of money invested in War Loan and similar securities, and reinvested it in some excellent mortgages which were offering at that time, and on which a higher rate of interest was obtained.

INTEREST EARNINGS AND BONUSES.

To realise what high interest earnings mean to us, it is only necessary to do a sum in simple arithmetic. On a life assurance fund of 7½ million pounds a surplus interest of £2 4s per cent. means in one year a contribution to bonus of £165,000. Last year our actuary told you that the surplus interest had then contributed our next bonus. That makes nearly £300,000 in £120,000 towards our next bonus. Even if the next three years be less productive than the two years which have already passed, it is clear that the contribution towards our next surplus from this one source alone will be exceptionally large. The total surplus interest during our last quinquennium was about £500,000.

Turning to the claims of the year, the claims by death amounted only to £319,802; and though this figure is slightly higher than that of last year, it is in reality to be contrasted with £546,500, which was the amount anticipated according to the mortality table which we employ in our valuations.

Another satisfactory feature of the year's transactions is the increase of £489,514 in the life assurance fund.

THE FUTURE.

Looking to the future, it seems clear that for many years to come interest earnings will be on a higher scale than during the pre-war period, while mortality profits with our careful selection of lives may be expected to reflect the general improvement in the health of the community, and we may hope that our expense ratio will move downwards rather than upwards.

The cumulative effect of all these tendencies is to reduce the cost of assurance. You will remember that in the war period, when the tendencies were all the other way, we found it necessary to raise our premiums for new assurances. Now that the tide has turned your directors have again been giving very careful consideration to this problem, and I am happy to be able to announce that as from to-day our premium rates for new assurances will be substantially reduced.

The new rates are being circulated to our agents by to-night's post, and will, I feel sure, be considered by them as a valuable help in the work which they so loyally do for us, and for which I take this opportunity of thanking them warmly. I do not propose to make a detailed survey of these new rates, but I would draw the attention of our good friends the insurance brokers to the premiums under our prime cost table, of which it may be very truly said, it provides the maximum amount of assurance at a minimum cost.

With the close of the current year, we shall conclude the first century of our history. During those hundred years this country has passed through many anxious as well as many prosperous times. But never once has the Clerical, Medical failed to provide a substantial bonus for its policyholders.

The reserves have, over a number of years past, been repeatedly strengthened. Since 1891 we have made our valuations on a 2½ per cent. basis, and, even during and since the war period, that severe standard has been rigidly maintained. The society is, indeed, entitled to pride itself upon this achievement. Moreover, and this is the final point which I wish to make, abundant reserves in the present mean continued and abundant surpluses in the future, for money so reserved is rolling up at compound interest, which is, as you know, the life blood of such a business as we are here to conduct.

The report and accounts were adopted.

JAYA PARA RUBBER ESTATES, LIMITED.

SATISFACTORY OUTLOOK FOR PRODUCERS.

The twelfth annual general meeting of Java Para Rubber Estates, Limited, was held, on the 10th instant, in the Council Room of the Rubber Growers' Association, 2 Idol lane, Eastcheap, London.

Mr Noel Bingley presided, and, in moving the adoption of the report and statement of accounts, observed that the profit and loss account showed a very substantial decrease in expenditure, to the extent of £5,236. In the Java charges income-tax was responsible for a substantial increase of nearly £2,000. But for that increase there would have been considerably larger profits. Shareholders might congratulate themselves on the fact that the year's rubber crop realised the excellent average price of 1s 1½d per lb. Not many companies in 1922 realised such a high average. Coffee also realised a higher price. The final result of the year's working was a profit of £7,081, which, added to the amount brought forward, made a total of £17,157. Out of this the directors recommended the declaration of a 5 per cent. dividend. It was, at any rate, satisfactory to see the company back in the position of paying dividends, and the board would have been glad to have seen their way to recommend a larger distribution. In regard to the current year the restricted output for the two estates was 605,000 lbs of rubber. Up to the end of September 446,021 lbs had been harvested. The board had been able to make satisfactory forward contracts for the sale of 75 tons in deliveries spread over the nine months from April to December at the satisfactory price of 1s 6d per lb, ex warehouse Java. Shareholders would have noted with satisfaction that prices showed a substantial increase when compared with last year's figures. The effect of the restriction policy was now being felt, and it was not at all improbable that in the course of next year there might be something approaching a shortage. A settlement of the troubles on the Continent would at once have an enormous effect on the market, and further, he desired to pay a tribute to the excellent work that was being done for the rubber industry by the propaganda department of the Rubber Growers' Association. On the whole, he thought that the outlook for rubber producing companies was far and away more favourable than it was a year ago. With regard to coffee, the borer beetle still gave trouble on Wonokoyo, and considerable damage had been done by it to this year's crops, but the last report to hand intimated that this pest was distinctly on the decrease. The actual production of coffee to the end of September had exceeded the estimate by 1,408 piculs, and in a cablegram from the local agents on the 3rd inst. it was stated that the year's crop would probably amount to 6,500 piculs. This should compensate, to some extent, for last year's shortage.

Colonel the Hon. Edward Coke, D.S.O., seconded the resolution, which was unanimously adopted.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.

SIGNS OF IMPROVEMENT.

The fourteenth ordinary general meeting of the members of the Kern River Oilfields of California, Limited, was held on October 10th at Kingsway Hall, Kingsway, London, Mr William Ivey (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the production on the Kern 33 field had been so well maintained during the year under review that there had been a reduction of only 9,028 barrels, or 1.596 per cent., whereas

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

last year there had been a decline in production of 22,642 barrels, equal to 3.94 per cent. That performance was really good. It was gratifying that year after year they were able to record the fact that their production was so well maintained that the percentage of decline in some cases was so small that it was hardly worth calling a decline at all. Unfortunately, the decline in prices had been very severe, so much so during the past year that they had suffered a reduction in their revenue from the Kern Field of no less than 60 per cent, as compared with the figures of the previous year.

After giving details of the result on the working of the St. Helens Petroleum Company, Limited, in California, in the course of which he pointed out that the increased production from the Monterey lease—in which they had a half interest—had more than made good the decline in the case of all the other properties in California, he proceeded to say that the profits made during the year from the gas and topping plants on the various fields were very good, despite low selling prices.

With regard to their subsidiary companies outside California, in Mexico, they had again had a troublesome year. A lot of money had been spent on drilling by their sub-lessees and themselves, and the former were quite satisfied that the knowledge obtained by drilling had brought them so near to the oil pool that they had only to continue to drill to be sure of obtaining oil. As to Roumania, they saw an improvement there, the latest production reported being exceedingly good, and a big increase on that of the previous month. With regard to Trinidad, although they had not secured a big profit there, they had been able to secure oil, and the progress made had been good. Their principal difficulty arose from the attitude of the Government with regard to an asphalt concession granted to an American company, the effect of the Government's interpretation of the terms of this concession being that the Kern Company was prevented from drilling for oil within three miles of the Trinidad pitch lake.

Speaking generally as to the outlook, the Chairman said that the present was gloomy, but there were signs that things were improving.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Oct. 6, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	14	14	14
3½% War Stock	50	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13
4½% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,095	2,095	2,095
National War Bonds	649	1,509	1,476	1,413	1,201	971	953	953	953
4% Funding Loan	...	409	409	405	401	400	400	400	400
4% Victory Bonds	...	360	357	348	335	325	325	325	325
5% Conversion Loan	...	...	...	...	23	24	24	24	24
5% Treasury Bonds	...	...	...	...	381	165	165	165	165
5% Treasury Bonds	...	...	...	...	40	40	40	40	40
Do by tender 5%	...	...	...	...	8	69	70	70	70
Do 4%, 1931-33	...	...	...	...	84	110	110	110	110
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	630
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.	1	238	267	274	285	342	350	354	359
War Expend. Certs.	...	23	...	...	...	...	...	...	...
Other Debt	...	944	1,306	1,181	1,132	1,087	1,071	1,157	1,150
American Loan	...	51	51	51	...	...	...	...	...
Temporary Advances	1	204	245	205	154	147	222	194	188
Other Capital Liabilities	654	5,472	8,033	7,829	7,574	7,655	7,768	7,743	7,758
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,827

* Figures adjusted in accordance with Finance Accounts, 1922-23.

POSITION OF THE FLOATING DEBT.

	Oct. 7, '22.	Mar. 31, '23.	Oct. 6, '23.	Movement 6 days ended Oct. 6, '23.
Temporary Advances Out- standing—	15,500,000..	6,500,000..	6,500,000..	+ 6,500,000
Advances by Bank of England	178,549,500..	193,897,500..	181,861,500..	+ 4,100,000
Advances by Public Deposits	729,280,000..	616,045,000..	*629,795,000..	+ 4,010,000
Treasury Bills outstanding	...	...	...	...
Total Floating Debt	923,329,500..	809,942,500..	818,156,500..	+ 14,610,000

* Includes £15,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govt. Securit- ties.	Balance at Bank of England.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 29, 1922.	295,374	13,338	6,000	28,500	19,650	16.3	254,312	850
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	16.9	258,922	137
Mar. 26, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 26, 1923.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140
Oct. 4, 1923.	283,943	12,318	7,000	27,000	22,450	17.4	239,695	110
Oct. 21, 1923.	283,589	12,090	7,000	27,000	22,450	17.4	239,102	137

Since July 21, 1920, notes and certificates outstanding include notes called in and not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,000,000, for 1921 at £27,555,200, for 1922 at £30,985,400, and for 1923 at £27,183,800.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Oct. 15-Oct. 20 were opened on Oct. 12, 1923, and the total amount applied for was £61,565,000. For bills at three months, dated Monday to Friday, at £99 4s 5d, about 86 per cent., above in full; Saturday, at £99 4s 8d, above in full. The amounts allotted were as follows:—In bills at 3 months, £33,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Aug. 31, 1923.	45,000,000	62,485,000	£ s d 3 1 2 86	nil
Sept. 7, 1923.	40,000,000	54,090,000	3 5 5 9	nil
Sept. 14, 1923.	35,000,000	55,520,000	3 2 4 63	nil
Sept. 21, 1923.	45,000,000	60,140,000	2 19 11 2	nil
Sept. 28, 1923.	45,000,000	86,895,000	3 4 5 59	nil
Oct. 5, 1923.	35,000,000	61,220,000	3 1 4 25	nil
Oct. 12, 1923.	35,000,000	61,565,000	3 1 5 61	nil

Tenders will be received on Oct. 19, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ended Oct. 6, 1923.	Week Ended Oct. 7, 1922.
		Apr. 1, 1923, to Oct. 6, 1923.	Apr. 1, 1922, to Oct. 7, 1922.		
Balances in Exchequer on 1st April:—					
Bank of England	5,442,665	9,963,424	...	...	...
Bank of Ireland	1,375,502	1,210,106	...	...	...
REVENUE.	6,818,167	11,173,530	...	...	...
Customs	116,900,000	65,571,000	64,681,000	2,528,000	2,031,000
Excise	143,850,000	70,293,000	78,920,000	1,294,000	1,704,000
Motor Vehicle Duties	13,250,000	3,784,000	2,994,000	155,000	110,000
Stamps, &c., Duties	52,000,000	27,280,000	32,721,000	560,000	650,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	9,480,000	8,552,000	120,000	50,000
Property & Income Tax	3,000,000	520,000	570,000	10,000	...
Super-Tax	261,000,000	110,114,000	147,501,000	5,807,000	9,137,000
Excise Profits, &c., &c.	58,000,000	20,990,000	370,000	...	...
Corporation Profits Tax	12,000,000	10,750,000	8,597,000	430,000	320,000
Post Office	20,000,000	25,800,000	27,500,000	1,000,000	1,500,000
Crown Lands	52,600,000	460,000	380,000	...	...
Interest on Sundry Loans	900,000	...	...	...	...
Miscellaneous	12,500,000	8,298,172	6,133,343	2,277,010	2,296,663
Ordinary Receipts	12,500,000	7,629,732	17,222,097	388,754	830,910
Special Receipts	40,000,000	20,942,509	26,320,971	953,700	523,426
Revenue	818,500,000	381,723,413	423,046,411	15,893,464	19,152,959
Total, Inc. Balance	...	388,541,580	434,219,941	...	...
OTHER RECEIPTS.	...	...	...	...	...
Temporary Advances Repaid:—	...	...	...	...	...
Bullion	...	65,000	800,000	...	...
Under the Unemployment Insurance Acts, 1921	...	4,310,000	2,660,000	300,000	...
Money Raised by Creation of Debt:—	...	...	...	...	...
(a) For Capital Expenditure Issues:—	...	...	...	...	...
Under the Telegraph (Money) Acts, 1921 and 1922	...	3,370,000	3,360,000	...	...
Under the Housing Act, 1914	...	12,000	27,000	...	...
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	...	...	950,000	...	...
(b) Under the Unemployment Insurance Acts, 1921	...	270,000	2,510,000	1,060,000	...
(c) For other Issues:—	...	...	...	...	...
By Treasury Bills	1,285,501,000	1,566,307,000	55,355,000	67,819,000	...
By National Savings Certificates	33,050,000	38,048,000	5,200,000	800,000	...
By Exchequer and National War Bonds	...	...	20	...	...
By Treasury Bonds—	...	...	...	...	...
5½% year, 1925-35	...	61,543,782	...	...	...
5%, 1927	...	52,648,508	...	...	...
4½%, 1932	...	29,208,627	...	...	...
4%, 1931-33	...	...	...	...	...
By Other Debt created under the War Loan Acts, 1914 to 1919	...	11,869	...	...	...
(d) Ways and Means Advances	495,055,000	511,064,000	25,100,000	54,850,000	...
Anglo-Persian Oil Company—	...	...	...	...	...
Dividends on Shares acquired	50,081	243,012	...	...	...
Repayments—	...	...	...	...	...
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	186,598	183,435	9,048	2,975	...
Do Issues under Section 59 (4) of the Finance Act, 1920	...	6,827,960	...	...	...
Interest received under Section 59 (5) of the Finance Act, 1920	...	162,425	...	...	...
Total	2,239,619,886	2,681,566,952	101,867,512	143,684,974	...

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Oct. 6, 1923.	Week Ended Oct. 7, 1922.
		Apr. 1, 1923, to Oct. 6, 1923.	Apr. 1, 1922, to Oct. 7, 1922.		
EXPENDITURE.	...	...	...	...	...
National Debt Services—	...	...	...	...	...
Interest, &c.	310,000,000	177,774,707	179,280,279	24,549,281	29,063,376
Sinking Fund	40,000,000	19,867,539	3,088,044	380,500	...
Road Fund	12,650,000	...	2,334,999	...	...
Payments to Local Tax- ation Authorities, &c.	10,348,000	4,158,012	2,603,797	70,000	...
Payments to Northern Ireland Exchequer	3,000,000	1,866,791	796,042	75,000	...
Land Settlement	1,500,000	345,930	...	...	...
Other Consolidated Fund Services	2,972,000	1,290,840	1,209,480	11,717,596	7,900,000
Supply Services	440,565,000	191,273,676	208,828,954	36,792,777	36,953,376
Expenditure	821,035,000	399,626,539	395,627,007	...	...

Total Issues out of the Exchequer to meet Payments from	Apr. 1, 1923, to Oct. 6, 1923.	Apr. 1, 1922, to Oct. 7, 1922.	Issues.	Week Ended Oct. 6, 1923.	Week Ended Oct. 7, 1922.

OTHER ISSUES.

Temporary Advances—	5,000	...	...	...	...
Bullion	...	...	...	...	...
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	36,891	84,909	...	...	...
Under the Unemployment Insurance Act, 1921	270,000	3,060,000	...	...	...
Issues to meet Capital Expenditure—	...	...	...	...	...
Under the Telegraph (Money) Acts, 1921 and 1922	3,370,000	3,360,000	...	...	...
Under the Housing Act, 1914	12,000	27,000	...	...	...
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	...	950,000	...	...	...
Unemployment Insurance Acts, 1921	4,010,000	2,110,000	...	...	...
Redemption of Debt—	...	...	...	...	...
Treasury Bills	1,271,730,000	1,719,144,000	51,360,000	62,280,000	...
Principal of National Savings Certificates	18,100,000	13,450,000	750,000	...	...
Principal of Exchequer Bonds paid off	...	19,612,238	...	...	...
Principal of National War Bonds paid off	31,886,910	40,534,182	...	40,534,182	...
Other Debt under the War Loan Act, 1914 to 1919	6,981,184	11,255,348	...	1,000	...
Ways and Means Advances Repaid	500,591,000	464,316,000	14,500,000	9,000,000	...
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	50,081	243,012	...	...	...
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	...	5,000,000	...	...	...
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	...	...	...
Balances in Exchequer—	...	...	...	...	...
Bank of England	2,236,723,819	2,678,829,322	103,402,777	148,778,558	...
Bank of Ireland	2,053,139	2,085,784	1,105,581	4,517,525	...
Total	2,896,067	2,737,630	1,535,265	5,093,584	...

Note.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, October 8, 1923.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances, September, 1923.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	National Provincial and Union Bank, Limited.	National Bank, Limited.	Westminster Bank, Limited.	Williams Deacon's Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Gold, bank and currency notes, and balances with the Bank of England ..	7,032	32,493	1,397	2,449	37,416	50,871	27,975	3,810	27,052	4,166	194,661
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,800	6,630	383	1,021	7,591	7,866	6,036	153	6,994	1,009	39,483
Items in transit ..	4,351	20,774	1,489	4,293	16,280	14,131	15,431	3,639	23,312	2,409	106,109
Money at call and short notice ..	4,285	41,511	863	506	57,587	49,842	38,363	2,774	65,824	1,651	263,206
Bills discounted ..	9,846	69,963	4,201	9,288	90,754	39,334	51,485	18,263	55,955	6,187	355,276
Investments ..	38,518	131,644	8,087	6,416	133,523	188,894	123,650	17,036	93,665	19,965	761,398
Advances to customers and other accounts ..	3,603	6,135	60	1,611	11,876	31,404	8,014	185	9,107	901	72,896
Liabilities of customers for acceptances, endorsements, &c. ..	1,510	5,082	346	445	5,492	4,294	8,014	185	9,107	901	72,896
Bank premises account ..	..	7,702	..	..	7,675	3,559	2,240	..	2,992	..	24,168
Investments in affiliated banks ..	70,945	321,934	16,826	26,029	368,194	391,252	277,488	46,573	288,937	37,010	1,845,188
Ratio of cash to current, deposit, and other accounts ..	11.07	11.12	9.21	10.80	11.27	15.04	11.13	9.20	10.33	12.59	11.79
LIABILITIES.	£	£	£	£	£	£	£	£	£	£	£
Capital paid up ..	2,349	15,592	800	1,060	14,373	10,861	9,309	1,500	9,004	1,875	66,723
Reserve fund ..	1,500	8,250	800	530	10,000	10,861	9,000	1,125	9,004	1,150	52,220
Current, deposit, and other accounts ..	63,493	291,957	15,166	22,665	331,945	338,126	251,166	41,406	261,810	33,084	1,650,818
Acceptances, endorsements, &c. ..	3,603	6,135	60	1,611	11,876	31,404	8,014	185	9,107	901	72,896
Notes in circulation ..	..	..	..	..	..	..	..	..	..	..	..
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	..
	70,945	321,934	16,826	26,029	368,194	391,252	277,488	46,573	288,937	37,010	1,845,188

IMPERIAL BANK OF GERMANY.—In marks (000,000's omitted).

ASSETS.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Sept. 23, 1923.	Posn. May 31, 1914.
Gold and bullion ..	292,231,069	299,147,444	107,037,565	14,175,724	27,294	943
Treasury notes ..	2,200,636,334	703,028,712	184,990,264	1,151,863,032	331,762	61
Bills of exchange and cheques ..	12,229,418,189	3,808,433,296	..	..	..	..
Discounts and Treasury bills ..	8,627,729,773	3,183,681,168	1,182,038,569	663,200,050	290,678	2,014
Notes in circulation ..	6,152,753,744	1,954,396,897	880,639,059	591,079,833	71,693	842
Deposits ..	..	..	..	..	..	..

† This total now includes token coin at its face value. § Gold.

BANK OF ITALY.—In lire (000's omitted).

ASSETS.	Sept. 10, 1923.	Aug. 31, 1923.	Aug. 20, 1923.	Aug. 10, 1923.	Sept. 10, 1923.	Position May 31, 1914.
Total cash ..	1,457,115	1,478,103	1,464,290	1,434,849	1,301,786	1,321,875
Inland bills ..	5,190,039	5,263,882	5,151,625	5,186,943	4,447,283	418,400
Foreign bills ..	13,112	13,117	13,148	13,179	9,630	81,300
Advances to the Treasury ..	5,839,784	5,831,816	5,833,821	5,833,821	6,107,522	..
Other advances ..	2,395,905	2,476,016	2,154,896	2,059,058	2,484,449	79,175
Securities ..	30,774	371,475	371,570	371,712	534,374	805,700
LIABILITIES.	..	..	..	..	..	..
Notes in circulation ..	12,859,960	12,884,774	12,800,082	13,077,216	13,771,086	1,556,925
Deposits & drafts ..	1,348,026	1,503,428	1,623,170	1,471,485	1,795,011	193,975

NETHERLANDS BANK.—In florins (000's omitted).

ASSETS.	Oct. 8, 1923.	Oct. 1, 1923.	Sept. 24, 1923.	Sept. 17, 1923.	Oct. 9, 1923.	Position May 31, 1914.
Gold ..	581,775	581,775	581,775	581,789	581,789	163,092
Silver ..	9,091	9,605	10,305	10,333	8,581	8,438
Depts. & advances ..	340,396	362,091	349,952	356,322	398,559	155,804
LIABILITIES.	..	..	..	..	..	..
Notes in circulation ..	1,006,377	1,013,700	967,417	967,270	991,735	316,833
Deposits ..	..	31,275	42,874	34,663	26,115	6,016

NATIONAL BANK OF ROMANIA.—In lei (000's omitted).

ASSETS.	Sept. 15, 1923.	Sept. 8, 1923.	Sept. 1, 1923.	Aug. 25, 1923.	Sept. 16, 1923.	Position May 31, 1914.
Gold ..	545,267	545,267	545,267	545,267	545,267	511,039
Silver, &c. ..	540	521	587	587	685	531
Government loan ..	11,925,033	11,914,855	11,917,336	11,903,119	12,560,782	..
Other advances ..	5,622,287	5,540,700	5,492,865	5,457,482	5,587,201	..
LIABILITIES.	..	..	..	..	..	..
Notes in circulation ..	17,227,551	17,154,151	17,042,840	16,982,636	14,861,587	..
Deposits ..	6,122,564	6,070,901	6,100,387	6,105,639	6,305,742	..

SWISS NATIONAL BANK.—In francs (000's omitted).

ASSETS.	Oct. 6, 1923.	Sept. 29, 1923.	Sept. 22, 1923.	Sept. 15, 1923.	Oct. 7, 1923.	Position May 31, 1914.
Gold ..	527,160	526,993	526,862	526,492	505,764	171,176
Silver ..	96,890	97,026	98,474	98,670	114,424	18,350
Depts. & advances ..	22,212	22,991	23,425	23,607	10,893	..
Assets & advances ..	321,513	338,272	348,761	348,761	302,920	103,000
LIABILITIES.	..	..	..	..	..	..
Notes in circulation ..	910,572	930,003	963,276	966,190	797,770	775,925
Deposits ..	89,559	91,818	96,793	100,265	189,387	33,750

BANK OF SWEDEN.—In kronor (000's omitted).

ASSETS.	Oct. 6, 1923.	Sept. 29, 1923.	Sept. 22, 1923.	Sept. 15, 1923.	Oct. 7, 1923.	Position May 31, 1914.
Gold ..	272,504	272,558	272,615	272,642	273,598	104,818
Banking and ..	30,601	47,511	47,443	47,093	78,327	112,173
Depts. & advances ..	134,323	135,729	130,115	130,117	73,961	28,468
Assets & advances ..	516,517	516,517	516,517	516,517	393,823	112,668
LIABILITIES.	..	..	..	..	..	..
Notes in circulation ..	562,858	562,858	562,858	562,858	562,858	562,858
Deposits ..	117,407	117,407	117,407	117,407	117,407	117,407

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

ASSETS.	Oct. 4, 1923.	Sept. 20, 1923.	Sept. 13, 1923.	Sept. 6, 1923.	Oct. 5, 1923.	Position May 25, 1914.
Coin (gold & silver and bullion) ..	348,472	347,136	347,623	347,508	347,508	347,508
Securities ..	983,738	1,014,619	1,016,308	977,471	536,206	322,550
LIABILITIES.	..	..	..	..	..	..
Notes in circulation ..	7,177,376	7,097,703	7,139,547	7,144,738	6,539,502	934,150
Current accounts ..	404,410	433,356	421,653	426,337	778,764	112,126

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

ASSETS.	Sept. 30, 1923.	Sept. 23, 1923.	Sept. 15, 1923.	Sept. 7, 1923.	Sept. 30, 1923.
Gold ..	73,390,999	73,390,999	73,390,999	73,390,999	73,390,999
Foreign bills ..	3,126,593,069	3,035,988,430	3,027,742,849	3,042,406,925	3,042,406,925
Bills discounted ..	862,538,374	694,020,052	700,175,024	664,357,947	664,357,947
Treasury bills ..	2,537,661,138	2,537,661,138	2,537,661,138	2,537,661,138	2,537,661,138
LIABILITIES.	..	..	..	..	..
Notes in circulation ..	6,225,109,352	5,745,412,336	5,760,597,798	5,870,550,044	5,870,550,044
Deposits ..	373,672,646	594,390,980	577,632,825	444,452,039	444,452,039

HUNGARIAN BANK.—In krone (000's omitted).

ASSETS.	Sept. 30, 1923.	Sept. 23, 1923.	Sept. 15, 1923.	Sept. 7, 1923.	Sept. 30, 1923.
Gold coin and bullion, bills ..	23,366	22,324	22,288	22,303	13,551
Bills, warrants, drafts, &c. ..	380,454,053	341,485,356	320,175,648	303,991,135	46,962,638
Loans ..	1,776,014	1,847,195	1,800,080	1,801,914	1,848,313
LIABILITIES.	..	..	..	..	..
Notes in circulation ..	588,809,505	527,227,850	476,751,285	444,055,794	58,458,093
Deposits ..	60,245,636	64,286,059	73,332,102	34,003,411	5,928,870

BANK OF NORWAY.—In kroner (000's omitted).

ASSETS.	Sept. 29, 1923.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 8, 1923.	Position May 31, 1914.
Coin and bullion—Gold ..	147,287	147,287	147,287	147,291	44,224
Balance abroad and foreign bills ..	19,700	19,815	18,640	42,793	28,533
Norwegian & Foreign Government securities ..	9,052	9,052	9,052	9,415	8,816
Discounts and loans ..	448,391	457,977	454,992	444,009	76,911
LIABILITIES.	..	..	..	..	..
Notes in circulation ..	401,990	391,278	394,250	383,571	113,489
Deposits at notice ..	88,123	108,150	102,656	134,805	7,188

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

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

ASSETS.	Sept. 14, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 24, 1923.	Aug. 17, 1923.	Sept. 15, 1923.
Govt. securities ..	11,78,58	11,78,58	11,78,58	11,78,58	11,78,58	11,78,58
Other securities ..	1,30,81	1,30,77	1,30,77	1,30,77	1,30,77	1,30,77
Loans ..	15,74,90	16,24,05	16,21,39	16,23,86	16,32,85	17,21,04
Cash credits ..	31,04,91	31,22,05	30,77,70	30,77,70	30,77,70	30,77,70
Inland bills ..	4,16,12	4,34,82	4,18,60	4,18,60	4,18,60	4,18,60
Foreign bills ..	29,71	26,54	24,41	24,41	24,41	24,41
Dead stock ..	2,43,08	2,42,20	2,42,06	2,42,06	2,42,06	2,42,06
Sundries ..	2,43,08	2,42,20	2,42,06	2,42,06	2,42,06	2,42,06
Liabilities ..	2,43,08	2,42,20	2,42,06	2,42,06	2,42,06	2,42,06
LIABILITIES.	..	..	..	..	..	..
Subscribed capital ..	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve ..	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00
Public deposits ..	20,30,29	22,06,72	23,18,91	22,86,95	22,82,23	22,82,23
Other deposits ..	72,65,80	73,01,68	72,57,11	71,18,18	71,05,00	72,96,54
Sundries ..	76,83	75,74	74,89	69,56	67,27	67,78
LIABILITIES.	..	..	..	..	..	..
The above includes—	..	..	..	..	..	..
Deposits in London ..	230	421	223	206	302	214
Advances in London ..	310	308	308	305	273	879
Cash, &c., at other Banks in London ..	332	339	91	48	89	131

BANK OF FINLAND.—In F. marks (000's omitted).

STATE OF FINANCE					
ASSETS.	Sept. 29, 1923.	Sept. 22, 1923.	Sept. 15, 1923.	Sept. 30, 1922.	Position May 30, 1914.
Gold	42,704	42,704	42,704	42,802	35,091
Balance abroad and foreign bills	329,947	383,116	396,432	371,558	90,379
Finnish and Foreign Govern- ment securities	571,399	578,407	571,407	685,534	21,826
Discounts and loans	895,125	883,494	879,123	673,736	105,151
LIABILITIES					
Notes in circulation	1,382,949	1,346,554	1,370,528	1,397,169	123,941
Deposits at notice	255,428	313,509	296,103	111,465	21,225

TRANSVAAL GOLD OUTPUT STATISTICS.

NOTICES.

Barclays Bank, Limited, announce that they have opened a new sub-branch at Regent House, High street, Llanberis, under the management of Mr T. M. Hughes, also manager of Carnarvon branch.

Messrs Samuel Montagu and Co. write as follows on October 10th :—

GOLD.

Indian requirements being small, most of the moderate amount of gold available this week will probably be taken for the United States of America. Gold valued at \$3,570,000 has arrived in New York from London.

SILVER.

The market has been dominated by the demand for prompt shipment to Bombay by this week's steamer, due to arrive in time for the October settlement in that city. This has tended to uphold the cash price, though, of course, after the 4th inst., buyers at the cash price (delivery within seven days) could not count on obtaining their silver by the 11th, the day of shipment, and a substantial premium has had to be paid. At present, the quotation for forward delivery seems rather too low to encourage sales from China and too high for China to replace recent favourable sales made here for that quarter. When the present stress is over, it is reasonable to expect some easement in prices. America is more disposed to feed our market, but the Continent is not selling with any freedom. A movement on the part of a Continental country towards silver currency is worth noting. It is stated in the Press that the Latvian Government has decided to mint 10,000,000 silver "lats," each equal to one franc of the Latin Union, and that negotiations are proceeding between the Latvian Government and the British Royal Mint with that end in view. As it is possible that the material will all be obtained from demonetised metal, the operation is not likely to affect the silver market. We have been informed that the Latvian Government decided on August 3, 1922, that the unit of Latvian currency should be the lat, representing .2903,226 grammes of fine gold. After the establishment of the Latvian Republic, the Government issued circulation notes in roubles guaranteed by all the property of the State. The exchange rate of those notes fluctuated to a certain extent, and was finally stabilised at 50 Latvian roubles to 1 gold lat. The rouble notes were issued to the extent of about 1,800,000,000, but in the spring of 1922 the issue of additional rouble notes was stopped. When the Bank of Latvia (Latvijas Banka) commenced its operations on November 1, 1922, it issued temporary 10 lat notes by simply over-printing the existing 500 rouble notes, as the Latvian Government had undertaken to maintain the relation between the lat and the rouble at 1 lat = 50 roubles. In order to do away with the dual monetary system (Latvian roubles and lats), the Latvian Government have decided to withdraw all rouble notes and to replace them by lat notes of 1, 2, 5, 10, and 20 lats denomination. Later in the year 10,000,000 lats' worth of the Government notes were replaced by copper and nickel coins of 1, 2, 5 santims, and 10, 20, 50 santims denomination respectively. The issue of notes in Latvia is strictly limited to the amount of cover, and notes can be encashed in gold, though there is not much inclination on the part of holders to do so, as the note issue is so popular. The export of gold from Latvia is not forbidden.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees)

	Sept. 15, 1923.	Sept. 22, 1923.	Sept. 30 1923.
Notes in circulation	17,736	17,789	17,929
Silver coin and bullion in India	9,553	9,606	9,749
Silver coin and bullion out of India	2,432	2,432	2,432
Gold coin and bullion in India	5,751	5,751	5,748
Gold coin and bullion out of India			
Securities (Indian Government)			
Securities (British Government)			

No silver coinage is reported during the week ending 30th ult. The stock in Shanghai on the 6th inst. consisted of about

MINING OUTPUT STATISTICS FOR SEPTEMBER, 1923

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Granite Works.	Mill.	Granite Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Abbontiakoon	6,700		..	..	..	14,138	..
Ashanti	5,570	6,057	..	..	..	29,236	..
Associated	5,783		..	..	..	7,532	..
Balaghat	3,300	4,400	2,779	229	3,261	(b) 6,989	2,147
Blackwater	3,500		..	..	..	8,664	38,743
Cam and Motor	16,000		..	..	..	3,067	17,757
Champion Reef	8,702	17,376	2,147	920	3,067	10,100	..
Colonial Mining	4,010		..	..	..	25,103	..
Great Boulder Prop.	9,473		..	..	4,835	(a) 20,676	2,584
Golden Horseshoe	8,814		..	..	..	2,141	607
Hampton Properties	1,227		..	..	..	5,511	..
Ivanhoe	13,921		..	..	4,126	9,172	..
Lonely Reef	5,330		..	..	..	\$224,150	\$88,160
Mexican of El Oro	13,519		..	..	..	\$69,000	..
Myosore	15,850	32,290	8,993	1,368	10,361	..	..
New North West	10,406	9,235	5,091	369	5,463	..	..
Nundydroog	14,500	2,200	8,954	227	9,181	..	..
Ooregun	19,320		..	..	..	\$89,436	\$20,419
Oriental Cons. (August)	..	..	..	..	..	\$95,000	..
Oriental Cons.	..	..	..	..	..	..	..
Orville Dredging—	..	..	..	..	..	\$27,726	..
Nechi (14 days to Oct. 1st)	..	..	..	..	..	\$17,904	..
Pato (14 days to Oct. 3rd)	6,200	816	..	..	3,119	14,309	6,008
Rexende	5,090		..	..	1,481	..	..
Sheba	6,750		..	..	..	13,874	2,515
South Kalgurli Cons.	..	..	..	..	..	39,700	..
St John del Rey	7,520		..	..	3,624	16,353	..
Taqush and Abosso.	..	..	..	..	..	..	..
Transvaal and Rhodesian	1,550		..	..	..	4,383	..
Fred	18,000		..	..	..	\$70,000	..
Tomboy	16,258		5,349 (gold)	..	44,947 (silver)	..	..
Waihi	..	..	..	..	..	..	..

(a) 94s per oz. (b) 88s per oz.

	Output.	Other Notes in Return.
Copper.	Tons.	
Kafue	46	Copper; 2,410 ozs silver. July return.
Namaqua	243	Blister copper.
Tanganyika	5,475	..
Tin.		
Anglo-Nigerian	10	Shipped 14 tons.
Aramayo	208	103,000 oz silver.
Bisichi	56	..
Gold Coast Cons.	69	..
Jos	152	..
Kaduna Pros.	25	..
Kaduna Synd.	14	..
Lower Bisichi	13	..
Naraguta Ext.	22	Despatched 20 tons.
Pahang Cons.	230	Black tin; 24 tons alluvial.
Premier Hydraulic	74	..
Renong	35	..
Coal.		
Chislet	4,629	Week ended Oct. 6th.
East Kent	4,790	Week ended Oct. 6th.
Miscellaneous.		
Burma Ruby	..	Valued, Rs78,000; royalties, Rs15,000; sluices, Rs6,870.
Keeley	..	135,412 ozs silver.

BROKEN HILL SOUTH.—For the four weeks ended Oct. 6th, 20,700 tons of crude ore and 7,793 tons of dump slime were treated, and produced 6,049 tons of leady concentrates, assaying 55 per cent. lead and 20 ozs silver per ton; also 2,918 tons of zinc concentrates, assaying 39 per cent. zinc.

BURMA CORPORATION.—During the month of Sept. 19, 974 tons of ore were mined, 21,600 tons of ore were milled in the treatment plant, producing 11,058 tons of leady concentrates, 10,381 tons of hard bearing material were smelted in the blast furnace, producing 4,086 tons refined lead and 435,185 ozs refined silver. The products were 3,967 tons zinc concentrate, 2,052 tons tailings. Of silver produced, 21,600 tons were recovered from treatment of copper tailings, 10 tons silver, 7.2 per cent. lead, 48 per duces 215 tons zinc concentrate, 200 tons antimonial lead were sold and shipped, and 220 tons copper by-products.

NORTH BROKEN HILL.—For the month of September 16,800 tons of crude ore were treated, producing 3,340 tons lead concentrates, averaging 64 per cent. lead, 7.9 per cent. silver per ton; and 3,000 tons zinc concentrates, averaging 50 per cent. lead, and 7ozs silver per ton.

SOUTH AMERICAN COPPER SYNDICATE.—During September 3,401 tons of ore were produced for smelting; 4,943 tons of ore with about 1,200 tons of flux added were smelted, producing 1,675 tons of matte, assaying 22½ per cent. of copper; approximate

smelted, producing 456 tons of matte, assaying 42.2 per cent copper, 1.2 per cent iron, and 0.1 per cent silver. Gross value, £7,700.

ZINC CORPORATION.—September:—Mining department—Lead concentrates, 3,258 tons of ore, producing 3,258 tons of lead concentrates, assaying 66.3 per cent. lead and 5,500 tons of zinc middlings.

Reports and Notices.

The October list (compiled by the National City Company) of securities of interest to those holding dollar funds in America may be obtained on application to the London office, National City Company, 34 Bishopsgate, E.C. 2.

The London office of the National City Company has received notification from its head office that \$750,000 Goodyear Tyre and Rubber Company first mortgage 20-year 8 per cent. Sinking Fund Gold Bonds, due 1941, have been drawn for payment on November 1, 1923, at 120, and accrued interest. A list of the numbers of the drawn bonds may be obtained on application to the National City Company, 34 Bishopsgate, E.C. 2.

We are officially informed that the British South African Company (incorporated by Royal Charter) will act as agent in London for the new Government of Southern Rhodesia until further notice.

Sir Charles Eric Hambro, K.B.E., has been elected deputy-governor of the Royal Exchange Assurance in place of the late Mr G. F. Malcolmson.

We are informed that the board of directors have appointed Mr Robert Edward Shott to be secretary of the Victoria Falls and Transvaal Power Company, Limited, in succession to the late Mr Alfred Wilson Bird, as from October 4, 1923.

Mr John Caley has been elected a director of the United Premier Oil and Cake Company, Limited.

RAILWAYS.

BUENOS AYRES GREAT SOUTHERN.—A better year has been experienced by this company. The gross receipts for the year ended June 30, 1923, have risen by £1,167,044, or 13.86 per cent., and are the highest recorded in the company's history. Working expenses are £316,596 lower, or 5.06 per cent. The net receipts amount to £3,643,913, an increase of £1,483,640, or 68.68 per cent. The ordinary stockholders receive 7 per cent., against 4 per cent. in the preceding year. The sum of £144,705 is carried forward, against £2,723 brought into the accounts. The report points out that: "General conditions in Argentina have shown some improvement during the past year, but in spite of an excellent harvest the balance of trade has been adverse, and in relation to sterling, local currency has further depreciated. The consequent loss to the company in remitting funds for the purchase of stores and the service of interest and dividends has amounted to £401,293, which has been charged to net revenue account."

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BUENOS AYRES WESTERN.—Improved results are shown in the latest report for the year ended June 30, 1923. The gross receipts have risen from £4,098,030 to £4,643,182. Working expenses have been reduced from £3,226,063 to £3,072,917, and the net revenue has risen from £871,967 to £1,570,265. The ordinary dividend has been raised from 4 per cent. to 7 per cent., and £15,639 is carried forward, against £3,590 brought into the accounts. The loss on exchange of £195,420 has been debited against the reserve fund, which was credited with the favourable differences in exchange in past years.

INSURANCE.

GENERAL ACCIDENT, FIRE, AND LIFE ASSURANCE CORPORATION, LIMITED, AND THE ROAD TRANSPORT AND GENERAL INSURANCE COMPANY, LIMITED.—We are informed that an agreement has been completed whereby Messrs Thomas Tilling, Limited, and their nominees, who represent the remaining shareholders in the Road Transport and General Insurance Company, Limited, have disposed of the whole of their holdings to the General Accident, Fire, and Life Assurance Corporation, Limited. The purchase price is in excess of twice the paid-up capital of the Road Transport and General Insurance Company, Limited, viz., £52,291, and is taken in ordinary shares of the General Accident, Fire, and Life Assurance Corporation, Limited. All the members of the board of the Road Transport and General Insurance Company, Limited, will continue in office, and they will be joined by three nominees of the General Accident Company. The Road Transport Company will continue as a separate undertaking and no change whatever in the management is contemplated. Mr Richard S. Tilling, J.P., chairman of the company, will join the board of the General Accident Company, and Mr John F. Heaton will continue to act as managing director, with a seat on the London board of the General Accident Company.

BANKS.

ALLIANCE BANK OF SIMLA.—The Imperial Bank of India, London branch, announce that they are now prepared to advance to sterling creditors of the London branch of the Alliance Bank of Simla, Limited, a sum equivalent to 50 per cent. of the moneys due to such creditors. Creditors should apply to the Imperial Bank of India, 5 Whitlington Avenue, E.C. 3, London, where full particulars can be obtained.

ANGLO-POLISH BANK, LIMITED.—This bank, formed early in 1920 under the auspices of the British Overseas Bank, Limited, has just issued its report and accounts for the year 1922. The net profit for 1922 amounted to 79½ million Polish marks, against a net profit of 166½ million Polish marks for the year 1921. The dividend is unchanged at 30 per cent. The sum of 4,160,605 Polish marks is put to reserve, and 25,568,028 Polish marks to Tantième and 23,483,481 Polish marks is carried forward. On August 7, 1923, was held the third annual general meeting of the shareholders, when, on the proposal of the council, it was decided to increase the joint-stock capital of the bank to 1,000,000,000 Polish marks.

RUBBER, &c.

BATU RATA (SUMATRA).—An improvement is noticeable in the report for the year ended June 30, 1923. The net profit of £10,163 compares with a debit balance of £4,410. The sum of £13,223 is brought into the accounts from the preceding year, making £23,386 available. The ordinary shareholders are to receive a 10 per cent. dividend, against nothing in the previous year, and £5,000 is to go to reserve, which will then make the reserve fund £16,202, and £5,793 is carried forward. Income-tax at the rate of 4s 10d in the £1 will be deducted from the above dividend. The net proceeds of sale of the rubber averaged 2.04d per lb, as compared with 8.56d per lb for 1921-22.

SELANGOR UNITED.—The net profit for the year ended March 31, 1923, amounts to £3,399, against £3,082 in preceding year. The sum of £9,718 is brought into the accounts, making an available balance of £13,117. The directors have transferred £10,000 to reserve fund, against £2,000 in preceding report, and the balance of £3,117 is carried forward. No dividend is being paid on the ordinary shares, the same as a year ago, but since the close of the financial year the directors have declared an interim dividend of 2½ per cent. in respect of the year 1922-23, and this dividend will be paid to the shareholders on October 20, 1923. The directors have acquired a new property of 1,076 acres of jungle land contiguous to St Andrew Estate at a price of \$34.50 (£4 is 3d) per acre.

BUNGEI DANGAR (MALAY).—The net profit for the year ended June 30, 1923, amounted to £1,969. The loss brought forward from the preceding year was £5,732, so that the debit balance has been reduced to £3,763. The rubber harvested during the year amounted to 256,830 lbs, against a yield of 96,974 lbs in the previous year, when tapping was suspended for seven months. The

average net sale price, including the estimated value of the unsold portion of the crop, was 1s 1.46d per lb. The cost of production, free on board at port of shipment, including provision for depreciation, was 9.44d per lb. The health of the labour force has been fairly good.

TENASSERIM HEVEA PLANTATION.—A better showing has been made by this company during the year ended May 31, 1923. The net profit is £10,663, which compares with a net loss of £743 in preceding year. The ordinary shareholders are to receive a 5 per cent. dividend, against nothing in preceding year. The sum of £4,583 is carried forward, against £450 brought in to the accounts.

MISCELLANEOUS.

ASSAM RAILWAYS AND TRADING COMPANY, LIMITED.—The following interesting table of gross earnings and expenditure is shown in the report and accounts just issued:—

	General Earnings.	Coal Earnings.	Total Earnings.	Total Expenditure.
1919-20.....	Rs. 9,92,789	Rs. 4,87,031	Rs. 14,79,820	Rs. 10,48,450
1920-21.....	10,06,484	5,81,694	15,88,178	12,59,699
1921-22.....	10,19,084	6,97,253	17,16,337	12,38,692
1922-23.....	11,79,717	7,58,158	19,37,875	13,40,935

The general revenue account (No. 9) shows a profit for the 12 months of £116,733 14s 1d. After payment of debenture interest, and allowing for all the preference dividends paid or accrued to date of the balance-sheet, there remained a balance at credit of net revenue account of £61,355 4s 6d. Out of this the directors have to provide £50,400 for the service of the "A" stock, the dividends on which have been paid at the usual dates, and out of the balance available recommend the payment of a dividend of 3 per cent. on the "B" stock, against nothing a year ago, leaving £1,955 4s 6d to be carried forward.

RAPHAEL TUCK AND SONS.—The results of the year's working to April 30, 1923, show a net profit of £41,481, against £42,136 for the preceding year. The ordinary dividend is maintained at 10 per cent. The preference dividend absorbed £13,750. The sum of £2,577 is transferred to special dividend reserve fund, and £5,882 is carried forward, against £5,728 brought into the accounts. The reserve accounts now stand as follows:—Capital reserve, £8,845; special dividend reserve, £60,169; general reserve, £35,042.

TOKYO ELECTRIC LIGHT COMPANY, LIMITED.—The Whitehall Trust, Limited, announce that they have received the following cable from the company in Tokyo:—"Hydraulic power stations and transmission lines, including underground cables, all safe. Out of seventy transforming and sub-stations in Tokyo and Yokohama twelve small stations destroyed. Out of 100,000 poles for distribution of system in Tokyo and Yokohama 35,000 destroyed. In unaffected parts of Tokyo and Yokohama service already resumed. In destroyed area company's general restoration work actively making progress."

TRAFFORD PARK ESTATES, LIMITED.—The accounts for the year ended June 30, 1923, are not credited with the capital value which has been assured to the company by the creation of chief rents and long leases. The profit and loss account for the year 1922-23 shows a balance of £37,913, and the profit on redemption of chief rents during the year amounts to £18,529, making a total of £56,442. Deducting the amount of £18,217 which has been placed to reserve in accordance with agreement with the trustees for the debenture holders, and £10,450 income-tax and corporation profits tax attributable to profit on redemption of chief rents, leaves—with the balance brought forward from last year, £107,359—an available balance of £135,134. The directors recommend the payment of a dividend at the rate of 6 per cent. for the year, which compares with 8 per cent. for preceding year, amounting to £39,000, and to carry forward the balance of £96,134.

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY.—The production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of September amounted to 60,748 barrels.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during September amounted to 104,989 barrels, or approximately 14,998 tons, including St Helen's Petroleum Company, Limited, 46,020 barrels (6,574 approx. tons); Kern Trinidad Oilfields, Limited, 9,578 barrels (1,368 approx. tons); Kern Romana, Limited, 3,080 barrels (440 approx. tons).

STEAUA ROMANA (BRITISH), LIMITED.—We are advised that the approximate field's gross production for the month of September was 18,039 tons.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 5, 1923.	Miles Open.	Week Ended Oct. 7, 1923.			Aggregate 40 Weeks 1923.		
		Passenger, &c.	Goods, &c.	Total for Week.	Passenger, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,745	264,000	346,000	610,000	1,088,800	1,388,800	2,477,600
London & North-Eastern.....	6,702	417,000	689,000	1,106,000	1,823,900	2,889,000	4,712,900
Do same period 1922.....	6,657	475,000	696,000	1,171,000	1,927,000	2,966,000	4,893,000
London, Mid., & Scottish.....	6,962	598,000	874,000	1,472,000	2,602,000	3,579,000	6,181,000
Southern.....	2,115	309,000	115,100	424,100	1,369,900	1,624,900	3,000,800
Midland & S.W. Joint.....	63	1,596	1,316	2,912	50,248	52,306	102,554
Metropolitan (a).....	794	31,832	4,059	35,891	1,286,175	146,146	1,432,321
Underground E.R. (a).....	..	..	..	..	237,651	..	9,956,760
London & Sub. Group (a).....	..	..	..	..	2,991	..	145,192
Belfast & Co. Down (b).....	80	5,015	1,451	6,466	219,612	48,780	268,392
Dublin and S.-East. (b).....	160	9,976	3,799	13,775	252,970	134,650	387,620
Midland Gt. West. (b).....	538	9,665	17,118	26,783	407,441	581,676	988,517

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
Assam Bengal	23 weeks	Sept. 8	1,072	Rs. 2,614,000	Rs. 17,461	Rs. 52,574,414	+ 1,51,992
Barak Lt. Ry.	24 weeks		15 118	12,800	3,200	7,96,800	- 56,900
Bengal & N. Western	24 weeks		15 2,062	4,51,370	1,07,980	14,551,489	- 5,79,153
Bengal Nagpur	23 weeks	8	2,738	14,28,000	+ 1,39,000	3,27,60,692	+ 5,75,393
Bombay, Bar. & C. I.	27 weeks	Oct. 6	2,994	17,79,000	- 30,000	5,50,12,000	- 19,03,000
Burma	23 weeks	Sept. 8	1,342	5,28,519	70,836	14,857,910	- 2,23,844
Delhi, Umballa & Kalka	24 weeks		15 239	85,000	67,027	23,91,776	- 14,60,500
East Indian	27 weeks	Oct. 6	2,856	34,15,000	+ 2,36,000	8,17,24,000	- 12,90,000
G. Indian Peninsula	26 weeks	Sept. 29	3,164	29,05,500	- 1,81,200	6,30,21,315	- 42,16,775
Madras & S. Mahr	24 weeks	8	259	12,75,000	- 38,555	3,48,02,855	- 1,58,293
Rohilk'd & Kumaon	23 weeks	8	314	37,751	7,347	12,69,830	- 145,868
Do Lucknow-Breilly	23 weeks	8	314	38,731	+ 4,312	14,94,978	- 1,80,721
South Indian	24 weeks	15	1,877	9,57,651	4,387	7,36,56,137	+ 7,36,428

CANADIAN.

Canadian National.....	40 weeks	Oct. 7	22,680	5,566,728	+ 80,433	187,149,556	+ 17,26,315
Canadian Pacific.....	40 weeks	7	13,539	14,976,000	+ 147,030	135,941,000	+ 5,385,000

ARGENTINE (a).

Argentina N.E.....	14 weeks	Oct. 6	758	11,800	+ 3,400	156,600	+ 15,000
Argentina Trans.....	14 weeks	6	3,317	4,525	+ 1,326	50,684	+ 25,094
A. & A. Pacific.....	14 weeks	6	3,948	140,000	+ 4,000	1,825,000	+ 26,000
B. A. Gt. Southern.....	14 weeks	6	3,948	175,000	+ 26,000	2,212,000	+ 10,000
B. Western.....	14 weeks	6	1,882	80,000	+ 1,000	1,034,000	+ 19,000
Central Argentine.....	14 weeks	6	3,305	210,000	+ 47,000	2,825,000	+ 209,000
Cordoba Central.....	14 weeks	6	1,305	52,500	+ 1,500	893,100	+ 23,400
Entre Rios.....	14 weeks	6	729	21,800	+ 4,300	244,100	+ 15,400

BRAZILIAN (b).

Gt. West. of Brazil.....	40 weeks	Oct. 6	1,100	9,700	+ 2,300	365,400	+ 199,100
Leopoldina.....	40 weeks	6	1,831	28,789	+ 5,643	1,036,144	+ 123,504
San Paulo.....	40 weeks	7	1,533	32,011	+ 534	1,184,901	+ 71,627

CHILEAN.

Antofagasta.....	40 weeks	Oct. 7	838	30,000	+ 8,430	1,397,410	+ 539,810
Nitrato (4-monthly).....	33 weeks	Sept. 30	366	17,945	+ 4,383	599,834	+ 294,433

CUBAN.

Havana Central.....	13 weeks	Sept. 29	11	11,947	+ 2,322	149,506	+ 27,388
United of Havana.....	14 weeks	Oct. 6	1,210	56,784	+ 12,229	819,856	+ 148,490

URUGUAYAN.

Central Uruguay.....	14 weeks	Oct. 6	273	24,272	+ 1,215	286,076	+ 2,200
C. Urug. (East Ext.).....	14 weeks	6	311	4,222	+ 285	56,391	+ 179
C. Urug. (North Ext.).....	14 weeks	6	185	2,321	+ 200	32,465	+ 2,496
C. Urug. (West Ext.).....	14 weeks	6	211	2,512	+ 228	26,600	+ 1,258

OTHER OVERSEAS.

Alcoy and Gandia.....	40 weeks	Oct. 6	33	12,000	+ 300	822,800	+ 61,850
Burghman Delta.....	25 weeks	Sept. 20	575	7,616	+ 921	117,230	+ 21,501
Gt. Southern of Spain.....	33 weeks	Oct. 7	104	14,152	+ 46,040	3,519,281	+ 441,332
Mexican Railway.....	14 weeks	Oct. 7	432	214,400	+ 41,600	3,315,300	+ 315,600
New Cape Central.....	37 weeks	Sept. 15	805	2,048	+ 93	26,453	+ 2,137
Paraguay Central.....	14 weeks	Oct. 6	274	4,600	+ 2,910	55,940	+ 39,940
Salvador.....	14 weeks	6	100	3,424	+ 1,657	33,800	+ 5,510

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Percent Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine.....	40 weeks	Oct. 7	339	287,255	+ 1,048	3,348,143	+ 7,186
Burnley Corporation.....	1 week	6	12	25,100	+ 244	..	+ 129,953
Calcutta Tramways.....	40 weeks	6	353	141,885	+ 39,418	..	+ 3,669
Calcutta & District.....	33 weeks	Sept. 27	15	41,521	+ 113	61,562	+ 5,469
Egyptian Markets.....	40 weeks	Oct. 4	..	41,879	+ 145	72,835	+ ..
Glasgow Corporation.....	18 weeks	6	106	447,340	+ 1,611	793,721	+ 23,243
Tramways.....	52 weeks	Sept. 30	..	4,674	+ 119	606,699	+ 883
Isle of Thanet.....	40 weeks	Oct. 2	39	43,036	+ 23	114,452	+ 7,155
Leamington United.....	18 weeks	6	124	229,108	+ 1,530	753,901	+ 51,648
Liverpool Corporation.....	27 weeks	10	163	486,057	+ 9,447	2,385,211	+ 200,255
London Tramways.....	27 weeks	10	163	486,057	+ 9,447	2,385,211	+ 200,255
L.C.C. Tramways.....	39 weeks	Sept. 30	..	49,661	+ 5,480	949,214	+ 66,519
Madras Elect. (2 wks).....	39 weeks	Oct. 7	..	43,652	+ 378	146,098	+ 553
Pernambuco Tram.....	40 weeks	Oct. 7	..	..	..	..	..

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1922.	1923.	1923.	Increase or Decrease.	1923.	Increase or Decrease.
Jan.	235,827	235,678	\$ 503,816,521	+ 10,581,364	\$ 93,279,686	+ 35,012,890
Feb.	235,625	235,399	444,891,872	+ 44,745,431	70,387,622	+ 5,242,712
Mar.	234,986	235,424	533,553,199	+ 59,806,190	117,117,122	+ 3,419,324
April.	235,839	234,970	521,387,412	+ 105,578,442	118,627,158	+ 38,260,343
May	235,472	235,186	545,503,898	+ 97,510,054	126,173,540	+ 32,573,715
June	236,683	236,739	540,054,165	+ 66,903,501	124,046,578	+ 14,427,890
July	235,813	235,477	534,634,552	+ 91,678,679	121,044,775	+ 18,392,282

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.		
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Preferential.	Ordinary.				
					Amount.	Amount.	Rate.			
Breweries.										
Longmorn-Glenlivet Distilleries..	July 31	£ 14,534	£ 6,255	£ 20,789	£ 750	£ 3,000	20%	£ 1,500	£ 15,539	9,053
Financial, Land, &c.										
Caledonian Property Investment	July 31	..	2,243	2,243	..	1,066	3%	329	848	2,151
Trafford Park Estates	June 30	107,359	45,992	153,351	..	39,000	6%	18,217	96,134	60,570
Iron, Coal, and Steel.										
Agricultural & General Engineers	Mar. 31	14,028	Dr 10,430	3,598	..	..	..	..	3,598	13,572
Dalmellington Iron	June 30	6,875	42,319	49,194	6,500	20,475	7½%	15,000	7,219	19,448
Rubber.										
Batu Rata (Sumatra)	June 30	13,223	10,163	23,386	..	12,593	10%	5,000	5,793	Dr 4,410
Kuala Pergau	Feb. 28	Dr 7,942	Dr 2,084	10,026	..	..	..	Dr 10,500	474	Dr 5,839
Selangor United	Mar. 31	9,718	3,399	13,117	..	..	..	10,000	3,117	3,082
Sungei Dangar (Malay)	June 30	Dr 5,732	1,969	3,763	..	..	..	Dr 3,763	Dr 5,027	nil
Tenasserim Hevea	May 31	450	10,663	11,113	..	6,529	5%	..	4,584	Dr 743
Shipping.										
W. Hartlepool Steam Navigation	Mar. 31	15,374	69,782	85,156	11,000	15,675	15%	..	58,481	55,722
Other Companies.										
Associated Fire Alarms	June 30	4,579	5,334	9,913	..	2,162	5%	5,469	2,282	..
Glenboig Union Fire-Clay	Aug. 31	11,979	20,989	32,968	..	22,812	20%	..	10,156	14,432
Goode, Durrant, and Co.	July 20	5,852	56,756	62,608	11,550	25,125	10%	20,000	5,933	60,473
Harrisons and Crosfield	June 30	45,114	192,711	237,825	37,800	100,000	10(y)	12,000	66,526	149,138
Raphael Tuck and Sons	April 30	5,728	41,481	47,809	13,750	25,000	10%	2,577	5,882	42,136

† Free of tax. (y) Preferred ordinary. (y) Deferred and management shares.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Preparations are well forward for autumn sowings, and drilling has commenced in Southern localities. With regard to this year's crops, official reports state that winter wheat, barley and oats show good quality, but spring cereals less favourable, while estimates of total yields were reduced slightly for all descriptions. Native wheat in fair supply, and a steady demand prevailed for all suitable milling grades at about 8s 9d to 9s 2d, with inferior slow to move at 7s 8d to 8s per 122 lbs free on rail. Imported descriptions were also accorded a fair amount of patronage, particularly North American grades at generally steady rates. No. 1 Northern Manitoba, ex ship, 48s; ditto landed, 50s; No. 2 mixed Durum, ex ship, 44s 6d; Barusso, 62½ lbs, ex ship, 44s 9d; choice white Karachi, landed, 44s; red ditto, 43s per 49½ lbs. A quiet tone prevailed in the floating and forward cargo section, but sellers were not disposed to press, which resulted in a steady price level. Steamers of Barusso, 62½ lbs, October shipment, changed hands at 42s 3d to 42s 6d, new crop, January-February, 43s 3d per 48½ lbs. Maize cargoes rather more firmly held. Steamers of No. 6 yellow African, afloat, sold at 35s 3d, Bessarabian October 35s 9d, Dan-Gal-Foxanian ditto 35s, and La Plata September 15th-December 15th 35s per 48½ lbs. Flour steady, with a fair demand. London standard straight run quoted at 38s, patents 40s-41s, town households 36s, per sack delivered in. All English country straight, 31s-32s per sack, delivered to London stations. Imported remains quiet. Manitoba patents range from 27s-40s as to sample, Australian quoted at 32s 9d per 28½ lbs, ex store. Millers' offals steady. Broad bran quoted 7s 3d, ordinary ditto 6s 3d; middlings 8s 3d, bags included, ex mill; light oats 5s 9d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 9d, free on rail; all per cwt. Barley firm. English malting ranges from 10s-13s, with feeding sorts 8s-8s 9d per 112 lbs, free on rail. Imported, Californian quoted at 39s-43s 6d, Chilean brewing 40s-42s, both ex store, per 44½ lbs. Persian 26s 6d, Danubian 31s, landed; No. 3 Canadian Western 29s 3d ex ship, 30s landed; No. 4 ditto, ex ship, 28s; Algerian-Tunisian 27s 6d ex ship; all per 40½ lbs. Maize again firmer. Plate, ex ship, 35s 6d-35s 9d; landed, 36s 6d-36s 9d; No. 6 yellow African, ex ship, 35s 6d; all per 48½ lbs. Oats: English fully steady at 7s 8d-10s per 112 lbs, free on rail. Imported firmly held. Plate ex ship 22s 6d, ditto landed 23s 9d; No. 2 Canadian Western ex ship 27s 6d, landed 28s 9d; No. 3 ditto ex ship 26s 9d; New Zealand "A" grade landed 38s-40s, "B" grade 36s; all per 32½ lbs. Oatmeal in fair demand for London made, and prices dearer for rolled oats at 18s ditto, all cuts, quoted 17s 6d, whole groats 17s 6d, Scottish oatmeal 19s 6d-21s, and American, all cuts, 16s 6d-16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924	1922-1923	1921-1922	1920-1921
Estimated sales of home-grown wheat—				
1 week to October 6	Cwts. 418,253	Cwts. 427,980	Cwts. 462,333	Cwts. 375,586
5 weeks to October 6	2,070,569	1,588,171	2,176,357	1,851,787
Average price of English wheat per cwt.	s d 8 9	s d 8 11½	s d 12 11	s d 21 1½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—



ARCOS LTD
Capital £1,000,000
49, Moorgate, London, E.C.2.

Inland Telegrams: Arcosarcos Ave. London.
Telephone: London Wall 6626 (ten lines).

Cables: Arcosarcos. A.R.C. 5th & 6th Editions. Bentley's Marconi, Zebra.

Sole purchasing and selling Agency in Great Britain for the Russian Soviet Government.

ARCOS IMPORTS FROM RUSSIA

TIMBER, LAX, PETROLEUM SPIRIT, OIL, METALS, ORES, CHEMICALS, CRUDE DRUGS, Etc., Etc.

ARCOS EXPORTS TO RUSSIA

MANUFACTURED GOODS OF ALL KINDS.

BRANCHES:

NEW YORK: 136 Liberty Street
PARIS: 1 Rue Taibout.
CONSTANTINOPLE: Rue Vourada, Galata, etc., etc.

MOSCOW: Tverskaya 1, (Ugol Ploshchadi Revolutsii).
PETROGRAD: Ul. Gertzena 24.
KHARKOV: 24 Rimarskaya.
TIFLIS: 38 Rustaveli Prospekt.

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.	Cwts. 452,342	Cwts. 388,291	Cwts. 110,315	s d 8 9	s d 10 11	s d 8 10
Sept. 29	418,253	468,511	109,768	8 9	10 9	8 9
Oct. 6	188,387	418,882	36,192	17 0	26 8	21 1
1920	375,579	371,171	92,185	21 1	24 1	20 1
1921	462,330	588,629	62,462	12 11	16 4	9 10
1922	427,984	243,996	75,462	9 0	10 6	8 11

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated October 11th, is as follows:—Pig-iron: The tone of the market for pig-iron is distinctly better, and more inquiry is about. What we want now is a settlement of the boilermakers' dispute and a chance for our shipyards. No. 3 Cleveland G.M.B. is now quoted 95s 6d per ton, and East Coast mixed numbers hematite pig-iron 99s per ton. Manufactured iron and steel: There are a few more orders for steel about. Quotations are unchanged. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s. Iron ore: Business in imported ore is still very scarce and difficult. Prices under present conditions are so low that any reduction seems to be quite excluded. Indeed, it would be difficult to buy for forward delivery at anything like the present level. Best Bilbao Rubio ore is quoted 23s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—Steel trade conditions have been particularly depressing this week, as most departments report a falling off of both bookings and actual work, while unemployment has again increased. The reaction has manifested itself in both the heavy and light branches. Buyers have never been so shy before during the present year. Their attitude is perhaps excusable in view of the early release of stocks of German steel, although it is by no means certain that any considerable quantity of this will reach outside markets. Rolling mills are quieter on bar and rod work, but busy on sheets. Soft basic wire rods have been reduced from £12 to £11 10s, and soft basic billets can be bought at £8. Engineering requirements are limited, and much of the trade in screwing tackle, twist drills, and cutters is secured by the German makers, whose prices, although constantly rising, are sufficiently low to compete successfully with the British goods. In this department French competition is becoming a factor to be reckoned with. Orders for pig-iron have been rather more liberal this week, but there is no certainty that the improvement will be maintained. More than half the steel furnaces in the district are idle. Some orders for rails and rolling-stock steel are said to be on the way. Good orders in this department are on hand from South America, one of them being for 6,000 wagon tyres. The plate and cutlery branches are extremely quiet for the time of year. The cutlery branches are dropping off, and with competition exceptionally severe no profits are being earned in this ancient trade. Business in the coal market is distinctly quieter, and the pits are not working so regularly as of late; nevertheless, output is still on a large scale. Prices per ton at pits are:—Best hand-picked branch, 29s 6d; Barnsley best silckstone, 26s 6d; Yorkshire best steam, 20s; rough slacks, 11s; nutty slacks, 10s; smalls, 7s; blast-furnace coke, 24s.

Our Glasgow correspondent writes:—Scotch hematite has remained stationary at £5 5s. f.o.t. at works, while No. 1 foundry has yielded 1s 3d a ton at £5 3s 9d, and No. 3 also 1s 3d a ton at £4 18s 9d, both makers' works. These changes are not regarded as significant of what may transpire in values, which, outside of Glasgow, are rather to the stiffish side, mainly because producers and consumers are at last eating into stocks where such exist, and that is not observant in any of the leading districts. Crown bars are still commanding £12 a ton delivered Glasgow. Manufactured steel is more active again, and producers have held their own against recent Continental offerings (French and German) for railway plant and equipments a good inquiry is in evidence, better than appears on the surface. Probably the most energetic department of the day is that for sheet bars and sheets alone. All the works here, and there are several, are fully employed, and it seems that the managements have every reason to be satisfied with the prospects. A lot of this kind of work is on hand for Japan, China, India, and Australia, and the bookings are on a substantial scale. Sheets ½" to 1" are called £12 10s, and corrugated 24 b.g. are £18 17s 6d—all delivered Glasgow stations. Steel hoops (on which there is a good amount of work proceeding) are named as at £12 10s to £13 10s b.g.; ship plates, £9 10s to £10; and steel joists, £9 to £9 15s a ton. Shipbuilders and others are still concerned over the settlement of the boilermakers' dispute, about which all that can be said definitely is—that negotiations between the parties are still proceeding. The Southern Railway Company have placed an order for two powerful cross-channel steamers with Messrs. Wm. Denny and Brothers, Limited, Dumbarton. Each steamer is to be 325 ft long. Messrs. Denny provide the pelling engines. The Latvian Government have given out to Messrs. William Beardmore and Co., Dalmuir, a contract for a 5,000 h.p. ice-breaker, of 2,800 tons displacement. Then the Indian Government have placed an order with Glenfield and Kennedy, Limited, Kilmarnock, for an irrigation barrage, which will keep works fully employed constructing throughout the year, employing about 2,000 men.

Our Cardiff correspondent writes:—There has been no improvement in the state of business on the Cardiff coal market this week, and prices have further declined. Continental demand continues to hang fire. Stocks in France have been further depleted, but consumers in that country are still hopeful—although nothing like as confidently as they were a week or two ago—of receiving large reparations deliveries from the Ruhr, and they are consequently restricting their demands to current requirements. The Italian market is also quiet, and trade with South America gives no sign of expansion. The approximate current quotations are as follows:—Best Admiralties, 27s to 28s 6d; second Admiralties, 26s to 27s; best drys, 27s to 28s; black veins, 26s 6d to 27s 6d; Western Valleys, 26s to 26s 6d; Eastern Valleys, 23s to 25s; best bunker smalls, 17s to 19s; ordinary cargo smalls, 14s to 16s; anthracite big vein large, 42s 6d to 50s; machine-made cobbles, 55s to 57s 6d; French nuts, 60s to 62s 6d; stove nuts, 55s to 57s 6d; rubbly culm, 15s to 15s 3d; inland blast-furnace coke at ovens, 30s to 35s; coke for export, 42s 6d to 47s 6d; patent fuel, 28s 6d to 32s; pitwood, ex ship, 27s to 27s 6d.

The improvement in the iron and steel trade is maintained, and prices show a tendency to advance above the minimum figures. The Customs returns, however, show as yet no material expansion in the volume of the export trade. The fusion of Richard Thomas and Co., Limited, with the Grovesend Tinplate Company creates the largest tinplate combine outside the United States, and it is expected that the amalgamation of these two important concerns will strengthen the demand for the establishment of a central selling agency for the whole of the industry.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Cables from the colonies report continued active buying on Continental and Japanese account, but wool values are on too high a basis for Yorkshire operators. Prices obtainable for tops in Bradford are pence per lb too low, and importers are accordingly adopting a waiting policy. The tone of the market in this centre is fairly good, this being influenced by the strong wool position, but actual business in merino tops is disappointing. Quotations are practically unchanged, but while average 64's are quoted at about 5s, there are sellers at slightly less money. In crossbreds, however, there is certainly more interest, and for anything below about 50's quality prices are firm, with, if anything, a hardening tendency. At current prices crossbreds look attractive, more especially as demand for piece goods is tending more and more to centre on the

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Price, Oct. 11, 1923.	Corresponding dates in				
	1922.	1921.	1920.	1919.	1918.

	Month Ended September 30.		Nine Months Ended September 30.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	£ 860,846	£ 389,852	£ 2,226,085	£ 3,078,514
B. Feeding stuffs for animals	145,051	141,791	1,419,517	1,232,874
C. Meat	89,383	122,867	725,537	916,158
D. Animals living for food	5,970	18,320	24,254	117,696
E. and F. Other food and drink	2,139,874	2,646,982	18,185,349	20,154,637
G. Tobacco	614,987	650,366	4,469,227	4,954,317
Total, Class I.	3,154,111	4,010,178	27,049,969	30,458,196
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	8,110,083	7,824,126	51,410,935	75,395,587
B. Other non-metallic mining and quarry products and the like	162,309	154,076	1,253,385	1,367,631
C. Iron ore and scrap	37,388	50,874	454,671	406,086
D. Non-ferrous metalliferous ores and scrap	209,650	167,730	4,408,724	1,753,221
E. Wood and timber	29,069	28,289	261,504	324,433
F. Raw cotton and cotton waste	102,753	61,301	774,246	1,223,456
G. Wool, raw and waste, and woollen rags	652,039	595,706	5,617,640	7,316,425
H. Silk, raw, knobs and noils	2,478	12,982	47,965	87,851
I. Other textile materials	54,947	35,737	678,416	431,037
J. Oil seeds, nuts, oils, fats, resins, and gums	329,023	502,252	3,967,419	4,208,922
K. Hides and skins, undressed	136,346	98,429	1,296,686	1,819,626
L. Paper-making materials	118,861	120,027	908,197	1,127,044
M. Rubber	5,267	9,955	69,133	97,136
N. Miscellaneous raw materials and articles mainly unmanufactured	156,057	159,015	2,061,903	3,024,677
Total, Class II.	10,098,848	9,820,967	73,210,824	98,582,111
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	541,720	1,155,087	3,629,745	7,035,684
B. Earthenware, glass, abrasives, &c.	884,112	1,041,894	8,271,852	8,717,415
C. Iron and steel and manufactures thereof	4,630,207	4,195,936	44,698,790	54,916,605
D. Non-ferrous metals and manufactures thereof	899,230	1,172,980	8,536,520	10,614,418
E. Cutlery, hardware, implements, and instruments	493,766	709,200	4,805,132	5,496,781
F. Electrical goods and apparatus	524,142	682,194	5,382,340	6,039,466
G. Machinery	4,280,692	3,407,617	37,809,217	33,627,815
H. Manufactures of wood and timber	128,378	168,535	975,004	1,358,127
I. Cotton yarns and manufactures	16,395,648	14,552,489	140,920,847	132,909,538
J. Woollen and worsted yarns and manufactures	4,594,229	5,696,853	43,963,517	47,894,689
K. Silk and silk manufactures	211,041	212,196	1,796,612	1,462,864
L. Manufactures of other textile materials	1,897,235	1,977,963	16,596,397	17,491,151
M. Apparel	2,156,409	2,859,082	16,360,061	19,347,776
N. Chemicals, drugs, dyes, & colours	1,733,883	2,341,761	16,265,935	18,477,588
O. Oils, fats, & resins, manufactured	597,621	493,982	4,394,173	5,012,356
P. Leather and manufactures thereof	436,533	492,221	3,689,380	4,144,865
Q. Paper and cardboard	646,296	837,282	4,722,853	5,169,497
R. Vehicles (including locomotives, ships, and aircraft)	4,363,407	1,631,268	39,518,301	22,165,188
S. Rubber manufactures	393,827	450,479	3,820,964	3,934,804
T. Miscellaneous articles mainly or wholly manufactured	2,552,433	2,894,057	20,407,859	21,853,115
Total, Class III.	48,361,209	48,937,040	425,514,247	428,767,830
IV.—Animals, not for food				
	111,223	131,235	1,113,177	869,036
V.—Parcel Post.				
	785,708	936,724	7,835,550	7,445,208
Total	62,911,099	63,836,144	534,723,767	566,122,381

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Florida do.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord	G O M	M G	M G	M F	M F	G O L M	G M	G M	G M	G M	G M
Brazilian :.....	129	1559	1609	1664	1694	1749	1112	1197	1267	1197	1267	1316
Paraná.....		Mid M F	Fr. G F	Gd. Fne			M F	Fr. Gd.	Fr. Gd.	M F	Fr. Gd.	
Parahyba, Rio Grande, &c.		1569	1669	1744			1072	1222		1161	1411	
Macao, &c.		1569	1669	1744			1072	1222		1161	1411	
Mossoro, &c.		1569	1669	1744			1072	1222		1161	1411	
Ceará.....		1569	1669	1744			1072	1222		1161	1411	
Maranhão, &c.		1569	1669	1744			1072	1222		1161	1411	
São Paulo.....		1569	1669	1744			1122	1202				
Egyptian :.....		Fr. G G	For Gd	Gd. Fne			Fr. G G	Gd.				
Upper.....		1655	1745	1735	1755	1870	1215	1315	1415		1950	2250
Lower.....		1765	1840	1860	1950	2050	1415	1640	1915			
Brown.....		1655	1715	1735	1780	1870	1215	1365	1540		1975	2135
Peruvian :.....		M F	Fr. G	Gd. Fne			M F	Fr. Gd.				
Rough.....		1750	1870	1900			1300	1450			1550	
Moderately Rough.....		1619	1694	1744	1794	1819	1207	1357	1482		1325	1500
Smooth.....		1594	1644	1694	1744	1819	1207	1357	1507	1361	1636	1811
Tangala.....			1600	1675	1750	1800		1100	1450			
Miscellaneous.....			1600	1700	1775			1275				
West Indian :.....			1900	2100	2430	2500		2200	2800		3000	3600
Do Sea Island.....	1200	1300	1450	1550	1650	1750	1025	1200	1400	1250	1450	1650
African, East, &c.		Mid M	Fr. G	Gd. Fne	M F		Mid med					
Do.....		1594	1604	1614	1694	nm		1082	1157			
Do West.....	G F	For Gd	F G	F G	S'm		For Gd	Fne				
East Indian :.....			1480	1520	1560							
Machine Ginned Burmes.....		1215	1255	1295	1335	1375	1015	1055	1135	1205	1235	1365
Machine Ginned Ceylon.....		970	1020	1070	1120	1170	1220	870	920	1000	969	1030
Machine Ginned Bhowanggar.....		970	1030	1080	1130	1180	1230	880	930	1010	975	1025
Machine Ginned Comra. No. 1.....			1055	1105	1155	1205		905	985			
Machine Ginned Comra. No. 2.....		980	1030	1080	1130	1180		830	880	960	990	1050
Machine Ginned Khandah.....			1025					1025				
Machine Ginned Komphah.....	1185	945	985	1025	1065	1105	885	785	895	815	865	965
Machine Ginned Bengali.....		895	935	975	1015	1055	1095	675	715	805	845	955
Machine Ginned Soinde.....		1370	1410	1450				1185	1225		1355	1395
Tinnivelly.....		1120	1160	1200	1240			960	1000		1045	1070
Madras, Northern.....			1225					1025				
M. G. Coconada, Red.....	Fr.	1200										

The feature of the market continues to be the scarcity of linseed oil for prompt or nearly prompt delivery. It is being due to the small arrivals of seed for some weeks past, and the smaller production of oil in the mills. Demand from the consuming trades has been quite good, and this, combined with some amount by speculators to cover, has had a stiffening effect on prices, which have approached £43 for spot oil naked ex-Hull mill. Cotton oils have been a dragging trade, but late values are about maintained, supplies being short, pending further arrivals of the new Egyptian seed. Crude oil from the latter is already offering at 20s per ton below old oil, and a good business appears to have been done for November delivery. Crude soya bean oil of English make is in fair demand, and palm kernel oil continues to find a good market, both home and export.

(BY OUR OWN CORRESPONDENT.)

Hides were practically unchanged at the Bermondsey hide and skin sales, held on Thursday, the only alteration in ox and heifers being an advance of 4d per lb for 59 lbs, and under second class. Second cows were rather firmer, as was also the case with second kips. Calf skins were unchanged when sold, all the lightest weights not finding buyers. Wools made from 4s 7d to 2s, and hogs from 2s 6d to 10s per skin.

Business appeared good with shoe manufacturers at the Shoe and Leather Fair at the Agricultural Hall, and I rather think the Fair will have justified itself in this direction. The exhibit of all British boots and shoes attracted a good deal of attention, as it clearly proved that as far as quality is concerned, our tanners are quite equal in every way to their oversea competitors.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, October 12.

SUGAR.—Market conditions pointed to no new feature. Demand remains quiet both on grocery and manufacturing account, and the pause so pronounced of late appears to be the natural sequel to previous active replenishing of stocks, while with further regard to the grocery side of the article, the period of the year is now reached when movement of dried fruit for the Christmas fare monopolises attention, with finance a paramount factor. Thus trade throughout the period under review pursued a rather dragging course, and values in some directions were inclined to sag, with no material alteration, however, recorded. Most European beet factories will be in full blast next week, and it is anticipated that every endeavour will be made to deliver early owing to the premium commanded. Raw refining sugars sell quietly, but full prices are asked by holders owing to paucity of offers, and in view of the fact of marked absorption lately by American interests of Peruvian and Brazilian 96 per cent. Messrs Tate and Lyle's spot quotations

Business throughout the market continues very difficult to arrange. Plenty of demand has been about, but the prices that buyers are prepared to pay are seldom acceptable to sellers. A considerable inquiry has been met with in cloth for India, and further buying of moderate extent has taken place in light bleaching descriptions, with the result that makers are now firmer in quotation. Many more attempts have been made to arrange contracts in grey shirtings, and rather more trade has been done in stock lots. The feeling is growing that if values could be stabilised business for India would flow much more freely. The outlook for China business is slow in improving. A few more lines have been put through in white goods, but bids in grey staples remain poor. Miscellaneous fabrics have attracted rather increased attention for Egypt, Turkey, and South America, and fancies continue to be bought for the United States and the Continent. The undercurrent of demand in home trade goods keeps up fairly well. American yarn quotations have been irregular when tested, and a restricted business has been done. Some fair orders have been booked in Egyptian spinnings. Most of the demand in export yarns has been for India in fine counts.

	Price, Oct. 11, 1923.	Previous Weeks in 1923.				
		Price, Oct. 4.	Price, Sept. 27.	Price, Sept. 20.	Price, Sept. 13.	Price, Sept. 6.
		d	d	d	d	d
Raw Cotton—Fully Mid. American .. per lb	1656	1699	1695	1858	1729	1670
— Sakellaridis Fully Good Fair ..						
Egyptian .. per lb	1835	1890	1835	1900	1760	1725
Yarns—32's twist .. per lb	224	23	23	23	23	212
— 40's welts .. per lb	224	23	23	24	23	212
— 80's twist (Egyptian) .. per lb	31	31½	31	31½	30	294
	s	d	s	d	s	d
32-in. Printers, 11½ yds, 16 by 16, 32's and 50's	32	6	33	0	33	0
32-in. Shirts, 75 yds, 19 by 19, 32's and 40's	36	0	36	6	36	0
38-in. ditto, 35 yds, 18 by 16, 10 lbs.	19	3	19	3	19	4
32-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	17	9	17	9	17	6

Correspondence solicited.

(FROM A CORRESPONDENT.)

cheaper fabrics. Buying, however, is still being conducted on hand-to-mouth lines, and users are apparently unwilling to do much forward buying. In the yarn trade the discrepancies in quotations are more glaring than ever. Forced sales are resulting in prices being accepted that can only be described as ridiculous, having regard to the cost of replacement. Competition is exceedingly keen, however, for the comparatively small amount of new business on offer, and in their anxiety to keep machinery running spinners seem to be selling almost regardless of the consequences. The white Botany section is probably in the worst position at the moment, but in all departments there is great irregularity in prices. The piece goods trade does not show much expansion. The wholesale fabric buyers are mainly interested in the cheapest productions, and it looks as if the bulk of the trade, both on home and export account, is turning definitely to crossbreds.

the greasy New Zealand wool, which was mostly 46's to super 50's quality. Prices were about 5 per cent. above those current in

The progress of the wool-selling season in the colonies will be marked by the holding of a sale at Christchurch on November 15, after which sales will be held every few days at one centre or another in New Zealand right up to next March 27th. If the same quantity of wool is sold during this season as last, fully 80 per cent. of the Australian and New Zealand clips will be disposed of locally. It is quite evident that sales on a large scale in the colonies have become a permanent institution, and, as far as one can see, there is no prospect of growers wanting to sell any more wool in London than is the case at present. The maintenance of merino prices will depend almost entirely on the Continent. Bradford firms would be only too pleased to see a fall of 10 per cent. Biggest buyers in France and Switzerland are rather doubtful. They can still sell their piece goods, and the depreciation in the French currency will help them in this way, but there seems to be little doubt that fashion is gradually turning from merinos to fine broads.

Signs of returning interest in crossbreds were evident at the Liverpool sale last week, when Bradford buyers took the bulk of

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The List will be closed on or before Tuesday, the 16th October.



NIGERIA GOVERNMENT 4% INSCRIBED STOCK, 1963

Issue of £5,700,000.

Price of Issue £88 per cent.

Interest payable 15th April and 15th October.
Six Months' Interest payable 15th April, 1924.

Authorised by Ordinance No. 1 of 1923.

£5 per cent. on application, and the balance payable as under:—
£50 per cent. on the 30th October, 1923.
£33 per cent. on the 19th November, 1923.

The Government of Nigeria having complied with the requirements of the Colonial Stock Act, 1900, as announced in the "London Gazette" on the 27th January, 1919, Trustees are authorised to invest in this Stock, subject to the restrictions set forth in the Trustee Act, 1893.

The Loan is the first instalment of an issue to produce a total of £10,528,730, plus the cost of issue, and is raised for the construction of Railway, Harbour, and other Public Works in the Colony.

THE CROWN AGENTS FOR THE COLONIES, on behalf of the Government of Nigeria, invite applications for the above amount of Stock, which will be issued under the provisions of the General Loan and Inscribed Stock Ordinance, and will be inscribed in accordance with the provisions of the Colonial Stock Act, 1877, 40 & 41 Vict., c. 59.

The Loan is secured on the general revenues and assets of the Government of Nigeria, and the principal will be payable at par on the 15th October, 1963, by a Sinking Fund of not less than one pound per cent. per annum, the first half-yearly contribution being taken not later than 15th April, 1927, to be formed in this country under the management of the Crown Agents, who are appointed Trustees.

The interest at the rate of £4 per cent. per annum will be payable half-yearly on the 15th April and the 15th October in each year by Dividend Warrants, which, if desired, may be transmitted by post, either to the Stockholder or other person, bank or firm within the United Kingdom. Principal and interest will be payable at the Office of the Crown Agents for the Colonies, London.

The Stock will be transferable at the Crown Agents' Transfer Office, No. 1, Tokenhouse Buildings, E.C.2, without charge and free of Stamp Duty.

Applications, which must be accompanied by a deposit of £5 per cent., will be received at the Crown Agents' Offices at 4, Millbank, London, S.W.1, and at 1, Tokenhouse Buildings, London, E.C.2, and the subsequent payments are to be made at the Crown Agents' Transfer Office, 1, Tokenhouse Buildings, E.C.2, not later than the dates above-mentioned.

In the case of partial allotment, the balance of the amount paid on application will be applied towards the payment of the first instalment. If there should be a surplus after making that payment, such surplus will be refunded by cheque.

Applications may be for the whole or any part of the issue, but no allotment will be made of a less amount than £100 Stock or multiples thereof.

Payments may be made in full after allotment under discount at the rate of £2 per cent. per annum from 30th October or from any subsequent date.

Interest at £5 per cent. will be charged on instalments if in arrear, and non-payment of any instalment at its due date will render the deposit and instalments previously paid liable to forfeiture and the allotment to cancellation.

After payment by the allottees of the instalment due on allotment, they will receive at the Crown Agents' Transfer Office, No. 1, Tokenhouse Buildings, E.C.2, in exchange for the receipted Letter of Allotment, Scrip Certificates, which, when paid in full, will be convertible into Inscribed Stock.

Stock Certificates to Bearer of the denominations of £1,000, £500 and £100, with coupons for the half-yearly Dividends attached, will be obtainable in exchange for fully-paid Scrip Certificates or Inscribed Stock at the Crown Agents' Transfer Office, No. 1, Tokenhouse Buildings, E.C.2, on payment of the prescribed fees, and such Certificates can, if desired, be re-inscribed.

A commission of Five Shillings per cent. will be allowed to Bankers and Stockbrokers on allotments made in respect of applications bearing their stamp.

The revenues of the Colony of Nigeria alone are liable in respect of the above Stock and the Dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of His Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the Stock or of the Dividends thereon, or for any matter relating thereto (Act 40 & 41 Vict., c. 59).

Forms of Application and a Statistical Statement relative to the Public Debt, Revenue, Expenditure and Trade of the Colony from 1913 to 1923 may be obtained by applying to the Crown Agents for the Colonies at 4, Millbank, S.W.1, or at 1, Tokenhouse Buildings, E.C.2; to Messrs Mullens, Marshall, Steer, Lawford & Co., 13, George Street, Mansion House, E.C.4; to Messrs J. & A. Scrimgeour, 6, Austin Friars, E.C.2; to the Bank of British West Africa, Ltd., either at 37, Gracechurch Street, E.C.3, West Africa House, 25, Water Street, Liverpool, or at 108/108, Portland Street, Manchester; or to The Colonial Bank, either at 29, Gracechurch Street, E.C.3, 25, Castle Street, Liverpool, 21, York Street, Manchester, or at 67, Whitefriargate, Hull.

Office of the Crown Agents for the Colonies,
4, Millbank, London, S.W.1.
12th October, 1923.

ECONOMIST.

This Form may be used.

FORM OF APPLICATION FOR NIGERIA GOVERNMENT 4% Inscribed Stock, 1963.

TO THE CROWN AGENTS FOR THE COLONIES, GENTLEMEN,

I/We hereby apply for £.....

of Nigeria Government 4 per cent. Inscribed Stock, 1963, according to the conditions contained in the Prospectus of the 12th October, 1923, and undertake to pay £88 for every £100 Stock, and to accept the same, or any less amount that may be allotted to me/us, and to pay for the same in conformity with the terms of the said Prospectus.

I/We enclose the required deposit of £....., being £5 per cent. on the nominal amount applied for.

Ordinary Signature

Name in full

(State whether Mrs. or Miss, and Title, if any)

Address

.....

Date

Cheques should be drawn to Bearer and crossed BANK OF ENGLAND. If altered from "Order" to "Bearer" the alteration should be signed by the drawer.

If the Allotment Letter is required to be forwarded to other than the Applicant, it should be stated.
N.B.—Applications must be for even hundreds of Stock, and must be accompanied by the amount of Deposit thereon, and the Application must be enclosed in an envelope marked outside "Application for Nigeria Government Loan."

OCTOBER 20, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVII

SATURDAY, OCTOBER 20, 1923.

No. 4,182

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THE MONEY MARKET.

MONEY was scarce and bills were scarcer, and the result was stagnation and an easy tendency in discounts. On one or two days stringency was almost acute, but withdrawals by one bank for balance-sheet purposes were offset by purchases of short Treasuries by another, so timely as to suggest design. There was also a demand for bills on behalf of the India Council and, it was said, from the Continent, when once the inflation scare produced by an indiscreet Ministerial utterance had been allayed by a denial that the Government proposes to seek for prosperity through the printing press. Three months' bank bills were taken, when they could be found, at 3 $\frac{1}{8}$ per cent.

	Oct. 19, 1923.	Oct. 12, 1923.	Oct. 5, 1923.	Sept. 28, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses' Notice	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 (Jly. 5, '23)
Market rate (3 months' bills)	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$

The Bank return showed an increase, almost wholly due to the return of notes, of £547,000 in the Reserve. Government and Other securities both showed small expansions, but another addition of 2½ millions to the Public Deposits left Other nearly a million lower on balance. Currency notes outstanding were reduced this week by £1,454,400 to £282,145,100, which includes £1,442,400 for notes called in but not yet cancelled. The fiduciary issue is £231,252,700, or £38,931,100 below the maximum.

THE STOCK MARKETS.

The poor reception of the Nigerian loan was a feature of the Stock Exchange week, but it did not greatly affect the gilt-edged market. In that market prices are fairly well maintained, in spite of the expected issue of big Indian and South African loans. A number of Corporation stocks improved. Ruhr developments continue to disturb the foreign market, but Japanese bonds rallied. In the railway markets Undergrounds were the strong feature, while Great Westerns and North-Westerns spurted and reacted. Argentine rails, like Argentine Government bonds, improved with the exchange. Rubber shares are dull, but oil shares moved upward. Coal, iron, and steel, and engineering shares were favourably affected by the unemployment relief work plans. Insurance shares showed conspicuous strength. In the mining markets Kafirs are following a gentle upward trend.

THE COMMODITY MARKETS.

The position on the Ruhr is responsible for weakness in some markets, while here and there signs of improvement are to be found. Coal prices continue to weaken; our Cardiff and Sheffield correspondents point out that the political situation on the Continent is the cause. In spite of some adverse factors the pig-iron market keeps steady. There is little change in the iron and steel situation. Some alarm is felt at the possibility of stocks of iron and steel being liberated if and when the Ruhr problem is settled. But our Sheffield correspondent writes this week in more optimistic vein, owing to unemployment plans, which we discuss in a later page, while from Glasgow we hear that the boiler-makers' dispute may be nearing the end. Tin and copper improved. A hardening tendency is noticeable in the Manchester cotton trade; there is an increased inquiry, and prices have gone against buyers. The most important feature of the wool trade is the steady buying of crossbred wool by the home trade. Sugar was quiet, but tea was active, and prices were higher all round. Rubber started the week with easier values, but ended with a steadier tone. The hide market remains firm but erratic. Plate linseed has declined all round in value.

FOREIGN EXCHANGES.

Through the indiscretions of a Minister, the foreign exchange market has been able to give a very useful lesson this week of the effects of a deliberate policy of inflation. To those, among whom the Minister in question appears to be included, unaware of the sensitiveness of this market and of the basis of confidence upon which the predominance of London as a monetary centre rests, the immediate removal of funds in some cases, and the thousands of anxious enquiries from every part of the world, showed very clearly what might be expected from such a policy. Fortunately, it has been made clear at once that the Government had no intention whatever of adopting such misguided tactics, and the incident has in the end done more good than harm by giving a salutary shock to some few weaker members of the banking world who for some time past have shown a slight hankering after "a little inflation." As the result largely of this scare, the dollar has been weak, falling from \$4.55 on the 12th to as low as \$4.52½ at one time on the 15th. After that there was some recovery, but on Friday the rate was lower again, and yesterday morning was quoted at \$4.52½. Forward rates at ½ cents per month over spot were about the same. The Paris and other European rates reacted also to the inflation scare, and at one time, on the 15th, the French franc was quoted as low as 73.40, as compared with 75 on the 12th. Since then, however, the gloomy outlook in

Germany and the Ruhr has proved too strong, and there has been a reaction to 75.75 yesterday morning. In particular the fear that France may find itself forced into heavy expenditure in order to finance the Ruhr industries has exercised a depressing influence. Brussels has shown the same features, moving down from 88 on the 12th to 85.40 on the 15th, and up again to 87.75 yesterday. The forward rates in Paris have narrowed very slightly to four centimes per month above spot. In Brussels they have moved down from 9 to 5 centimes per month above spot. The disintegration of the mark has continued at almost as rapid a rate as before, and quotations have little meaning. In some centres, indeed, such as Zurich, the mark is no longer quoted. In the early part of the week there was some slight recovery, but the deadlock in negotiations brought up the quotation as high as 45 milliards at one time on Thursday, and yesterday morning the rate was given as 40 milliards, compared with about 20 milliards a week ago. The new "annuity mark," as it is now to be called, is due to appear in a week or so's time, but little confidence is felt in this purely provisional measure. After some improvement the lira is up again at 100, as compared with 99½ a week ago. The peseta also, after being lower, ends the week the same, at 33.52½. Amsterdam has moved in sympathy with the dollar from 11.56½ to 11.55½, and the Swiss franc from 25.39 to 25.22½. In Northern Europe Stockholm shows little change at 17.17½d. Christiania, however, has depreciated from 29 to 29.22½, and Copenhagen from 25.72½ to 25.80. Helsingfors at 169 shows a slight improvement. In Central Europe Vienna for the first time for many weeks has moved slightly against sterling, from 322.500 to 320.500. Warsaw has not been able to escape the effects of the German collapse, and remains at 4,700,000 slightly worse than a week ago. Budapest remains stationary, and there is no change in either Prague or Belgrade. Bucharest, on the other hand, shows a slight improvement, from 980 to 960. In the East the rupee, on good harvests and improving trade, is better, at 15 4½d, as compared with 15 4½d a week ago. The yen at 25 1 27-32d is the same as last week's quotation. Silver this week has been quiet after the recent bull movement in Bombay, and there is an expectation that a certain amount of the Indian accumulations will again be unloaded. Hongkong is ½d cheaper at 2s 3½d, and Shanghai also ½d cheaper at 3s 0½d. In South America Rio has again depreciated from 5 3-32d to 5d. Buenos Ayres, on the other hand, has improved from 38½d to 39½d, and Monte Video from 39d to 39½d. Valparaiso at 37.50 pesos shows an appreciation after the recent adverse movement of 1.50 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended October 13th:—

EXPENDITURE.	Min. £	REVENUE.	Min. £
Supply Services	6,270	From Revenue	10,093
Interest, &c., on Debt	1,557		
Sinking Fund	537		
Sundries	313		
Added to Exchequer balances ..	185		
Reduction of debt	1,232		
	10,093		10,093

Revenue amounted to £10,093,400, as compared with £12,552,300. The chief cause of the decline is the absence of any Special Receipts, as compared with £2,038,100 a year ago. Property and Income-tax yielded £3,123,000, and Super-tax £500,000, against a combined total of £3,271,000. Customs produced £2,324,000, against £3,029,000, and Excise £1,329,000, against £1,576,000. The week's operations reduced the National Debt by £1,231,900, and caused the following changes:—

EXPENDITURE.	Min. £	REVENUE.	Min. £
Bank of England Advances ..	6,500	National Savings Certificates ..	1,000
Public Departments Advances ..	1,350	Treasury Bills	5,735
Sundries	117		
	7,967		6,735

The floating debt was reduced by £2,110,000 to £816,046,500.

FINANCIAL YEAR, 1923-24 (April 1 to October 13, 1923).

EXPENDITURE.	REVENUE.
Total Expenditure .. 408,301,493	Raised by Revenue .. 391,816,854
	Net Borrowings .. 12,748,135
	Decrease in Balances 3,736,504
Total	408,301,493

ESTIMATES FOR YEAR 1923-24.

EXPENDITURE.	REVENUE.
Ordinary Expenditure .. 801,013,000	Ordinary Receipts .. 778,500,000
Special Expenditure .. 15,603,000	Special Receipts .. 40,000,000
Total	818,500,000
	Surplus
	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the meetings of the following companies:—The Royal Bank of Ireland, Raphael Tuck and Sons, Harrisons and Crosfield, and Assam Railways and Trading Company. At the meeting of Raphael Tuck and Sons the chairman spoke rather confidently of a probable reduction in postage rates in the next Budget. Mr C. Heath Clark, at the meeting of Harrisons and Crosfield, described the outlook for the rubber plantation industry as "favourable," but with regard to the probable excess of production during the present year, said that "it remains to be seen what effect will be produced upon the market by such surplus in coming months."

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

TRADE RESTRICTIONS AND GOVERNMENT PROMISES.

It is highly desirable that the public in the British Dominions, as well as those who are concerned with the present Conference, should take note of the statement made this week by Mr Arthur Henderson that the Labour party does not regard itself as in any way bound by promises of preferential or differential duties of any kind which the Government may make, even if it succeeds in passing these through the House of Commons. It is perhaps unnecessary, but we think that it would be extremely useful if Mr Asquith would associate himself with this declaration. It is, of course, constitutionally impossible for any Parliament to bind its successors, but in international dealings and in the case of Treaties the Government acts on behalf of His Majesty, and in practice it would lead to the greatest possible confusion if foreign agreements were subject to change whenever a new party came into power in Great Britain. The failure of the United States Senate to ratify the Treaty of Versailles, and the consequent disturbances of the European equilibrium, so painfully achieved after many months' labour in Paris, forcefully illustrates the difficulties of international dealing if the spokesmen of the various countries cannot commit the nation as a whole. It is for these reasons that foreign policy has, as a rule, been kept as far as possible outside the sphere of party politics.

It cannot, however, be too forcefully repeated that these considerations do not apply to the present Imperial Economic Conference, or to any offers which the British Government may make at them. If the Dominion Prime Ministers return to their respective homes with the impression that they take with them a promise of a preferential policy in Great Britain carrying that degree of sanctity which is associated with international agreements, there will most certainly be disappointment and trouble ahead. In this connection it is only necessary to remark first that whenever the policy of either Protection or Imperial Preference has been submitted to the British electorate, it has been overwhelmingly defeated at the polls; secondly, that the present Government secured its majority largely as a consequence of Mr Bonar Law's pledge that he would not modify our fiscal system (the almost clean sweep of Lancashire by the Conservative party was mainly due to the existence of this pledge); and thirdly, that a substantial majority of votes cast in the country last November were obtained by the Labour and the two Liberal parties, all of which stood on a quite definite Free-trade platform.

These facts are doubtless sufficiently well known in the

Dominions, but there is a danger of overseas opinion assuming that such offers of preference as are put forward by the present Government will not be thought of sufficient importance to be removed by whatever Government may replace the present Conservative administration. This would be a very erroneous reading of the situation in Great Britain. Free-trade opinion holds that a system of preferential duties, which, with the best will in the world, would with difficulty be made equitable as between one Dominion and another, and would involve constant readjustments and negotiation, would form the worst possible cement of Empire, and if built into the edifice, would be much more likely to be a cause of disintegration than of strength. Free-trade opinion holds that Britain's prosperity depends upon buying in the cheapest market, and would suffer a definite set-back if the attempt is made to check trading in those directions in which it is economically most profitable. We may add here that it is of far greater material importance to Australia that Great Britain should be prosperous than that Australia should receive a preference upon dried fruits, or even sugar, and that we should thus be able to bear the extremely heavy burden of taxation, and provide the defence which is so important politically to the Commonwealth Government. Free-trade opinion holds that for this country to embark upon taxes designed to keep out goods from foreign countries will strengthen the tendency, already far too much in evidence in most European countries, to put on tariffs against their neighbours, and to indulge in fiscal warfare. The opposite policy of reducing fiscal barriers to the utmost is the only possible economic policy under which the League of Nations can become effective in Europe. In the interests alike of Britain's economic progress and of political policy, as well as of good relations within the Empire, we have no doubt that the Liberal and Labour parties, when either or both of them come into power, will do so with the avowed intention of making a clean sweep of all protective and preferential duties.

It is true that there are some people to-day who are asking themselves whether Great Britain ought not to make some sacrifice as a concession to Dominion opinion largely on grounds of sentiment, and of gratitude for the splendid solidarity of the Empire during the war. And this feeling expresses itself most forcibly in the statement that if the Dominions were ready to offer complete free trade within the Empire we ought perhaps to be prepared to accept the proposal. This view is supported by the example of the German Zollverein, which bound the German Empire together, and prepared the way for its great economic development. The case of the United States is also quoted as an example of an enormous free-trade area behind a tariff wall, and it is asked whether the British Empire would not benefit by its also becoming such another self-contained economic unit. This proposal is, of course, not at the present moment a matter of practical discussion. India has declared herself against the principle of preference within the Empire, while neither Australia nor Canada is prepared to remove the tariffs which protect their manufacturers against the British producer.

But even if the scheme were politically possible it would be both undesirable and impractical if it implied a high wall against the rest of the world. We have more than once called attention in these columns to the fact that the Empire as a source of food supply is strategically extremely weak in the event of war, and it is obvious that Great Britain would be at a profound disadvantage if at the moment when she was faced with the difficulty of getting food supplies she was drawing them from the Antipodes. Again, the harvests of India and Australia are among the least dependable in the world, and we should be laying ourselves open to the greatest possible variation of prices if we cut ourselves off from supplies which under present conditions supplement one another when this or that harvest fails. The mirage of a self-contained Empire, however, fades away most rapidly when we get down to figures, and see how enormous is the trade in both directions with foreign countries which we are invited to penalise and restrict.

The latest figures available analyse the direction of our trade for the first six months of this year. We have

added the figures for the first half of 1913 for purposes of comparison:—

	Imports.		Exports.	
	1913.	1923.	1913.	1923.
Europe.....	146.5	161.4	120.2	164.6
Other Foreign Countries.....	137.4	212.8	93.6	128.0
Empire	94.9	166.6	102.3	153.9
Total	378.8	540.8	316.1	446.5
Percentage of Empire trade to total	25%	31%	32½%	34½%

The percentages of Empire trade would not be appreciably different if the figures had been based upon averages for a number of years, both before and after the war. They show that, in spite of the condition of Europe, our sales to the Continent have dropped very little in proportion to our total trade, and that the gain in Imperial trade has been small. On the other hand, in the case of imports, in spite of the fact that the Dominions enjoy practically no advantage in our markets in the way of preferences, their sales to us have increased considerably in proportion. The table, however, shows that on the side of imports even now nearly 70 per cent. of all our purchases are made from foreign countries, while in return we sell them 65½ per cent. of our exports. Moreover, of the Imperial total, one-third of our sales are made to India. If this market is excluded, and we consider only the Dominions and Crown Colonies, where a preference has or is likely to be established, it emerges that a Free-trade Empire would mean setting up a wall which would block out 77 per cent. of our overseas markets and a similar proportion of our supplies.

THE GOVERNMENT AND UNEMPLOYMENT.

The speech which Sir Montague Barlow, the Minister of Labour, delivered in the City on Tuesday, possessed both negative and positive interest. He said what the Government proposed to do towards meeting the unemployment problem, and also what they did not propose to do. The negative proposition consisted of an announcement that the Government would not depart from their present financial policy—a statement which relieved the uneasiness caused by the same Minister's reported advocacy of an attempt to palliate unemployment by currency inflation. As regards concrete plans, the three "trunk lines" of Government effort remain as before, namely, unemployment insurance, trade encouragement by export credits and loan guarantees, and relief work schemes. A new unemployment insurance benefit year began this week, and twelve weeks' consecutive benefit becomes available. That carries us on to the New Year, when the Minister promises a fresh statement in the House of Commons. The Government's programme of export credits is still available to the extent of £16 millions, while of the total £50 millions Government guarantee under the Trade Facilities Act £14 millions are not yet exhausted; but advantage of the Act to commence big labour-employing schemes has been freely used. Among those who were about to use it Sir Montague mentioned one or two big shipping companies, the Tube Railways, the North Wales Power Company, and Messrs Tata, of India. In addition, the Government has sanctioned a programme of road and bridge development which will involve an expenditure of £14 millions, the cost being shared by the State and local authorities. The work of the Unemployment Grants Committee is also to be expanded, proposals up to £20 millions (instead of £10 millions) being sanctioned. Grants in the case of revenue-producing schemes may now be made by this committee to public utility concerns, as well as to local authorities. Furthermore, Admiralty and War Office work is to be accelerated, and loans for Crown Colony land development are contemplated. Apart from these lines of Government effort, Sir Montague was able to announce that the railways were undertaking large programmes of work. For instance, the Great Western contemplates an expenditure of £10 millions, including £4½ millions on new

works and £2½ millions on locomotives and rolling stock. Similarly, the London and North-Eastern group is to spend about £1,000,000 on locomotives, sleeping cars, and wagons, and £500,000 on permanent way and new works. As far as Sir Montague could gather, ten to fifteen million pounds worth of work "was being put in hand" by the various railway companies.

The chief comment on relief schemes for the absorption of labour, whether Governmental or otherwise, is that if, as appears, their conception is recent, they are too late to produce serious results this winter. That Rome, or even a Severn tunnel or a Tay Bridge, are not built in a day is axiomatic. But an equally true fact, which is apt to escape observation, is that the plans for building Rome, or a tunnel, or a bridge, cannot be worked out in a day or a month. In the case of some of the schemes of work mentioned by the Minister of Labour, it would be surprising if they are far enough advanced to absorb much, if any, labour this winter. Every engineer knows that the time to prepare schemes for winter work is the early spring, and the only sound procedure for a Government is to prepare schemes in good times, and have them ready to produce when needed. Last spring, perhaps, the Government were lured into false contentment by the trade recovery then in temporary progress. From November to April a decline in unemployment was steadily in progress, but then the check came. At the end of September the Trade Union percentage of unemployment was the same as at the end of April, at 11.3, and the percentage unemployed of all workers insured under the Unemployment Insurance Acts somewhat higher at 11.3, compared with 10.9. On April 30th the total of registered unemployed was 1,261,000, of whom 963,000 were men. On October 1st the total figure was 1,285,000, of whom men numbered 955,000. These figures, as Sir Montague admitted, do not tell the whole story. In some industries, at any rate, the number of workers on short time may have increased considerably in the last six months. Movements of the Trade Union unemployment percentage are shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	11.1
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	11.4
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	11.3
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

It is satisfactory to learn that the Government has not been seriously tempted by the lure of the inflationary short cut to an artificial and momentary betterment. We observe that Mr F. C. Goodenough, the chairman of Barclays Bank, upon whom inflationists have recently seized as a weighty protagonist of their cause, has emphatically repudiated the soft impeachment. He repeated on Thursday, at the Colchester oyster feast, that "no one would be an advocate of deliberate inflation," and continued: "The commercial prosperity of the Empire..... will not be secured through a policy of deliberate inflation, nor will the evils of unemployment be counteracted by such a policy." A matter of the very greatest importance, he said, is "that there should be neither inflation nor deflation here, but that sterling should maintain a steady value. Whatever may happen to other currencies, we wish to see the relative value of sterling to commodities upon a stable basis. That would give greater confidence to those engaged in trade than any other thing." In urging stabilisation, Mr Goodenough, we think, speaks the present opinion of the great majority of business men. It would be idle to deny that this view is somewhat different from that implied in the Cunliffe report, but the events of the last few years have produced a recognition that in times like these it is unwise to pursue a policy involving a downward drift of prices, however

slow. But if this view sees the disadvantages of deflation, it recognises even more clearly the lessons, drawn from home as well as from foreign experience, of what inflation brings in its train.

Nevertheless, there are signs that these lessons have not been learnt everywhere. It is, for instance, reported that the Grand Council of the Federation of British Industries considers "that the time has passed for temporary palliatives, and that there should be serious investigation of the possible results of fundamental changes in national policy." A public speech by Sir Eric Geddes, the president of the Federation, is, we understand, nearly due; and if we are correct in our suspicion that inflation is the "fundamental change" which is in the mind of himself and his colleagues, we shall be interested to learn from him how the supposed blessings may be obtained and the well-proved curses of its aftermath may be avoided.

INDUSTRIAL PROFITS.

OUR quarterly statistics of the profits of industrial companies, compiled from the weekly summary of company profit and loss accounts printed on a later page, shows a substantial increase in the profits of those companies whose reports have been made public during the third quarter of the current year. But we may say at once that this increase follows very heavy declines in the corresponding periods of the two preceding quarters. This will perhaps be best illustrated by saying that in the third quarter of 1920 the average profit per company was £104,100; in the third quarter of 1921 it dropped to £75,800, and in 1922 to £58,000, while for the past quarter it has recovered to £82,850. Thus there seems to have been a very definite reaction from the initial effects of the trade slump, which made their most serious mark upon the profits disclosed in the latter part of 1921 and in the first nine months of 1922. During the past three months the reports of 209 companies have been analysed in our weekly summary of profit and loss accounts, and these show aggregate net profits, after payment of debenture interest, &c., of £17,317,500, as against £10,469,100 earned by the same companies in their preceding financial year, an increase of £6,848,400, or 65.2 per cent. In our analysis which appeared twelve months ago we showed that 209 companies—the fact that the number is the same as in the past quarter is a mere coincidence, and does not imply that all the companies included are identical—had recorded a decline in aggregate net profits of 23.5 per cent. Since that time the profits disclosed have been on the up grade, as may be seen from the following table, which sets out the net result of our last five quarterly analyses:—

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

	Number of Companies.	Reports published in		Increase.		Decrease.	
		1921-22.	1922-23.	£	%	£	%
1922.							
Third quarter	209	15,853,920	12,120,153	918,267	3.9	3,733,767	23.5
Fourth quarter	319	23,310,452	24,228,719	..	..	..	..
1923.							
First quarter	405	28,489,993	40,276,870	11,786,877	41.4	..	..
Second quarter	425	31,874,787	38,945,778	7,070,991	22.1	..	..
Third quarter	1,358	99,529,152	115,571,520	16,042,368	16.1	..	..
Fourth quarter	209	10,469,118	17,317,482	6,848,364	65.2	..	..

The percentage increase for the past quarter is substantially greater than those shown for the immediately preceding quarters, though in actual amount it is smaller. The next table, which gives the increases or decreases in net profits recorded in each quarter since the beginning of 1918, shows how the increases for each of the past four quarters follow a series of very substantial decreases:—

	1918.	1919.	1920.	1921.	1922.	1923.
First quarter	-1.0	+10.4	+26.9	+3.5	-4.4	+41.4
Second quarter	-5.8	-5.1	+3.78	-8.4	-33.7	+22.1
Third quarter	+12.3	-3.4	+41.9	-42.4	-23.5	+65.2
Fourth quarter	+4.7	+10.5	+27.1	-52.9	+3.9	..

Taking the third quarter of 1920 as 100, the decline of 1921 would reduce the figure to 57.6, and that of 1922 to 44.1, so that the past quarter's increase of 65.2 per cent. would only bring the figure up to 73; that is, 27 per cent. lower than in the corresponding period of 1920.

The next table sets out the changes in profits shown by 14 groups of companies:—

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

	Number of Companies.	Reports Published in Quarter Ended Sept. 30.		Increase.		Decrease.	
		1922.	1923.	£	%	£	%
Breweries	16	4,742,889	4,792,497	49,608	1.1	..	..
Gas	9	182,898	218,649	35,751	19.6	..	..
Hotels, restaurants, &c.	7	201,901	235,700	33,799	16.8	..	..
Iron, coal, and steel	14	314,750	1,015,301	700,551	222.5	..	..
Land, mortgage, &c.	17	518,932	338,993	..	..	179,939	34.6
Rubber, &c.	40	176,782	415,308	238,526	134.8	..	..
Shipping	6	665,788	819,680	153,892	23.0	..	..
Shops and stores	3	282,547	348,867	66,320	23.5	..	..
Tea	3	31,207	131,147	99,940	283.4	..	..
Telegraph, &c.	5	2,587,498	1,835,938	..	..	751,560	29.0
Textiles	11	1,089,684	2,885,952	1,796,268	164.8	..	..
Trust companies	11	329,595	448,195	118,600	35.8	..	..
Waterworks	9	35,678	38,416	2,738	7.7	..	..
Miscellaneous	57	Dr 694,001	3,792,759	4,486,760	..	..	..
Total	209	10,469,118	17,317,482	6,848,364	65.2	..	..

The miscellaneous group includes one or two big companies which have turned the heavy losses of the previous year into profits. The African and Eastern Trade Corporation, for example, has recently declared a profit of £539,800, as against a net loss of £1,794,800 for the previous year; Van den Berghs made a profit of £346,800, against a loss of £256,900; the Smithfield and Argentine Meat recorded a profit of £118,000, against a loss of £297,600, and so on. A striking increase is shown by the iron, coal and steel group. This group includes the Ebbw Vale company, which earned a profit of £52,700, as against a loss in the previous year of £327,600. An increase in profits, however, is fairly general throughout the group. The figures of the textile group are also greatly affected by one company, British Dyestuffs Corporation having turned a loss of over a million into a profit of over £100,000. Each of the four tea companies has contributed to the increase of 283 per cent., and increases were fairly general in the rubber group. The decline in the land, mortgage and financial group is partly accounted for by the figures of Leach's Argentine Estates, which showed a loss of £238,900, as against a profit of £1,000. In the telegraph group, two of the principal cable companies showed a decline in profits of about £400,000 each.

In the next table we show the method of distribution of profits in each of the past five quarters:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
1922.	£	£	%	£
Third quarter	12,120,153	10,010,136	82.7	3,328,074
Fourth quarter	24,228,719	15,698,160	64.9	4,720,052
1923.				
First quarter	40,276,870	21,934,234	54.4	9,501,074
Second quarter	38,945,778	25,038,627	64.3	7,732,685
Third quarter	115,571,520	72,681,157	63.0	25,283,885
Fourth quarter	17,317,482	9,653,962	55.8	3,038,838

The welcome feature of the figures for the past quarter is the substantial increase shown in the proportion of profits reserved, either in the form of allocations to specific reserve funds or of additions to balances carried forward. Twelve months ago, the aggregate amount distributed to shareholders was 10 per cent. greater than total net profits, but this state of affairs has been remedied and the proportions distributed are now becoming more reasonable. The distribution adopted by each of the groups in the past three months was as follows:—

	Net Profits.	Ordinary Dividend.	Pref. Dividend.	To Reserve, &c.
Breweries	£	£	%	£
Gas	4,792,497	3,312,220	69.1	584,816
Hotels, restaurants, &c.	218,649	134,820	61.7	9,364
Iron, coal, and steel	235,700	138,415	58.6	41,625
Land, mortgage, &c.	1,015,301	547,652	53.8	192,733
Rubber, &c.	338,993	323,812	95.6	105,524
Shipping	415,308	392,989	94.6	14,937
Shops and stores	819,680	472,452	57.7	69,718
Tea	348,867	155,300	45.0	56,797
Telegraph, &c.	131,147	60,327	46.0	3,600
Textiles	1,835,938	1,058,091	57.8	70,000
Trust companies	2,885,952	1,180,831	40.9	384,551
Waterworks	448,195	319,943	71.0	134,486
Miscellaneous	38,416	26,299	68.4	8,258
Total	3,792,759	1,528,811	40.3	1,363,399

In the matter of reserves the best showing is made by the small tea group, while the textile group also reserves a high percentage of profits. The trust company group has

drawn upon the balances brought forward to pay dividends, but in no case has a definite reserve fund been debited.

In the next table we show the ratio to total ordinary and preference capital of net profits and of amounts carried to reserves, &c. :—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1922.	£	£	£
Third quarter....	205,481,600	12,120,153	5.9
Fourth quarter..	268,105,000	24,228,719	9.1
1923.			
First quarter....	406,793,000	40,276,870	9.9
Second quarter..	396,675,400	38,945,778	9.8
Third quarter....	1,277,055,000	115,571,520	9.1
	195,420,900	17,317,482	8.9

The ratio of profits to capital in the past quarter is a little lower than the average for 1921, but that of amounts reserved shows a considerable improvement.

The average rates paid on debenture, preference and ordinary capital in each quarter since the beginning of 1920 have been as follows :—

AVERAGE RATES PAID.

	On Debenture Capital.	On Preference Capital.	On Ordinary Capital.
	1920. 1921. 1922. 1923.	1920. 1921. 1922. 1923.	1920. 1921. 1922. 1923.
1st quarter	4.25 4.45 4.70 4.61	5.1 5.0 5.0 5.0	11.2 10.3 8.5 9.2
2nd quarter	4.49 4.61 5.00 5.08	5.0 5.0 5.0 5.0	13.7 12.6 8.8 9.9
3rd quarter	4.12 4.45 5.21 4.90	4.9 5.0 5.0 5.0	14.2 13.7 8.7 7.8
4th quarter	4.43 4.52 4.83 ..	5.3 5.1 5.6 ..	11.6 7.6 8.6 ..

The average dividend distributed on ordinary capital in the past quarter was at the modest rate of 7.8 per cent., and very little higher than that distributed in the corresponding period of 1922, when profits were so much smaller, the explanation being that very much larger amounts have been retained in the balance-sheets, as the foregoing figures have shown.

The final table gives the average rates paid by each of the groups, together with the average rate of ordinary dividend shown in our article a year ago :—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.
	£	%	£	%	£	%
Breweries	10,931,931	5.9	11,810,745	4.9	20,534,691	10.1
Gas	915,709	5.0	145,915	5.0	2,324,283	5.8
Hotels, restaurants, &c.	1,425,156	4.3	735,000	5.7	1,401,079	9.9
Iron, coal, and steel	5,897,625	7.0	4,609,125	4.2	11,603,193	4.7
Land, mortgage, &c.	4,763,371	4.6	3,032,955	3.5	4,750,122	6.6
Rubber, &c.	628,986	6.4	542,335	2.7	7,246,346	5.4
Shipping	48,244	4.5	2,225,000	3.1	7,544,540	6.3
Shops and stores	193,400	6.5	304,975	6.3	1,055,250	14.8
Tees	60,000	6.0	60,000	6.0	248,822	24.4
Telegraphs, &c.	2,810,420	4.0	2,000,000	3.5	16,092,796	10.2
Textiles	5,979,778	4.8	11,310,168	3.2	16,092,796	10.2
Trust companies	1,015,080	4.7	1,431,980	9.4	4,959,982	6.4
Waterworks	197,349	4.7	102,984	8.0	649,654	4.1
Miscellaneous	14,778,928	5.4	31,794,966	4.3	35,400,009	4.3
	49,633,877	4.9	11,306,148	4.3	124,114,774	7.8

Six groups show a reduction in the average rate of ordinary dividend, including the textile group, whose profits increased substantially. The land, mortgage, &c., group, on the other hand, pays a slightly higher rate, though aggregate profits were much lower. In neither year, however, did the company whose figures were responsible for the drop in total profits pay an ordinary dividend.

REVOLT OF THE PANEL DOCTORS.

If the dispute of the "Panel Doctors *versus* the Approved Societies, the Ministry of Health intervening," be not speedily settled, the country will be required to face the wholesale resignation of most of the 13,000 panel doctors who are charged with the medical service of fourteen million people under the National Insurance Acts. The *British Medical Journal*, the official mouthpiece of the powerful Association which is standing behind the panel doctors, declares war in definite terms: "The profession must now decide once and for all whether it will submit to approved society domina-

tion, or whether it will take this opportunity of making its freedom sure.....The only course now open is for the profession to show that no service can be secured under the Acts, whatever the exact terms, until the professional position has been re-established. This means that every insurance practitioner should at once send to the secretary of his Panel Committee his resignation from the service, to take effect on January 1st next." It is expected that the notices of resignation will be secured by October 30th, and seeing that the panel doctors are now very tightly organised and that the British Medical Association is in control of their side of the controversy, there is at least some danger that these expectations will be realised. The Conference of panel doctors on Thursday unanimously accepted the advice of the Association to proceed with the resignation policy.

It is a lamentable business, though when one comes to examine the details of the dispute and to go through the history of the working of the National Insurance Acts, one cannot help feeling that the stand which the doctors are making should not have surprised either the Ministry of Health or the approved societies. The issue now is almost exactly the same as the issue in 1911-12, when Mr Lloyd George was compelled to give way to doctors incomparably less well organised then than they are now. Primarily it was not then, and is not now, a dispute over fees, though an attempt to reduce fees now has occasioned the dispute. Then, as now, it was a refusal by the doctors to be controlled by the approved (friendly) societies. As a result of the settlement in 1912, the control over the medical services under the Act was vested by statute in district Insurance Committees representative of all parties concerned. The friendly societies—which expanded into approved societies—were charged with the organisation and collection of insurance cards and payments, the paying out of cash benefits (sickness, maternity, and so on), and the general financial administration. As time has passed the power and influence of the approved societies have gone up, and those of the district Insurance Committees gone down. The societies, as purse holders, have accumulated large reserves against the Insurance Fund's liabilities under the Acts, and for additional benefits—reserves which the doctors erroneously regard as "surpluses"—and have gained the ear of the Ministry of Health, with which they are intimately associated in the financial administration. It was inevitable that they should do so. The district Insurance Committees, which were supposed to look after the medical service, have fallen so completely out of the picture that they are playing no part at all in the present dispute. The approved societies, taking perhaps a too strictly business view, want to get the medical service placed upon the lowest scale of fees which will attract the necessary number of doctors; the doctors object strongly to this rather narrow and short-sighted view of their functions, and declare further that the approved societies have nothing to do with the determination of their fees, and that interposition by them is an impertinence; the Ministry of Health has tried to hold the balance and keep the peace between the powerful and pushing approved societies and the suspicious and resentful organisation of doctors. So far the Ministry seems to have made rather a mess of things. At any rate, its assumption of authority to lay down terms to the doctors has precipitated the revolt. The doctors look upon the Ministry as being so much under the thumb of the approved societies as to have lost status as an impartial arbitrator.

The solution of the trouble is fairly obvious. It was brought about by an attempt on the part of the approved societies to have the fees of doctors reduced. The Ministry has fixed a scale of fees which it considers a just compromise between the societies and the doctors. The doctors decline to accept the Ministry's scale of fees, but have offered to accept the award of impartial arbitrators. The Ministry has rejected arbitration because the Minister regards "his position as that of an arbitrator with the added responsibility of his Ministerial duty." The doctors reply by threatening resignation of their appointments on the panel. It is clearly necessary to remove the whole question of fees out of the heated atmosphere of suspicion

and resentment by referring them to a court of arbitration acceptable to both sides. There is no progress possible on the present road, which has led directly up to a declaration of war. An arbitrator is of no use unless both sides accept him, and the doctors will not accept the Ministry of Health. Under these circumstances the Ministry would be well advised to stand aside and agree with the doctors upon an arbitrator, or arbitrators, who will be acceptable.

The precedent of 1920 is claimed by both sides, but regarded then was this. The pre-war panel fees were 7s 3d per head of persons on a doctor's list. As they had become inadequate to meet the doctors' increased cost of living and expenses, a court of arbitrators was set up in 1920. One was appointed by the British Medical Association, one by the Ministry of Health, and the third by these two nominees. The arbitrators awarded the panel doctors 11s per head of persons on the lists. For 1922 and 1923, as the cost of living had come down, the doctors accepted 9s 6d without prejudice to the determination of the adequate rate in more settled times. Now the approved societies want to go back to the pre-war 7s 3d, and the doctors regard 9s 6d as the inadequate minimum. The Ministry of Health, after a series of calculations which the doctors challenge—and which are not altogether convincing to the outsider—has fixed upon 8s 6d for a three-years' contract and 8s for a five-years' contract. The doctors will not entertain these rates, especially as they see in their calculation the Hidden Hand of the approved societies. There should be no great difficulty about adjusting the financial differences between the parties if a new court of arbitrators were set up on the 1920 model. All they would have to do would be to take the 11s per head judgment of 1920, and determine what the corresponding rate should be for the next three or five years, after taking all relevant circumstances into account. Then, when the rate of payment had been fixed by impartial arbitration, and agreed to, the other grievances of the doctors concerning the interference of approved societies with the medical service should be capable of reasonable adjustment. Moreover, in spite of the tightened organisation of the doctors, one may be just a little sceptical of their solidity in rejecting a compromise, because it is well known that to a large number of practitioners the difference between having and being without the panel business means the difference between prosperity and hard times. The only alternative to the panel system is that now proposed by the British Medical Association, which is anxious to explain that wholesale resignation does not mean a "strike" against patients. This alternative is for the doctors to go on attending the patients on their lists and to be paid by fees as in private practice (out of the Insurance Fund) or by capitation rates locally agreed upon. The Acts, through the district Insurance Committees, do provide machinery for working a medical service of this kind. But it is scarcely worth while to discuss alternatives until the whole dispute has been removed from its present war atmosphere.

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

DURING the past three months the position of the Lancashire cotton industry has not shown any distinct change in so far as employment for the operatives is concerned. In certain quarters, however, demand has been on broader lines, and more business has been done. Some sections are worse than others, but all along the line it is still extremely difficult for spinners and manufacturers to secure prices for their products that are any better than allowing machinery to stand idle. The depression is most acute in the commoner qualities of yarn and the plainer makes of piece goods. During the past quarter there has been some improvement in the finer end of the industry, and the general position is rather more encouraging for mills spinning Egyptian cotton and weaving sheds producing fancy cloths.

Numerous remedies are being proposed to relieve the depression. Some of the suggestions are certainly

amazing, and there is no possibility whatever of many of the ideas put forward being accepted by the trade. A conference has just been held in the Manchester Town Hall, presided over by the Lord Mayor, of employers and trade union officials. It was decided to set up a joint committee of masters and workpeople for the purpose of discussing methods for the betterment of the industry. The first meeting of this committee is being held this week. It is being urged in many quarters that some system of control is desirable, but most of the employers are decidedly against action of this kind. If there is one thing more than any other which would bring about a better feeling in business circles it is a definite settlement of the German reparations question. In local trade circles there is still much nervousness with regard to financial matters.

Very wide fluctuations have occurred in raw cotton rates. On June 29th the quotation for fully middling American cotton on the spot in Liverpool was 16.67d. There was an easier movement during July, and on August 1st the price was 13.40d. A little later there was a smart rise to 15.78d on August 21st. The upward movement in September was very pronounced, and after 16.02d had been posted on the 6th, the figure on the 20th was 18.58d. After 16.78d had been registered on the 26th, the quotation moved on the 29th to 17.33d. Since then many changes have occurred. The price on October 10th was 16.36d, but on Wednesday last (October 17th) 17.49d was posted. According to the official reports of the United States Government, the crop for this season will be about 11,000,000 bales. Owing to the uncertain trade outlook, it is not easy to estimate the probable consumption during the twelve months, but it is not likely that the requirements of users will be less than 12,000,000 bales. Whatever happens, it is certain that stocks at the end of next July will be smaller than at the same time this year. The high price of cotton is stimulating its growth in other countries, and there is every likelihood of larger supplies being received from India, Egypt, the Sudan, and Brazil in the next few years. Recent advices relating to the growth in Egypt have not been altogether satisfactory, but a fairly large output is probable. The quotation for fully good fair Sakellaris Egyptian cotton on the spot in Liverpool on June 29th was 16.20d. By July 30th the price had fallen to 15.25d, but there was an advance to 19d on September 20th, and the figure on October 2nd was 19.10d, whereas on Wednesday last (October 17th) the figure was 18.40d.

Throughout the past quarter there has not been any lack of inquiry in piece goods for abroad. The demand indicates that goods are more urgently wanted in certain parts of the world. When prices have to be arranged, however, the trouble begins, and it has been exceedingly difficult to fix terms of fresh contracts. Business available is not sufficient to meet the requirements of makers, and there is keen competition for the contracts on the market. For India there has been an extensive inquiry covering a wide range of cloths. There has been a distinctly larger turnover in light bleaching descriptions. Many Blackburn manufacturers have cleared their stocks of such goods, and certain producers have extended their order lists. More attempts have been made to arrange transactions in grey shirtings, but actual operations have been very patchy, and so far it has been impossible for manufacturers to secure adequate rates for orders to make, the bulk of the business being in stock lots, which have been sold at prices which mean a definite sacrifice on the part of sellers. Undoubtedly common grey shirtings are the worst thing in the Manchester market. With regard to China very unsettled conditions continue to prevail on the other side, but, according to one or two recent cables, the outlook is slightly better. Rather more activity has been mentioned for some of the minor outlets of the Far East, and an increased turnover has taken place for Java, Singapore, and the Straits Settlements. The Near Eastern markets for many months have been dull, but there are now indications of freer operations for Egypt, Turkey, and the Levant. The outlets of Central and South America have been rather healthier. Fancy goods have been in active request for the United States, and just recently more business has been put through for the Continent. Diverse reports have been received from the home trade, and although some necessary buying has taken

place there is a feeling amongst retailers that clearances this winter are not likely to be very encouraging in view of the large amount of unemployment in the leading industries.

The following is a table of the shipments of cotton piece goods from the United Kingdom for the nine months ended September, together with the comparative figures for previous years:—

	Yards.	£
1913	5,350,278,900	73,659,119
1914	4,782,461,500	66,146,672
	Square Yards.	
1920	3,540,677,100	242,732,477
1921	1,866,341,100	100,045,277
1922	3,068,278,700	106,637,069
1923	3,097,216,600	104,072,046

The depression in the industry is undoubtedly most acute in the American spinning department. Now and again producers appear to experience a little relief, but no sustained improvement in the position can be recorded. At the end of August the extension of the holidays in Oldham resulted in yarn stocks in first hands being reduced, and a larger business in September helped to place some spinners on a rather better footing. Latterly, however, it has been extremely difficult to prevent fresh loss of ground. The demand in medium counts has been on broader lines, and some producers of superior marks are rather more favourably situated. The committee of the Master Spinners' Federation has decided to recommend all users of American cotton to continue the 50 per cent. curtailment of production up to the end of October. This organised short time has been going on since last March, and as it has not achieved the desired result some members are getting rather tired of concerted action, and more cases are being mentioned of firms making their own arrangements as to output. In yarns suitable for export purposes a larger inquiry for India has been well maintained, and although actual business has been patchy a very fair turnover has taken place. For the Continent business has been very slow, and the trade passing from week to week for France, Germany, and Holland has been very disappointing. The ups and downs in Egyptian cotton have caused some changes in quotations for Bolton yarns, but many spinners in this section are in a position to present a firm front to customers. A steady business has been done, and the better condition of the fine spinning department, which has been noticeable since the beginning of this year, continues.

The following is a comparative table of yarn shipments from the United Kingdom for the past nine months, together with comparative figures for previous years:—

	Lb.	£
1913	154,761,700	11,022,055
1914	150,995,400	10,464,922
1920	118,447,700	37,656,977
1921	90,592,600	15,987,327
1922	158,363,900	20,763,425
1923	104,530,000	15,263,209

An important event during the quarter has been the proposal of the Piece Dyers' Association to reduce prices by 10 per cent., on condition that merchants placed all their business with members of the association. This scheme has been unanimously rejected by shippers. Negotiations between the two bodies are still taking place, and strong representations are being made to the dyers that they should withdraw the condition that all orders must be given to members of the association if the 10 per cent. reduction is to be obtained. The high charges for dyeing are undoubtedly strangling our foreign trade, and a substantial amount of business is being held up at the moment as a result of the uncertainty which exists with regard to future prices.

The immediate prospects for the industry are very uncertain. In most quarters the depression is still very pronounced. It must not be taken for granted, however, that all departments in the trade are doing very badly. It is as well to point out that spinners of Egyptian yarns are working at a profit, and numerous manufacturers of special cloths are doing fairly well. Relief is badly wanted by spinners of the commoner sorts of American yarns, and by producers of plain goods such as grey shirtings. The most hopeful feature about the situation at the present time is that stocks of manufactured articles throughout

the world are comparatively low. Cheaper cotton would be of considerable help to Lancashire, but when all the facts of the situation are taken into consideration lower values in the near future are not probable. Many people are of opinion that the cost of raw material will be much higher early next year, especially should there be an improved demand, which is not at all unlikely.

IMPROVEMENT OF INDUSTRIAL RELATIONS.—II.

THE Coal Mines Agreement of July 1, 1921, marks a step of first importance towards the permanent settlement of disputes between Labour and Capital. The particular terms thereof as between coal owners and miners are of less importance than the general principle thereby inaugurated, of a sharing, between the two partners, of the margin between selling price and cost, in one of the largest and most important industries of the country.

The country is divided into thirteen districts, each of which is separately dealt with. The operating accounts of all mines in each district are aggregated for each month, and the aggregation certified by auditors appointed by the owners and the miners, any points on which they may disagree being submitted for decision either to the District or National Boards, constituted by the Agreement (and consisting of an equal number of owners' and miners' representatives), or to the independent Chairman of the National Board, a position also created by the terms of the Agreement. These aggregations of accounts for each district are sent in to the Board of Trade, and by them presented to Parliament and published.

From the proceeds of the sale of coal and other mining products, as specified in the Agreement, there are deducted:—

- (1) The cost of standard wages, which are an agreed figure in each district (based upon past records of the industry, and technically known as the basis rate), plus a percentage. The figure so arrived at is a close approximation to 1914 wages.
- (2) The costs of production other than wages.
- (3) Standard profits equivalent to 17 per cent. of the cost of standard wages.

Of the balance remaining, 83 per cent. is attributed to the miners, and 17 per cent. to the owners, the former share being expressed as a percentage of the basis wages in each district, and determining the wages to be paid for a period of two months at a certain interval (at present two months) after the months for which the percentages were ascertained. If the net proceeds of coal, after deduction of standard wages and other costs, are insufficient to provide for the standard profits, the deficiency is to be carried forward to a subsequent period. The Agreement also provides that wages paid are not to be less than the standard wages, plus 20 per cent.

The importance of this agreement as a first step towards a fair division of the proceeds of an industry between Capital and Labour can hardly be overestimated, and for the first time the workers are provided with reliable accounts showing the working results of an industry by auditors.

Another fact of perhaps even greater importance emerges from a consideration of the results of the Agreement. In certain districts, owing to the bad state of trade, conditions have been in some senses almost disastrous for both parties; wages have been reduced to the minimum, and heavy arrears of standard profits have been carried forward, and yet the Agreement has stood, and although its termination was discussed by the miners, it was never seriously entertained by either party. With the improved conditions now prevailing in the industry, better results are anticipated. As a first result of a full disclosure of the results of working, this fact is of vital importance, and points the way to a period of partnership between the two parties, in place of the periodical disputes and strikes which have prevailed in the past.

THE PROBLEM OF HUNGARY.—I.

(BY A CORRESPONDENT.)

To the traveller fresh from Austria, present conditions in Hungary assume the light of a sinister contradiction. Whereas in Austria the task of reconstruction is being faced by all sections of the people with common resolution and renewed hope, Hungary, befogged by illusions, bedevilled by suspicions and hatreds, is drifting on a tide of warring interests, discontent and despair. While the problem of Austria was never more than an economic question, over Hungary, reactionary, irredentist, and potentially dangerous, there might well be erected a sign: "It is useless to throw economic stones at this notice-board." Every question is confused by political issues, each factor in the grave problem which the country presents being obscured by psychological considerations.

In Buda Pesth conditions are rapidly deteriorating. The rate of suicide "for economic reasons" has risen to nearly one per four hours. In the hospitals patients are dying on beds without bedding, while in the tenements workers are dying without beds at all. The general view of the lower middle class is that "this winter it will be finished." On the other hand, the margin of vitality possessed by a predominantly agricultural country is great, and established civilisations perish slowly. Indeed, to expect the early disintegration of Hungary, even in the event of a failure to arrest existing tendencies, would be premature.

The obvious features of the economic situation—currency depreciation arising from unbalanced budgets and monetary inflation, with foreign trade indebtedness a contributing influence—are common over half Europe. The credit which the Hungarian Government claims for having pursued an anti-inflationary ideal may readily be given—has any European Government except the Soviet deliberately inflated the currency?—and it must be admitted that the recent history of the korona has been not so much the classic cycle of expanded circulation, rising prices, and falling exchanges, as the reversed order of falling valuta, reduced purchasing power, and forced recourse to the printing press. The depreciation of Hungarian currency has been in the main an anticipatory movement, discounting future inflation, and thereby rendering such inflation inevitable. The following figures illustrate the tendency in the past nine months:—

	Note Circulation.	Prices.	Devisen Rate for Sterling.
1922—December (basis)....	100	100	100
1923—March	105	198	159
September 1st	548	748	841
September 23rd	722	..	..

It will be observed that in the first quarter of this year, while currency expanded by no more than 5 per cent., the official rate of exchange fell by 60 per cent., and internal prices doubled. It must, of course, be remembered that prices of imports are governed by the effective commercial rate of exchange, which has long ruled some 50 per cent. above the official quotation. Even at the beginning of September, internal prices, estimated at about 2,500 times the pre-war level, would have warranted, on the basis of purchasing power parities, a quotation of 60,000 at worst for the korona-sterling exchange, as opposed to the commercial rate of 130,000, and the Devisen figure of 90,000.

When all this has been said, however, the fact still remains that Governments usually get from foreign bourses the quotation they deserve, and after due allowance is made for inherent difficulties, the budgets of the Bethlen Cabinet have not been such as to inspire confidence. For the year 1921-22 the deficit appears to have been 90 million gold korona. The deficit for 1922-23 was estimated by the Minister of Finance last March at 40 milliards paper, but this figure is considered to have been exceeded, and the actual deficit seems likely to be nearer 55 milliards. With expenses mounting in conformity with soaring prices, the outlook for the ensuing year is obscure, and pessimism on the part of exchange dealers has not been unjustified.

As a first attempt at the equitable sharing of the proceeds of industry, the scheme is naturally not perfect. In fact, it is not a real profit sharing, for the reason that it fixes wages on the basis of profits of a whole district, but without regard to the profits (or losses) of individual undertakings in that district. The pooling of profits in a district for the purpose of wage determination only, forces up wages to a higher level than the poorest undertaking can afford to pay, and there is no contribution from the more prosperous undertakings; while the latter could, in many instances, afford even higher wages than the Agreement provides. Undertakings which are continually losing money (perhaps a very small proportion of the whole), must eventually be forced out of existence, with a consequent loss of employment to those who worked them. But the elimination of these undertakings will tend to raise the general level of wages under the provisions of the Agreement, and so in effect benefit the miners who remain at work, at the expense of those who are thrown out.

The only remedy for this condition is a gradual consolidation of the various undertakings in each district, so applying to the worst-managed undertakings the methods of the best, and leading to a system of district trusts, in which Labour should naturally have a voice, and the consumer receive due protection. To this problem reference will be made in a further article.

Another objection is the requirement that wages must not be reduced below the standard, plus 20 per cent. Such a provision ignores the fact that more cannot be got out of an industry than the margin between cost and selling price. If this margin is only sufficient to pay standard wages and standard profits, or even is insufficient to provide for both, abatements should equitably be made in both, in the proportion in which they share (i.e., in this case 83 per cent. to wages and 17 per cent. to capital), and the deficits carried forward to be recouped out of future surplus. In such an event the remedy would be a rise in selling prices, if the market could stand it, and if not, there would of necessity be a reduction in both wages and profits.

Some objection may also be taken to the expression of standard profits as a percentage of standard wages. A better unit for both would be the ton of coal raised, the figures used in the Agreement as standard being approximately 6s 4d per ton for wages and 1s per ton for capital. The justification for increased expenditure is increased output of coal, so that this method of calculation would automatically and equitably provide remuneration for additional capital introduced. To meet the contingency of an inability to earn standard wages and standard profits, a reserve should be accumulated by setting aside, in good times, some proportion of the surplus over these standards.

In spite of these defects, the fact remains that in one great industry three principles have been established:—

- (1) Labour is remunerated by an agreed share of the proceeds of industry.
- (2) The facts as to the gross and net proceeds of the industry are made known at regular intervals, in such form that those employed therein have a clear knowledge of the results, and of the proportions thereof which accrue to their benefit.
- (3) For the first time there has come into being the idea of co-operation between Labour and Capital to obtain the best results, and to divide these results equitably between them.

One other large industry, viz., the railways, has also attempted a permanent settlement of wages with its workers. Unfortunately in this case the unsound principle of basing wages entirely on the cost of living has been adopted, with the result so far that adequate reductions in railway rates, which are themselves a substantial item in the cost of living, have been unduly, and perhaps indefinitely postponed. It must, therefore, be reluctantly admitted that the railway agreement has made no contribution to a really permanent settlement of the wages question.

The important consideration is the extent to which the principle of the Coal Mines Agreement can be extended to the other great industries of the country, and whether this can be accomplished by voluntary action or by legislation. This is reserved for discussion in a third article.

So far as can be estimated, the adverse balance of Hungarian trade in the three years 1920-22 totalled over £35,000,000, converting korona to sterling at the mean rate for each year. Put in another way, the excess of imports amounted in 1920 to 156 per cent., in 1921 to 93 per cent., and in 1922 to 83 per cent. of the total exports. As regards 1923, the adverse balance for the first six months came to roughly 80 milliards paper, and although sales on account of the excellent harvest should reduce external indebtedness in the current half-year, it is unsafe to conclude that the future balance of trade is assured, much less that an export surplus for reparation purposes is on the way to being established.

It has to be borne in mind that the Treaty of Trianon left Hungary deficient in many essential commodities. The present level of importation of coal, textiles, timber, paper, chemicals, iron and salt, which together form the bulk of the total, cannot well be curtailed without strangling industry and lowering intolerably the standard of existence. Stability can only be attained by expansion of exports, and such an expansion can only be seriously looked for in the direction of agricultural produce. Lacking labour with natural aptitude for industrial processes, and compelled to rely largely on imported raw materials, Hungary has only succeeded in securing foreign markets for some few factory products, such as agricultural machinery, through the enforced acceptance by the workers of a real wage whose continuance cannot be expected.

Estimates of future agricultural production are notoriously unreliable. The following figures of production of the principal cereals expressed as percentages of the 1913 level for the same territory are at first sight encouraging:—

	Wheat.	Rye.	Barley.	Oats.	Maize
1921	72	72	65	71	53
1922	60	67	63	73	55
1923 (estimated) ..	91	100	74	84	75

Against these figures, however, must be set the consideration that climatic conditions this year have been exceptionally favourable. Nature in 1923 has chosen to play gracious lady in a naughty world, but there is no warrant for expecting on like scale a repetition of her performance. Moreover, the fall in the acreage down to these cereals has continued practically without interruption since the war.

To some extent, no doubt, production could be improved by increased machinery and supplies of fertilisers; more scientific methods of cultivation could do much, while sowings could be largely increased. These are mechanical steps to the end. The crux of the matter, however, is the soul of the peasant. If post-war Hungary is to survive, the peasant must work long and hard in order that his brother in the towns may eat. As things stand, it is doubtful if he will accept this burden. Landless, oppressed, enduring in sullen discontent a mediævalism which has taken from him even the hope of self-betterment, he may maintain production on the average at about 80 per cent. of the pre-war level, but this will not save Hungary. That the country can be saved at all without a sweeping measure of land reform, or except by the conscious determination of a nation of peasant proprietors, is an illusion which few but Hungarian landlords could be found to share.

DIARY OF THE IMPERIAL CONFERENCE.

Monday, October 15th.—Lord Salisbury, Chairman of the National and Imperial Defence Committee, addressed the Conference on matters connected with the military, naval, and air defences of the Empire, Lord Derby (Secretary of State for War), Mr Amery (First Lord of the Admiralty), and Sir Samuel Hoare (Secretary of State for Air) being present during the address and the debate which followed. Although it was decided by the Conference that the publication of any detailed report of this sitting would be inadvisable, it may be surmised that the main lines of Lord Salisbury's address would in part follow those of the Imperial Defence Committee's special report on the relations of the Navy and Air Force, which

was published shortly before the adjournment of Parliament. A subsequent and final report of the Committee has been drawn up, but its contents have not been made public up to the present.

Tuesday, October 16th.—The Imperial Economic Conference, after a discussion opened by Mr Bridgeman (Home Secretary), decided that a committee be appointed to explore the possibilities of arriving at a common Empire policy in the matter of workmen's compensation laws as far as these apply to non-resident workmen, to seaman, and to nationals of foreign countries. In making its recommendations the committee will take into account any reciprocity granted in this respect by foreign countries to nationals of Great Britain and the Dominions. Subsequently, a statement was made by Lord Salisbury with regard to the work of the Department of Scientific and Industrial Research. Lord Salisbury outlined the work of the Department in verifying the different commercial and industrial standards of the Empire, and conducting specialised research into problems affecting both the Government and the trading community as a whole, and instanced fruit, power, alcohol, and flax as suitable subjects for co-operation in imperial research. The Conference, while appreciative of the work accomplished by the Imperial Institute, decided that the whole question of co-ordinating and publishing the results of scientific inquiries undertaken in the different parts of the Empire was of such crucial importance as to merit special consideration by an *ad hoc* committee, which was accordingly set up.

At the afternoon session, Sir Laming Worthington-Evans (Postmaster-General) made a statement on the position of the Empire's mail, cable, and wireless services. Its tenour showed that the hard work carried out since the war would shortly bear fruit in a mail and cable service equal, or almost equal, to that of pre-war days, while in certain cases, such as the West Indian Islands, new developments were in contemplation. From the debate which followed it would seem that most of the Dominions desire greater facilities than are at present available, and it was resolved, firstly, that representatives of the Dominions and India should be associated with the Imperial Communication Committee when questions of interest to them were under consideration; secondly, that Atlantic cable route; and thirdly, that companies within the Empire should be given preference in any development of the Empire's wireless systems.

Wednesday, October 17th.—The Imperial Conference continued its investigations into Imperial Defence, after hearing a statement made by Mr Amery. No details of this sitting have been published beyond the fact that Mr Amery's decision to send certain warships for an extended cruise in Dominion waters was accorded general approval by the various Prime Ministers.

In the afternoon, Sir Halford Mackinder, Chairman of the Imperial Shipping Committee, made a statement to the Imperial Economic Conference regarding the work of that committee since its formation in the autumn of 1920. It was mentioned that the Brussels International Conference on shipping matters had adopted rules in the matter of bills of lading based on the Canadian system. Sir Halford also submitted a series of recommendations connected with the improvement of communications, by sea and air, with Australia and New Zealand. Mr Graham (Canadian Minister of Railways) voiced the difficulties of the Dominions arising from the discrepancy in bulk between their exports and imports.

Thursday, October 18th.—The Economic Conference continued its discussion of the work of the Imperial Shipping Committee, and adopted a resolution thanking that committee for its services to the Empire. The debates throughout this week have revealed the importance attached by all the Dominions to the pressing need for an improved system of Imperial communication. This question has so far proved the most prominent feature of the Economic Conference's deliberations.

The afternoon was devoted to committee work by both the Imperial Conference and the Economic Conference, members of the former meeting at the Admiralty for the elucidation of various technical points arising out of Wednesday's discussion.

Notes of the Week.

Deadlock in the Ruhr.—There have been several developments in the Franco-German situation since we wrote last. In the first place, the negotiations between the French occupying authorities and the Rhineland industrialists for the resumption of payments in kind have broken down. The reason is obvious. Herr Stinnes cannot deliver coal to France unless he gets the wherewithal to pay his workpeople. This is not obstinacy or bad faith, it is simply a fact, which should have been constantly in the minds of French and Belgian statesmen. Before the occupation coal was being steadily delivered over the frontier. It was being paid for by the German taxpayer. It is true that the taxes were only to a small extent levied through the revenue officer, but the balance was taken from the German people none the less surely by means of the printing-press. Reparations in kind have, in fact, been made for two years by the vicious system itself, which has brought Germany to bankruptcy and ruin. At the same time, Mons. Poincaré refuses to negotiate with Berlin at all, and though there has been conveyed to him as clearly as words can express the self-evident truth that the Berlin Government cannot possibly pay for the deliveries in kind, the French Prime Minister continues to declare that he cannot recognise the German declaration as to the impossibility of financing deliveries in kind, but, on the contrary, must regard it as a continuance of resistance. As the German situation depreciates his demands become more extreme and impossible of fulfilment, and we are now told that there will be no negotiations with the German Government until deliveries have been resumed, and have been raised to the figures prevailing before January of this year. Until that time France will not discuss any new offers on the subject of reparations. What would one think of a creditor who in private life dealt with an obviously bankrupt debtor in this way, and informed him that he would not discuss affairs until he had made himself solvent! The truth of the matter is that France has not the least idea along what road to travel. The first phase has passed in which, after embarking upon the Ruhr adventure from very mixed motives, she made up her mind that her real intention was to create in Germany the will to pay; in doing this she has for the moment destroyed the power to pay. Unless some fresh effort at a general and reasonable settlement is made, she will inevitably be drawn as the next step into endeavouring herself to exploit the Ruhr mines, whatever the political organisation in that territory may be. This exploitation means that she can no longer get her coal supplies for nothing. Reparations can only be paid out of the taxable capacity of the payer, which depends upon the surplus of production over consumption. To some extent she may be able to tax the Ruhr, and thus acquire the means of meeting the cost of production of reparation coal, but it is obvious that the taxable capacity of the Ruhr population, or even of the whole Rhineland population, is but a small proportion of that of Germany as a whole. Moreover, the surplus produced by a population working under duress is certain to be very small, as the experience of all slave states in history has shown. While this attitude proceeds on the part of France, the discussion of reparation plans such as that put up by Belgium to the Reparations Commission is academic, especially since Germany is not to be included in the debate. Mons. Poincaré's attitude means that the present chaos must continue, and under these circumstances the attempt to create a new mark currency is foredoomed to failure.

The Chancellor on the Tax Outlook.—The nine days' wonder caused by some stray remarks of the Minister of Labour on inflation as a cure for unemployment has been killed by the Minister himself, who in a speech in the City on Tuesday declared definitely that the Government had no intention of departing from its present lines of financial policy. Thus, the inflation *canard* (or was it a kite?) is disposed of, and one is left free to face the facts of the position of the national finances in the sounder and more sombre spirit that marked Mr Neville Chamberlain's

speech at Birmingham last week-end. This was the new Chancellor's first statement on public finance since his promotion to the Treasury, and he gave early indication of courage. For the keynote of his address to a business audience was the warning that it would be folly "to count upon further remissions of taxation in the near future." As regards the current fiscal year, while deprecating prophecies based upon a half-year's figures of revenue and expenditure, Mr Chamberlain nailed to the counter the fantasy prevalent early in the year that Sir Robert Horne's huge surplus might be repeated. Turning to the outlook for next year's Budget, Mr Chamberlain explained that there would be a formidable automatic fall in the yield from certain sources of revenue. "I can point," he said, "to three items which are bound to result in a substantial reduction in the national income. First of all, there is the reduction of the duties imposed by the Budget of this year. They did not have their full effect upon the revenue this year, but next year they will cost us an additional £24,000,000. The second item is the item of revenue from miscellaneous sources, from which we get £40,000,000 this year, but from which there will be little to come next year; and, thirdly, you must take into account the fact that we shall be substituting a bad year for a good year in the calculations of the income-tax, and if you put these three items together they will certainly not amount to less than £50,000,000, and they may come to considerably more." In the recital of these facts and estimates, the Chancellor finds full justification for his remark that "such savings as we may be able to make will all be wanted to catch up with the corresponding fall in revenue." It is to be hoped that this frank facing of the facts betokens a determination for the greatest measure of retrenchment in public expenditure compatible with efficient administration. The taxpayer, if it is made plain to him that his tax rates depend upon it, will surely back any such measures. The time of year is at hand when Treasury vigilance may find its best scope; for the spending departments are engaged upon preparing their prospective demands for next year, which then come before the Treasury for scrutiny. The country looks to the new Chancellor to make that scrutiny searching and effective.

Irish Free State Affairs.—In spite of dockers' strikes and industrial troubles, writes our Dublin correspondent, direct trade between Ireland and Great Britain showed, according to the *Board of Trade Journal*, a marked improvement in the month of September. Though there is no definite news yet, the chances of an industrial peace, or, at any rate, of a patched-up provisional peace, are growing. President Cosgrave's suggestions for a resumption of work on slightly reduced wages pending the negotiation of a fuller and more permanent settlement have been approved by ballot by one of the two conflicting unions. This is the union which controls Waterford, Cork, Dundalk, and Galway. A definite acceptance or rejection is looked for early next week. Factors which make for peace are, firstly, that the strike has been causing a net outlay of some thousands of pounds per week by the Irish Transport Workers' Union; secondly, that the Strike Committee in Dublin has imposed a "voluntary levy" on workers which is so unpopular that it is only paid under compulsion; and thirdly, that at long last the employers have plucked up courage, and are about to run, load, and man ships with non-union labour under the protection of Government forces. There is no news yet as to the means to be used to lower the cost of living. The latest suggestion is that, in the event of the employers (in the particular trades affected) being unable to guarantee a substantial reduction, an *ad hoc* body should be formed from representatives of labour, employers, and the co-operative movement to run provision and clothing stores in the working-class areas on co-operative lines—the Government participating only to the extent of lending the working capital and providing facilities. While there is no definite news yet as to a National Loan, there is increased discussion of financial problems. The question of a British guarantee is much canvassed, but, supposing that it were forthcoming—and there are good grounds for believing that it might be—there is some reluctance expressed to accept aid which might

be made the basis of a claim to advise or influence in the political sphere. American money seems a little more remote, or at least more expensive, than it was some months ago, and generally there are many claims on the money market just at present. Activity is shown by individuals and societies, mostly coming from London, who are anxious to preach that the enemy is the financial power—high finance and the banking monopoly—and that all that the Free State must do is to print as many currency notes as it desires and fix all prices. The Government and public of this most conservative country, however, are tolerably well aware that that way madness lies. This week has seen the opening of the new Mallow railway bridge in replacement of that destroyed by the Irregulars a year ago—which represents the restoration of an indispensable railway artery for the South-West. Further items of news of economic importance to Cork and neighbourhood are that all American-Free State mails are to pass through Queenstown; that Armstrong's are likely to set up branch works at Haulbowline Dockyard; and that the Postmaster-General, Mr J. J. Walsh, is contemplating an air service for passengers and mails from Queenstown to London which would, it is alleged, enable twenty-four hours to be saved as compared with the New York to Plymouth or Southampton routes. In view of the necessity for an approach shortly towards putting the Ulster Boundary provisions of the Anglo-Irish Treaty into effect, the spectacle of the Prime Minister of North-East Ulster touring the boundary and protesting in unmeasured terms his resolve never to allow a square yard of his territory to be detached whatever any commission may decide is causing serious comment here.

Cost of Living.—The Ministry of Labour's figure for the cost of living again moved upwards in September, the advance, as in August, being two points. Thus on October 1st the figure was 75 per cent. above the level of July, 1914. Monthly movements over a number of years are recorded below:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	% 85-90	% 120	% 125	% 165	% 92	% 78
February ..	90	120	130	151	88	77
March ..	90	115	130	141	86	76
April ..	90-95	110	132	133	82	74
May ..	95-100	105	141	128	81	70
June ..	100	105	150	119	80	69
July ..	100-105	105-110	152	119	84	69
August ..	110	115	155	122	81	71
September ..	110	115	161	120	79	73
October ..	115-120	120	164	110	78	75
November ..	120-125	125	176	103	80	..
December ..	120	125	169	99	80	..

Food is again responsible for the advance, the latest index figure for the increase of food prices alone over the pre-war level being 72 per cent., as compared with 68 per cent. on September 1st. This rise was largely due to rises in the price of milk, butter, cheese and eggs. Average butter prices rose by about 2d per lb. Potatoes, flour and bacon, on the other hand, were slightly cheaper on October 1st than a month earlier.

Electricity Commissioners' Report.—The Electricity Commissioners are to be congratulated on the excellent reports surveying the electric supply industry which they have made it their business to publish year by year. The third of these annual reports, covering the year ending March 31st last, has been recently published. It consists of some 142 pages of most valuable information and data. The electricity generated by the electric supply undertakings and railway and tramway authorities of the United Kingdom shows an increase of 17½ per cent. over the previous year. The units generated by the authorised supply undertakings was 4,572 millions, and by the railway and tramway authorities 855 millions. The various schemes for the re-organisation of the electric supply of the country aim at eliminating as far as possible the separate generation of electricity by railway and tramway authorities, so this latter should, as time elapses, tend to decrease, and

the total of units generated by authorised undertakers be augmented correspondingly. In another place, the Report touches on this matter, and quotes the finding of the Board of Trade Electric Power Supply Committee that "the importance of combining the supply of railways, tramways, and other classes of consumers is beyond doubt." The Commissioners are following this policy, as will be seen by their decision (dealt with in this Report) that the South-Eastern and Chatham Railway should not build their own generating station, but take supply from authorised undertakers. The decision is of importance, as the estimated units involved in the first stage of this railway electrification is 89 million units, and in the second stage 210 million units. The expansion of the present authorised undertakings is indicated by the new generating plant which was sanctioned by the Commissioners during the year—namely, 375,609 kilowatts. New plant for railways, tramways, and non-statutory undertakings was sanctioned to the amount of 46,729 kilowatts, making a total of 422,338 kilowatts. This figure shows a very appreciable increase on the total of plant authorised in the previous year, which amounted to only 169,593 kilowatts. As regards the position of the various schemes formulated for the 15 electricity districts which has been delimited under the Act, 1919, the Report gives full details. Summarised, the position is as follows:—One scheme (Lower Severn) has not been proceeded with. The London and Home Counties scheme is in suspense (owing to prohibition being granted by the Court of Appeal on grounds of its being *ultra vires* in certain particulars). Three schemes have now been embodied in Orders passed by Parliament, and so are now in force, viz., North Wales, South-West Midlands, South-East Lancashire. Two schemes are in the draft order stage, and others are being proceeded with. In connection with these schemes some interesting figures are given as to the estimated growth of the demand. The figures are for 12 only of the districts, but as these cover the most important areas, and would represent about 50 per cent. of the public electricity supply of the whole country, the totals may be taken as in a certain measure representative of the whole. Taking the present output as the basis, the figures in the estimates show an anticipated increase of 89 per cent. by 1926-27, and of 180 per cent. by 1931-32. The linking up of undertakings for mutual assistance or bulk supplies is also dealt with in the Report, which shows that at date some 174 undertakings are now taking, or have arranged to take, bulk supplies (in some cases reciprocal supplies). This is all to the good, as tending towards the general centralisation of generation.

U.S. Shipping Board Accounts.—Our New York correspondent writes:—In the first complete statement ever made public of the assets and liabilities of the United States Shipping Board (including the Emergency Fleet Corporation and subsidiary realty and transportation companies), total assets as at June 30, 1923, are given as \$399,919,781. Total liabilities, including reserve for insurance claims and losses and claim settlements, are placed at \$47,514,581. A reserve fund, amounting to \$60,000,000, has been set up for fleet liquidation and expenses of such liquidation, allowances on restricted sales and for loss risk on the laid-up fleet. The excess of assets over liabilities is given as \$292,405,200. The fleet remaining in the Board's hands on June 30th last is carried at \$229,929,758. The latter figure, Chairman Farley explains, has been arrived at by a careful survey, recently conducted, covering a detailed inspection of every vessel owned by the Board. That sum, he points out, bears no relation to the large amount spent in the fleet's construction, but "represents fairly the present-day world market value of the fleet, based not only on the types and characteristics of the vessels, but also upon consideration of their physical valuation." The accounts of the Board, he remarks, "have been placed as nearly as possible on a strictly commercial basis," and "there have been eliminated from the assets all fictitious values resulting from excessive costs of building the Board's fleet." A study of the accounts and notes receivable reveals a very large amount of offsets, representing disputed items and doubtful or uncollectable accounts, which give a fair idea of the liquidating problems still confronting the Board.

From one batch of accounts receivable, totalling \$122,884,147, there has been deducted the sum of \$112,116,220, including \$25,925,793 as "payable offsets," \$39,189,279 as "claim offsets," and \$47,001,147 as "reserve for doubtful or uncollectable accounts," leaving a net amount of only \$10,767,927 that has been included in the total assets. Besides the foregoing accounts receivable, those of managing agents (at estimated realisable value) are given as \$26,186,302 in notes receivable, from which a total of \$19,599,732 in "offsets and doubtful notes" has been deducted, leaving a net sum, carried as assets, of \$6,586,569. Other accounts and notes receivable for ship sales are placed at \$74,101,254, less \$62,316,900 for "payable and claim offsets" and reserve for uncollectable accounts, leaving \$11,784,354 figured as net assets. The grand total of all accounts receivable amounts to \$223,171,703, from which there has been deducted for payable and claim offsets and reserves for doubtful or uncollectable accounts the sum of \$194,032,852, making the net amount of such accounts, which have been entered as assets, \$29,138,850. One of the major tasks of the Board for some time to come, Chairman Farley says, will be to expedite the settlement of these old accounts, most of which are inheritances from the war activities of the Board. The statement includes an estimate of the claims both for and against the Board. The figures, it is explained, do not represent either the gross or net amount in either case, but merely the probable amounts at which final settlement may be effected, and which in many cases must be determined by the courts. Among the assets enumerated are net cash, \$32,146,207, and insurance fund cash, \$8,850,449. The estimated recoverable value of claims in favour of the Shipping Board and carried as assets is \$5,279,860. Liabilities include \$8,850,449 as reserve for insurance claims and losses, and \$6,517,924 as reserve for claim settlements. For the reasons mentioned, it is quite evident that, apart from the appraised value of the Government's merchant marine fleet and a few other items, there is still much uncertainty as to what are the Shipping Board's real assets and liabilities.

The Home Bank Failure.—Our Ottawa correspondent writes:—Mr A. B. Barker, the curator appointed by the Bankers' Association to investigate the affairs of the defunct Home Bank, has now submitted his report, and it confirms all the suspicions and fears which have prevailed. The total assets are estimated at \$15,848,400 and the liabilities at \$18,848,978, leaving a nominal deficit of \$2,638,578. But the "quick" assets are only placed at \$5,643,951, and against this must be set the preferred claims of note holders and Government, which total \$2,956,426. For immediate distribution there is therefore only available \$2,647,625, and this sum falls short by more than a million dollars of the amount required to pay an interim dividend of 25 per cent. to the public creditors. The curator ranks as "special assets" \$9,229,997 loans made on a variety of undertakings, mostly of a speculative character, which are not immediately realisable and are of problematical value. Upon the amount ultimately realised from them will depend the dividend which the depositors will receive, but experts familiar with the securities involved in this class of loans do not expect them to yield more than 50 cents in the dollar. In that event the depositors need not expect to receive more than 40 cents in the dollar, apart from what can be collected under the "double liability" provision of the Bank Act. The report makes it clear that the Home Bank was engaged in something far beyond ordinary banking business, and that its directors had allowed its funds to be used for an orgy of speculation by themselves and their friends. The perilous ventures for which its money had been utilised included railway projects at New Orleans, speculations in veterans' land scrip, real estate schemes in Toronto, and timber enterprises in B.C. One large debtor is a concern known as the British Dominion Holding and Investment Company of Montreal, which owns two tramp steamers credibly reported to have been actively engaged in the rum-running business off the American coast. Companies in which different directors were interested obtained large advances from the bank on security which was quite inadequate to protect the bank

against loss. In face of such revelations, the demand for prosecution of the responsible parties has been irresistible. The Federal Government has ordered the arrest of the president, H. J. Daly, on the charge of signing a false and deceptive statement respecting the returns of the bank; Mr Daly is reported to be seriously ill at his summer home on Lake Simcoe, and bail will be allowed. The Ontario Provincial Government took concurrent action, and have caused the arrest of Mr R. P. Gough, the vice-president, and five other directors, the acting general manager, the chief accountant, and an auditor. The charge against them is very serious, for the return of June 30th sent to the Finance Department placed the assets at \$27,434,090 and the liabilities at \$24,889,000, leaving the deduction to be drawn that both the capital and reserve were intact when they had both been hopelessly dissipated. The Federal Government are expected to order a thorough public investigation, and failure to do so will provoke a serious outcry. They are themselves in a sense involved through the revelation of a curious transaction undertaken by the executive of the Canadian National Railways. The latter has distributed its business among six banks approved of by the Minister of Railways, and of these the Home Bank was not one. But Mr R. P. Gough, the vice-president of the Home Bank, is also a director of the C.N.R., and on May 28th last he induced the management of the C.N.R. to sanction the deposit of a million dollars of C.N.R. funds in the Home Bank. It was withdrawn five days later, but in the meantime the presence of this money had materially improved the aspect both of the annual statement given to the shareholders and the monthly return to the Finance Department. The public is very restless at the discovery that the funds of the C.N.R., which are public funds, have been used to bolster up a tottering bank.

The Turkish External Debt.—The Report for 1922-23 of the Ottoman Debt Council, with Sir Adam Block's preface, is virtually an exhortation to the bondholders, even of the Unified Debt, to have patience and hope for better times. The Treaty of Lausanne, like that of Bucharest, provides that the Debt shall be apportioned between Turkey and the countries which have obtained Turkish territory as the result of the preceding wars; but the adjustment of the respective shares has still to be effected (for Bulgaria, the Ottoman Debt Council will do it), and meanwhile the receipts from the ceded revenues are for the most part suspended by their interception both by the countries in question, notably Iraq, Syria, and, in respect of her Aegean acquisitions, Italy, and by the Angora Government. During the last three years that Government has appropriated about £110,000,000; since September of last year it has held back all the ceded revenues derived from what remains of Turkey, except certain local revenues coming from Constantinople and the neighbourhood. The product of the Constantinople Customs has also been intercepted, while the receipts from the spirits and stamp duties have been reduced by hasty and confused legislation. Albania has formally confiscated the Debt revenues; in Iraq and Syria the Debt Administration "administers" them, but the Governments "deduct" nearly all the proceeds, except a small sum—possibly arrears due when the territories were still Turkish. The net receipts would suffice for the service of the Unified bonds and the "Lots Turcs"—which latter do not concern British investors—if the Council could duly collect the ceded revenues; but the estimated amount for 1922-23 is only £76,262,000, against £77,641,000 for 1921-22, and that for 1923-24 will show a further decline. Under these circumstances, and in view of the state of the exchange, it is improbable that the Council will be able to make additional payments on account on the war and post-war coupons preceding that due last September, or to make any payment for the present on the last-named coupon. The question as to the currency in which the bondholders are to be paid is still unsettled; but Sir Adam Block's preface is both a warning to Turkey and an encouragement to the bondholders to hope. Turkey, he points out, has been relieved by the Treaty of Lausanne of 40 per cent. of her pre-war foreign debt, and by the war of certain Asiatic territories which in-

volved her in constant financial loss. Her war debt is less than that of any other belligerent, and her currency has not been debased by a vast over-issue of worthless notes. With a reasonable readjustment of taxation, reduced expenditure, and a sound Budget, she should meet her engagements with no more difficulty than before the war. She will do wisely to treat her bondholders fairly, so as to maintain her credit in view of the need of foreign capital for reconstruction, which, however, he admits, does not seem to have arisen as yet. The Council's Report, which is full of interesting detail, had been held back in the vain hope of further information from Asiatic Turkey; there is a useful reprint of the financial clauses of the Treaty of Lausanne, and it includes subsidiary documents forming part of the peace settlement.

The Outlook in China.—The reconstructed Chinese Government has made a good beginning by its reply to the Note of the Powers on the Ling-chen railway outrage. It accepts in principle their demands for compensation for the sufferers, leaving the details for future discussion; it announces that the officials responsible for the conditions which led to the outrage have been punished, and that the Tuchun of Shantung has been relieved of his post; and it implicitly acknowledges the responsibility of the central executive authority for the prevalent disorder and brigandage. The satisfaction created by the reply is somewhat qualified by its refusal to accept the scheme of the Powers for a special railway police under foreign officers, and also by the revelation that the dismissal of the Tuchun of Shantung has been veiled by his resignation and acceptance of an honorary dignity; but the Government is obviously not yet strong enough to offend the Nationalist feeling which the new departure has strengthened, or to raise up a fresh and possibly dangerous opponent. It remains to be seen what reply it will make to the Note of the Powers concerned in the Consortium, calling attention to the illegitimate application of the Customs and salt surpluses to the service of the internal loans. Presumably it will temporise, pending the deliberations of the joint Committee just set up to deal with the most urgent of the financial problems of China. At present its stability is threatened by the efforts of Li Yuan-Hung, the ex-President, and by the protests of Sun Yat-Sen against the legitimacy of the election of Tsao-Kun. But Sun Yat-Sen's power has waned considerably in the last few months, and he certainly cannot rely on the united support of the South.

Government Plans and Metal Prices.—A correspondent writes:—The announcement of the Government plans to relieve unemployment and the decision to build bridges, roads, &c., and find additional cash for shipbuilding, has had a good effect upon the metal markets generally, and iron and steel have benefited by the steps taken to keep the Ruhr surplus stocks from being dumped down here. All the iron and steel used for the new construction work will be British, and this will keep the works going for some time. All prices are harder, and the sheet trade is very well booked up, fresh orders having come in from the East this week. The tinplate mills in South Wales are also very active, with more good contracts for oil sizes secured for Canada and the States. The non-ferrous metal markets have shown a very hard undertone, and in some cases values have moved steadily upwards. Copper has improved rather slowly, but both standard and refined have been better, and a fair business has been done. The news from the United States is not very encouraging about copper, but steps are being taken to deal with the big production, and the metal would soon feel the benefit of any European revival in trade. Tin has been firm, although during the early part of the week there was some hesitation and a little selling appeared. The demand for tin is bound to be steadily maintained over the next few months, and if standard tin can be stabilised at over £200 per ton for any length of time most mining companies will do well. Further, if there is no material fall from the present level and all the metal offered is absorbed by the consuming interests here and in the United States, the Government surplus tin in the East will easily be

absorbed during the next few months, and this will do much to aid the general position of the metal. Statistically, tin is very healthy, and if the demand expands according to anticipations in the closing months of the year better prices will undoubtedly be seen. The stocks in this country are very small. Lead has been strong and active, with a good upward movement in values. The supplies coming into the country during the last two months have been exceptionally heavy, but all the metal has been absorbed, and this week high premiums have been paid for prompt delivery. There was at one time a difference of 20s per ton between October and January, and this large backwardation tells its own tale. The imports so far this month have been light, and there is every indication of the shortage continuing, although lead has been put lately into private warehouse. Nearby lead has gone well over £27 per ton, and will go higher. The market for zinc (spelter) has also been very firm, and the shortage of the metal is now beginning to reveal itself. Galvanisers have been buying again, and there are very few sellers. Sales of over a thousand tons a day have been recorded on the open market, and in view of the expansion in home requirements and the active demand for galvanised sheets on foreign account, better values will have to be offered to attract sellers. The news from the United States is better about spelter, and there is very little hope of attracting much from that quarter. Generally speaking, the tone of all the metal markets is more buoyant, and the Government plans have done much to help sentiment.

The Channel Islands and Imperial Expenditure.—Both the Channel Island Legislatures have received the Reports of their Select Committees on the request made by the Home Secretary last February for a contribution towards the cost of the war. Jersey has postponed consideration of the subject till the islanders have expressed their opinion; Guernsey for four months, pending further inquiry into the local resources and revenues. Both Reports, however, are adverse to compliance. The Jersey Committee doubts whether the island Legislature can tax its subjects, without their consent, for the benefit of another community; but, subject to such consent, the Majority Report suggests that the island should make a single payment of £250,000, and take over the responsibility for the salaries of certain of its officials now paid out of local Crown revenues—an annual burden of about £920. The Minority Report suggests that the island should become responsible for the war pensions payable to its inhabitants or their dependents, the salaries above mentioned, and the British share of the expenditure on the local militia and education. The Guernsey Committee points out, what was made clear last February, that the Treasury suggestion of a payment by the island of £275,000 annually is based on the figures of a single year of exceptional prosperity, and that an annual payment would tend to become perpetual and to be spent in meeting charges which the States (the island Legislature) would have no share in fixing; so that it might eventually come to be paid independently of their consent. But the Commission holds that the States, while reaffirming the immunity from Imperial taxation, might assume the burden of the war pensions payable to men recruited in the island and their dependents, and to this end might offer a total sum of £375,000 in 15 annual payments of £25,000. Three members would limit the annual payments to ten, totalling £250,000; one, on constitutional grounds, holds that the States should take over the whole charge for pensions of men recruited in the island and their dependents, rather than make annual payments, which might eventually be demanded for other purposes, and become established and continuous. The annual cost of this arrangement (excluding the annual cost of administration, now £5,000) is estimated at £40,000 for the first five years, £24,000 for the second, and £14,000 for the third, with a subsequent amount which cannot be estimated, but will gradually disappear. The £5,000 for administration might be set off against the death duties paid to the British Treasury in respect of estates of persons dying in the island, which the States claim should be credited to Guernsey, while £22,500 might be raised annually by raising the local income-tax (now 6d) to 1s 1d

in the £. An equal sum might be raised by indirect taxation. That one of the two courses suggested will be adopted seems certain, and the second has the strong support of the Bailiff. Apparently island feeling is largely adverse to contributing. But a German victory might have involved the transfer of the islands to Germany with the French coast as far as Cherbourg—a course actually advocated in Germany during the war—and only a much larger payment, if it were possible, would adequately compensate for their escape from this fate.

Conditions in Honduras.—Adverse climatic conditions writes a correspondent, have seriously interfered with the fortunes of Honduras. Drought, wind storms, out of their season, and serious conflagrations have been experienced. The banana plantations, upon the success of which the country largely depends for its revenues, have suffered grievously, the loss of fruit crop being estimated at between 25 and 50 per cent., although certain districts have felt the effects somewhat less than others. The sugar cane harvest, on the other hand, which suffered from fires, will produce little more than 30,000 tons, compared with an average yield of 40,000 tons, producing some 40 per cent. of the country's purchasing power. Even silver mining has been affected by the shortage of water and the low prices ruling, the production of the white metal during the past few months having been considerably below the estimates. These conditions will, naturally, interfere to some extent with the purchases customarily made by the native, Chinese, and Syrian importers in preparation for the Christmas season; merchants have little ready money to invest in fresh stocks, and credit conditions remain far from encouraging. Except in Tegucigalpa, the capital, where the monetary position has been somewhat relieved, cash is tight and payments are slow, while in certain other sections financial embarrassments are reported.

Union Cold Storage.—Although the report and accounts of the Union Cold Storage are dated October 9th, they cover the period for the year ended December 31, 1922. Thus details of recent developments are not mentioned, and shareholders must in consequence content themselves with what is placed before them. Of course, we quite understand that returns from abroad have to be incorporated into the figures of the home concern, and that no doubt this accounts for the difficulty in presenting a more up-to-date balance-sheet. Further, most shareholders will consider that a little incident of this kind is amply set off by the remarkable progress of the undertaking, which continues without regard to good or bad industrial periods. Again we have to chronicle a year with a fresh record, profits climbing from £558,675 to £581,589. The table below compares results for a number of years:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Gross profits	£ 137,094	£ 289,922	£ 295,424	£ 306,360	£ 467,393	£ 558,765	£ 581,589
Deb. interest, &c.	31,727	66,637	62,333	58,133	72,118	74,676	83,423
Net profit	105,367	223,285	231,091	248,227	395,275	483,999	498,166
Brought forward	23,806	45,014	45,454	51,066	71,717	87,497	104,028
Reserve & depreciation	126,173	268,299	276,545	299,293	466,992	571,496	602,194
Prof. dividend	43,185	75,048	76,679	78,777	87,939	108,667	133,472
Ord. dividend	46,109	117,797	118,800	118,800	261,556	328,800	328,800
Carry forward	..	30,000	30,000	50,000	30,000	30,000	30,000
	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)
	36,879	45,454	51,066	71,716	87,497	104,028	109,922

As will be observed, the 10 per cent. distribution on ordinary capital is maintained, and a slightly larger sum is carried forward. Moreover, reserve and depreciation obtain £133,472, against £108,667 a year ago. And this is not all, for we read that "there has been transferred to depreciation reserve £500,000, being surplus resulting from the sale of investments." The balance-sheet contains many features which no doubt will be dwelt upon at the annual meeting next Tuesday. For instance, the portmanteau item, debts due to the company, stocks, &c., has grown from £3,980,202 to £5,366,154; we would suggest that this should be separated into at least three items. "Sundry creditors" have also increased; the latest figures of £6,263,544 compare with £4,540,135 for the previous year. A curious point about the securities of this undertaking is the comparatively low price of the

4½ per cent. debenture stock. This is redeemable at par in 1928, and there is a total of £948,929 now outstanding, a transaction being lately effected at 93½. The total authorised and issued amount of these debentures was £1,615,000, but £666,071 has since been redeemed, including £64,224 during 1922. At the present market price a yield, including profit on redemption, is shown on this stock of close upon £5 16s per cent. The balance-sheet will be found analysed in our usual column.

United Dairies.—Again we have to record another successful year of trading for United Dairies, Limited—that is as far as can be judged by the meagre details vouchsafed in the report and accounts in front of us. This, the eighth annual report of the company, shows the position of the undertaking up to June 30, 1923, the accounts including dividends from investments in subsidiary companies to March 31, 1923. The following table shows the remarkable progress made by this concern during the past five years:—

Year Ended June 30.	1919.	1920.	1921.	1922.	1923.
	£	£	£	£	£
Preference shares	1,344,508	1,555,284	1,652,564	1,881,674	1,893,243
Ordinary shares	1,086,173	1,726,052	1,798,677	2,027,125	2,038,403
Issued share capital	2,430,681	3,281,336	3,451,241	3,908,799	3,931,646
Net profit	233,445	279,668	356,186	452,692	468,623
Divd. on ordinary share	10%	12½%	12½%	12½%	12½%

It will be recalled that for some years past this company has been mainly engaged in absorbing dairy businesses and companies, issuing its own shares in exchange, and if the above figures really do represent the progress of the company, this policy of expansion may be justly claimed to have proved itself. We say advisedly if these figures represent the progress of the company, for although £100,000 has been placed to reserve, bringing the reserve fund up to a total of £250,000, it is obvious that much more light is needed on the situation before any definite pronouncement could be made. The balance-sheet and accounts are in themselves clear though concise statements of affairs, as far as they go, but this is clearly a case where the general investing public is entitled to know something further. Here is a concern of the controlling variety, with investments and loans amounting to £4,026,009 out of assets totalling £5,399,309. Under this heading we have the main business of the parent company—that of looking after its absorbed subsidiary companies. This is all we are permitted to know about them in these accounts. Even the auditors are driven to observe in their report that "the investments and loans in subsidiary and other companies are taken at, or under, cost price," and proceed to say that, subject to this observation, the balance-sheet is properly drawn up. What the precise value of this observation may be we do not know. Obviously, what shareholders and outside investors want to know is what is the actual value of the assets represented by these shareholdings and other investments. Is it to be assumed that all the various small companies which go to make up this combination have each their separate reserve fund? If so, it would be interesting to know if reserves are made on some common basis. It is doubtful if the reserve of £250,000 shown in the balance-sheet is the full story of provision made for wastage and depreciation.

Rhodesian Mining.—On the financial side the results secured last year by the Gaika correspond very closely to those of 1921-22—in fact, the profit of £26,500 is within £100. However, the dividend is raised from 7½ per cent. to 10 per cent., leaving a somewhat reduced balance to go forward. The performance of a largely increased amount of development work has expanded the ore reserves by 32,000 tons to 78,600 tons, but the value is given as 10.2 dwts in place of 13.6 dwts a year ago. The latter feature is explained as due in some degree to the conservatism of the methods of computation employed. Probably many of the shareholders will not be pleased to learn that the one-time projected return of capital has been indefinitely postponed, further considerable expenditure being in prospect. Whether the development position warrants the extension of the reduction plant is somewhat doubtful. A noteworthy

change for the better is shown by the annual statement of the London and Rhodesian Mining and Land Company, there being a profit of £35,500, as against only £9,250 for 1921-22, and an actual loss of £7,000 in the 12 months ended June 30, 1921. The company has a reduced but still large holding of Cam and Motor shares—145,500; and there is the point that the market value of its investments at the date of the balance-sheet amounted to £554,850, or more than double the book entry. The company's portfolio includes a large interest in the recently floated Sherwood Starr concern; the Sabiwa mine is being worked. It is thought that the dividend stage is now within sight.

Uruguayan Railways.—The report of the Central Uruguay Railway Company of Monte Video, Limited, and of its three extension systems for the year ended June 30th last again shows a substantial improvement on the previous year both in the direction of increased receipts and of reduced expenditure. The results for the combined system for a number of years past are set out in the following table:—

Year.	Gross Receipts.	Expenses.	Profit.	Percentage of Expenses to Receipts.
	£	£	£	%
1912-13	1,243,393	669,008	574,385	53.81
1913-14	1,103,229	622,727	480,502	56.44
1914-15	946,767	562,684	384,083	59.43
1915-16	1,088,956	669,208	419,748	61.45
1916-17	1,178,502	771,433	407,069	65.45
1917-18	1,542,320	1,010,288	532,031	65.50
1918-19	1,792,804	1,219,680	573,123	68.03
1919-20	1,892,902	1,245,944	646,958	65.82
1920-21	1,879,630	1,504,995	374,635	80.07
1921-22	1,891,302	1,207,917	683,385	63.87
1922-23	1,989,203	1,172,769	816,434	58.96

The profit figure is easily the highest recorded, while the ratio of expenses to receipts is the lowest since the year 1913-14. Working expenses were reduced by £35,100, or 3 per cent., largely as a result of the lower cost of engine fuel. The coal bill was £93,700, as against £167,000 for the previous year, while the cost of oil was £76,900, against £37,600. The consumption of coal was reduced from 44,516 tons to 34,322 tons, while oil consumption rose from 9,438 tons to 21,816 tons, the mean consumption per engine mile being 40.76 lbs of oil, against 51.04 lbs of coal. The increase in receipts was principally due to the exceptionally heavy cattle traffic handled. The number of passengers increased by 7 per cent., but passenger receipts declined by 0.44 per cent. Goods receipts declined by 3.26 per cent., the average receipt per ton being 8 per cent. less at 24s 10d, although the tonnage was 5 per cent. greater. Live stock receipts increased by nearly 39 per cent. The separate figures for the main line and the three extensions read as follows:—

	Gross Receipts.	Working Expenses.	Profit.	Percentage of Expenses to Receipts.
	£	£	£	%
Central Uruguay	1,378,681	873,437	505,244	63.35
Eastern Extension ..	310,409	142,993	167,416	46.07
Northern Extension..	161,478	76,702	84,776	47.50
Western Extension ..	138,635	79,636	58,999	57.44

The greater movement of livestock is also responsible for better results shown by the extension lines. The Eastern and Northern Extension companies each show an expansion of over 9 per cent. in gross receipts, but expenses are also higher. Profits show an increase of 12.29 per cent. for the Eastern, 11.92 per cent. for the Northern, and 1.35 per cent. for the Western. Both the Eastern and Northern Extensions show a slight reduction in the ratio of expenditure, but the ratio for the Western is a shade higher. Thanks to the continuance of an adverse exchange, the loss on remittance of funds to London during the year amounted to £155,630, as against £182,100 12 months ago, and this is charged to net revenue account. After paying fixed charges and the 5½ per cent. preference dividend, the main line accounts show a balance of £165,600, out of which £20,000 is transferred to Exchange Reserve account, and a dividend of 4 per cent. is paid on the ordinary stock, as against nothing a year

ago, leaving £43,600, or £8,300 more, to be carried forward. The Eastern Extension pays 7½ per cent. on its ordinary stock, as against 6 per cent. a year ago, while the Northern pays 5 per cent., as against 4½ per cent.

Siamese Syndicate.—Our Mining correspondent writes:—Some disappointment seems to have been occasioned amongst those interested by the report for 1922. It is true that the profit of £26,300 only exceeds by a trifle that of the preceding year, while the final dividend of 5 per cent. makes a total of 15 per cent., as before. But the accounts do not, of course, reflect the benefit to the company of the greatly improved price for tin which has ruled during the current year, especially in the spring and just recently. Nor do the directors refer to the subject, although the general manager observes that since the end of 1922 "we have seen a rise in tin that makes a vast difference to our position." Last year a record quantity of gravel was treated, and costs were reduced, but the yield declined owing to the exhaustion of a patch of exceptionally rich ground. Several additional areas have been acquired. The syndicate, it may be recalled, is a finance as well as a mining enterprise. An interim dividend of 10 per cent. on account of the current year was paid in July last.

The Reparation Account.—It was the intention of the Reparation Commission to publish up-to-date summaries of their accounts every six months. But since the changes occurring in the first six months were comparatively slight they have deemed it sufficient to issue a *communiqué* containing one condensed table. On the six months the total of French and Belgian receipts from Germany, whether in cash or kind, have only made a trifling advance. But the Italian total has increased by 62.5 million gold marks in kind and 32.5 millions in cash, while British receipts in kind have received an accretion of just over 100 millions. The explanation of the last-named increase presumably is that the proceeds of the Reparation Recovery Act are included under the main heading of "Deliveries in kind." Roumania in the same period has received the equivalent of 22 million gold marks in kind, and Serbia 54 millions. These are the only changes on the six months worthy of note. The following shows the total credited to the Allies as receipts and the distribution thereof up to June 30, 1923:—

WHAT THE ALLIES HAVE RECEIVED.
(In Millions of Gold Marks.)

	Kind (including Reparation Recovery Act).	Cash.	Property in Ceded Territory.	Total Distributed to Allies.	Repayment of Coal Advance, Armies of Occupation, &c.	Net Receipts
Great Britain	613	641	5	1,255	1,059	196
France	1,358	144	302	1,804	1,562	242
Italy	305	33	..	338	39	299
Japan	9	..	..	9	..	68
Belgium	648	1,082	59	1,730	277	1,453
Poland	15	..	..	15	..	13
Greece	13	..	1,776	1,791	..	1,791
Roumania	32	..	..	32	..	32
S. C. Slove	204	..	..	204	..	204
Czecho-Slovak	16	..	6	22	..	22
Portugal	12	..	..	12	..	12
Total	3,225	1,900	2,144	7,269	2,937	4,332

The figure of 1,776 million gold marks credited to Poland in respect of ceded property is given in the condensed statement as in suspense, because the valuation has not been agreed. To arrive at the payments which Germany is credited with having made, some additions have to be made to the total of 7,269 million gold marks distributed to the Allies. In suspense account are deliveries in kind 533 millions, made up of 393 millions for "portion of value of ships," submarine cables 49 millions, miscellaneous 92 millions; also, under the heading Ceded property, Dantzig 309 millions, "portion of value of Saar Mines 100 millions." The two items in inverted commas represent the difference between the amount credited to Germany for ships handed to Britain and the

Saar Mines handed to France, and the amount at which these respective countries agreed to their entry as receipts. These items together bring the total payments by Germany up to 8,214 million gold marks.

Oversea Correspondence.

UNITED STATES.—COMMODITY PRICES IN SEPTEMBER.—COTTON AND GRAIN CROPS—AUGUST RAILROAD EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 8.

COMMODITY price levels as a whole showed another advance during September, Bradstreet's index number as at October 1st, namely, \$13.0974, representing a gain of 1.3 per cent. over that of September 1st. Price movements among the different groups, however, and even with the same groups were irregular. Seven groups of products advanced, four declined and two remained unchanged. In the list of individual commodities, 30 articles advanced, an equal number declined, and 46 were unchanged. The rise in the textile group was exceptionally marked, owing to the upturn in raw cotton, and in cotton goods prices, and in raw silk, the latter advancing sharply on account of the Japanese disaster. Other groups which ruled higher last month were provisions, meats, fruits, breadstuffs, naval stores, and building materials. Declines were recorded in live stock, because of heavy marketing, in miscellaneous products, hides, and leather, and vegetable oils. The coal and coke group showed no net change, declines in bituminous coal and coke offsetting the rise of 75 cents a ton in anthracite, caused by the miners' strike. Drugs and chemicals also showed no change on the month. The advance in the index number in September was approximately double the rise during August, and was the second upturn in price levels after the steady declines from March until August. The October 1st index number shows an increase of 2 per cent. over this year's low reached in August, but is 4.4 per cent. below that of January 1st. It is 4.9 per cent. above October 1st a year ago, 23 per cent. higher than the low point of June 1, 1921. As compared with February 1, 1920, it represents a decline of 37 per cent., but is 50.4 per cent. above the August 1, 1914, level.

Latest advices state that recent heavy rains in parts of the corn belt did considerable damage to the crop, which has made slow progress. Private estimates of the corn crop now range from 2,982,000,000 to 2,992,000,000 bushels, as against 3,076,000,000 indicated by the Government report last month, and last year's harvest of 2,891,000,000 bushels. Frost has also reduced the prospective yield, one authority estimating the loss from that cause at 70,000,000 bushels in four of the principal producing States, and at 86,000,000 bushels for the entire country. The November 1st carry-over is now estimated at 60,000,000 only, as against 176,000,000 a year ago. The present indicated crop, plus the carry-over, places this season's supply of corn at 3,050,000,000 bushels, compared with 3,068,000,000 last year. During the past week there was increased trading in all grains, especially in corn, which scored further sharp advances, making the rise in about a fortnight 8 to 11 cents a bushel, approximately. In leading Western markets, the price of corn last week passed the dollar level for the first time since October, 1920. The vigorous upturn was attributed to light offerings and active demand from shippers and consumers in need of supplies. Shippers were apparently short of corn for October loading at Chicago. Rains throughout winter wheat sections have helped soil conditions, facilitating ploughing and seeding of winter wheat. In Kansas from 50 to 75 per cent. of winter wheat is reported seeded, with early plantings up in some localities. Acreage sown to winter wheat is being reduced generally. Private estimates of spring wheat yields range from 217,000,000 to 225,000,000 bushels, compared with 276,000,000 last year, making the total wheat crop 785,000,000 to 793,000,000, against 862,000,000 actually harvested last year. The oats crop is variously estimated at

1,272,000,000 to 1,293,000,000 bushels, as against 1,311,000,000 a month ago, and 1,201,000,000 harvested last year.

While the cotton trade generally expected that the Government's report on the cotton crop, as at September 25th, would show a heavy decline in condition, the forecast of a yield 227,000 bales larger than was indicated in the previous report proved a genuine surprise, which was immediately reflected in a violent slump in cotton market prices. The Department of Agriculture's condition report and forecast, which will be the last of the season until the December estimate, placed the September 25th condition of the crop at 49.5 per cent. of normal, indicating a yield of 137.7 lbs per acre and a total crop of 11,015,000 bales, as compared with last month's forecast of only 10,788,000 bales, which was based on a condition of 54.1 per cent., as at August 25th, indicating a yield per acre of 134.8 lbs. In view of the abnormally small carry-over from last year's crop, there is not likely to be enough American cotton for all requirements, even if the crop proves to be as large as now indicated, provided consumption reaches last year's total. As previously pointed out, a big unknown factor is what the consumption will be during the coming year. All seasonal lines of cotton goods are being purchased quite freely for current autumn trade, and distributors are urging that deliveries of merchandise under order for this season be expedited. On the other hand, buyers generally are making comparatively few purchases for more distant requirements, and at least one of the largest manufacturers, probably the largest producer of gingham, has announced an indefinite closing of the cotton goods division of that concern, due to the meagre volume of forward orders received and to a desire not to accumulate stock at present high costs of labour and raw cotton in advance of actual demand for goods. Prices of most finished cottons have been revised upward sharply in recent weeks. Buyers hesitate to operate for the future, fearing that the higher levels will check distribution.

Reports filed with the Inter-State Commerce Commission by all first-class railroads show that those carriers earned net operating income during August of \$98,381,200, equivalent, on an annual basis, to a return at the rate of 4.94 per cent. on their "tentative valuation." That exhibit compares with \$84,591,400, or 4.93 per cent., in July of this year, and with \$51,475,400, or 2.64 per cent., in August, 1922. Total operating revenues in August last amounted to \$561,456,700, representing an increase of \$90,502,960, or about 19 per cent. over the same month a year ago, while operating expenses of \$424,751,400 showed an increase of \$39,650,900, or 10 per cent. For the first eight months of this year, ending with August, Class 1 railroads had a total net operating income of \$625,634,900, equivalent to an annual return on their investment at the rate of 5.40 per cent., as against \$466,477,100, or 4.11 per cent., for the corresponding period of 1922. The more favourable earnings this year are chiefly responsible for the sharp advances lately witnessed in stock market prices of railway shares, although in the case of some issues a factor largely contributing to the rise has been the expectation of dividend increases or resummptions.

FRANCE.—REPARATIONS DEADLOCK—COMMODITY PRICES—REVENUE RETURNS.

(FROM OUR CORRESPONDENT.)

PARIS, October 17.

POLITICALLY, the Franco-German situation is once more at a deadlock. Herr von Hoesch, the German Chargé d'Affaires in Paris, called on M. Poincaré this morning and presented two very short Notes from Berlin, in which the German Government notified the suppression of the coal tax and of export licences, and its inability to finance further deliveries of reparation coal and coke from the Ruhr. The object of Herr von Hoesch's visit to the Quai d'Orsay was evidently to induce the French Government to enter into some kind of conversation in regard to the situation in the Ruhr, but in this he signally failed. M. Poincaré's reply was a polite regret that he was unable to discuss the question of how the German Government was to pay for the coal and coke Germany is under the obligation to deliver on reparations account, and a plain-spoken

intimation that the cessation of deliveries of reparation coal was regarded by France as a proof that passive resistance still continues. In the circumstances he declined to discuss the matter further, and the German envoy left, after a conversation of nearly an hour's duration, with the intimation that if Herr Stresemann had any proposals to submit he should lay them before the Reparations Commission. A similar effort by the German Chargé d'Affaires in Brussels met with an equally sterile result. Equally negative has been the indirect attempt of the Belgian Government to bring its new proposals for a settlement with Germany before the Reparation Commission. The latter body this afternoon formally discussed the manner in which the Belgian proposals should be handled by it, and decided to refer them for consideration by committee, which can only be interpreted, in the circumstances, as a polite manner of shelving the matter indefinitely. French opinion in general, both official and otherwise, regards the deadlock as insoluble at this end until the Berlin Government shows, by definite and concrete action of its own, that it is prepared to bring about such a house-cleaning in Germany itself that any conversations that may be opened between the two parties to the controversy may have at least a chance of leading to practical results. Meanwhile, like their predecessors, the Loucheur-Rathenau and the Lubersac-Stinnes agreements, from which so much was expected in the way of putting reparation deliveries on a rational basis, the agreements tentatively come to at Dusseldorf between the French Mining and Metallurgical Commission in the Ruhr and the Phoenix group of colliery owners have fallen stillborn. The agreements have not yet been actually signed, and there now seems little prospect that they ever will be. The deadlock is complete.

The quasi-capitulation of Germany in the Ruhr is regarded here as very largely due to recognition of the fact that, as disclosed by latest returns of the production of iron in France, the principal object of passive resistance has failed. One reason why the Berlin Government, backed by the German ironmasters, persisted so tenaciously in a wearing down struggle was their belief that sooner or later the French metallurgical industry would be compelled, in self-defence, through shortage of combustibles, to come to a compromise. The figures now published show that whereas the average monthly output of metallurgical iron in France during 1920 and 1921 averaged 300,000 tons, and in 1922 420,000 tons, it has risen steadily, since the occupation of the Ruhr began, from 305,000 metric tons in February to 330,000 tons in April, 447,000 tons in June and July, and 486,000 tons in August. The average monthly output in 1913 was 435,000 tons, but this, of course, was exclusive of the production of Lorraine. It should be pointed out, moreover, that the output for December, 1922, the last complete month before the occupation of the Ruhr began, was 515,000 tons, the largest ever reached in France. The output of steel in August (the latest available return) amounted to 452,000 tons, which is the highest figure reached since 1914. This total was 52,836 tons more than that for July, and 37,767 tons more than for December, 1922.

The index figures for wholesale prices for the month of September, which have just been issued by the Statistique Générale indicate an increase of 12 points as compared with that for August (which was 7 points higher than that for July). The detailed figures are as follows:—

	August (Corrected).	September (Provisional)
General index figure (45 categories) ..	477.5	489.7
Foodstuffs (total of 20 ") ..	442.0	472.1
Vegetable foods (8 ") ..	396.1	409.7
Animal foods (8 ") ..	476.3	498.5
Sugar, coffee, cocoa (4 ") ..	464.9	544.5
Raw materials (total of 25 ") ..	505.9	503.7
Minerals and metals (7 ") ..	474.5	462.2
Textiles (6 ") ..	651.9	651.0
Various (12 ") ..	451.4	454.2

The index figure at the end of 1922 was 418.4, which, in accordance with normal practice, is based on 100 as representing the mean during the period 1901-1910. The figure representing wholesale prices for September, as compared with the period 1901-1910, indicates an increase of 389.7 per cent. last month, against an increase of 377.5 per cent. in August, of 370.1 per cent. in July, and 318.4 per cent. at the end of 1922. As a consequence of the rise

in September, wholesale prices were brought back to practically the same level as in March last, which were the highest yet recorded during the present year, and were 390 per cent. above those recorded during the period 1901-1910. The principal increase during September was in wholesale food prices, sugar and coffee, &c., marking a rise of about 80 points. The figure representing retail prices in Paris is based on the quotations during September for 13 articles of the first necessity—namely, bread, meat, bacon, butter, eggs, milk, cheese, potatoes, haricot beans, sugar, oil, petroleum and methylated spirit. The figure for September indicates an average increase equivalent to a total of 239 per cent. on retail prices that prevailed in 1914, as compared with 228 per cent. in August, 221 per cent. in July, 231 per cent. in June, and 205 per cent. at the end of 1922.

The Ministry of Finance publishes this week the revenue returns for September, which show that during the last month the yield from taxation of all kinds and from the State monopolies (including income-tax and exceptional resources, such as the special tax on war profits) amounted to 1,813,873,000f. Of this amount, 136,906,600f was derived from exceptional resources, including 95,416,100f from the tax on war profits. Receipts from normal resources, therefore, amounted to 1,676,966,400f, or 363,107,000f more than during September, 1922. The total received from normal resources during the first nine months of 1923 has amounted to 2,026,689,000f more than during the corresponding period of 1922. The income-tax yielded 301,305,200f during September, 1923, as against 181,073,400f during the corresponding month last year. The most striking feature in the return for the month is the remarkably satisfactory yield from the tax on turnover, which has now apparently been got on to a stable basis, as its initiator, M. Klotz, predicted some years ago would eventually be the case. This much-discussed and much-objected-to tax produced in September 259,182,000f (or 72,246,000f more than in September, 1922), which is the highest figure it has yet reached in any one month, and also nearly 26½ million francs above what was expected from it last month, when the Budget estimates were drawn up. Customs, on the other hand (largely in consequence of the poor situation of the franc), produced only 126,653,000f, or 11,509,000f less than in September, 1922, and over 20 millions less than the Finance Minister expected. The revenue from posts, telegraphs and telephones was exceptionally good, amounting to 127,720,000f, or 33,951,000f more than in September, 1922, while tobacco, matches, and other monopolies yielded 164,937,000f, or nearly 15,000,000f more than during the corresponding period of last year.

GERMANY.—LABOUR TROUBLES—DICTATORSHIP REFORMS—NEW CURRENCY—FINANCES—EXCHANGE—AUGUST TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, October 16.

THE Stresemann Cabinet, fortified by the new Empowering Law, which creates an almost unlimited dictatorship, is faced with a new trouble in the very rapid increase of unemployment. This has led to riots in the provinces and to serious riots to-day in Berlin. It is to be feared things will get worse. Already in the week September 23rd-29th, the last period for which data are available, there were 150,149 unemployed and 595,317 short-timers among 1,769,001 members of the Metal Workers' Union alone. The figures for to-day would, if available, show conditions still worse. If it is remembered that little over a year ago there were only 20,000 unemployed in all trades, the aggravation will be realised. It has often been pointed out from here that the currency depreciation, as long as it quickened industry, even for the unhealthy motive of the "flight from the mark," could have no very serious consequences. But production, which all along was the main thing, has now been badly shattered, firstly, by the French Ruhr occupation, and, secondly, by the adoption of gold mark calculation, with its result, the great upward jump in gold prices. At present all the disadvantages of a deflation crisis without any of the advantages are being experienced.

The Stresemann Cabinet is showing praiseworthy energy, and, incidentally, pleasing those enemies of Par-

liamentary Government who believed that the institutions of the Republic were the cause of the inertia displayed in financial and economic matters. The Empowering Bill became law in the form described last week, and in all spheres that count in the present crisis the Cabinet can do absolutely anything it likes. It could even execute citizens by decree and without trial if only a financial or economic interest were concerned. Into the character of Dr Stresemann's dictatorship measures so far there has not been much examination; the nation prefers even doubtful measures than none, and is quite content to wait for results out of the sum of measures. Outside of the dictatorship powers two important reforms have been put through. Firstly (under Art. 48 of the Constitution, without waiting for the Empowering Bill, and undoubtedly illegally), taxation has been put on a gold basis. Exceptions are Customs, the tobacco tax, and some other taxes the nominal yield of which already rises in accord with the currency depreciation. The law is a complicated one. With some exceptions, it exempts from this "valorisation" all taxes falling due before August 31st; and provides that the mark totals of taxes falling due after that shall be increased according to a varying index based on the value of the mark. If this is carried out fully, the Budget ought to balance within a reasonable time. Further, the law provides for complete obliteration of petty tax claims, and cessation of petty assessment disputes. This provision ends a fearful scandal of official inertia and unadaptability. Next, in the form of a Bill, not yet passed (the subject being excluded from the scope of the Empowering Bill) is a practical abandonment of the Eight Hours' Day. In future the maximum eight hours (which remains theoretically the norm) may be lengthened (1) by agreement between employers and employees, (2) by an official decree. Formerly the employees' consent did not justify longer than eight hours. In ordinary trades the new maximum, whether by agreement or by official decree, is to be ten hours; in underground mining and in unhygienic occupations the maximum is eight hours. At present the hours in underground mining are seven.

Of the currency reform, which will be simply promulgated under the Empowering Law, the final form was announced to-day. The "Neumark," which was first a "Bodenmark," now becomes a "Rentenmark," and the issuing bank a "Rentenbank." The capital of the bank and security for its note issues, totalling 3,200,000,000 gold marks, will be raised half by mortgages to a value of 4 per cent. of the capital values on agricultural land (city land must, owing to the expropriation of house property, be exempted), and half on security given in the shape of mortgages or bonds by industry. The bank will be represented by a council of fourteen, representing the different classes of compulsory mortgagors. On security of the mortgaged values, the bank will issue 5 per cent. mortgage bonds, which will play the rôle of security for "Rentenmark" notes in denominations of from 1 to 1,000 r.m. The chief difference between this and the earlier official schemes is that the paper-mark will not be converted, and will remain legal tender; but increase of the paper-mark circulation will be prevented by depriving the Republic of the right of having its Treasury bills discounted at the Reichsbank; and the Reichsbank will prepare to return to its functions as a gold-mark bank. The Rentenbank will advance the Republic 1,200,000,000 r.m., sufficient, it is hoped, to cover deficits until the Budget is balanced. "Rentenmarks" will be accepted in payment of taxes and by all public institutions. In order to provide currency (in particular for moving of the crops) during the next weeks, small lots of "gold loan" (i.e., paper mark loan on a gold index basis) will be put into circulation immediately to a total of 200,000,000 g.m.

This scheme is announced as provisional, and therefore admittedly as not fully satisfying its authors. That can be understood, but the scheme seems to be better than none. It depends ultimately upon the balancing of the Budget, because if the Budget is not balanced before the Rentenbank's credit is exhausted, the credit will have to be increased, or some kind of new inflation resorted to. The maintenance of the home buying power of the "Rentenmarks" is assumed to be assured by the fact that the State will take them at their nominal gold value. This claim seems reasonable, because the Rentenmarks will

represent gold mortgage bonds, and as taxes are henceforth to be on a gold basis, the Rentenmark, though not convertible into gold, will be usable for payment of the gold tax claim. As this putting of taxes on a gold basis, already enacted on paper, is undoubtedly the condition precedent of balancing the Budget, the whole scheme has a certain unity. A danger is that declining production, and the chaos produced by the French on the Ruhr (which shows no sign of ceasing) may make it impossible to extract from the population the real taxation necessary for balancing the Budget. This was certainly not the case before the Ruhr complication. Another doubtful point is the retention of the paper mark. The paper mark must continue to have a varying, perhaps declining exchange. The stoppage of further inflation in no way guarantees stability, since over considerable periods before 1921, when inflation was so small that it could not materially influence the mark's home buying power, the mark exchange fell headlong abroad. In that case paper-mark prices will continue to rise, as paper rouble prices continue to rise in Russia, which has also a second stable currency, and the insufficiency of the stable "Rentenmark" circulation will prevent, again as in Russia, its general use. A paper-mark exchange fall associated with stable circulation would deprive the whole paper-mark circulation of practically all buying power, and as there would be no motive for rapid circulation of "Rentenmarks," their insufficiency for the purposes of business would increase. There are other doubtful points, on the basis of which some newspapers, perhaps precipitately, prophesy failure of the scheme.

The mark exchange collapse of last week led to a renewed frantic demand for cash; on one day banks paid out only 20,000-mark notes, worth each about one-millionth of an English pound. As usual, the Reichsbank's last (belated) statement for the end of the third quarter of 1923 gives no idea of to-day's rate of inflation; nevertheless, note circulation trebled in the week from 8,627 to 28,228 billion marks, Treasury bill discounts increased from 12,229 to 45,216 billions, private bills from 2,200 to 3,660 billions. Outstanding Darlehns loans rose to 941 billions. The allowable maximum of these loans has been raised from 300 to 5,000 billions. The Reichsbank is about to issue 10 milliard-mark, later 50 milliard-mark notes. The 58,000 billion marks which the Government was last week authorised to raise on Treasury bills will probably be exhausted before the Rentenmark credit is opened. The Customs gold supplement has been raised (from the 10th) to 13,699,999,900 per cent.

The Government has withdrawn the decree of March, 1919, forbidding import and export of Russian paper roubles. The paper rouble is beginning to be regarded by mere mark holders with a certain respect. The dollar Treasury bills, which are payable in gold and guaranteed by the Reichsbank, hold their value well, being to-day quoted at 4.5 milliards against a dollar exchange of 4.1 milliards. Also the "gold loan" keeps on parity with the dollar exchange. Money in the last few days has again been tight, the day money rate having risen since Friday last from 2 to 4 per cent. per day. This is partly caused by congestion in banking business between Berlin and the provinces.

Trade statistics (again no values are given) for August are, in metric tons:—

	August. 4,120,300	July. 4,159,600
Imports—All.....	253,100	302,000
Thereof—		
Food	3,684,000	3,697,200
Raw & half-finished materials	182,700	159,000
Manufactured goods.....	1,074,500	1,053,300
Exports—All	94,800	90,300
Thereof	596,300	646,200
Raw and half-finished materials..	383,400	316,700
Manufactured goods		

Coal imports were 2,300,000 metric tons, about the same as in July; iron ore only 120,241 metric tons, against a monthly average in 1922 of 917,811 metric tons; exports of rolled and forged iron 91,547, against a monthly average of 193,002 tons; of machines 24,689 tons, against a monthly average of 39,914 tons. Exports in August in weight were 26 per cent. of imports, against a monthly average of 47 per cent. in 1922, but they were above the lowest point of 16 per cent. of April.

An attempt to bring down gold prices must be one of

the Government's economic measures if exports are to be fostered. This policy presents difficulties owing to the necessity of keeping up gold railway rates. The first measure, however, has been taken by the abandonment of the 30 per cent. coal tax, which was first imposed during the war, and which reached in 1921 a highest rate of 40 per cent. This has been accompanied with a reduction in the net price of coal. A reduction of pig-iron and steel prices, which are now quoted in sterling and gold-mark respectively, is due.

CANADA.—FEDERAL LOAN SUCCESS—CROP MOVEMENT—ALBERTA WHEAT POOL—FORESTRY COMMISSION—MANUFACTURERS AND PROTECTION—CANADA—AUSTRALIAN COMMERCIAL TREATY—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, October 8.

THE Canadian Government have every reason to feel satisfied with the result of the domestic loan which they have just issued. Encouraged by the avidity with which the preliminary offer of \$50,000,000 was taken up, they decided to abandon their plans for an issue in New York, and raise at home the whole of the 172 million dollars needed to meet maturing obligations. When subscriptions continued to pour in in unexpected volume, Mr Fielding determined to utilise the opportunity to accumulate more funds, and the books were only closed when 200 million dollars had been subscribed. Of this sum about a fourth, or 50 million dollars, represents conversions of the 1923 loan, and the latter would have been greater if a number of holders had not been late with their applications. Several very large subscriptions were received from American corporations, chiefly insurance companies, who had intended to subscribe to the New York issue if it had materialised. The western crop is now pouring down through the Winnipeg funnel to the head of the Great Lakes in great volume, and it seems only a question of time when a serious congestion will develop. Some American vessels have come into the Lake ports to load cargoes, and the Minister of Trade and Commerce professes complete confidence that they will all abandon their boycott and help to move the Canadian crop. But the Winnipeg grain merchants are not so optimistic, and prophesy disastrous consequences unless they are induced to come in by the suspension of the regulations to which they object. The buying demand from Europe has improved slightly in the past week, but is still far from satisfactory, and it is still hard to foresee where markets will be found for the latter half of the crop. Threshing has been proceeding under very satisfactory conditions, and the returns from Alberta show that this province has reaped a record crop. Yields of 50 and 60 bushels per acre are quite common, and the average for the whole province will be between 25 and 30. The farmers of Alberta alone seem to be persevering with their wheat pool schemes, and their leaders claim that they have secured contracts covering 2,500,000 acres, and that their pool will this year handle 60 million bushels of wheat. Vancouver is continuing its efforts to divert the grain trade of Alberta to itself as an export outlet, but lack of elevator facilities and shipping is an obstacle, and the railway companies who are interested in preserving the profits of the long haul to the eastern seaboard are not evincing any disposition to encourage a westward movement which involves a shorter rail haul. The Commission which was appointed by the Federal Government to investigate the forestry problems of Canada and report upon the advisability of an embargo upon exports of pulpwood has commenced its sessions, and has been taking evidence in Nova Scotia. The witnesses who have appeared there have been practically unanimous in opposing an embargo, and, as there is also great hostility to it among the small farmers of Quebec who sell pulpwood in small lots to the agents of American paper mills, and do not want to be left at the mercy of the local Canadian companies, it seems unlikely that the embargo will ever be put in force.

Evidence accumulates that the Canadian Manufacturers' Association intends to make a determined drive for higher tariff duties. At a recent meeting their president officially

voiced its lack of sympathy with the recent increases in the British preferential rates, and declared that they had been particularly harmful to the woollen and knitted goods industries. "The British preferential tariff," he said, "must be put upon a more equitable basis. It has failed to accomplish the objects for which it was designed." The protectionist Press has been carrying a good deal of propaganda on the same lines, and the King Ministry has so far given ear to the pleas of the manufacturers as to send an official to Britain, France, and Belgium with instructions to discover why Canadian manufacturers cannot, under their present schedules, compete with the manufacturers of these countries.

Negotiations for a commercial treaty between Canada and Australia have been proceeding for some time by cable, but apparently are not making much headway. The Australians are insistent upon a heavy preference for their dried fruits, but the Canadian Government declines to accede to this unless Australia makes compensating tariff reductions on agricultural machinery and other products. To this the Bruce Cabinet will not agree. The latter have tried to get the dried fruit issue treated separately, but the Canadian Cabinet refuses.

The latest return shows that the Federal revenues are reasonably satisfactory, there being a slight increase over last year's figures; the expenditure is also slightly less. But the heavy incidence of the sales tax continues to keep up the cost of living, and the latest index numbers of the Bureau of Statistics show a small rise. Thanks to the money set moving by the sale of the farmers' crop, there has been a welcome improvement in business, and wholesalers report that the country storekeepers are buying more liberally. The stock markets remain quiet, but there has been no setback in prices.

NORWAY.—WEATHER, CROPS, AND WATER-POWER—FORESTRY—PRICES—THE MARKETS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, October 3.

AFTER a wet September, a few dry and sunny days have enabled the farmers to gather the harvest under quite good conditions. Oats, and even barley, in the more mountainous regions have not ripened, and to a great extent will have to be used for fodder. Potatoes probably will show good results. The rains have been more constant than copious, the consequence of which is that the water reserves for industrial purposes, at least in some very important districts, are much below the normal. It is to be hoped that October, as usual, will bring rain, otherwise our most important industry would be very much hampered.

The *Farmhand's* price index number for September shows an increase on the figure of the preceding month of 6.2 points—i.e., from 225.1 to 231.3. The main increase has taken place in the food group, viz., 9.8 points. The rise is general among the principal items, the only exceptions being corn and flour, which are handled by the Government, and in these cases a reduction has taken effect in September.

This is generally the season for buyers of timber to cover their wants for the ensuing year. They are, however, very loth to come forward through distrust of the future. Some important buyers are reported to have offered 25 kroner per cubic metre for wood pulp logs, but the forest proprietors hold out for more, even up to 30 kroner.

The end of the month and of the quarter drew rather heavily on the resources of the Bank of Norway; the note circulation rose by about 20 millions, and the reduction of the reserves decreased accordingly. Trade is craving for a reduction of the discount rate; as yet, however, the bank has shown no inclination to meet that wish. The stock markets are quiet, but the prices of most shares keep steady, and in some cases there is even an improvement. The exchanges are continually unfavourable. Sterling went even as high as 28.92, though 28.88 remained the official figure. Marks are practically without any value; Paris francs, too, very low, Kr. 37.25; and Belgian francs Kr. 31.50. Dollars, on the other hand, are very high at Kr. 6.36.

JUGOSLAVIA.—MONETARY SHORTAGE—HARVEST RESULTS—EXPORTS—REVENUE—EXCHANGE.

(FROM OUR CORRESPONDENT.)

BELGRADE, October 8.

THE monetary crisis which has been felt ever since the beginning of the year has now, during the export season, become extremely acute. The average interest on a seasonal loan guaranteed by a bank of good standing is anything from 30 to 50 per cent. While such a rate may have served last year as an offset to the deterioration of currency, it has now no justification, but simply denotes the immense shortage of money. In consequence, many small enterprises have been obliged to close down, and industry is passing through a very serious crisis. A further indication of the shortage is the low price of State bonds; thus, the 2½ per cent. Reparation bonds guaranteed by the State are quoted at only 14 dinars, thus yielding 17½ per cent., though they are legally accepted as caution money at a rate of 30. In view of the need of credits for export a conference of business men requested the Government to pass a law increasing the ratio of paper currency to its bullion cover from 3 to 5, but the Minister refused to give his approbation to what would amount to another form of inflation.

While this shortage of money contributes towards the high cost of living, the Government has done nothing to ease the crisis, and even accentuates it by a policy of indirect taxation. Absorbed by politics, it has failed so far to work out a comprehensive economic policy. So, while, on the one hand, the Minister of Finance has again considerably reduced export duties, and declared that Jugoslavia shall have free export next autumn, on the other hand, the Minister of Transport has increased freight charges by about 50 per cent. Indirect taxation is further increased by the Law of Duties passed this week. It is to be hoped that public opposition may prevent its raising the "agio" on import from 800 to 1,500. The Budget, which is to amount to 9½ milliards, has not yet been brought before Parliament, and the State is still financed by means of monthly budgets.

On the other hand, private initiative is undoubtedly contributing to rapid economic progress, and the harvest has been excellent. The official figures for the 1923 harvest are as follows:—

	(In Thousands of Metric Tons.)		
	1922.	1923.	
Wheat	1,210.3	....	1,684.5
Barley	241.0	....	311.8
Rye	103.8	....	150.2
Oats	265.2	....	280.9

The 1923 yield is thus in general about 30 per cent. above that of last year. It is estimated, after careful investigation by a conference of business men and Government representatives, that 35,000 trucks of wheat, and 30,000 trucks of maize, will be available for export this year.

The export figures also show considerable promise:—

	(000's omitted.)		
	Weight in Tons.	Value in Dinars.	
	1922.	1923.	
April	160 .. 216	....	348,400 .. 409,200
May	175 .. 260	....	302,487 .. 576,394

The publication of the returns, however, still remains very behindhand.

Government revenue, meanwhile, is also on the increase. From August, 1922, to April, 1923, receipts stood at 5,117 million dinars, as compared with an expenditure during the same period of 4,943 millions.

It is mainly owing to the monetary crisis and partly to good export prospects that the dinar has displayed a remarkable firmness in the midst of a very clouded political situation. Since July it has maintained its level of 430 to the £, and even during the worst days of the Corfu and Fiume disputes it never weakened below 440, while as soon as the atmosphere cleared it improved to 420, and has now risen to 400. The latest improvement is due to the deflection from Bulgaria to Jugoslavia of demands for wheat during the recent revolution in the former country. This is the first time that the Jugoslav exchange has remained practically unaffected by political disturbances and been influenced almost exclusively by economic forces. It is a significant indication that the country is at last passing out of the long phase of economic disorganisation.

STATE EXPRESS

VIRGINIA **555** CIGARETTES

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Books and Publications.

CURZON REMINISCENCES.*

LORD CURZON has done himself and us a service in publishing these notes from his diary for the amusement and edification of a generation which knows but little of the world of which he writes. He has done himself a service, because of all our political leaders Lord Curzon is the one whom the man in the street knows least. These pages will do something to dissipate the impression of the Foreign Secretary as a pompous, cold, and remote aristocrat. For in this volume he reveals some of his enthusiasms, his sympathies, and his capacity for understanding the eastern world. The volume disclaims any intention to propound or even to discuss political views, for, as its title implies, it consists for the most part of short anecdotes of an eastern traveller's experiences. There are one or two more ambitious descriptions, notably the vivid account of the self-mutilation of the zelots of Kairwan, the character study of the late Amir of Afghanistan, and a collection of recorded instances of "singing sand." The portrait of the Amir is excellently drawn, and this account of Lord Curzon's visit to Kabul will afford the best revelation of the author's qualifications for handling eastern politics. The book is packed with brightly coloured scenes of Oriental life, and particularly of Oriental potentes, and the recording of these reminiscences moves Lord Curzon to meditate on the precarious hold which his various hosts had not only upon power but upon life itself. In his introduction he gives a long catalogue of those who have perished by the assassin's knife, and concludes that the world of which he writes belongs to the past "that is quite dead, not merely by reason of the change in my own environment, but also because of the revolution in the conditions of travel, and in the state of the peoples and lands which I visited."

In the interesting self-revelation that this volume affords there runs with an acute appreciation of the scenes described a streak of vanity, betrayed by a hundred touches. But even those who pick up this book with a background of prejudice, for political or other reasons, against the author, will find in it much pleasure, because it reveals a man who is conscious of his weaknesses as well as of his great powers of observation and description, and reveals them to us with a secret amusement. For example, he describes with gusto how he extemporised a most extraordinary apparel for impressing the Amir when he made his formal entry into Kabul. Before leaving London he hired from a theatrical costumiers three of the most gorgeous stars of foreign orders he could find, though he had no title whatever to wear them, and the most colossal epaulettes that had ever been seen, which, he most colossal epaulettes that had ever been seen, which, he supposed, must have decorated the shoulders of some eighteenth century admiral of vast proportions. In India he ordered an enormous pair of Wellington boots to wear with his levy dress, and completed the remarkable picture by borrowing from Sir William Lockhart a gigantic curved sword with an ivory hilt and magnificent scabbard. These careful designs nearly came to grief, for he had forgotten that epaulettes, especially such ones as those he had brought from London, required special attachments to the shoulders of the uniform. The traveller had, therefore, an hour's hard sewing to do when he proceeded to don this variegated apparel in the special tent that had

* "Tales of Travel." By the Marquess Curzon of Kedleston. Hodder and Stoughton. 28s net.

been pitched for him, by order of the Amir, a mile or so outside the city wall. Lord Curzon thinks that he created a great impression, but was a little nonplussed when his admiring host began to ask inconvenient questions about his trophies. But the gilded epaulettes won the greatest success, for the Amir sent for his court tailor and had him study these beautiful appendages as worthy of reproduction in the Court of Afghanistan. "For all I know," says Lord Curzon, "they may have left a permanent mark upon the sartorial equipment of the god-granted Government."

We regret that the publishers of this volume, which is, after all, very slight in its contents, did not show more confidence in the breadth of its appeal and offer it at a lower price.

BRAZIL TO-DAY.*

BRAZIL extends over nearly half South America, and is now the third largest State in the world. The British capital invested there is at least £250 millions—two-thirds in Federal, State, and municipal securities, the rest mainly in gas and waterworks, tramways, banking, and various industrial undertakings. British shipping predominates in the foreign trade of the country. British goods have regained their primacy in its imports, and Anglo-Brazilian friendship has long been cordial and strong. The native resources are vast, the products various, and rapidly multiplying. Only 1 per cent. of the hydro-electric power is as yet utilised, and the Government, unlike some of its neighbours, welcomes and encourages immigration. Mr Howarth has visited the country, and served for 40 years as one of its Consuls in Great Britain; and he deals very fully with the physical features and conditions of each State, and with the products, resources, shipping, commerce, and commercial organisation of the country as a whole. Such books are often too roseate; but, though he touches lightly on the unsatisfactory finances of some of the State Governments, he deals frankly with the present conditions of the Federal finances and the efforts to better them. Very full particulars are given of Customs and Consular arrangements, and a list (abridged from an official document) is appended of exporters of Brazilian produce. The descriptions of scenery and the illustrations are attractive, and the work is well calculated to further Anglo-Brazilian intercourse and trade.

BOOKS RECEIVED.

The Life of the Rt. Hon. Sir Henry Campbell-Bannerman, G.C.B. By J. A. Spender. In two volumes. (London) Hodder and Stoughton, Limited. 42s net.
Life Insurance. A text-book (revised and enlarged). By Solomon S. Huebner. (New York) D. Appleton and Co.
Obtainable in London from Messrs D. Appleton and Co. 12s 6d net.

Special Report on the Ottoman Public Debt. By Sir Adam Block. (London) Bradbury, Wilkinson and Co., Limited.

Letters of Thomas Carlyle to John Stuart Mill, John Sterling, and Robert Browning. Edited by Alexander Carlyle, M.A. (London) T. Fisher Unwin, Limited. 25s net.

Report on the Operations of the Imperial Institute. (London) John Murray. 3s 6d.

Labour in the Coal-Mining Industry. By G. D. H. Cole. (Oxford) Clarendon Press. 7s 6d.

Rubber Producing Companies, 1923. (London) Mincing Lane Tea and Rubber Share Brokers' Association, Limited. 7s 6d net.

This exceedingly useful volume has been compiled on similar lines to those of previous issues, and the position of all rubber companies whose shares are dealt in on the London market is fully given. This information includes directorate, secretary and offices, authorised and issued capital, acreage, planted area, purchase price and tenure. Particulars are also given of production for the last seven years, with average selling price, profit, dividends, &c. For the same period all-in cost is given. Reserve funds are also shown, together with highest and lowest prices of shares for the last few years. The recent activity in the tea share market has not been overlooked, and special attention has been given to about 85 of the principal companies which produce both tea and rubber.

Burns's Income-Tax Guide. By John Burns. (Edinburgh) W. Green and Son, Limited. 2s 6d net.

* "Modern Brazil." By William Howarth. Illustrated. (Liverpool) C. Tinling and Co., Limited. 1923.

Letters to the Editor.

GERMANY'S CAPACITY TO PAY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Referring to your review of my article in *Foreign Affairs* (N.Y.), I am encouraged by your not unkindly reception of the proposal to leave the capital reparation debt alone for ten years' time and the other features of the suggested plan to reply to the two objections which you make. Does not your objection that inter-Allied debts must be cut down beg the question? The proposal to leave the capital debt alone is put forward as a temporary solution of the deadlock which has arisen largely on the very question of inter-Allied debts—a deadlock which seems unbreakable for the time. It seems to me that any objection to that proposal should be addressed to the arguments which I have presented to show that the liabilities all round may safely be left alone for the present, and that by thus avoiding the deadlock, instead of continuing to try to break it, Europe will obtain that which is really essential to a solution of the reparation problem—a chance to resume industry and trade in a favourable atmosphere.

As a second objection, you say that France would object to a fixation of Germany's interim payments by the League of Nations. But my proposal that the League of Nations investigate German and other budgets, fiscal and tax systems, does not go beyond a suggestion that the work already done by the Economic Section of the League in connection with the Brussels Conference be continued and brought effectively to the attention of the reparation authorities and the public for its bearing on the reparation problem. Work of this sort must have more publicity if an adequately informed public opinion is to be created. As it is, the budgetary aspect of the reparation problem seems to have been largely submerged by the question of export surplus. I do not regard the *economic* problem as "almost entirely a budgetary one," but—and here is the essential point—I do regard a psychological basis of agreement on the *whole* problem as incapable of being reached until the question of German taxation has been given its proper share of attention. I believe this to be unquestionably true so far as the United States is concerned. In a letter in the "Times" of September 15th I re-stated some of the psychological and practical advantages of devoting more attention to the budgetary aspect and less to the exports question, more to the system of current payments and less to the impossible question of ultimate capacity to pay.

As you have linked your review of my article with a review of "Germany's Capacity to Pay," by Moulton and McGuire, may I suggest that the latter seem to have overlooked the real significance of the proposal that Germany may supplement her payments from export surplus by delivery of industrial securities. They state quite truly that any conversion of the capital obligation into industrial securities offers no help in the direction of increased annual payments, as interest and dividends would still have to be paid out of exports. But the proposal which I make in *Foreign Affairs* is that a portion of the annual instalments of *interest and amortisation* on the capital obligation be converted into industrial securities, and that these securities be sold by the recipient Governments. In that case only interest on interest would have to be paid externally. It is true that in 15 or 20 years' time the external payments for interest and dividends on the accumulated securities would amount to a considerable figure. But for the next five or ten years they would be negligible. The substance of my proposals is a *modus vivendi* for the next ten years. Who can say what will then happen to the reparation debt and the reparation problem? If Europe can get back to normal production and distribution both of them may have disappeared by that time. In attempting to revise the capital debt we are now vainly trying to pierce the future. We are trying to cut down the proportions of the reparation *debt*, but are not succeeding in cutting down the proportions of the reparation *problem*.

I fear you somewhat prejudice the consideration of my suggestions by referring to my article as an *ex parte* (Correspondence continued on page 707.)

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ENQUIRIES INVITED.

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A SURVEY OF BRITISH AND FOREIGN BANKING

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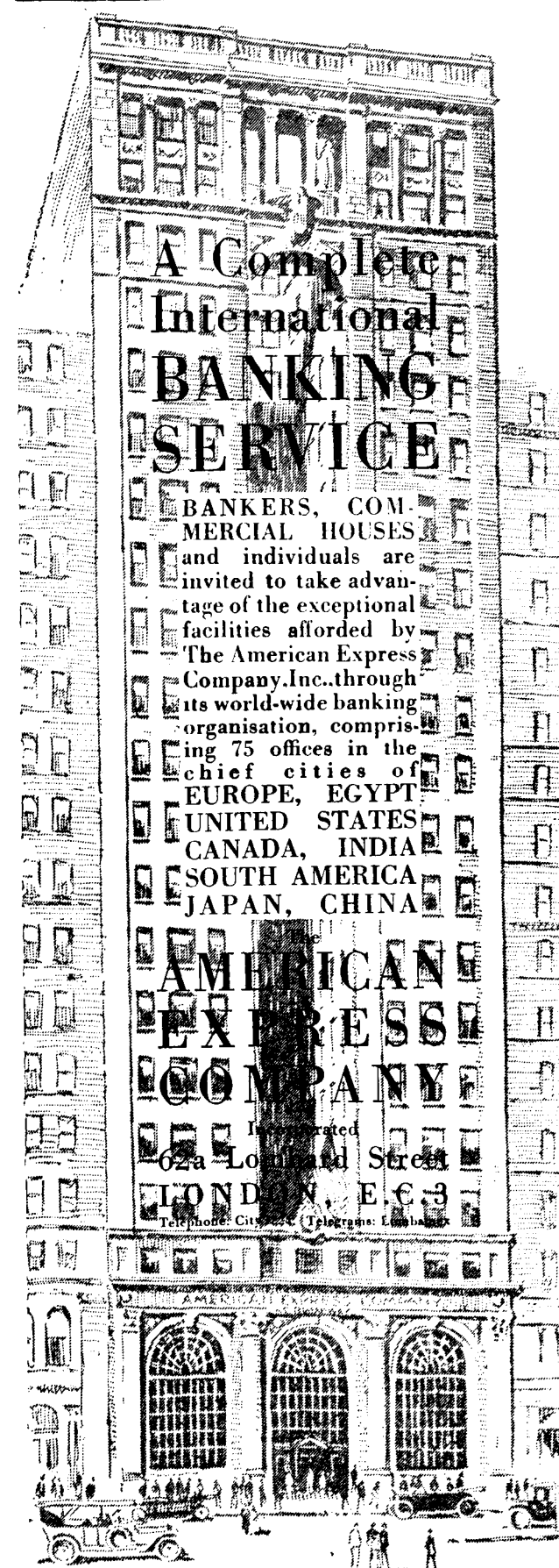
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IMPERIAL BANKING AND CURRENCY.

THE appearance of our autumn Banking Number coincides with the session in London of the Imperial Conference, at which questions of finance and currency, as well as of political and fiscal development, are coming up for discussion. We have, therefore, devoted considerable space to the consideration of banking and currency matters in the principal component parts of the British Commonwealth, and special articles will be found on later pages dealing with the systems and problems of the great Dominions and British India. There is no unified banking or currency system for the Empire, just as there is no unification of political and fiscal aim. The rapid development of the Dominions has produced special conditions, to meet which various banking and currency systems have been evolved. As between the banking systems of the various parts of the Empire there is no co-ordination, except such as is provided by London connections.

This diversity and lack of unified functioning has both advantages and disadvantages. To some observers the disadvantages appear so great that one of the Empire's chief needs is held to be the provision of a scheme for a unified Empire currency and exchange system. Among the keenest supporters of this idea is Mr J. F. Darling, whose plan for the creation of Imperial Treasury bills to be used as a common backing for the various currencies of the different Dominions, as well as a means of adjusting inter-Imperial payments when a lack of balance in trade disturbs the equilibrium of payments between the different countries, is familiar to readers of the *Economist*. The root difficulty of any scheme to remedy this state of affairs is that, when trade equilibrium is disturbed, some economic correctives must be brought into play to restore the balance by stimulating inadequate exports or checking excessive imports. It does not help matters to soften the disagreeable pressure of these correctives, for that only delays the restoring of sounder trading conditions. But there is considerable doubt whether they would operate freely under the scheme, and in any case any plan would need to be based upon a very large reserve indeed if it was to deal successfully with the enormous trade fluctuations that occurred in the three years after the war. In discussing Mr Darling's, or any other scheme, for dealing with the monetary problems of the Empire, the Imperial Conference may well reach two conclusions; the first is that no scheme, except a very grandiose one involving considerable interference with normal financial operations could ever cope with the extremely one-sided trade that occurred in the years 1920, 1921, and 1922. The second is that when trade is running on fairly normal lines, as it did before the war, the problem of making inter-Imperial payments is one well within the scope of the banking arrangements of the Dominions, and does not seem to require anything more than minor improvements in machinery, together with a free Bill of Exchange market in the Dominions.

None of the principal countries of the Empire have the same banking needs and conditions. Each has evolved a system of its own. Australia and South Africa have central or State banks; Canadian and India have not. Of the two latter cases, in India the supply of the currency is in the hands of the Government, while in Canada the Dominion issue is supplemented by that of the Chartered banks. Both countries, diverse as their conditions and needs are, have this in common, that the currency demands of trade are seasonal in expansion and contraction. In both countries, as described in later articles, a system has been arranged by which the necessary emergency currency can be made available at times of expansion, and retired when other contraction comes, so that no permanent inflation results. In both countries, as in many other parts of the world, the descent from boom to depression has brought banking losses and banking failures. In Canada the disquietude brought about by these untoward incidents has coincided with the decennial revision

of the Bank Act, but although the existing system has been assailed hotly, the revision has passed without fundamental change. In India a step towards the establishment of wider and more adequate banking facilities, and towards greater stability of money rates, has been taken in the establishment of the Imperial Bank—an amalgamation of the three Presidency banks.

The banking situation of each of the various Dominions is dealt with later in separate articles, but it may be convenient to our readers if we present here some relevant comparative figures. The tables which follow show the note circulation in each of the Dominions, and the movement in wholesale prices:—

WHOLESALE PRICES.
(1913 = 100.)

Monthly Average.	U.K.	South Africa.	Australia.	New Zealand.	Canada.	India.
1920.....	283.2	223.3	227.9	211.7	246.3	204
1921.....	181.0	160.4	174.9	200.7	181.6	181
1922.....	159.5	128.4	161.6	177.5	165.5	180
1923 (June)...	159.4	124.0	187.0	176.9	166.7	175

NOTES IN CIRCULATION (Millions).

End of	U.K.	South Africa.	Australia.	New Zealand.	Canada.
	Currency & Bank of England Notes.	Bank Notes (Gross Issue).	State Notes.	Bank Notes.	Dominion and Bank Notes.
1913.....	£ 29.6	£ 2.3	£ 10.0	£ 1.2	\$ 227
1920.....	480.9	9.1	58.7	5.8	522
1921.....	432.7	8.8	55.5	4.7	444
1922.....	398.3	8.3	51.8	4.3	414
1923 (May)...	389.6	8.1	52.1	6.3	388

If we compare the pre-war position with that of the post-war years there is no clear connection between these two series of figures. The reason is that the money in circulation before the war included a large quantity of gold which in all cases has been to a very large extent replaced by notes. If, however, we look only at the post-war situation, we find the movement of prices much more closely reflected in the movement of the note circulation. This comparative statement of prices is in itself very informative, for the changes are very different in the various Dominions. Part of this is no doubt to be accounted for by the fact that the price indices are not all calculated in exactly the same way. But the figures do, in fact, undoubtedly correspond to considerable differences in price movements. We have said that these various figures do not permit of a direct comparison between bank notes and prices, and before we can consider the monetary influences affecting prices we should have to take deposits into account. Some light on this factor is thrown by the summary tables in the articles which follow, but the figures only relate to those banks that have connections with London:—

DEPOSITS OF CERTAIN DOMINION BANKS.

	S. African.	Australian.	New Zealand.	Canadian.	Indian.
	Mln. £	Mln. £	Mln. £	Mln. £	Mln. £
1914.....	48.1	162.8	22.4	725.5	41.5
1920.....	123.9	235.0	46.5	1,930.0	122.7
1921.....	106.4	230.6	42.8	1,889.5	118.4
1922.....	94.6	241.3	36.9	1,720.5	95.9
1923.....	89.7	257.3	39.3	1,673.0	93.2

In general these figures show the same trend as those of the note circulation, but for the reasons given they must not be pressed too far. In the case of South Africa the figures cover most of the banking deposits in the country which might influence prices. The same is true of Australasia, but the figures for Canada are less complete, while those for India only represent the leading exchange banks.

THE ENGLISH BANK FIGURES.

A STUDY of the statements of those English banks which publish them at the end of the June half-year is, as usual, chiefly productive of interesting but sketchy surmises. The most notable feature therein disclosed is the decrease of nearly 115 millions in the volume of the deposits, that most important item in the total purchasing power of this country's people. It is a considerable acceleration of the process which was already shown in our autumn banking number a year ago, reversing the expansion which had till then been continuous since the beginning of the war period. The following table shows the movement in deposits since June, 1914:—

INCREASE OR DECREASE IN DEPOSITS.

	Million £
June 30, 1915.....	+ 196.6
" 1916.....	+ 44.5
" 1917.....	+ 81.1
" 1918.....	+ 282.5
" 1919.....	+ 406.2
" 1920.....	+ 105.5
" 1921.....	+ 19.8
" 1922.....	- 30.2
" 1923.....	- 114.7
	+ 991.3

It will be seen that, by this reduction, the expansion, which at one time was over £1,130 millions, has now been brought down to roughly 990 millions, which is not a very tremendous score on the side of deflation, as measured by this test. We pointed out a year ago that the small decrease in deposits then recorded had been brought about during a year in which a rapid reduction had taken place in Bank rate—from 6 to 3½ per cent.—thus seeming to suggest caution in accepting the doctrine that movements in the official rate can be counted on to produce a prompt effect on the volume of banking credit. According to this theory, the lower Bank rate should have been expected to stimulate expansion of credit, whereas it had been accompanied by slight contraction. During the year that we are now reviewing the theory has been contradicted with equal emphasis, though in a different way. Bank rate was again reduced, from 3½ to 3 per cent. in July, 1922, and remained throughout the rest of the year at this low level, but deposits instead of expanding were contracted by 115 millions. These facts, taken with the previous record, which showed deposits continuing to expand long after the 1919 and 1920 rises in Bank rate, had, if the theory so eloquently expounded by Prof. Cassel and Mr Hawtrey were to be relied on literally, demanded their contraction, seem to justify the scepticism with which it is usually received by practical bankers.

On the other side of the aggregate balance-sheet of the banks whose figures are now examined, we find decreases of 12 millions in cash in hand and at the Bank of England, 58 millions in investments, and 47 millions in discounts and advances, including money at call and short notice. As usual, it is very difficult to draw inferences from these figures concerning the influences which have produced this large contraction, or to make them fit with other figures that are available. The figures of the Bank of England's return, being made up on June 27th, are doubtless a very different picture from the one that they would have shown on June 30th. According to it, the year covered was one of extremely slight movements, as the following table shows:—

BANK OF ENGLAND.
(Million £'s.)

	June 27, 1923.	July 1, 1914.	June 26, 1918.	July 2, 1919.	June 30, 1920.	June 29, 1921.	June 28, 1922.
Rest.....	3.3	+ 0.1	+ 0.1	+ 0.1	+ 0.1	+ 0.1	+ 0.1
Public deposits.....	14.0	- 2.9	- 21.6	+ 5.8	- 1.6	- 1.2	- 2.3
Other deposits.....	114.0	+ 60.3	- 15.0	- 58.1	- 62.1	- 17.8	- 1.1
Govt. securities.....	43.0	+ 32.0	- 8.7	- 55.7	- 47.1	- 18.2	- 6.2
Other securities.....	80.7	+ 31.0	- 20.1	- 2.4	+ 22.5	- 5.1	+ 5.0
Notes issued.....	145.5	+ 88.6	+ 62.4	+ 40.6	+ 10.1	+ 0.5	- 0.1
Total coin and bullion.....	127.6	+ 87.5	+ 62.3	+ 39.0	+ 9.7	- 0.8	- 1.3
Note circulation.....	125.1	+ 95.4	+ 71.5	+ 45.2	+ 5.1	- 3.9	+ 2.1
Gold and silver in banking dept.....	1.8	+ 0.2	+ 1.2	- 0.3	+ 0.7	..	..
Reserve.....	22.3	- 6.5	- 7.7	- 4.8	+ 6.0	+ 4.5	- 2.0
Proportion.....	173%	- 22%	- 3%	+ 31%	+ 84%	+ 51%	- 14%

Here we find other deposits only one million below those of the corresponding figure in 1922, and the total securities held by the Bank are also about a million lower, an increase of 5 millions in Other being offset by a decrease of six odd millions in Government. The coin and bullion has declined by 1.3 million, and the circulation has expanded by 2.1 million, while the reserve has only declined by two millions, thanks to the increase in the fiduciary issue to £19,750,000, from the £18,450,000 which had so long been its level.

It is not easy to reconcile the above-mentioned small decline in the other deposits with the decrease of 12 millions in cash in hand and at the bank, shown by the other banks, especially when the expansion in the Bank of England's note circulation, which so often finds its way into the tills of the other banks, is taken into consideration. But as everyone knows, the other deposits include many accounts besides those of the clearing banks, and our banking figures are chiefly designed to show the position, subject to hidden reserves and other complications, of the individual banks; as guides to the general monetary position they provide a guessing game which is more interesting than conclusive.

As an indication of the state of trade, they may perhaps be taken as favourable in that they show an increase of 20 millions in acceptances. At June 30, 1919, this item stood in the aggregate figures of the banks dealt with, at 62.1 millions, and in 1920 it had risen to 87.8 millions; in 1921 the tumble in prices and other causes had brought it down with a rapid run to 52.9 millions, and a year ago it was "silent as a standing pool" at 52.5 millions. At the end of last June it was 72.7 millions, 10 millions above the 1919 figure, and may perhaps be very cautiously hailed as one of the indications that trade depression is by no means as acute as the unemployment statistics and the general complaints of industry would seem to show.

When we come to the decreases of 50 millions in investments, and 47 millions in loans and discounts, the feet of the explorer are entangled in the difficulty caused by not knowing, thanks to different banking practice in this matter, which of these items contains the Treasury bills. Some banks look on them as Government securities, some as bills discounted. During the year under review Treasury bills were reduced by 156 millions, and ways and means advances from the Bank of England by 35½ millions, another fact which makes the small movements of the Bank return still more puzzling. If we knew how many of the dropped Treasury bills were in the hands of the banks, it might be possible to make some approach to a guess at the movement in their trade discounts and advances. As it is, we can only conjecture from the greatness of the decrease in outstanding Treasury bills, and the general belief that the banks have been disposing of part of the previous increase in their investments in Stock Exchange securities, that to some extent they have replaced cancelled Treasury bills by trade acceptances and loans to customers.

Coming back from conjecture to cold fact, all that we can be sure of is the big decline in deposits, accompanied by a still larger decrease in outstanding Treasury bills. It will be remembered that in his speech to the shareholders of the London Joint City and Midland Bank at the end of January, Mr McKenna charged the Government with producing deflation "effected in pursuance of a declared policy" by redeeming Treasury bills, implying that the bankers, when the total of Treasury bills is reduced, have no choice about replacing them by other assets, and that contraction of deposits is thus forced upon them. If this were really so it might be correct to charge the Government with producing deflation, though it might still be argued that all that the Treasury was doing was to redeem floating debt, the extent of which has ever since the war been something of a nightmare to our financial leaders, and that a deliberate policy of deflation may not have been at all its intention. But surely if trade had shown

June 30.	Capital and Reserves.										Acceptances and Endorsements.										Deposits (including Undivided Profits, &c.).										Total Liabilities.											
	1914.		1918.		1919.		1920.		1921.		1922.		1923.		1914.		1918.		1919.		1920.		1921.		1922.		1923.		1914.		1918.		1919.		1920.		1921.		1922.		1923.	
	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢
Bank of Liverpool and Martins	2.3	0.7	2.6	0.7	3.4	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.8	0.8	2.4	3.0	4.4	1.8	1.9	3.9	19.6	43.2	66.0	85.9	79.3	63.0	63.9	22.7	53.2	72.4	94.1	84.8	74.7	71.6	71.6	71.6	71.6	71.6	71.6	71.6	
Barclays	5.2	7.1	7.1	7.1	15.7	23.4	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	0.3	2.3	6.4	13.5	6.6	5.7	7.4	61.9	130.8	281.9	314.2	332.2	321.2	295.9	23.9	90.0	104.0	121.6	121.6	121.6	121.6	121.6	121.6	121.6	121.6	121.6	121.6	
(Lon. Provincial and South-Western) ..	3.0	5.1	5.1	5.1	15.7	23.4	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	1.0	3.3	6.4	13.5	6.6	5.7	7.4	23.5	53.2	72.4	94.1	84.8	74.7	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6	71.6
Coutts'	2.6	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	0.3	0.4	0.4	0.4	0.4	0.4	0.4	9.5	16.2	19.7	21.2	18.7	17.5	15.7	10.8	18.1	21.6	23.8	20.7	19.2	17.4	17.4	17.4	17.4	17.4	17.4	17.4	
Glyn, Mills	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	0.3	0.7	1.1	2.0	0.9	1.9	1.6	10.7	22.4	38.0	28.6	24.3	28.0	20.5	20.5	40.7	32.2	26.9	27.8	31.3	31.3	31.3	31.3	31.3	31.3	31.3	31.3	
Lloyds	8.6	9.0	9.0	9.0	18.1	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	24.4	1.7	6.2	15.7	16.3	8.5	7.7	12.2	107.3	186.2	309.3	324.3	342.0	341.9	335.6	45.2	62.8	119.9	164.7	374.9	374.0	372.2	372.2	372.2	372.2	372.2	372.2	372.2	
(Capital and Counties) London Joint	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	0.7	2.4	2.5	16.1	21.7	16.3	7.7	37.4	58.6	371.0	367.7	371.3	368.2	347.9	43.8	65.4	110.4	254.1	409.8	407.7	396.0	396.0	396.0	396.0	396.0	396.0	396.0	
City and Midland ..	4.1	9.5	16.6	21.6	21.7	21.8	21.7	21.8	21.7	21.8	21.7	21.8	21.7	21.8	2.4	8.3	17.7	16.3	3.9	3.4	26.4	95.0	286.2	371.0	367.7	371.3	368.2	347.9	12.7	17.0	21.7	27.8	27.8	26.4	24.6	24.6	24.6	24.6	24.6	24.6		
Manch. and County ..	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	1.9	0.1	0.4	0.4	0.4	0.4	0.4	0.1	10.6	14.7	19.4	25.6	24.1	22.4	53.9	30.2	46.3	55.1	64.5	61.7	63.8	57.7	57.7	57.7	57.7	57.7	57.7	57.7	
Manch. and L'pool ..	3.5	3.4	3.4	3.5	3.4	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	1.4	1.4	1.4	1.4	1.4	1.4	0.3	25.3	41.3	50.3	59.6	57.9	53.9	53.9	30.2	46.3	55.1	64.5	61.7	63.8	57.7	57.7	57.7	57.7	57.7	57.7	57.7	
Nat. Provincial and Union	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	0.7	2.9	3.9	5.7	3.4	3.9	7.3	71.2	175.9	233.0	256.3	265.6	263.4	258.6	76.9	198.2	250.7	277.0	287.2	291.5	284.2	284.2	284.2	284.2	284.2	284.2	284.2	
(Sheffield Banking) ..	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.3	6.2	7.2	7.2	7.2	7.2	7.2	3.8	6.2	7.2	7.2	7.2	7.2	7.2	4.5	6.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9	7.9		
Union of Manchester ..	0.9	1.0	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	0.3	1.2	0.8	2.6	10.8	10.5	11.2	13.5	135.7	176.1	186.7	188.7	185.7	185.7	185.7	7.8	14.2	20.0	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	
Westminster	7.8	13.7	14.8	17.3	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	6.4	8.1	12.3	17.6	12.6	10.5	11.2	91.2	230.4	310.1	322.6	309.0	299.5	266.2	105.4	262.2	337.2	357.5	339.6	328.0	325.4	325.4	325.4	325.4	325.4	325.4	325.4	
(Parr's)	4.5	1.9	2.0	2.7	2.8	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	0.4	1.0	1.1	1.8	1.2	0.6	0.7	48.5	98.8	163.7	237.9	36.0	34.7	34.7	18.5	31.8	41.4	42.5	40.1	42.6	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4
Williams, Deacon & Co. Liabilities	70.6	76.3	95.5	118.0	122.7	123.5	123.8	123.8	123.8	123.8	123.8	123.8	123.8	123.8	37.6	42.0	62.1	87.8	52.9	52.5	72.7	751.0	1,355.7	1,761.9	1,867.4	1,887.2	1,857.0	1,742.3	859.2	1,474.0	1,519.5	2,073.2	2,062.3	2,033.0	1,938.8	1,938.8	1,938.8	1,938.8	1,938.8	1,938.8	1,938.8	
% of Total Liabls...	8.3	5.1	5.0	5.7	5.9	6.1	6.4	6.4	6.4	6.4	6.4	6.4	6.4	6.4	4.4	2.9	3.2	4.2	2.6	2.6	3.8	87.4	93.0	91.8	90.1	91.5	91.3	93.8	87.4	93.0	91.8	90.1	91.5	91.3	93.8	93.8	93.8	93.8	93.8	93.8	93.8	

June 30.	Cash in Hand and at Bank.										Investments.										Discounts, Loans, and Advances (including Money at Call and Short Notice).										Cover for Acceptances, Premises, and Sundries.													
	1914.		1918.		1919.		1920.		1921.		1922.		1923.		1914.		1918.		1919.		1920.		1921.		1922.		1923.		1914.		1918.		1919.		1920.		1921.		1922.		1923.			
	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢	£	¢
Bank of Liverpool and Martins	1.9	9.1	1.1	15.5	8.3	9.2	8.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	3.2	15.2	15.4	16.7	16.6	13.4	9.9	17.1	28.1	40.4	64.7	56.0	49.9	47.4	0.5	0.9	1.1	4.4	3.0	3.4	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3
Barclays	9.0	22.9	16.4	46.9	53.2	58.3	53.0	46.5	46.5	46.5	46.5	46.5	46.5	46.5	13.1	28.2	54.9	63.4	63.5	92.4	77.5	43.2	84.0	131.9	217.8	229.7	194.9	190.6	2.2	2.2	3.3	10.3	13.6	12.5	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6
(Lon. Provincial and South-Western) ..	3.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	16.4	5.2	12.9	54.9	63.4	63.5	92.4	77.5	16.7	57.3	131.9	217.8	229.7	194.9	190.6	2.2	2.2	3.3	10.3	13.6	12.5	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6
Coutts'	1.2	2.7	4.0	2.4	1.9	2.2	2.2	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.9	4.2	6.0	7.7	4.7	4.6	4.2	6.2	10.5	10.8	11.2	13.4	11.9	10.3	0.5	0.7	0.8	1.0	0.7	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Glyn, Mills	2.9	3.1	10.3	5.5	5.2	5.4	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	12.9	39.1	89.4	74.7	74.0	94.9	92.9	81.9	112.2	177.1	215.1	239.5	215.7	215.0	6.8	8.9	19.4	20.3	13.6	12.5	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	17.6	
Lloyds	18.2	41.2	87.2	64.6	47.8	47.9	46.7	46.7	46.7	46.7	46.7	46.7	46.7	46.7	5.4	16.4	82.2	70.3	56.0	71.3	41.5	76.8	149.3	239.3	245.2	248.8	256.1	256.1	2.7	2.4	3.6	20.6	20.8	22.7	31.9	31.9	31.9	31.9	31.9	31.9	31.9	31.9		
(Capital and Counties) London Joint	5.8	12.2	10.1	81.6	89.9	63.8	64.9	66.5	66.5	66.5	66.5	66.5	66.5	66.5	6.4	16.4	82.2	70.3	56.0	71.3	41.5	76.8	149.3	239.3	245.2	248.8	256.1	256.1	2.7	2.4	3.6	20.6	20.8	22.7	31.9	31.9	31.9	31.9	31.9	31.9	31.9	31.9		
City and Midland ..	15.1	53.7	10.1	81.6	89.9	63.8	64.9	66.5	66.5	66.5	66.5	66.5	66.5	66.5	6.4	16.4	82.2	70.3	56.0	71.3	41.5	76.8	149.3	239.3	245.2	248.8	256.1	256.1	2.7	2.4	3.6	20.6	20.8	22.7	31.9	31.9	31.9	31.9	31.9	31.9	31.9	31.9		
Manch. & County ..	3.0	4.2	6.2	6.4	7.3	7.1	6.8	7.7	7.7	7.7	7.7	7.7	7.7	7.7	1.7	3.7	3.9	4.7	3.7	6.3	6.3	7.6	8.4	11.0	18.4	19.6	15.2	14.3	0.4	0.7	0.6	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
Manch. & L'pool ..	3.1	6.2	6.4	7.3	7.1	6.8	7.7	7.7	7.7	7.7	7.7	7.7	7.7	7.7	1.7	3.7	3.9	4.7	3.7	6.3	6.3	7.6	8.4	11.0	18.4	19.6	15.2	14.3	0.4	0.7	0.6	0.5	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5		
Nat. Provincial and Union	10.7	21.5	35.5	36.2	39.9	37.1	35.4	35.4	35.4	35.4	35.4	35.4	35.4	35.4	6.8	45.7	51.9	63.0	52.9	58.8	53.7	50.9	131.1	163.3	172.1	187.1	187.6	183.6	6.7	6.7	6.7	5.7	7.3	8.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5		
City and Midland ..	1.5	1.9	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	0.8	2.4	2.6	3.5	3.4	3.4	2.6	3.2	2.5	2.4	2.4	2.4	2.4	2.4	2.4	0.7	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1		
(Sheffield Banking) ..	1.0	2.6	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	4.1	0.8	1.9	4.7	3.																										

any sign of rapid expansion the redemption of Treasury bills, instead of promoting deflation, would merely have enabled the banks to fulfil all the more easily their true function as creators of credit, not for financing Governmental expenditure, but for greasing the wheels of industry and enterprise. If our manufacturers and merchants had been full of orders, the banks would very easily have avoided deflation by substituting among their assets acceptances of banks and merchants, advances to customers, and short loans to Lombard Street, for

the Treasury bills that had been redeemed. In other words, it is just possible that instead of the austere policy of deflation which our Treasury and bankers are alleged to have cultivated, having caused, as is so often argued, the depression and unemployment from which we are now suffering, depression may have been caused by the state of European politics, and may have itself produced the deflation because there were no demands upon the banks for industrial and commercial credit, to take the place of redeemed Treasury bills.

AFRICAN BANKS.

In the appended table summarising the main items of the balance-sheets of banks operating in Africa, the most striking feature is the drastic reduction in the total of notes in circulation. Of the six banks whose figures are given in the last three lines, two operate mainly in Egypt and one in West Africa, but neither of these has a note circulation figuring in its balance-sheet. The drop in the total of notes shown in the table is, in fact, entirely the outcome of the coming into force in South Africa of the Currency and Banking Act of 1920, under which the right to issue notes passed on June 30, 1922, from the commercial banks to the South African Reserve Bank. The Reserve Bank, constituted under the Act, was given the sole right of issue of currency notes for a period of 25 years, and this was to be its principal function. The Act also provided that every South African Bank must hold stock in the Reserve Bank to the equivalent of 5 per cent. of its own capital, and must deposit large reserves with it. In respect to demand liabilities, 10 per cent. of the total was to be provided, and in the case of time liabilities, including interest-bearing deposits, the proportion is 3 per cent. After the first three years the proportion of reserve against demand liabilities was to be increased to 13 per cent. The Reserve Bank is not intended to compete in any manner with the commercial banks, and its dividend is limited to 10 per cent. While there is an embargo on the export of gold from South Africa, however, or so long as gold certificates are inconvertible, it may not pay a dividend of more than 6 per cent. per annum, and all excess profits during that time must be placed to a special fund for strengthening the gold reserve of the bank. When the reserve fund is equal to the paid-up capital, the net profit, after payment of 10 per cent. dividend, is to go to the Government. The note issue has to be secured by at least 40 per cent. in gold, and as to the remainder by commercial paper or trade bills, and by a first charge on all the assets of the bank. In June last an amending Act was passed providing, *inter alia*, for the extension for two years—i.e., until June, 1925—of the inconvertibility of gold certificates and the alteration (which remains in force for five years) of cover that may be held by the Reserve Bank for its note issue, British and Union Treasury Bills being allowed to be taken as security.

The two principal commercial banks in the Union—the Standard Bank of South Africa and the National Bank of South Africa—show a substantial reduction in their note circulation, the former from £4,207,800 to £722,200 and the latter from £4,426,100 to £548,300. The chairman of the Standard Bank stated at the recent meeting that the remainder of the notes is being steadily reduced as they are received for payment. The balance outstanding at June 30th next will be paid over to the Reserve Bank, which will assume liability therefor, and after that date notes in circulation appearing in Rhodesia only. The past three years have been an anxious period for the business community in South Africa, and neither of the two important commercial banks has passed through unscathed. Each has suffered a substantial decline in profits, as will be seen from a table appearing later on, but the decrease shown by the Standard Bank is small in comparison with that of the National Bank, whose figures for the year ended March 31st last show a very large loss, part of which is a legacy from the "imprudent" days of the preceding year. In reviewing conditions in South Africa

in 1922-23, the chairman of the National Bank pointed out that "the settlement of the grave industrial troubles which demoralised the reef in March, 1922, was not so rapidly succeeded by prosperity as was the general expectation. On the contrary, while individual gold mines derived benefit from that settlement, the community in general which depends for its prosperity upon the principal industry of the country is still suffering from the effects of the upheaval. Large numbers of firms and individuals were unable to survive the strain, and the official record of liquidations and insolvencies bears testimony to the severity of the depression. Secondly, the fall in values generally, which, it was thought, had come fairly near to finality a year ago, continued, in many lines, to be a feature of last year's trading experience, and in consequence merchants' stock sheets disclosed further heavy writings down, which have had a serious effect upon many balance-sheets. Then, in Portuguese East Africa, where, as you know, we are very largely interested, merchants have had to suffer from the additional embarrassment occasioned by the currency deadlock, which, I am sorry to say, shows no immediate sign of disappearing." He went on to say that it was these conditions that suddenly transformed outstandings which years ago seemed to be no more than doubtful, into ascertained bad debts, and brought advances which could then be described as fair business risks into the doubtful category. The provisions considered necessary in the past year's accounts in order to replenish reserves against bad and doubtful debts, absorbed not only the whole of the reserve fund of a million sterling, but involved the writing down of the paid-up capital from £10 to £7 a share. The chairman was able to announce at the meeting that the Reserve Bank was willing to extend to the National Bank all facilities necessary for meeting its engagements and to carry on business, and that the Union Government had approved of this decision, and was prepared to afford to the Reserve Bank any support that might be required to make it effective. Thus, quite early in its career, the Central Reserve Bank has been called upon to help in the restoration of confidence. It was also announced at the meeting of the National Bank, it may be added, that the Bank of England was prepared, if necessary, to discount in London acceptances of the National Bank of South Africa.

Both the Standard Bank and the National Bank show an appreciable decline in deposits, though the drop is very much smaller in each case than it was in the preceding year. The cash item is also substantially lower in each case, but both show an increase in investments—the National from £4.4 to £7.7 millions. The latter figure includes over £5 millions in Treasury Bills. The discounts and advances of the National Bank have been reduced by £4 millions, but those of the Standard Bank show a reduction of less than £1½ millions.

Much discussion has been going on as to the rates charged by the South African banks for remittances. Lord Selborne, at the meeting of the Standard Bank, admitted that "rates have been higher during the year than we like to see them. We are anxious to see the rates reduced to the normal level, and we hope that the trend of South African trade will soon allow of this being done." The chairman of the National Bank protested against the agitation for a reduction of rates, and claimed that "it is entirely incorrect to charge the South African banks with having exacted exorbitant

* Includes Money at Call and Short Notice. † December 31, 1920. (a) December 31, 1921. (b) December 31, 1922.

rates for the transmission to this country of the proceeds of Union exports. The true position is the very opposite—viz., that it is very much to the credit of the banks that exporters did not have to pay very much higher rates than the trade situation justified."

Of the two Egyptian banks only the National Bank of Egypt issues notes, and these are controlled by a separate issue department. The note issue at the end of 1922 was £33,200,000, showing a decrease of roughly £4 millions during the year. The gold coin stood at £3,339,600, while the bulk of the balance was represented by British Treasury Bills. The following table shows the fluctuations of the note issue during the past five years:—

	Highest. £E.	Lowest. £E.
1918	46,100,000	29,200,000
1919	68,200,000	39,900,000
1920	66,000,000	39,400,000
1921	39,900,000	30,400,000
1922	37,300,000	26,300,000

The period covered was, of course, abnormal, and the trade balance, which was slightly favourable in the first two years, became excessively so in 1919-20, and then suddenly changed to a very heavy excess of imports. In 1921-22 the balance again became slightly favourable. At the meeting of the National Bank of

Egypt, the chairman stated that the cotton crop of last winter was marketed with more than usual rapidity. "Prices have again been disappointing for growers, and it is certain that the finer qualities of Sakellaris have not obtained the same premium over American cotton as in the past. On the other hand, the lower qualities and Upper Egypt cotton have maintained their position, and during this season it has been possible to dispose of a large accumulation of low cotton which had been unsaleable for the last two or three years." Ever since its inception in 1898 the National Bank of Egypt has acted as banker to the Egyptian Government, and an increase of £7 millions shown in its total deposits in the latest balance-sheet is almost entirely due to the Government account, deposits from the general public having remained practically unchanged. The Anglo-Egyptian Bank, which is purely a British concern, established in 1864, shows a decline of over a million sterling in deposits and in advances, investments have increased by over £2½ millions, while bills receivable have been reduced by some £3½ millions. The Anglo-Egyptian Bank, 90 per cent. of whose share capital was acquired in 1920 by Barclays Bank and the Netherlands Bank of S. Africa are the only banks in the appended profits table to show an increase in profits, those of the National Bank of Egypt having dropped by over £56,000:—

1922-23.	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
Anglo-Egyptian Bank, Limited	Aug. 31 ('22)	£ 119,699	£ 90,000	£ 15*	£ 22,000	£ 7,270	£ 429	£ 118,883
Bank of British West Africa, Lim.	Mar. 31	100,574	60,000	5	10,000	..	574	105,935
National Bank of Egypt	Dec. 31	502,094	450,000	15	50,000	..	2,094	558,556
National Bk. of South Africa, Lim.	Mar. 31	Dr 919,689	..	..	90,000	50,000	311	Dr 116,457
Netherlands Bk. of South Africa	Dec. 31	26,753	9,600	4	15,833	..	1,320	24,388
Standard of South Africa, Lim.	Mar. 31	888,825	312,083	14	50,000	100,000	73,258	502,313
Total		218,255	921,683	..	Dr 904,167	112,000	157,270	1,194,118

The decline in the profits of the Bank of British West Africa was accompanied by a further reduction of 1 per cent. in the dividend. The balance-sheet showed signs of all-round contraction, but the position remains very

liquid. At the annual meeting, the chairman spoke of signs, "though not great signs," of an improvement in trade in West Africa.

AFRICAN BANKS WITH OFFICES IN LONDON.

Year.	Banks.	No. of Brnchs.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand and Money at Call.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	2	90	£ 2,005,800	12.0	£ 1,081,300	6.5	£ 10,408,600	62.4	£ 16,672,400	£ 3,887,700	23.3	£ 1,582,300	9.5	£ 0,920,700	65.4
1900..	5	165	4,684,000	13.3	1,852,200	5.2	24,424,900	69.0	35,306,300	11,511,900	32.6	4,092,200	11.6	118,559,700	52.5
1905..	8	363	8,480,500	13.4	2,038,000	3.2	45,858,400	71.2	64,277,900	16,206,600	25.1	8,806,700	13.4	36,549,000	56.8
1910..	9	444	8,289,700	13.4	2,035,300	3.3	43,628,800	71.2	61,144,200	17,755,900	29.0	6,374,400	10.4	30,509,200	49.9
1915..	7	492	8,556,100	12.3	2,387,100	3.4	49,130,700	70.5	69,634,300	14,578,800	21.0	5,085,600	7.3	41,751,600	60.0
1916..	7	502	8,935,075	12.3	2,243,113	3.2	50,145,773	70.2	71,258,938	15,693,005	22.0	5,170,950	7.3	41,670,760	58.5
1917..	6	488	8,709,895	12.0	2,619,300	3.6	58,140,570	78.6	72,214,499	19,919,467	27.5	5,912,468	8.2	38,944,792	53.8
1918..	7	547	14,117,683	13.9	2,798,584	2.7	78,560,990	72.2	101,850,210	30,369,809	30.0	14,494,801	14.2	67,253,126	56.3
1919..	7	583	14,503,493	11.9	3,796,769	3.1	90,325,713	74.2	122,199,896	23,793,758	19.5	18,849,944	15.5	68,344,346	56.1
1920..	7	704	15,023,804	10.4	5,106,119	3.5	108,783,064	75.0	145,190,299	28,384,561	19.5	19,856,968	13.6	84,415,701	58.0
1921..	7	873	17,046,427	6.8	8,988,619	3.6	143,161,850	76.0	188,192,568	33,665,999	17.8	27,650,096	14.6	108,133,879	57.3
1922..	6	879	17,975,721	8.5	9,244,449	4.4	151,698,145	71.8	249,256,327	46,066,481	18.5	37,267,885	14.9	139,946,510	56.0
1923..	6	857	16,684,960	9.7	1,281,777	0.7	127,608,097	74.3	211,874,720	35,568,723	16.8	20,852,477	9.9	126,626,573	60.0
									180,687,942	27,851,939	20.9	19,877,552	10.7	99,519,441	55.0
									171,330,264	29,846,362	17.2	29,847,989	17.4	91,226,581	93.3

AUSTRALASIAN BANKS.

SINCE 1911 the notes of the ordinary banks in circulation in Australia have been in course of withdrawal and up to date a total of £3,511,200 has been withdrawn, leaving only £207,300 in circulation. In 1920 legislation was introduced by the Commonwealth Government to compel the Australian banks (with the exception of the Commonwealth Bank of Australia) to hold a proportion of their deposits in Australian notes, the administration of which was transferred from the Treasury to a Note Issue Department of the Commonwealth Bank. The

Note Issue Department is managed by a board of directors composed of the governor of the bank and three other directors appointed by the Government. Every bank other than the Commonwealth Bank is compelled to hold in the form of Australian notes an amount not less than 20 per cent. of the deposits which it holds, repayable at call or less than six months' notice, and 10 per cent. of deposits it holds repayable at six months' or longer notice. As the word "deposits" is not defined, it would appear to include deposits in London or elsewhere outside Australia, as well as those within Aus-

tralia. The board of the Commonwealth Bank is required to hold not less than one-fourth of the amount of notes outstanding in gold coin and bullion, and is empowered to invest the remainder or any part thereof (a) on deposit with any other bank, or (b) in securities of the United Kingdom, or of the Commonwealth or of a State, or (c) in the ordinary business of the bank. The power conferred upon the Commonwealth Bank by clause (c) was a new departure. Power is reserved to the Governor-General of the Commonwealth to transfer the control of and responsibility for the whole or part of the Australian note issue from the board of the Commonwealth Bank to the Treasury whenever in his (the Governor-General's) opinion an emergency has arisen which renders it desirable in the public interest so to do, and to retransfer the note issue to the board of the Commonwealth Bank when the emergency has ceased. Apart from the board established under this Bill, which has to do only with the note issue, the Commonwealth Bank of Australia has had no board of directors, but has been managed solely by the governor of the bank, with the assistance of the deputy-governor and the staff. It has, however, recently been proposed to appoint a board of directors. In his Budget speech at the end of July the Commonwealth Treasurer, Dr Earle Page, said: "The Government believes this to be necessary in order that continuity of policy may be assured, that the bank may function in a truly national way, and that due assistance may be afforded to the expanding primary and secondary industries of Australia."

In referring to the question of the note issue, the latest number to hand of the *Australasian Insurance and Banking Record* points out that at the outset of the war an arrangement was drawn up by which notes could be issued to the banks, if desired, against one-third gold, but since the war this arrangement appears to have lapsed. The real use to which the greater part of the increased issues of notes was put was to make advances, not to the banks, but to the State Governments for expenditure on public works. The total amount of notes outstanding at June 30th last was £52,102,200, against which assets were held consisting of £24,346,300 in gold coin, £27,017,700 in investments, £234,000 for advances to mints for purchase of bullion, and a balance of £504,000 in the Commonwealth Bank. Interest received for the twelve months ended June 30th last was £1,244,600, and there was a "net profit" of £1,072,900, which forms part of the Commonwealth revenue. Of the total Australian notes outstanding on June 30th last, £28,901,700 were held by the banks, leaving £23,200,500 in the hands of the public. The total issue shows a reduction of £1,479,800 in comparison with June 30, 1922. In the appended table of Australasian bank figures the notes shown consist very largely of New Zealand banknotes.

The figures of Australian trade for the fiscal year ended June 30th last are given by our Australian contemporary quoted above, and show that the balance of trade has once again swung round to an excess of imports. At the moment, however, Australian currency is at a slight premium in comparison with British currency:—

(Million £'s.)

	Imports.	Exports.	Imports.	Exports.
1914-15....	64.4	60.6	3.8	..
1915-16....	77.7	74.8	2.9	..
1916-17....	76.2	97.9	..	21.7
1917-18....	62.3	81.4	..	19.1
1918-19....	102.3	113.9	..	11.6
1919-20....	99.0	149.8	..	50.8
1920-21....	163.8	132.2	31.6	..
1921-22....	103.0	127.8	..	24.8
1922-23....	131.8	117.9	13.9	..

Exports have again been in excess of payments receivable by Australia, owing to the fact that payment

for the shipments of Bawra wool, which only ceased in May last, was received some years ago from the British Government. On the other hand, the Bawra distributions to woolgrowers have formed a supplementary item of payments to Australia. The excess of imports over exports for 1922-23 is a result largely of the exceptionally heavy public borrowings by the various Australian Governments and other public bodies effected in London and New York during 1921-22. The net amount of debt raised outside Australia during that period, according to the Commonwealth Year Book, was about £38½ millions, and this has meant that imports into Australia have been stimulated to a corresponding extent beyond what would have been possible on the basis of the purchasing power furnished by Australian current production and exports, after making allowance for the annual amount to be remitted for interest and business earnings on British capital invested in Australia publicly and privately. Taking this annual payment at about £25 millions, the net purchasing power of Australia, based upon exports amounting to £118 millions, would be about £93 millions, or about £39 millions less than the past financial year's imports. The effect of the £38½ millions borrowed in 1921-22 has thus been felt during the year 1922-23.

In the case of New Zealand, exports continue greatly to exceed imports, and the banks are accumulating funds in London in excess of requirements. Exporters are consequently paying higher rates of exchange than they have recently been accustomed to, but importers are enjoying much more favourable rates.

From the summary table below it will be seen that during the past 12 months the aggregate deposits of 14 Australasian banks with offices in London have increased by nearly £22½ millions, while discounts and advances have risen by over £14 millions. The increase in deposits is common to the Australian and New Zealand banks, but while the discounts and advances of the Australian banks have increased by a larger amount than that mentioned above, those of the New Zealand banks have dropped a little. The chairman of the Bank of New Zealand explained that this was due chiefly to repayment of the exceptional advances made to traders during the period of over-importation in 1920-21, and to the improved returns received for their produce by farming customers. He added that a considerable portion of the advances is still of a somewhat unliquid nature. "To counterbalance this, we are keeping a larger amount of our resources than usual in undoubted investments of an immediately realisable character." The increase in advances shown by the Australian banks reflects the active demand for accommodation from traders and other classes in the cities as well as from country producers, while some of it is due to the larger amount of imports into Australia during 1922-23. Slightly more up-to-date figures are given by our Melbourne correspondent, who sends the following comparative summary of the averages of the ordinary banks in Australia and New Zealand (exclusive of London and other outside figures) for the quarter ended June 30th, with the previous quarter and a year ago:—

	June 30, 1922.	March 31, 1923.	June 30, 1923.
Deposits—			
Australia	£ 219,600,338	£ 232,000,840	£ 237,827,126
New Zealand	47,399,600	48,659,637	52,091,994
Total deposits	266,999,938	280,660,477	289,919,120
Advances inc. Govt. securities—			
Australia	182,758,449	197,994,984	202,514,707
New Zealand	51,977,855	48,347,815	47,523,808
Total advances	234,736,304	246,342,799	250,038,515
Cash items—			
Coin and bullion (A. and N.Z.)	27,333,068	27,287,078	27,167,147
Australian notes	25,577,119	26,353,024	25,026,558
Legal tender notes of other banks (N.Z. only)	1,109,907	501,218	418,791
Total cash	54,020,094	54,141,320	52,612,496

Out of the total increase of £22,919,882 in deposits during the year, £15,373,799 is in deposits bearing

interest. The cash items show a decrease due mainly to the contraction of the Australian note issue and the inaccessibility of gold at present for the purpose of increasing stocks held by the banks. So long as this continues it will apparently be necessary for seasonal fluctuations to be permitted in the note issue to meet the requirements of the active export season towards the end of the year.

The quarterly average return of the Commonwealth Bank of Australia shows the following items within Australia :—

1922-23.	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	%	£	£	£	£
Australian Bank of Commerce, L.	June 30	140,678	84,000	7	40,000	10,000	..	137,195
Bank of Adelaide, Limited	Mar. 26	94,889	67,500	10	20,000	..	..	92,633
Bank of Australasia	Oct. 16	620,106	520,000	13*	100,000	..	..	588,989
Bank of New South Wales	Mar. 31	771,102	569,590	10	200,000	..	..	708,619
Bank of New Zealand	Mar. 31	553,639	412,500	13½	150,000	..	..	682,043
Bank of Victoria, Limited	June 30	189,706	133,020	9	50,000	..	..	179,930
Commercial Bk of Australia, Lim.	June 30	234,419	186,776	15	85,066	10,000	..	228,081
Com. Banking Co. of Sydney	June 30	422,068	200,000	10	120,000	..	..	397,885
English, Scottish, and Australian	June 30 '22	345,475	191,989	10*	117,097	40,000	..	267,975
National Bk. of Australasia, Lim.	Mar. 31	442,178	272,500	10	117,097	20,000	..	350,168
National Bk. of New Zealand, Lim.	Mar. 31	228,747	172,700	14*	10,000	..	..	212,726
Queensland National Bank, Lim.	June 30	149,351	100,000	12½	40,000	..	..	128,819
Royal Bank of Australia, Limited	Mar. 31	119,305	75,000	10	40,000	..	..	116,938
Union Bank of Australia, Lim.	Feb. 28	552,894	450,000	15	100,000	..	..	536,261
Total		4,358,557	3,425,575	..	1,266,159	80,000	40,600 + 46,223	4,627,652

* Free of tax.

The substantial increases shown in profits in most cases serves somewhat to strengthen the plea made in these columns more than twelve months ago for reduction in the rates of remittances. In only one instance are net profits lower than they were in the preceding year, those of the Bank of New Zealand having dropped by nearly £130,000. This was a result largely

of a decline in interest consequent on the reduction in advances within the Dominion, referred to above. The only change in dividend rates is an addition of 1 per cent. by the Union Bank of Australia. Two of the Australian banks—the Commercial Banking Company of Sydney and the Queensland National Bank—are taking steps to increase their capital owing to the expansion of business.

AUSTRALASIAN BANKS WITH LONDON OFFICES.

Year.	Banks.	No. of Brnchs.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand and Money at Call and Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	19	1,538	24,424,100	13.2	4,821,800	2.6	138,065,900	74.7	184,931,200	26,919,000	14.6	6,808,100	3.7	145,585,900	78.7
1900..	16	1,338	30,307,100	13.1	4,348,700	2.8	107,403,600	68.4	157,299,500	33,165,500	21.1	12,831,900	8.2	102,820,200	65.3
1905..	16	1,456	27,946,400	17.6	4,247,500	2.7	119,619,900	71.7	166,428,600	48,321,400	29.0	17,105,000	8.1	103,991,100	64.2
1910..	17	1,965	33,612,300	16.3	5,198,100	2.4	152,385,400	71.9	212,615,200	54,575,000	25.8	17,105,000	8.1	132,956,900	62.5
1913..	17	2,186	38,388,700	16.3	5,093,900	0.9	170,256,600	73.6	284,100,000	66,888,400	28.8	18,687,600	5.3	146,287,600	62.5
1914..	18	2,278	42,272,449	16.6	5,040,542	0.8	185,238,186	72.9	254,988,801	73,909,526	29.0	19,406,361	7.6	153,450,898	60.6
1915..	18	2,294	43,470,675	16.6	5,187,698	1.2	192,079,083	73.1	262,167,311	79,197,048	30.1	22,208,945	8.5	153,409,635	58.3
1916..	18	2,297	44,004,748	16.8	5,640,956	1.3	199,115,161	71.8	279,112,667	72,999,234	26.1	29,359,780	10.5	167,071,064	60.0
1917..	17	2,259	44,626,507	15.6	5,867,245	1.9	209,781,668	73.0	286,793,212	78,734,117	27.4	36,862,156	12.8	162,488,312	56.4
1918..	17	2,286	45,340,848	14.5	6,324,311	2.1	229,819,071	73.3	312,496,435	79,444,434	25.4	46,950,137	15.0	177,898,316	56.9
1919..	16	2,306	46,908,553	14.0	7,564,888	2.3	245,068,562	73.5	334,012,342	72,019,515	21.6	48,941,932	13.2	208,944,051	62.8
1920..	16	2,298	51,248,171	13.4	8,511,692	2.2	281,477,007	73.4	383,470,259	88,138,890	23.2	68,431,168	17.8	214,736,390	56.0
1921..	16	2,354	58,991,389	14.1	7,854,758	2.1	273,964,790	71.8	321,546,279	81,034,813	21.3	39,911,344	10.5	251,787,300	66.0
1922..	14	2,495	58,731,923	15.3	8,029,220	2.1	278,162,328	72.5	384,576,016	89,307,662	28.3	83,400,133	10.0	247,031,583	64.3
1923..	14	2,585	61,599,404	15.3	7,928,290	2.0	296,565,646	73.4	404,606,678	85,877,406	21.2	46,722,324	11.6	281,325,689	64.9

CANADIAN BANKS.

THE past year has been a period of peculiar interest for Canadian banking. The Bank Act came up for its decennial revision, and the task of such revision became a subject of widespread public controversy, owing to certain untoward events which have recently taken place, and have caused uneasiness in the minds of the Canadian people as regards their banking system. There was, in fact, an epidemic of serious banking losses. Following on the failure of the Merchants' Bank in the first half of 1922, serious losses were disclosed by the Union Bank, which were met by drastic readjustment. Smaller concerns, such as the Home Bank, the Standard Bank, and the Bank of Hamilton, and some others, found themselves face to face with serious difficulties, and either went under, or, as in the case of the last named, sought safety in amalgamation with stronger concerns. Thus public disquietude was aroused, and the proceedings of the Committee which

investigated the question of the Bank Act Revision were the cynosure of all eyes. In the end, however, the new Bank Act, which was passed at the end of the summer, made no startling innovations.

Canadian banks operate under charters, which lapse every ten years—a provision which necessitates the passing every decade of a new Bank Act, and affords opportunity for amendment of Banking law in the light of accumulating experience and proved national needs. The chief features of the system in force lend themselves to brief summary. Banking in Canada is not a monopoly, but anyone who wishes to open a bank is subject to certain restrictions, the chief of which is that the minimum capital must be \$500,000, of which half is paid up. This minimum is intended to be a guarantee that those embarking on a banking venture are of a *bona-fide* character, and it cannot be regarded as too high, since the permission to conduct a banking

business carries with it the privilege of issuing bank-notes which have not the specific backing of Government credit. A further provision, calculated to restrain the financing of rash and unsound banking ventures, is that shareholders in Canadian banks are subject to a double liability. A clause of the Bank Act says:—"In the event of the property and assets of the bank being insufficient to pay its debts and liabilities, each shareholder of the bank shall be liable for the deficiency to an amount equal to the par value of the shares held by him, in addition to any amount not paid up on such shares." This provision, apart from being, as we have said, some check on haphazard financing, is also some safeguard to depositors and other creditors. Further safeguard is afforded by two prohibitions, which forbid the lending of money on the security of real estate, or on that of the capital stock of any chartered bank. The recent unfortunate incidents should, in fact, be regarded less as revealing inherent weakness in the Canadian banking system, than as a reminder that no legislation can completely guard against unwise management in times of economic difficulty. On the other hand, it may be quoted as evidence of the success of the system that, amid all these banking troubles, the prestige of the greatest banks has been maintained unimpaired, and, as is shown in a later article, their shares have in no measure lost the confidence of the investor.

The *débâcle* referred to aroused a strong demand in certain quarters for the institution of the system of Government inspection of banks. It must, however, be regarded as very doubtful how far such inspection could be a safeguard. In past years banks have been obliged to have their accounts audited by approved auditors, selected from a list compiled by the Minister of Finance. Yet in the case of one of the recent bank collapses, the concern in question failed only a few weeks after the passing by the auditor of a happy balance-sheet, the disclosure of large profits, and the declaration of a good dividend.

In the matter of currency requirements, Canada's position is peculiar in that the demand is not steady. There is a sudden big rise in the demand for currency in the autumn, and a sudden decline in the spring. The system in force in Canada is sufficiently flexible to meet these varying demands without causing serious infla-

tion. Gold is not used as currency in Canada, the country's stock of gold being held by the Government and the banks for reserve purposes. The circulating currency consists of Dominion notes issued by the Government, and notes issued by the Chartered Banks. The latter's power of issuing banknotes is subject to four main qualifications, which may be summarised as follows:—(a) Such issues must not exceed the aggregate of "unimpaired" paid-up capital, plus the amount of Dominion notes and gold coin held on the issuing bank's behalf in the Central Gold Reserve. (b) To facilitate crop movements additional notes may be issued up to 15 per cent. of combined paid-up capital and reserve fund. Notice of intention to use this power must be given to the Finance Minister, and interest at a rate not exceeding 5 per cent. is paid by the bank for the privilege of such emergency issue. (c) No bank may pledge or hypothecate its notes. (d) Notes in smaller denominations than five dollars, or for any sum not a multiple of five dollars, may not be issued. The system so works that it is to the advantage of the banks to redeem as quickly as possible notes that are superfluous to legitimate requirements. Broadly, the system meets Canada's needs, and although, like all other banking systems, it has its imperfections, it does not lend itself to abuses. Some at least of the untoward incidents of the past year or two in the Canadian banking world would hardly have been prevented by a more rigid system. In one case, as our Ottawa correspondent shows in another column, the collapse was clearly due to a complete departure by the management from the rules of sound banking—departures which, it is as well to remember, occur from time to time in the case of smaller institutions under our own system. For the main features of the Canadian system the bankers have been able to put up a successful defence during the recent enquiry, and had little trouble in defeating proposals for the establishment of a State bank.

There are six Canadian banks with London offices, but with this group we have included the Colonial Bank, whose head office is in London, but whose main sphere of operations is in the West Indies. The profits and allocations for these seven last year are given below, with comparable figures for the profits and dividends of the previous year:—

1922-23.	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	%	£	£	£	£
Bank of Montreal	Oct. 31	951,333	731,500	14	308,400	100,000	..	188,567
Bank of Nova Scotia	Dec. 31	424,536	311,477	16	26,493	50,000	15,000 +	21,566
Canadian Bank of Commerce ..	Nov. 30	616,939	400,685	12	66,781	82,192	36,304 +	30,977
Colonial Bank	June 30	95,745	60,506	8	35,000	..	..	239
Dominion Bank	Dec. 31	203,536	156,000	13	..	30,000	9,000 +	8,586
Royal Bank of Canada	Nov. 30	791,694	571,200	14	100,000	80,000	20,000 +	20,494
Union Bank of Canada	Nov. 30	226,212	160,000	10	75,914	..	2,000	11,702
Total		3,909,995	2,391,368	..	612,588	342,192	82,304	118,457

As shown by the first column, the figures refer to varying periods, and too much should, therefore, not be made of aggregate comparisons. But the feature of the figures is that all seven maintained their dividend rates, and three increased net profits, the outstanding achievement being that of the Bank of Montreal, with an increase of nearly £220,000, and whose allocations to reserve exceeded £400,000. In a table on the next page will be found aggregate balance-sheet figures for the seven banks for a number of years, and here, again, the varying dates of balance-sheets must be remembered. One feature of that table is the tremendous expansion of the network of branches over the past dozen years. Actually in the past year there has been a decline, but in next year's table the number will probably again show increase through amalgamations which have recently taken place. The most interesting of these

amalgamations has been the absorption of the Bank of Hamilton by the Canadian Bank of Commerce, the particulars of which have been recently announced. The former had 148 branches and agencies in Canada, and the latter will thereby obtain a footing in 84 new towns. The table overleaf shows, as might be expected in a period of unsatisfactory trade, a decline in deposits, although the fall is not so large as that which took place in the previous year. Discounts and advances have also shown further contraction, while investments and cash are both higher. The ratio of cash to liabilities is higher than in any of the four preceding years. Of current banking conditions in Canada there is no need to take a gloomy view. Progress has been made with the liquidation of frozen credits. Crop reports are excellent, and American boom conditions are not without some degree of contagious effect upon economic conditions of the neighbouring Dominion.

added the figures for the first half of 1913 for purposes of comparison:—

	Imports.		Exports.	
	1913.	1923.	1913.	1923.
Europe.....	146.5	161.4	120.2	164.6
Other Foreign Countries.....	137.4	212.8	93.6	128.0
Empire.....	94.9	166.6	102.3	153.9
Total.....	378.8	540.8	316.1	446.5
Percentage of Empire trade to total.....	25%	31%	32½%	34½%

The percentages of Empire trade would not be appreciably different if the figures had been based upon averages for a number of years, both before and after the war. They show that, in spite of the condition of Europe, our sales to the Continent have dropped very little in proportion to our total trade, and that the gain in Imperial trade has been small. On the other hand, in the case of imports, in spite of the fact that the Dominions enjoy practically no advantage in our markets in the way of preferences, their sales to us have increased considerably in proportion. The table, however, shows that on the side of imports even now nearly 70 per cent. of all our purchases are made from foreign countries, while in return we sell them 65½ per cent. of our exports. Moreover, of the Imperial total, one-third of our sales are made to India. If this market is excluded, and we consider only the Dominions and Crown Colonies, where a preference has or is likely to be established, it emerges that a Free-trade Empire would mean setting up a wall which would block out 77 per cent. of our overseas markets and a similar proportion of our supplies.

THE GOVERNMENT AND UNEMPLOYMENT.

THE speech which Sir Montague Barlow, the Minister of Labour, delivered in the City on Tuesday, possessed both negative and positive interest. He said what the Government proposed to do towards meeting the unemployment problem, and also what they did not propose to do. The negative proposition consisted of an announcement that the Government would not depart from their present financial policy—a statement which relieved the uneasiness caused by the same Minister's reported advocacy of an attempt to palliate unemployment by currency inflation. As regards concrete plans, the three "trunk lines" of Government effort remain as before, namely, unemployment insurance, trade encouragement by export credits and loan guarantees, and relief work schemes. A new unemployment insurance benefit year began this week, and twelve weeks' consecutive benefit becomes available. That carries us on to the New Year, when the Minister promises a fresh statement in the House of Commons. The Government's programme of export credits is still available to the extent of £16 millions, while of the total £50 millions Government guarantee under the Trade Facilities Act £14 millions are not yet exhausted; but advantage of the Act to commence big labour-employing schemes has been freely used. Among those who were about to use it Sir Montague mentioned one or two big shipping companies, the Tube Railways, the North Wales Power Company, and Messrs Tata, of India. In addition, the Government has sanctioned a programme of road and bridge development which will involve an expenditure of £14 millions, the cost being shared by the State and local authorities. The work of the Unemployment Grants Committee is also to be expanded, proposals up to £20 millions (instead of £10 millions) being sanctioned. Grants in the case of revenue-producing schemes may now be made by this committee to public utility concerns, as well as to local authorities. Furthermore, Admiralty and War Office work is to be accelerated, and loans for Crown Colony land development are contemplated. Apart from these lines of Government effort, Sir Montague was able to announce that the railways were undertaking large programmes of work. For instance, the Great Western contemplates an expenditure of £10 millions, including £4½ millions on new

works and £2½ millions on locomotives and rolling stock. Similarly, the London and North-Eastern group is to spend about £1,000,000 on locomotives, sleeping cars, and wagons, and £500,000 on permanent way and new works. As far as Sir Montague could gather, ten to fifteen million pounds worth of work "was being put in hand" by the various railway companies.

The chief comment on relief schemes for the absorption of labour, whether Governmental or otherwise, is that if, as appears, their conception is recent, they are too late to produce serious results this winter. That Rome, or even a Severn tunnel or a Tay Bridge, are not built in a day is axiomatic. But an equally true fact, which is apt to escape observation, is that the plans for building Rome, or a tunnel, or a bridge, cannot be worked out in a day or a month. In the case of some of the schemes of work mentioned by the Minister of Labour, it would be surprising if they are far enough advanced to absorb much, if any, labour this winter. Every engineer knows that the time to prepare schemes for winter work is the early spring, and the only sound procedure for a Government is to prepare schemes in good times, and have them ready to produce when needed. Last spring, perhaps, the Government were lured into false contentment by the trade recovery then in temporary progress. From November to April a decline in unemployment was steadily in progress, but then the check came. At the end of September the Trade Union percentage of unemployment was the same as at the end of April, at 11.3, and the percentage unemployed of all workers insured under the Unemployment Insurance Acts somewhat higher at 11.3, compared with 10.9. On April 30th the total of registered unemployed was 1,261,000, of whom 963,000 were men. On October 1st the total figure was 1,285,000, of whom men numbered 955,000. These figures, as Sir Montague admitted, do not tell the whole story. In some industries, at any rate, the number of workers on short time may have increased considerably in the last six months. Movements of the Trade Union unemployment percentage are shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

End of—	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March ..	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April ..	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May ..	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June ..	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July ..	1.9	0.4	0.6	2.0	1.4	16.7	14.6	11.1
August ..	2.0	0.5	0.5	2.2	1.6	16.3	14.4	11.4
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	11.3
October ..	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	..
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

It is satisfactory to learn that the Government has not been seriously tempted by the lure of the inflationary short cut to an artificial and momentary betterment. We observe that Mr F. C. Goodenough, the chairman of Barclays Bank, upon whom inflationists have recently seized as a weighty protagonist of their cause, has emphatically repudiated the soft impeachment. He repeated on Thursday, at the Colchester oyster feast, that "no one would be an advocate of deliberate inflation," and continued: "The commercial prosperity of the Empire..... will not be secured through a policy of deliberate inflation, nor will the evils of unemployment be counteracted by such a policy." A matter of the very greatest importance, he said, is "that there should be neither inflation nor deflation here, but that sterling should maintain a steady value. Whatever may happen to other currencies, we wish to see the relative value of sterling to commodities upon a stable basis. That would give greater confidence to those engaged in trade than any other thing." In urging stabilisation, Mr Goodenough, we think, speaks the present opinion of the great majority of business men. It would be idle to deny that this view is somewhat different from that implied in the Cunliffe report, but the events of the last few years have produced a recognition that in times like these it is unwise to pursue a policy involving a downward drift of prices, however

slow. But if this view sees the disadvantages of deflation, it recognises even more clearly the lessons, drawn from home as well as from foreign experience, of what inflation brings in its train.

Nevertheless, there are signs that these lessons have not been learnt everywhere. It is, for instance, reported that the Grand Council of the Federation of British Industries considers "that the time has passed for temporary palliatives, and that there should be serious investigation of the possible results of fundamental changes in national policy." A public speech by Sir Eric Geddes, the president of the Federation, is, we understand, nearly due; and if we are correct in our suspicion that inflation is the "fundamental change" which is in the mind of himself and his colleagues, we shall be interested to learn from him how the supposed blessings may be obtained and the well-proved curses of its aftermath may be avoided.

INDUSTRIAL PROFITS.

OUR quarterly statistics of the profits of industrial companies, compiled from the weekly summary of company profit and loss accounts printed on a later page, shows a substantial increase in the profits of those companies whose reports have been made public during the third quarter of the current year. But we may say at once that this increase follows very heavy declines in the corresponding periods of the two preceding quarters. This will perhaps be best illustrated by saying that in the third quarter of 1920 the average profit per company was £104,100; in the third quarter of 1921 it dropped to £75,800, and in 1922 to £58,000, while for the past quarter it has recovered to £82,850. Thus there seems to have been a very definite reaction from the initial effects of the trade slump, which made their most serious mark upon the profits disclosed in the latter part of 1921 and in the first nine months of 1922. During the past three months the reports of 209 companies have been analysed in our weekly summary of profit and loss accounts, and these show aggregate net profits, after payment of debenture interest, &c., of £17,317,500, as against £10,469,100 earned by the same companies in their preceding financial year, an increase of £6,848,400, or 65.2 per cent. In our analysis which appeared twelve months ago we showed that 209 companies—the fact that the number is the same as in the past quarter is a mere coincidence, and does not imply that all the companies included are identical—had recorded a decline in aggregate net profits of 23.5 per cent. Since that time the profits disclosed have been on the up grade, as may be seen from the following table, which sets out the net result of our last five quarterly analyses:—

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

	Number of Companies.	Reports published in		Increase.		Decrease.	
		1921-22.	1922-23.	£	%	£	%
1922.							
Third quarter	209	15,855,920	12,120,153	3,735,767	23.5	..	..
Fourth quarter	319	23,510,452	24,228,719	718,267	3.9	..	..
1923.							
First quarter	405	28,489,995	40,276,870	11,786,877	41.4	..	..
Second quarter	425	31,874,787	38,945,778	7,070,991	22.1	..	..
Third quarter	1,358	99,529,152	115,571,520	16,042,368	16.1	..	..
Fourth quarter	209	10,469,118	17,317,482	6,848,364	65.2	..	..

The percentage increase for the past quarter is substantially greater than those shown for the immediately preceding quarters, though in actual amount it is smaller. The next table, which gives the increases or decreases in net profits recorded in each quarter since the beginning of 1918, shows how the increases for each of the past four quarters follow a series of very substantial decreases:—

	1918.	1919.	1920.	1921.	1922.	1923.
First quarter	5.0	+10.4	+26.9	+3.5	-43.4	+41.4
Second quarter	5.8	-5.1	+37.8	-8.4	-33.7	+22.1
Third quarter	+12.3	-3.4	+41.9	-42.4	-23.5	+65.2
Fourth quarter	+4.7	+10.5	+27.1	-52.9	+3.9	..

Taking the third quarter of 1920 as 100, the decline of 1921 would reduce the figure to 57.6, and that of 1922 to 44.1, so that the past quarter's increase of 65.2 per cent. would only bring the figure up to 73; that is, 27 per cent. lower than in the corresponding period of 1920.

The next table sets out the changes in profits shown by 14 groups of companies:—

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

	Number of Companies.	Reports Published in Quarter Ended Sept. 30.		Increase.		Decrease.	
		1922.	1923.	£	%	£	%
Breweries	16	4,742,889	4,792,497	49,608	1.1	..	..
Gas	9	182,898	218,649	35,751	19.6	..	..
Hotels, restaurants, &c.	7	201,901	235,700	33,799	16.8	..	..
Iron, coal, and steel	14	314,750	1,015,301	700,551	222.5	..	..
Land, mortgage, &c.	17	518,932	338,993	..	..	179,939	34.6
Rubber, &c.	40	176,752	415,308	238,556	134.8	..	..
Shipping	6	665,786	819,680	153,892	23.0	..	..
Shops and stores	3	282,547	348,867	66,320	23.5	..	..
Tea	4	34,207	131,147	96,940	283.4	..	..
Telegraph, &c.	5	2,587,498	1,835,938	..	..	751,560	29.0
Textiles	11	1,089,684	2,885,952	1,796,268	164.8	..	..
Trust companies	11	329,595	448,195	118,600	35.8	..	..
Waterworks	9	35,678	38,416	2,738	7.7	..	..
Miscellaneous	57	694,001	3,792,759	4,486,760	..	..	..
Total	209	10,469,118	17,317,482	6,848,364	65.2	..	..

The miscellaneous group includes one or two big companies which have turned the heavy losses of the previous year into profits. The African and Eastern Trade Corporation, for example, has recently declared a profit of £539,800, as against a net loss of £1,794,800 for the previous year; Van den Berghs made a profit of £346,800, against a loss of £256,900; the Smithfield and Argentine Meat recorded a profit of £118,000, against a loss of £297,600, and so on. A striking increase is shown by the iron, coal and steel group. This group includes the Ebbw Vale company, which earned a profit of £52,700, as against a loss in the previous year of £327,600. An increase in profits, however, is fairly general throughout the group. The figures of the textile group are also greatly affected by one company, British Dyestuffs Corporation having turned a loss of over a million into a profit of over £100,000. Each of the four tea companies has contributed to the increase of 283 per cent., and increases were fairly general in the rubber group. The decline in the land, mortgage and financial group is partly accounted for by the figures of Leach's Argentine Estates, which showed a loss of £238,900, as against a profit of £1,000. In the telegraph group, two of the principal cable companies showed a decline in profits of about £400,000 each.

In the next table we show the method of distribution of profits in each of the past five quarters:—

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
1922.				
Third quarter	12,120,153	10,010,136	827	Dr 1,218,067
Fourth quarter	24,228,719	15,698,160	64.9	3,810,507
1923.				
First quarter	40,276,870	21,934,234	54.4	8,841,562
Second quarter	38,945,778	25,038,627	64.3	6,162,466
Third quarter	115,571,520	72,681,157	63.0	17,606,478
Fourth quarter	17,317,482	9,653,962	55.8	4,623,682

The welcome feature of the figures for the past quarter is the substantial increase shown in the proportion of profits reserved, either in the form of allocations to specific reserve funds or of additions to balances carried forward. Twelve months ago, the aggregate amount distributed to shareholders was 10 per cent. greater than total net profits, but this state of affairs has been remedied and the proportions distributed are now becoming more reasonable. The distribution adopted by each of the groups in the past three months was as follows:—

	Net Profits.	Ordinary Dividend.	Pref. Dividend.	To Reserve, &c.
Breweries	4,792,497	3,313,220	69.1	894,431
Gas	218,649	134,820	61.7	74,465
Hotels, restaurants, &c.	235,780	138,415	58.6	55,740
Iron, coal, and steel	1,015,301	547,652	53.8	174,316
Land, mortgage, &c.	338,993	323,812	95.6	15,181
Rubber, &c.	415,308	392,989	94.6	7,382
Shipping	819,680	472,452	57.7	277,510
Shops and stores	348,867	156,300	45.0	135,770
Tea	131,147	60,327	46.0	67,220
Telegraph, &c.	1,835,938	1,058,091	57.8	707,847
Textiles	2,885,952	1,180,831	40.9	1,320,570
Trust companies	448,195	319,943	71.0	6,234
Waterworks	38,416	26,299	68.4	3,859
Miscellaneous	3,792,759	1,528,811	40.3	900,549
Total	17,317,482	9,653,962	55.8	4,623,682

In the matter of reserves the best showing is made by the small tea group, while the textile group also reserves a high percentage of profits. The trust company group has

drawn upon the balances brought forward to pay dividends, but in no case has a definite reserve fund been debited.

In the next table we show the ratio to total ordinary and preference capital of net profits and of amounts carried to reserves, &c. :—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1922.	£	£	%
Third quarter....	205,481,600	12,120,153	5.9
Fourth quarter ..	268,105,000	24,228,719	9.1
1923.			
First quarter ...	406,793,000	40,276,870	9.9
Second quarter ...	396,675,400	38,945,778	9.8
	1,277,055,000	115,571,520	9.1
Third quarter....	195,420,900	17,317,482	8.9

The ratio of profits to capital in the past quarter is a little lower than the average for 1921, but that of amounts reserved shows a considerable improvement.

The average rates paid on debenture, preference and ordinary capital in each quarter since the beginning of 1920 have been as follows :—

AVERAGE RATES PAID.

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.
1st quarter	4.25	4.43	4.70	4.61	5.1	5.0	5.3	5.7	11.2	10.3	8.5	9.2
2nd quarter	4.46	4.61	5.00	5.08	5.0	5.6	5.0	5.4	13.7	12.6	8.8	9.9
3rd quarter	4.12	4.45	5.21	4.90	4.9	5.0	4.5	4.3	14.2	9.7	7.6	7.8
4th quarter	4.43	4.52	4.83	4.63	5.3	5.1	5.6	5.6	11.6	7.6	8.6	8.6

The average dividend distributed on ordinary capital in the past quarter was at the modest rate of 7.8 per cent., and very little higher than that distributed in the corresponding period of 1922, when profits were so much smaller, the explanation being that very much larger amounts have been retained in the balance-sheets, as the foregoing figures have shown.

The final table gives the average rates paid by each of the groups, together with the average rate of ordinary dividend shown in our article a year ago :—

	Deben- ture Capital.	Rate of Interest.	Prefer- ence Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.
Breweries	10,981,931	3.9	11,810,745	4.9	20,534,691	16.1
Gas	913,709	5.0	145,915	6.4	2,324,283	5.8
Hotels, restaurants, &c.	1,425,156	4.3	735,000	5.7	1,401,079	9.9
Iron, coal, and steel	5,897,625	7.0	4,609,125	4.2	11,603,193	4.7
Land, mortgage, &c.	4,763,371	4.6	3,032,956	3.5	4,750,722	6.6
Rubber, &c.	628,986	6.4	542,335	2.7	7,246,346	5.4
Shipping	48,244	—	2,225,000	3.1	7,544,540	9.3
Shops and stores	133,400	6.0	594,979	6.3	1,055,250	14.3
Tes.	2,810,420	4.0	2,000,000	3.5	10,302,796	10.2
Telegraphs, &c.	5,979,778	4.8	11,910,168	3.2	16,093,607	7.3
Textiles	1,015,080	4.7	1,431,980	9.4	4,959,982	6.4
Trust companies	197,349	4.7	102,984	8.0	649,654	4.1
Waterworks	14,778,928	5.4	31,794,966	4.3	35,400,009	4.3
Miscellaneous	49,633,877	4.9	71,306,148	4.3	124,114,774	7.8

Six groups show a reduction in the average rate of ordinary dividend, including the textile group, whose profits increased substantially. The land, mortgage, &c., group, on the other hand, pays a slightly higher rate, though aggregate profits were much lower. In neither year, however, did the company whose figures were responsible for the drop in total profits pay an ordinary dividend.

REVOLT OF THE PANEL DOCTORS.

If the dispute of the "Panel Doctors *versus* the Approved Societies, the Ministry of Health intervening," be not speedily settled, the country will be required to face the wholesale resignation of most of the 13,000 panel doctors who are charged with the medical service of fourteen million people under the National Insurance Acts. The *British Medical Journal*, the official mouthpiece of the powerful Association which is standing behind the panel doctors, declares war in definite terms: "The profession must now decide once and for all whether it will submit to approved society domina-

tion, or whether it will take this opportunity of making its freedom sure. The only course now open is for the profession to show that no service can be secured under the Acts, whatever the exact terms, until the professional position has been re-established. This means that every insurance practitioner should at once send to the secretary of his Panel Committee his resignation from the service, to take effect on January 1st next." It is expected that the notices of resignation will be secured by October 30th, and seeing that the panel doctors are now very tightly organised and that the British Medical Association is in control of their side of the controversy, there is at least some danger that these expectations will be realised. The Conference of panel doctors on Thursday unanimously accepted the advice of the Association to proceed with the resignation policy.

It is a lamentable business, though when one comes to examine the details of the dispute and to go through the history of the working of the National Insurance Acts, one cannot help feeling that the stand which the doctors are making should not have surprised either the Ministry of Health or the approved societies. The issue now is almost exactly the same as the issue in 1911-12, when Mr Lloyd George was compelled to give way to doctors incomparably less well organised then than they are now. Primarily it was not then, and is not now, a dispute over fees, though an attempt to reduce fees now has occasioned the dispute. Then, as now, it was a refusal by the doctors to be controlled by the approved (friendly) societies. As a result of the settlement in 1912, the control over the medical services under the Act was vested by statute in district Insurance Committees representative of all parties concerned. The friendly societies—which expanded into approved societies—were charged with the organisation and collection of insurance cards and payments, the paying out of cash benefits (sickness, maternity, and so on), and the general financial administration. As time has passed the power and influence of the approved societies have gone up, and those of the district Insurance Committees gone down. The societies, as purse holders, have accumulated large reserves against the Insurance Fund's liabilities under the Acts, and for additional benefits—reserves which the doctors erroneously regard as "surpluses"—and have gained the ear of the Ministry of Health, with which they are intimately associated in the financial administration. It was inevitable that they should do so. The district Insurance Committees, which were supposed to look after the medical service, have fallen so completely out of the picture that they are playing no part at all in the present dispute. The approved societies, taking perhaps a too strictly business view, want to get the medical service placed upon the lowest scale of fees which will attract the necessary number of doctors; the doctors object strongly to this rather narrow and sordid view of their functions, and declare further that the approved societies have nothing to do with the determination of their fees, and that interposition by them is an impertinence; the Ministry of Health has tried to hold the balance and keep the peace between the powerful and pushing approved societies and the suspicious and resentful organisation of doctors. So far the Ministry seems to have made rather a mess of things. At any rate, its assumption of authority to lay down terms to the doctors has precipitated the revolt. The doctors look upon the Ministry as being so much under the thumb of the approved societies as to have lost status as an impartial arbitrator.

The solution of the trouble is fairly obvious. It was brought about by an attempt on the part of the approved societies to have the fees of doctors reduced. The Ministry has fixed a scale of fees which it considers a just compromise between the societies and the doctors. The doctors decline to accept the Ministry's scale of fees, but have offered to accept the award of impartial arbitrators. The Ministry has rejected arbitration because the Minister regards "his position as that of an arbitrator with the added responsibility of his Ministerial duty." The doctors reply by threatening resignation of their appointments on the panel. It is clearly necessary to remove the whole question of fees out of the heated atmosphere of suspicion

and resentment by referring them to a court of arbitration acceptable to both sides. There is no progress possible on the present road, which has led directly up to a declaration of war. An arbitrator is of no use unless both sides accept him, and the doctors will not accept the Ministry of Health. Under these circumstances the Ministry would be well advised to stand aside and agree with the doctors upon an arbitrator, or arbitrators, who will be acceptable.

The precedent of 1920 is claimed by both sides, but regarded from widely different points of view. What happened then was this. The pre-war panel fees were 7s 3d per head of persons on a doctor's list. As they had become inadequate to meet the doctors' increased cost of living and expenses, a court of arbitrators was set up in 1920. One was appointed by the British Medical Association, one by the Ministry of Health, and the third by these two nominees. The arbitrators awarded the panel doctors 11s per head of persons on the lists. For 1922 and 1923, as the cost of living had come down, the doctors accepted 9s 6d without prejudice to the determination of the adequate rate in more settled times. Now the approved societies want to go back to the pre-war 7s 3d, and the doctors regard 9s 6d as the inadequate minimum. The Ministry of Health, after a series of calculations which the doctors challenge—and which are not altogether convincing to the outsider—has fixed upon 8s 6d for a three-years' contract and 8s for a five-years' contract. The doctors will not entertain these rates, especially as they see in their calculation the Hidden Hand of the approved societies. There should be no great difficulty about adjusting the financial differences between the parties if a new court of arbitrators were set up on the 1920 model. All they would have to do would be to take the 11s per head judgment of 1920, and determine what the corresponding rate should be for the next three or five years, after taking all relevant circumstances into account. Then, when the rate of payment had been fixed by impartial arbitration, and agreed to, the other grievances of the doctors concerning the interference of approved societies with the medical service should be capable of reasonable adjustment. Moreover, in spite of the tightened organisation of the doctors, one may be just a little sceptical of their solidity in rejecting a compromise, because it is well known that to a large number of practitioners the difference between having and being without the panel business means the difference between prosperity and hard times. The only alternative to the panel system is that now proposed by the British Medical Association, which is anxious to explain that wholesale resignation does not mean a "strike" against patients. This alternative is for the doctors to go on attending the patients on their lists and to be paid by fees as in private practice (out of the Insurance Fund) or by capitation rates locally agreed upon. The Acts, through the district Insurance Committees, do provide machinery for working a medical service of this kind. But it is scarcely worth while to discuss alternatives until the whole dispute has been removed from its present war atmosphere.

LANCASHIRE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

DURING the past three months the position of the Lancashire cotton industry has not shown any distinct change in so far as employment for the operatives is concerned. In certain quarters, however, demand has been on broader lines, and more business has been done. Some sections are worse than others, but all along the line it is still extremely difficult for spinners and manufacturers to secure prices for their products that are any better than allowing machinery to stand idle. The depression is most acute in the commoner qualities of yarn and the plainer makes of piece goods. During the past quarter there has been some improvement in the finer end of the industry, and the general position is rather more encouraging for mills spinning Egyptian cotton and weaving sheds producing fancy cloths.

Numerous remedies are being proposed to relieve the depression. Some of the suggestions are certainly

amazing, and there is no possibility whatever of many of the ideas put forward being accepted by the trade. A conference has just been held in the Manchester Town Hall, presided over by the Lord Mayor, of employers and trade union officials. It was decided to set up a joint committee of masters and workpeople for the purpose of discussing methods for the betterment of the industry. The first meeting of this committee is being held this week. It is being urged in many quarters that some system of control is desirable, but most of the employers are decidedly against action of this kind. If there is one thing more than any other which would bring about a better feeling in business circles it is a definite settlement of the German reparations question. In local trade circles there is still much nervousness with regard to financial matters.

Very wide fluctuations have occurred in raw cotton rates. On June 29th the quotation for fully middling American cotton on the spot in Liverpool was 16.67d. There was an easier movement during July, and on August 1st the price was 13.40d. A little later there was a smart rise to 15.78d on August 21st. The upward movement in September was very pronounced, and after 16.02d had been posted on the 6th, the figure on the 20th was 18.58d. After 16.78d had been registered on the 26th, the quotation moved on the 29th to 17.33d. Since then many changes have occurred. The price on October 10th was 16.36d, but on Wednesday last (October 17th) 17.49d was posted. According to the official reports of the United States Government, the crop for this season will be about 11,000,000 bales. Owing to the uncertain trade outlook, it is not easy to estimate the probable consumption during the twelve months, but it is not likely that the requirements of users will be less than 12,000,000 bales. Whatever happens, it is certain that stocks at the end of next July will be smaller than at the same time this year. The high price of cotton is stimulating its growth in other countries, and there is every likelihood of larger supplies being received from India, Egypt, the Sudan, and Brazil in the next few years. Recent advices relating to the growth in Egypt have not been altogether satisfactory, but a fairly large output is probable. The quotation for fully good fair Sakellaris Egyptian cotton on the spot in Liverpool on June 29th was 16.20d. By July 30th the price had fallen to 15.25d, but there was an advance to 19d on September 20th, and the figure on October 2nd was 19.10d, whereas on Wednesday last (October 17th) the figure was 18.40d.

Throughout the past quarter there has not been any lack of inquiry in piece goods for abroad. The demand indicates that goods are more urgently wanted in certain parts of the world. When prices have to be arranged, however, the trouble begins, and it has been exceedingly difficult to fix terms of fresh contracts. Business available is not sufficient to meet the requirements of makers, and there is keen competition for the contracts on the market. For India there has been an extensive inquiry covering a wide range of cloths. There has been a distinctly larger turnover in light bleaching descriptions. Many Blackburn manufacturers have cleared their stocks of such goods, and certain producers have extended their order lists. More attempts have been made to arrange transactions in grey shirtings, but actual operations have been very patchy, and so far it has been impossible for manufacturers to secure adequate rates for orders to make, the bulk of the business being in stock lots, which have been sold at prices which mean a definite sacrifice on the part of sellers. Undoubtedly common grey shirtings are the worst thing in the Manchester market. With regard to China very unsettled conditions continue to prevail on the other side, but, according to one or two recent cables, the outlook is slightly better. Rather more activity has been mentioned for some of the minor outlets of the Far East, and an increased turnover has taken place for Java, Singapore, and the Straits Settlements. The Near Eastern markets for many months have been dull, but there are now indications of freer operations for Egypt, Turkey, and the Levant. The outlets of Central and South America have been rather healthier. Fancy goods have been in active request for the United States, and just recently more business has been put through for the Continent. Diverse reports have been received from the home trade, and although some necessary buying has taken

place there is a feeling amongst retailers that clearances this winter are not likely to be very encouraging in view of the large amount of unemployment in the leading industries.

The following is a table of the shipments of cotton piece goods from the United Kingdom for the nine months ended September, together with the comparative figures for previous years:—

	Yards.	£
1913	5,350,278,900	73,659,119
1914	4,782,461,500	66,146,672
	Square Yards.	
1920	3,540,677,100	242,732,477
1921	1,866,341,100	100,045,277
1922	3,068,278,700	106,637,069
1923	3,097,216,600	104,072,046

The depression in the industry is undoubtedly most acute in the American spinning department. Now and again producers appear to experience a little relief, but no sustained improvement in the position can be recorded. At the end of August the extension of the holidays in Oldham resulted in yarn stocks in first hands being reduced, and a larger business in September helped to place some spinners on a rather better footing. Latterly, however, it has been extremely difficult to prevent fresh loss of ground. The demand in medium counts has been on broader lines, and some producers of superior marks are rather more favourably situated. The committee of the Master Spinners' Federation has decided to recommend all users of American cotton to continue the 50 per cent. curtailment of production up to the end of October. This organised short time has been going on since last March, and as it has not achieved the desired result some members are getting rather tired of concerted action, and more cases are being mentioned of firms making their own arrangements as to output. In yarns suitable for export purposes a larger inquiry for India has been well maintained, and although actual business has been patchy a very fair turnover has taken place. For the Continent business has been very slow, and the trade passing from week to week for France, Germany, and Holland has been very disappointing. The ups and downs in Egyptian cotton have caused some changes in quotations for Bolton yarns, but many spinners in this section are in a position to present a firm front to customers. A steady business has been done, and the better condition of the fine spinning department, which has been noticeable since the beginning of this year, continues.

The following is a comparative table of yarn shipments from the United Kingdom for the past nine months, together with comparative figures for previous years:—

	Lb.	£
1913	154,761,700	11,022,055
1914	150,995,400	10,464,922
1920	118,447,700	37,656,977
1921	90,592,600	15,987,327
1922	158,363,900	20,763,425
1923	104,530,000	15,263,209

An important event during the quarter has been the proposal of the Piece Dyers' Association to reduce prices by 10 per cent., on condition that merchants placed all their business with members of the association. This scheme has been unanimously rejected by shippers. Negotiations between the two bodies are still taking place, and strong representations are being made to the dyers that they should withdraw the condition that all orders must be given to members of the association if the 10 per cent. reduction is to be obtained. The high charges for dyeing are undoubtedly strangling our foreign trade, and a substantial amount of business is being held up at the moment as a result of the uncertainty which exists with regard to future prices.

The immediate prospects for the industry are very uncertain. In most quarters the depression is still very pronounced. It must not be taken for granted, however, that all departments in the trade are doing very badly. It is as well to point out that spinners of Egyptian yarns are working at a profit, and numerous manufacturers of special cloths are doing fairly well. Relief is badly wanted by spinners of the commoner sorts of American yarns, and by producers of plain goods such as grey shirtings. The most hopeful feature about the situation at the present time is that stocks of manufactured articles throughout

the world are comparatively low. Cheaper cotton would be of considerable help to Lancashire, but when all the facts of the situation are taken into consideration lower values in the near future are not probable. Many people are of opinion that the cost of raw material will be much higher early next year, especially should there be an improved demand, which is not at all unlikely.

IMPROVEMENT OF INDUSTRIAL RELATIONS.—II.

THE Coal Mines Agreement of July 1, 1921, marks a step of first importance towards the permanent settlement of disputes between Labour and Capital. The particular terms thereof as between coal owners and miners are of less importance than the general principle thereby inaugurated, of a sharing, between the two partners, of the margin between selling price and cost, in one of the largest and most important industries of the country.

The country is divided into thirteen districts, each of which is separately dealt with. The operating accounts of all mines in each district are aggregated for each month, and the aggregation certified by auditors appointed by the owners and the miners, any points on which they may disagree being submitted for decision either to the District or National Boards, constituted by the Agreement (and consisting of an equal number of owners' and miners' representatives), or to the independent Chairman of the National Board, a position also created by the terms of the Agreement. These aggregations of accounts for each district are sent in to the Board of Trade, and by them presented to Parliament and published.

From the proceeds of the sale of coal and other mining products, as specified in the Agreement, there are deducted:—

(1) The cost of standard wages, which are an agreed figure in each district (based upon past records of the industry, and technically known as the basis rate), plus a percentage. The figure so arrived at is a close approximation to 1914 wages.

(2) The costs of production other than wages.

(3) Standard profits equivalent to 17 per cent. of the cost of standard wages.

Of the balance remaining, 83 per cent. is attributed to the miners, and 17 per cent. to the owners, the former share being expressed as a percentage of the basis wages in each district, and determining the wages to be paid for a period of two months at a certain interval (at present two months) after the months for which the percentages were ascertained. If the net proceeds of coal, after deduction of standard wages and other costs, are insufficient to provide for the standard profits, the deficiency is to be carried forward to a subsequent period. The Agreement also provides that wages paid are not to be less than the standard wages, plus 20 per cent.

The importance of this agreement as a first step towards a fair division of the proceeds of an industry between Capital and Labour can hardly be overestimated, and for the first time the workers are provided with reliable accounts showing the working results of an industry by districts, verified (if they so wish) by their own appointed auditors.

Another fact of perhaps even greater importance emerges from a consideration of the results of the Agreement. In certain districts, owing to the bad state of trade, conditions have been in some senses almost disastrous for both parties; wages have been reduced to the minimum, and heavy arrears of standard profits have been carried forward, and yet the Agreement has stood, and although its termination was discussed by the miners, it was never seriously entertained by either party. With the improved conditions now prevailing in the industry, better results are anticipated. As a first result of a full disclosure of the results of working, this fact is of vital importance, and points the way to a period of partnership between the two parties, in place of the periodical disputes and strikes which have prevailed in the past.

As a first attempt at the equitable sharing of the proceeds of industry, the scheme is naturally not perfect. In fact, it is not a real profit sharing, for the reason that it fixes wages on the basis of profits of a whole district, but without regard to the profits (or losses) of individual undertakings in that district. The pooling of profits in a district for the purpose of wage determination only, forces up wages to a higher level than the poorest undertaking can afford to pay, and there is no contribution from the more prosperous undertakings; while the latter could, in many instances, afford even higher wages than the Agreement provides. Undertakings which are continually losing money (perhaps a very small proportion of the whole), must eventually be forced out of existence, with a consequent loss of employment to those who worked them. But the elimination of these undertakings will tend to raise the general level of wages under the provisions of the Agreement, and so in effect benefit the miners who remain at work, at the expense of those who are thrown out.

The only remedy for this condition is a gradual consolidation of the various undertakings in each district, so applying to the worst-managed undertakings the methods of the best, and leading to a system of district trusts, in which Labour should naturally have a voice, and the consumer receive due protection. To this problem reference will be made in a further article.

Another objection is the requirement that wages must not be reduced below the standard, plus 20 per cent. Such a provision ignores the fact that more cannot be got out of an industry than the margin between cost and selling price. If this margin is only sufficient to pay standard wages and standard profits, or even is insufficient to provide for both, abatements should equitably be made in both; in the proportion in which they share (i.e., in this case 83 per cent. to wages and 17 per cent. to capital), and the deficits carried forward to be recouped out of future surplus. In such an event the remedy would be a rise in selling prices, if the market could stand it, and if not, there would of necessity be a reduction in both wages and profits.

Some objection may also be taken to the expression of standard profits as a percentage of standard wages. A better unit for both would be the ton of coal raised, the figures used in the Agreement as standard being approximately 6s 4d per ton for wages and 1s per ton for capital. The justification for increased expenditure is increased output of coal, so that this method of calculation would automatically and equitably provide remuneration for additional capital introduced. To meet the contingency of an inability to earn standard wages and standard profits, a reserve should be accumulated by setting aside, in good times, some proportion of the surplus over these standards.

In spite of these defects, the fact remains that in one great industry three principles have been established:—

(1) Labour is remunerated by an agreed share of the proceeds of industry.

(2) The facts as to the gross and net proceeds of the industry are made known at regular intervals, in such form that those employed therein have a clear knowledge of the results, and of the proportions thereof which accrue to their benefit.

(3) For the first time there has come into being the idea of co-operation between Labour and Capital to obtain the best results, and to divide these results equitably between them.

One other large industry, viz., the railways, has also attempted a permanent settlement of wages with its workers. Unfortunately in this case the unsound principle of basing wages entirely on the cost of living has been adopted, with the result so far that adequate reductions in railway rates, which are themselves a substantial item in the cost of living, have been unduly, and perhaps indefinitely postponed. It must, therefore, be reluctantly admitted that the railway agreement has made no contribution to a really permanent settlement of the wages question.

The important consideration is the extent to which the principle of the Coal Mines Agreement can be extended to the other great industries of the country, and whether this can be accomplished by voluntary action or by legislation. This is reserved for discussion in a third article.

THE PROBLEM OF HUNGARY.—I.

(BY A CORRESPONDENT.)

To the traveller fresh from Austria, present conditions in Hungary assume the light of a sinister contradiction. Whereas in Austria the task of reconstruction is being faced by all sections of the people with common resolution and renewed hope, Hungary, befogged by illusions, bedevilled by suspicions and hatreds, is drifting on a tide of warring interests, discontent and despair. While the problem of Austria was never more than an economic question, over Hungary, reactionary, irredentist, and potentially dangerous, there might well be erected a sign: "It is useless to throw economic stones at this notice-board." Every question is confused by political issues, each factor in the grave problem which the country presents being obscured by psychological considerations.

In Buda Pesth conditions are rapidly deteriorating. The rate of suicide "for economic reasons" has risen to nearly one per four hours. In the hospitals patients are dying on beds without bedding, while in the tenements workers are dying without beds at all. The general view of the lower middle class is that "this winter it will be finished." On the other hand, the margin of vitality possessed by a predominantly agricultural country is great, and established civilisations perish slowly. Indeed, to expect the early disintegration of Hungary, even in the event of a failure to arrest existing tendencies, would be premature.

The obvious features of the economic situation—currency depreciation arising from unbalanced budgets and monetary inflation, with foreign trade indebtedness a contributing influence—are common over half Europe. The credit which the Hungarian Government claims for having pursued an anti-inflationary ideal may readily be given—has any European Government except the Soviet *deliberately* inflated the currency?—and it must be admitted that the recent history of the *korona* has been not so much the classic cycle of expanded circulation, rising prices, and falling exchanges, as the reversed order of falling valuta, reduced purchasing power, and forced recourse to the printing press. The depreciation of Hungarian currency has been in the main an anticipatory movement, discounting future inflation, and thereby rendering such inflation inevitable. The following figures illustrate the tendency in the past nine months:—

	Note Circulation.	Prices.	Devisen Rate for Sterling.
1922—December (basis)....	100	100	100
1923—March	105	198	159
September 1st	548	748	841
September 23rd	722	..	..

It will be observed that in the first quarter of this year, while currency expanded by no more than 5 per cent., the official rate of exchange fell by 60 per cent., and internal prices doubled. It must, of course, be remembered that prices of imports are governed by the effective commercial rate of exchange, which has long ruled some 50 per cent. above the official quotation. Even at the beginning of September, internal prices, estimated at about 2,500 times the pre-war level, would have warranted, on the basis of purchasing power parities, a quotation of 60,000 at worst for the *korona*-sterling exchange, as opposed to the commercial rate of 130,000, and the Devisen figure of 90,000.

When all this has been said, however, the fact still remains that Governments usually get from foreign bourses the quotation they deserve, and after due allowance is made for inherent difficulties, the budgets of the Bethlen Cabinet have not been such as to inspire confidence. For the year 1921-22 the deficit appears to have been 90 million gold *korona*. The deficit for 1922-23 was estimated by the Minister of Finance last March at 40 milliards paper, but this figure is considered to have been exceeded, and the actual deficit seems likely to be nearer 55 milliards. With expenses mounting in conformity with soaring prices, the outlook for the ensuing year is obscure, and pessimism on the part of exchange dealers has not been unjustified.

So far as can be estimated, the adverse balance of Hungarian trade in the three years 1920-22 totalled over £35,000,000, converting korona to sterling at the mean rate for each year. Put in another way, the excess of imports amounted in 1920 to 156 per cent., in 1921 to 93 per cent., and in 1922 to 83 per cent. of the total exports. As regards 1923, the adverse balance for the first six months came to roughly 80 milliards paper, and although sales on account of the excellent harvest should reduce external indebtedness in the current half-year, it is unsafe to conclude that the future balance of trade is assured, much less that an export surplus for reparation purposes is on the way to being established.

It has to be borne in mind that the Treaty of Trianon left Hungary deficient in many essential commodities. The present level of importation of coal, textiles, timber, paper, chemicals, iron and salt, which together form the bulk of the total, cannot well be curtailed without strangling industry and lowering intolerably the standard of existence. Stability can only be attained by expansion of exports, and such an expansion can only be seriously looked for in the direction of agricultural produce. Lacking labour with natural aptitude for industrial processes, and compelled to rely largely on imported raw materials, Hungary has only succeeded in securing foreign markets for some few factory products, such as agricultural machinery, through the enforced acceptance by the workers of a real wage whose continuance cannot be expected.

Estimates of future agricultural production are notoriously unreliable. The following figures of production of the principal cereals expressed as percentages of the 1913 level for the same territory are at first sight encouraging:—

	Wheat.	Rye.	Barley.	Oats.	Maize
	%	%	%	%	%
1921	72	72	65	71	53
1922	60	67	63	73	55
1923 (estimated) ..	91	100	74	84	75

Against these figures, however, must be set the consideration that climatic conditions this year have been exceptionally favourable. Nature in 1923 has chosen to play gracious lady in a naughty world, but there is no warrant for expecting on like scale a repetition of her performance. Moreover, the fall in the acreage down to these cereals has continued practically without interruption since the war.

To some extent, no doubt, production could be improved by increased machinery and supplies of fertilisers; more scientific methods of cultivation could do much, while sowings could be largely increased. These are mechanical steps to the end. The crux of the matter, however, is the soul of the peasant. If post-war Hungary is to survive, the peasant must work long and hard in order that his brother in the towns may eat. As things stand, it is doubtful if he will accept this burden. Landless, oppressed, enduring in sullen discontent a mediævalism which has taken from him even the hope of self-betterment, he may maintain production on the average at about 80 per cent. of the pre-war level, but this will not save Hungary. That the country can be saved at all without a sweeping measure of land reform, or except by the conscious determination of a nation of peasant proprietors, is an illusion which few but Hungarian landlords could be found to share.

DIARY OF THE IMPERIAL CONFERENCE.

Monday, October 15th.—Lord Salisbury, Chairman of the National and Imperial Defence Committee, addressed the Conference on matters connected with the military, naval, and air defences of the Empire, Lord Derby (Secretary of State for War), Mr Amery (First Lord of the Admiralty), and Sir Samuel Hoare (Secretary of State for Air) being present during the address and the debate which followed. Although it was decided by the Conference that the publication of any detailed report of this sitting would be inadvisable, it may be surmised that the main lines of Lord Salisbury's address would in part follow those of the Imperial Defence Committee's special report on the relations of the Navy and Air Force, which

was published shortly before the adjournment of Parliament. A subsequent and final report of the Committee has been drawn up, but its contents have not been made public up to the present.

Tuesday, October 16th.—The Imperial Economic Conference, after a discussion opened by Mr Bridgeman (Home Secretary), decided that a committee be appointed to explore the possibilities of arriving at a common Empire policy in the matter of workmen's compensation laws as far as these apply to non-resident workmen, to seaman, and to nationals of foreign countries. In making its recommendations the committee will take into account any reciprocity granted in this respect by foreign countries to nationals of Great Britain and the Dominions. Subsequently, a statement was made by Lord Salisbury with regard to the work of the Department of Scientific and Industrial Research. Lord Salisbury outlined the work of the Department in verifying the different commercial and industrial standards of the Empire, and conducting specialised research into problems affecting both the Government and the trading community as a whole, and instanced fruit, power, alcohol, and flax as suitable subjects for co-operation in imperial research. The Conference, while appreciative of the work accomplished by the Imperial Institute, decided that the whole question of co-ordinating and publishing the results of scientific inquiries undertaken in the different parts of the Empire was of such crucial importance as to merit special consideration by an *ad hoc* committee, which was accordingly set up.

At the afternoon session, Sir Laming Worthington-Evans (Postmaster-General) made a statement on the position of the Empire's mail, cable, and wireless services. Its tenour showed that the hard work carried out since the war would shortly bear fruit in a mail and cable service equal, or almost equal, to that of pre-war days, while in certain cases, such as the West Indian Islands, new developments were in contemplation. From the debate which followed it would seem that most of the Dominions desire greater facilities than are at present available, and it was resolved, firstly, that representatives of the Dominions and India should be associated with the Imperial Communication Committee when questions of interest to them were under consideration; secondly, that all possible support should be given to the State-owned Atlantic cable route; and thirdly, that companies within the Empire should be given preference in any development of the Empire's wireless systems.

Wednesday, October 17th.—The Imperial Conference continued its investigations into Imperial Defence, after hearing a statement made by Mr Amery. No details of this sitting have been published beyond the fact that Mr Amery's decision to send certain warships for an extended cruise in Dominion waters was accorded general approval by the various Prime Ministers.

In the afternoon, Sir Halford Mackinder, Chairman of the Imperial Shipping Committee, made a statement to the Imperial Economic Conference regarding the work of that committee since its formation in the autumn of 1920. It was mentioned that the Brussels International Conference on shipping matters had adopted rules in the matter of bills of lading based on the Canadian system. Sir Halford also submitted a series of recommendations connected with the improvement of communications, by sea and air, with Australia and New Zealand. Mr Graham (Canadian Minister of Railways) voiced the difficulties of the Dominions arising from the discrepancy in bulk between their exports and imports.

Thursday, October 18th.—The Economic Conference continued its discussion of the work of the Imperial Shipping Committee, and adopted a resolution thanking that committee for its services to the Empire. The debates throughout this week have revealed the importance attached by all the Dominions to the pressing need for an improved system of Imperial communication. This question has so far proved the most prominent feature of the Economic Conference's deliberations.

The afternoon was devoted to committee work by both the Imperial Conference and the Economic Conference, members of the former meeting at the Admiralty for the elucidation of various technical points arising out of Wednesday's discussion.

Notes of the Week.

Deadlock in the Ruhr.—There have been several developments in the Franco-German situation since we wrote last. In the first place, the negotiations between the French occupying authorities and the Rhineland industrialists for the resumption of payments in kind have broken down. The reason is obvious. Herr Stinnes cannot deliver coal to France unless he gets the wherewithal to pay his workpeople. This is not obstinacy or bad faith, it is simply a fact, which should have been constantly in the minds of French and Belgian statesmen. Before the occupation coal was being steadily delivered over the frontier. It was being paid for by the German taxpayer. It is true that the taxes were only to a small extent levied through the revenue officer, but the balance was taken from the German people none the less surely by means of the printing-press. Reparations in kind have, in fact, been made for two years by the vicious system itself, which has brought Germany to bankruptcy and ruin. At the same time, Mons. Poincaré refuses to negotiate with Berlin at all, and though there has been conveyed to him as clearly as words can express the self-evident truth that the Berlin Government cannot possibly pay for the deliveries in kind, the French Prime Minister continues to declare that he cannot recognise the German declaration as to the impossibility of financing deliveries in kind, but, on the contrary, must regard it as a continuance of resistance. As the German situation depreciates his demands become more extreme and impossible of fulfilment, and we are now told that there will be no negotiations with the German Government until deliveries have been resumed, and have been raised to the figures prevailing before January of this year. Until that time France will not discuss any new offers on the subject of reparations. What would one think of a creditor who in private life dealt with an obviously bankrupt debtor in this way, and informed him that he would not discuss affairs until he had made himself solvent! The truth of the matter is that France has not the least idea along what road to travel. The first phase has passed in which, after embarking upon the Ruhr adventure from very mixed motives, she made up her mind that her real intention was to create in Germany the will to pay; in doing this she has for the moment destroyed the power to pay. Unless some fresh effort at a general and reasonable settlement is made, she will inevitably be drawn as the next step into endeavouring herself to exploit the Ruhr mines, whatever the political organisation in that territory may be. This exploitation means that she can no longer get her coal supplies for nothing. Reparations can only be paid out of the taxable capacity of the payer, which depends upon the surplus of production over consumption. To some extent she may be able to tax the Ruhr, and thus acquire the means of meeting the cost of production of reparation coal, but it is obvious that the taxable capacity of the Ruhr population, or even of the whole Rhineland population, is but a small proportion of that of Germany as a whole. Moreover, the surplus produced by a population working under duress is certain to be very small, as the experience of all slave states in history has shown. While this attitude proceeds on the part of France, the discussion of reparation plans such as that put up by Belgium to the Reparations Commission is academic, especially since Germany is not to be included in the debate. Mons. Poincaré's attitude means that the present chaos must continue, and under these circumstances the attempt to create a new mark currency is foredoomed to failure.

The Chancellor on the Tax Outlook.—The nine days' wonder caused by some stray remarks of the Minister of Labour on inflation as a cure for unemployment has been killed by the Minister himself, who in a speech in the City on Tuesday declared definitely that the Government had no intention of departing from its present lines of financial policy. Thus, the inflation *canard* (or was it a kite?) is disposed of, and one is left free to face the facts of the position of the national finances in the sounder and more sombre spirit that marked Mr Neville Chamberlain's

speech at Birmingham last week-end. This was the new Chancellor's first statement on public finance since his promotion to the Treasury, and he gave early indication of courage. For the keynote of his address to a business audience was the warning that it would be folly "to count upon further remissions of taxation in the near future." As regards the current fiscal year, while deprecating prophecies based upon a half-year's figures of revenue and expenditure, Mr Chamberlain nailed to the counter the fantasy prevalent early in the year that Sir Robert Horne's huge surplus might be repeated. Turning to the outlook for next year's Budget, Mr Chamberlain explained that there would be a formidable automatic fall in the yield from certain sources of revenue. "I can point," he said, "to three items which are bound to result in a substantial reduction in the national income. First of all, there is the reduction of the duties imposed by the Budget of this year. They did not have their full effect upon the revenue this year, but next year they will cost us an additional £24,000,000. The second item is the item of revenue from miscellaneous sources, from which we get £40,000,000 this year, but from which there will be little to come next year; and, thirdly, you must take into account the fact that we shall be substituting a bad year for a good year in the calculations of the income-tax, and if you put these three items together they will certainly not amount to less than £50,000,000, and they may come to considerably more." In the recital of these facts and estimates, the Chancellor finds full justification for his remark that "such savings as we may be able to make will all be wanted to catch up with the corresponding fall in revenue." It is to be hoped that this frank facing of the facts betokens a determination for the greatest measure of retrenchment in public expenditure compatible with efficient administration. The taxpayer, if it is made plain to him that his tax rates depend upon it, will surely back any such measures. The time of year is at hand when Treasury vigilance may find its best scope; for the spending departments are engaged upon preparing their prospective demands for next year, which then come before the Treasury for scrutiny. The country looks to the new Chancellor to make that scrutiny searching and effective.

Irish Free State Affairs.—In spite of dockers' strikes and industrial troubles, writes our Dublin correspondent, direct trade between Ireland and Great Britain showed, according to the *Board of Trade Journal*, a marked improvement in the month of September. Though there is no definite news yet, the chances of an industrial peace, or, at any rate, of a patched-up provisional peace, are growing. President Cosgrave's suggestions for a resumption of work on slightly reduced wages pending the negotiation of a fuller and more permanent settlement have been approved by ballot by one of the two conflicting unions. This is the union which controls Waterford, Cork, Dundalk, and Galway. A definite acceptance or rejection is looked for early next week. Factors which make for peace are, firstly, that the strike has been causing a net outlay of some thousands of pounds per week by the Irish Transport Workers' Union; secondly, that the Strike Committee in Dublin has imposed a "voluntary levy" on workers which is so unpopular that it is only paid under compulsion; and thirdly, that at long last the employers have plucked up courage, and are about to run, load, and man ships with non-union labour under the protection of Government forces. There is no news yet as to the means to be used to lower the cost of living. The latest suggestion is that, in the event of the employers (in the particular trades affected) being unable to guarantee a substantial reduction, an *ad hoc* body should be formed from representatives of labour, employers, and the co-operative movement to run provision and clothing stores in the working-class areas on co-operative lines—the Government participating only to the extent of lending the working capital and providing facilities. While there is no definite news yet as to a National Loan, there is increased discussion of financial problems. The question of a British guarantee is much canvassed, but, supposing that it were forthcoming—and there are good grounds for believing that it might be—there is some reluctance expressed to accept aid which might

be made the basis of a claim to advise or influence in the political sphere. American money seems a little more remote, or at least more expensive, than it was some months ago, and generally there are many claims on the money market just at present. Activity is shown by individuals and societies, mostly coming from London, who are anxious to preach that the enemy is the financial power—high finance and the banking monopoly—and that all that the Free State must do is to print as many currency notes as it desires and fix all prices. The Government and public of this most conservative country, however, are tolerably well aware that that way madness lies. This week has seen the opening of the new Mallow railway bridge in replacement of that destroyed by the Irregulars a year ago—which represents the restoration of an indispensable railway artery for the South-West. Further items of news of economic importance to Cork and neighbourhood are that all American-Free State mails are to pass through Queenstown; that Armstrong's are likely to set up branch works at Haulbowline Dockyard; and that the Postmaster-General, Mr J. J. Walsh, is contemplating an air service for passengers and mails from Queenstown to London which would, it is alleged, enable twenty-four hours to be saved as compared with the New York to Plymouth or Southampton routes. In view of the necessity for an approach shortly towards putting the Ulster Boundary provisions of the Anglo-Irish Treaty into effect, the spectacle of the Prime Minister of North-East Ulster touring the boundary and protesting in unmeasured terms his resolve never to allow a square yard of his territory to be detached whatever any commission may decide is causing serious comment here.

Cost of Living.—The Ministry of Labour's figure for the cost of living again moved upwards in September, the advance, as in August, being two points. Thus on October 1st the figure was 75 per cent. above the level of July, 1914. Monthly movements over a number of years are recorded below:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	85-90	120	125	165	92	78
February " ..	90	120	130	151	88	77
March " ..	90	115	130	141	86	76
April " ..	90-95	110	132	133	82	74
May " ..	95-100	105	141	128	81	70
June " ..	100	105	150	119	80	69
July " ..	100-105	105-110	152	119	84	69
August " ..	110	115	155	122	81	71
September " ..	110	115	161	120	79	73
October " ..	115-120	120	164	110	78	75
November " ..	120-125	125	176	103	80	..
December " ..	120	125	169	99	80	..

Food is again responsible for the advance, the latest index figure for the increase of food prices alone over the pre-war level being 72 per cent., as compared with 68 per cent. on September 1st. This rise was largely due to rises in the price of milk, butter, cheese and eggs. Average butter prices rose by about 2d per lb. Potatoes, flour and bacon, on the other hand, were slightly cheaper on October 1st than a month earlier.

Electricity Commissioners' Report.—The Electricity Commissioners are to be congratulated on the excellent reports surveying the electric supply industry which they have made it their business to publish year by year. The third of these annual reports, covering the year ending March 31st last, has been recently published. It consists of some 142 pages of most valuable information and data. The electricity generated by the electric supply undertakings and railway and tramway authorities of the United Kingdom shows an increase of 17½ per cent. over the previous year. The units generated by the authorised supply undertakings was 4,572 millions, and by the railway and tramway authorities 855 millions. The various schemes for the re-organisation of the electric supply of the country aim at eliminating as far as possible the separate generation of electricity by railway and tramway authorities, so this latter total should, as time elapses, tend to decrease, and

the total of units generated by authorised undertakers be augmented correspondingly. In another place, the Report touches on this matter, and quotes the finding of the Board of Trade Electric Power Supply Committee that "the importance of combining the supply of railways, tramways, and other classes of consumers is beyond doubt." The Commissioners are following this policy, as will be seen by their decision (dealt with in this Report) that the South-Eastern and Chatham Railway should not build their own generating station, but take supply from authorised undertakers. The decision is of importance, as the estimated units involved in the first stage of this railway electrification is 89 million units, and in the second stage 210 million units. The expansion of the present authorised undertakings is indicated by the new generating plant which was sanctioned by the Commissioners during the year—namely, 375,609 kilowatts. New plant for railways, tramways, and non-statutory undertakings was sanctioned to the amount of 46,729 kilowatts, making a total of 422,338 kilowatts. This figure shows a very appreciable increase on the total of plant authorised in the previous year, which amounted to only 169,503 kilowatts. As regards the position of the various schemes formulated for the 15 electricity districts which has been delimited under the Act, 1919, the Report gives full details. Summarised, the position is as follows:—One scheme (Lower Severn) has not been proceeded with. The London and Home Counties scheme is in suspense (owing to prohibition being granted by the Court of Appeal on grounds of its being *ultra vires* in certain particulars). Three schemes have now been embodied in Orders passed by Parliament, and so are now in force, viz., North Wales, South-West Midlands, South-East Lancashire. Two schemes are in the draft order stage, and others are being proceeded with. In connection with these schemes some interesting figures are given as to the estimated growth of the demand. The figures are for 12 only of the districts, but as these cover the most important areas, and would represent about 50 per cent. of the public electricity supply of the whole country, the totals may be taken as in a certain measure representative of the whole. Taking the present output as the basis, the figures in the estimates show an anticipated increase of 89 per cent. by 1926-27, and of 180 per cent. by 1931-32. The linking up of undertakings for mutual assistance or bulk supplies is also dealt with in the Report, which shows that at date some 174 undertakings are now taking, or have arranged to take, bulk supplies (in some cases reciprocal supplies). This is all to the good, as tending towards the general centralisation of generation.

U.S. Shipping Board Accounts.—Our New York correspondent writes:—In the first complete statement ever made public of the assets and liabilities of the United States Shipping Board (including the Emergency Fleet Corporation and subsidiary realty and transportation companies), total assets as at June 30, 1923, are given as \$399,919,781. Total liabilities, including reserve for insurance claims and losses and claim settlements, are placed at \$47,514,581. A reserve fund, amounting to \$60,000,000, has been set up for fleet liquidation and expenses of such liquidation, allowances on restricted sales and for loss risk on the laid-up fleet. The excess of assets over liabilities is given as \$292,405,200. The fleet remaining in the Board's hands on June 30th last is carried at \$229,929,758. The latter figure, Chairman Farley explains, has been arrived at by a careful survey, recently conducted, covering a detailed inspection of every vessel owned by the Board. That sum, he points out, bears no relation to the large amount spent in the fleet's construction, but "represents fairly the present-day world market value of the fleet, based not only on the types and characteristics of the vessels, but also upon consideration of their remarks, 'have been placed as nearly as possible on a strictly commercial basis,' and 'there have been eliminated from the assets all fictitious values resulting from excessive costs of building the Board's fleet.'" A study of the accounts and notes receivable reveals a very large amount of offsets, representing disputed items and doubtful or uncollectable accounts, which give a fair idea of the liquidating problems still confronting the Board.

From one batch of accounts receivable, totalling \$122,884,147, there has been deducted the sum of \$112,116,220, including \$25,925,793 as "payable offsets," \$39,189,279 as "claim offsets," and \$47,001,147 as "reserve for doubtful or uncollectable accounts," leaving a net amount of only \$10,767,927 that has been included in the total assets. Besides the foregoing accounts receivable, those of managing agents (at estimated realisable value) are given as \$26,186,302 in notes receivable, from which a total of \$19,599,732 in "offsets and doubtful notes" has been deducted, leaving a net sum, carried as assets, of \$6,586,569. Other accounts and notes receivable for ship sales are placed at \$74,101,254, less \$62,316,900 for "payable and claim offsets" and reserve for uncollectable accounts, leaving \$11,784,354 figured as net assets. The grand total of all accounts receivable amounts to \$223,171,703, from which there has been deducted for payable and claim offsets and reserves for doubtful or uncollectable accounts the sum of \$194,032,852, making the net amount of such accounts, which have been entered as assets, \$29,138,850. One of the major tasks of the Board for some time to come, Chairman Farley says, will be to expedite the settlement of these old accounts, most of which are inheritances from the war activities of the Board. The statement includes an estimate of the claims both for and against the Board. The figures, it is explained, do not represent either the gross or net amount in either case, but merely the probable amounts at which final settlement may be effected, and which in many cases must be determined by the courts. Among the assets enumerated are net cash, \$32,146,207, and insurance fund cash, \$8,850,449. The estimated recoverable value of claims in favour of the Shipping Board and carried as assets is \$5,279,860. Liabilities include \$8,850,449 as reserve for insurance claims and losses, and \$6,517,924 as reserve for claim settlements. For the reasons mentioned, it is quite evident that, apart from the appraised value of the Government's merchant marine fleet and a few other items, there is still much uncertainty as to what are the Shipping Board's real assets and liabilities.

The Home Bank Failure.—Our Ottawa correspondent writes:—Mr A. B. Barker, the curator appointed by the Bankers' Association to investigate the affairs of the defunct Home Bank, has now submitted his report, and it confirms all the suspicions and fears which have prevailed. The total assets are estimated at \$15,848,400 and the liabilities at \$18,848,978, leaving a nominal deficit of \$2,638,578. But the "quick" assets are only placed at \$5,643,051, and against this must be set the preferred claims of note holders and Government, which total \$2,956,426. For immediate distribution there is therefore only available \$2,647,625, and this sum falls short by more than a million dollars of the amount required to pay an interim dividend of 25 per cent. to the public creditors. The curator ranks as "special assets" \$9,229,997 loans made on a variety of undertakings, mostly of a speculative character, which are not immediately realisable and are of problematical value. Upon the amount ultimately realised from them will depend the dividend which the depositors will receive, but experts familiar with the securities involved in this class of loans do not expect them to yield more than 50 cents in the dollar. In that event the depositors need not expect to receive more than 40 cents in the dollar, apart from what can be collected under the "double liability" provision of the Bank Act. The report makes it clear that the Home Bank was engaged in something far beyond ordinary banking business, and that its directors had allowed its funds to be used for an orgy of speculation by themselves and their friends. The perilous ventures for which its money had been utilised included railway projects at New Orleans, speculations in veterans' land scrip, real estate schemes in Toronto, and timber enterprises in B.C. One large debtor is a concern known as the British Dominion Holding and Investment Company of Montreal, which owns two tramp steamers credibly reported to have been actively engaged in the rum-running business off the American coast. Companies in which different directors were interested obtained large advances from the bank on security which was quite inadequate to protect the bank

against loss. In face of such revelations, the demand for prosecution of the responsible parties has been irresistible. The Federal Government has ordered the arrest of the president, H. J. Daly, on the charge of signing a false and deceptive statement respecting the returns of the bank; Mr Daly is reported to be seriously ill at his summer home on Lake Simcoe, and bail will be allowed. The Ontario Provincial Government took concurrent action, and have caused the arrest of Mr R. P. Gough, the vice-president, and five other directors, the acting general manager, the chief accountant, and an auditor. The charge against them is very serious, for the return of June 30th sent to the Finance Department placed the assets at \$27,434,000 and the liabilities at \$24,889,000, leaving the deduction to be drawn that both the capital and reserve were intact when they had both been hopelessly dissipated. The Federal Government are expected to order a thorough public investigation, and failure to do so will provoke a serious outcry. They are themselves in a sense involved through the revelation of a curious transaction undertaken by the executive of the Canadian National Railways. The latter has distributed its business among six banks approved of by the Minister of Railways, and of these the Home Bank was not one. But Mr R. P. Gough, the vice-president of the Home Bank, is also a director of the C.N.R., and on May 28th last he induced the management of the C.N.R. to sanction the deposit of a million dollars of C.N.R. funds in the Home Bank. It was withdrawn five days later, but in the meantime the presence of this money had materially improved the aspect both of the annual statement given to the shareholders and the monthly return to the Finance Department. The public is very restless at the discovery that the funds of the C.N.R., which are public funds, have been used to bolster up a tottering bank.

The Turkish External Debt.—The Report for 1922-23 of the Ottoman Debt Council, with Sir Adam Block's preface, is virtually an exhortation to the bondholders, even of the Unified Debt, to have patience and hope for better times. The Treaty of Lausanne, like that of Bucharest, provides that the Debt shall be apportioned between Turkey and the countries which have obtained Turkish territory as the result of the preceding wars; but the adjustment of the respective shares has still to be effected (for Bulgaria, the Ottoman Debt Council will do it), and meanwhile the receipts from the ceded revenues are for the most part suspended by their interception both by the countries in question, notably Iraq, Syria, and, in respect of her Aegean acquisitions, Italy, and by the Angora Government. During the last three years that Government has appropriated about £110,000,000; since September of last year it has held back all the ceded revenues derived from what remains of Turkey, except certain local revenues coming from Constantinople and the neighbourhood. The product of the Constantinople Customs has also been intercepted, while the receipts from the spirits and stamp duties have been reduced by hasty and confused legislation. Albania has formally confiscated the Debt revenues; in Iraq and Syria the Debt Administration "administers" them, but the Governments "deduct" nearly all the proceeds, except a small sum—possibly arrears due when the territories were still Turkish. The net receipts would suffice for the service of the Unified bonds and the "Lots Turks"—which latter do not concern British investors—but if the Council could duly collect the ceded revenues; but the estimated amount for 1922-23 is only £16,262,000, against £17,641,000 for 1921-22, and that for 1923-24 will show a further decline. Under these circumstances, and in view of the state of the exchange, it is improbable that the Council will be able to make additional payments on account on the war and post-war coupons preceding that due last September, or to make any payment for the present on the last-named coupon. The question as to the currency in which the bondholders are to be paid is still unsettled; but Sir Adam Block's preface is both a warning to Turkey and an encouragement to the bondholders to hope. Turkey, he points out, has been relieved by the Treaty of Lausanne of 40 per cent. of her pre-war foreign debt, and by the war of certain Asiatic territories which in-

volved her in constant financial loss. Her war debt is less than that of any other belligerent, and her currency has not been debased by a vast over-issue of worthless notes. With a reasonable readjustment of taxation, reduced expenditure, and a sound Budget, she should meet her engagements with no more difficulty than before the war. She will do wisely to treat her bondholders fairly, so as to maintain her credit in view of the need of foreign capital for reconstruction, which, however, he admits, does not seem to have arisen as yet. The Council's Report, which is full of interesting detail, had been held back in the vain hope of further information from Asiatic Turkey; there is a useful reprint of the financial clauses of the Treaty of Lausanne, and it includes subsidiary documents forming part of the peace settlement.

The Outlook in China.—The reconstructed Chinese Government has made a good beginning by its reply to the Note of the Powers on the Ling-chen railway outrage. It accepts in principle their demands for compensation for the sufferers, leaving the details for future discussion; it announces that the officials responsible for the conditions which led to the outrage have been punished, and that the Tschun of Shantung has been relieved of his post; and it implicitly acknowledges the responsibility of the central executive authority for the prevalent disorder and brigandage. The satisfaction created by the reply is somewhat qualified by its refusal to accept the scheme of the Powers for a special railway police under foreign officers, and also by the revelation that the dismissal of the Tschun of Shantung has been veiled by his resignation and acceptance of an honorary dignity; but the Government is obviously not yet strong enough to offend the Nationalist feeling which the new departure has strengthened, or to raise up a fresh and possibly dangerous opponent. It remains to be seen what reply it will make to the Note of the Powers concerned in the Consortium, calling attention to the illegitimate application of the Customs and salt surpluses to the service of the internal loans. Presumably it will temporise, pending the deliberations of the joint Committee just set up to deal with the most urgent of the financial problems of China. At present its stability is threatened by the efforts of Li Yuan-Hung, the ex-President, and by the protests of Sun Yat-Sen against the legitimacy of the election of Tsao-Kun. But Sun Yat-Sen's power has waned considerably in the last few months, and he certainly cannot rely on the united support of the South.

Government Plans and Metal Prices.—A correspondent writes:—The announcement of the Government plans to relieve unemployment and the decision to build bridges, roads, &c., and find additional cash for shipbuilding, has had a good effect upon the metal markets generally, and iron and steel have benefited by the steps taken to keep the Ruhr surplus stocks from being dumped down here. All the iron and steel used for the new construction work will be British, and this will keep the works going for some time. All prices are harder, and the sheet trade is very well booked up, fresh orders having come in from the East this week. The tinplate mills in South Wales are also very active, with more good contracts for oil sizes secured for Canada and the States. The non-ferrous metal markets have shown a very hard undertone, and in some cases values have moved steadily upwards. Copper has improved rather slowly, but both standard and refined have been better, and a fair business has been done. The news from the United States is not very encouraging about copper, but steps are being taken to deal with the big production, and the metal would soon feel the benefit of any European revival in trade. Tin has been firm, although during the early part of the week there was some hesitation and a little selling appeared. The demand for tin is bound to be steadily maintained over the next few months, and if standard tin can be stabilised at over £200 per ton for any length of time most mining companies will do well. Further, if there is no material fall from the present level and all the metal offered is absorbed by the consuming interests here and in the United States, the Government surplus tin in the East will easily be

absorbed during the next few months, and this will do much to aid the general position of the metal. Statistically, tin is very healthy, and if the demand expands according to anticipations in the closing months of the year better prices will undoubtedly be seen. The stocks in this country are very small. Lead has been strong and active, with a good upward movement in values. The supplies coming into the country during the last two months have been exceptionally heavy, but all the metal has been absorbed, and this week high premiums have been paid for prompt delivery. There was at one time a difference of 20s per ton between October and January, and this large backwardation tells its own tale. The imports so far this month have been light, and there is every indication of the shortage continuing, although lead has been put lately into private warehouse. Nearby lead has gone well over £27 per ton, and will go higher. The market for zinc (spelter) has also been very firm, and the shortage of the metal is now beginning to reveal itself. Galvanisers have been buying again, and there are very few sellers. Sales of over a thousand tons a day have been recorded on the open market, and in view of the expansion in home requirements and the active demand for galvanised sheets on foreign account, better values will have to be offered to attract sellers. The news from the United States is better about spelter, and there is very little hope of attracting much from that quarter. Generally speaking, the tone of all the metal markets is more buoyant, and the Government plans have done much to help sentiment.

The Channel Islands and Imperial Expenditure.—Both the Channel Island Legislatures have received the Reports of their Select Committees on the request made by the Home Secretary last February for a contribution towards the cost of the war. Jersey has postponed consideration of the subject till the islanders have expressed their opinion; Guernsey for four months, pending further inquiry into the local resources and revenues. Both Reports, however, are adverse to compliance. The Jersey Committee doubts whether the island Legislature can tax its subjects, without their consent, for the benefit of another community; but, subject to such consent, the Majority Report suggests that the island should make a single payment of £250,000, and take over the responsibility for the salaries of certain of its officials now paid out of local Crown revenues—an annual burden of about £920. The Minority Report suggests that the island should become responsible for the war pensions payable to its inhabitants or their dependents, the salaries above mentioned, and the British share of the expenditure on the local militia and education. The Guernsey Committee points out, what was made clear last February, that the Treasury suggestion of a payment by the island of £275,000 annually is based on the figures of a single year of exceptional prosperity, and that an annual payment would tend to become perpetual and to be spent in meeting charges which the States (the island Legislature) would have no share in fixing; so that it might eventually come to be paid independently of their consent. But the Commission holds that the States, while reaffirming the immunity from Imperial taxation, might assume the burden of the war pensions payable to men recruited in the island and their dependents, and to this end might offer a total sum of £375,000 in 15 annual payments of £25,000. Three members would limit the annual payments to ten, totalling £250,000; one, on constitutional grounds, holds that the States should take over the whole charge for pensions of men recruited in the island and their dependents, rather than make annual payments, which might eventually be demanded for other purposes, and become established and continuous. The annual cost of this arrangement (excluding the annual cost of administration, now £5,000) is estimated at £40,000 for the first five years, £24,000 for the second, and £14,000 for the third, with a subsequent amount which cannot be estimated, but will gradually disappear. The £5,000 for administration might be set off against the death duties paid to the British Treasury in respect of estates of persons dying in the island, which the States claim should be credited to Guernsey, while £22,500 might be raised annually by raising the local income-tax (now 6d) to 1s 1d

in the £. An equal sum might be raised by indirect taxation. That one of the two courses suggested will be adopted seems certain, and the second has the strong support of the Bailiff. Apparently island feeling is largely adverse to contributing. But a German victory might have involved the transfer of the islands to Germany with the French coast as far as Cherbourg—a course actually advocated in Germany during the war—and only a much larger payment, if it were possible, would adequately compensate for their escape from this fate.

Conditions in Honduras.—Adverse climatic conditions writes a correspondent, have seriously interfered with the fortunes of Honduras. Drought, wind storms, out of their season, and serious conflagrations have been experienced. The banana plantations, upon the success of which the country largely depends for its revenues, have suffered grievously, the loss of fruit crop being estimated at between 25 and 50 per cent., although certain districts have felt the effects somewhat less than others. The sugar cane harvest, on the other hand, which suffered from fires, will produce little more than 30,000 tons, compared with an average yield of 40,000 tons, producing some 40 per cent. of the country's purchasing power. Even silver mining has been affected by the shortage of water and the low prices ruling, the production of the white metal during the past few months having been considerably below the estimates. These conditions will, naturally, interfere to some extent with the purchases customarily made by the native, Chinese, and Syrian importers in preparation for the Christmas season; merchants have little ready money to invest in fresh stocks, and credit conditions remain far from encouraging. Except in Tegucigalpa, the capital, where the monetary position has been somewhat relieved, cash is tight and payments are slow, while in certain other sections financial embarrassments are reported.

Union Cold Storage.—Although the report and accounts of the Union Cold Storage are dated October 9th, they cover the period for the year ended December 31, 1922. Thus details of recent developments are not mentioned, and shareholders must in consequence content themselves with what is placed before them. Of course, we quite understand that returns from abroad have to be incorporated into the figures of the home concern, and that no doubt this accounts for the difficulty in presenting a more up-to-date balance-sheet. Further, most shareholders will consider that a little incident of this kind is amply set off by the remarkable progress of the undertaking, which continues without regard to good or bad industrial periods. Again we have to chronicle a year with a fresh record, profits climbing from £558,675 to £581,589. The table below compares results for a number of years:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Gross profits	£137,094	£289,922	£293,424	£306,360	£467,393	£558,765	£581,589
Deb. interest, &c.	31,727	66,637	62,333	58,133	72,118	74,676	83,423
Net profit	105,367	223,285	231,091	248,227	395,275	483,999	498,166
Brought forward	23,806	45,014	45,454	51,066	71,717	87,497	104,028
Reserve & depreciation	126,173	268,299	276,545	299,293	466,992	571,496	602,194
Prof. dividend	43,185	75,048	76,679	78,777	87,939	108,667	133,472
Ord. dividend	46,109	117,797	118,800	118,800	261,556	328,800	328,800
Carry forward	36,879	45,434	51,066	71,716	87,497	104,028	103,922

As will be observed, the 10 per cent. distribution on ordinary capital is maintained, and a slightly larger sum is carried forward. Moreover, reserve and depreciation obtain £133,472, against £108,667 a year ago. And this is not all, for we read that "there has been transferred to depreciation reserve £500,000, being surplus resulting from the sale of investments." The balance-sheet contains many features which no doubt will be dwelt upon at the annual meeting next Tuesday. For instance, the portmanteau item, debts due to the company, stocks, &c., has grown from £3,980,202 to £5,366,151; we would suggest that this should be separated into at least three items. "Sundry creditors" have also increased; the latest figures of £6,263,544 compare with £4,540,135 for the previous year. A curious point about the securities of this undertaking is the comparatively low price of the

4½ per cent. debenture stock. This is redeemable at par in 1928, and there is a total of £948,929 now outstanding, a transaction being lately effected at 93½. The total authorised and issued amount of these debentures was £1,615,000, but £666,071 has since been redeemed, including £64,224 during 1922. At the present market price a yield, including profit on redemption, is shown on this stock of close upon £5 16s per cent. The balance-sheet will be found analysed in our usual column.

United Dairies.—Again we have to record another successful year of trading for United Dairies, Limited—that is as far as can be judged by the meagre details vouchsafed in the report and accounts in front of us. This, the eighth annual report of the company, shows the position of the undertaking up to June 30, 1923, the accounts including dividends from investments in subsidiary companies to March 31, 1923. The following table shows the remarkable progress made by this concern during the past five years:—

Year Ended June 30.	1919.	1920.	1921.	1922.	1923.
Preference shares	£1,344,508	£1,555,284	£1,652,564	£1,881,674	£1,893,243
Ordinary shares	1,086,173	1,726,052	1,798,677	2,027,125	2,038,403
Issued share capital	2,430,681	3,281,336	3,451,241	3,908,799	3,931,646
Net profit	233,445	279,668	356,186	452,692	468,623
Divd. on ordinary share	10%	12½%	12½%	12½%	12½%

It will be recalled that for some years past this company has been mainly engaged in absorbing dairy businesses and companies, issuing its own shares in exchange, and if the above figures really do represent the progress of the company, this policy of expansion may be justly claimed to have proved itself. We say advisedly if these figures represent the progress of the company, for although £100,000 has been placed to reserve, bringing the reserve fund up to a total of £250,000, it is obvious that much more light is needed on the situation before any definite pronouncement could be made. The balance-sheet and accounts are in themselves clear though concise statements of affairs, as far as they go, but this is clearly a case where the general investing public is entitled to know something further. Here is a concern of the controlling variety, with investments and loans amounting to £4,026,009 out of assets totalling £5,399,309. Under this heading we have the main business of the parent company—that of looking after its absorbed subsidiary companies. This is all we are permitted to know about them in these accounts. Even the auditors are driven to observe in their report that "the investments and loans in subsidiary and other companies are taken at, or under, cost price," and proceed to say that, subject to this observation, the balance-sheet is properly drawn up. What the precise value of this observation may be we do not know. Obviously, what shareholders and outside investors want to know is what is the actual value of the assets represented by these shareholdings and other investments. Is it to be assumed that all the various small companies which go to make up this combination have each their separate reserve fund? If so, it would be interesting to know if reserves are made on some common basis. It is doubtful if the reserve of £250,000 shown in the balance-sheet is the full story of provision made for wastage and depreciation.

Rhodesian Mining.—On the financial side the results secured last year by the Gaika correspond very closely to those of 1921-22—in fact, the profit of £26,500 is within £100. However, the dividend is raised from 7½ per cent. to 10 per cent., leaving a somewhat reduced balance to go forward. The performance of a largely increased amount of development work has expanded the ore reserves by 32,000 tons to 78,600 tons, but the value is given as 10.2 dwts in place of 13.6 dwts a year ago. The latter feature is explained as due in some degree to the conservatism of the methods of computation employed. Probably many of the shareholders will not be pleased to learn that the one-time projected return of capital has been indefinitely postponed, further considerable expenditure being in prospect. Whether the development position warrants the extension of the reduction plant is somewhat doubtful. A noteworthy

change for the better is shown by the annual statement of the London and Rhodesian Mining and Land Company, there being a profit of £35,500, as against only £9,250 for 1921-22, and an actual loss of £7,000 in the 12 months ended June 30, 1921. The company has a reduced but still large holding of Cam and Motor shares—145,500; and there is the point that the market value of its investments at the date of the balance-sheet amounted to £554,850, or more than double the book entry. The company's portfolio includes a large interest in the recently floated Sherwood Starr concern; the Sabiwa mine is being worked. It is thought that the dividend stage is now within sight.

Uruguayan Railways.—The report of the Central Uruguay Railway Company of Monte Video, Limited, and of its three extension systems for the year ended June 30th last again shows a substantial improvement on the previous year both in the direction of increased receipts and of reduced expenditure. The results for the combined system for a number of years past are set out in the following table:—

Year.	Gross Receipts.	Expenses.	Profit.	Percentage of Expenses to Receipts.
	£	£	£	%
1912-13	1,243,393	669,008	574,385	53.81
1913-14	1,103,229	622,727	480,502	56.44
1914-15	946,767	562,684	384,083	59.43
1915-16	1,088,956	669,208	419,748	61.45
1916-17	1,178,602	771,433	407,169	65.45
1917-18	1,542,320	1,010,288	532,041	65.50
1918-19	1,792,804	1,219,680	573,113	68.03
1919-20	1,892,902	1,245,944	646,958	65.82
1920-21	1,879,630	1,504,995	374,635	80.07
1921-22	1,891,302	1,207,917	683,385	63.87
1922-23	1,989,203	1,172,769	816,434	58.96

The profit figure is easily the highest recorded, while the ratio of expenses to receipts is the lowest since the year 1913-14. Working expenses were reduced by £35,100, or 3 per cent., largely as a result of the lower cost of engine fuel. The coal bill was £93,700, as against £167,000 for the previous year, while the cost of oil was £76,900, against £37,600. The consumption of coal was reduced from 44,516 tons to 34,322 tons, while oil consumption rose from 9,438 tons to 21,816 tons, the mean consumption per engine mile being 40.76 lbs of oil, against 51.04 lbs of coal. The increase in receipts was principally due to the exceptionally heavy cattle traffic handled. The number of passengers increased by 7 per cent., but passenger receipts declined by 0.44 per cent. Goods receipts declined by 3.26 per cent., the average receipt per ton being 8 per cent. less at 24s 10d, although the tonnage was 5 per cent. greater. Live stock receipts increased by nearly 39 per cent. The separate figures for the main line and the three extensions read as follows:—

	Gross Receipts.	Working Expenses.	Profit.	Percentage of Expenses to Receipts.
	£	£	£	%
Central Uruguay	1,378,681	873,437	505,244	63.35
Eastern Extension	310,409	142,993	167,416	46.07
Northern Extension	161,478	76,702	84,776	47.50
Western Extension	138,635	79,636	58,999	57.44

The greater movement of livestock is also responsible for better results shown by the extension lines. The Eastern and Northern Extension companies each show an expansion of over 9 per cent. in gross receipts, but expenses are also higher. Profits show an increase of 12.29 per cent. for the Eastern, 11.92 per cent. for the Northern, and 1.35 per cent. for the Western. Both the Eastern and Northern Extensions show a slight reduction in the ratio of expenditure, but the ratio for the Western is a shade higher. Thanks to the continuance of an adverse exchange, the loss on remittance of funds to London during the year amounted to £155,630, as against £182,100 12 months ago, and this is charged to net revenue account. After paying fixed charges and the 5½ per cent. preference dividend, the main line accounts show a balance of £165,600, out of which £20,000 is transferred to Exchange Reserve account, and a dividend of 4 per cent. is paid on the ordinary stock, as against nothing a year

ago, leaving £43,600, or £8,300 more, to be carried forward. The Eastern Extension pays 7½ per cent. on its ordinary stock, as against 6 per cent. a year ago, while the Northern pays 5 per cent., as against 4½ per cent.

Siamese Syndicate.—Our Mining correspondent writes:—Some disappointment seems to have been occasioned amongst those interested by the report for 1922. It is true that the profit of £26,300 only exceeds by a trifle that of the preceding year, while the final dividend of 5 per cent. makes a total of 15 per cent., as before. But the accounts do not, of course, reflect the benefit to the company of the greatly improved price for tin which has ruled during the current year, especially in the spring and just recently. Nor do the directors refer to the subject, although the general manager observes that since the end of 1922 "we have seen a rise in tin that makes a vast difference to our position." Last year a record quantity of gravel was treated, and costs were reduced, but the yield declined owing to the exhaustion of a patch of exceptionally rich ground. Several additional areas have been acquired. The syndicate, it may be recalled, is a finance as well as a mining enterprise. An interim dividend of 10 per cent. on account of the current year was paid in July last.

The Reparation Account.—It was the intention of the Reparation Commission to publish up-to-date summaries of their accounts every six months. But since the changes occurring in the first six months were comparatively slight they have deemed it sufficient to issue a *communiqué* containing one condensed table. On the six months the total of French and Belgian receipts from Germany, whether in cash or kind, have only made a trifling advance. But the Italian total has increased by 62.5 million gold marks in kind and 32.5 millions in cash, while British receipts in kind have received an accretion of just over 100 millions. The explanation of the last-named increase presumably is that the proceeds of the Reparation Recovery Act are included under the main heading of "Deliveries in kind." Roumania in the same period has received the equivalent of 22 million gold marks in kind, and Serbia 54 millions. These are the only changes on the six months worthy of note. The following shows the total credited to the Allies as receipts and the distribution thereof up to June 30, 1923:—

WHAT THE ALLIES HAVE RECEIVED. (In Millions of Gold Marks.)						
	Kind (including Reparation Recovery Act).	Cash.	Property in Ceded Territory.	Total Distributed to Allies.	Repayment of Coal Advances, Armies of Occupation, &c.	Net Receipts
Great Britain	613	641	5	1,255	1,059	196
France	1,358	144	302	1,804	1,562	242
Italy	305	33	..	338	39	299
Japan	9	..	59	68	..	68
Belgium	648	1,082	5	1,730	277	1,453
Poland	15	..	1,776	1,791	..	1,791
Greece	13	..	..	13	..	13
Roumania	32	..	..	32	..	32
S. C. Slovene	204	..	..	204	..	204
Czecho-Slovak	16	..	6	22	..	22
Portugal	12	..	..	12	..	12
Total	3,225	1,900	2,144	7,269	2,937	4,332

The figure of 1,776 million gold marks credited to Poland in respect of ceded property is given in the condensed statement as in suspense, because the valuation has not been agreed. To arrive at the payments which Germany is credited with having made, some additions have to be made to the total of 7,269 million gold marks distributed to the Allies. In suspense account are deliveries in kind 533 millions, made up of 393 millions for "portion of value of ships," submarine cables 49 millions, miscellaneous 92 millions; also, under the heading Ceded property, Dantzig 309 millions, "portion of value of Saar Mines 100 millions." The two items in inverted commas represent the difference between the amount credited to Germany for ships handed to Britain and the

Saar Mines handed to France, and the amount at which these respective countries agreed to their entry as receipts. These items together bring the total payments by Germany up to 8,214 million gold marks.

Oversea Correspondence.

UNITED STATES.—COMMODITY PRICES IN SEPTEMBER.—COTTON AND GRAIN CROPS—AUGUST RAILROAD EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 8.

COMMODITY price levels as a whole showed another advance during September, Bradstreet's index number as at October 1st, namely, \$13.0974, representing a gain of 1.3 per cent. over that of September 1st. Price movements among the different groups, however, and even with the same groups were irregular. Seven groups of products advanced, four declined and two remained unchanged. In the list of individual commodities, 30 articles advanced, an equal number declined, and 46 were unchanged. The rise in the textile group was exceptionally marked, owing to the upturn in raw cotton, and in cotton goods prices, and in raw silk, the latter advancing sharply on account of the Japanese disaster. Other groups which ruled higher last month were provisions, meats, fruits, breadstuffs, naval stores, and building materials. Declines were recorded in live stock, because of heavy marketing, in miscellaneous products, hides, and leather, and vegetable oils. The coal and coke group showed no net change, declines in bituminous coal and coke offsetting the rise of 75 cents a ton in anthracite, caused by the miners' strike. Drugs and chemicals also showed no change on the month. The advance in the index number in September was approximately double the rise during August, and was the second upturn in price levels after the steady declines from March until August. The October 1st index number shows an increase of 2 per cent. over this year's low reached in August, but is 4.4 per cent. below that of January 1st. It is 4.9 per cent. above October 1st a year ago, 23 per cent. higher than the low point of June 1, 1921. As compared with February 1, 1920, it represents a decline of 37 per cent., but is 50.4 per cent. above the August 1, 1914, level.

Latest advices state that recent heavy rains in parts of the corn belt did considerable damage to the crop, which has made slow progress. Private estimates of the corn crop now range from 2,982,000,000 to 2,992,000,000 bushels, as against 3,076,000,000 indicated by the Government report last month, and last year's harvest of 2,891,000,000 bushels. Frost has also reduced the prospective yield, one authority estimating the loss from that cause at 70,000,000 bushels in four of the principal producing States, and at 86,000,000 bushels for the entire country. The November 1st carry-over is now estimated at 60,000,000 only, as against 176,000,000 a year ago. The present indicated crop, plus the carry-over, places this season's supply of corn at 3,050,000,000 bushels, compared with 3,068,000,000 last year. During the past week there was increased trading in all grains, especially in corn, which scored further sharp advances, making the rise in about a fortnight 8 to 11 cents a bushel, approximately. In leading Western markets, the price of corn last week passed the dollar level for the first time since October, 1920. The vigorous upturn was attributed to light offerings and active demand from shippers and consumers in need of supplies. Shippers were apparently short of corn for October loading at Chicago. Rains throughout winter wheat sections have helped soil conditions, facilitating ploughing and seeding of winter wheat. In Kansas from 50 to 75 per cent. of winter wheat is reported seeded, with early plantings up in some localities. Acreage sown to winter wheat is being reduced generally. Private estimates of spring wheat yields range from 217,000,000 to 225,000,000 bushels, compared with 217,000,000 last year, making the total wheat crop 785,000,000 to 793,000,000, against 862,000,000 actually harvested last year. The oats crop is variously estimated at

1,272,000,000 to 1,293,000,000 bushels, as against 1,311,000,000 a month ago, and 1,201,000,000 harvested last year.

While the cotton trade generally expected that the Government's report on the cotton crop, as at September 25th, would show a heavy decline in condition, the forecast of a yield 227,000 bales larger than was indicated in the previous report proved a genuine surprise, which was immediately reflected in a violent slump in cotton market prices. The Department of Agriculture's condition report and forecast, which will be the last of the season until the December estimate, placed the September 25th condition of the crop at 49.5 per cent. of normal, indicating a yield of 137.7 lbs per acre and a total crop of 11,015,000 bales, as compared with last month's forecast of only 10,788,000 bales, which was based on a condition of 54.1 per cent., as at August 25th, indicating a yield per acre of 134.8 lbs. In view of the abnormally small carry-over from last year's crop, there is not likely to be enough American cotton for all requirements, even if the crop proves to be as large as now indicated, provided consumption reaches last year's total. As previously pointed out, a big unknown factor is what the consumption will be during the coming year. All seasonal lines of cotton goods are being purchased quite freely for current autumn trade, and distributors are urging that deliveries of merchandise under order for this season be expedited. On the other hand, buyers generally are making comparatively few purchases for more distant requirements, and at least one of the largest manufacturers, probably the largest producer of gingham, has announced an indefinite closing of the cotton goods division of that concern, due to the meagre volume of forward orders received and to a desire not to accumulate stock at present high costs of labour and raw cotton in advance of actual demand for goods. Prices of most finished cottons have been revised upward sharply in recent weeks. Buyers hesitate to operate for the future, fearing that the higher levels will check distribution.

Reports filed with the Inter-State Commerce Commission by all first-class railroads show that those carriers earned net operating income during August of \$98,381,200, equivalent, on an annual basis, to a return at the rate of 4.94 per cent. on their "tentative valuation." That exhibit compares with \$84,591,400, or 4.93 per cent., in July of this year, and with \$51,475,400, or 2.64 per cent., in August, 1922. Total operating revenues in August last amounted to \$561,456,700, representing an increase of \$90,502,960, or about 19 per cent. over the same month a year ago, while operating expenses of \$424,751,400 showed an increase of \$39,650,900, or 10 per cent. For the first eight months of this year, ending with August, Class 1 railroads had a total net operating income of \$625,634,900, equivalent to an annual return on their investment at the rate of 5.40 per cent., as against \$466,477,100, or 4.11 per cent., for the corresponding period of 1922. The more favourable earnings this year are chiefly responsible for the sharp advances lately witnessed in stock market prices of railway shares, although in the case of some issues a factor largely contributing to the rise has been the expectation of dividend increases or resummptions.

FRANCE.—REPARATIONS DEADLOCK—COMMODITY PRICES—REVENUE RETURNS.

(FROM OUR CORRESPONDENT.)

PARIS, October 17.

POLITICALLY, the Franco-German situation is once more at a deadlock. Herr von Hoesch, the German Chargé d'Affaires in Paris, called on M. Poincaré this morning and presented two very short Notes from Berlin, in which the German Government notified the suppression of the coal tax and of export licences, and its inability to finance further deliveries of reparation coal and coke from the Ruhr. The object of Herr von Hoesch's visit to the Quai d'Orsay was evidently to induce the French Government to enter into some kind of conversation in regard to the situation in the Ruhr, but in this he signally failed. M. Poincaré's reply was a polite regret that he was unable to discuss the question of how the German Government was to pay for the coal and coke Germany is under the obligation to deliver on reparations account, and a plain-spoken

intimation that the cessation of deliveries of reparation coal was regarded by France as a proof that passive resistance still continues. In the circumstances he declined to discuss the matter further, and the German envoy left, after a conversation of nearly an hour's duration, with the intimation that if Herr Stresemann had any proposals to submit he should lay them before the Reparations Commission. A similar effort by the German Chargé d'Affaires in Brussels met with an equally sterile result. Equally negative has been the indirect attempt of the Belgian Government to bring its new proposals for a settlement with Germany before the Reparation Commission. The latter body this afternoon formally discussed the manner in which the Belgian proposals should be handled by it, and decided to refer them for consideration by committee, which can only be interpreted, in the circumstances, as a polite manner of shelving the matter indefinitely. French opinion in general, both official and otherwise, regards the deadlock as insoluble at this end until the Berlin Government shows, by definite and concrete action of its own, that it is prepared to bring about such a house-cleaning in Germany itself that any conversations that may be opened between the two parties to the controversy may have at least a chance of leading to practical results. Meanwhile, like their predecessors, the Loucheur-Rathenau and the Lubersac-Stinnes agreements, from which so much was expected in the way of putting reparation deliveries on a rational basis, the agreements tentatively come to at Dusseldorf between the French Mining and Metallurgical Commission in the Ruhr and the Phoenix group of colliery owners have fallen stillborn. The agreements have not yet been actually signed, and there now seems little prospect that they ever will be. The deadlock is complete.

The quasi-capitulation of Germany in the Ruhr is regarded here as very largely due to recognition of the fact that, as disclosed by latest returns of the production of iron in France, the principal object of passive resistance has failed. One reason why the Berlin Government, backed by the German ironmasters, persisted so tenaciously in a wearing down struggle was their belief that sooner or later the French metallurgical industry would be compelled, in self-defence, through shortage of combustibles, to come to a compromise. The figures now published show that whereas the average monthly output of metallurgical iron in France during 1920 and 1921 averaged 300,000 tons, and in 1922 420,000 tons, it has risen steadily, since the occupation of the Ruhr began, from 305,000 metric tons in February to 330,000 tons in April, 447,000 tons in June and July, and 486,000 tons in August. The average monthly output in 1913 was 435,000 tons, but this, of course, was exclusive of the production of Lorraine. It should be pointed out, moreover, that the output for December, 1922, the last complete month before the occupation of the Ruhr began, was 515,000 tons, the largest ever reached in France. The output of steel in August (the latest available return) amounted to 452,000 tons, which is the highest figure reached since 1914. This total was 52,836 tons more than that for July, and 37,767 tons more than for December, 1922.

The index figures for wholesale prices for the month of September, which have just been issued by the Statistique Générale indicate an increase of 12 points as compared with that for August (which was 7 points higher than that for July). The detailed figures are as follows:—

	August (Corrected).	September (Provisional)
General index figure (45 categories) ..	477.5	489.7
Foodstuffs (total of 20 ") ..	442.0	472.1
Vegetable foods (8 ") ..	396.1	409.7
Animal foods (8 ") ..	476.3	498.5
Sugar, coffee, cocoa (4 ") ..	464.9	544.5
Raw materials (total of 25 ") ..	505.9	503.7
Minerals and metals (7 ") ..	474.5	462.2
Textiles (6 ") ..	651.9	651.0
Various (12 ") ..	451.4	454.2

The index figure at the end of 1922 was 418.4, which, in accordance with normal practice, is based on 100 as representing the mean during the period 1901-1910. The figure representing wholesale prices for September, as compared with the period 1901-1910, indicates an increase of 389.7 per cent. last month, against an increase of 377.5 per cent. in August, of 370.1 per cent. in July, and 318.4 per cent. at the end of 1922. As a consequence of the rise

in September, wholesale prices were brought back to practically the same level as in March last, which were the highest yet recorded during the present year, and were 390 per cent. above those recorded during the period 1901-1910. The principal increase during September was in wholesale food prices, sugar and coffee, &c., marking a rise of about 80 points. The figure representing retail prices in Paris is based on the quotations during September for 13 articles of the first necessity—namely, bread, meat, bacon, butter, eggs, milk, cheese, potatoes, haricot beans, sugar, oil, petroleum and methylated spirit. The figure for September indicates an average increase equivalent to a total of 239 per cent. on retail prices that prevailed in 1914, as compared with 228 per cent. in August, 221 per cent. in July, 231 per cent. in June, and 205 per cent. at the end of 1922.

The Ministry of Finance publishes this week the revenue returns for September, which show that during the last month the yield from taxation of all kinds and from the State monopolies (including income-tax and exceptional resources, such as the special tax on war profits) amounted to 1,813,873,000f. Of this amount, 136,906,600f was derived from exceptional resources, including 95,416,100f from the tax on war profits. Receipts from normal resources, therefore, amounted to 1,676,966,400f, or 363,107,000f more than during September, 1922. The total received from normal resources during the first nine months of 1923 has amounted to 2,026,689,000f more than during the corresponding period of 1922. The income-tax yielded 301,305,200f during September, 1923, as against 181,073,400f during the corresponding month last year. The most striking feature in the return for the month is the remarkably satisfactory yield from the tax on turnover, which has now apparently been got on to a stable basis, as its initiator, M. Klotz, predicted some years ago would eventually be the case. This much-discussed and much-objected-to tax produced in September 259,182,000f (or 72,246,000f more than in September, 1922), which is the highest figure it has yet reached in any one month, and also nearly 26½ million francs above what was expected from it last month, when the Budget estimates were drawn up. Customs, on the other hand (largely in consequence of the poor situation of the franc), produced only 126,653,000f, or 11,509,000f less than in September, 1922, and over 20 millions less than the Finance Minister expected. The revenue from posts, telegraphs and telephones was exceptionally good, amounting to 127,720,000f, or 33,951,000f more than in September, 1922, while tobacco, matches, and other monopolies yielded 164,937,000f, or nearly 15,000,000f more than during the corresponding period of last year.

GERMANY.—LABOUR TROUBLES—DICTATORSHIP REFORMS—NEW CURRENCY—FINANCES—EX- CHANGE—AUGUST TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, October 16.

THE Stresemann Cabinet, fortified by the new Empowering Law, which creates an almost unlimited dictatorship, is faced with a new trouble in the very rapid increase of unemployment. This has led to riots in the provinces and to serious riots to-day in Berlin. It is to be feared things will get worse. Already in the week September 23rd-29th, the last period for which data are available, there were 150,149 unemployed and 595,317 short-timers among 1,769,001 members of the Metal Workers' Union alone. The figures for to-day would, if available, show conditions still worse. If it is remembered that little over a year ago there were only 20,000 unemployed in all trades, the aggravation will be realised. It has often been pointed out from here that the currency depreciation, as long as it quickened industry, even for the unhealthy motive of the "flight from the mark," could have no very serious consequences. But production, which all along was the main thing, has now been badly shattered, firstly, by the French Ruhr occupation, and, secondly, by the adoption of gold mark calculation, with its result, the great upward jump in gold prices. At present all the disadvantages of a deflation crisis without any of the advantages are being experienced.

The Stresemann Cabinet is showing praiseworthy energy, and, incidentally, pleasing those enemies of Par-

liamentary Government who believed that the institutions of the Republic were the cause of the inertia displayed in financial and economic matters. The Empowering Bill became law in the form described last week, and in all spheres that count in the present crisis the Cabinet can do absolutely anything it likes. It could even execute citizens by decree and without trial if only a financial or economic interest were concerned. Into the character of Dr Stresemann's dictatorship measures so far there has not been much examination; the nation prefers even doubtful measures than none, and is quite content to wait for results out of the sum of measures. Outside of the dictatorship powers two important reforms have been put through. Firstly (under Art. 48 of the Constitution, without waiting for the Empowering Bill, and undoubtedly illegally), taxation has been put on a gold basis. Exceptions are Customs, the tobacco tax, and some other taxes the nominal yield of which already rises in accord with the currency depreciation. The law is a complicated one. With some exceptions, it exempts from this "valorisation" all taxes falling due before August 31st; and provides that the mark totals of taxes falling due after that shall be increased according to a varying index based on the value of the mark. If this is carried out fully, the Budget ought to balance within a reasonable time. Further, the law provides for complete obliteration of petty tax claims, and cessation of petty assessment disputes. This provision ends a fearful scandal of official inertia and unadaptability. Next, in the form of a Bill, not yet passed (the subject being excluded from the scope of the Empowering Bill) is a practical abandonment of the Eight Hours' Day. In future the maximum eight hours (which remains theoretically the norm) may be lengthened (1) by agreement between employers and employees, (2) by an official decree. Formerly the employees' consent did not justify longer than eight hours. In ordinary trades the new maximum, whether by agreement or by official decree, is to be ten hours; in underground mining and in unhygienic occupations the maximum is eight hours. At present the hours in underground mining are seven.

Of the currency reform, which will be simply promulgated under the Empowering Law, the final form was announced to-day. The "Neumark," which was first a "Bodenmark," now becomes a "Rentenmark," and the issuing bank a "Rentenbank." The capital of the bank and security for its note issues, totalling 3,200,000,000 gold marks, will be raised half by mortgages to a value of 4 per cent. of the capital values on agricultural land (city land must, owing to the expropriation of house property, be exempted), and half on security given in the shape of mortgages or bonds by industry. The bank will be represented by a council of fourteen, representing the different classes of compulsory mortgagors. On security of the mortgaged values, the bank will issue 5 per cent. mortgage bonds, which will play the rôle of security for "Rentenmark" notes in denominations of from 1 to 1,000 r.m. The chief difference between this and the earlier official schemes is that the paper-mark will not be converted, and will remain legal tender; but increase of the paper-mark circulation will be prevented by depriving the Republic of the right of having its Treasury bills discounted at the Reichsbank; and the Reichsbank will prepare to return to its functions as a gold-mark bank. The Rentenbank will advance the Republic 1,200,000,000 r.m., sufficient, it is hoped, to cover deficits until the Budget is balanced. "Rentenmarks" will be accepted in payment of taxes and by all public institutions. In order to provide currency (in particular for moving of the crops) during the next weeks, small lots of "gold loan" (i.e., paper mark loan on a gold index basis) will be put into circulation immediately to a total of 200,000,000 g.m.

This scheme is announced as provisional, and therefore admittedly as not fully satisfying its authors. That can be understood, but the scheme seems to be better than none. It depends ultimately upon the balancing of the Budget, because if the Budget is not balanced before the Rentenbank's credit is exhausted, the credit will have to be increased, or some kind of new inflation resorted to. The maintenance of the home buying power of the "Rentenmarks" is assumed to be assured by the fact that the State will take them at their nominal gold value. This claim seems reasonable, because the Rentenmarks will

represent gold mortgage bonds, and as taxes are henceforth to be on a gold basis, the Rentenmark, though not convertible into gold, will be usable for payment of the gold tax claim. As this putting of taxes on a gold basis, already enacted on paper, is undoubtedly the condition precedent of balancing the Budget, the whole scheme has a certain unity. A danger is that declining production, and the chaos produced by the French on the Ruhr (which shows no sign of ceasing) may make it impossible to extract from the population the real taxation necessary for balancing the Budget. This was certainly not the case before the Ruhr complication. Another doubtful point is the retention of the paper mark. The paper mark must continue to have a varying, perhaps declining exchange. The stoppage of further inflation in no way guarantees stability, since over considerable periods before 1921, when inflation was so small that it could not materially influence the mark's home buying power, the mark exchange fell headlong abroad. In that case paper-mark prices will continue to rise, as paper rouble prices continue to rise in Russia, which has also a second stable currency, and the insufficiency of the stable "Rentenmark" circulation will prevent, again as in Russia, its general use. A paper-mark exchange fall associated with stable circulation would deprive the whole paper-mark circulation of practically all buying power, and as there would be no motive for rapid circulation of "Rentenmarks," their insufficiency for the purposes of business would increase. There are other doubtful points, on the basis of which some newspapers, perhaps precipitately, prophesy failure of the scheme.

The mark exchange collapse of last week led to a renewed frantic demand for cash; on one day banks paid out only 20,000-mark notes, worth each about one-millionth of an English pound. As usual, the Reichsbank's last (belated) statement for the end of the third quarter of 1923 gives no idea of to-day's rate of inflation; nevertheless, note circulation trebled in the week from 8,627 to 28,228 billion marks, Treasury bill discounts increased from 12,229 to 45,216 billions, private bills from 2,200 to 3,660 billions. Outstanding Darlehns loans rose to 941 billions. The allowable maximum of these loans has been raised from 300 to 5,000 billions. The Reichsbank is about to issue 10 milliard-mark, later 50 milliard-mark notes. The 58,000 billion marks which the Government was last week authorised to raise on Treasury bills will probably be exhausted before the Rentenmark credit is opened. The Customs gold supplement has been raised (from the 10th) to 13,699,999,900 per cent.

The Government has withdrawn the decree of March, 1919, forbidding import and export of Russian paper roubles. The paper rouble is beginning to be regarded by mere mark holders with a certain respect. The dollar Treasury bills, which are payable in gold and guaranteed by the Reichsbank, hold their value well, being to-day quoted at 4.5 milliards against a dollar exchange of 4.1 milliards. Also the "gold loan" keeps on parity with the dollar exchange. Money in the last few days has again been tight, the day money rate having risen since Friday last from 2 to 4 per cent. per day. This is partly caused by congestion in banking business between Berlin and the provinces.

Trade statistics (again no values are given) for August are, in metric tons:—

	August.	July.
Imports—All.....	4,120,300	4,159,600
Thereof—		
Food	253,100	302,000
Raw & half-finished materials	3,684,000	3,697,200
Manufactured goods.....	182,700	159,000
Exports—All	1,074,500	1,053,300
Thereof	94,800	90,300
Raw and half-finished materials..	596,300	646,200
Manufactured goods	383,400	316,700

Coal imports were 2,300,000 metric tons, about the same as in July; iron ore only 120,241 metric tons, against a monthly average in 1922 of 917,811 metric tons; exports of rolled and forged iron 91,547, against a monthly average of 193,002 tons; of machines 24,689 tons, against a monthly average of 39,914 tons. Exports in August in weight were 26 per cent. of imports, against a monthly average of 47 per cent. in 1922, but they were above the lowest point of 16 per cent. of April.

An attempt to bring down gold prices must be one of

the Government's economic measures if exports are to be fostered. This policy presents difficulties owing to the necessity of keeping up gold railway rates. The first measure, however, has been taken by the abandonment of the 30 per cent. coal tax, which was first imposed during the war, and which reached in 1921 a highest rate of 40 per cent. This has been accompanied with a reduction in the net price of coal. A reduction of pig-iron and steel prices, which are now quoted in sterling and gold-mark respectively, is due.

CANADA.—FEDERAL LOAN SUCCESS—CROP MOVEMENT—ALBERTA WHEAT POOL—FORESTRY COMMISSION—MANUFACTURERS AND PROTECTION—CANADA-AUSTRALIAN COMMERCIAL TREATY—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, October 8.

THE Canadian Government have every reason to feel satisfied with the result of the domestic loan which they have just issued. Encouraged by the avidity with which the preliminary offer of \$50,000,000 was taken up, they decided to abandon their plans for an issue in New York, and raise at home the whole of the 172 million dollars needed to meet maturing obligations. When subscriptions continued to pour in in unexpected volume, Mr Fielding determined to utilise the opportunity to accumulate more funds, and the books were only closed when 200 million dollars had been subscribed. Of this sum about a fourth, or 50 million dollars, represents conversions of the 1923 loan, and the latter would have been greater if a number of holders had not been late with their applications. Several very large subscriptions were received from American corporations, chiefly insurance companies, who had intended to subscribe to the New York issue if it had materialised. The western crop is now pouring down through the Winnipeg funnel to the head of the Great Lakes in great volume, and it seems only a question of time when a serious congestion will develop. Some American vessels have come into the Lake ports to load cargoes, and the Minister of Trade and Commerce professes complete confidence that they will all abandon their boycott and help to move the Canadian crop. But the Winnipeg grain merchants are not so optimistic, and prophesy disastrous consequences unless they are induced to come in by the suspension of the regulations to which they object. The buying demand from Europe has improved slightly in the past week, but is still far from satisfactory, and it is still hard to foresee where markets will be found for the latter half of the crop. Threshing has been proceeding under very satisfactory conditions, and the returns from Alberta show that this province has reaped a record crop. Yields of 50 and 60 bushels per acre are quite common, and the average for the whole province will be between 25 and 30. The farmers of Alberta alone seem to be persevering with their wheat pool schemes, and their leaders claim that they have secured contracts covering 2,500,000 acres, and that their pool will this year handle 60 million bushels of wheat. Vancouver is continuing its efforts to divert the grain trade of Alberta to itself as an export outlet, but lack of elevator facilities and shipping is an obstacle, and the railway companies who are interested in preserving the profits of the long haul to the eastern seaboard are not evincing any disposition to encourage a westward movement which involves a shorter rail haul. The Commission which was appointed by the Federal Government to investigate the forestry problems of Canada and report upon the advisability of an embargo upon exports of pulpwood has commenced its sessions, and has been taking evidence in Nova Scotia. The witnesses who have appeared there have been practically unanimous in opposing an embargo, and, as there is also great hostility to it among the small farmers of Quebec who sell pulpwood in small lots to the agents of American paper mills, and do not want to be left at the mercy of the local Canadian companies, it seems unlikely that the embargo will ever be put in force.

Evidence accumulates that the Canadian Manufacturers' Association intends to make a determined drive for higher tariff duties. At a recent meeting their president officially

voiced its lack of sympathy with the recent increases in the British preferential rates, and declared that they had been particularly harmful to the woollen and knitted goods industries. "The British preferential tariff," he said, "must be put upon a more equitable basis. It has failed to accomplish the objects for which it was designed." The protectionist Press has been carrying a good deal of propaganda on the same lines, and the King Ministry has so far given ear to the pleas of the manufacturers as to send an official to Britain, France, and Belgium with instructions to discover why Canadian manufacturers cannot, under their present schedules, compete with the manufacturers of these countries.

Negotiations for a commercial treaty between Canada and Australia have been proceeding for some time by cable, but apparently are not making much headway. The Australians are insistent upon a heavy preference for their dried fruits, but the Canadian Government declines to accede to this unless Australia makes compensating tariff reductions on agricultural machinery and other products. To this the Bruce Cabinet will not agree. The latter have tried to get the dried fruit issue treated separately, but the Canadian Cabinet refuses.

The latest return shows that the Federal revenues are reasonably satisfactory, there being a slight increase over last year's figures; the expenditure is also slightly less. But the heavy incidence of the sales tax continues to keep up the cost of living, and the latest index numbers of the Bureau of Statistics show a small rise. Thanks to the money set moving by the sale of the farmers' crop, there has been a welcome improvement in business, and wholesalers report that the country storekeepers are buying more liberally. The stock markets remain quiet, but there has been no setback in prices.

NORWAY.—WEATHER, CROPS, AND WATER-POWER—FORESTRY—PRICES—THE MARKETS.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, October 3.

AFTER a wet September, a few dry and sunny days have enabled the farmers to gather the harvest under quite good conditions. Oats, and even barley, in the more mountainous regions have not ripened, and to a great extent will have to be used for fodder. Potatoes probably will show good results. The rains have been more constant than copious, the consequence of which is that the water reserves for industrial purposes, at least in some very important districts, are much below the normal. It is to be hoped that October, as usual, will bring rain, otherwise our most important industry would be very much hampered.

The Farmand's price index number for September shows an increase on the figure of the preceding month of 6.2 points—i.e., from 225.1 to 231.3. The main increase has taken place in the food group, viz., 9.8 points. The rise is general among the principal items, the only exceptions being corn and flour, which are handled by the Government, and in these cases a reduction has taken effect in September.

This is generally the season for buyers of timber to cover their wants for the ensuing year. They are, however, very loth to come forward through distrust of the future. Some important buyers are reported to have offered 25 kroners per cubic metre for wood pulp logs, but the forest proprietors hold out for more, even up to 30 kroners.

The end of the month and of the quarter drew rather heavily on the resources of the Bank of Norway; the note circulation rose by about 20 millions, and the reduction of the reserves decreased accordingly. Trade is craving for a reduction of the discount rate; as yet, however, the bank has shown no inclination to meet that wish. The stock markets are quiet, but the prices of most shares keep steady, and in some cases there is even an improvement. The exchanges are continually unfavourable. Sterling went even as high as 28.92, though 28.88 remained the official figure. Marks are practically without any value; Paris francs, too, very low, Kr. 37.25; and Belgian francs Kr. 31.50. Dollars, on the other hand, are very high at Kr. 6.36.

JUGOSLAVIA.—MONETARY SHORTAGE—HARVEST RESULTS—EXPORTS—REVENUE—EXCHANGE.

(FROM OUR CORRESPONDENT.)

BELGRADE, October 8.

THE monetary crisis which has been felt ever since the beginning of the year has now, during the export season, become extremely acute. The average interest on a seasonal loan guaranteed by a bank of good standing is anything from 30 to 50 per cent. While such a rate may have served last year as an offset to the deterioration of currency, it has now no justification, but simply denotes the immense shortage of money. In consequence, many small enterprises have been obliged to close down, and industry is passing through a very serious crisis. A further indication of the shortage is the low price of State bonds; thus, the 2½ per cent. Reparation bonds guaranteed by the State are quoted at only 14 dinars, thus yielding 17½ per cent., though they are legally accepted as caution money at a rate of 30. In view of the need of credits for export a conference of business men requested the Government to pass a law increasing the ratio of paper currency to its bullion cover from 3 to 5, but the Minister refused to give his approbation to what would amount to another form of inflation.

While this shortage of money contributes towards the high cost of living, the Government has done nothing to ease the crisis, and even accentuates it by a policy of indirect taxation. Absorbed by politics, it has failed so far to work out a comprehensive economic policy. So, while, on the one hand, the Minister of Finance has again considerably reduced export duties, and declared that Jugoslavia shall have free export next autumn, on the other hand, the Minister of Transport has increased freight charges by about 50 per cent. Indirect taxation is further increased by the Law of Duties passed this week. It is to be hoped that public opposition may prevent its raising the "agio" on import from 800 to 1,500. The Budget, which is to amount to 9½ milliards, has not yet been brought before Parliament, and the State is still financed by means of monthly budgets.

On the other hand, private initiative is undoubtedly contributing to rapid economic progress, and the harvest has been excellent. The official figures for the 1923 harvest are as follows:—

(In Thousands of Metric Tons.)			
	1922.	1923.	
Wheat	1,210.3	....	1,684.5
Barley	241.0	....	311.8
Rye	103.8	....	150.2
Oats	265.2	....	280.9

The 1923 yield is thus in general about 30 per cent. above that of last year. It is estimated, after careful investigation by a conference of business men and Government representatives, that 35,000 trucks of wheat, and 30,000 trucks of maize, will be available for export this year. The export figures also show considerable promise:—

(000's omitted.)			
	Weight in Tons.	Value in Dinars.	
	1922.	1923.	
April	160 .. 216	....	348,400 .. 409,200
May	175 .. 260	....	302,487 .. 576,394

The publication of the returns, however, still remains very behindhand.

Government revenue, meanwhile, is also on the increase. From August, 1922, to April, 1923, receipts stood at 5,117 million dinars, as compared with an expenditure during the same period of 4,943 millions.

It is mainly owing to the monetary crisis and partly to good export prospects that the dinar has displayed a remarkable firmness in the midst of a very clouded political situation. Since July it has maintained its level of 430 to the £, and even during the worst days of the Corfu and Fiume disputes it never weakened below 440, while as soon as the atmosphere cleared it improved to 420, and has now risen to 400. The latest improvement is due to the deflection from Bulgaria to Jugoslavia of demands for wheat during the recent revolution in the former country. This is the first time that the Jugoslav exchange has remained practically unaffected by political disturbances and been influenced almost exclusively by economic forces. It is a significant indication that the country is at last passing out of the long phase of economic disorganisation.

STATE EXPRESS

VIRGINIA **555** CIGARETTES

MADE BY HAND, ONE AT A TIME.

Books and Publications.

CURZON REMINISCENCES.*

LORD CURZON has done himself and us a service in publishing these notes from his diary for the amusement and edification of a generation which knows but little of the world of which he writes. He has done himself a service, because of all our political leaders Lord Curzon is the one whom the man in the street knows least. These pages will do something to dissipate the impression of the Foreign Secretary as a pompous, cold, and remote aristocrat. For in this volume he reveals some of his enthusiasms, his sympathies, and his capacity for understanding the eastern world. The volume disclaims any intention to propound or even to discuss political views, for, as its title implies, it consists for the most part of short anecdotes of an eastern traveller's experiences. There are one or two more ambitious descriptions, notably the vivid account of the self-mutilation of the zelots of Kairwan, the character study of the late Amir of Afghanistan, and a collection of recorded instances of "singing sand." The portrait of the Amir is excellently drawn, and this account of Lord Curzon's visit to Kabul will afford the best revelation of the author's qualifications for handling eastern politics. The book is packed with brightly coloured scenes of Oriental life, and particularly of Oriental potentates, and the recording of these reminiscences moves Lord Curzon to meditate on the precarious hold which his various hosts had not only upon power but upon life itself. In his introduction he gives a long catalogue of those who have perished by the assassin's knife, and concludes that the world of which he writes belongs to the past "that is quite dead, not merely by reason of the change in my own environment, but also because of the revolution in the conditions of travel, and in the state of the peoples and lands which I visited."

In the interesting self-revelation that this volume affords there runs with an acute appreciation of the scenes described a streak of vanity, betrayed by a hundred touches. But even those who pick up this book with a background of prejudice, for political or other reasons, against the author, will find in it much pleasure, because it reveals a man who is conscious of his weaknesses as well as of his great powers of observation and description, and reveals them to us with a secret amusement. For example, he describes with gusto how he extemporised a most extraordinary apparel for impressing the Amir when he made his formal entry into Kabul. Before leaving London he hired from a theatrical costumiers three of the most gorgeous stars of foreign orders he could find, though he had no title whatever to wear them, and the most colossal epaulettes that had ever been seen, which, he supposes, must have decorated the shoulders of some eighteenth century admiral of vast proportions. In India he ordered an enormous pair of Wellington boots to wear with his levy dress, and completed the remarkable picture by borrowing from Sir William Lockhart a gigantic curved sword with an ivory hilt and magnificent scabbard. These careful designs nearly came to grief, for he had forgotten that epaulettes, especially such ones as those he had brought from London, required special attachments to the shoulders of the uniform. The traveller had, therefore, an hour's hard sewing to do when he proceeded to don this variegated apparel in the special tent that had

* "Tales of Travel." By the Marquess Curzon of Kedleston. Hodder and Stoughton. 28s. net.

been pitched for him, by order of the Amir, a mile or so outside the city wall. Lord Curzon thinks that he created a great impression, but was a little nonplussed when his admiring host began to ask inconvenient questions about his trophies. But the gilded epaulettes won the greatest success, for the Amir sent for his court tailor and had him study these beautiful appendages as worthy of reproduction in the Court of Afghanistan. "For all I know," says Lord Curzon, "they may have left a permanent mark upon the sartorial equipment of the god-granted Government."

We regret that the publishers of this volume, which is, after all, very slight in its contents, did not show more confidence in the breadth of its appeal and offer it at a lower price.

BRAZIL TO-DAY.*

BRAZIL extends over nearly half South America, and is now the third largest State in the world. The British capital invested there is at least £250 millions—two-thirds in Federal, State, and municipal securities, the rest mainly in gas and waterworks, tramways, banking, and various industrial undertakings. British shipping predominates in the foreign trade of the country. British goods have regained their primacy in its imports, and Anglo-Brazilian friendship has long been cordial and strong. The native resources are vast, the products various, and rapidly multiplying. Only 1 per cent. of the hydro-electric power is as yet utilised, and the Government, unlike some of its neighbours, welcomes and encourages immigration. Mr Howarth has visited the country, and served for 40 years as one of its Consuls in Great Britain; and he deals very fully with the physical features and conditions of each State, and with the products, resources, shipping, commerce, and commercial organisation of the country as a whole. Such books are often too roseate; but, though he touches lightly on the unsatisfactory finances of some of the State Governments, he deals frankly with the present conditions of the Federal finances and the efforts to better them. Very full particulars are given of Customs and Consular arrangements, and a list (abridged from an official document) is appended of exporters of Brazilian produce. The descriptions of scenery and the illustrations are attractive, and the work is well calculated to further Anglo-Brazilian intercourse and trade.

BOOKS RECEIVED.

The Life of the Rt. Hon. Sir Henry Campbell-Bannerman, G.C.B. By J. A. Spender. In two volumes. (London) Hodder and Stoughton, Limited. 42s net.

Life Insurance. A text-book (revised and enlarged). By Solomon S. Huebner. (New York) D. Appleton and Co.

Obtainable in London from Messrs D. Appleton and Co. 12s 6d net.

Special Report on the Ottoman Public Debt. By Sir Adam Block. (London) Bradbury, Wilkinson and Co., Limited.

Letters of Thomas Carlyle to John Stuart Mill, John Sterling, and Robert Browning. Edited by Alexander Carlyle, M.A. (London) T. Fisher Unwin, Limited. 25s net.

Report on the Operations of the Imperial Institute. (London) John Murray. 3s 6d.

Labour in the Coal-Mining Industry. By G. D. H. Cole. (Oxford) Clarendon Press. 7s 6d.

Rubber Producing Companies, 1923. (London) Mincing Lane Tea and Rubber Share Brokers' Association, Limited. 7s 6d net.

This exceedingly useful volume has been compiled on similar lines to those of previous issues, and the position of all rubber companies whose shares are dealt in on the London market is fully given. This information includes directorate, secretary and offices, authorised and issued capital, acreage, planted area, purchase price and tenure. Particulars are also given of production for the last seven years, with average selling price, profit, dividends, &c. For the same period all-in cost is given. Reserve funds are also shown, together with highest and lowest prices of shares for the last few years. The recent activity in the tea share market has not been overlooked, and special attention has been given to about 85 of the principal companies which produce both tea and rubber.

Burns's Income-Tax Guide. By John Burns. (Edinburgh) W. Green and Son, Limited. 2s 6d net.

* "Modern Brazil." By William Howarth. Illustrated. (Liverpool) C. Tinling and Co., Limited. 1923.

Letters to the Editor.

GERMANY'S CAPACITY TO PAY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Referring to your review of my article in *Foreign Affairs* (N.Y.), I am encouraged by your not unkindly reception of the proposal to leave the capital reparation debt alone for ten years' time and the other features of the suggested plan to reply to the two objections which you make. Does not your objection that inter-Allied debts must be cut down beg the question? The proposal to leave the capital debt alone is put forward as a temporary solution of the deadlock which has arisen largely on the very question of inter-Allied debts—a deadlock which seems unbreakable for the time. It seems to me that any objection to that proposal should be addressed to the arguments which I have presented to show that the liabilities all round may safely be left alone for the present, and that by thus avoiding the deadlock, instead of continuing to try to break it, Europe will obtain that which is really essential to a solution of the reparation problem—a chance to resume industry and trade in a favourable atmosphere.

As a second objection, you say that France would object to a fixation of Germany's interim payments by the League of Nations. But my proposal that the League of Nations investigate German and other budgets, fiscal and tax systems, does not go beyond a suggestion that the work already done by the Economic Section of the League in connection with the Brussels Conference be continued and brought effectively to the attention of the reparation authorities and the public for its bearing on the reparation problem. Work of this sort must have more publicity if an adequately informed public opinion is to be created. As it is, the budgetary aspect of the reparation problem seems to have been largely submerged by the question of export surplus. I do not regard the *economic* problem as "almost entirely a budgetary one," but—and here is the essential point—I do regard a psychological basis of agreement on the *whole* problem as incapable of being reached until the question of German taxation has been given its proper share of attention. I believe this to be unquestionably true so far as the United States is concerned. In a letter in the "Times" of September 15th I re-stated some of the psychological and practical advantages of devoting more attention to the budgetary aspect and less to the exports question, more to the system of current payments and less to the impossible question of ultimate capacity to pay.

As you have linked your review of my article with a review of "Germany's Capacity to Pay," by Moulton and McGuire, may I suggest that the latter seem to have overlooked the real significance of the proposal that Germany may supplement her payments from export surplus by delivery of industrial securities. They state quite truly that any conversion of the capital obligation into industrial securities offers no help in the direction of increased annual payments, as interest and dividends would still have to be paid out of exports. But the proposal which I make in *Foreign Affairs* is that a portion of the annual instalments of *interest and amortisation* on the capital obligation be converted into industrial securities, and that these securities be sold by the recipient Governments. In that case only interest on interest would have to be paid externally. It is true that in 15 or 20 years' time the external payments for interest and dividends on the accumulated securities would amount to a considerable figure. But for the next five or ten years they would be negligible. The substance of my proposals is a *modus vivendi* for the next ten years. Who can say what will then happen to the reparation debt and the reparation problem? If Europe can get back to normal production and distribution both of them may have disappeared by that time. In attempting to revise the capital debt we are now vainly trying to pierce the future. We are trying to cut down the proportions of the reparation debt, but are not succeeding in cutting down the proportions of the reparation problem.

I fear you somewhat prejudice the consideration of my suggestions by referring to my article as an *ex parte* (Correspondence continued on page 707.)

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The Economist Banking Number

A SURVEY OF BRITISH AND FOREIGN BANKING

Vol. XCVII.]

SATURDAY, OCTOBER 20, 1923.

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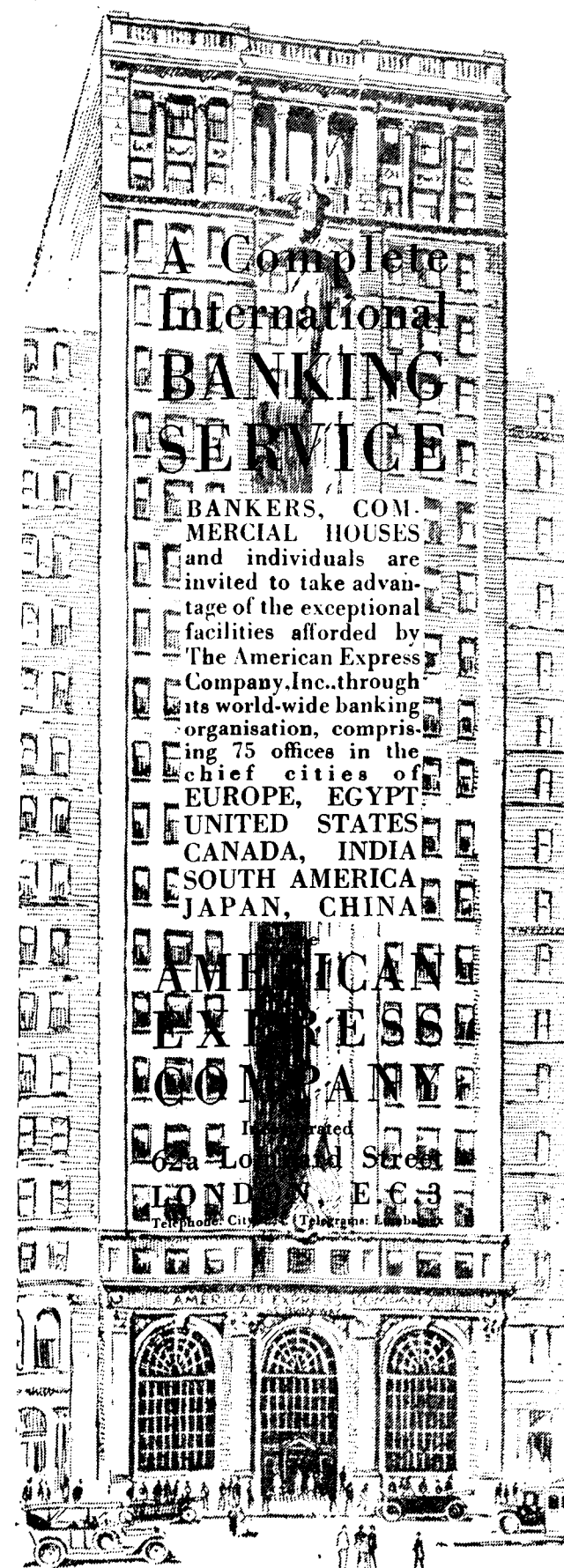
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IMPERIAL BANKING AND CURRENCY.

THE appearance of our autumn Banking Number coincides with the session in London of the Imperial Conference, at which questions of finance and currency, as well as of political and fiscal development, are coming up for discussion. We have, therefore, devoted considerable space to the consideration of banking and currency matters in the principal component parts of the British Commonwealth, and special articles will be found on later pages dealing with the systems and problems of the great Dominions and British India. There is no unified banking or currency system for the Empire, just as there is no unification of political and fiscal aim. The rapid development of the Dominions has produced special conditions, to meet which various banking and currency systems have been evolved. As between the banking systems of the various parts of the Empire there is no co-ordination, except such as is provided by London connections.

This diversity and lack of unified functioning has both advantages and disadvantages. To some observers the disadvantages appear so great that one of the Empire's chief needs is held to be the provision of a scheme for a unified Empire currency and exchange system. Among the keenest supporters of this idea is Mr J. F. Darling, whose plan for the creation of Imperial Treasury bills to be used as a common backing for the various currencies of the different Dominions, as well as a means of adjusting inter-Imperial payments when a lack of balance in trade disturbs the equilibrium of payments between the different countries, is familiar to readers of the *Economist*. The root difficulty of any scheme to remedy this state of affairs is that, when trade equilibrium is disturbed, some economic correctives must be brought into play to restore the balance by stimulating inadequate exports or checking excessive imports. It does not help matters to soften the disagreeable pressure of these correctives, for that only delays the restoring of sounder trading conditions. But there is considerable doubt whether they would operate freely under the scheme, and in any case any plan would need to be based upon a very large reserve indeed if it was to deal successfully with the enormous trade fluctuations that occurred in the three years after the war. In discussing Mr Darling's, or any other scheme, for dealing with the monetary problems of the Empire, the Imperial Conference may well reach two conclusions; the first is that no scheme, except a very grandiose one involving considerable interference with normal financial operations could ever cope with the extremely one-sided trade that occurred in the years 1920, 1921, and 1922. The second is that when trade is running on fairly normal lines, as it did before the war, the problem of making inter-Imperial payments is one well within the scope of the banking arrangements of the Dominions, and does not seem to require anything more than minor improvements in machinery, together with a free Bill of Exchange market in the Dominions.

None of the principal countries of the Empire have the same banking needs and conditions. Each has evolved a system of its own. Australia and South Africa have central or State banks; Canadian and India have not. Of the two latter cases, in India the supply of the currency is in the hands of the Government, while in Canada the Dominion issue is supplemented by that of the Chartered banks. Both countries, diverse as their conditions and needs are, have this in common, that the currency demands of trade are seasonal in expansion and contraction. In both countries, as described in later articles, a system has been arranged by which the necessary emergency currency can be made available at times of expansion, and retired when other contraction comes, so that no permanent inflation results. In both countries, as in many other parts of the world, the descent from boom to depression has brought banking losses and banking failures. In Canada the disquietude brought about by these untoward incidents has coincided with the decennial revision

of the Bank Act, but although the existing system has been assailed hotly, the revision has passed without fundamental change. In India a step towards the establishment of wider and more adequate banking facilities, and towards greater stability of money rates, has been taken in the establishment of the Imperial Bank—an amalgamation of the three Presidency banks.

The banking situation of each of the various Dominions is dealt with later in separate articles, but it may be convenient to our readers if we present here some relevant comparative figures. The tables which follow show the note circulation in each of the Dominions, and the movement in wholesale prices:—

WHOLESALE PRICES. (1913 = 100.)						
Monthly Average.	U.K.	South Africa.	Australia.	New Zealand.	Canada.	India.
1920.....	283.2	223.3	227.9	211.7	246.3	204
1921.....	181.0	160.4	174.9	200.7	181.6	181
1922.....	159.5	128.4	161.6	177.5	165.5	180
1923 (June)...	159.4	124.0	187.0	176.9	166.7	175

NOTES IN CIRCULATION (Millions).					
End of	U.K.	South Africa.	Australia.	New Zealand.	Canada.
	Currency & Bank of England Notes.	Bank Notes (Gross Issue).	State Notes.	Bank Notes.	Dominion and Bank Notes.
1913.....	£ 29.6	£ 2.3	£ 10.0	£ 1.2	\$ 227
1.20.....	480.9	9.1	58.7	5.8	522
1921.....	432.7	8.8	55.5	4.7	444
1922.....	398.3	8.3	51.8	4.3	414
1923 (May)...	389.6	8.1	52.1	6.3	388

If we compare the pre-war position with that of the post-war years there is no clear connection between these two series of figures. The reason is that the money in circulation before the war included a large quantity of gold which in all cases has been to a very large extent replaced by notes. If, however, we look only at the post-war situation, we find the movement of prices much more closely reflected in the movement of the note circulation. This comparative statement of prices is in itself very informative, for the changes are very different in the various Dominions. Part of this is no doubt to be accounted for by the fact that the price indices are not all calculated in exactly the same way. But the figures do, in fact, undoubtedly correspond to considerable differences in price movements. We have said that these various figures do not permit of a direct comparison between bank notes and prices, and before we can consider the monetary influences affecting prices we should have to take deposits into account. Some light on this factor is thrown by the summary tables in the articles which follow, but the figures only relate to those banks that have connections with London:—

DEPOSITS OF CERTAIN DOMINION BANKS.					
	S. African.	Australian.	New Zealand.	Canadian.	Indian.
	Mln. £	Mln. £	Mln. £	Mln. £	Mln. £
1914....	48.1	162.8	22.4	725.5	41.5
1920....	123.9	235.0	46.5	1,930.0	122.7
1921....	106.4	230.6	42.8	1,889.5	118.4
1922....	94.6	241.3	36.9	1,720.5	95.9
1923....	89.7	257.3	39.3	1,673.0	93.2

In general these figures show the same trend as those of the note circulation, but for the reasons given they must not be pressed too far. In the case of South Africa the figures cover most of the banking deposits in the country which might influence prices. The same is true of Australasia, but the figures for Canada are less complete, while those for India only represent the leading exchange banks.

THE ENGLISH BANK FIGURES.

A STUDY of the statements of those English banks which publish them at the end of the June half-year is, as usual, chiefly productive of interesting but sketchy surmises. The most notable feature therein disclosed is the decrease of nearly 115 millions in the volume of the deposits, that most important item in the total purchasing power of this country's people. It is a considerable acceleration of the process which was already shown in our autumn banking number a year ago, reversing the expansion which had till then been continuous since the beginning of the war period. The following table shows the movement in deposits since June, 1914:—

INCREASE OR DECREASE IN DEPOSITS.		Million £
June 30, 1915.....	.....	+ 196.6
" 1916.....	.....	+ 44.5
" 1917.....	.....	+ 81.1
" 1918.....	.....	+ 282.5
" 1919.....	.....	+ 406.2
" 1920.....	.....	+ 105.5
" 1921.....	.....	+ 19.8
" 1922.....	.....	- 30.2
" 1923.....	.....	- 114.7
		+ 991.3

It will be seen that, by this reduction, the expansion, which at one time was over £1,130 millions, has now been brought down to roughly 990 millions, which is not a very tremendous score on the side of deflation, as measured by this test. We pointed out a year ago that the small decrease in deposits then recorded had been brought about during a year in which a rapid reduction had taken place in Bank rate—from 6 to 3½ per cent.—thus seeming to suggest caution in accepting the doctrine that movements in the official rate can be counted on to produce a prompt effect on the volume of banking credit. According to this theory, the lower Bank rate should have been expected to stimulate expansion of credit, whereas it had been accompanied by slight contraction. During the year that we are now reviewing the theory has been contradicted with equal emphasis, though in a different way. Bank rate was again reduced, from 3½ to 3 per cent. in July, 1922, and remained throughout the rest of the year at this low level, but deposits instead of expanding were contracted by 115 millions. These facts, taken with the previous record, which showed deposits continuing to expand long after the 1919 and 1920 rises in Bank rate, had, if the theory so eloquently expounded by Prof. Cassel and Mr Hawtrey were to be relied on literally, demanded their contraction, seem to justify the scepticism with which it is usually received by practical bankers.

On the other side of the aggregate balance-sheet of the banks whose figures are now examined, we find decreases of 12 millions in cash in hand and at the Bank of England, 58 millions in investments, and 47 millions in discounts and advances, including money at call and short notice. As usual, it is very difficult to draw inferences from these figures concerning the influences which have produced this large contraction, or to make them fit with other figures that are available. The figures of the Bank of England's return, being made up on June 27th, are doubtless a very different picture from the one that they would have shown on June 30th. According to it, the year covered was one of extremely slight movements, as the following table shows:—

BANK OF ENGLAND. (Million £'s.)							
	June 27, 1923.	Comparison with					
	1914.	July 1, 1918.	June 26, 1918.	July 2, 1919.	June 30, 1920.	June 29, 1921.	June 28, 1922.
Rest.....	33	+ 0.1	+ 0.1	+ 0.1	+ 0.1	+ 0.1	+ 0.1
Public deposits.....	140	- 29	- 21.6	- 5.8	- 16	- 12	- 2.3
Other deposits.....	1140	+ 60.3	- 15.0	- 56.1	- 62.1	- 17.8	- 1.1
Govt. securities.....	430	+ 32.0	- 8.7	- 55.7	- 47.1	- 18.2	- 6.2
Other securities.....	807	+ 31.0	- 20.1	- 2.8	+ 22.5	- 5.1	+ 5.0
Notes issued.....	1455	+ 88.6	+ 62.4	+ 40.6	+ 10.1	+ 0.5	- 0.1
Total coin and bullion.....	1276	+ 87.5	+ 62.3	+ 39.0	+ 9.7	- 0.8	- 1.3
Note circulation.....	1251	+ 95.4	+ 71.5	+ 45.2	+ 5.1	- 3.9	+ 2.1
Gold and silver in banking dept.....	1.8	+ 0.2	+ 1.2	- 0.3	- 4.8	- 4.0	- 2.0
Reserve.....	223	- 6.5	- 7.7	- 4.8	+ 6.0	+ 4.5	- 2.0
Proportion.....	173%	- 22%	- 1%	+ 3%	+ 8%	+ 5%	- 1%

Here we find other deposits only one million below those of the corresponding figure in 1922, and the total securities held by the Bank are also about a million lower, an increase of 5 millions in Other being offset by a decrease of six odd millions in Government. The coin and bullion has declined by 1.3 million, and the circulation has expanded by 2.1 million, while the reserve has only declined by two millions, thanks to the increase in the fiduciary issue to £19,750,000, from the £18,450,000 which had so long been its level.

It is not easy to reconcile the above-mentioned small decline in the other deposits with the decrease of 12 millions in cash in hand and at the bank, shown by the other banks, especially when the expansion in the Bank of England's note circulation, which so often finds its way into the tills of the other banks, is taken into consideration. But as everyone knows, the other deposits include many accounts besides those of the clearing banks, and our banking figures are chiefly designed to show the position, subject to hidden reserves and other complications, of the individual banks; as guides to the general monetary position they provide a guessing game which is more interesting than conclusive.

As an indication of the state of trade, they may perhaps be taken as favourable in that they show an increase of 20 millions in acceptances. At June 30, 1919, this item stood in the aggregate figures of the banks dealt with, at 62.1 millions, and in 1920 it had risen to 87.8 millions; in 1921 the tumble in prices and other causes had brought it down with a rapid run to 52.9 millions, and a year ago it was "silent as a standing pool" at 52.5 millions. At the end of last June it was 72.7 millions, 10 millions above the 1919 figure, and may perhaps be very cautiously hailed as one of the indications that trade depression is by no means as acute as the unemployment statistics and the general complaints of industry would seem to show.

When we come to the decreases of 50 millions in investments, and 47 millions in loans and discounts, the feet of the explorer are entangled in the difficulty caused by not knowing, thanks to different banking practice in this matter, which of these items contains the Treasury bills. Some banks look on them as Government securities, some as bills discounted. During the year under review Treasury bills were reduced by 156 millions, and ways and means advances from the Bank of England by 35½ millions, another fact which makes the small movements of the Bank return still more puzzling. If we knew how many of the dropped Treasury bills were in the hands of the banks, it might be possible to make some approach to a guess at the movement in their trade discounts and advances. As it is, we can only conjecture from the greatness of the decrease in outstanding Treasury bills, and the general belief that the banks have been disposing of part of the previous increase in their investments in Stock Exchange securities, that to some extent they have replaced cancelled Treasury bills by trade acceptances and loans to customers.

Coming back from conjecture to cold fact, all that we can be sure of is the big decline in deposits, accompanied by a still larger decrease in outstanding Treasury bills. It will be remembered that in his speech to the shareholders of the London Joint City and Midland Bank at the end of January, Mr McKenna charged the Government with producing deflation "effected in pursuance of a declared policy" by redeeming Treasury bills, implying that the bankers, when the total of Treasury bills is reduced, have no choice about replacing them by other assets, and that contraction of deposits is thus forced upon them. If this were really so it might be correct to charge the Government with producing deflation, though it might still be argued that all that the Treasury was doing was to redeem floating debt, the extent of which has ever since the war been something of a nightmare to our financial leaders, and that a deliberate policy of deflation may not have been at all its intention. But surely if trade had shown

[illegible]

any sign of rapid expansion the redemption of Treasury bills, instead of promoting deflation, would merely have enabled the banks to fulfil all the more easily their true function as creators of credit, not for financing Governmental expenditure, but for greasing the wheels of industry and enterprise. If our manufacturers and merchants had been full of orders, the banks would very easily have avoided deflation by substituting among their assets acceptances of banks and merchants, advances to customers, and short loans to Lombard Street, for

the Treasury bills that had been redeemed. In other words, it is just possible that instead of the austere policy of deflation which our Treasury and bankers are alleged to have cultivated, having caused, as is so often argued, the depression and unemployment from which we are now suffering, depression may have been caused by the state of European politics, and may have itself produced the deflation because there were no demands upon the banks for industrial and commercial credit, to take the place of redeemed Treasury bills.

AFRICAN BANKS.

In the appended table summarising the main items of the balance-sheets of banks operating in Africa, the most striking feature is the drastic reduction in the total of notes in circulation. Of the six banks whose figures are given in the last three lines, two operate mainly in Egypt and one in West Africa, but neither of these has a note circulation figuring in its balance-sheet. The drop in the total of notes shown in the table is, in fact, entirely the outcome of the coming into force in South Africa of the Currency and Banking Act of 1920, under which the right to issue notes passed on June 30, 1922, from the commercial banks to the South African Reserve Bank. The Reserve Bank, constituted under the Act, was given the sole right of issue of currency notes for a period of 25 years, and this was to be its principal function. The Act also provided that every South African Bank must hold stock in the Reserve Bank to the equivalent of 5 per cent. of its own capital, and must deposit large reserves with it. In respect to demand liabilities, 10 per cent. of the total was to be provided, and in the case of time liabilities, including interest-bearing deposits, the proportion is 3 per cent. After the first three years the proportion of reserve against demand liabilities was to be increased to 13 per cent. The Reserve Bank is not intended to compete in any manner with the commercial banks, and its dividend is limited to 10 per cent. While there is an embargo on the export of gold from South Africa, however, or so long as gold certificates are inconvertible, it may not pay a dividend of more than 6 per cent. per annum, and all excess profits during that time must be placed to a special fund for strengthening the gold reserve of the bank. When the reserve fund is equal to the paid-up capital, the net profit, after payment of 10 per cent. dividend, is to go to the Government. The note issue has to be secured by at least 40 per cent. in gold, and as to the remainder by commercial paper or trade bills, and by a first charge on all the assets of the bank. In June last an amending Act was passed providing, *inter alia*, for the extension for two years—i.e., until June, 1925—of the inconvertibility of gold certificates and the alteration (which remains in force for five years) of cover that may be held by the Reserve Bank for its note issue, British and Union Treasury Bills being allowed to be taken as security.

The two principal commercial banks in the Union—the Standard Bank of South Africa and the National Bank of South Africa—show a substantial reduction in their note circulation, the former from £4,207,800 to £722,200 and the latter from £4,426,100 to £548,300. The chairman of the Standard Bank stated at the recent meeting that the remainder of the notes is being steadily reduced as they are received for payment. The balance outstanding at June 30th next will be paid over to the Reserve Bank, which will assume liability therefor, and after that date notes in circulation appearing in the balance-sheet will represent notes issued in Rhodesia only. The past three years have been an anxious period for the business community in South Africa, and neither of the two important commercial banks has passed through unscathed. Each has suffered a substantial decline in profits, as will be seen from a table appearing later on, but the decrease shown by the Standard Bank is small in comparison with that of the National Bank, whose figures for the year ended March 31st last show a very large loss, part of which is a legacy from the “imprudent” days of the preceding year. In reviewing conditions in South Africa

in 1922-23, the chairman of the National Bank pointed out that "the settlement of the grave industrial troubles which demoralised the reef in March, 1922, was not so rapidly succeeded by prosperity as was the general expectation. On the contrary, while individual gold mines derived benefit from that settlement, the community in general which depends for its prosperity upon the principal industry of the country is still suffering from the effects of the upheaval. Large numbers of firms and individuals were unable to survive the strain, and the official record of liquidations and insolvencies bears testimony to the severity of the depression. Secondly, the fall in values generally, which, it was thought, had come fairly near to finality a year ago, continued, in many lines, to be a feature of last year's trading experience, and in consequence merchants' stock sheets disclosed further heavy writings down, which have had a serious effect upon many balance-sheets. Then, in Portuguese East Africa, where, as you know, we are very largely interested, merchants have had to suffer from the additional embarrassment occasioned by the currency deadlock, which, I am sorry to say, shows no immediate sign of disappearing." He went on to say that it was these conditions that suddenly transformed outstandings which years ago seemed to be no more than doubtful, into ascertained bad debts, and brought advances which could then be described as fair business risks into the doubtful category. The provisions considered necessary in the past year's accounts in order to replenish reserves against bad and doubtful debts, absorbed not only the whole of the reserve fund of a million sterling, but involved the writing down of the paid-up capital from £10 to £7 a share. The chairman was able to announce at the meeting that the Reserve Bank was willing to extend to the National Bank all facilities necessary for meeting its engagements and to carry on business, and that the Union Government had approved of this decision, and was prepared to afford to the Reserve Bank any support that might be required to make it effective. Thus, quite early in its career, the Central Reserve Bank has been called upon to help in the restoration of confidence. It was also announced at the meeting of the National Bank, it may be added, that the Bank of England was prepared, if necessary, to discount in London acceptances of the National Bank of South Africa.

Both the Standard Bank and the National Bank show an appreciable decline in deposits, though the drop is very much smaller in each case than it was in the preceding year. The cash item is also substantially lower in each case, but both show an increase in investments—the National from £4.4 to £7.7 millions. The latter figure includes over £5 millions in Treasury Bills. The discounts and advances of the National Bank have been reduced by £4 millions, but those of the Standard Bank show a reduction of less than £1½ millions.

Much discussion has been going on as to the rates charged by the South African banks for remittances. Lord Selborne, at the meeting of the Standard Bank, admitted that "rates have been higher during the year than we like to see them. We are anxious to see the rates reduced to the normal level, and we hope that the trend of South African trade will soon allow of this being done." The chairman of the National Bank protested against the agitation for a reduction of rates, and claimed that "it is entirely incorrect to charge the South African banks with having exacted exorbitant

rates for the transmission to this country of the proceeds of Union exports. The true position is the very opposite—viz., that it is very much to the credit of the banks that exporters did not have to pay very much higher rates than the trade situation justified."

Of the two Egyptian banks only the National Bank of Egypt issues notes, and these are controlled by a separate issue department. The note issue at the end of 1922 was £33,200,000, showing a decrease of roughly £4 millions during the year. The gold coin stood at £3,339,600, while the bulk of the balance was represented by British Treasury Bills. The following table shows the fluctuations of the note issue during the past five years:—

	Highest. £E.	Lowest. £E.
1918	46,100,000	29,200,000
1919	68,200,000	39,900,000
1920	66,000,000	39,400,000
1921	39,900,000	30,400,000
1922	37,300,000	26,300,000

The period covered was, of course, abnormal, and the trade balance, which was slightly favourable in the first two years, became excessively so in 1919-20, and then suddenly changed to a very heavy excess of imports. In 1921-22 the balance again became slightly favourable. At the meeting of the National Bank of

Egypt, the chairman stated that the cotton crop of last winter was marketed with more than usual rapidity. "Prices have again been disappointing for growers, and it is certain that the finer qualities of Sakellaridis have not obtained the same premium over American cotton as in the past. On the other hand, the lower qualities and Upper Egypt cotton have maintained their position, and during this season it has been possible to dispose of a large accumulation of low cotton which had been unsaleable for the last two or three years." Ever since its inception in 1898 the National Bank of Egypt has acted as banker to the Egyptian Government, and an increase of £7 millions shown in its total deposits in the latest balance-sheet is almost entirely due to the Government account, deposits from the general public having remained practically unchanged. The Anglo-Egyptian Bank, which is purely a British concern, established in 1864, shows a decline of over a million sterling in deposits and in advances, investments have increased by over £2½ millions, while bills receivable have been reduced by some £3½ millions. The Anglo-Egyptian Bank, 90 per cent. of whose share capital was acquired in 1920 by Barclays Bank and the Netherlands Bank of S. Africa are the only banks in the appended profits table to show an increase in profits, those of the National Bank of Egypt having dropped by over £56,000:—

1922-23.	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
Anglo-Egyptian Bank, Limited	Aug. 31 ('22)	£ 119,699	90,000	15*	£	£	£	£
Bank of British West Africa, Lim.	Mar. 31	100,574	60,000	5	22,000	7,270	429	118,883
National Bank of Egypt	Dec. 31	502,094	450,000	15	30,000	10,000	574	105,935
National Bk. of South Africa, Lim.	Mar. 31	Dr 919,659	..	..	50,000	..	2,094	558,556
Netherlands Bk. of South Africa	Dec. 31	26,753	9,600	4	15,833	50,000	311	Dr 116,457
Standard of South Africa, Lim.	Mar. 31	888,825	312,089	14	..	50,000	1,320	24,388
Total		218,255	921,688	..	Dr 904,167	112,000	68,530	1,194,118

The decline in the profits of the Bank of British West Africa was accompanied by a further reduction of 1 per cent. in the dividend. The balance-sheet showed signs of all-round contraction, but the position remains very

liquid. At the annual meeting, the chairman spoke of signs, "though not great signs," of an improvement in trade in West Africa.

AFRICAN BANKS WITH OFFICES IN LONDON.

Year.	Banks.	No. of Brnchs.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand and Money at Call.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	2	90	2,005,800	12.0	1,081,300	6.5	10,408,600	62.4	16,672,400	9,887,700	23.3	1,582,300	9.5	0,920,700	65.4
1900..	5	165	4,684,000	13.3	1,852,200	5.2	24,424,900	69.0	35,306,900	11,511,900	32.6	4,092,200	11.6	118,559,700	52.5
1905..	8	363	8,480,500	13.4	2,038,000	3.2	45,858,400	71.2	64,277,900	16,206,600	25.1	8,805,700	13.4	36,549,000	56.8
1910..	9	444	8,289,700	13.4	2,035,300	3.3	43,628,800	71.2	61,144,200	17,755,900	29.0	6,374,400	10.4	30,509,200	49.9
1913..	7	492	8,556,100	12.8	2,387,100	3.4	49,130,700	70.5	69,634,300	14,578,800	21.0	5,085,600	7.8	41,751,600	60.0
1914..	7	502	8,935,075	12.3	2,348,113	3.2	50,145,773	70.2	71,258,938	15,693,005	22.0	5,170,950	7.3	41,670,760	58.5
1915..	6	488	8,709,895	12.0	2,619,300	3.6	58,140,570	73.6	72,214,499	19,919,487	27.5	5,912,468	8.2	38,944,792	53.8
1916..	7	547	14,117,683	13.9	2,798,584	2.7	73,560,990	72.2	101,850,210	30,369,809	30.0	14,494,301	14.2	57,253,126	56.3
1917..	7	583	14,503,493	11.9	3,796,769	3.1	90,325,713	74.2	122,199,396	23,793,758	19.5	18,849,944	15.5	68,344,346	56.1
1918..	7	704	15,023,804	10.4	5,106,119	3.5	108,783,064	75.0	145,190,299	28,384,561	19.5	19,856,968	13.6	84,415,701	58.0
1919..	7	790	15,795,555	8.4	6,689,531	3.5	143,161,850	76.0	188,192,568	33,665,999	17.8	27,650,096	14.6	108,133,879	57.3
1920..	7	873	17,046,427	8.8	8,988,619	3.6	189,892,101	76.0	249,256,327	46,066,481	18.5	37,267,885	14.9	139,946,510	56.0
1921..	6	979	17,975,721	8.5	9,244,449	4.4	151,698,145	71.8	211,874,720	35,568,723	16.2	20,852,477	9.9	126,626,573	60.0
1922..	6	899	17,620,100	9.7	8,706,569	4.8	128,532,959	71.0	180,687,942	27,851,939	20.9	19,877,552	10.7	99,519,141	55.0
1923..	6	857	16,684,960	9.7	1,281,777	0.7	127,608,097	74.3	171,330,264	29,845,362	17.2	29,847,989	17.4	91,226,581	53.3

AUSTRALASIAN BANKS.

SINCE 1911 the notes of the ordinary banks in circulation in Australia have been in course of withdrawal and up to date a total of £3,511,200 has been withdrawn, leaving only £207,300 in circulation. In 1920 legislation was introduced by the Commonwealth Government to compel the Australian banks (with the exception of the Commonwealth Bank of Australia) to hold a proportion of their deposits in Australian notes, the administration of which was transferred from the Treasury to a Note Issue Department of the Commonwealth Bank. The

Note Issue Department is managed by a board of directors composed of the governor of the bank and three other directors appointed by the Government. Every bank other than the Commonwealth Bank is compelled to hold in the form of Australian notes an amount not less than 20 per cent. of the deposits which it holds, repayable at call or less than six months' notice, and 10 per cent. of deposits it holds repayable at six months' or longer notice. As the word "deposits" is not defined, it would appear to include deposits in London or elsewhere outside Australia, as well as those within Aus-

tralia. The board of the Commonwealth Bank is required to hold not less than one-fourth of the amount of notes outstanding in gold coin and bullion, and is empowered to invest the remainder or any part thereof (a) on deposit with any other bank, or (b) in securities of the United Kingdom, or of the Commonwealth or of a State, or (c) in the ordinary business of the bank. The power conferred upon the Commonwealth Bank by clause (c) was a new departure. Power is reserved to the Governor-General of the Commonwealth to transfer the control of and responsibility for the whole or part of the Australian note issue from the board of the Commonwealth Bank to the Treasury whenever in his (the Governor-General's) opinion an emergency has arisen which renders it desirable in the public interest so to do, and to retransfer the note issue to the board of the Commonwealth Bank when the emergency has ceased. Apart from the board established under this Bill, which has to do only with the note issue, the Commonwealth Bank of Australia has had no board of directors, but has been managed solely by the governor of the bank, with the assistance of the deputy-governor and the staff. It has, however, recently been proposed to appoint a board of directors. In his Budget speech at the end of July the Commonwealth Treasurer, Dr Earle Page, said: "The Government believes this to be necessary in order that continuity of policy may be assured, that the bank may function in a truly national way, and that due assistance may be afforded to the expanding primary and secondary industries of Australia."

In referring to the question of the note issue, the latest number to hand of the *Australasian Insurance and Banking Record* points out that at the outset of the war an arrangement was drawn up by which notes could be issued to the banks, if desired, against one-third gold, but since the war this arrangement appears to have lapsed. The real use to which the greater part of the increased issues of notes was put was to make advances, not to the banks, but to the State Governments for expenditure on public works. The total amount of notes outstanding at June 30th last was £52,102,200, against which assets were held consisting of £24,346,300 in gold coin, £27,017,700 in investments, £234,000 for advances to mints for purchase of bullion, and a balance of £504,000 in the Commonwealth Bank. Interest received for the twelve months ended June 30th last was £1,244,600, and there was a "net profit" of £1,072,900, which forms part of the Commonwealth revenue. Of the total Australian notes outstanding on June 30th last, £28,901,700 were held by the banks, leaving £23,200,500 in the hands of the public. The total issue shows a reduction of £1,479,800 in comparison with June 30, 1922. In the appended table of Australasian bank figures the notes shown consist very largely of New Zealand banknotes.

The figures of Australian trade for the fiscal year ended June 30th last are given by our Australian contemporary quoted above, and show that the balance of trade has once again swung round to an excess of imports. At the moment, however, Australian currency is at a slight premium in comparison with British currency:—

	(Million £'s.)		Excess of—	
	Imports.	Exports.	Imports.	Exports.
1914-15....	64.4	60.6	3.8	..
1915-16....	77.7	74.8	2.9	..
1916-17....	76.2	97.9	..	21.7
1917-18....	62.3	81.4	..	19.1
1918-19....	102.3	113.9	..	11.6
1919-20....	99.0	149.8	..	50.8
1920-21....	163.8	132.2	31.6	..
1921-22....	103.0	127.8	..	24.8
1922-23....	131.8	117.9	13.9	..

Exports have again been in excess of payments receivable by Australia, owing to the fact that payment

for the shipments of Bawra wool, which only ceased in May last, was received some years ago from the British Government. On the other hand, the Bawra distributions to woolgrowers have formed a supplementary item of payments to Australia. The excess of imports over exports for 1922-23 is a result largely of the exceptionally heavy public borrowings by the various Australian Governments and other public bodies effected in London and New York during 1921-22. The net amount of debt raised outside Australia during that period, according to the Commonwealth Year Book, was about £38½ millions, and this has meant that imports into Australia have been stimulated to a corresponding extent beyond what would have been possible on the basis of the purchasing power furnished by Australian current production and exports, after making allowance for the annual amount to be remitted for interest and business earnings on British capital invested in Australia publicly and privately. Taking this annual payment at about £25 millions, the net purchasing power of Australia, based upon exports amounting to £118 millions, would be about £93 millions, or about £39 millions less than the past financial year's imports. The effect of the £38½ millions borrowed in 1921-22 has thus been felt during the year 1922-23.

In the case of New Zealand, exports continue greatly to exceed imports, and the banks are accumulating funds in London in excess of requirements. Exporters are consequently paying higher rates of exchange than they have recently been accustomed to, but importers are enjoying much more favourable rates.

From the summary table below it will be seen that during the past 12 months the aggregate deposits of 14 Australasian banks with offices in London have increased by nearly £22½ millions, while discounts and advances have risen by over £14 millions. The increase in deposits is common to the Australian and New Zealand banks, but while the discounts and advances of the Australian banks have increased by a larger amount than that mentioned above, those of the New Zealand banks have dropped a little. The chairman of the Bank of New Zealand explained that this was due chiefly to repayment of the exceptional advances made to traders during the period of over-importation in 1920-21, and to the improved returns received for their produce by farming customers. He added that a considerable portion of the advances is still of a somewhat unliquid nature. "To counterbalance this, we are keeping a larger amount of our resources than usual in undoubted investments of an immediately realisable character." The increase in advances shown by the Australian banks reflects the active demand for accommodation from traders and other classes in the cities as well as from country producers, while some of it is due to the larger amount of imports into Australia during 1922-23. Slightly more up-to-date figures are given by our Melbourne correspondent, who sends the following comparative summary of the averages of the ordinary banks in Australia and New Zealand (exclusive of London and other outside figures) for the quarter ended June 30th, with the previous quarter and a year ago:—

	June 30, 1922.	March 31, 1923.	June 30, 1923.
Deposits—			
Australia	£ 219,600,338	£ 232,000,840	£ 237,827,126
New Zealand	47,399,600	48,659,637	52,091,994
Total deposits	266,999,938	280,660,477	289,919,120
Advances inc. Govt. securities—			
Australia	182,758,449	197,994,984	202,514,707
New Zealand	51,977,855	48,347,815	47,523,808
Total advances	234,736,304	246,342,799	250,038,515
Cash items—			
Coin and bullion (A. and N.Z.)	27,333,068	27,287,078	27,167,147
Australian notes	25,577,119	26,353,024	25,026,558
Legal tender notes of other banks (N.Z. only)	1,109,907	501,218	418,791
Total cash	54,020,094	54,141,320	52,612,496

Out of the total increase of £22,919,882 in deposits during the year, £15,373,799 is in deposits bearing

interest. The cash items show a decrease due mainly to the contraction of the Australian note issue and the inaccessibility of gold at present for the purpose of increasing stocks held by the banks. So long as this continues it will apparently be necessary for seasonal fluctuations to be permitted in the note issue to meet the requirements of the active export season towards the end of the year.

The quarterly average return of the Commonwealth Bank of Australia shows the following items within Australia:—

1922-23.	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	£	£	£	£	£
Australian Bank of Commerce, L.	June 30	140,678	84,000	40,000	10,000	..	..	..
Bank of Adelaide, Limited	Mar. 26	94,889	67,500	20,000	..	..	6,678	137,195
Bank of Australasia	Oct. 16	620,106	520,000	100,000	..	..	7,339	92,633
Bank of New South Wales	Mar. 31	771,102	569,590	200,000	..	..	106	588,389
Bank of New Zealand	Mar. 31	553,639	412,500	150,000	..	..	1,512	708,619
Bank of Victoria, Limited	June 30	183,706	133,020	50,000	..	..	8,861	682,043
Commercial Bk of Australia, Lim	June 30	234,419	136,776	85,066	10,000	..	2,314	179,930
Com. Banking Co. of Sydney	June 30	422,068	200,000	120,000	..	..	2,577	228,031
English, Scottish, and Australian	June 30 '22	345,475	191,989	193,993	..	..	2,068	397,885
National Bk. of Australasia, Lim	Mar. 31	442,178	272,500	117,097	40,000	15,000	4,490	267,975
National Bk. of New Zealand, Lim	Mar. 31	228,747	172,700	10,000	20,000	..	12,531	350,168
Queensland National Bank, Lim	June 30	149,351	100,000	40,000	..	..	3,447	212,726
Royal Bank of Australia, Limited	Mar. 31	119,305	75,000	40,000	..	..	9,351	128,819
Union Bank of Australia, Lim	Feb. 28	552,894	450,000	100,000	..	..	4,305	116,938
Total		4,358,557	3,425,575	1,266,159	80,000	40,600	46,223	4,627,652

* Free of tax.

The substantial increases shown in profits in most cases serves somewhat to strengthen the plea made in these columns more than twelve months ago for reduction in the rates of remittances. In only one instance are net profits lower than they were in the preceding year, those of the Bank of New Zealand having dropped by nearly £130,000. This was a result largely

of a decline in interest consequent on the reduction in advances within the Dominion, referred to above. The only change in dividend rates is an addition of 1 per cent. by the Union Bank of Australia. Two of the Australian banks—the Commercial Banking Company of Sydney and the Queensland National Bank—are taking steps to increase their capital owing to the expansion of business.

AUSTRALASIAN BANKS WITH LONDON OFFICES.

Year.	Banks.	No. of Brnchs.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand and Money at Call and Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	19	1,538	24,424,100	13.2	4,821,800	2.6	188,065,900	74.7	184,931,200	26,919,000	14.6	6,808,100	3.7	145,535,900	78.7
1900..	16	1,338	30,307,100	13.1	4,348,700	2.8	107,409,600	68.4	157,299,600	39,165,500	21.1	12,831,900	8.2	102,820,200	65.3
1905..	16	1,456	27,945,400	17.6	4,247,500	2.7	119,619,900	71.7	166,453,600	48,321,400	26.9	12,534,100	7.5	103,391,100	64.2
1910..	17	1,965	38,612,300	16.3	5,198,100	2.4	152,385,400	71.9	212,615,300	54,575,000	25.8	17,105,000	8.1	132,955,900	62.5
1913..	17	2,186	38,338,700	16.8	2,092,900	0.9	170,256,600	72.6	234,100,000	66,888,400	28.8	13,687,600	5.8	146,237,600	63.5
1914..	18	2,278	42,272,449	16.6	2,040,542	0.8	185,238,186	73.9	254,388,801	73,909,526	29.0	19,406,361	7.6	153,450,598	60.5
1915..	18	2,294	43,470,875	16.6	3,187,696	1.2	192,079,083	73.1	262,167,311	79,197,043	30.1	22,208,945	8.5	153,402,635	58.3
1916..	18	2,297	44,004,748	16.8	3,640,936	1.3	199,115,161	71.3	279,112,667	73,999,234	26.1	29,359,730	10.5	167,071,064	60.0
1917..	17	2,259	44,626,507	16.6	5,867,245	1.9	209,781,668	73.0	286,798,212	78,724,117	27.4	36,863,156	12.8	162,468,312	58.4
1918..	17	2,236	45,340,848	14.5	6,624,311	2.1	229,819,071	73.5	312,496,435	73,444,434	25.4	46,950,137	15.0	177,398,316	56.9
1919..	16	2,306	46,908,553	14.0	7,564,883	2.3	245,068,552	73.5	334,012,342	72,019,515	21.6	43,941,932	13.2	208,944,051	63.8
1920..	16	2,398	51,248,171	14.1	8,511,692	2.2	281,477,007	73.4	383,470,259	88,158,690	23.2	68,431,168	17.8	214,736,390	56.0
1921..	15	2,364	53,931,389	13.4	7,854,756	2.1	278,364,790	71.8	331,546,279	81,024,813	21.3	39,911,344	10.5	251,737,900	66.0
1922..	14	2,495	58,731,923	15.3	8,029,220	2.1	278,162,328	72.5	384,676,016	89,307,562	23.3	83,400,133	10.0	247,031,583	64.3
1923..	14	2,585	61,593,404	15.3	7,928,290	2.0	296,565,646	73.4	404,606,678	85,877,406	21.2	46,722,824	11.6	261,325,689	64.9

CANADIAN BANKS.

THE past year has been a period of peculiar interest for Canadian banking. The Bank Act came up for its decennial revision, and the task of such revision became a subject of widespread public controversy, owing to certain untoward events which have recently taken place, and have caused uneasiness in the minds of the Canadian people as regards their banking system. There was, in fact, an epidemic of serious banking losses. Following on the failure of the Merchants' Bank in the first half of 1922, serious losses were disclosed by the Union Bank, which were met by drastic readjustment. Smaller concerns, such as the Home Bank, the Standard Bank, and the Bank of Hamilton, and some others, found themselves face to face with serious difficulties, and either went under, or, as in the case of the last named, sought safety in amalgamation with stronger concerns. Thus public disquietude was aroused, and the proceedings of the Committee which

investigated the question of the Bank Act Revision were the cynosure of all eyes. In the end, however, the new Bank Act, which was passed at the end of the summer, made no startling innovations.

Canadian banks operate under charters, which lapse every ten years—a provision which necessitates the passing every decade of a new Bank Act, and affords opportunity for amendment of Banking law in the light of accumulating experience and proved national needs. The chief features of the system in force lend themselves to brief summary. Banking in Canada is not a monopoly, but anyone who wishes to open a bank is subject to certain restrictions, the chief of which is that the minimum capital must be \$500,000, of which half is paid up. This minimum is intended to be a guarantee that those embarking on a banking venture are of a *bonâ-fide* character, and it cannot be regarded as too high, since the permission to conduct a banking

business carries with it the privilege of issuing banknotes which have not the specific backing of Government credit. A further provision, calculated to restrain the financing of rash and unsound banking ventures, is that shareholders in Canadian banks are subject to a double liability. A clause of the Bank Act says:—"In the event of the property and assets of the bank being insufficient to pay its debts and liabilities, each shareholder of the bank shall be liable for the deficiency to an amount equal to the par value of the shares held by him, in addition to any amount not paid up on such shares." This provision, apart from being, as we have said, some check on haphazard financing, is also some safeguard to depositors and other creditors. Further safeguard is afforded by two prohibitions, which forbid the lending of money on the security of real estate, or on that of the capital stock of any chartered bank. The recent unfortunate incidents should, in fact, be regarded less as revealing inherent weakness in the Canadian banking system, than as a reminder that no legislation can completely guard against unwise management in times of economic difficulty. On the other hand, it may be quoted as evidence of the success of the system that, amid all these banking troubles, the prestige of the greatest banks has been maintained unimpaired, and, as is shown in a later article, their shares have in no measure lost the confidence of the investor.

The *débâcle* referred to aroused a strong demand in certain quarters for the institution of the system of Government inspection of banks. It must, however, be regarded as very doubtful how far such inspection could be a safeguard. In past years banks have been obliged to have their accounts audited by approved auditors, selected from a list compiled by the Minister of Finance. Yet in the case of one of the recent bank collapses, the concern in question failed only a few weeks after the passing by the auditor of a happy balance-sheet, the disclosure of large profits, and the declaration of a good dividend.

In the matter of currency requirements, Canada's position is peculiar in that the demand is not steady. There is a sudden big rise in the demand for currency in the autumn, and a sudden decline in the spring. The system in force in Canada is sufficiently flexible to meet these varying demands without causing serious infla-

tion. Gold is not used as currency in Canada, the country's stock of gold being held by the Government and the banks for reserve purposes. The circulating currency consists of Dominion notes issued by the Government, and notes issued by the Chartered Banks. The latter's power of issuing banknotes is subject to four main qualifications, which may be summarised as follows:—(a) Such issues must not exceed the aggregate of "unimpaired" paid-up capital, plus the amount of Dominion notes and gold coin held on the issuing bank's behalf in the Central Gold Reserve. (b) To facilitate crop movements additional notes may be issued up to 15 per cent. of combined paid-up capital and reserve fund. Notice of intention to use this power must be given to the Finance Minister, and interest at a rate not exceeding 5 per cent. is paid by the bank for the privilege of such emergency issue. (c) No bank may pledge or hypothecate its notes. (d) Notes in smaller denominations than five dollars, or for any sum not a multiple of five dollars, may not be issued. The system so works that it is to the advantage of the banks to redeem as quickly as possible notes that are superfluous to legitimate requirements. Broadly, the system meets Canada's needs, and although, like all other banking systems, it has its imperfections, it does not lend itself to abuses. Some at least of the untoward incidents of the past year or two in the Canadian banking world would hardly have been prevented by a more rigid system. In one case, as our Ottawa correspondent shows in another column, the collapse was clearly due to a complete departure by the management from the rules of sound banking—departures which, it is as well to remember, occur from time to time in the case of smaller institutions under our own system. For the main features of the Canadian system the bankers have been able to put up a successful defence during the recent enquiry, and had little trouble in defeating proposals for the establishment of a State bank.

There are six Canadian banks with London offices, but with this group we have included the Colonial Bank, whose head office is in London, but whose main sphere of operations is in the West Indies. The profits and allocations for these seven last year are given below, with comparable figures for the profits and dividends of the previous year:—

1922-23.	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	£	£	£	£	£
Bank of Montreal	Oct. 31	951,333	731,500	14	308,400	100,000	188,567	789,959
Bank of Nova Scotia	Dec. 31	424,536	311,477	16	26,493	50,000	21,566	422,347
Canadian Bank of Commerce	Nov. 30	616,939	400,685	12	66,781	82,192	30,977	640,302
Colonial Bank	June 30	95,745	60,506	8	35,000	..	239	121,151
Dominion Bank	Dec. 31	203,536	156,000	13	..	30,000	8,586	208,252
Royal Bank of Canada	Nov. 30	791,694	571,200	14	100,000	80,000	20,494	807,567
Union Bank of Canada	Nov. 30	226,212	160,000	10	75,914	..	11,702	268,479
Total		3,809,995	2,391,368	..	612,583	342,192	118,457	3,263,056

As shown by the first column, the figures refer to varying periods, and too much should, therefore, not be made of aggregate comparisons. But the feature of the figures is that all seven maintained their dividend rates, and three increased net profits, the outstanding achievement being that of the Bank of Montreal, with an increase of nearly £220,000, and whose allocations to reserve exceeded £400,000. In a table on the next page will be found aggregate balance-sheet figures for the seven banks for a number of years, and here, again, the varying dates of balance-sheets must be remembered. One feature of that table is the tremendous expansion of the network of branches over the past dozen years. Actually in the past year there has been a decline, but in next year's table the number will probably again show increase through amalgamations which have recently taken place. The most interesting of these

amalgamations has been the absorption of the Bank of Hamilton by the Canadian Bank of Commerce, the particulars of which have been recently announced. The former had 148 branches and agencies in Canada, and the latter will thereby obtain a footing in 84 new towns. The table overleaf shows, as might be expected in a period of unsatisfactory trade, a decline in deposits, although the fall is not so large as that which took place in the previous year. Discounts and advances have also shown further contraction, while investments and cash are both higher. The ratio of cash to liabilities is higher than in any of the four preceding years. Of current banking conditions in Canada there is no need to take a gloomy view. Progress has been made with the liquidation of frozen credits. Crop reports are excellent, and American boom conditions are not without some degree of contagious effect upon economic conditions of the neighbouring Dominion.

CANADIAN BANKS WITH OFFICES IN LONDON.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand, Money at Call and Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890..	4	75	6,907,100	81.3	1,934,700	8.6	9,182,400	41.3	22,200,300	3,510,900	15.8	1,417,500	6.4	17,123,600	77.1
1900..	4	95	6,679,100	21.8	2,448,500	8.0	17,584,600	52.6	30,544,200	4,567,900	14.9	2,095,600	6.9	23,488,000	77.0
1905..	4	254	9,541,500	16.2	4,221,500	7.2	40,706,900	69.2	58,981,200	18,677,200	31.8	4,814,500	8.2	34,721,100	58.6
1910..	5	590	13,122,300	12.1	6,670,700	6.7	83,600,500	72.4	107,995,700	42,605,600	39.5	9,799,100	9.1	54,269,400	50.3
1913..	7	1,388	23,302,000	12.6	12,138,900	6.5	142,975,500	77.6	184,190,100	56,844,700	30.9	13,029,700	7.1	109,771,800	59.7
1914..	7	1,449	23,727,827	12.3	11,799,523	6.1	145,100,357	75.0	190,351,619	64,485,302	33.9	14,207,689	7.4	104,430,566	54.0
1915..	7	1,473	23,730,164	12.3	12,034,445	6.3	145,911,275	75.8	192,384,515	64,458,514	33.5	14,516,943	7.5	103,977,449	52.4
1916..	7	1,439	23,730,165	10.2	13,838,292	6.2	177,079,956	79.3	223,077,555	95,972,044	43.0	17,941,791	8.0	101,399,677	45.5
1917..	7	1,491	23,818,164	9.6	16,696,710	6.7	199,285,279	80.2	248,273,628	93,818,860	40.2	33,023,861	13.3	107,218,296	43.1
1918..	7	1,501	24,462,161	8.2	22,378,690	7.5	236,591,386	79.2	297,735,149	109,679,564	36.6	50,673,767	16.9	125,938,861	42.1
1919..	6	1,681	25,605,617	7.5	27,727,321	8.1	271,203,010	79.1	343,058,311	111,225,247	32.3	60,021,789	17.5	157,810,276	45.0
1920..	8	2,653	36,524,247	7.5	35,302,363	7.2	386,047,299	79.1	487,330,996	149,427,464	30.5	73,768,170	15.2	232,618,337	49.8
1921..	8	2,784	39,247,988	8.2	33,519,151	7.0	377,965,424	79.1	477,358,871	167,415,626	35.0	52,812,744	11.1	238,425,284	49.8
1922..	7	2,724	37,564,384	8.8	25,620,491	6.0	344,088,345	80.7	426,239,292	150,734,764	35.3	50,518,770	11.8	209,386,821	49.0
1923..	7	2,606	37,724,381	9.0	24,882,513	5.9	334,606,154	79.5	419,597,232	152,142,522	36.2	53,558,759	12.7	197,246,622	47.0

INDIAN BANKS.

THE tables given in this article refer only to the exchange banks with London offices. But these banks, important as they are, form only one part of the Indian banking system. Until two years or so ago the other main links in the system were:—(1) The three Presidency banks, (2) the Indian Joint Stock Banks, (3) private banks, and moneylenders of the bazaars; (4) savings banks. But in 1920-21 the three Presidency banks were merged into the Imperial Bank of India. The reasons for this amalgamation were mainly threefold. The three Presidency banks had common interests, and co-ordination of functions and policy were desirable. The events of recent years had brought the Government of India into closer touch with the Presidency banks, and from this point of view also unification became a desirable object. Thirdly, the need for more adequate banking facilities spread over India had become more and more insistent, and it was evident that healthy banking development could be better achieved by a consolidated bank in close touch with the Government, and with connections in London, than by the existing institutions. So the Imperial Bank was established with a London office. It was made the sole Government banker, and was also entrusted with the management of the public debt. It shouldered the obligation of creating 100 branches in various parts of India, and of these, according to latest information, 59 have already been established. It is not a State or central bank in the commonly accepted meaning of the term, and good authorities are of the opinion that the banking system of India is not yet ripe for the establishment of such an institution; but its establishment may perhaps be regarded as a stage in the evolution of Indian banking in that direction.

The new bank has not got the right of issuing notes, and the Government of India retains its control of the issue of currency. One of India's difficulties as regards the supply of currency is that the trade of the country is largely seasonal, and there arises need for very quick expansion of cash resources at certain periods. We have examined on a previous page the methods by which the banking system of Canada meets a not dissimilar seasonal requirement. Already advantage has been taken of the machinery of the Imperial Bank for devising measures for meeting emergency

demands for cash. This summer the Legislative Assembly has passed an Act, known as the Indian Paper Currency Act of 1923, the object of which is to provide facilities for making additional currency available at times of genuine seasonal demand, and for automatically retiring it when the demand ceases. This legislation enables the Government of India to lend from the Paper Currency Reserve to the Imperial Bank, with the object of increasing its cash resources during the period when cash reserves tend to be reduced by special legitimate trade demand for currency, arrangements being made that as the additional rupee currency returns to the Imperial Bank, it is retired, and does not become a permanent addition to the circulation. It may, therefore, be claimed that in the past year or two a definite progress has been made in developing the Indian banking and currency system in the direction of meeting the proved needs of the country.

The latest report of the Imperial Bank of India, for the half-year ended June 30th last, shows net profits of Rs. 76,01,175, as compared with Rs. 63,52,241 in the corresponding period of 1922. The dividend of 16 per cent. was maintained. By way of comment on the half-year's operations, the directors state that the bank's funds were fully invested through the half-year, money having been in strong demand, for financing the cotton, rice, and other crops, which last season were good. The arrangements referred to above for augmentation of available currency supply during a period of stress were experimented with, and were apparently successful. In reference to the disturbance caused by the failure of the Alliance Bank of Simla, the directors of the Imperial Bank say: "Owing chiefly to the action taken by this bank, normal conditions were soon restored." Altogether the new consolidated bank appears already to be proving its usefulness in the Indian financial system.

The main function of the Exchange banks is the finance of the trade of the great ports. The accounts of these banks for the year 1922, as summarised below, show an aggregate fall of about £38,000, but in the case of all four the dividend rates of the previous year were maintained. The following table gives comparative figures of dividends and profits for 1922 and 1921, and details of 1922 appropriations:—

1922-23.	Year Ended.	Net Profit.	Dividend.	To Reserve &c.	Premises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	£	£	£	£	£
Chartered of India, Aust., & China	Dec. 31	789,531	607,500	100,000	50,000	25,000	7,031	788,079
Eastern Bank, Limited.....	Dec. 31	120,320	90,000	20,000	10,000	..	320	144,171
Mercantile Bank of India, Lim	Dec. 31	267,434	168,000	50,000	20,000	15,000	14,434	263,033
National Bank of India, Limited	Dec. 31	535,160	400,000	100,000	20,000	20,000	4,840	555,068
Total		1,712,445	1,265,500	270,000	100,000	60,000	16,945	1,750,346

* Free of tax.

The large table appended to this article gives evidence of contraction, due to the state of trade. Adverse trade factors were mainly external. The early part of 1922 saw striking trade improvement, a good monsoon was enjoyed, and up to the middle of the year optimism was rampant. But the pressure of external circumstances then asserted itself, and the effects of Europe's troubles were reflected, and this factor was re-inforced by an epidemic of crisis following on over-speculation, while the business community were further disturbed by the report of the Fiscal Commission. In its factors affecting banking business, therefore, the year, which began so strikingly well, turned out in the end to be disappointing. Two events illustrating the banking difficulties, which arose out of last year's disappointing change-over of the trade position, came to light in the present year. One was the failure of the Alliance Bank of Simla, and the other the absorption of the Tata Industrial Bank by the Central Bank of India. For the latter development the public were somewhat prepared by the report of the Tata Bank for 1922, which announced the passing of the dividend, and the transference of the major part of its industrial interests to a separate concern. Nor was the collapse of the Alliance Bank of Simla a great surprise; indeed, it might have been better had the bank frankly faced the facts of its position in the previous autumn. The liquidation of the Alliance Bank was

undertaken by the Imperial Bank. These banking troubles, paralleled by similar occurrences in Canada and elsewhere, afford a reminder of the world-wide effect on banking of difficult economic conditions—conditions which may in some cases be more clearly reflected in the reports and accounts for the current year than in those for 1922. Features to be noted in the appended table are the contraction in deposits and discounts and advances, and the rise in investments. All these movements continue the trend shown in the previous year. As compared with two years ago, the deposits of the four banks fell from £118 millions to £93 millions, and discounts and advances from £108 millions to £75 millions, while investments rose from £10 millions to nearly £28 millions. The two latter movements reveal a lack of demand for banking credit on the part of trade and industry, which caused the banks to employ a larger part of their funds in the purchase of investment stocks. If the experience of the Imperial Bank, referred to above, has been shared by the exchange banks, the early part of this year will have seen a greater demand upon the credit facilities which they have to offer. If this has been so it will accord with the expectations held out by the chairmen at the annual meetings. Monetary rates rose in the first half of this year; the Indian Bank rate was raised from 7 to 8 per cent. on January 11th, and remained at that level until May 25th, when it was reduced to 7 per cent.

INDIAN BANKS WITH OFFICES IN LONDON.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand, Money at Call and Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890..	5	50	4,347,200	12.1	1,241,000	3.4	17,964,400	50.0	36,003,400	4,321,200	12.0	2,930,500	8.1	27,541,300	76.5
1900..	5	54	3,186,800	10.5	699,800	2.3	18,084,800	58.5	30,207,600	4,704,900	15.5	2,794,600	9.2	22,147,900	72.5
1905..	4	63	3,735,100	10.6	639,100	1.8	23,473,900	66.5	35,268,500	6,507,100	18.4	3,119,500	8.8	23,631,900	69.6
1910..	5	87	6,100,000	12.9	515,600	1.1	34,547,000	72.9	47,339,600	8,312,300	17.6	4,139,400	8.7	32,101,200	67.8
1913..	6	104	7,219,100	11.5	811,273	1.3	43,470,800	69.2	62,671,800	10,922,800	17.3	4,080,600	6.5	43,745,100	69.8
1914..	5	87	6,801,125	11.3	913,341	1.5	41,494,040	68.3	60,568,684	10,058,968	16.6	4,418,116	7.3	41,310,962	68.2
1915..	5	89	7,252,278	12.2	1,043,984	1.7	42,892,465	71.9	59,791,379	13,549,144	22.6	6,677,853	11.2	35,511,553	59.5
1916..	5	91	7,323,485	11.1	1,085,514	1.6	48,782,482	73.8	66,017,462	12,512,987	18.9	8,002,065	12.1	42,085,918	63.6
1917..	4	88	7,067,980	9.5	1,123,096	1.5	54,574,879	73.0	74,600,058	13,914,932	18.6	7,138,793	9.6	49,652,081	66.8
1918..	4	88	7,232,421	8.5	1,053,421	1.2	67,589,786	79.0	85,496,536	20,522,964	24.0	7,776,811	9.1	52,753,685	61.8
1919..	4	88	8,502,500	8.0	1,698,651	1.6	81,722,355	76.4	106,655,900	17,201,525	16.2	8,985,337	8.4	76,538,126	71.8
1920..	4	93	10,844,649	6.7	1,943,595	1.1	122,696,907	75.7	162,191,567	32,757,956	20.2	13,471,630	8.3	107,117,466	66.0
1921..	4	94	14,171,476	8.9	2,995,124	1.9	118,362,589	74.1	159,492,420	28,521,284	17.9	10,424,084	6.5	108,740,228	68.0
1922..	4	94	14,565,844	11.1	2,211,811	1.7	95,872,984	73.1	130,327,461	19,217,307	14.7	19,362,627	14.8	82,457,535	63.1
1923..	4	97	14,850,000	11.7	2,354,045	1.9	93,221,399	73.5	126,410,917	15,600,241	12.3	27,936,054	22.0	75,787,137	59.8

BANK SHARES.

WHILE the banking year at home has been free from peculiar anxiety, less satisfactory conditions have had to be faced by many of the banks operating in overseas countries, whose profits, dividends, and share quotations are set out below. In India, trade depression and political unrest have combined. In Canada several of the smaller banks have found themselves in serious difficulty, and the investigations of their affairs have succeeded in creating uneasiness among the public of the Dominion as regards the banking situation in general—an uneasiness clearly reflected in the controversy over the decennial revision of the Canadian Bank Act. In South Africa one of the two leading banks has recorded a very large loss, and the other a substantial fall in profits. Banks operating in South America have clearly felt the pressure of trade stagnation. By comparison, the progress of the Australian banks seems to have been placid and undisturbed. In the following table we show the profits and dividends of some of the more important colonial and foreign banks whose balance-sheets are set out elsewhere in this issue:—

Name of Bank.	Year Ended.	Whole Year's Net Profits and Dividends.				
		1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Bank of Australia	Oct. 10	£ 460,768	£ 573,051	£ 588,389	£ 620,105	£ ..
B'k of N. Zealand	Mar. 31	18 %	13 %	13 %	13 %	553,639
Bank of New South Wales	Mar. 31	438,021	469,045	827,255	682,043	..
English, Scottish, and Australian	June 30	15 %	17 %	13 %	13 %	771,102
National Bank of Australasia	Mar. 31	452,970	636,644	10 %	10 %	..
National Bank of New Zealand	Mar. 31	133,179	170,179	267,975	345,175	442,178
Union Bank of Australia	Mar. 31	10 %	10 %	10 %	10 %	10 %
Chartered Bank of India	Dec. 31	235,194	299,781	336,610	350,168	228,747
Eastern Bank ..	Dec. 31	7 %	8 %	9 %	10 %	14 %
Bank of Montreal	Oct. 31	186,882	256,299	326,822	212,726	552,894
Canadian Bank of Commerce	Nov. 30	13 %	14 %	14 %	14 %	..
Royal Bank of Canada	Nov. 30	359,321	458,102	516,341	536,261	..
Union Bank of Canada	Nov. 30	14 %	15 %	15 %	15 %	..
Colonial Bank ..	June 30	403,222	447,347	676,771	780,069	203,531
Hong Kong and Shanghai	Dec. 31	20 %	20 %	20 %	20 %	120,321
		68,888	102,645	121,353	144,171	9 %
		7 %	8 %	8 %	9 %	..
		662,847	806,799	789,959	951,331	..
		12 %	14 %	14 %	14 %	..
		631,827	673,355	640,302	616,939	..
		12 %	13 %	13 %	13 %	..
		684,553	850,730	807,567	791,694	..
		14 %	14 %	14 %	14 %	..
		186,451	320,765	268,478	225,212	..
		10 %	12 %	10 %	10 %	95,745
		115,091	175,236	155,837	121,151	8 %
		9 %	10 %	10 %	10 %	..
		£6,597,183	£1,687,164	£1,448,942	£1,397,751	£1,293,404
		£5 % p.s.	£8 p.s.	£8 p.s.	£8 p.s.	£8 p.s.

Name of Bank.	Year Ended.	Whole Year's Net Profits and Dividends.				
		1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Imperial Bank of Persia	Sept. 20	£ 75,421	£ 76,242	£ 82,904	£ 86,766	£ ..
National Bank of India	Dec. 31	8/ p.a.†	8/ p.a.†	8/ p.a.†	9/ p.a.†	535,160
Anglo-South American	June 30	511,980	949,156	693,175	614,138	436,256
London and Brazilian	Jan. 31	15 %	25 %	15 %	12 %	10 %
Bank of British West Africa	Mar. 31	307,172	343,061	286,028	211,975	41,353
National Bank of South Africa	Mar. 31	18 %	18 %	18 %	14 %	10 %
Standard Bank of South Africa	Dec. 31	83,767	125,147	139,803	105,935	100,574
		9 %	10 %	8 %	6 %	5 %
		437,871	515,478	538,881	Dr 116,457	Dr 919,689
		7 %	8 %	8 %	4 %	4 %
		540,358	634,075	759,377 (1)	502,313	388,825
		16 1/2 %	16 1/2 %	16 1/2 %	16 1/2 %	14 %

† Free of income-tax. (1) Accounts for 15 months to March 31, 1921.

In reading this list it must be remembered that the difficulties referred to above have not in some cases had time to be reflected fully in the latest available accounts. So far as the above figures go—and they are taken, as will be seen, from the latest reports of the various banks, issued at a variety of dates, and covering a variety of periods—the general showing is not unsatisfactory. In fact, the only reductions in dividend rates are those recorded in the case of the South African banks mentioned above, and the two South American institutions, the Anglo-South and the London and Brazilian.

It must be remembered that developments occurring after the appearance of the latest reports are, in a number of cases, reflected in the movements of share quotations which we give in the following table:—

Share.	Am't of Share.	Paid up.	Price July 30, 1914.	Price Sept. 29, 1922.	Price Sept. 28, 1923.	Yield %
Bank of England	Stock	£ 100	247 1/2	230	256 1/2	4 1/2
Barclays "A"	4	1	..	7 1/2	8 1/2	4 1/2
Do "B"	1	..	..	2 1/2	2 1/2	5 1/2
Lloyds	5	1	..	2 1/2	3	5 1/2
London Joint City & Midland	12 1/2	2 1/2	..	8 1/2	8 1/2	5 1/2
Nat. Prov. & Union of Eng.	20	4	..	10 1/2	11 1/2	5 1/2
Westminster	20	5	..	17 1/2	17 1/2	5 1/2
Bank of Australasia	5	5	118 1/2 (k)	12 1/2	13 1/2	4 1/2
Bank of New Zealand	1	1	103 (b)	2 1/2	2 1/2	4 1/2
Bank of New South Wales	20	20	43 1/2	34	40	5 1/2
English, Scottish, & Austr'n.	5	2 1/2	19 1/2 (f)	22 1/2 (f)	5 1/2	4 1/2
National Bk. of Australasia	8	5	6 1/2	7 1/2	8	6 1/2
National Bk. of N. Zealand	7 1/2	2 1/2	5 1/2	6 1/2	6 1/2	5 1/2
Union Bank of Australia	15	5	..	13 1/2	15	5 1/2
Bank of Montreal	\$100	\$100	..	\$50	\$50	5 1/2
Canadian Bk. of Commerce	\$100	\$100	..	\$42	\$41 1/2	5 1/2
Royal Bank of Canada	\$100	\$100	..	\$44 1/2	\$46 1/2	6 1/2
Union Bank of Canada	\$100	\$100	..	\$29	\$23	8 1/2
Colonial Bank	20	6	5 1/2	6 1/2	6 1/2	7 1/2
Chartered Bank of India, &c.	5	5	65 (t)	17 1/2	19	5 1/2
Eastern	10	5	5 (c)	5 1/2	5 1/2	5 1/2
Hongkong and Shanghai	\$125	\$125	\$80	\$115	\$124	6 1/2
Imperial Bank of Persia	25	6 1/2	7 1/2	6	6 1/2	6 1/2
National Bank of India	64	12 1/2	41	41 1/2	41 1/2	5 1/2
Anglo-South American	10	5	7 1/2	9 1/2	7 1/2	5 1/2
London and Brazilian Bank	20	10	29 1/2	19 1/2	18	5 1/2
Bank of British West Africa	10	4	7	5	4 1/2	4 1/2
National Bank of S. Africa	10	10	11 1/2	10 1/2	6	Nil
Standard Bank of S. Africa	20	5	11 1/2	11 1/2	11 1/2	6 1/2

† Free of tax. (b) £64 shares fully paid. (c) £10 with 24 paid. (k) £40 fully paid shares. (t) £20 shares fully paid. (f) £25 shares with £12 1/2 paid.

As compared with a year ago, Australian shares, like the English, are all higher. With the exception of the Union Bank of Canada (whose shares fell heavily on news of losses, but recovered a good deal on the announcement of bold steps by the directors to meet the situation), the Canadian shares show a firmness which is very satisfactory, in view of certain circumstances referred to above. This firmness

indicates that the market recognises the solidity of the biggest Canadian banks to be unaffected by the troubles of their smaller confrères. Similarly, the Eastern group show an advance on the quotations of a year ago. The Anglo-South American and the London Brazilian shares have each lost about 1 1/2 points, but Standard of South Africa have only fallen about 1/2 a point, and the only really big decline in the whole list is that suffered by the shares of the National of South Africa. On the whole, the above record is evidence of market confidence.

It will be observed that the yields offered by the best bank shares, both British and colonial, now run from about 5 per cent. to 5 1/2 per cent. In the case of the English banks, the decline in the yields offered has been similar in trend over a two-year period to that of first-class gilt-edged securities. This point is illustrated below:—

	Yield per Cent.		
	1921.	1922.	1923.
Bank of England	5 1/2	5	4 1/2
Barclays "A"	6 1/2	5 1/2	4 1/2
Barclays "B"	6 1/2	5 1/2	5 1/2
Lloyds	6 1/2	5 1/2	5 1/2
London Joint City and Midland	6 1/2	5 1/2	5 1/2
National Provincial and Union	7 1/2	6	5 1/2
Westminster	7 1/2	5 1/2	5 1/2
Consols	5 1/2	4 1/2	4 1/2
5% War Loan	5 1/2	5	5

But while the yield on War Loan, for instance, is now the same as a year ago, the yield on bank shares has continued to move downwards in the past twelve months.

Two factors which have in the past, more than the present, restricted the popularity of bank shares are the large denominations of shares and the existence of liability. The progress made in recent years with splitting shares into small denominations without liability has slightly increased the attention paid by the public to the market, but not so greatly as was hoped. Below we set out a table showing a number of bank shares on which the liability is either small or non-existent:—

Bank.	Denom-ination.	Am't Paid Up	Price Sept. 30, 1921.	Price Sept. 29, 1922.	Price Sept. 28, 1923.	Yield %
Anglo-South American	£	£ 5	8 1/2	9 1/2	7 1/2	5 1/2
Australian Bank of Commerce	1	1	1 1/2	1 1/2	1 1/2	5 1/2
Bank of New Zealand	1	1	2 1/2	2 1/2	2 1/2	5 1/2
Barclays "A"	4	4	6 1/2	7 1/2	8 1/2	4 1/2
Do "B"	1	1	2 1/2	2 1/2	2 1/2	5 1/2
British Overseas, "A," ord.	5	5	5 1/2	5 1/2	5 1/2	5 1/2
Lloyds	5	1	2 1/2	2 1/2	2 1/2	5 1/2
London Joint City & Midland	2 1/2	2 1/2	7 1/2	8 1/2	9 1/2	4 1/2
Manchester and Leinster	5	2	5 1/2	6 1/2	7 1/2	5 1/2
National Bank of S. Africa	10	10	10 1/2	10 1/2	6	Nil
Westminster	1	1	2 1/2	2 1/2	2 1/2	4 1/2
Williams, Deacon's, "A"	5	1	1 1/2	1 1/2	1 1/2	5 1/2
Do "B"	1	1	1 1/2	1 1/2	1 1/2	5 1/2

In the case of shares of the English "big-five," the existence of "callable" liability need not be taken too seriously by investors. But in the case of overseas banks, investors need to look into the question of liability carefully. For instance, the Canadian Bank shares have a double liability, callable and reserve, which means not only that the amount not paid up is liable to be called, but also that in a liquidation the shareholder is liable for the nominal amount of one share. When intending a purchase of an overseas bank share, investors should therefore find out before purchase exactly how they stand in this matter.

FOREIGN BANKS WITH LONDON OFFICES, AND BRITISH BANKS TRADING WITH FOREIGN COUNTRIES.

For the purposes of our annual review, banks with offices both in London and in foreign countries are considered together, although they include two distinctly different types of banks. Firstly, there are British companies with offices in London and abroad, and, secondly, there are those foreign institutions which have branches in London. English joint stock banks, which have subsidiary concerns abroad, do not come within the scope of this survey.

First for notice comes the little group of purely

British overseas banking companies, which have either been established or strengthened within the last few years as a result of a more intensive overseas trade development policy. Most of these undertakings are rendering good account of themselves, and may be said to have justified their existence. It is perhaps only natural to find that this little group, as a whole, shows signs of being affected by the industrial depression. But there are a few exceptions. The most striking increase in our table is that of the P. and O. Banking Cor-

poration. It may be recalled that this bank is affiliated with the Allahabad Bank; it also announces that branches have been opened in Shanghai and Colombo. The British Italian Corporation makes excellent headway, and the British Overseas Bank is apparently developing its discount and advance business. The position of the British Trade Corporation is

not as happy as it might be. The profit for the year 1922 is given as £39,412, which compares with £104,103 for 1921 before bad debts had been written off, and £119,309 for 1920; deposits are £235,100 lower, and acceptances £273,800 lower on the year's trading. The figures for Hambro's reflect the financial troubles in Norway and elsewhere.

	Capital and Reserves.		Deposits.		Cash.		Investments.		Discounts and Advances.	
	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.
British Bank for Foreign Trade	£ 240,000	£ 240,000	£ 541,082	£ 231,276	£ 100,909	£ 82,499	£ 437,032	£ 129,914	£ 244,812	£ 256,106
British Italian Corporation	1,233,418	1,233,418	968,704	1,336,636	760,394	745,913	149,470	174,111	764,430	1,678,021
British Overseas Bank	2,010,000	2,020,000	1,793,941	1,511,511	3,062,570	1,908,581	65,278	378,523	445,092	1,011,480
British Trade Corporation	2,000,000	1,439,569	1,460,064	1,224,951	571,996	463,419	1,003,245	1,040,697	1,640,292	1,144,678
Hambro's Bank	2,050,000	2,050,000	15,169,333	13,513,195	3,075,969	3,144,661	5,857,174	4,850,598	8,140,603	7,456,487
P. and O. Banking Corporation	2,684,160	2,709,160	6,316,980	10,360,705	2,318,796	4,892,617	863,863	1,593,408	7,204,922	12,015,479
	10,217,578	9,752,147	26,250,054	28,178,274	10,490,634	11,237,720	8,376,069	8,175,251	18,438,151	23,562,201

This year the table of Continental banks with branches in London has been omitted. This is on account of the fluctuations in exchange rates which render the figures almost valueless when converted into sterling. When the exchanges become more stabilised it may be possible to devise a fresh table of comparative values, which will interest our readers. The detailed balance-sheets, however, of all the leading Continental banking institutions will be found on the later pages of this issue in their respective currencies. The figures of the Crédit Lyonnais illustrate the trend of expansion in France. Deposits which in December, 1921, were just over 4,500 million francs by December, 1922, grew to 4,984 millions. Bills receivable, including French Treasury bills, increased from 3,791 millions to 4,096 millions, while loans totalled 216 millions in December, 1922, as against 164 1/2 millions for the previous year. The Société de Crédit Industriel gives its balance-sheet and accounts in sterling taken at 25 to the pound. Deposits now reach over £20 1/2 millions, as against approximately £30 millions for the previous year. The Banque Française pour le Commerce et l'Industrie has been merged into the Banque Nationale de Crédit. This latter institution continues to expand. Deposits for 1922 were 2,440 million francs, as against 2,103 for 1921. It may be recalled that this concern—comparatively a newcomer—was established in 1913 to take over the French business of the Comptoir d'Escompte de Mulhouse, in 1919 absorbing the Banque de Metz; it has now 422 offices. The Société Générale pour Favoriser, &c., continues to develop in a very satisfactory manner, and its activities in assisting French industry may be judged from the long list of issues given in the report in which this great banking undertaking was interested; current accounts have increased from 1,148 1/2 million francs to nearly 1,233 1/2 millions, and the reserve appears as well over 54 1/2 millions. We have often remarked upon the activities of the Comptoir d'Escompte de Paris. This undertaking has 62 offices alone in Paris and its suburbs. In addition to this, it has branches throughout France, Madagascar, and Tunis, while its offices are also to be found in Australia, India, and Egypt.

The Banca Commerciale Italiana maintains its programme of progress. Details of the various interests of this institution were given in our banking issue of a year ago; deposits are recorded at 767 million lire, as against 790 millions for 1921. The most striking increase is that of bills receivable, which has gained 360 millions. Bills in circulation stand at 367 1/2 millions—an increase of 30 millions. The report mentions that in agreement with other banks the system of crossed cheques has been introduced into Italy. The great rival Italian concern—the Credito Italiano—has devoted its energies to consolidate its recent rapid expansion. The report states that "the work of our representative office in New York has continued to develop the programme already indicated The same may be said of the companies of representation which we have established in Paris and Berlin." Deposits of 3,923 million lire are now recorded by the Credito Italiano. A worthy representative of Swiss financial institutions is the Swiss Bank Corporation. For 1922 its profits, reckoning the franc at 25 to the pound, amounted to £421,100, which compares with £462,000 for 1921, and £469,700 for 1920. In Belgium the activity of the Crédit Industriel et Commercial calls for notice; current accounts have increased by 17 per cent., while profits have been sufficient to distribute substantial dividends. The Portuguese undertaking—Banco Nacional Ultramarino—records an increase of cash deposits from 120 1/2 million escudos to well over 156 1/2 millions, while fixed deposits moved from 88 1/2 millions to nearly 122 1/2 millions. The report and accounts of the Banque D'Athènes is always an interesting document mainly because of the useful coloured progress chart which is inserted. At its annual meeting the chairman of the Ionian Bank pointed out that the figures of the balance-sheet are strictly speaking not comparable with those of a year ago on account of the change in the method of converting the drachma. This institution now has no note issue. The Bank of Roumania shows its liquid assets and some current liabilities in Bucarest at 800 lei to the pound, a particularly praiseworthy policy.

We now come to banks operating in Asia:—

ASIATIC BANKS.

	Capital and Reserves.		Deposits.		Cash.		Investments.		Discounts, Loans, and Credits.	
	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.
Bank of Taiwan	£ 6,421,042	£ 6,466,843	£ 22,023,064	£ 22,524,087	£ 3,523,308	£ 3,146,489	£ 7,380,361	£ 6,323,076	£ 50,409,934	£ 55,634,521
Imperial Bank of Persia	960,000	990,000	2,805,375	3,996,064	3,055,205	2,744,508	1,493,173	1,810,897	2,567,874	1,746,551
Imperial Ottoman	6,250,000	6,250,000	18,116,955	13,187,206	8,336,986	5,444,068	2,612,297	4,809,091	15,220,523	9,133,138
Hong Kong and Shanghai	9,974,120	9,376,803	62,112,560	55,988,984	13,865,021	9,901,731	12,333,666	11,481,745	26,101,222	25,464,492
Sumitomo Bank	7,020,000	7,810,000	36,977,632	33,391,045	3,446,557	4,888,856	7,569,396	6,784,772	35,645,099	30,702,680
Yokohama Specie	16,315,364	16,713,664	50,844,169	47,861,646	10,932,898	8,644,615	15,931,604	19,933,568	25,651,217	25,912,058
	46,940,526	47,106,810	192,679,755	176,449,332	42,659,925	34,765,260	47,926,297	50,643,134	155,595,869	148,653,430

In 1912 banks in Japan numbered 2,161. Since then the Government has been encouraging amalgamations for the sake of greater security. As a result, the number decreased year by year, and in December last the total was 2,001, and the total nominal capital amounted to 2,805,210,000 yen (1,862,210,000 yen paid up). While the number of banks had decreased by 160 since 1912, the capital showed an increase by about three and a-half times. The reduction of numbers was aided by the after-war slump, and in 1922 alone there was a decrease of 58. The Japanese banks in our list are, of course, only those with offices in London. As will be observed, the Bank of Taiwan dominates the group for discounts and credits. But the Yokohama Specie Bank leads with deposits. The Sumitomo Bank—an Osaka undertaking—is slightly down on its year's figures. This concern has affiliated banks in Seattle and Honolulu. British banking activity in the Far East is well represented by the Hong Kong and Shanghai. The chairman of this institution, at the

annual meeting in February last, said, in reference to its balance-sheet:—"We are confronted with the usual difficulty in making comparisons with the previous year, owing to the rate of exchange being about 16 per cent. higher at the end of 1921 than it was last December. Several encouraging features may, however, be noticed. Our cash and bullion is considerably lower, and our bills discounted and loans are considerably higher than the previous year, as are our acceptances on account of constituents. All these are indications of more activity in trade. Our silver deposits have shown a normal expansion, while, on the other hand, our holdings of British Government Treasury bills show a substantial decrease—I hope it will not be long before we are relieved of the necessity of using that method of employing our funds. All losses made or ascertained during the year have been fully provided for out of current profits, and the margin between the market value of our gold securities and the prices at which they stand in our books has materially increased in the same period."

SOUTH AMERICAN BANKS.

	Capital and Reserves.		Deposits.		Cash.		Investments.		Discounts and Advances.	
	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.	1921-22.	1922-23.
Anglo-South American	£ 8,550,702	£ 8,551,157	£ 46,238,712	£ 47,809,274	£ 21,859,260	£ 15,367,880	£ 10,023,884	£ 15,514,288	£ 30,216,630	£ 33,961,549
Banco Espanol del Rio de la Plata	13,089,813	13,095,237	47,392,618	46,486,887	13,953,062	12,009,556	793,867	861,270	33,552,694	33,348,456
British Bank of Sth. America	2,145,901	2,153,732	12,297,649	11,492,434	5,500,228	5,230,939	..	..	16,459,824	12,216,675
Commerical Bank of Spanish America	500,000	500,000	2,874,931	2,710,102	497,018	662,085	20,795	10,695	3,109,241	2,853,775
London and Brazilian	3,000,000	3,000,000	20,030,777	19,684,399	10,360,489	9,727,940	..	..	15,064,020	15,454,120
London and River Plate	4,140,000	4,140,000	30,686,098	27,581,912	13,868,199	11,099,110	..	..	32,030,066	25,914,510
	31,426,416	31,440,126	159,520,786	155,765,005	66,038,251	54,097,510	10,838,546	16,386,258	130,432,475	128,749,078

In South America, British banking interests are well represented by the Anglo-South American Bank. Unfortunately, owing to depressed industrial conditions in the lower portion of the Western Hemisphere, profits have been on a declining scale for the last three years. Thus profits, which in the boom year 1920 amounted to £1,024,156, fell to £743,175 in 1921, £644,138 in 1922, while for the year ended June 30, 1923, a profit of £436,256 is recorded. The Banco-Espanol del Rio de la Plata, in its report, observes that important firms who make use of its credit facilities are only prepared

to pay a low rate of interest, but proportionate reduction in interest on deposits has not been taken.

Throughout Brazil the number of National and foreign banks, including head offices and branches, exceeds 170, of which approximately 40 are British establishments. In the Federal capital there are more than 40 different banks, and here it is observed that the general movement is fairly evenly divided between the National and foreign institutions. It will be noticed that discounts and advances of the London and Brazilian are higher, while deposits have fallen.

AMERICAN BANKING.

(BY OUR NEW YORK CORRESPONDENT.)

ONE of the outstanding features in the banking situation in the United States is that the volume of loans is much greater than it was at this time a year ago. Owing to rapidly increasing requirements of trade and industry, banks in the Federal Reserve system have been called upon to provide a large amount of additional credit, and, according to the Federal Reserve Board, the volume of member bank credit now in use has reached a new high record for this season of the year. Loans made by such institutions, mainly for industrial and commercial purposes, show an increase of approximately \$1,000,000,000. They have met the demand for credit through the addition of some \$440,000,000 to their time deposits, through an increase of a like amount in accommodation at reserve banks and through the use of imported gold. As indicated, most of the increase in loans for the year has occurred in industrial and large business centres throughout the country, but during the past month or two there has been a marked expansion in demand for credit at banks located in agricultural sections. The latter are in an exceptionally strong position, and are providing credit for crop-moving purposes by using funds secured from

liquidation of loans made earlier in the year during the growing season, by obtaining larger accommodation at the Federal Reserve Banks in the central reserve cities, and by recalling balances from their correspondents in financial centres.

Total reserves of the Federal Reserve system, as of October 3, 1923, amounted to \$3,187,990,000, or about \$25,000,000 less than at the corresponding date a year ago. Gold reserves aggregated \$3,115,830,000, representing an increase of \$26,550,000. Holdings of discounted bills of all kinds totalled \$1,054,563,000, or \$384,909,000 more than at this time in 1922. United States securities held showed a decrease of \$388,200,000, while the total bonds and notes were less by \$163,400,000, and there was a decrease of \$224,800,000 in holdings of United States Treasury certificates of indebtedness. Total deposits on October 3rd were \$1,936,237,000, an increase of \$58,500,000 approximately, while Federal Reserve notes in actual circulation aggregated \$2,272,308,000, a decrease of some \$2,300,000. From January to the middle of September of this year there was an increase of \$260,000,000 in reserve bank discounts, of which about 75 per cent. represented increased borrowings from reserve banks serving cotton and wheat districts.

Throughout the year there has been a steady increase in the demand for currency, and in recent months largely for crop-moving purposes; that demand, however, has been met chiefly by forms of currency other than Federal Reserve notes. The following table shows the amounts and various kinds of money in circulation on September 1st, as compared with September 1, 1922:—

	September 1, 1922.	September 1, 1923.	Increase (+) or Decrease (—)
Gold and guaranteed certificates	\$ 610,375,435	\$ 838,496,751	+ 228,121,316
Silver & silver certificates	564,954,874	683,446,364	+ 118,491,490
U.S. notes	285,000,737	304,576,800	+ 19,576,063
Federal Reserve notes	2,141,305,949	2,204,824,450	+ 63,518,501
Federal Reserve bank notes	60,158,812	17,612,842	— 42,545,970
National bank notes	731,711,120	728,949,604	— 2,761,516
Total	4,393,506,927	4,777,906,811	+ 384,399,884

Of the total increase in circulation indicated above, \$228,000,000, or about 60 per cent., according to the Federal Reserve Board, was in gold or gold certificates, which corresponds approximately with the net gold added to the reserves of the reserve banks, but which has gone into circulation to meet the currency demand. The large increase in silver certificates and United States notes, it is explained, is accounted for in part by the retirement of Federal Reserve Bank notes, and in larger part by the demand for currency of low denominations. The growth of Federal Reserve notes, it is pointed out, has constituted only about 17 per cent. of the total increase of money in circulation.

The combined Federal Reserve ratio of total reserves

to note and deposit liabilities now stands at 75.8 per cent., which compares with 77.4 at this time in 1922, and is only 2.1 points below the high record for the current year. The following table gives the ratios of each of the twelve Federal Reserve Banks in the central reserve cities on October 3, 1923, and October 4, 1922:—

	October 4, 1922.	October 3, 1923.
Boston	79.5	82.1
New York	80.2	82.8
Philadelphia	76.5	79.4
Cleveland	72.7	80.7
Richmond	75.3	53.7
Atlanta	78.9	53.3
Chicago	86.3	80.5
St. Louis	67.1	49.9
Minneapolis	68.9	67.5
Kansas City	64.4	60.2
Dallas	68.2	56.6
San Francisco	68.7	74.0
Total	77.4	75.8

The money situation is entirely comfortable, with no indications of stringency in any section of the country, and the outlook seems to be that rates will continue steady, though probably firm, during the remainder of this year. Call money on the Stock Exchange holds around 5 per cent., which has been the working average for a number of months. Time funds are readily obtainable at 5½ per cent. for 30 days and at 5½ per cent. for 60 and 90 days, on both mixed and all industrial collateral, most of the time loans at present being for 90 days. As for some time past, commercial paper discounts rule at 5½ per cent. for prime names and at 5½ per cent. for others, with the bulk of transactions during recent weeks at 5½ per cent.

GERMAN BANKING.

(BY OUR BERLIN CORRESPONDENT.)

CONGESTION, decline in efficiency, and ever-increasing difficulty in fulfilling its real functions, have characterised German banking in the past half-year. On the one hand the great banks, which formerly competed for and were able to turn to profit the small accounts of the non-commercial public, increasingly confine their business to commercial and industrial accounts, profit merely from these, and, even within this limited sphere, find difficulty in coping with business; on the other hand, a multitude of small banks has sprung up, attracting not only clients rejected by the big banks, but also sometimes business men who are repelled by the slow procedure of the big banks. These small banks largely flourish out of exchange business, and owing to the fact that the average citizen avoids keeping a large mark credit balance, and preserves the substance of his cash by putting it into dollars and pounds, which he changes from day to day, exchange business has largely supplanted mark deposit business. The congestion of the big banks is mainly technical, being due to the enormous volume of work created by quick mark turnovers and by swollen nominal values. The mere physical handling of the Reichsbank notes, the biggest of which to-day is worth only a shilling, has become a problem. Further, the claims of the State for assistance in taxation and exchange-control matters continue to increase. In the last year over 150 decrees or circulars appeared explaining and elaborating laws or decrees in matters concerning banking. Against the big banks many clients are in revolt. These banks charge very high rates of interest, allow low rates or none at all, make high charges for all services, sometimes in gold marks, and take two or three times longer than they took a year ago to clear cheques. Commercial and industrial associations denounce these practices as bank tyranny. The banks justify the high rates which they charge for credit by pointing out that owing to the currency depreciation the borrowers have of late enormously gained, while the new or increased fees and commissions are defended on the ground that only the very biggest accounts now pay for themselves.

The replacement of the paper mark by the proposed stable value "new mark" will, if the plan succeeds, radically change banking conditions, and will

probably lead to the disappearance of many of the new small banks. The demand for a stable unit of value has meantime led to the formation of numerous gold mark, rye, and "wertbeständig" banks. A beginning was made by the savings banks on May 1st, when they adopted a fictitious gold mark for measuring the value of paper mark deposits and withdrawals. This system has since been authorised and regulated by law, and has been adopted by the Reichsbank for part of its business, in that paper marks advances are now made only upon a gold basis. In Hamburg a gold bank, the "Deutsche Standard Bank," has been formed, mainly for foreign trade and credit purposes; and in Stuttgart a "Süddeutsche Festwert (Stable-Value) Bank" has been founded. Altogether, about 15 banks of dimensions worth mentioning have been founded, or announced, for conduct of gold mark or "stable value" business.

The annual balance-sheets and profit and loss accounts, published in July, for the calendar year 1922 show business in that year to have been entirely under the influence of the mark collapse, which took place mainly in the second six months. All totals of profits are enormously swollen, but if the decline in mark exchange—from 184 to 7.350 marks to the dollar—during the year is taken into account, profits and dividends declined. The following table is for eight large, including the four "D" banks:—

(In Millions of Marks.)

	Gross Profits.		Net Profits.		Dividends.	
	1921.	1922.	1921.	1922.	1921.	1922.
Deutsche	1,159	23,679	278	5,949	24	300
Disconto	672	13,115	220	4,782	20	250
Darmstadt and National	577	14,037	89	2,951	14	200
Dresdner	265	77	77	16	16	200
Commerz und Priv. ..	831	18,223	203	2,621	16	150
Mitteldeutsche	452	8,461	98	1,448	16	150
Berl. Handelsg.	150	2,733	33	739	12	150
	151	2,652	61	677	16	200

The cause of the rejection of small accounts by the leading banks is shown by the relative increase in cost of administration and taxes. Of six of the above banks (Handelsgesellschaft omitted), 75.7 of gross profits

were absorbed by the above two items, as against 72.5 per cent. in 1921 and 68.2 per cent. in 1920. Bank capitalisations mostly also last year underwent considerable increases and reserves large increases, but, as with all other figures, the increases did not keep pace with the currency depreciation. The position at the beginning of 1923, including reserves added from profits in 1922, was (in millions of marks):—

	Capital.	Reserves.
Deutsche	800	5,250
Disconto	900	2,627.95
Darmstädter und Nat'l. ..	600	2,000
Dresdner	550	420.5
Com. und Privat.	800	3,200
Mitteldeutsche	170	530
Berliner Handelsges.	110	490

Capital and reserves have continued to fall in their proportion to the public monies held by the banks. At the close of 1922 the six largest institutions (Handelsges. omitted) held 1,595,626 millions marks of public money against 111,275 millions at the end of 1921, 60,214 millions 1920, and 38,179 millions 1919. Liabilities at the close of 1922 of all seven banks were 27,807 per cent. of capital and reserves. Of liabilities, 72.4 per cent. were booked as "fluid in the first degree, against 63.5 a year before, while 77.1 per cent., against 72.7 per cent., were reported as "fluid in the first or second degree." In all the reports a desire appears to create reserves, sometimes concealed, as a precaution against the uncertain future. This, apart from the very large increases in the regular reserves, is attained by writing off entirely or under-valuing assets with considerable real values. The Darmstädter und National Bank actually writes off at 1 mark its investments, its participation in other enterprises and premises; and the valuable buildings of the Disconto Gesellschaft appear at 69,859,500 paper marks, and those of the Dresdner at 55,000,000 marks.

The private note banks, having been deprived of the right of disposing of their own gold, again in September this year were empowered to increase their note issues tenfold. The Bavarian and Saxon note banks have each now the right to issue 13½ billion marks against, in 1918, 110 millions for the former and no limit on the condition of legal cover for the latter; while the Württemberg and Baden note banks have each power to issue 4,725 milliards, against 50 and 54 millions respectively in 1918. The State Bank re-

cently founded in Thüringia in connection with the fusion of the small Thüringian States has formed a semi-fusion with the Sächsische State Bank, directors being exchanged, with the aim of concentrating money business in Central Germany. The Sächsische Bank reports net profits for 1922 of 5,856,983 marks, and announces an 8 per cent. dividend; the Norddeutsche Bank of Hamburg, which is a daughter company of the Disconto Gesellschaft, 360,000,000 marks net profits, against 19,400,000 marks in 1921, dividend 200 per cent., against 20 per cent.; the Allgemeine Deutsche Credit-Anstalt net profits 1,449,943,000 marks, against 57,105,000 marks, dividend 200 per cent., against 15 per cent.

The influence of big business on the banks is steadily increasing, thereby reversing a process observed ever since 1870. Ultimately this is due to the fact that the banks represent almost wholly paper mark values, their capital and profits falling to almost nothing in gold value compared with the vast real resources of industry, while the biggest paper mark credits which the banks can give are almost insignificant for the purposes of business. In the two decades before the war the big banks largely fostered industry, in part created it, and were strong enough to control syndicates and cartels, and even to create and dissolve them. Industry has, however, of late grown independent and later dominating. The smallness of the banks' resources, and the inter-relations between the heavy industry and the shipbuilding and manufacturing branches, tend to make the industrial magnates independent of the banks, and the process of the past decades is now being reversed in the shape of industrial influence on, if not actual ownership of, the banks. The first important sign of this was an agreement last summer between Herr Stinnes and Herr Carl Fürstenberg, of the Berlin Handelsgesellschaft Bank, which resulted in the election of two of Herr Stinnes' nominees to the control board. This deal Herr Stinnes achieved by buying up the bank's shares. In the last week, Herr Otto Wolff, of Cologne, who, as head of the Wolff-Phoenix-Rhenish Steel combine, and as owner of valuable concessions in Russia, may be considered a rival of Stinnes, has been buying up Disconto Bank shares, with the aim, it is reported, of removing the Schaaffhausensche Bank Verein from its semi-fusion with the Disconto Company, and converting it into a pure Wolff bank.

ITALIAN BANKING AND STATE INTERVENTION.

(BY OUR TURIN CORRESPONDENT.)

A LIVELY discussion has been going on in the Italian Press on the limits of State interference with banking. The facts are that when the Banca Italiana di Sconto got into trouble, the Government authorised the consortium for loans on industrial securities (*Consorzio sovvenzioni sui valori industriali*) to make loans on securities deposited by the Banca di Sconto for an egregious sum, which may be calculated roughly at a milliard lire. The consortium is a semi-public institution, which is almost entirely financed by the Banca d'Italia, and the other two minor banks of issue, Banco di Napoli and Banco di Sicilia. It can, therefore, be said that the ultimate losses of the liquidation of the Banca di Sconto would be suffered by the banks of issue. The shareholders of the Banca di Sconto would truly lose all their capital, and the depositors 38 per cent. of their deposits; but if the assets should not prove sufficient to pay the cost of liquidation, and the remaining 62 per cent. of the deposits, the loss was to fall on the consortium, i.e., on the banks of issue. But, as these were innocent third parties, the Government could not say to them: "You shall pay the bill." A decree of November 12, 1921, said instead that a special account should be opened, in which, against the losses of the liquidation of the Banca di Sconto, the banks of issue were to be authorised to put a third part of the so-called extraordinary tax on banks' issue from July 1, 1921, to December 31, 1923. That tax in Italy, as in pre-war Germany, fell on the excess of the note issues above a certain point. For the sake of discouraging such excesses, the banking law had put on

all excess a tax equal to the full amount of the rate of discount. The banks of issue in that way gained nothing from excessive issues; if they discounted commercial paper at the rate of 6 per cent., all the 6 per cent. was to be paid to the Exchequer. To put a third part of the extraordinary tax in a special fund was therefore tantamount to making the Exchequer pay the losses of the liquidation of the Banca di Sconto.

The third part was soon seen to be insufficient to cover the losses in full, and a Royal decree of January 2, 1923, increased the sacrifice of the exchequer as from January 1, 1922, to December 31, 1925, to three-quarters of the extraordinary tax. A subsequent Royal decree of September 28, 1923, prolonged the period, during which the three-quarters of the extraordinary tax are to be put in the "salvage fund," to December 31, 1930. As the banks of issue had their legal life—as banks of issue—restricted to December 31, 1923, it was necessary to give them a new lease of life, and their powers of issue were, for that reason, prolonged first to December 31, 1925, and then to December 31, 1930.

The liquidation of the Banca di Sconto should not have necessitated these huge sacrifices. Men in the street wondered what was the occasion for it. An extraordinary meeting of the shareholders of the Banco di Roma gave the clue; the Banco di Roma had been passing through troubled times, and, if its assets were said to be equal to liabilities, they were not liquid. The consortium of the banks of issue intervened with generous aid; the immobilised assets were put under a special administration, and the Banco di Roma received

the needed cash for facing the position and starting on and initiating a new lease of life. The losses, if any, of the liquidation of the reserved assets were put on the "salvage fund," created as explained above. What will be the liability of the fund, i.e., of the Public Exchequer? The legal maximum may be calculated thus:—The sum already put into the fund, as from July 1, 1921, to December, 1922, is officially stated to have been equal to 237,750,000 lire; for the subsequent years the sum may be calculated (at 230 millions a year for eight years) to reach 1,840,000,000 lire, making a total of 2,077,750,000 lire. The estimate is made on the supposition that the extraordinary issue is to remain up to December 31, 1930, at about the same level as in 1923-24, for which period an official document estimated the sum to be placed in the fund at 221,250,000 lire. To the above sum of 2,077,750,000 lire, some people are inclined to add various other items. But the present Government thinks that this is an extreme maximum; that the losses will fall short of the maximum; and will not ultimately exceed 1,000,000,000 lire. And it may very well be that, under the very strict and rigid administration of the present Finance Minister, Signor De Stefani, and of the director-general of the Bank of Italy, Signor Stringher, the losses will be kept at the lower limit.

Whether they jump up to 2,500 or remain at 1,000 millions lire, the Exchequer loss will be formidable enough, and the discussions going on in the Italian Press bear mostly on the question of principle. How is the salvage of private banks by the State and the taxpayer to be justified? Critics argue that insufficient ability of directors and general managers of private (joint-stock) banks is a private concern. Shareholders should have their eyes open when they elect a board of directors. Depositors, similarly, are taking their own risks when they prefer to put their savings or current accounts into this or that bank. The Public Exchequer was no party to transactions; the taxpayers are innocent in all these matters, and it is extremely perilous to

create a precedent, in virtue of which in future a bank when in troubled waters will come to the Government and claim to be saved at taxpayers' expense. The precedent is certainly full of danger, for if it becomes the position that when affairs go well the gain belongs to the bankers, but when they go badly the losses accrue to the taxpayer, there will be a plentiful crop of losses.

To the above critics replies are made on the following lines:—The bank losses are not due to bank directors. They originated in that troublous period when, before and after the armistice, banks followed in a truly patriotic spirit the hints given to them by the Government. They financed great armament firms, they advanced money to shipping companies and to exporters. When the reaction came, and the Government felt obliged to follow a Socialistic line, when in 1919 and 1920 socialism was rampant and secured 156 seats in the Parliament, the reward obtained by the courageous men who gave to the Army guns and shells, and secured to the people ships and transports, was an "excess profits tax" up to 100 per cent. and a court of inquiry. Many industrial firms were obliged to close, and from that moment the troubles of the banks began. If the Government—both the Government of Signor Bonomi and the present Government—intervened to save the banks, they did not act capriciously. They felt that they were saving the credit of the Italian nation. The loss will not wholly be laid on the Exchequer, for all the profits of the banks of issue above the present level of profit will be also put into the salvage fund. Moreover, the losses will be first cancelled by these excess profits of the issue bank, and only, as a second line of defence, by the three-fourths of the extraordinary tax. That being so, banks of issue in future times will certainly not encourage wanton speculation by private banks. They will know that they would be the first to pay the bill.

Perhaps the time for a final opinion has not yet arrived. The present controversy is truly going to the root of State duty and State rights in banking affairs.

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COLONIAL JOINT STOCK BANKS WITH LONDON OFFICES.

AFRICAN BANKS.

1 Name of Bank.	2 Date.	3 No. of Branches and sub-branches.	4 Capital Subscribed.	5 Uncalled Capital.		6 Capital Paid-up.	7 Reserve Fund.	8 Un- divided Profits.	9 Notes in Circulation.	10 Accept- ances and Bills for Collection.
				Callible.	Reserved.					
			£	£	£	£	£	£	£	£
1 Anglo-Egyptian Bank, Limited....	Aug 31	20	1,800,000	1,200,000	Nil	600,000	882,808	120,000	..	553,336
2 Bank of British West Africa, Lim.	Mar 31	52	3,000,000	300,000	1,500,000	1,200,000	400,000	70,690	..	1,238,002
3 National Bank of Egypt.....	Dec 31	25	3,000,000	Nil	Nil	3,000,000	2,250,000	524,122	..	..
4 National Bank of South Africa, L.	Mar 31	392	2,075,500	Nil	Nil	2,965,000	..	75,136	548,264	8,486,257
5 Netherlands Bank of South Africa	Dec 31	18	240,000	Nil	Nil	240,000	74,652	26,753	11,322	190,764
6 Standard of South Africa, L.	Mar 31	350	8,916,660	6,687,495	Nil	2,229,165	2,893,335	374,009	722,191	9,088,600
Total	..	857	19,032,160	8,187,495	1,500,000	10,234,165	6,450,795	1,190,713	1,281,777	19,557,559

AUSTRALASIAN BANKS.

1 Name of Bank.	2 Date.	3 No. of Branches and sub-branches.	4 Capital Subscribed.	5 Uncalled Capital.		6 Capital Paid-up.	7 Reserve Fund.	8 Un- divided Profits.	9 Notes in Circulation.	10 Accept- ances and Bills for Collection.	11 Contingent Liabilities.
				Callible.	Reserved.						
			£	£	£	£	£	£	£	£	£
Commonwealth Bank of Australia	Dec 31	65	..	..	..	..	4,198,966	..	..	..	..
1 Australian Bank of Commerce, L.	Dec 31	144	1,200,000	Nil	Nil	1,200,000	1,287,625	82,265	..	..	..
Do Inscribed Deposits	..	..	..	..	..	..	..	..	..	..	..
2 Bank of Adelaide, Limited	Mar 26	98	875,000	Nil	875,000	875,000	700,000	85,951	7,104	..	..
3 Bank of Australasia	Oct 16	204	4,000,000	Nil	4,000,000	4,000,000	3,525,000	881,869	844,085	..	..
4 Bank of New South Wales	Mar 31	387	6,000,000	Nil	6,000,000	5,976,880	3,675,000	436,067	596,721	2,464,943	..
5 Bank of New Zealand	Mar 31	213	2,250,000	Nil	Nil	..	..	..	..	..	..
Do Pref.	..	..	1,125,000	Nil	Nil	..	..	..	..	..	..
Do 4% Guaranteed Stock	..	..	529,989	Nil	Nil	..	..	..	..	..	..
6 Bank of Victoria, Limited	Dec 31	118	2,122,500	1,061,250	Nil	1,478,010	650,000	148,950	6,511	314,522	..
Do Pref. Shares	..	..	416,760	Nil	Nil	..	..	..	..	..	..
7 Commercial Banking Co. of Sydney	Dec 31	230	6,000,000	Nil	3,000,000	3,000,000	2,460,000	858,489	9,316	..	..
8 Commercial Bank of Australia, L.	Dec 31	231	703,054	Nil	351,527	2,468,877	100,000	118,497	57,901	522,082	..
Do Pref. Shares	..	..	2,117,850	Nil	Nil	..	..	..	..	..	..
9 English, Scottish, and Australian	Dec 31	332	2,639,775	1,319,887	Nil	1,319,888	1,315,000	367,035	1,328	..	..
Do Perp. Stocks	..	..	2,390,466	Nil	Nil	2,390,466	..	..	..	..	..
10 National Bank of Australasia, Lim.	Mar 31	287	4,537,500	1,312,500	Nil	2,725,000	1,725,000	217,574	48,874	..	..
11 National Bank of New Zealand, L.	Mar 31	53	3,750,000	2,500,000	Nil	1,250,000	1,250,000	278,167	1,729,434	..	..
12 Queensland National Bank, Lim.	Dec 31	89	900,000	Nil	Nil	800,000	400,000	58,177	..	..	..
Do Inscribed Deposit Stock	..	..	..	..	..	8,091,669	..	..	..	..	..
13 Royal Bank of Australia, Limited..	Mar 31	9	1,550,000	810,000	Nil	750,000	500,000	89,662	840	298,625	..
14 Union Bank of Australia, Limited	Feb 29	190	9,000,000	Nil	6,000,000	3,000,000	3,350,000	814,712	562,081	..	..
Total (excluding Com- monwealth Bank) ..	..	2,585	52,017,394	7,003,687	20,226,527	39,518,404	22,081,000	3,686,922	7,928,290	8,832,860	..

CANADIAN AND WEST INDIAN BANKS.

1 Name of Bank.	2 Date.	3 No. of Branches and sub-branches.	4 Capital Subscribed.	5 Uncalled Capital.		6 Capital Paid-up.	7 Reserve Fund.	8 Un- divided Profits.	9 Notes in Circulation.	10 Accept- ances and Bills for Collection.
				Callible.	Reserved.					
			£	£	£	£	£	£	£	£
1 Bank of Montreal	Apr 29	584	5,450,000	Nil	5,450,000	5,450,000	5,450,000	342,695	7,847,204	742,391
2 Bank of Nova Scotia	Dec 31	803	2,000,000	Nil	2,000,000	2,000,000	2,000,000	113,514	8,079,928	211,465
3 Canadian Bank of Commerce	Nov 30	515	3,082,192	Nil	3,082,192	3,082,192	3,082,192	555,800	4,669,651	1,166,330
4 Colonial Bank	Dec 31	51	3,000,000	600,000	1,500,000	900,000	800,000	71,855	548,654	644,132
5 Dominion Bank	Dec 31	121	1,200,000	Nil	1,200,000	1,200,000	1,400,000	209,357	1,467,868	921,068
6 Royal Bank of Canada	Nov 30	682	4,080,000	Nil	4,080,000	4,080,000	4,080,000	407,232	5,329,180	1,065,246
7 Union Bank of Canada	Nov 30	350	1,600,000	Nil	1,600,000	1,600,000	1,200,000	189,795	1,945,680	647,861
Total	..	2,606	20,412,192	600,000	18,912,192	18,912,192	19,412,192	1,899,188	24,882,518	4,697,993

INDIAN BANKS.

1 Name of Bank.	2 Date.	3 No. of Branches and sub-branches.	4 Capital Subscribed.	5 Uncalled Capital.		6 Capital Paid-up.	7 Reserve Fund.	8 Un- divided Profits.	9 Notes in Circulation.	10 Accept- ances and Bills for Collection.
				Callible.	Reserved.					
			£	£	£	£	£	£	£	£
1 Chartered of India, Aust., and China	Dec 31	39	3,000,000	Nil	3,000,000	3,000,000	3,700,000	794,701	2,063,418	5,577,985
2 Eastern Bank, Limited	Dec 31	10	2,000,000	Nil	2,000,000	1,000,000	300,000	111,501	..	824,173
3 Mercantile Bank of India, Lim.	Dec 31	20	750,000	187,500	187,500	105,000	1,200,000	236,105	290,627	207,696
Do B Shares	..	..	750,000	187,500	187,500	..	..	..	..	..
Do C Shares	..	..	300,000	Nil	Nil	..	..	..	..	..
4 National Bank of India, Limited ..	Dec 31	28	4,000,000	2,000,000	Nil	2,000,000	2,600,000	499,256	..	1,535,425
Total	..	97	10,800,000	2,375,000	5,375,000	7,050,000	7,800,000	1,641,568	2,364,045	8,145,281
Total Colonial	..	6,145	102,361,746	18,166,132	46,013,719	75,114,761	55,743,987	8,358,386	36,446,625	36,293,698

COLONIAL JOINT STOCK BANKS WITH LONDON OFFICES.

AFRICAN BANKS.

10 Miscel- laneous Liabilities.	11 Deposits.	12 Total Liabilities.	13 Cash in Hand and Money at Call and Short Notice.		14 Invest- ments.	15 Bills Dis- counted or Purchased (when shown separately).	16 Bills, Loans, and Advances.	17 Premises and Sundries (including Cover for Acceptances).	18 Total Assets.	19 Name of Bank
			Cash in Hand, with Banks, and in Transit.	Money at Call and Short Notice.						
£	£	£	£	£	£	£	£	£	£	
..	10,653,975	12,760,722	1,758,619	..	3,697,289	1,985,748	4,866,288	452,778	12,760,722	Anglo-Egyptn.
541,607	5,823,332	9,273,631	1,488,879	..	1,125,839	2,911,321	2,028,409	1,649,183	9,273,631	Bk. Brit. W. A.
253,155	21,496,975	27,524,252	2,317,064	1,320,000	11,821,252	5,432,594	5,835,561	297,781	27,524,252	Nat. of Egypt.
4,149,596	39,551,894	55,776,087	9,417,458	2,370,469	7,660,326	4,676,597	21,985,182	9,666,055	55,776,087	Nat. Bk. of S.A.
62,800	1,135,101	1,741,392	337,123	..	..	..	..	923,237	1,741,392	Neth. B. of S.A.
..	48,946,880	64,254,180	7,284,541	3,051,209	5,230,160	6,108,393	34,473,251	8,106,626	64,254,180	Standrd of S.A.
5,007,158	127,608,097	171,330,264	23,103,684	6,741,678	29,847,989	21,114,653	70,111,928	20,410,332	171,330,264	Total.

AUSTALASIAN BANKS.

10 Miscel- laneous Liabilities.	11 Deposits.	12 Total Liabilities.	13 Cash and Notes in Hand and at Call and Short Notice.		14 Invest- ments.	15 Bills Dis- counted or Purchased (when shown separately).	16 Bills, Loans, and Advances.	17 Premises and Sundries (including Cover for Acceptances).	18 Total Assets.	19 Name of Bank
			Cash in Hand, with Banks, and in Transit.	Money at Call and Short Notice.						
£	£	£	£	£	£	£	£	£	£	
2,893,295	67,037,698	74,131,959	8,790,735	9,210,000	36,376,824	..	19,058,553	695,847	74,131,959	Comwth of Aust.
991,595	10,257,269	14,148,754	1,863,889	336,140	401,952	..	11,093,352	453,421	14,148,754	Aust. B. of Com.
447,288	5,853,069	7,968,362	1,525,817	978,420	715,909	..	4,478,926	269,290	7,968,362	Bk. of Adelaide
3,668,379	25,661,481	37,580,814	6,456,892	1,821,000	2,439,178	..	26,845,688	18,056	37,580,814	Bk. of Australia
10,101,378	55,969,497	79,220,426	13,293,373	10,517,232	11,873,673	..	40,271,204	3,264,944	79,220,426	Bnk. of N.S.W.
3,782,310	30,003,927	45,306,116	8,627,968	.. (a)	10,624,884	1,595,043	23,917,104	541,117	45,306,116	Bk. of N. Zeal.
853,589	11,306,428	14,753,010	2,546,351	(c) 925,418	1,253,633	..	9,308,984	718,624	14,753,010	Bnk of Victoria
1,171,336	34,446,065	41,445,206	7,737,877	2,405,000	6,242,154	..	24,130,329	929,846	41,445,206	Com. of Sydney
1,006,602	17,061,414	21,329,723	3,908,934	1,145,000	1,868,997	..	13,845,160	1,071,642	21,329,723	Com. of Aust.
1,736,144	23,773,421	30,903,982	4,710,891	1,400,500	1,230,825	..	22,749,929	811,277	30,903,982	Eng. Soc. & Aust.
1,409,355	29,159,545	35,385,348	4,455,007	..	4,821,225	..	25,656,634	852,482	35,385,348	Nat. of Austria
1,422,151	9,261,899	15,191,651	1,087,062	..	1,670,296	739,327	11,348,048	346,918	15,191,651	Nat. of N.Z.
415,263	7,519,294	12,284,408	1,258,842	200,000	1,732,467	..	8,488,925	559,169	12,284,408	Qnsland Natnl.
328,646	4,901,578	6,864,351	986,657	73,339	102,631	..	5,246,899	449,825	6,864,351	Royal of Aust.
3,707,570	31,390,819	42,925,182	6,560,886	1,080,000	2,200,000	..	32,110,147	394,149	42,925,182	U. of Australia

COLONIAL BANKS WITH OFFICES IN LONDON.

(1) AFRICAN BANKS.

ANGLO-EGYPTIAN BANK, LIMITED.

ESTABLISHED 1864.

ESTABLISHED 1864.

CAPITAL										Year Ended Aug. 31.	Net Profit. £	Dividend.	To Reserves, &c.	Carried Forward.
Authorised. £	Paid-up. £	Callable. £	Reserved. £	Per Share. £15	Per Share. £5	Per Share. £10	Per Share. Nil							
1,800,000	600,000	1,200,000	Nil					1916	112,825	17½	23,325	52,000		
								1917	144,347	17½	41,847	67,000		
								1918	142,980	17½	20,038	40,000		
								1919	133,406	17½	18,406	50,000		
								1920	118,883	17½	11,580	52,303		
								1921	119,699	15*	29,270	52,733		

* Free of tax.

LIABILITIES.										ASSETS.												
Year Ended Aug. 31.	Number of Branches	Capital and Reserves. £	Per Cent.	Un- divided Profits. £	Per Cent.	Accep- tances. £	Per Cent.	Bills Pay- able, &c. £	Per Cent.	Deposit and Current Accounts. £	Per Cent.	Total Liabi- ties or Assets. £	Cash in Hand and in Transit. £	Per Cent.	Bills Receivable. £	Per Cent.	Invest- ments. £	Per Cent.	Ad- vances and Other Ac- counts. £	Per Cent.	Buildings & Furniture, including Cover for Acceptances & Bills. £	Per Cent.
1910	10	1,120,000	21.6	110,254	2.1	593,345	11.5	607,447	11.7	2,760,654	53.1	5,191,700	738,925	14.2	1,293,853	25.0	497,566	9.6	2,043,011	39.2	618,345	11.9
1913	11	1,284,390	23.5	110,026	2.0	904,917	16.6	225,170	4.1	2,943,374	53.8	5,467,877	545,707	10.0	902,404	16.6	396,652	7.2	2,654,532	48.5	968,582	17.7
1914	11	1,286,254	23.6	129,591	2.4	706,369	12.9	293,676	5.4	3,045,867	55.7	5,461,757	816,827	15.0	976,543	17.8	330,658	6.1	2,547,934	46.7	789,795	14.4
1915	11	1,286,318	18.0	127,555	1.8	527,556	7.3	109,427	1.5	5,145,305	71.4	7,196,161	1,279,658	17.8	2,352,147	32.7	642,589	8.9	2,303,526	32.0	618,241	8.6
1916	10	1,298,215	13.6	122,674	1.3	373,657	3.9	203,163	2.1	7,495,126	79.1	9,492,835	1,786,165	18.8	4,347,124	45.8	776,531	8.2	2,124,363	22.4	458,657	4.8
1917	10	1,320,768	12.0	141,547	1.3	228,186	2.1	241,569	2.2	9,057,554	82.4	10,989,554	2,128,637	19.4	4,824,498	44.0	1,082,568	9.8	2,650,667	24.0	303,186	2.8
1918	12	1,321,405	8.9	203,038	1.4	269,728	1.8	455,244	3.1	12,544,967	84.8	14,794,382	2,441,108	16.6	7,515,761	51.0	1,089,651	7.4	3,388,919	22.6	358,943	2.3
1919	15	1,430,361	7.3	118,336	0.8	466,144	2.4	438,883	2.2	17,113,477	87.5	19,567,201	3,604,709	18.5	10,443,855	53.3	1,338,805	9.9	3,021,735	15.5	558,997	2.8
1920	15	1,431,654	7.8	130,483	0.7	735,699	4.0	561,518	3.1	15,542,208	84.1	18,401,562	3,965,354	10.6	8,460,106	45.9	1,464,102	8.0	5,681,690	31.6	830,310	4.5
1921	18	1,431,739	10.2	133,883	0.9	273,396	1.9	409,077	2.9	11,841,582	84.1	14,089,677	3,579,455	11.2	5,694,209	40.1	1,349,103	9.6	5,031,804	35.7	435,106	3.1
1922	20	1,432,808	11.2	120,003	0.9	198,752	1.6	355,184	2.8	10,653,975	83.5	12,760,722	1,568,619	13.7	1,985,748	15.5	3,697,289	28.9	4,866,288	38.4	452,778	3.5

* Includes Treasury Bills. † We are asked to point out that this bank has no branches in India.

* Includes Treasury Bills.

† We are asked to point out that this bank is an English company, with head office in London.

BANK OF BRITISH WEST AFRICA, LIMITED.

REGISTERED 1894.

CAPITAL										Year Ended March 31.	Net Profit. £	Dividend. %	To Reserves, &c. £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserved. £	Market Value. £	Per Share. £10	Per Share. £4	Per Share. £1	Per Share. £5	Per Share. £4½					
3,000,000	1,200,000	300,000	1,500,000	1,237,500						1914	60,801	9½	24,250	9,600
										1916	59,276	8	22,000	15,417
										1917	64,760	8	30,000	18,177
										1918	71,514	8	22,000	21,615
										1919	83,767	9	30,500	22,680
										1920	125,147	10	46,250	30,377
										1921	139,803	8	40,000	50,180
										1922	105,935	6	50,000	34,116
										1923	100,574	5	40,000	34,690

In August, 1920, 200,000 new shares of £10 each, of which 100,000 (£4 paid), were allotted in equal proportions to the Westminster Bank, Limited, the National Provincial and Union Bank of England, Limited, and the Standard Bank of South Africa, Limited.

Year Ended March 31.	Number of Branches.	LIABILITIES.											Total Liabi- ties or Assets.	ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Bills for Collection and Li- ability on Acceptance's	Per Cent.	Drafts Issued and Rebate.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand, at Bankers, and in Transit.		Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Loans, Advances, and Current Accounts.	Per Cent.	Premises, and Cover for Acceptance's and Bills.	Per Cent.		
		£	£	£	£	£	£	£	£	£	£	£		£	£	£	£	£	£	£	£			
1900	9	43,560	15.0	2,433	0.8	..	27,838	9.6	217,092	74.6	290,923	106,605	36.6	22,765	7.8	102,293	35.2	57,748	19.9	1,512	0.5			
1905	11	88,000	11.2	4,255	0.6	63,855	8.1	88,442	11.3	541,262	68.8	785,814	256,695	32.7	121,813	15.5	213,487	27.2	113,204	14.5	80,615	10.3		
1910	30	280,000	17.2	10,697	0.7	149,146	9.2	111,562	6.8	1,074,793	66.1	1,626,198	302,449	18.6	276,448	17.0	563,546	34.6	297,375	18.3	186,380	11.5		
1913	27	408,000	15.4	21,329	0.8	237,782	8.9	187,323	7.0	1,805,798	67.9	2,660,232	672,083	25.2	349,116	13.1	754,525	28.3	592,683	22.5	291,825	10.9		
1914	29	587,000	18.6	31,600	1.0	309,338	9.8	197,377	6.3	2,025,527	64.3	3,150,842	830,596	26.5	419,159	13.2	965,626	30.6	566,321	18.0	569,140	11.7		
1915	31	550,000	17.0	25,141	0.8	162,589	5.0	228,804	7.1	2,267,716	70.1	3,251,920	1,161,397	35.9	527,520	16.2	607,089	18.8	706,738	21.8	432,550	13.2		
1916	34	550,000	15.4	35,417	1.0	164,781	4.6	317,752	8.8	2,523,090	70.2	3,591,004	1,020,712	28.5	1,061,101	29.6	638,259	17.7	638,398	17.7	232,570	6.5		
1917	38	780,000	18.0	56,177	0.8	227,244	5.3	205,311	4.7	3,083,575	71.2	4,332,307	1,142,775	26.5	498,719	11.5	1,264,186	29.3	1,109,570	25.4	317,067	7.3		
1918	41	817,500	19.6	47,713	0.7	712,574	11.1	215,283	3.3	4,668,687	72.3	6,462,157	1,127,144	17.4	1,026,821	11.4	2,219,803	24.6	2,706,768	30.1	1,379,061	15.3		
1919	41	830,000	9.2	54,580	0.6	1,238,591	13.8	387,599	4.5	4,489,248	72.1	9,000,018	1,667,565	18.6	1,026,821	11.4	2,219,803	24.6	2,706,768	30.1	1,379,061	15.3		
1920	47	1,200,000	7.3	78,377	0.5	2,605,108	15.8	807,097	4.9	11,810,340	71.5	16,500,922	2,531,334	17.9	791,553	4.8	4,940,678	29.9	5,003,206	30.3	2,814,151	17.1		
1921	50	1,825,000	13.5	98,180	0.7	2,895,706	21.4	638,080	4.7	13,475,636	59.7	17,375,636	2,532,166	14.8	850,594	4.8	5,202,317	23.7	3,693,686	27.6	3,196,943	23.6		
1922	51	1,600,000	13.0	70,116	0.6	2,447,625	19.8	574,506	4.7	7,602,564	61.9	12,294,811	2,602,942	17.3	1,167,345	9.5	5,279,947	26.6	2,401,132	19.6	2,843,445	23.0		
1923	52	1,600,000	17.3	70,690	0.8	1,238,002	13.3	541,607	5.9	5,823,332	62.7	9,273,631	1,488,879	16.1	1,195,839	12.8	2,911,321	31.4	2,028,409	21.9	1,649,183	17.8		

NATIONAL BANK OF EGYPT.

ESTABLISHED 1898.

CAPITAL										Market Value. Sept. 28, 1923.	Year. 1915..... 1916..... 1917..... 1918..... 1919..... 1920..... 1921..... 1922.....	Net Profit. 242,214 313,533 519,251 693,851 714,680 827,154 558,556 502,094	Dividend. % 4 6 8 10 14 15 15 15	To Reserve, &c. 122,214 111,353 251,925 336,721 259,384 346,722 100,000 50,000	Carried Forward. £ 22,180 49,506 106,635 141,392 172,364 180,920 183,014
Subscribed. £ 3,000,000	Paid-up. £ 3,000,000	Callable. £ NIL	Reserved. £ NIL	Per Share. £ £23											
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.										
£10	£10	NIL	NIL	£23	£23										

LIABILITIES.										ASSETS.												
Year Ended Dec. 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, Rebate, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabi- ties or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts Advances &c.	Per Cent.	Buildings & Sundries, including Cover for Acceptances	Per Cent.
1911..	..	4,587,857	36.0	175,108	1.4	148,062	1.2	352,890	2.8	7,499,687	58.6	12,763,604	2,312,170	18.2	667,000	5.2	1,281,980	10.1	8,077,382	63.2	425,072	3.3
1912..	..	4,564,849	33.9	170,999	1.3	159,324	1.1	332,550	2.5	8,254,230	61.2	13,481,952	2,064,019	15.2	1,591,000	11.8	1,037,385	7.7	8,343,632	62.0	445,916	3.3
1913..	..	4,566,111	37.6	157,056	1.3	30,600	..	345,821	2.8	7,053,640	58.3	12,153,228	1,919,158	15.8	306,875	2.5	967,716	8.0	8,646,426	71.1	313,053	2.5
1914..	21	4,343,700	36.6	123,101	1.0	..	..	184,421	1.6	7,166,395	60.8	11,817,926	1,343,470	11.4	755,000	6.4	887,540	7.5	8,850,549	72.8	271,467	2.2
1915..	21	4,341,400	27.5	130,524	0.8	..	..	454,452	2.9	10,494,580	66.8	15,716,692	1,434,329	13.6	1,160,000	6.4	9,845,117	58.5	8,945,117	58.5	50,236	0.3
1916..	22	4,411,353	20.4	217,187	1.0	102,378	0.5	225,245	1.1	16,670,635	77.0	21,626,798	3,694,532	17.0	1,425,000	6.6	5,977,327	27.6	10,201,328	47.2	359,425	1.6
1917..	22	4,663,978	16.6	289,506	1.0	130,109	0.5	379,238	1.3	22,562,827	80.6	28,024,958	3,476,638	12.4	2,250,000	8.0	8,392,673	29.8	10,360,060	40.8	277,587	1.0
1918..	23	5,000,000	14.3	406,636	1.2	477,915	1.4	247,691	0.7	28,734,385	82.4	34,866,627	5,016,659	16.6	2,180,000	6.3	15,506,826	44.5	14,120,325	40.2	277,587	1.0
1919..	23	5,000,000	11.7	411,938	1.0	297,900	0.7	110,680	0.2	37,170,139	86.4	42,970,631	5,016,659	16.6	2,180,000	6.3	15,506,826	44.5	14,120,325	40.2	277,587	1.0
1920..	23	5,000,000	18.0	411,938	1.0	297,900	0.7	110,680	0.2	37,170,139	86.4	42,970,631	5,016,659	16.6	2,180,000	6.3	15,506,826	44.5	14,120,325	40.2	277,587	1.0
1921..	23	5,000,000	26.5	510,920	1.3	732,993	2.6	320,409	0.7	21,753,882	76.5	28,049,648	4,397,401	15.4	1,530,030	5.7	6,612,106	32.5	9,049,881	44.1	311,339	1.1
1922..	25	5,250,000	19.0	524,122	1.3	..	..	265,437	1.3	14,447,617	70.7	20,423,974	2,920,618	14.4	1,530,030	5.7	6,612,106	32.5	9,049,881	44.1	311,339	1.1
1923..	25	5,250,000	19.0	524,122	1.3	..	..	265,437	1.3	14,447,617	70.7	20,423,974	2,920,618	14.4	1,530,030	5.7	6,612,106	32.5	9,049,881	44.1	311,339	1.1
1924..	25	5,250,000	19.0	524,122	1.3	..	..	265,437	1.3	14,447,617	70.7	20,423,974	2,920,618	14.4	1,530,030	5.7	6,612,106	32.5	9,049,881	44.1	311,339	1.1

NATIONAL BANK OF SOUTH AFRICA, LIMITED.

REGISTERED 1890.

Absorbed Bank of Africa, established 1879, as from January 1, 1912. Capital increased by £1,250,000.
Absorbed National Bank of Orange River Colony, Limited, established 1877. Absorbed Natal Bank, L., October, 1914.
Capital increased by £650,000.

CAPITAL				Year ended March 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
2,075,500	2,075,500	NIL	NIL	1914.....	411,171	6	309,931	28,185
				1917.....	374,340	6	200,000	49,134
				1918.....	352,602	6	195,000	35,736
				1919.....	487,871	7	250,000	23,206
				1920.....	565,478	8	260,000	43,200
				1921.....	389,881	8	160,000	34,881
				1922.....	Dr 116,457	4	Dr 225,000	24,825
				1923.....	Dr 919,639		Dr 920,000	25,136

CAPITAL				Year ended March 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
2,075,500	2,075,500	NIL	NIL	1914.....	411,171	6	309,931	28,185
				1917.....	374,340	6	200,000	49,134
				1918.....	352,602	6	195,000	35,736
				1919.....	487,871	7	250,000	23,206
				1920.....	565,478	8	260,000	43,200
				1921.....	389,881	8	160,000	34,881
				1922.....	Dr 116,457	4	Dr 225,000	24,825
				1923.....	Dr 919,639		Dr 920,000	25,136

CAPITAL				Year ended March 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
2,075,500	2,075,500	NIL	NIL	1914.....	411,171	6	309,931	28,185
				1917.....	374,340	6	200,000	49,134
				1918.....	352,602	6	195,000	35,736
				1919.....	487,871	7	250,000	23,206
				1920.....	565,478	8	260,000	43,200
				1921.....	389,881	8	160,000	34,881
				1922.....	Dr 116,457	4	Dr 225,000	24,825
				1923.....	Dr 919,639		Dr 920,000	25,136

CAPITAL				Year ended March 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
2,075,500	2,075,500	NIL	NIL	1914.....	411,171	6	309,931	28,185
				1917.....	374,340	6	200,000	49,134
				1918.....	352,602	6	195,000	35,736
				1919.....	487,871	7	250,000	23,206
				1920.....	565,478	8	260,000	43,200
				1921.....	389,881	8	160,000	34,881
				1922.....	Dr 116,457	4	Dr 225,000	24,825
				1923.....	Dr 919,639		Dr 920,000	25,136

* March 31.

NETHERLANDS BANK OF SOUTH AFRICA.

REGISTERED 1888.

CAPITAL				Year.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
240,000	240,000	NIL	NIL	1913.....	13,173	4	3,900	285
				1916.....	18,497	4	6,000	497
				1917.....	17,911	4	5,584	327
				1918.....	17,595	4	5,250	345
				1919.....	21,359	4	8,147	11
				1920.....	30,253	4	16,397	655
				1921.....	24,888	4	12,500	2,788
				1922.....	26,753	4	15,833	1,320

CAPITAL				Year.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
240,000	240,000	NIL	NIL	1913.....	13,173	4	3,900	285
				1916.....	18,497	4	6,000	497
				1917.....	17,911	4	5,584	327
				1918.....	17,595	4	5,250	345
				1919.....	21,359	4	8,147	11
				1920.....	30,253	4	16,397	655
				1921.....	24,888	4	12,500	2,788
				1922.....	26,753	4	15,833	1,320

CAPITAL				Year.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
240,000	240,000	NIL	NIL	1913.....	13,173	4	3,900	285
				1916.....	18,497	4	6,000	497
				1917.....	17,911	4	5,584	327
				1918.....	17,595	4	5,250	345
				1919.....	21,359	4	8,147	11
				1920.....	30,253	4	16,397	655
				1921.....	24,888	4	12,500	2,788
				1922.....	26,753	4	15,833	1,320

CAPITAL				Year.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
240,000	240,000	NIL	NIL	1913.....	13,173	4	3,900	285
				1916.....	18,497	4	6,000	497
				1917.....	17,911	4	5,584	327
				1918.....	17,595	4	5,250	345
				1919.....	21,359	4	8,147	11
				1920.....	30,253	4	16,397	655
				1921.....	24,888	4	12,500	2,788
				1922.....	26,753	4	15,833	1,320

* Includes remittances in transit.

STANDARD BANK OF SOUTH AFRICA, LIMITED.

ESTABLISHED 1862.

1920—Absorbed African Banking Corporation.

CAPITAL				Year ended Dec. 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
8,916,660	2,229,165	6,687,495	NIL	1916.....	259,823	14	30,000	100,062
				1917.....	406,712	15	65,000	204,333
				1918.....	540,358	16	290,000	199,183
				1919.....	634,074	16	365,000	210,446
				1921.....	759,377	16	350,000	206,725
				1922 (Mar. 31)	502,313	16	150,000	191,226
				1923 (Mar. 31)	388,825	14	150,000	117,967

CAPITAL				Year ended Dec. 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
8,916,660	2,229,165	6,687,495	NIL	1916.....	259,823	14	30,000	100,062
				1917.....	406,712	15	65,000	204,333
				1918.....	540,358	16	290,000	199,183
				1919.....	634,074	16	365,000	210,446
				1921.....	759,377	16	350,000	206,725
				1922 (Mar. 31)	502,313	16	150,000	191,226
				1923 (Mar. 31)	388,825	14	150,000	117,967

CAPITAL				Year ended Dec. 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
8,916,660	2,229,165	6,687,495	NIL	1916.....	259,823	14	30,000	100,062
				1917.....	406,712	15	65,000	204,333
				1918.....	540,358	16	290,000	199,183
				1919.....	634,074	16	365,000	210,446
				1921.....	759,377	16	350,000	206,725
				1922 (Mar. 31)	502,313	16	150,000	191,226
				1923 (Mar. 31)	388,825	14	150,000	117,967

CAPITAL				Year ended Dec. 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
Subscribed. £	Paid-up. £	Callable. £	Reserve. £					
8,916,660	2,229,165	6,687,495	NIL	1916.....	259,823	14	30,000	100,062
				1917.....	406,712	15	65,000	204,333
				1918.....	540,358	16	290,000	199,183
				1919.....	634,074	16	365,000	210,446
				1921.....	759,377	16	350,000	206,725
				1922 (Mar. 31)	502,313	16	150,000	191,226
				1923 (Mar. 31)	388,825	14	150,000	117,967

* Fifteen months to March 31.

THE British Italian Banking Corporation, Ltd.

12 Nicholas Lane, London, E.C. 4.

Registered July, 1916.

AUTHORISED and Fully Paid CAPITAL
£1,000,000

RESERVE - - - £233,418

Principal Shareholders:

Lloyds Bank, Ltd.
Westminster Bank, Ltd.
Barclays Bank, Limited.
National Provincial and Union Bank of England, Ltd.
Glyn, Mills, Currie, Holt & Co.
Brown, Shipley & Co.
Higginson & Co.
M. Samuel & Co., Ltd.
Bank of Liverpool and Martin's, Ltd.
London and River Plate Bank, Ltd.
Union Bank of Manchester, Ltd.
Clydesdale Bank, Ltd.
Commercial Bank of Scotland, Ltd.
National Bank of Scotland, Ltd.
Anglo-South American Bank, Ltd.
Bank of Australasia.
Bank of British West Africa, Ltd.
Canadian Bank of Commerce.
Hongkong and Shanghai Banking Corporation.
National Bank of Egypt.
National Bank of India, Ltd.
Standard Bank of South Africa, Ltd.
Central Bank of India, Ltd.
Prudential Assurance Co., Ltd.

The object of the Corporation is, in conjunction with the
Banca Italo-Britannica, to

**TRANSACTION EVERY KIND OF
BANKING & FINANCIAL BUSINESS**

in support of Trade between the

BRITISH EMPIRE and the KINGDOM OF ITALY

Telegrams—"Britalana, Cannon, London."

Phone—Central 4722.

AUXILIARY IN ITALY

Banca Italo-Britannica

5 Via Manzoni, MILAN.

3 Via Banchi, GENOA.

60, Via Medina, NAPLES.

Registered October, 1916.

PAID UP CAPITAL - - - Lire 20,000,000
RESERVE - - - " 600,000

Telegrams—"Italbrit."

Phone—8664 Milan. 254 Genoa. 4666 Naples.

Standard Bank of South Africa, Limited—Con.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Drafts Out- standing and Accept- ances.	Per Cent.	Customers' Bills.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bank, and in Transit.	Per Cent.	Cash and Loans at Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Bills for Collection, Property, Buildings, Sundries.	Per Cent.
1890 ..	70	1,635,018	12.6	861,290	6.6	103,410	0.8	2,332,651	18.0	8,041,074	62.0	12,973,443	3,099,477	23.8	..	..	1,292,070	10.0	8,383,675	64.7	198,221	1.5
1900 ..	98	2,407,670	10.8	1,260,076	5.9	705,940	3.3	1,884,700	8.8	14,884,220	69.8	21,312,600	5,250,552	24.7	1,845,000	8.7	2,748,038	12.9	9,236,922	43.2	2,232,088	10.5
1905 ..	148	3,545,575	11.4	1,077,649	3.5	1,276,969	4.1	3,025,676	9.8	21,835,265	70.5	30,934,663	5,023,310	16.2	3,391,953	11.0	4,176,434	13.5	14,993,718	48.5	3,350,248	10.8
1910 ..	159	3,448,525	13.0	1,084,822	4.1	1,503,015	5.7	2,638,164	9.9	17,690,565	66.8	26,509,191	4,153,805	15.7	2,363,269	8.9	2,998,622	11.3	13,798,629	52.1	3,194,866	12.0
1913 ..	190	3,538,525	11.9	1,151,110	3.9	1,102,308	3.7	2,704,953	9.1	21,058,240	71.9	29,724,123	5,024,035	16.9	1,409,033	4.7	2,716,931	9.1	17,368,190	57.9	3,205,934	10.8
1914 ..	195	3,548,525	11.8	1,069,233	3.6	1,058,381	3.4	2,690,289	9.0	21,560,485	72.2	29,926,913	4,485,988	15.6	2,946,029	9.5	2,643,335	8.8	16,703,295	55.9	3,248,236	10.6
1915 ..	197	3,548,525	10.8	1,221,080	3.7	1,009,991	3.1	2,300,719	7.0	24,761,236	75.4	32,841,551	5,467,828	16.6	3,722,244	11.3	3,132,031	9.5	17,584,821	53.6	2,944,627	9.6
1916 ..	198	3,548,525	10.1	1,269,797	3.6	1,200,094	3.4	2,804,902	8.0	26,243,681	74.9	35,066,999	5,076,161	14.3	2,072,092	5.9	3,361,042	11.3	20,520,134	58.7	3,437,570	9.8
1917 ..	211	3,548,525	8.9	1,759,422	4.4	1,420,532	3.6	3,402,350	8.6	29,596,591	74.5	39,727,420	4,275,911	10.8	2,459,371	6.2	3,755,717	9.4	25,307,800	63.5	4,028,621	10.1
1918 ..	225	3,548,525	7.0	2,502,810	4.9	1,956,242	3.9	4,756,524	9.4	37,534,854	74.8	50,390,755	6,860,226	13.6	3,311,246	6.6	4,068,781	8.1	30,732,075	61.1	5,327,427	10.6
1919 ..	325	3,769,520	6.1	3,119,112	5.1	1,707,214	2.8	6,330,664	10.3	46,305,593	75.7	61,225,083	8,689,936	14.1	3,829,552	6.2	4,359,140	7.1	37,471,832	61.4	6,874,623	11.2
1920 ..	384	3,762,500	6.4	4,193,361	6.0	2,478,180	3.5	7,658,602	10.9	52,010,420	74.0	70,102,929	11,079,744	15.8	3,491,924	5.0	4,390,113	6.2	42,818,258	61.2	8,322,870	11.9
1921 ..	400	5,122,500	6.6	4,609,342	5.9	1,360,333	1.9	9,081,548	11.7	57,739,579	74.0	77,913,322	11,190,543	14.4	1,283,000	1.7	5,266,252	6.8	50,160,040	64.2	10,013,667	12.9
1922 ..	370	5,122,500	7.3	4,207,800	6.0	1,034,029	1.5	7,763,111	11.0	52,521,937	74.2	70,649,377	11,812,238	16.7	2,947,286	4.2	5,110,110	7.3	41,993,570	59.4	8,786,175	12.4
1923 ..	350	5,122,500	8.0	722,191	1.1	2,151,362	3.3	6,937,239	10.8	48,946,880	76.1	64,254,180	7,284,541	11.3	3,051,209	4.7	5,230,160	8.1	40,581,644	63.3	8,106,626	12.6

* Includes cash at bankers. † March 31.

(2) AUSTRALIAN BANKS.

COMMONWEALTH BANK OF AUSTRALIA.

(ESTABLISHED 1912 BY SPECIAL ACT OF THE COMMONWEALTH PARLIAMENT.)

Owned and guaranteed by the Government of the Commonwealth, which is responsible for all the Bank's obligations.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.											
		De- posits.	Per Cent.	Savings Bank De- posits.	Per Cent.	Bills payable, Letters of Credit &c.	Per Cent.	Reserve and Re- demption Funds.	Per Cent.	Cash and Balances with Notes.	Per Cent.		Cash at Short Call in London.	Per Cent.	Invest- ments.	Per Cent.	Fixed Deposits of Other Banks.	Per Cent.	Discounts Advances, and Remit- tances.	Per Cent.	Buildings and Sundries.	Per Cent.		
1914..	20	4,559,264	46.7	4,645,268	47.5	569,158	5.8	..	..	9,773,690	2,711,471	27.7	1,465,100	15.0	2,818,981	28.8	..	..	975,500	10.0	1,713,101	17.6	89,637	0.9
1915..	27	8,547,526	51.0	7,420,647	44.2	798,071	4.8	2,222	..	16,768,466	4,986,714	29.7	2,840,000	16.9	5,479,480	32.6	..	..	906,000	5.4	2,379,953	14.3	176,319	1.1
1916..	34	29,745,868	71.2	9,477,896	22.6	2,401,521	5.8	147,069	0.4	41,772,354	19,643,819	47.1	5,505,536	13.2	8,255,882	19.8	..	..	989,000	2.3	7,036,136	16.7	361,981	0.9
1917..	33	36,341,500	71.9	12,442,847	24.6	1,192,521	2.4	526,292	1.1	50,503,162	15,244,004	30.3	12,780,000	25.2	11,802,881	23.4	..	..	1,089,000	2.2	9,195,300	18.1	391,977	0.8
1918..	36	51,939,580	74.2	15,227,534	21.6	1,919,380	2.7	1,078,026	1.5	70,162,520	19,639,664	28.0	21,805,000	31.0	14,451,513	20.6	..	..	1,089,000	1.5	12,722,150	18.2	455,193	0.7
1919..	32	43,672,183	66.9	17,789,423	27.1	1,937,070	3.0	1,922,970	3.0	65,321,646	17,967,357	27.4	9,470,000	14.5	15,646,021	23.9	..	..	1,089,000	1.7	12,742,150	18.2	455,193	0.7
1920..	31	41,002,909	64.5	17,982,402	28.2	1,937,996	3.0	2,756,105	4.3	63,679,412	17,967,357	27.4	9,470,000	14.5	15,646,021	23.9	..	..	1,089,000	1.7	12,742,150	18.2	455,193	0.7
1921..	53	27,153,311	37.8	35,306,956	49.0	6,482,831	9.0	3,048,324	4.2	71,991,422	7,030,247	9.8	4,160,000	5.8	33,614,410	46.8	..	..	929,000	1.3	25,634,369	35.4	673,146	0.9
1922..	63	42,091,310	48.8	38,056,980	43.8	2,458,854	2.8	4,001,658	4.6	86,608,802	14,192,531	16.4	19,325,000	22.3	34,875,722	40.2	..	..	929,000	1.1	16,671,563	19.3	614,986	0.7
1922*	65	27,543,581	37.2	39,494,117	53.2	2,895,295	3.9	4,198,966	5.7	74,131,959	8,790,735	11.9	9,210,000	12.4	35,422,824	47.8	..	..	954,000	1.3	19,058,553	25.7	695,847	0.9

* December 31.

* December 31.

AUSTRALIAN BANK OF COMMERCE, LIMITED.

In 1909 acquired the business of the Australian Joint Stock Bank, founded in 1853.
In 1917 purchased City Bank of Sydney.

CAPITAL					Market Value.	Year Ended June 30.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
Subscribed. £	Paid-up. £	Callable. £	Reserved. £	Per Share.						
1,200,000	1,200,000	Nil.	Nil.	£1 11s	1,612,500	1917	62,477	5	20,000	11,759
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	1918	80,255	5	20,000	19,067
£1	£1	Nil.	Nil.	£1 11s	£1 11s	1919	97,255	5	20,000	26,389
						1920	118,390	5	20,000	28,813
						1921	139,578	5	20,000	30,391
						1922	137,195	7	20,000	33,587
						1923	140,678	7	20,000	40,265

Inscribed deposits, £1,287,625.
Reserve fund, £330,000.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.											
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Miscel- laneous Credits, Rebates, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash and Notes in Hand, at Bank, and in Transit.	Per Cent.	Bills Re- ceivable in London and Remittances in Transit.	Per Cent.	Invest- ments.	Per Cent.	Discounts, Loans, and Advances.	Per Cent.	Buildings and Sundries.	Per Cent.		
1910 ..	76	£ 2,817,194	52.6	£ 12,111	0.2	£ 79,447	1.5	£ 324,001	6.0	£ 2,145,794	39.7	£ 5,378,547	£ 854,800	15.9	..	..	£ 119,700	2.2	£ 3,966,168	73.7	£ 437,679	8.2		
1913 ..	79	2,912,492	49.6	21,931	0.4	2,540	..	391,332	6.7	2,527,992	43.3	5,856,287	1,225,223	21.0	..	..	181,494	3.1	75,500	1.3	3,864,629	65.9	509,441	8.7
1914 ..	85	2,893,991	46.3	21,020	0.3	1,428	..	340,471	5.5	2,980,821	47.9	6,237,731	1,449,376	23.2	..	..	284,272	4.2	72,200	1.2	4,090,774	65.6	361,109	5.8
1915 ..	87	2,875,520	46.0	20,488	0.3	964	..	346,117	5.5	3,016,323	48.2	6,259,412	1,385,125	22.1	..	..	146,548	2.3	4,068,718	65.1	372,237	5.9		
1916 ..	87	2,857,839	43.5	23,203	0.3	710	..	513,598	7.8	3,192,090	48.4	6,587,440	1,188,442	18.1	..	..	241,468	3.7	4,434,808	67.2	374,623	5.7		
1917 ..	87	2,838,795	41.6	29,739	0.4	605	..	388,398	5.7	3,540,862	52.3	6,798,399	1,338,488	19.7	..	..	273,380	4.0	4,551,995	67.0	370,338	5.6		
1918 ..	128	2,823,384	28.9	49,034	0.5	..	..	694,810	7.1	6,185,202	63.5	9,752,430	1,716,716	17.6	..	..	264,198	3.9	6,454,674	66.2	569,716	5.7		
1919 ..	129	2,813,472	25.4	56,366	0.5	..	..	960,406	8.7	7,220,501	65.4	11,060,535	1,544,672	14.0	..	..	523,153	5.4	6,454,674	66.2	569,716	5.7		
1920 ..	135	2,813,557	23.3	64,813	0.5	..	..	1,063,051	8.8	8,108,526	67.4	12,060,047	1,933,975	16.0	..	..	407,460	3.7	7,814,989	70.7	491,851	5.4		
1921 ..	139	2,822,683	22.0	72,391	0.6	..	..	1,357,941	10.6	8,560,114	66.8	12,813,129	2,218,598	17.3	..	..	506,827	4.2	8,568,030	63.1	495,161	5.3		
1922 ..	141	2,820,507	21.2	75,587	0.6	..	..	1,970,589	7.3	9,403,111	70.9	13,029,774	1,814,867	13.5	..	..	431,455	2.8	9,356,731	67.2	495,161	5.3		
1923 ..	144	2,817,625	19.8	82,265	0.6	..	..	991,595	7.0	10,257,269	72.6	14,148,754	2,200,029	15.6	..	..	401,952	2.8	9,356,731	67.2	495,161	5.3		

Bank of Adelaide—Con.

Year Ended March 25.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Miscellaneous Credits, Rebates, &c.	Per Cent.	Deposits Current Accounts.	Per Cent.		Cash and Notes in Hand and at Bankers.	Per Cent.	Money at Short Call and Remit- tances in Transit.	Per Cent.	Invest- ments.	Per Cent.	Bills Receivable and Advances.	Per Cent.	Premises and Furniture.	Per Cent.
1894 ..	21	\$ 543,000	21.8	\$ 32,240	1.3	\$ 86,891	3.5	\$ 108,069	4.3	\$ 1,728,938	69.1	\$ 2,499,138	\$ 315,627	12.6	\$ 530,859	21.3	\$ 297,266	11.9	\$ 1,288,755	51.5	\$ 66,631	2.7
1895 ..	19	546,000	21.6	32,289	1.3	92,844	3.7	199,593	7.9	1,654,893	65.5	2,525,619	383,267	15.2	379,469	15.0	299,146	11.8	1,400,846	55.5	62,891	2.5
1900 ..	33	565,000	18.3	40,401	1.3	127,228	4.1	175,921	5.7	2,185,435	70.6	3,093,979	610,156	19.8	717,581	23.1	307,279	9.9	1,401,689	45.3	57,274	1.8
1905 ..	44	635,000	18.5	49,953	1.4	129,968	3.8	291,399	8.5	2,334,238	67.8	3,440,558	445,598	12.9	789,763	23.0	432,768	12.6	1,700,946	49.4	71,483	2.1
1910 ..	84	725,000	12.2	61,838	1.1	225,893	4.0	808,067	13.6	4,114,949	69.1	5,335,647	781,584	13.2	1,729,346	29.1	522,047	8.8	2,817,429	47.5	85,341	1.4
1911 ..	87	900,000	14.0	76,486	1.2	228,477	3.6	524,139	8.2	4,684,503	73.0	6,413,605	867,435	13.5	1,247,654	19.4	498,021	7.8	3,712,290	57.9	88,205	1.5
1913 ..	88	930,000	16.0	77,084	1.3	26,649	0.5	240,807	4.1	4,543,208	78.1	5,819,748	905,012	15.5	834,899	14.3	469,177	7.9	3,535,154	60.8	84,506	1.5
1914 ..	89	980,000	17.6	77,084	1.3	16,801	0.3	328,716	6.0	4,101,963	74.7	5,485,701	926,933	17.0	985,495	18.0	480,367	8.8	2,986,570	54.3	105,626	1.9
1915 ..	87	990,000	15.8	70,168	1.1	12,822	0.2	320,312	5.1	4,834,739	77.8	6,228,041	688,464	11.0	853,595	13.0	479,681	7.7	4,094,975	65.0	111,322	1.6
1916 ..	92	1,010,000	21.4	53,191	1.1	11,003	0.2	370,436	5.8	4,886,027	72.3	4,830,657	998,678	20.6	666,079	13.0	471,305	9.7	2,589,386	53.7	115,209	1.7
1917 ..	88	1,010,000	17.4	68,997	1.3	9,700	0.2	184,316	3.9	3,469,742	73.2	4,736,755	964,368	14.7	402,737	8.1	497,827	9.7	2,589,386	53.7	115,209	1.7
1918 ..	86	1,040,000	17.4	62,528	1.0	8,014	0.2	270,990	5.3	3,759,455	69.3	5,128,132	733,543	14.3	711,914	13.8	469,827	9.7	2,589,386	53.7	115,209	1.7
1919 ..	87	1,055,000	15.7	53,877	0.8	7,747	0.1	275,548	4.6	4,591,817	76.9	5,975,905	1,130,177	18.9	350,803	5.9	1,219,613	49.2	2,816,449	55.1	101,149	1.6
1920 ..	90	1,070,000	13.6	76,571	1.0	7,519	0.1	293,106	3.3	5,350,058	81.5	6,704,946	920,119	13.7	356,216	5.3	901,187	13.4	4,294,338	66.1	104,086	1.5
1921 ..	95	1,225,000	15.0	73,429	0.9	7,306	0.1	866,054	10.6	5,984,597	73.8	7,837,252	1,114,527	14.2	588,446	7.5	2,079,105	26.6	3,887,421	49.7	157,783	2.0
1922 ..	94	1,245,000	15.1	83,562	1.0	7,216	0.1	350,932	4.2	6,545,112	79.8	8,281,821	1,146,182	14.0	686,401	8.4	1,126,981	13.8	4,720,253	51.8	162,569	2.0
1923 ..	98	1,575,000	19.8	85,951	1.1	7,104	0.1	447,238	5.6	5,853,069	73.4	7,968,362	1,525,817	19.2	978,420	12.1	715,909	9.2	3,991,576	48.5	153,114	1.9

BANK OF AUSTRALASIA.

INCORPORATED 1835.

CAPITAL					Market Value.	Year Ended October.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.							
£	£	£	£	£				%	£	
4,000,000	4,000,000	Nil	4,000,000	10,500,000	1916	407,568	17.5	60,000	122,664	
					1917	405,646	17.5	60,000	123,309	
					1918	438,846	17.5	60,000	127,055	
Per Share.	Per Share.	Per Share.	Per Share.	Per Share.	1919	460,768	18.5	100,000	127,825	
£5	£5	Nil	£5	£13½	1920	573,052	13.5	100,000	145,874	
					1921	588,389	13.5	125,000	121,763	
					1922	620,106	13.5	100,000	121,869	

* Tax free.

Year Ended April.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills Pay- able, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Prem- ises.	Per Cent.
1890 ..	140	2,400,000	12.8	127,043	0.7	£ 481,424	2.6	2,254,793	12.1	13,416,044	71.8	18,679,304	2,245,471	12.0	1,607,000	8.6	772,230	4.1	13,630,240	73.0	£ 424,363	2.3
1891 ..	128	2,400,000	12.8	126,501	0.7	473,117	2.5	2,128,619	11.4	13,554,534	72.6	18,682,771	2,464,906	13.2	449,000	2.4	767,702	4.1	14,575,644	78.0	425,519	2.3
1892 ..	149	2,400,000	11.8	109,641	0.5	462,303	2.3	2,930,272	14.4	14,413,667	71.0	20,315,883	2,536,634	12.4	1,072,000	5.3	801,587	3.9	15,464,733	76.2	440,929	2.2
1893 ..	148	2,400,000	11.3	70,729	0.3	449,819	2.1	2,755,600	12.9	15,588,513	73.4	21,264,661	3,281,014	15.4	2,022,000	9.5	899,293	4.2	14,623,445	68.3	438,909	2.6
1894 ..	142	2,400,000	13.7	59,906	0.3	428,007	2.4	1,823,650	10.4	12,846,002	73.2	17,557,565	2,772,043	15.8	1,547,000	8.8	500,000	2.9	12,294,420	70.0	444,102	2.5
1895 ..	150	2,475,000	12.4	84,575	0.4	443,004	2.5	2,129,975	12.0	12,699,709	71.6	17,723,183	3,053,088	17.2	1,972,000	11.1	520,095	2.9	11,737,763	66.3	440,237	2.5
1900 ..	167	2,820,000	12.7	113,104	0.5	495,237	2.2	2,401,773	10.8	16,286,330	73.8	20,020,987	3,063,263	15.3	1,885,000	9.4	823,677	4.1	13,822,940	69.1	426,107	2.1
1905 ..	184	3,360,000	14.2	143,194	0.6	514,008	2.2	2,589,632	10.9	17,009,503	72.1	23,607,337	3,848,994	16.2	2,693,000	12.2	1,112,735	5.0	15,055,970	68.1	294,741	1.3
1914 ..	204	4,690,000	17.1	264,066	1.0	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	3,025,000	12.8	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1915 ..	204	4,750,000	16.3	283,323	1.0	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1916 ..	206	4,810,000	16.3	283,323	1.0	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1917 ..	203	4,875,000	16.7	291,759	1.0	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1918 ..	203	4,945,000	15.8	292,869	1.0	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1919 ..	203	5,000,000	15.8	297,065	0.9	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1920 ..	204	5,100,000	15.0	317,823	0.9	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1921 ..	204	5,775,000	16.4	373,374	0.9	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1922 ..	204	7,425,000	19.6	381,763	1.0	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6
1923 ..	204	7,525,000	20.0	381,869	1.0	595,887	0.7	3,045,714	11.1	19,259,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,561,063	6.6	15,021,437	63.8	150,843	0.6

* October.

* October.

BANK OF NEW SOUTH WALES.

ESTABLISHED 1817, AND INCORPORATED IN 1850.

CAPITAL.		
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BANK OF NEW ZEALAND.

INCORPORATED 1861.

	CAPITAL				Year Ended March 31.	Net Profit. £	Dividend. %	To Reserve, £	Carried Forward. £
	Subscribed.	Paid-up.	Callable.	Reserved.					
Ordinary Shares.....	£2,250,000	£2,250,000	Nil.	Nil.	1914.....	348,491	15	215,000	51,608
Per Share.....	£1	£1	Nil.	Nil.	1917.....	415,490	15	122,859	111,596
Preference Shares.....	£1,125,000	£1,125,000	Nil.	Nil.	1918.....	396,605	15	65,000	145,703
Guaranteed Stock.....	£529,988	£529,988	Nil.	Nil.	1919.....	439,045	17½	200,000	146,324
					1920.....	827,255	17½	200,000	351,276
					1921.....	682,043	13½	200,000	430,819
					1922.....	553,639	13½	150,000	421,957
					1923.....				

Price,
Sept. 28, 1923.
Ordinary 2½
Guaranteed 93

Year Ended March 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills Payable, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Bills Re- ceivable and in Transit.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries.	Per Cent.
		£		£		£		£		£		£		£		£		£		£		
1890..	115	1,125,000	9.9	99,784	0.8	453,295	3.9	1,707,441	14.9	8,090,653	70.5	11,476,173	1,572,308	13.7	1,437,667	12.5	..	..	8,092,757	70.5	373,441	3.3
1891..	115	897,832	9.0	59,522	0.6	483,064	4.9	1,083,487	10.9	7,436,776	74.6	9,960,682	1,642,024	16.4	2,303,218	23.2	1,850,000	18.6	3,791,277	38.1	374,163	3.7
1892..	116	920,000	9.1	55,831	0.6	479,260	4.7	1,314,252	13.0	7,363,045	72.6	10,132,388	1,379,565	13.6	2,397,002	23.6	1,886,287	18.6	4,092,730	40.5	376,804	3.7
1893..	126	935,000	8.5	51,661	0.5	520,333	4.8	1,343,699	12.3	8,071,783	73.9	10,922,466	1,484,457	13.6	2,301,824	21.1	1,900,841	17.4	4,825,831	44.2	409,513	3.7
1894..	126	945,000	8.5	37,740	0.3	515,568	4.2	1,413,997	12.7	8,213,199	73.9	11,125,504	1,562,019	14.0	2,383,073	21.4	1,911,524	17.2	4,855,519	43.7	413,319	3.7
1895..	126	3,104,745	25.4	384	..	468,195	3.8	1,486,891	12.1	7,222,202	58.7	12,282,417	1,394,194	11.3	2,112,348	17.2	2,730,213	22.3	5,203,450	42.3	842,212	6.9
1900..	123	2,942,993	22.3	50,000	0.4	722,770	5.5	884,751	6.7	8,587,860	65.1	13,188,374	1,407,526	10.7	1,791,338	13.6	5,052,921	38.3	3,961,689	30.0	974,900	7.4
1905..	124	1,936,227	12.2	253,330	1.6	784,171	4.8	1,117,389	6.8	12,190,647	74.6	16,342,404	2,124,147	13.0	3,190,012	19.5	5,417,054	33.0	5,211,098	32.0	400,093	2.5
1910..	156	2,650,000	13.5	270,384	1.4	919,329	4.7	1,146,918	5.8	14,687,680	74.6	19,674,311	3,258,074	16.6	3,661,019	18.6	5,036,389	25.6	7,359,039	37.4	359,790	1.8
1914..	194	3,644,690	15.0	291,608	1.2	989,882	4.1	1,403,457	5.8	18,070,613	73.9	24,400,250	3,377,185	13.8	3,164,882	13.0	6,048,920	24.6	11,350,486	46.6	449,577	1.8
1915..	214	4,170,235	15.7	270,395	1.0	1,676,051	6.3	1,670,103	6.3	18,741,657	70.7	26,528,441	4,827,522	18.2	3,301,302	12.4	6,038,584	23.0	11,849,165	44.7	451,867	1.7
1916..	216	4,292,130	13.5	238,674	0.8	1,862,823	5.9	1,767,410	5.6	23,556,677	74.2	31,717,714	5,757,829	18.1	3,580,075	11.3	10,093,176	31.8	11,844,767	37.4	441,867	1.4
1917..	205	4,342,130	11.6	316,954	0.8	2,560,325	6.7	2,007,968	5.2	29,052,791	75.7	38,280,168	6,645,608	17.4	672,147	1.8	14,765,115	38.5	15,746,485	41.1	450,813	1.2
1918..	201	4,414,988	10.8	343,203	0.8	3,312,955	8.1	2,329,559	5.7	30,437,937	74.6	40,838,687	7,225,047	17.7	289,136	0.7	15,111,920	37.0	17,786,755	43.5	425,824	1.1
1919..	203	4,479,989	10.4	428,724	1.0	3,728,249	8.6	2,860,391	6.6	31,715,353	73.4	43,813,706	6,719,766	15.6	638,770	1.5	16,589,765	38.2	18,865,538	43.8	399,867	0.9
1920..	213	5,517,442	10.1	460,470	0.8	5,765,337	10.9	3,708,305	7.1	37,661,611	71.1	52,912,965	8,722,286	16.6	638,770	1.5	16,589,765	38.2	18,865,538	43.8	399,867	0.9
1921..	211	5,705,989	11.6	726,901	1.5	4,741,492	9.5	4,116,574	8.3	34,475,655	69.2	49,766,611	6,685,738	13.4	2,209,534	4.4	10,027,242	20.2	30,506,628	61.3	337,469	0.7
1922..	210	5,855,989	13.5	790,194	1.8	4,294,230	9.9	3,713,175	8.6	28,676,603	66.2	43,330,191	7,722,878	17.8	2,869,861	6.6	7,657,420	17.6	24,783,559	57.3	296,473	0.7
1923..	213	6,005,989	13.3	759,457	1.7	4,564,695	10.1	3,972,048	8.8	30,003,927	66.1	45,306,116	8,627,968	19.0	4,847,930	10.7	10,624,884	23.5	20,664,217	45.6	541,117	1.2

* Includes money at call.

BANK OF VICTORIA, LIMITED.

ESTABLISHED 1852.

	CAPITAL				Year Ended June 30.	Net Profit. £	Ordinary Dividend. %	To Reserve, £	Carried Forward. £
	Subscribed.	Paid-up.	Callable.	Reserved.					
Ordinary Shares.....	£2,122,500	£1,061,250	£1,061,250	Nil.	1917	108,927	6	27,000	23,958
Per Share.....	£10	£5	£5	Nil.	1918	119,266	6	27,000	27,544
Preference Shares	£416,760	£416,760	..	..	1919	140,980	7	32,000	33,060
Per Share.....	£10	£10	..	..	1920	149,441	7	57,000	22,040
					1921	234,825	9	88,000	35,845
					1922	179,930	9	90,000	29,754
					1923	183,706	9	53,000	27,439

Price, Market Value,
Ordinary, September 28, 1923 6½ £1,459,200

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Contingent Liabilities, Miscellaneous Credits, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and at Call.	Per Cent.	Invest- ments.	Per Cent.	Bills and Remit- tances in Transit.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries.	Per Cent.
1890..	67	\$ 800,000	10.9	\$ 48,214	0.7	\$ 180,748	2.5	\$ 271,625	3.7	\$ 6,039,988	82.2	\$ 7,340,575	1,133,800	15.4	\$ 153,550	2.1	\$ 91,796	1.2	\$ 5,727,870	78.1	\$ 234,560	3.2
1895..	61	1,308,534	16.6	26,968	0.3	121,540	1.5	257,833	3.3	6,130,596	78.3	7,845,471	1,181,439	15.0	210,260	2.7	45,519	0.6	6,169,615	78.7	238,638	3.0
1900..	65	1,577,477	22.6	53,290	0.8	134,291	1.9	558,100	8.0	4,646,794	66.7	6,968,952	1,353,647	19.4	221,790	3.2	286,369	4.1	4,527,980	65.0	579,166	8.3
1905..	74	1,638,010	21.8	45,588	0.6	108,610	1.4	738,253	9.9	4,963,565	66.3	7,494,026	1,371,041	18.3	190,190	2.5	205,518	2.7	4,989,486	66.7	737,791	9.8
1910..	87	1,718,010	19.8	58,933	0.7	116,542	1.3	827,323	9.4	6,014,441	68.8	8,735,249	1,537,949	17.6	183,040	2.1	235,166	2.7	6,131,089	70.2	648,005	7.4
1913..	97	1,788,010	20.0	79,823	0.9	105,788	0.1	607,143	6.8	6,424,143	72.2	8,909,697	1,734,788	19.4	247,340	2.8	168,948	1.9	6,093,620	68.4	665,001	7.5
1914..	99	1,823,010	18.6	82,681	0.8	91,139	0.1	1,067,687	10.8	6,847,538	69.7	9,830,055	2,081,866	21.2	250,240	2.5	322,843	3.3	6,431,156	65.4	743,950	7.6
1915..	98	1,843,010	19.6	93,794	1.0	7,940	0.1	724,033	7.7	6,741,024	71.6	9,409,861	1,712,075	18.2	242,740	2.6	373,267	4.0	6,531,418	69.4	550,361	5.8
1916..	98	1,878,010	20.5	75,052	0.8	7,427	0.1	737,889	8.0	6,496,034	70.6	9,194,412	1,395,280	15.2	309,140	3.4	411,477	4.5	6,476,664	70.3	601,851	6.6
1917..	99	1,903,010	20.0	68,298	0.7	7,154	0.1	680,420	7.1	6,867,883	72.1	9,526,765	2,152,790	22.5	401,515	4.2	473,156	5.0	5,921,635	62.2	577,689	6.1
1918..	100	1,928,010	18.7	71,884	0.7	7,029	0.1	1,039,572	10.0	7,275,680	70.5	10,322,175	2,073,016	20.1	573,833	5.6	473,011	4.6	6,610,942	64.0	591,373	5.7
1919..	104	1,953,010	17.3	84,730	0.7	6,843	0.1	1,062,866	9.4	8,153,996	72.5	11,261,505	2,309,003	20.5	614,686	5.4	408,351	3.6	7,210,631	64.1	718,834	6.4
1920..	114	1,953,010	14.4	128,771	0.9	6,674	..	1,587,313	11.7	9,883,035	73.0	13,558,803	4,618,697	34.1	724,002	5.4	549,448	4.0	6,310,319	50.9	756,337	5.6
1921..	113	2,003,010	14.8	187,356	1.4	6,580	..	1,478,646	10.8	9,952,617	73.0	13,628,209	3,023,404	22.1	839,366	6.1	1,041,549	7.6	8,008,647	58.9	715,243	5.3
1922..	117	2,078,010	14.8	146,265	1.0	6,539	..	1,431,764	10.2	10,392,649	74.0	14,055,227	3,503,738	24.9	1,086,789	7.7	675,190	4.8	7,754,818	55.3	1,034,692	7.3
1923..	118	2,128,010	14.4	143,950	1.0	6,531	..	1,168,111	7.5	11,302,468	77.0	14,753,010	3,471,769	23.6	1,265,633	8.5	779,455	5.3	8,529,829	57.7	718,624	4.9

Commercial Banking Company of Sydney, Limited—Con.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills in Circulation.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and Australian Notes.	Per Cent.	Cash at Short Call in London.	Per Cent.	Invest- ments.	Per Cent.	Discounts, Advances, and Bills and Remit- tances in Transit.	Per Cent.	Buildings and Sundries.	Per Cent.
1890 ..	150	1,380,000	10.8	106,960	0.8	392,439	3.1	447,532	3.5	10,365,404	81.8	12,692,335	1,999,235	15.7	..	..	863,708	6.8	9,467,900	74.7	361,500	2.8
1895 ..	128	1,974,869	16.3	55,846	0.5	305,175	2.5	266,386	2.2	9,506,254	78.5	12,108,532	2,379,230	19.7	..	..	455,800	3.8	8,875,902	73.2	397,600	3.3
1900 ..	137	2,010,000	13.6	76,326	0.5	427,859	2.9	1,013,952	6.9	11,134,777	76.1	14,662,914	3,538,088	24.1	..	..	1,659,731	11.3	9,045,095	61.7	420,000	2.9
1905 ..	146	2,070,000	13.3	93,654	0.6	428,069	2.8	599,331	3.9	12,338,812	79.4	15,529,856	4,544,200	29.2	496,000	3.2	1,308,600	8.4	8,723,456	56.2	458,600	3.0
1910 ..	186	2,940,000	12.5	156,471	0.7	568,935	2.5	823,609	3.6	18,321,058	80.7	22,710,073	5,106,622	22.5	1,571,669	6.9	2,479,378	10.9	13,066,942	57.6	485,465	2.1
1915 ..	201	3,330,000	13.6	194,371	0.8	30,707	0.1	957,594	3.9	20,013,372	81.6	24,526,044	4,135,811	16.8	1,505,000	6.1	2,491,325	10.2	15,864,405	64.7	539,503	2.2
1919 ..	212	3,680,000	13.6	207,113	0.8	21,804	0.1	1,113,851	4.1	22,278,511	81.5	27,301,279	6,393,276	23.4	1,831,564	6.7	2,439,526	8.9	16,068,661	58.9	568,253	2.1
1920 ..	209	3,755,000	12.6	197,734	0.7	16,952	0.1	665,369	2.2	25,071,778	84.4	29,706,833	9,722,172	32.8	279,737	0.9	3,361,525	11.3	15,763,756	53.1	579,643	1.9
1921 ..	208	3,805,000	13.1	209,538	0.7	14,927	0.1	773,538	2.7	24,284,844	83.4	29,087,847	6,937,802	23.8	773,035	2.7	3,624,500	12.4	17,163,567	59.1	588,943	2.0
1922 ..	207	3,900,000	12.6	199,094	0.6	13,711	0.1	1,462,581	4.7	25,557,418	82.1	31,131,804	7,737,537	24.8	1,590,000	5.1	4,529,300	14.5	16,674,624	53.7	600,343	1.9
1923 ..	207	4,000,000	12.3	197,943	0.6	11,830	..	1,362,746	3.9	27,109,804	83.2	32,581,623	7,689,134	23.4	1,770,000	5.4	4,576,700	16.8	18,099,254	55.5	606,535	1.9
1924 ..	208	4,462,019	12.9	218,814	0.6	11,088	..	1,312,047	3.8	28,697,157	82.7	34,631,125	7,232,000	20.9	1,040,000	3.0	4,639,200	13.4	21,106,725	60.9	613,200	1.8
1925 ..	213	4,620,000	12.6	306,676	0.8	10,233	..	1,798,283	4.9	30,017,532	81.7	36,752,794	7,494,484	20.4	1,000,000	2.8	4,443,338	17.6	21,312,361	57.9	632,541	1.7
1926 ..	222	5,129,025	13.4	350,185	0.9	9,867	..	1,600,741	4.2	31,245,205	81.5	38,335,023	7,535,466	19.7	1,065,000	2.8	4,307,338	16.5	22,748,258	59.2	678,961	1.8
1927 ..	225	5,360,000	13.7	335,735	0.9	9,550	..	1,704,147	4.4	31,493,201	81.0	38,902,633	7,612,209	19.6	2,630,000	6.8	4,529,338	16.8	21,296,160	54.8	794,926	2.0
1928 ..	230	5,460,000	13.2	358,489	0.9	9,316	..	1,171,336	2.8	34,446,065	83.1	41,445,206	7,737,877	18.7	2,405,000	5.8	6,242,154	15.1	24,130,329	58.2	929,846	2.2

COMMERCIAL BANK OF AUSTRALIA, LIMITED.
ESTABLISHED 1856.

1918.—National Bank of Tasmania purchased, March 1, 1918.

CAPITAL.					Year Ended June 30.	Net Profit. £	Ordinary Dividend. %	To Reserve, &c. £	Carried Forward. £
Ordinary Shares....	£703,054	.. £351,527	.. £351,527	.. Nil	1917	134,622	..	50,000	9,407
Per Share	£1	.. 2s 6d to 10s	..	.. Nil	1918	140,767	..	50,000	10,486
Preference Shares..	£2,117,350	.. £2,117,350	Nil	.. Nil	1919	170,268	..	85,000	13,060
Per Share	£10	.. £10	.. Nil	.. Nil	1920	202,892	..	115,000	16,258
					1921	237,772	.. 15	145,000	13,322
					1922	228,081	.. 15	76,726	42,209
					1923	234,419	.. 15	95,066	44,786

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills in Circulation.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and Australian Notes.	Per Cent.	Cash at Short Call in London.	Per Cent.	Invest- ments.	Per Cent.	Discounts, Advances, and Bills and Remit- tances in Transit.	Per Cent.	Premi- es and Sundries.	Per Cent.
1890 ..	94	2,160,000	15.6	170,182	1.2	255,479	1.8	466,615	3.4	10,722,159	78.0	13,774,435	1,961,940	14.2	90,000	0.6	807,450	5.9	10,631,893	77.2	283,152	2.1
1895 ..	87	3,843,321	33.0	28,449	0.2	133,101	1.1	159,210	1.4	7,457,563	64.3	11,621,644	1,063,142	9.1	..	..	87,100	0.7	9,910,926	85.4	560,476	4.8
1900 ..	93	3,902,323	44.1	42,108	0.6	157,504	2.2	276,338	3.8	5,792,190	49.3	7,250,463	1,129,747	15.6	460,000	6.3	889,145	12.2	4,113,231	56.8	658,340	9.1
1905 ..	102	2,409,132	35.1	50,430	0.7	150,798	2.2	579,743	5.5	5,650,771	53.5	6,840,874	1,291,371	19.0	520,000	7.6	130,750	1.9	5,022,034	55.2	1,188,332	12.9
1910 ..	148	1,204,421	13.1	35,476	0.4	215,622	2.3	2,275,600	24.5	5,495,019	59.9	9,226,129	1,739,007	18.8	1,120,000	12.2	86,756	0.9	6,876,000	73.8	611,715	6.6
1915 ..	146	1,371,135	15.8	39,436	0.4	13,167	0.2	1,093,798	12.3	6,321,902	71.6	8,239,438	1,547,774	17.5	1,112,000	12.6	42,830	0.5	5,548,968	62.9	587,866	6.6
1919 ..	149	1,432,038	14.8	52,223	0.5	21,053	0.2	1,021,242	10.6	7,168,789	73.9	9,626,345	1,619,564	16.7	1,585,000	16.4	75,581	0.8	5,962,165	61.4	454,635	4.7
1920 ..	157	1,452,346	15.5	51,923	0.5	39,125	0.4	723,147	7.7	7,091,790	75.9	9,358,511	2,115,688	22.8	688,000	7.3	123,404	1.3	5,563,284	59.4	670,135	7.2
1921 ..	157	1,487,349	15.1	51,755	0.5	52,394	0.5	1,106,952	11.3	7,139,864	72.6	9,838,304	2,012,173	20.5	466,000	4.7	240,212	2.4	6,348,371	64.7	771,548	7.7
1922 ..	159	1,535,349	14.8	51,754	0.5	61,129	0.6	612,764	5.9	8,085,900	78.2	10,346,896	1,999,209	19.3	1,566,000	15.2	230,493	2.2	5,801,544	56.0	749,650	7.2
1923 ..	159	1,600,349	12.4	52,833	0.4	69,861	0.6	885,579	6.9	10,251,479	79.8	12,860,101	2,312,155	18.0	501,000	3.9	849,880	6.6	8,134,086	63.2	1,062,980	8.3
1924 ..	199	1,670,349	11.4	55,407	0.4	71,517	0.5	822,271	5.6	12,055,230	82.1	14,674,774	1,991,626	13.6	766,000	5.2	849,880	5.8	10,534,279	71.8	943,457	6.4
1925 ..	200	1,770,349	10.8	58,606	0.3	68,300	0.3	1,340,469	6.8	15,577,137	83.6	19,614,890	3,771,382	19.2	1,740,000	8.9	1,964,472	10.0	10,926,846	55.7	1,214,390	6.2
1926 ..	220	2,118,666	10.8	68,624	0.3	1,653,465	7.8	1,653,465	7.8	16,187,721	78.6	20,571,455	3,716,714	18.0	2,805,000	13.6	544,315	2.7	13,062,512	67.0	330,964	6.3
1927 ..	225	2,453,943	12.0	105,897	0.5	59,089	0.3	1,764,805	8.6	16,187,721	78.6	20,571,455	3,716,714	18.0	2,805,000	13.6	544,315	2.7	12,334,482	60.0	1,170,944	5.7
1928 ..	231	2,568,877	12.0	113,497	0.5	57,301	0.3	1,528,634	7.2	17,061,414	80.0	21,329,723	3,903,934	18.4	1,145,000	5.4	1,863,997	8.7	13,345,150	62.5	1,071,642	5.0

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK, LIMITED.
Registered 1893 under English Companies Acts.

1920.—Amalgamated with the London Bank of Australia, Limited.

1921.—Amalgamated with the Commercial Bank of Tasmania, Limited.

Year Ended June 30.	CAPITAL.					Year Ended June 30.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
	Subscribed.	Paid-up.	Callable.	Reserved.	Market Value.					
3,000,000 ..	1,500,000	1,500,000	Nil	3,300,000	1916 ..	110,696	..	..	52,500	33,885
Per Share ..	£5	£2 10s	£2 10s	£54	1917 ..	110,418	..	..	52,500	34,263
					1918 ..	133,168	..	..	53,000	49,699
					1919 ..	133,179	..	..	60,000	50,954
					1920 ..	170,179	..	..	55,000	94,209
					1921 ..	267,975	..	..	87,837	102,605
					1922 ..	345,475	..	..	165,000	107,094

* Free of tax.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills Pay- able, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and at Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills re- ceivable and Remit- tances in Transit.	Per Cent.	Ad- vances, &c.	Per Cent.	Buildings and Sundries, including Furniture and Note Issue.	Per Cent.
1890 ..	96	£ 1,235,000	15.2	£ 56,127	0.7	£ 184,717	2.3	£ 778,750	9.6	£ 5,861,428	72.2	£ 8,116,022	1,176,614	14.5	£ ..	£ ..	£ ..	£ 6,652,510	82.0	£ 286,898	3.5	
1891 ..	96	1,210,000	14.9	50,734	0.6	203,096	2.5	917,054	11.3	5,759,459	70.7	8,140,343	1,155,798	14.2	..	..	..	6,684,238	82.1	300,307	3.7	
1892 ..	97	1,210,000	14.2	43,031	0.5	153,500	1.9	868,477	10.7	5,833,536	72.0	8,108,544	1,109,979	13.7	121,736	1.5	..	6,571,049	81.0	305,780	3.8	
1893 ..	77	}	}	}	}	}	}	}	}	}	}	}	}	}	}	}	}	}	}	}	}	
1894 ..	77																					
1895 ..	78	978,055	15.7	..	..	40,619	0.7	253,382	4.1	4,940,723	79.5	6,212,779	898,937	14.4	55,639	0.9	720,368	11.6	4,074,010	65.6	463,825	7.5
1900 ..	86	3,372,086	54.1	36,915	0.6	33,305	0.5	481,889	7.7	2,309,330	37.1	6,233,525	899,449	14.4	39,851	0.6	983,838	15.8	3,855,256	61.9	455,131	7.3
1905 ..	106	3,343,055	52.7	58,514	0.9	32,436	0.5	349,865	5.5	2,555,854	40.3	6,339,734	989,115	15.8	152,721	2.4	612,231	9.7	4,208,723	66.6	736,939	5.8
1910 ..	128	3,365,807	42.1	86,862	1.1	68,071	0.9	305,150	3.8	4,164,251	52.1	7,990,141	1,730,625	19.8	150,000	1.7	1,528,230	12.2	5,444,969	62.5	328,900	3.8
1911 ..	131	3,375,404	35.0	101,041	1.1	13,086	0.1	518,256	5.5	5,568,629	57.3	9,376,416	1,760,988	18.8	150,000	1.6	1,392,255	14.1	5,802,464	61.9	340,714	3.6
1912 ..	134	3,376,404	36.0	114,974	1.1	5,007	0.1	548,781	5.9	5,981,583	57.3	10,096,755	1,805,183	18.0	150,000	1.5	1,577,026	15.7	5,175,081	61.6	319,475	3.2
1913 ..	134	3,376,404	33.2	114,974	1.1	5,007	0.1	548,781	5.9	5,981,583	57.3	10,096,755	1,805,183	18.0	150,000	1.5	1,577,026	15.7	5,175,081	61.6	319,475	3.2
1914 ..	147	3,430,004	31.4	119,046	1.2	3,755	0.0	516,303	5.1	6,110,487	60.6	10,146,153	2,376,322	23.3	170,000	1.7	1,168,631	11.6	6,128,065	60.5	303,144	3.0
1915 ..	147	3,463,404	31.0	106,691	1.0	2,052	..	532,445	5.0	6,857,928	62.5	10,959,280	2,682,794	24.5	182,046	1.7	1,337,133	12.2	6,452,765	58.8	304,033	2.8
1916 ..	156	3,496,404	29.4	104,847	0.9	1,873	..	625,107	5.3	7,665,937	63.4	11,163,389	3,187,400	28.5	364,036	3.3	1,943,664	12.0	6,270,864	54.9	286,103	2.6
1917 ..	159	3,528,403	25.6	105,226	0.8	1,742	..	998,993	7.2	7,159,320	66.4	13,793,519	3,619,378	22.0	447,975	3.8	3,110,482	11.0	7,243,020	60.9	272,881	2.3
1918 ..	173	3,560,403	25.6	127,855	0.9	1,697	..	756,655	5.4	9,388,452	68.1	13,835,062	3,743,483	27.1	627,994	4.5	3,080,209	11.2	6,086,711	44.1	255,333	1.9
1919 ..	179	3,589,903	23.2	140,908	0.9	1,447	..	860,594	5.6	10,848,250	70.3	15,441,102	2,745,896	17.8	992,284	7.2	1,917,937	13.8	7,956,943	57.7	237,965	1.7
1920 ..	179	3,652,144	21.6	179,162	1.0	1,396	..	1,068,633	5.9	12,090,412	71.5	16,381,747	3,522,503	21.9	635,779	3.7	2,208,712	14.2	9,158,935	59.4	319,711	2.1
1921 ..	317	4,992,516	16.2	284,372	0.9	1,340	..	2,954,345	9.6	22,562,725	73.3	30,785,298	6,207,557	20.1	878,550	2.8	2,533,423	15.0	9,937,514	58.7	301,528	1.8
1922 ..	339	5,028,354	16.3	367,085	1.2	1,328	..	1,736,144	5.6	23,773,421	76.9	30,903,332	6,111,301	19.8	1,230,825	4.0	3,799,504	12.5	19,069,034	62.1	778,443	2.5
																					811,277	2.6
* Free of tax.																						
March 31																						

NATIONAL BANK OF AUSTRALASIA, LIMITED.

INCORPORATED 1858.

1918.—Amalgamated with Colonial Bank of Australasia, Limited.
1922.—Absorbed Bank of Queensland, Limited.

CAPITAL					Year Ended March 31.	Net Profit, £	Dividend, %	To Reserve, £	Carried Forward, £
Subscribed.	Paid-up.	Callable.	Reserved.	Market					
£	£	£	£	£					
Ordinary Shares	£4,537,500	£3,225,000	£1,312,500	Nil.	1917.....	156,468	7	50,000	13,695
Per Share.....	£10 & £8	£10 & £5	£3	£	1918.....	169,483	7	60,000	18,302
					1919.....	235,194	7½	93,614	40,234
					1920.....	299,781	8	130,000	50,015
					1921.....	336,610	9½	140,000	56,525
					1922.....	350,168	10	110,000	68,743
					1923.....	442,178	10	157,097	81,324

Ordinary, September 28, 1923

Year Ended March 31.		Number of Branches.	LIABILITIES.												Total Liabilities or Assets.	ASSETS.											
			Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills in Circulation, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand and at Bank.	Per Cent.		Invest- ments.	Per Cent.	Bills and Remit- tances in Transit.	Per Cent.	Discounts and Advances.	Per Cent.	Real Estate and Premises.	Per Cent.				
1890..	143	1,670,000	13.6	103,931	0.9	372,960	3.1	1,612,254	13.2	8,554,428	69.2	12,233,573	1,942,560	15.9	307,100	2.3	1,649,681	13.5	7,914,632	64.9	419,600	3.4					
1891..	143	1,670,000	13.2	108,258	0.9	384,574	3.0	1,199,795	17.5	8,344,287	65.4	12,706,914	1,259,684	9.9	758,100	6.0	2,063,506	16.2	8,182,098	64.4	443,526	3.5					
1892..	130	1,670,000	13.0	91,376	0.7	322,170	2.3	1,971,325	15.3	8,818,349	68.5	12,873,220	1,198,968	9.3	811,100	6.3	1,686,656	13.1	8,643,690	67.2	532,806	4.1					
1893..	130	1,660,642	15.7	35,690	0.3	250,127	2.3	842,180	7.9	7,856,593	73.8	10,645,232	1,687,330	16.6	591,930	5.5	924,776	8.7	6,891,664	64.9	463,470	4.3					
1894..	130	1,877,784	18.2	18,944	0.2	266,200	2.6	675,494	6.5	7,493,272	72.5	10,331,694	1,556,344	16.4	700,280	6.8	1,668,590	16.1	5,813,941	56.2	461,553	4.5					
1895..	108	2,030,174	21.6	85,870	0.9	329,222	3.5	779,352	8.3	6,185,617	65.7	9,410,235	1,556,344	16.4	736,210	7.8	645,656	6.8	5,542,456	58.9	929,569	9.9					
1905..	133	1,603,220	16.9	45,398	0.5	243,939	2.6	1,154,448	12.2	6,447,022	67.8	9,494,027	1,487,595	15.7	727,624	7.7	923,663	9.7	5,666,354	59.7	688,791	7.2					
1910..	199	1,713,220	12.9	74,983	0.6	330,987	2.5	1,523,994	11.5	9,648,583	72.5	13,291,767	2,235,979	16.8	476,193	3.6	2,078,101	15.7	8,017,862	60.3	483,632	3.6					
1911..	210	1,743,220	12.1	82,298	0.6	340,101	2.4	1,598,836	11.2	10,554,725	73.7	14,319,180	2,506,844	17.6	513,383	3.6	1,158,069	8.0	9,672,564	67.5	468,320	3.0					
1912..	211	1,783,220	12.5	127,563	0.9	64,057	0.4	1,184,234	8.1	11,392,613	78.4	14,561,687	3,053,117	21.0	444,314	3.1	1,030,761	7.1	9,577,225	65.8	446,270	3.0					
1913..	208	1,903,220	14.1	113,046	0.8	46,529	0.3	1,010,265	7.5	10,948,630	77.3	13,521,690	2,353,552	17.4	705,531	5.2	1,205,153	8.9	8,818,171	65.2	439,278	3.3					
1914..	208	1,963,220	13.4	110,910	0.8	38,981	0.3	1,316,066	9.0	11,282,630	76.5	14,611,807	2,854,452	19.5	567,852	3.9	1,451,385	9.9	9,306,647	63.8	431,471	2.9					
1915..	229	2,023,220	14.2	108,332	0.9	36,223	0.3	924,405	6.5	11,081,514	78.2	14,713,694	3,298,421	23.2	585,036	4.1	949,043	6.7	8,914,253	63.0	426,941	3.0					
1916..	227	2,063,220	14.2	114,539	0.8	34,690	0.2	1,123,960	7.7	11,239,288	77.1	14,575,697	3,070,963	21.1	377,518	2.6	1,359,889	9.3	9,343,903	64.1	423,404	2.9					
1917..	208	2,128,220	14.1	91,132	0.6	33,538	0.2	969,046	6.4	11,795,346	78.7	15,017,282	3,727,768	24.8	417,283	2.8	1,567,552	10.3	8,885,792	59.3	418,887	2.8					
1918..	165	2,173,220	12.4	100,740	0.6	32,576	0.2	1,480,872	8.4	13,823,320	78.4	17,610,728	4,048,101	22.9	1,406,849	8.0	1,632,672	9.2	10,133,870	57.7	390,326	2.2					
1919..	221	3,090,000	12.7	119,023	0.5	50,088	0.2	958,396	4.0	20,012,106	82.6	24,229,613	3,947,454	16.2	1,811,482	7.5	1,209,869	5.0	16,729,874	69.1	530,934	2.2					
1920..	219	3,200,000	11.5	130,015	0.5	49,810	0.2	962,908	3.5	23,398,202	84.3	27,740,935	4,544,292	16.4	6,619,615	24.9	1,431,981	5.1	14,201,412	51.4	643,636	2.3					
1921..	226	3,320,000	11.3	156,625	0.5	49,524	0.2	1,724,292	5.9	24,191,531	82.1	29,441,972	4,952,820	16.8	3,691,932	12.6	1,803,592	6.2	18,352,615	62.2	640,993	2.2					
1922..	265	4,254,289	12.8	171,793	0.5	49,004	0.1	1,262,397	3.8	27,457,993	82.8	33,195,076	6,664,869	20.0	4,186,110	12.6	1,949,278	5.9	19,606,619	59.1	789,200	2.4					
1923..	287	4,450,000	12.6	217,574	0.6	48,874	0.1	1,409,355	4.0	29,159,545	82.7	35,285,348	4,455,007	12.6	4,321,225	12.2	2,364,172	6.7	23,292,462	66.1	852,482	2.4					

NATIONAL BANK OF NEW ZEALAND, LIMITED.

REGISTERED 1872.

CAPITAL					Year Ended March 31.	Net Profit, £	Dividend, %	To Reserve, £	Carried Forward, £
Subscribed.	Paid-up.	Callable.	Reserved.	Market					
£	£	£	£	£					
3,750,000	1,250,000	2,500,000	Nil.	3,343,700	1914.....	144,896	13*	44,000	43,317
Per Share.....	£2 10s	£5	Nil.	£64½	1917.....	153,645	13*	55,500	42,754
					1918.....	148,996	13*	38,700	45,550
					1919.....	186,882	13*	55,000	64,932
					1921.....	256,299	14*	120,000	69,753
					1922.....	326,821	14*	141,000	115,894
					1923.....	228,747	14*	46,500	142,121

* Free of tax.

Year Ended March 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills Payable, £.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, & at Call & Short Notice	Per Cent.	Invest- ments.	Per Cent.	Bills Discounted.	Per Cent.	Bills and Remit- tances in Transit and Adv- ance.	Per Cent.	Land & Prop- erty, Prem- ises, Bldgs & Furni- ture, In- cluding Cover for Acceptances	Per Cent.
1890	30	£		£		£		£		£		£		£		£		£		£		
1890	30	250,000	9.7	18,029	0.7	108,362	4.2	350,863	13.6	1,847,256	71.8	2,574,510	280,078	10.9	..	..	..	..	2,166,884	84.2	127,548	4.9
1891	34	260,000	9.7	13,696	0.5	114,343	4.2	360,625	13.4	1,941,458	72.2	2,690,122	320,940	11.9	..	..	..	..	2,241,679	83.4	127,503	4.7
1892	33	235,816	9.2	13,085	0.5	107,545	4.2	606,742	23.5	1,613,609	62.6	2,576,727	396,230	15.4	..	..	..	..	2,063,245	79.7	127,322	4.9
1893	35	247,384	10.1	16,928	0.7	116,439	4.8	455,265	18.6	1,605,027	65.8	2,441,043	300,249	14.4	..	..	..	..	1,963,796	80.4	126,998	5.2
1894	33	248,148	10.9	21,425	0.9	110,513	4.8	470,596	20.5	1,434,366	62.9	2,285,048	304,075	13.3	..	..	..	..	1,854,643	81.2	126,330	5.5
1895	27	249,106	11.4	25,357	1.2	109,822	5.0	265,176	12.2	1,534,641	70.2	2,184,102	358,024	16.6	..	..	..	..	1,699,836	77.6	126,242	5.8
1900	41	310,000	8.7	40,009	1.1	211,605	6.0	478,821	13.5	2,510,754	70.7	3,551,189	649,024	18.3	68,481	1.9	..	..	2,741,453	77.2	92,331	2.6
1905	34	460,000	10.5	45,810	1.0	247,126	5.6	415,309	9.5	3,218,481	73.4	4,386,722	1,374,319	23.2	532,178	9.0	581,275	13.2	2,645,409	60.5	80,617	1.8
1910	35	750,000	12.7	69,660	1.2	268,559	4.5	536,798	9.9	4,306,295	72.6	5,931,312	1,374,319	23.2	532,178	9.0	581,275	13.2	2,645,409	60.5	80,617	1.8
1911	39	960,000	15.4	78,004	1.3	272,580	4.4	606,773	9.8	4,296,328	69.1	6,213,785	1,331,565	21.4	443,132	7.1	789,136	12.7	3,282,772	55.3	67,715	1.1
1912	41	980,000	15.0	84,263	1.3	268,270	4.1	837,349	12.8	4,357,926	66.8	6,527,908	1,317,812	20.1	422,858	6.5	789,136	12.7	3,578,260	57.6	71,622	1.2
1913	42	1,000,000	15.0	95,756	1.4	257,985	3.9	1,058,780	16.0	4,229,440	63.7	6,641,961	1,041,201	15.6	492,708	7.4	828,950	12.7	3,879,858	59.5	78,330	1.2
1914	45	1,395,000	20.0	120,817	1.7	255,899	3.7	899,674	12.9	4,304,654	61.7	6,976,044	1,171,137	16.8	522,415	7.5	808,168	11.6	4,141,787	62.6	82,292	1.2
1915	45	1,415,000	19.0	124,580	1.7	465,515	6.2	699,093	9.4	4,740,397	63.7	7,444,585	1,233,272	16.6	659,067	8.8	578,166	11.6	4,388,181	62.9	85,756	1.2
1916	45	1,435,000	17.4	113,609	1.4	535,665	6.5	841,555	10.2	5,298,296	64.5	8,224,125	1,295,801	15.7	1,161,124	14.1	697,357	8.7	4,813,047	64.7	161,037	2.1
1917	44	1,450,000	16.3	114,254	1.3	918,026	10.5	832,056	9.4	5,472,552	62.5	8,786,888	1,616,443	18.4	1,460,201	16.6	590,364	6.7	4,899,171	59.6	170,672	2.1
1918	43	1,465,000	14.7	114,254	1.3	118,150	1.2	1,003,237	17.1	5,656,903	56.9	9,945,151	2,173,946	21.8	2,141,263	21.8	1,003,237	10.1	5,432,079	64.5	161,938	1.8
1919	43	1,480,000	14.4	144,932	1.4	117,271	1.1	951,394	9.3	6,481,558	63.5	10,235,115	2,173,946	21.8	2,141,263	21.8	1,003,237	10.1	5,432,079	64.5	161,938	1.8
1920	46	2,000,000	14.8	174,573	1.3	828,009	6.1	1,179,729	12.7	8,856,133	65.1	13,578,444	2,316,157	17.1	2,316,157	17.1	1,003,237	10.1	5,432,079	64.5	161,938	1.8
1921	49	2,020,000	12.9	226,394	1.4	931,782	6.4	1,324,913	26.2	8,296,492	53.1	15,654,581	3,305,168	8.3	3,305,168	8.3	1,003,237	10.1	5,432,079	64.5	161,938	1.8
1922	51	2,040,000	14.4	238,621	1.7	801,451	6.3	1,622,070	10.1	8,296,492	53.1	15,654,581	3,305,168	8.3	3,305,168	8.3	1,003,237	10.1	5,432,079	64.5	161,938	1.8
1923	53	2,500,000	16.5	278,167	1.9	1,729,434	11.4	1,422,151	9.4	9,361,899	60.8	15,191,651	1,087,062	7.2	1,087,062	7.2	1,087,062	7.2	1,087,062	7.2	1,087,062	7.2

Queensland National Bank, Limited—Con.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Bills Pay- able to the Government of Queens- land.	Per Cent.	Miscel- laneous Credits, Rebate, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bankers.	Per Cent.	Cash at Call and Short Notice in London.	Per Cent.	Invest- ments.	Per Cent.	Discounts, Advances, and Bills in Transit.	Per Cent.	Premises and Sundries.	Per Cent.
1890..	68	£ 1,285,000	12.8	£ 64,171	0.6	*278,661	2.8	497,936	5.0	7,885,930	78.8	10,011,698	£ 1,195,052	11.9	154,575	1.5	309,436	3.1	£ 8,073,215	80.7	279,420	2.8
1891..	68	1,285,000	12.5	56,091	0.5	*302,764	2.9	288,721	2.8	8,379,931	81.3	10,312,507	1,296,953	12.6	105,000	1.2	464,085	4.5	8,151,686	78.9	294,783	2.8
1892..	66	1,285,000	12.8	57,230	0.6	*273,075	2.7	186,249	1.8	8,256,157	82.1	10,057,711	1,247,351	12.4	95,000	0.9	198,554	2.0	8,216,395	81.7	300,411	3.0
1893..	66	609,943	6.3	43,593	0.5	222,000	2.3	524,906	5.4	7,572,759	85.5	9,673,201	1,625,594	16.9	100,000	1.0	42,122	0.4	7,612,468	78.7	293,017	3.0
1894..	49	738,009	7.3	47,618	0.5	242,000	2.4	626,998	6.2	8,419,411	84.6	10,074,036	1,907,824	18.9	170,000	1.7	41,976	0.4	7,669,167	76.2	285,069	2.8
1895..	51	3,541,394	48.3	12,000	0.2	2,068,326	28.2	279,762	3.8	1,432,703	19.5	7,334,185	1,381,550	18.8	390,000	5.3	4,554,795	62.2	1,007,840	13.7		
1905..	53	3,571,848	46.0	12,000	0.2	1,377,563	17.7	426,896	5.5	2,395,677	30.6	7,785,984	1,090,307	14.0	385,000	5.0	4,343,000	56.5	5,338,122	71.0	729,120	9.4
1910..	71	3,589,038	39.1	25,000	0.3	430,489	4.7	476,483	5.2	6,066,614	50.7	9,127,624	1,833,134	20.0	665,000	7.3	134,900	1.5	6,205,241	68.0	289,349	3.2
1911..	72	3,599,163	37.1	36,000	0.4	344,391	3.6	424,070	4.4	5,252,263	54.5	9,655,887	2,411,900	25.0	550,000	5.7	133,864	1.4	6,267,092	64.0	293,056	3.0
1912..	82	3,611,260	37.3	48,159	0.5	258,293	2.7	78,388	0.8	5,700,242	58.7	9,696,342	2,127,039	22.0	365,000	3.8	118,700	1.2	6,788,475	69.9	297,128	3.1
1913..	83	3,635,087	34.7	48,214	0.5	218,293	2.1	83,682	0.8	6,429,747	61.9	10,415,023	2,577,037	24.6	395,000	3.8	118,700	1.1	7,027,240	67.7	297,046	2.8
1914..	83	3,725,669	35.3	50,090	0.5	86,998	0.8	..	..	6,560,809	61.9	10,584,816	2,577,037	24.6	395,000	3.8	118,700	1.1	7,027,240	67.7	297,046	2.8
1915..	83	3,749,669	32.0	51,746	0.4	..	..	377,465	3.2	7,591,807	75.1	9,673,201	1,625,594	16.9	100,000	1.0	42,122	0.4	7,612,468	78.7	293,017	3.0
1916..	83	3,771,669	34.1	51,398	0.5	..	..	596,921	5.4	6,631,818	60.0	10,170,573	3,963,193	33.6	401,800	3.4	166,200	1.4	6,925,559	58.9	313,821	2.7
1917..	83	3,793,669	32.4	51,896	0.4	..	..	484,016	4.1	7,362,836	63.1	11,692,407	2,290,797	20.6	175,900	1.6	838,700	7.6	7,048,752	67.2	337,567	3.1
1918..	86	3,793,669	29.3	53,070	0.4	..	..	498,511	3.9	8,990,196	66.4	12,935,446	3,615,386	28.0	628,840	5.4	476,980	4.1	7,214,421	61.7	337,283	2.9
1919..	86	4,030,520	28.9	48,910	0.3	..	..	806,579	5.8	9,570,005	60.5	13,961,014	4,142,458	31.1	94,000	0.7	1,343,700	10.4	7,536,405	58.2	346,676	2.7
1920..	90	4,188,325	31.6	26,081	0.2	..	..	570,075	4.3	8,427,076	53.9	13,211,557	3,715,736	28.0	150,000	1.0	610,200	4.4	8,473,103	60.7	365,253	2.6
1921..	89	4,214,672	26.5	38,309	0.3	..	..	483,753	4.2	8,684,743	69.0	11,592,077	2,449,749	21.1	150,000	1.0	1,045,600	7.9	7,993,921	60.2	370,300	2.8
1922..	91	4,251,669	36.9	50,827	0.4	..	..	350,078	3.0	8,698,730	59.7	11,551,304	2,386,732	12.0	105,000	0.9	1,689,760	12.7	7,850,401	68.2	500,411	4.3
1923..	89	4,291,669	34.9	58,177	0.5	..	..	415,263	3.4	7,519,294	62.1	12,284,403	2,153,842	10.2	200,000	1.0	1,617,782	16.7	8,488,925	69.2	559,169	4.5

* Notes.

ROYAL BANK OF AUSTRALIA, LIMITED.
ESTABLISHED 1888. London Branch opened June, 1914.

Subscribed.	Paid-up.	Capital.	Callable.	Reserved.	Year Ended March 31	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
£	£	£	£	£	£	£	%	£	£
1,560,000	750,000	810,000	Nil.	Nil.	1917	33,763	8	17,500	8,156
					1918	47,562	8	30,000	1,718
					1919	53,875	8	20,000	13,311
					1920	114,423	9½	30,000	6,695
					1921	116,938	10	45,000	30,919
					1922	119,305	10	40,000	32,857
					1923			40,000	32,162

Year Ended March 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Bills, Contingent Liabilities, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash and Notes.	Per Cent.	Bills and Remit- tances in Transit.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Customers' Liabilities, Buildings & Sundries.	Per Cent.
1907 ..	..	£ 260,763	14.0	16,070	0.9	14,205	0.7	£ 433,919	22.7	1,176,387	61.7	1,901,344	270,150	14.2	326,007	17.1	£ 111,000	5.8	812,112	42.8	382,075	20.1
1908 ..	..	280,000	13.1	19,958	0.9	13,036	0.6	558,732	26.0	1,272,533	59.4	2,144,259	309,989	14.5	301,819	14.1	28,400	1.3	1,020,326	47.5	483,725	22.6
1909 ..	..	407,500	18.4	22,158	1.0	14,121	0.6	490,268	22.1	1,282,739	57.9	2,216,786	221,083	10.0	328,172	14.8	2,630	0.1	1,130,257	51.0	534,644	24.1
1910 ..	..	422,500	15.8	23,118	0.9	15,877	0.6	658,018	24.6	1,543,892	58.1	2,663,405	401,818	15.0	343,628	12.8	39,088	1.5	1,232,904	46.5	645,967	24.2
1911 ..	..	440,000	13.8	25,358	0.8	18,317	0.6	771,258	24.2	1,534,590	60.6	3,190,123	567,235	17.8	257,862	8.1	1,820	0.1	1,670,738	52.4	690,845	21.7
1912 ..	..	460,000	14.0	25,943	0.8	1,649	..	682,967	20.8	2,113,381	64.4	3,289,940	524,101	15.9	368,809	11.2	43,550	1.3	1,570,155	47.8	635,941	19.5
1913 ..	..	480,000	14.6	27,459	0.8	1,256	..	611,216	18.6	2,163,549	66.0	3,583,480	524,101	15.9	368,809	11.2	73,669	2.2	1,590,682	44.8	626,712	19.0
1914 ..	6	500,000	14.0	29,165	0.8	1,103	..	700,053	19.7	2,325,289	65.5	3,556,610	792,671	22.3	377,677	10.6	73,669	2.1	1,590,682	44.8	720,311	20.2
1915 ..	6	532,500	16.0	27,161	0.8	961	..	495,363	14.8	2,279,308	68.4	3,594,162	886,251	26.6	421,251	12.6	69,955	2.1	1,655,412	49.7	302,494	9.0
1916 ..	6	545,000	14.4	30,156	0.8	880	..	622,675	16.0	2,671,246	68.8	3,884,957	763,530	21.0	258,345	7.2	166,988	4.6	2,065,633	57.5	349,566	9.7
1917 ..	8	560,000	14.4	30,156	0.8	872	..	600,217	15.7	2,933,512	69.7	4,208,319	972,971	23.1	490,404	12.6	138,140	3.5	1,963,483	50.6	447,132	11.5
1918 ..	8	580,000	13.8	33,718	0.8	871	..	607,400	12.2	3,551,044	71.7	5,391,480	772,160	15.6	354,841	8.4	230,720	5.5	2,189,226	52.0	461,161	11.0
1919 ..	9	766,866	15.4	35,311	0.7	859	..	567,233	10.2	4,070,765	73.6	5,537,853	987,738	17.8	772,728	14.0	117,108	2.4	3,272,765	65.8	341,757	6.9
1920 ..	9	835,000	15.1	63,996	1.1	859	..	567,233	10.2	4,070,765	73.6	5,537,853	987,738	17.8	772,728	14.0	117,108	2.4	3,272,765	65.8	341,757	6.9
1921 ..	9	1,165,000	17.8	88,419	1.4	845	..	596,313	9.1	4,707,913	71.7	6,558,491	1,397,201	21.4	307,731	0.5	2,357	..	3,004,168	54.3	443,359	8.0
1922 ..	9	1,205,000	18.3	90,357	1.4	840	..	532,316	8.1	4,756,737	72.2	6,585,250	1,002,948	15.2	336,581	5.1	252,631	3.8	4,841,729	73.7	286,475	4.4
1923 ..	9	1,250,000	18.2	89,662	1.3	840	..	622,271	9.1	4,901,578	71.6	6,864,351	1,064,996	15.6	559,275	8.2	102,631	1.5	4,687,622	68.0	449,825	6.5

THE UNION BANK OF AUSTRALIA, LIMITED.
ESTABLISHED 1837.

CAPITAL					Market	Year	Net		To Reserve,	Carried
Subscribed.	Paid-up.	Callable.	Reserved.	Value.	Ended	Profit.	Dividend.			Forward.
£	£	£	£	£	Feb. 28.	£	%	£	£	£
9,000,000	3,000,000	Nil.	6,000,000	9,000,000	1917	301,759	14(a)	20,000	73,133	
					1918	326,160	14(a)	45,000	74,293	
					1919	359,321	14(a)	65,000	78,614	
					1920	458,102	15(a)	80,000	81,716	
					1921	516,341	15(a)	140,000	83,057	
					1922	536,261	15(a)	120,000	86,818	
					1923	552,894	15(a)	100,000	89,712	
Per Share.*	Per Share.*	Per Share.	Per Share.	Per Share.	Sept. 28, 1923.					
£75	£25	Nil	£50	£15						
* Now altered to £15 shares, £5 paid.										
							(a) Free of tax.			

* Now altered to £15 shares, £5 paid.

(3) CANADIAN BANKS.

BANK OF MONTREAL.

ESTABLISHED 1817.

Acquired Bank of British North America, October, 1918.

Acquired Merchants' Bank of Canada, March, 1922.

CAPITAL				Year	Net	Dividend.	To Reserve,	Carried
Subscribed.	Paid-up.	Callable.	Reserved.	Ended	Profits.		&c.	Forward.
\$	\$	\$	\$	Oct. 31.	\$	%	\$	\$
27,250,000	27,250,000	..	27,250,000	1917	2,477,969	12	333,500	1,664,893
				1918	2,562,720	12	406,000	1,901,613
				1919	3,314,237	12	4,530,736	1,812,854
				1920	4,033,996	14	2,635,000	1,251,850
				1921	3,949,796	14	620,000	1,501,646
				1922	4,756,668	14	2,042,000	558,815

(Dollars converted to sterling at \$5 to £1.)

Year Ended April 30.	Number of Branches.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Balances Due to Other Banks in Canada, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and Due by Agencies.	Per Cent.	Cash at Call and Short Notice in G. Britain & U.S.A.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Premises and Sundries.	Per Cent.
1890..	35	\$ 3,698,631	38.9	\$ 288,947	3.0	\$ 1,083,963	11.4	\$ 56,826	0.6	\$ 4,357,891	46.1	\$ 9,486,268	1,023,591	10.8	\$..	..	\$ 272,877	2.9	\$ 8,066,502	85.0	\$ 123,288	1.3
1895..	39	\$ 3,698,631	31.0	\$ 291,436	2.5	\$ 875,540	7.4	\$ 1,068	..	\$ 7,004,836	59.1	\$ 11,871,511	\$ 4,296,717	36.0	\$..	..	\$ 476,464	4.0	\$ 6,975,042	58.9	\$ 123,288	1.1
1900..	47	\$ 3,904,110	24.0	\$ 211,519	1.3	\$ 1,266,092	7.8	\$ 3,195	..	\$ 10,817,592	66.9	\$ 16,202,508	\$ 1,374,389	8.5	\$..	..	\$ 490,892	3.0	\$ 14,194,369	87.6	\$ 142,858	0.9
1905..	67	\$ 4,931,508	17.8	\$ 280,699	1.0	\$ 1,686,328	6.1	\$ 8,888	..	\$ 20,857,909	75.1	\$ 27,765,302	\$ 3,845,801	13.8	\$ 5,671,544	20.4	\$ 1,672,115	6.0	\$ 16,407,095	59.2	\$ 168,747	0.6
1910..	151	\$ 5,424,557	11.3	\$ 214,343	0.4	\$ 2,457,436	5.1	\$ 19,170	..	\$ 40,066,658	83.2	\$ 48,172,258	\$ 7,560,273	15.7	\$ 16,429,641	34.1	\$ 2,683,375	5.6	\$ 21,375,681	44.3	\$ 123,288	0.3
1913..	181	\$ 6,400,000	12.6	\$ 290,637	0.6	\$ 2,885,899	5.7	\$ 16,732	..	\$ 41,293,741	81.1	\$ 50,887,009	\$ 8,446,732	16.6	\$ 12,776,135	25.1	\$ 2,879,549	5.7	\$ 25,984,593	51.1	\$ 800,000	1.6
1914..	182	\$ 6,400,000	12.2	\$ 331,879	0.6	\$ 2,687,763	5.1	\$ 650,298	1.2	\$ 42,521,344	80.9	\$ 52,591,284	\$ 6,008,831	11.4	\$ 19,441,317	37.0	\$ 2,465,764	4.7	\$ 23,840,873	45.3	\$ 834,499	1.6
1915..	180	\$ 6,400,000	11.1	\$ 352,587	0.6	\$ 2,867,699	5.0	\$ 2,103,896	3.6	\$ 46,178,353	79.7	\$ 57,912,535	\$ 12,495,486	21.6	\$ 15,358,496	26.5	\$ 3,234,813	5.6	\$ 25,058,332	43.3	\$ 1,765,408	3.0
1916..	181	\$ 6,400,000	8.2	\$ 376,717	0.5	\$ 3,587,212	4.6	\$ 1,998,880	2.6	\$ 65,721,531	84.1	\$ 78,084,340	\$ 30,159,216	38.5	\$ 18,055,113	23.1	\$ 6,204,309	7.9	\$ 22,284,927	28.7	\$ 1,380,775	1.8
1917..	183	\$ 6,400,000	8.2	\$ 424,032	0.5	\$ 4,378,207	5.6	\$ 765,589	1.0	\$ 65,403,469	84.7	\$ 77,361,377	\$ 19,354,370	25.2	\$ 22,831,378	29.5	\$ 11,817,137	15.2	\$ 21,943,458	28.3	\$ 1,417,034	1.8
1918..	184	\$ 6,400,000	7.5	\$ 470,114	0.5	\$ 5,669,922	6.6	\$ 1,173,022	1.4	\$ 71,551,361	84.0	\$ 85,264,418	\$ 20,710,371	24.2	\$ 22,452,801	26.2	\$ 13,777,642	15.2	\$ 21,564,202	30.2	\$ 1,375,403	1.6
1919..	285	\$ 8,000,000	8.2	\$ 453,731	0.5	\$ 8,202,217	8.4	\$ 1,682,941	1.7	\$ 79,514,991	81.2	\$ 97,854,239	\$ 20,710,371	21.2	\$ 17,681,043	18.2	\$ 16,308,350	16.7	\$ 40,830,280	40.5	\$ 1,324,330	2.4
1920..	311	\$ 8,000,000	7.0	\$ 539,915	0.5	\$ 8,025,732	6.9	\$ 3,642,941	3.2	\$ 94,021,439	82.3	\$ 114,230,027	\$ 22,245,890	19.5	\$ 22,763,019	20.0	\$ 11,485,118	10.1	\$ 48,860,788	47.8	\$ 2,938,212	2.6
1921..	320	\$ 8,000,000	8.7	\$ 440,429	0.4	\$ 7,014,061	6.9	\$ 1,865,511	1.8	\$ 83,320,188	82.2	\$ 101,439,989	\$ 22,882,294	22.5	\$ 16,022,038	15.8	\$ 11,571,182	11.4	\$ 48,860,788	47.8	\$ 2,104,121	2.1
1922..	643	\$ 10,900,000	8.4	\$ 282,446	0.2	\$ 7,924,895	6.0	\$ 2,780,792	1.4	\$ 108,886,681	84.0	\$ 130,773,814	\$ 31,633,221	24.1	\$ 21,677,887	16.5	\$ 13,762,931	10.5	\$ 50,513,626	46.3	\$ 3,586,849	2.6
1923..	584	\$ 10,900,000	8.3	\$ 342,635	0.3	\$ 7,847,204	6.0	\$ 2,317,374	1.8	\$ 109,714,436	83.6	\$ 131,121,649	\$ 29,976,138	22.8	\$ 25,848,763	19.8	\$ 16,535,735	12.6	\$ 55,169,617	42.1	\$ 3,591,396	2.7

BANK OF NOVA SCOTIA.

(Incorporated 1832.)

BALANCE-SHEET—December 31, 1922.

LIABILITIES.		ASSETS.	
	\$		\$
Capital stock paid in	10,000,000	Current coin	11,419,549
Reserve fund	19,500,000	Domestic notes	25,115,654
Balance of profits, as per profit and loss account	173,163	United States currency and British Treasury demand notes	1,243,264
Dividends declared and unpaid	394,404	Notes of other banks	1,300,491
Notes of the bank in circulation	15,399,640	Cheques on other banks	10,286,772
Deposits not bearing interest	35,172,570	Balances due by banks and banking correspondents in the United Kingdom	363,658
Deposits bearing interest, including interest accrued to date	137,252,032	Balances due by banks and banking correspondents elsewhere than in Canada and the United Kingdom	1,894,775
	172,424,602	Deposit in the central gold reserves	6,000,000
Balances due to other banks in Canada	1,835,628	Dominion and Provincial Government securities, not exceeding market value	25,719,089
Balances due to banks and banking correspondents in the United Kingdom	88,108	Canadian municipal securities and British, foreign, and Colonial public securities other than Canadian, not exceeding market value	10,373,949
Balances due to banks and banking correspondents elsewhere than in Canada and the United Kingdom	774,452	Railway and other bonds, debentures and stocks, not exceeding market value	5,105,286
Bills payable	576,560	Demand loans in Canada secured by grain and other staple commodities	10,364,702
Acceptances under letters of credit	480,767	Call and demand loans elsewhere than in Canada	10,384,713
		Call and demand loans in Canada secured by bonds, debentures, and stocks	7,414,190
		Deposit with the Minister of Finance for the purposes of the circulation fund	474,491
		Loans to Governments and municipalities	2,471,343
		Other current loans and discounts in Canada (less rebate of interest)	71,016,952
		Other current loans and discounts elsewhere than in Canada (less rebate of interest)	12,446,342
		Liabilities of customers under letters of credit, as per contra	480,767
		Overdue debts, estimated loss provided for	137,752
		Bank premises at not more than cost, less amounts written off	7,221,657
		Real estate other than bank premises	87,907
		Other assets not included in the foregoing	324,021
	221,647,324		221,647,324

THE CANADIAN BANK OF COMMERCE.

INCORPORATED 1867.

CAPITAL				Year	Net	Dividend.	To Reserve,	Carried
Subscribed.	Paid-up.	Callable.	Reserved.	Ended	Profits.		&c.	Forward.
\$	\$	\$	\$	Nov. 30.	\$	%	\$	\$
15,000,000	15,000,000	..	15,000,000	1916	501,250	12	61,436	164,860
				1917	541,963	12	63,246	273,714
				1918	791,161	12	89,908	296,885
				1919	631,827	12	234,658	293,370
				1920	679,365	13	133,562	366,571
				1921	640,302	13	139,391	400,016
				1922	616,939	13	185,277	430,993

(Converted at par of exchange.)

FINANCIAL STABILITY

THE banker holds a cash reserve which is sufficient to meet all demands likely to be made upon him, and which should also include a margin to provide for special contingencies. The financial stability of his bank will be judged, in part, by the proportion that the cash reserve bears to the amounts standing to the credit of the bank's customers.

Similarly, the reserves of a life assurance company afford a measure of its stability. Those reserves, besides providing for the claims normally to be expected, should include a safe margin to cover periods of unduly heavy mortality occasioned by epidemics, periods of unfavourable financial markets, and other special matters. A prospective policyholder should therefore satisfy himself that the company with which he proposes to insure has made adequate provision for such contingencies.

That the Prudential fulfils these conditions will not be doubted by any banker or other person having sound financial knowledge. The Prudential weathered the financial storm of the late war in a manner that would have been impossible but for its policy of holding very stringent reserves, and, furthermore, declared a bonus for its with-profit policies. That policy is still the same, and prospective policyholders cannot do better than place their trust in a company that has so deservedly established a reputation for financial stability and security.

PRUDENTIAL ASSURANCE COMPANY, LTD., HOLBORN BARS, LONDON

A WONDERFUL RECORD
OF THE

CANADA LIFE

ASSURANCE COMPANY

DURING 1922

UNPRECEDENTED INCREASES IN

NEW BUSINESS,

FUNDS,

SURPLUS EARNED.

Write for full report to:

THE MANAGER,
15, King Street, CHEAPSIDE,
London, E.C.2.

THE "ACME" POLICY
THE "BOUNTY" POLICY
THE "CHILDREN'S" POLICY
OF
THE STANDARD LIFE
ASSURANCE COMPANY
FORM
THE A.B.C. OF LIFE ASSURANCE

The "ACME" Policy is a 20 Payment Life Policy with complete guarantees. 50 per cent. Bonus added at end of 20 years. Guaranteed Surrender Loan and Paid-up Values. Guaranteed Disability Benefits in event of total permanent Disablement.

The "BOUNTY" Policy is a Non-Profit Policy at very low rates with a Guaranteed Bounty added on surviving one's expectation of life.

The "CHILDREN'S" Policy or EARLY THRIFT is the cheapest form of providing for your Children's future. A minimum premium throughout with numerous options at the age of 21 with return of all premiums if death occurs before.

Write for Explanatory Leaflets to

THE STANDARD LIFE
ASSURANCE COMPANY

(Established 1825).

HEAD OFFICE: 3, George Street, EDINBURGH.
LONDON: 110, Cannon St., E.C.4; 15a, Pall Mall, S.W.1.
DUBLIN: 59, Dawson Street.

Canadian Bank of Commerce--Con.

Year Ended November 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.										
		Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Due to Other Banks, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and Due by Agents.	Per Cent.	Call and Short Loans.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Real Estate, Premises, and Sundries.	Per Cent.	
1901...	66	£ 2,000,000	14.2	£ 106,590	0.8	£ 1,453,255	10.3	£ 227,559	1.6	£ 10,335,873	73.1	£ 14,123,277	1.4	£ 1,486,493	10.5	£ 1,738,286	12.3	£ 1,940,340	13.8	£ 8,616,271	61.0	£ 341,887	2.4
1905...	149	2,979,452	14.7	84,067	0.4	1,795,617	9.0	72,804	0.3	15,282,224	75.6	20,214,164	1.4	3,148,579	15.5	2,312,122	11.4	1,255,706	6.2	13,212,954	65.5	284,803	1.4
1906...	173	3,082,192	13.2	113,848	0.5	1,890,248	8.1	337,018	1.4	17,908,056	76.8	23,331,362	1.4	3,459,731	14.9	1,849,602	7.9	1,362,104	5.9	16,295,184	69.7	364,741	1.6
1907...	173	3,082,192	13.2	180,292	0.8	1,897,760	8.1	314,238	1.4	17,885,149	76.5	23,359,631	1.4	3,641,754	15.6	2,608,676	11.1	1,094,113	4.7	15,631,494	67.0	383,594	1.6
1908...	191	3,287,672	13.0	74,543	0.3	1,980,996	8.0	266,464	1.0	19,528,314	77.7	25,137,989	1.4	5,627,240	22.3	3,685,661	14.6	1,057,752	4.9	14,333,405	57.2	438,931	1.7
1909...	216	3,287,671	10.7	189,975	0.6	2,122,072	7.0	258,810	0.8	24,757,598	80.9	30,616,126	1.4	6,162,613	20.1	5,710,300	18.6	1,570,867	5.1	16,697,372	54.7	474,974	1.5
1910...	230	3,493,151	10.8	110,483	0.3	2,100,607	6.5	505,094	1.6	26,061,833	80.8	32,271,168	1.4	5,129,786	16.0	3,912,786	12.1	1,333,753	5.6	20,688,405	64.1	706,438	2.2
1911...	339	4,408,582	11.8	101,579	0.3	2,466,709	6.6	...	...	30,500,524	81.3	37,477,394	1.3	8,290,103	22.1	3,087,394	8.2	2,469,060	6.6	22,808,139	60.9	822,698	2.2
1912...	366	5,650,685	11.2	267,741	0.5	3,744,561	6.7	766,018	1.5	40,606,328	80.1	50,665,333	1.3	9,118,533	18.0	3,654,051	7.2	3,096,394	6.1	33,748,212	66.6	1,048,143	2.1
1913...	373	5,856,164	10.9	187,438	0.4	3,214,299	6.0	2,199,566	4.1	41,973,503	78.6	53,430,970	1.3	9,626,114	18.0	5,294,160	9.9	4,922,839	9.2	32,261,505	60.4	1,326,352	2.5
1914...	379	5,856,164	11.6	338,115	0.7	3,070,389	6.1	3,856,343	7.6	37,296,331	74.9	50,417,349	1.3	11,064,730	18.0	5,687,134	11.2	4,354,366	8.6	29,298,920	58.2	2,012,192	4.0
1915...	376	5,856,165	11.4	263,343	0.4	3,369,433	6.5	2,057,106	4.0	39,970,495	77.7	51,456,542	1.3	11,456,898	22.3	5,448,325	12.5	2,723,838	5.6	28,956,342	56.2	1,817,139	3.6
1916...	381	5,856,164	8.3	381,591	0.5	4,930,530	7.0	2,793,957	3.9	56,799,792	80.3	70,762,034	1.3	15,339,176	22.5	6,891,322	12.4	5,727,808	9.7	30,871,757	52.3	1,817,180	3.6
1917...	380	6,164,384	6.8	404,762	0.4	6,489,800	7.2	4,848,976	5.4	72,566,880	80.2	90,474,802	1.3	18,130,127	20.0	8,601,791	9.5	14,808,400	16.4	44,648,617	49.4	2,712,556	3.8
1918...	508	6,164,384	6.3	386,658	0.4	6,174,177	6.3	4,954,037	5.0	80,877,772	82.0	98,557,028	1.3	18,648,803	19.0	9,371,037	9.5	16,386,310	17.2	48,930,296	49.6	4,285,867	4.7
1919...	531	6,164,384	6.2	490,677	0.5	6,311,695	6.4	4,885,731	4.9	80,933,943	82.0	98,786,430	1.3	22,089,253	22.4	11,447,215	11.6	8,198,298	8.3	53,195,804	53.8	3,855,860	3.9
1920...	530	6,164,384	7.0	524,218	0.6	4,824,159	5.5	3,895,058	4.4	72,566,137	82.5	87,973,956	1.3	20,152,949	23.0	9,413,177	10.7	8,215,414	9.3	47,408,796	53.8	2,783,620	3.2
1922...	515	6,164,384	7.4	555,300	0.7	4,669,651	5.6	4,432,943	5.3	67,624,710	81.0	83,446,988	1.3	17,538,226	21.0	9,318,714	11.2	9,060,868	10.8	44,431,537	53.3	3,097,643	3.7

THE COLONIAL BANK.

INCORPORATED 1836.

Subscribed. £	Paid-up. £	Callable. £	Reserved. £	Market Value of "A" Shares £	Year Ended June 30.	Net Profit. £	Dividend. %	To Reserve, &c. £	Carried Forward. £
"A" 2,000,000	600,000	400,000	1,000,000	650,000	1918.....	73,407	8	35,000	30,489
"B" 1,000,000	300,000	200,000	500,000	500,000	1919.....	115,091	10	20,000	31,343
Per Share. £20	Per Share. £6	Per Share. £4	Per Share. £10	Per Share. £6½	1920.....	175,236	10	80,000	36,579
					1921.....	155,837	10	62,800	29,616
					1922.....	121,151	8	30,000	28,667
					1923.....	95,745	8	35,000	28,905

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.										
		Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Bills Payable, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, & at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills Receiv- able, &c.	Per Cent.	Bills in Transit, Discounts, Advances, &c.	Per Cent.	Cover for Accept- ances, Pre- mises, &c.	Per Cent.	
		£		£		£		£		£		£		£		£		£		£			
1890..	13	730,000	16.0	58,724	1.3	426,346	9.3	1,463,103	31.9	1,913,503	41.5	4,591,676	92.3	192	20.1	970,643	21.1	1,300,043	28.4	1,372,798	29.9	25,000	0.5
1895..	14	750,000	15.8	37,660	0.8	452,672	9.5	1,794,964	37.7	1,724,346	36.2	4,759,642	715,792	15.0	602,498	12.7	1,464,297	30.7	1,952,055	41.1	25,000	0.5	
1900..	13	750,000	18.9	26,597	0.7	439,871	11.1	794,592	20.0	1,951,054	49.3	3,962,114	575,566	14.5	1,098,695	27.6	1,035,101	26.0	1,227,752	31.3	25,000	0.6	
1905..	13	750,000	18.8	41,000	1.0	439,676	11.0	743,205	18.6	2,016,907	50.6	3,990,788	669,750	16.8	1,046,521	26.3	1,083,519	27.3	1,140,998	28.4	50,000	1.2	
1910..	13	750,000	17.6	54,357	1.4	451,967	10.6	539,471	12.6	2,454,574	57.8	4,250,369	917,823	21.6	1,285,965	30.3	979,358	23.0	1,017,213	23.9	50,000	1.2	
1913..	14	750,000	18.7	57,057	1.4	473,648	11.8	488,114	12.2	2,243,922	55.9	4,012,741	478,296	12.0	1,122,897	27.8	974,100	24.2	1,357,448	34.0	80,000	2.0	
1914..	14	750,000	18.7	53,682	1.3	414,225	10.4	518,303	12.9	2,276,514	56.7	4,012,784	676,805	16.8	1,098,554	27.3	923,580	23.0	1,233,785	30.9	80,000	2.0	
1915..	15	750,000	19.1	66,890	1.7	429,638	10.9	475,389	12.1	2,203,247	56.2	3,925,164	626,142	16.0	1,114,689	28.4	913,568	23.4	1,190,765	30.2	80,000	2.0	
1916..	19	750,000	14.0	60,501	1.1	496,855	9.3	672,477	12.6	3,346,066	63.0	5,325,899	606,364	11.4	907,498	17.0	1,799,747	33.6	1,729,791	32.7	282,499	5.3	
1917..	27	800,000	11.9	49,833	0.7	549,777	8.1	1,178,930	17.4	4,169,986	61.9	6,748,526	665,337	9.9	695,352	10.3	2,487,459	36.8	2,235,111	33.1	664,967	9.9	
1918..	27	998,486	11.5	64,489	0.7	571,438	6.6	821,428	9.5	6,238,095	71.7	8,693,886	927,161	10.7	1,491,452	17.2	with discounts.	5,273,463	60.5	1,001,810	11.6		
1919..	51	1,250,000	11.2	93,117	0.8	706,453	6.3	1,696,921	15.2	7,411,097	66.5	11,157,588	1,138,622	10.1	1,284,512	11.6	2,424,280	20.0	5,057,001	46.0	1,383,173	12.4	
1920..	58	1,275,000	7.5	126,579	0.8	1,009,743	6.0	3,339,405	19.8	11,131,716	65.9	16,882,443	1,471,053	8.7	1,610,956	9.5	3,157,613	18.6	8,060,219	47.9	2,589,602	15.3	
1921..	58	1,300,000	9.5	114,616	0.8	759,120	5.5	2,874,975	20.9	8,710,604	63.3	13,759,315	1,157,284	8.4	847,995	6.1	3,089,901	22.4	6,308,043	46.0	2,556,092	17.1	
1922..	59	1,200,000	10.4	84,767	0.7	629,674	5.2	2,191,713	19.2	7,351,687	64.2	11,457,841	1,691,532	14.8	1,373,856	12.0	2,378,846	20.8	4,375,799	38.2	1,617,817	14.2	
1923..	51	1,200,000	11.5	71,355	0.7	543,654	5.2	1,551,922	14.8	7,064,364	67.8	10,431,295	1,337,901	12.7	1,676,288	16.0	2,749,036	26.2	3,609,540	35.0	1,058,530	10.1	

THE DOMINION BANK.

ESTABLISHED 1871.

Subscribed. £	Paid-up. £	Callable. £	Year.	Net Profit. £	Dividend. %	To Reserve, &c. £	Carried Forward. £
1,232,877	1,232,877	NIL.	1917.....	1,332,600	12	262,500	403,775
Per Share. £100	Per Share. £100	Per Share. NIL.	1918.....	1,116,265	12	321,575	458,735
			1919.....	1,169,704	13	340,500	495,707
			1920.....	1,188,511	13	235,000	669,218
			1921.....	1,016,262	13	190,000	715,480
			1922.....	1,017,682	13	195,000	758,163

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Miscel- laneous Credits, Rebate, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Loans on Call.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Furniture including Deposits for Note Issue.	Per Cent.	
		£		£		£		£		£		£		£		£		£		£			
1911 ..	85	1,800,000	14.1	103,643	0.8	734,029	5.8	28,785	0.2	10,116,962	79.1	12,783,419		2,641,924	20.7	1,247,978	9.8	1,291,612	10.1	7,164,189	56.0	437,716	3.4
1912 ..	92	2,167,640	14.9	152,242	1.0	949,266	6.5	52,552	0.4	11,217,322	77.2	15,439,022		2,820,890	19.4	1,434,186	9.9	1,337,964	9.2	8,344,657	57.4	601,335	4.1
1913 ..	97	2,350,302	15.0	198,898	1.3	1,026,408	6.6	246,048	0.5	11,823,126	75.6	15,644,782		2,622,476	16.9	1,036,447	6.6	1,417,083	9.1	9,707,306	62.2	861,530	5.3
1914 ..	97	2,597,662	16.3	189,493	1.2	799,538	5.1	288,272	1.8	11,915,000	75.6	15,789,965		2,899,989	18.4	1,394,182	8.8	1,186,764	7.5	9,963,969	59.8	1,024,101	6.3
1915 ..	92	2,600,000	16.8	105,262	0.7	779,779	5.1	451,682	2.7	11,546,798	74.6	14,833,212		3,149,498	20.2	1,804,079	11.9	1,195,423	7.7	7,965,567	51.5	1,299,558	8.4
1916 ..	87	2,600,000	14.6	117,122	0.7	1,035,440	5.8	63,440	0.3	13,921,558	75.5	17,778,312		3,444,622	21.2	1,671,497	9.4	2,524,879	14.2	9,001,852	50.7	1,336,687	7.4
1917 ..	85	2,600,000	13.9	135,363	0.7	1,035,944	6.9	450,391	2.3	14,877,670	76.7	19,412,368		4,267,577	21.9	1,546,226	7.7	3,341,332	17.2	8,974,488	46.4	1,283,745	6.5
1917* ..	87	2,671,332	19.1	118,075	0.5	932,781	4.1	16,838,651	74.9	22,486,797		25,617,220	25.5	5,617,220	25.5	1,568,238	7.0	4,662,580	20.8	9,872,933	41.5	1,265,908	4.4
1918* ..	96	2,671,233	9.8	129,491	0.5	2,025,726	7.4	2,858,186	10.5	13,748,160	71.8	27,432,736		5,855,749	21.3	1,988,677	7.3	5,208,462	19.0	13,175,094	48.6	1,305,893	4.4
1919* ..	106	2,671,233	9.1	152,013	0.5	1,967,358	6.6	1,813,409	6.2	22,893,299	77.6	29,487,312		6,555,440	22.3	2,887,238	9.8	2,921,969	10.1	14,555,436	56.2	1,344,822	4.4
1920 ..	121	2,671,233	9.2	181,524	0.6	2,012,497	7.0	2,801,643	9.7	21,134,057	73.5	25,880,954		5,876,219	20.3	2,921,969	10.1	3,749,898	13.6	13,452,102	50.2	1,300,984	4.3
1921 ..	127	2,600,000	10.3	200,117	0.8	1,580,229	6.3	747,811	3.0	20,055,524	79.6	26,183,967		5,146,008	20.5	2,171,203	8.6	4,033,824	16.0	12,442,413	49.4	1,390,439	5.1
1922 ..	127	2,600,000	9.9	199,147	0.7	1,465,314	5.6	2,249,867	8.5	19,760,865	75.6	26,267,188		6,084,356	23.1	2,079,398	7.9	3,858,188	14.6	12,535,025	49.1	1,392,230	5.1
1923 ..	132	2,600,000	10.1	208,347	0.8	1,467,366	5.7	1,807,985	7.0	19,666,957	76.4	25,751,665		5,423,224	21.1	2,545,910	9.9	4,430,222	17.2	11,676,323	45.3	1,676,986	6.3

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

INCORPORATED 1853.

CAPITAL				Market Value.	Year.	Net Profit.	Dividend and Bonus.	To Reserve, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.						
£ 3,000,000	£ 3,000,000	Nil.	£ 3,000,000	£ 11,400,000	1916	381,260	17	150,000	157,466
					1917	402,795	19	165,000	167,261
					1918	409,272	20	165,000	168,485
					1919	447,348	20	200,000	172,830
					1920	676,771	20	235,000	209,601
					1921	788,079	20	175,000	215,170
					1922	789,531	20	175,000	222,201

Year Ended December 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Accept- ances, Bills, Payable, Rebate, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and in Transit.	Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Dis- counts and Loans.	Per Cent.	Buildings & Sundries, including Cover for Acceptance.	Per Cent.
1890	17	\$	6	\$	06	\$	06	\$	43	\$	43	\$	17	\$	4	\$	28	\$	76	\$	04	
1895	20	1,050,000	66	95,105	06	680,373	46	7,215,503	23	6,822,216	61	15,923,197	2,864,396	17	757,334	4	4,560,303	38	12,238,004	76	63,463	04
1895	20	1,125,000	96	74,358	06	542,617	46	7,279,773	27	7,237,200	61	11,768,948	1,849,989	15	879,131	7	4,560,303	38	3,900,442	33	579,083	4
1900	22	1,325,000	91	111,533	08	734,684	50	3,210,267	22	9,175,272	63	14,556,756	3,594,718	24	1,324,966	9	4,424,101	30	4,518,358	31	694,613	4
1905	27	1,675,000	87	277,112	14	538,752	30	5,045,693	26	11,585,691	60	19,122,248	3,564,887	17	2,143,638	11	5,549,572	29	6,841,753	35	1,222,318	6
1910	30	2,800,000	121	276,364	12	647,993	30	3,650,830	15	15,625,289	67	23,000,476	3,688,880	16	2,099,239	9	7,148,577	31	8,439,197	36	1,624,583	7
1913	35	2,900,000	106	375,254	14	822,591	30	6,017,118	22	17,128,433	59	27,243,396	3,968,117	14	2,130,864	7	6,721,637	24	11,384,499	41	3,038,279	11
1914	35	3,000,000	112	396,334	15	911,556	34	3,849,742	14	18,617,883	69	26,775,515	5,903,941	22	4,242,806	15	6,125,867	22	8,423,851	31	2,079,050	7
1915	36	3,000,000	101	399,205	13	978,137	33	3,719,008	12	21,548,506	72	29,644,856	5,919,707	19	4,322,960	14	9,498,469	31	8,443,060	28	1,505,400	5
1916	37	3,000,000	90	427,466	13	1,019,069	31	6,240,211	18	22,704,096	67	33,390,842	5,919,707	17	4,048,307	12	12,069,093	36	9,601,277	28	1,754,458	5
1917	37	3,100,000	85	476,261	13	925,992	26	3,582,031	9	28,042,149	77	36,126,433	8,739,375	24	4,339,977	12	14,337,903	12	16,589,602	46	1,898,430	3
1918	35	3,200,000	67	492,483	12	1,568,263	33	3,866,526	17	33,777,276	70	47,604,548	6,748,302	14	4,261,264	9	21,244,695	46	12,634,653	26	1,715,632	3
1919	36	4,900,000	71	531,830	08	1,806,095	26	13,571,600	20	47,932,170	69	68,741,695	14,607,720	21	6,436,330	9	26,535,499	38	17,561,394	25	3,600,752	5
1920	37	6,500,000	92	709,601	10	2,837,818	40	12,182,921	17	48,702,334	68	70,332,744	11,126,378	15	4,886,091	6	21,131,473	39	26,585,931	40	5,002,871	7
1921	37	6,600,000	107	787,670	13	1,926,923	31	9,503,828	15	42,949,360	69	61,767,761	7,139,299	11	6,109,227	17	16,422,254	25	22,426,832	36	4,786,879	7
1922	39	6,700,000	111	794,701	13	2,063,418	34	8,186,964	13	42,408,290	70	60,153,573	5,071,497	8	14,249,314	23	17,932,445	29	17,456,246	28	5,443,871	9

* Includes Treasury Bills.

THE EASTERN BANK, LIMITED.

REGISTERED 1909.

CAPITAL				Market Value. £	Year.	Net Profit. £	Dividend. %	To Reserve, &c.	Carried Forward. £
Subscribed. £	Paid-up. £	Reserve Liability of Shareholders. £	£						
2,000,000	1,000,000	1,000,000		1,100,000	1916	53,885	6	15,000	9,546
					1917	68,372	7	20,000	15,918
					1918	68,888	7	20,000	19,806
					1919	102,645	8	40,000	29,951
					1920	131,508	9	40,304	31,010
					1921	144,171	9	54,000	31,181
					1922	120,320	9	30,000	31,501

Year Ended December 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Bills Pay- able (in- cluding completing compliance).	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and in Transit.	Per Cent.	Invest- ments.	Per Cent.	Bills Receiv- able.	Per Cent.	Discounts and Advances.	Per Cent.	Sundries.	Per Cent.
1910	2	£ 400,000	179	£ 4,762	02	£ 182,018	81	£ 480,598	216	£ 1,166,190	522	£ 2,233,568	£ 418,323	187	£ 140,025	63	£ 493,644	221	£ 1,150,535	515	£ 31,041	14
1911	2	400,000	136	25,173	09	279,331	95	430,313	146	1,805,776	614	2,940,583	362,078	123	170,316	5	619,159	211	1,732,212	589	56,828	19
1912	3	400,000	112	42,998	12	421,869	118	546,557	153	2,155,212	605	3,566,636	459,043	129	277,962	78	849,910	238	1,901,936	534	77,785	21
1913	3	415,000	126	47,152	14	551,794	167	610,083	185	1,675,267	508	3,299,296	393,639	119	297,796	90	1,053,318	320	1,474,839	447	79,704	24
1914	4	653,653	239	45,123	16	321,376	117	329,875	120	1,396,022	508	2,746,049	577,916	210	225,990	82	969,629	354	1,930,697	339	41,817	15
1915	4	664,860	174	51,660	14	534,089	142	603,251	163	1,915,383	602	3,759,743	782,129	208	274,650	73	928,424	246	1,563,405	471	211,135	56
1916	5	654,880	127	60,546	12	496,171	96	842,675	163	3,099,801	602	5,154,073	1,427,319	27	209,023	41	1,914,732	370	1,356,326	264	246,763	48
1917	5	669,921	98	77,918	11	503,496	73	544,234	80	5,049,972	738	6,845,541	2,196,107	32	236,089	34	2,154,068	312	1,868,001	277	391,276	57
1918	5	690,000	91	62,306	08	552,165	73	487,602	64	5,784,900	764	7,576,973	1,860,919	24	495,531	65	1,992,035	263	3,066,894	400	161,594	24
1919	10	944,649	57	99,951	06	1,613,850	90	1,407,569	90	12,520,390	750	16,676,409	5,330,337	32	1,323,407	79	3,912,967	234	4,682,723	330	626,985	37
1920	10	1,221,476	94	121,315	09	1,698,631	130	1,452,687	111	8,556,281	656	13,050,388	5,330,441	32	1,323,407	79	3,912,967	234	4,682,723	330	626,985	37
1921	10	1,265,844	130	135,181	14	903,753	93	1,523,406	166	5,884,434	607	9,712,218	2,684,856	27	1,400,449	144	1,523,852	157	3,272,360	337	830,701	86
1922	10	1,300,000	141	111,501	12	824,173	89	1,561,018	159	5,433,132	589	9,229,824	2,225,320	24	1,183,052	204	2,054,913	22	2,286,780	248	779,759	84

THE MERCANTILE BANK OF INDIA, LIMITED.

REGISTERED 1892.

Absorbed The Bank of Mauritius, Limited, as from January 1, 1916.

* Absorbed the Bank of Calcutta, Limited, as from March 31, 1906.

CAPITAL									
		Subscribed.	Paid-up.	Callable.	Reserved.			To Reserve,	Carried
						Year.	Net Profit.	Dividend.	Forward.
							£	%	£
"A" Shares	..	£750,000	..	£375,000	..	1913	111,499	8	62,000
Per Share	..	£25	..	£12 10s	..	1916	133,375	12	65,000
				£6 5s	..	1917	176,005	14	71,000
"B" Shares	..	£750,000	..	£187,500	..	1918	181,112	14	75,000
Per Share	..	£25	..	£12 10s	..	1919	215,636	16	85,000
				£6 5s	..	1920	260,208	16	85,000
"C" Shares	..	£300,000	..	£100,000	..	1921	263,033	16	85,000
Per Share	..	£5	..	£5	..	1922	267,434	16	85,000
				Nil	..				137,671
				Nil	..				152,105

Year Ended December 31.	Number of Branches.	LIABILITIES.														Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes in Circulation.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, Rebate, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand, at Bankers, and at Call.	Per Cent.		Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Sundries, including Cover for Acceptance.	Per Cent.				
1895	6	\$	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£						
1895	6	562,500	193	20,131	07	..	..	240,500	84	548,473	18	1,539,779	528	2,911,383	423,423	14	283,353	97	1,967,164	673	247,434	85				
1900	9	602,500	171	33,250	10	..	..	84,965	24	1,181,107	33	1,614,110	459	3,515,932	402,440	11	442,943	126	2,477,798	704	198,751	56				
1905	13	687,500	155	33,500	07	..	..	178,162	0	921,320	206	1,655,616	592	4,486,098	787,100	14	510,806	114	2,964,476	661	343,147	57				
1910	14	887,500	139	61,627	06	..	..	234,026	1	1,066,944	14	5,349,908	705	7,587,400	839,735	11	639,915	84	7,651,458	763	387,891	8				
1913	16	1,027,500	126	57,105	07	90,750	1	334,270	4	1,374,798	16	5,305,064	647	8,187,487	1,418,987	17	3	7,024,017	773	713,628	8					
1914	16	1,062,500	134	69,724	09	132,428	1	409,945	5	1,074,210	13	5,152,746	652	7,901,553	1,613,168	19	4	7,024,017	773	713,628	8					
1915	17	1,112,500	123	65,052	07	107,377	1	307,464	3	1,108,072	11	6,313,313	71	9,025,778	1,549,457	20	17	7,024,017	773	713,628	8					
1916	18	1,162,500	104	71,553	06	104,027	09	349,007	3	1,020,006	9	8,558,582	75	11,266,674	2,027,484	20	962,839	8	7,396,643	657	888,448	79				
1917	18	1,212,500	94	103,432	08	127,439	1	411,399	52	1,104,860	89	8,812,321	78	12,807,941	2,271,428	17	1,024,499	8	8,396,189	65	1,120,025	87				
1918	18	1,212,500	94	103,432	08	127,439	1	411,399	52	1,104,860	89	8,812,321	78	12,807,941	2,271,428	17	1,024,499	8	8,396,189	65	1,120,025	87				
1919	19	1,500,000	87	130,794	08	130,388	08	145,538	09	1,263,444	20	10,377,829	89	15,503,914	2,443,909	16	1,373,060	9	10,370,381	77	1,049,771	77				
1920	19	1,500,000	87	130,794	08	130,388	08	145,538	09	1,263,444	20	10,377,829	89	15,503,914	2,443,909	16	1,373,060	9	10,370,381	77	1,049,771	77				
1921	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1922	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1923	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1924	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1925	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1926	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1927	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1928	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1929	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1930	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1931	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1932	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1933	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1934	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1935	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1936	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1937	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1938	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1939	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1940	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1941	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1942	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1943	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1944	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1945	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1946	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1947	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1948	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1949	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1950	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1951	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1952	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1953	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1954	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1955	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1956	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1957	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1958	20	1,650,000	106	141,638	10	157,306	08	819,594	40	925,474	16	15,893,766	71	20,157,778	3,655,446	18	1,894,016	11	13,324,766	652	1,673,970	11				
1959	20	1,650,000	10																							

NATIONAL BANK OF INDIA, LIMITED.

ESTABLISHED 1863.

CAPITAL										Market Value.		Net Profit.		Dividend.		To Reserve, &c.		Carried Forward.					
Subscribed.	Paid-up.		Callable.		Reserved.				Year.														
£	£		£		£				1917	1918	1919	1920	1921	1922	20*	20*	20*	20*	20*				
4,000,000	2,000,000	2,000,000	Nil.	7,120,000					353,139	403,635	452,169	553,398	555,063	535,160	120,000	170,000	240,000	140,000	159,256				
Per Share.										Per Share, 28s, 1923.													
£25	£12 10s	£12 10s	£12 10s	Nil.					£44s														
LIABILITIES.										Total Liabilities or Assets.		ASSETS.											
Year ended June 30.	Number of Branches.	Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Acceptances.	Per Cent.	Loans and Bills Payable.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand, at Bankers, at Call, and in Transit.	Per Cent.	Investments.	Per Cent.	Bills of Exchange.	Per Cent.	Discounts, Loans, &c.	Per Cent.	Buildings & Sundries, including Cover for Acceptances.	Per Cent.		
																						£	£
1890..	8	606,500	10.5	56,159	1.0	..	..	1,647,201	28.6	3,450,599	59.9	5,760,459	853,688	14.8	695,247	12.1	2,436,261	42.4	1,733,473	30.0	41,790	0.7	
1895..	14	660,000	10.9	39,337	0.7	..	..	1,105,046	18.2	4,271,898	70.2	6,076,881	1,669,011	27.5	442,985	7.3	2,285,317	37.4	1,631,948	27.0	47,620	0.8	
1900..	18	830,000	8.8	52,982	0.6	264,649	2.8	2,373,381	25.0	5,911,728	62.8	9,432,740	1,636,724	17.3	706,148	7.5	2,922,575	31.0	3,826,172	40.6	341,121	3.6	
1905..	20	1,125,000	9.8	91,511	0.8	489,791	4.2	839,996	7.3	8,960,241	77.9	11,506,539	2,479,643	21.6	954,925	8.3	3,179,059	27.6	4,248,011	36.9	644,901	5.6	
1910..	22	1,600,000	10.1	227,550	1.4	585,091	3.7	576,145	3.6	12,851,987	81.2	15,840,773	2,982,501	18.8	1,182,278	7.5	4,862,176	30.6	6,116,095	38.7	697,723	4.4	
1913..	26	2,040,000	11.0	158,324	0.9	921,137	5.0	1,263,051	6.8	18,469,011	76.3	22,444,494	3,617,074	19.6	905,113	4.9	5,976,171	32.3	6,923,148	37.5	1,047,505	5.7	
1914..	26	2,100,000	10.7	210,407	1.1	985,425	5.0	585,787	3.0	15,710,161	80.8	19,591,810	4,052,224	20.7	859,208	4.4	6,195,880	31.6	7,358,119	37.5	1,126,379	5.8	
1915..	26	2,175,000	10.7	227,492	1.1	1,100,445	4.5	727,754	3.6	16,392,710	80.1	20,433,402	5,216,934	25.5	1,368,979	6.7	7,066,168	34.6	5,716,070	28.0	1,065,251	5.8	
1916..	26	2,200,000	10.1	244,466	1.0	647,658	3.0	993,719	4.6	17,637,358	81.2	21,723,211	4,108,906	18.8	1,974,650	9.1	8,831,101	40.8	5,973,427	27.5	835,127	3.8	
1917..	28	2,250,000	9.1	250,460	1.0	825,088	3.3	1,251,521	5.1	20,212,400	81.5	24,789,469	4,540,222	18.3	1,928,570	7.8	9,849,704	39.6	7,464,336	30.2	1,006,577	4.1	
1918..	28	2,350,000	7.4	317,057	1.0	634,482	2.0	1,693,279	5.3	26,719,206	84.3	31,714,023	5,469,013	17.2	2,444,494	7.7	14,421,088	45.5	8,564,418	27.0	815,010	2.6	
1919..	28	2,350,000	9.3	308,722	0.9	839,579	2.3	1,887,026	5.2	29,789,926	82.3	36,175,253	6,083,390	16.8	2,855,482	7.9	16,189,802	44.6	10,034,664	27.9	1,011,915	2.8	
1919.†	28	3,350,000	7.9	475,534	1.1	880,052	2.1	2,496,906	5.9	35,164,566	83.0	42,366,948	9,305,503	22.0	3,488,957	8.2	16,630,659	39.4	11,885,665	27.9	1,056,154	2.5	
1920..	28	3,500,000	6.4	387,367	0.7	1,686,186	3.1	2,210,950	4.0	46,538,133	85.8	54,322,636	8,576,690	15.7	4,079,274	7.5	18,881,747	34.6	20,810,400	38.6	1,974,525	3.6	
1920.†	28	4,300,000	7.8	539,432	1.0	3,795,674	6.8	1,516,602	2.7	46,200,202	81.7	55,351,510	10,619,019	19.2	3,554,529	6.4	16,682,779	30.1	20,386,751	36.9	4,108,432	7.4	
1921..	28	4,500,000	10.6	504,096	1.2	2,005,540	4.7	1,114,792	2.6	34,295,599	80.9	42,418,027	6,358,619	15.0	5,075,365	12.0	13,747,653	32.4	14,831,021	34.9	2,406,369	5.7	
1922..	28	4,600,000	11.4	499,256	1.2	1,535,425	3.8	1,481,736	3.7	32,267,602	79.9	40,384,019	5,335,763	13.2	8,639,272	21.4	10,209,375	25.4	14,247,131	35.2	1,952,478	4.8	
										* Includes Treasury Bills.												† Dec. 31.	

* Includes Treasury Bills. † Dec. 31.

JOINT-STOCK BANKS OF ENGLAND AND WALES.

BANK OF ENGLAND.

At the half-yearly Court of the Bank of England, held on September 20th, the Right Honble. Montagu Collet Norman, the Governor, stated that the profits of the half-year ended August 31st, after making provision for all contingencies, had been £674,195, making the amount of the "rest" on that day £3,695,979, and that after providing for a dividend of 6 per cent., less income-tax, the "rest" would be £3,019,265.

SEPTEMBER 19, 1923.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
145,577,580		11,015,100	
		8,734,900	
		125,827,580	
145,577,580		145,577,580	

BANKING DEPARTMENT.

Proprietors' capital	£	Government securities	£
14,553,000		45,063,548	
Reserve fund	3,700,110	Other securities	71,780,450
Public deposits*	18,085,594	Notes	22,193,965
Other deposits	104,509,754	Gold and silver coin	1,821,116
Seven-day and other bills.	10,621		
140,859,079		140,859,079	

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

BARCLAYS BANK LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.		ASSETS.	
£		£	
Current, deposit, and other accounts (including balance of profit and loss)	295,905,730	Cash in hand and with the Bank of England	38,174,523
Acceptances and endorsements, &c., for account of customers	7,399,416	Balances with other British banks and cheques in course of collection	8,297,352
Capital, viz.: 857,589 "A" shares of £4 each, fully paid, £3,430,356; 11,760,811 "B" shares of £1 each, fully paid, £11,760,811; 401,205 "C" shares of £1 each, fully paid, £401,205	15,592,372	Money at call and short notice	22,136,525
Reserve fund	8,250,000	Bills discounted	34,406,566
		Investments (including £844,604 securities lodged for public accounts): securities of, or guaranteed by, the British Government, £64,092,963; British Dominions and Colonial Government securities, Bank of England and British Corporation stocks, £4,833,131; other investments, £845,586	69,831,680
		The British Linen Bank—£1,211,313 stock	3,633,939
		Union Bank of Manchester Limited—300,000 shares of £5 each, £2 10s paid	2,600,000
		Anglo-Egyptian Bank, Ltd.—112,872 shares of £15 each, £5 paid	1,467,336
		Advances to customers and other accounts	134,117,458
		Liability of customers for acceptances and endorsements, &c.	7,399,416
		Bank premises and adjoining properties	5,082,723
327,147,518		327,147,518	

BAKER, DUNCOMBE, AND CO., LIMITED.

BALANCE-SHEET—September 29, 1923.

LIABILITIES.		ASSETS.	
£		£	
Capital—32,000 fully-paid "A" shares of £5 each, £160,000; 8,000 fully-paid "B" shares of £5 each, £40,000	200,000	Investments—5% Treasury Bonds, 4% Treasury Bonds	1,000,000
Liability on deposits and loans and bills discounted (including rebate and sundry accounts)	8,781,476	Bills discounted (including re-discounts)	7,918,621
		Loans on security and sundry accounts	11,158
		Assets to the value of £8,748,121 are held by bankers and others as cover for liabilities, per contra	
		Cash in hand and at bankers	101,697
		9,031,476	9,031,476

BANK OF LIVERPOOL AND MARTINS, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.		ASSETS.	
£		£	
Capital paid up: £2 10s per share on 939,556 shares of £20 each	2,348,890	Cash in hand and balances with the Bank of England	6,702,048
Reserve fund	1,500,000	Balances with, and cheques in course of collection on, other British Banks	2,316,400
Amount due on current deposit, and other accounts	63,934,397	Money at call and short notice	4,927,396
Bank's acceptances, as per contra	1,376,143	Investments: In British Government securities, £2,187,796; in Indian & Colonial Government stocks, Corporation stocks and other first-class securities, £1,696,635	9,884,431
Endorsements, guarantees and other obligations on account of customers, as per contra	2,474,838	Bills of exchange	3,462,201
		Advances to customers and other accounts	38,992,503
		Bank premises—less amounts written off	1,498,309
		Liability of customers for the bank's acceptances, as per contra	1,376,143
		Liability of customers for endorsements, guarantees and other obligations, as per contra	2,474,837
		71,634,268	71,634,268

GLYN, MILLS, CURRIE, HOLT, AND CO.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.		ASSETS.	
£		£	
Capital paid up	1,060,000	Coin, bank and currency notes, and balance at Bank of England	4,534,549
Reserve fund	530,000	Balances with and cheques in course of collection on other banks in the United Kingdom	1,383,488
Current accounts	15,815,169	Money at call and at short notice	6,482,500
Deposit accounts	12,168,584	Bills discounted	474,518
Reduction of the bank premises account	160,054	Investments: British Government securities, including £22,291 deposited as security for Public Accounts, £10,857,198; other securities, £496,393	11,353,591
		Advances to customers and other accounts	5,061,161
		Bank and other premises (freehold)	445,000
Memorandum.—Liabilities on account of acceptances, endorsements, &c. (covered by securities), not included in balance-sheet, £1,555,969			
29,734,807		29,734,807	

THE . . .

DISTRICT BANK.



The Manchester and Liverpool District Banking Company Ltd.

ESTABLISHED 1829.

Chairman: SIR CHRISTOPHER T. NEEDHAM.

Managing Directors: ANGUS A. G. TULLOCH, Esq., D.L. WILLIAM ROLPH EASTERBY, Esq. (Deputy Chairman).

Paid-up Capital - £1,896,000 Reserve Fund - £1,650,000
Deposits - £53,873,989 Total Assets - £57,707,377
(30th JUNE, 1923.)

Head Office: SPRING GARDENS, MANCHESTER.

Foreign Department: { 13, Spring Gardens, Manchester.
3, Water Street, Liverpool.
76 & 77, Cornhill, London, E.C.3

London Office: 75, Cornhill, E.C.3. Liverpool Office: Water Street.

And 345 Branches and Sub-branches in Lancashire, Cheshire, Staffordshire, Shropshire, Yorkshire, Derbyshire, Cumberland, Westmorland, and North Wales.

Every Banking Facility Afforded and Special Attention given to Colonial and Foreign Business.
The Bank Acts as Executor and Trustee.

Commonwealth Bank of Australia

HEAD OFFICE - SYDNEY.

Guaranteed by the Australian Commonwealth Government.

JAMES KELL, Deputy-Governor.

BRANCHES IN

The Principal Cities and Towns of Australia

and at

36-41 New Broad Street, E.C., and Australia House, Strand, W.C., LONDON.

Agents and Correspondents throughout the World.

BANKING AND EXCHANGE BUSINESS OF EVERY DESCRIPTION TRANSACTED.

Bankers to:

GOVERNMENT OF THE COMMONWEALTH OF AUSTRALIA.

GOVERNMENT OF THE STATE OF QUEENSLAND.

GOVERNMENT OF THE STATE OF SOUTH AUSTRALIA.

GOVERNMENT OF THE STATE OF TASMANIA.

SAVINGS BANK DEPARTMENT.

Branches in the Chief Centres and 3,212 Agencies at Post Offices throughout Australasia.

AT 31st DECEMBER, 1922:

Savings Bank balances	£39,494,117
General Bank balances	30,438,877
Note Issue Department	51,971,432
Other Items	4,534,291
Total	£126,438,717

Head Office:
Sydney, New South Wales.

LONDON BRANCH: 36-41 NEW BROAD STREET, E.C.
C. A. B. CAMPION, London Manager.



COUTTS AND CO.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	800,000	Coin, Bank of England and currency notes in the United Kingdom and balances with the Bank of England	1,916,686
Reserve fund	800,000	Balances with, and cheques in course of collection on, other banks in the United Kingdom, and cheques, drafts, &c., in transit	545,405
Current, deposit, and other accounts, including rebate on bills not due, provisions for bad and doubtful debts, contingencies, &c.	15,771,933	Money at call and short notice	1,116,800
Liabilities for acceptances, endorsements, engagements, &c., as per contra ..	59,508	Investments (of which £200,000 is lodged for Queen Anne's bounty) British Government stocks, £3,484,431; Colonial Government stocks, Corporation stocks, and other investments, £713,630	4,198,061
		Bills discounted—Payable by British firms and institutions in the United Kingdom, and Treasury bills	1,190,575
		Advances to customers on current and other accounts	8,057,975
		Bank premises	346,430
		Liabilities of customers for acceptances, endorsements, engagements, &c., as per contra	59,509
	17,431,441		17,431,441

LANCASHIRE AND YORKSHIRE BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	1,006,560	Cash and money at short notice	6,167,926
Reserve fund	1,006,560	Investments (at under market value)	8,650,898
Profit and loss account—Balance from last half-year	95,033	Bills of exchange (including Treasury bills)	3,411,798
Current, deposit, and other accounts	26,662,046	Advances and loans	10,136,873
Acceptances and endorsements	75,910	Acceptances and endorsements, per contra	75,910
Notes in the Isle of Man	17,296	Bank property account	420,000
		Including £69,000 Indian Government securities lodged against note circulation in the Isle of Man ..	
	28,863,406		28,863,406

MANCHESTER AND LIVERPOOL DISTRICT BANKING COMPANY, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—632,000 shares, £15 each, £3 paid	1,896,000	Cash in hand and in the Bank of England	7,720,206
Reserve fund	1,850,000	Money at call and short notice	3,408,740
Current, deposit, and other accounts (including balance of profit and loss) ..	53,873,989	Bills of exchange (including Treasury bills)	4,140,107
Acceptances	287,389	British Government securities	17,133,280
		British railway debentures, Corporation stocks, &c.	350,249
		Advances in current and other accounts	24,167,407
		Liabilities of customers for bank's acceptances	287,389
		Bank property	500,000
	56,707,378		57,707,378

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	9,309,416	Coin, Bank of England and currency notes in the United Kingdom, and balances with the Bank of England	26,852,878
Reserve fund	9,000,000	Balances with, and cheques in course of collection on, other banks in the United Kingdom, and cheques, drafts, &c., in transit	8,528,504
Current, deposit, and other accounts	258,563,394	Money at call and short notice	16,044,381
Liabilities for acceptances, endorsements, &c., as per contra	7,306,298	Investments (of which £209,640 is lodged for public accounts), £51,480,393; investments in affiliated banks, £2,240,000	53,720,393
		Bills discounted—(1) Payable by British firms and institutions in the United Kingdom, and Treasury bills, £41,065,353; (2) Other bills, £1,699,877 ..	42,766,030
		Advances to customers on current and other accounts	124,739,498
		Bank premises	4,220,116
		Liabilities of customers for acceptances, endorsements, &c., as per contra ..	7,306,298
	1,179,098		284,179,098

LONDON JOINT CITY AND MIDLAND BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	10,860,852	Coin, bank and currency notes and balances with the Bank of England	51,886,944
Reserve fund	10,860,852	Balances with, and cheques in course of collection on, other banks in Great Britain and Ireland	14,637,852
Current, deposit, and other accounts (including balance of profit and loss account)	347,900,203	Money at call and short notice	20,657,598
Acceptances and engagements on account of customers	26,380,696	Investments	38,087,428
		Bills discounted	45,336,797
		Advances to customers and other accounts	190,104,209
		Liabilities of customers for acceptances and engagements	26,380,696
		Bank premises	5,351,389
		Shares of the Belfast Banking Company, Limited, and the Clydesdale Bank, Limited	3,259,690
		Shares of the London City and Midland Executor and Trustee Company, Limited	300,000
	396,002,603		396,002,603

LLOYDS BANK LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Current, deposit, and other accounts	335,594,414	Cash in hand and with the Bank of England	35,614,077
Acceptances, endorsements, guarantees, &c.	12,184,429	Balances with, and cheques in course of collection on, other banks in the British Isles	11,059,878
Capital paid up	14,372,956	Money at call & short notice	19,109,952
Reserve fund	10,000,000	Bills of exchange	57,894,212
		Treasury bonds and other short-term British Government securities	56,394,851
		Other British Government securities	26,373,413
		Indian and Colonial Government securities, Corporation stocks, English railway debenture and preference stocks, and other investments ..	2,482,026
		*Note.—There is a contingent liability for uncalled capital in respect of a portion of these investments ..	
		The National Bank of Scotland, Limited, £4,861,570 (nominal) stock (£1,069,545 8s paid up) at £300 for each £110 paid up	2,916,942
		The London and River Plate Bank, Lim., 118,883 shares of £25 each (£17 paid up) at £38 per share	4,517,554
		Lloyds and National Provincial Foreign Bank, Limited, 12,000 shares of £50 each (£20 paid up) at £20 per share	240,000
		Advances to customers and other accounts	138,004,940
		Liabilities of customers for acceptances, endorsements, guarantees, &c., as per contra	12,184,429
		Bank premises	5,429,525
	372,151,799		372,151,799

MANCHESTER AND COUNTY BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—273,010 shares £20 each, £4 paid	1,092,040	Cash on hand, at call, and at short notice	3,522,988
Reserve fund	1,000,000	Bills of exchange, less rebate ..	1,058,484
Unclaimed dividends	1,408	Investments:—	
Due by the bank on current, deposit, and other accounts ..	22,459,500	Securities of, or guaranteed by, the British Government, and Bank of England stock, £5,798,446; other securities, £489,665	6,288,111
Acceptances by the bank ..	89,035	Short loans on railway stock and other securities	13,808
		Advances on current accounts	13,269,557
		Liability of customers on acceptances by the bank ..	89,035
		Bank property account: premises in Manchester and branch offices	400,000
	24,641,983		24,641,983

WESTMINSTER BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	9,003,718	Coin, bank and currency notes and balances with the Bank of England	24,727,253
Reserve fund	9,003,718	Balances with, and cheques in course of collection on, other banks in the United Kingdom ..	10,212,752
Current, deposit, and other accounts	266,190,165	Money at call and short notice	23,755,847
Liabilities for acceptances, endorsements, &c., as per contra	11,182,913	Bills discounted	65,064,267
Notes in circulation in the Isle of Man	13,176	Investments	56,207,074
		Investments in affiliated banks	2,991,505
		Advances to customers and other accounts	97,254,304
		Bank premises account	3,997,775
		Liabilities of customers for acceptances, endorsements, &c., as per contra ..	11,182,913
	295,393,690		295,393,690

THE BRITISH OVERSEAS BANK

LIMITED

33, GRACECHURCH STREET
Lombard Court, LONDON, E.C.3Telegraphic Address { (Inland): "SAESREVO, BILGATE, LONDON."
(Foreign): "SAESREVO, LONDON."
Telephone No. AVENUE 7500.Capital - - - £5,000,000
Issued and Paid-up - - £2,000,000

Established in 1919, with the object of affording increased and improved Banking facilities for Foreign Trade at Home and Abroad.

Exceptional arrangements exist with its Associated Banks in England, Scotland, and Ireland, and with leading local Institutions in every important centre abroad.

CORRESPONDENCE INVITED.

Affiliated Institution in Poland:
ANGLO-POLISH BANK, LIMITED (BANK ANGIELSKO-POLSKI, SP.AK.),
Krakowskie Przedmiescie, 47/49, WARSAW.

Glyn, Mills, Currie, Holt & Co.

ESTABLISHED 1753

BANKERS

Official Army and Air Force Agents

Seventy-Eighth Statement of Assets and Liabilities, 30th June, 1923

Dr.	LIABILITIES	£	s.	d.	Cr.	ASSETS	£	s.	d.
To Capital paid up ..	1,000,000	0	0		By Coin, Bank and Currency Notes and Balance at Bank of England ..	4,534,549	8	10	
To Reserve Fund ..	830,000	0	0		By Balances with and Cheques in course of Collection on other Banks in the United Kingdom ..	1,383,487	15	11	
To Current Accounts ..	15,818,168	11	8		By Money at Call and at Short Notice ..	6,492,500	0	0	
To Deposit Accounts ..	12,188,533	13	9		By Bills Discounted ..	474,517	19	3	
To Reduction of the Bank Premises Account ..	160,051	8	5		By Investments:—				
					British Government Securities including £22,291 5s. deposited as Security for Public Accounts ..	10,837,198	0	1	
					Other Securities ..	466,392	12	9	
						11,353,590	12	10	
					By Advances to Customers and other Accounts ..	8,061,161	1	0	
					By Bank and other Premises (Freehold) ..	445,900	0	0	
						29,734,806	13	10	

MEMORANDUM.

Liabilities on account of Acceptances, Endorsements, &c. (covered by Securities), not included in Balance Sheet.
£1,858,669 : 10 : 1

AUDITORS' CERTIFICATE AND REPORT.

We report that we have examined the above Balance Sheet with the Books of the Bank, and have obtained all the information and explanations we have required, and we are of opinion that such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us, and as shown by the Books.

KEMP, CHATTERIS, NICHOLS, SENDELL & Co.,
JACKSON PIXLEY & Co.,
12th July, 1923. Chartered Accountants.E. W. AIRY,
12th July, 1923. Secretary.WOLVERTON,
H. A. LAWRENCE,
VESEY G. M. HOLT, } Managing Partners.

Every description of British and Overseas Banking and Exchange Business transacted. The Bank undertakes the office of Executor and Trustee.

Head Office: 67, LOMBARD STREET, LONDON, E.C.3
West End Offices: 3, WHITEHALL PLACE, and 44, CHARING CROSS, S.W.1

WILLIAMS, DEACON'S BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital issued, 1,562,500 £5 "A" shares, £1 paid, £1,562,500; 312,500 £1 "B" shares, £312,500	1,875,000	Coin, bank and currency notes, and balances with the Bank of England	4,215,904
Reserve fund	1,150,000	Balances with, and cheques in course of collection on, other banks in the United Kingdom	1,781,487
Current, deposit, and other accounts	34,703,927	Money at call and short notice	2,459,270
Liabilities for acceptances, endorsements, &c., as per contra	664,520	Bills discounted	2,299,047
	38,393,447	British Government securities	5,370,421
		Other investments	832,308
		Advances to customers and other accounts	20,069,145
		Bank premises account	701,345
		Liabilities of customers for acceptances, endorsements, &c., as per contra	664,520
			38,393,447

YORKSHIRE PENNY BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	750,000	Cash in hand, at Bank of England, and at short notice	7,538,651
Reserve fund	750,000	British Government Treasury bills	1,090,000
Amount due to depositors and other accounts	29,817,633	British Government bonds, due 1st February, 1924	1,825,000
		British Government 5 per cent. National War Bonds, due 1924 and 1925	1,203,425
		British Government Treasury and Exchequer Bonds	10,785,033
		British Government 4 per cent. War Stock	776,103
		Do 3½ per cent.	810,440
		British Government National War Bonds	3,087,990
		Other securities	1,112,006
		Loans on security and other accounts	1,987,538
		Bank purchase account	600,000
		Bank premises	501,448
	31,317,633		31,317,633

PRIVATE BANKS.

CHARLES HOARE AND CO.

BALANCE-SHEET—July 6, 1923.

LIABILITIES.	£	ASSETS.	£
Amount due on current accounts	2,111,077	Cash in hand and at bankers	529,174
Amount due on deposit accounts	1,041,444	Cash at call	300,000
Capital and reserve	500,000	Investments at market price: Five per cent. War Stock 1923-1947 and National War Bonds	1,036,875
	3,652,521	British Government and other Trustee securities	407,465
		Loans, overdrafts, and bills discounted	118,691
		Freeholds	1,160,316
			100,000
			3,652,521

CHILD AND CO.

BALANCE-SHEET—July 5, 1923.

LIABILITIES.	£	ASSETS.	£
Amount due to customers on current & deposit accounts	2,717,113	Cash in hand and at the Bank of England	375,642
Capital	500,000	Money at call	300,000
Reserve fund	91,442	Investments—National War and Treasury bonds and bills	313,925
	3,308,555	Indian Government War bonds	173,067
		Colonial Government stocks	211,645
		Municipal stocks	59,836
		Railways in British Possessions	10,780
		Other investments	60,146
		(Of these £45,657 in all is deposited with the Indian Government.)	
		Loans, bills discounted &c.	703,649
		Bank premises	43,000
			1,745,006

GRINDLAY AND CO.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital	120,000	Cash—	
Amounts due on current, deposit, and other accounts	1,625,006	In hand, and at bankers	123,168
		At short notice	45,790
		Investments—National War and Treasury bonds and bills	313,925
		Indian Government War bonds	173,067
		Colonial Government stocks	211,645
		Municipal stocks	59,836
		Railways in British Possessions	10,780
		Other investments	60,146
		(Of these £45,657 in all is deposited with the Indian Government.)	
		Loans, bills discounted &c.	703,649
		Bank premises	43,000
			1,745,006

LONDON DISCOUNT COMPANIES.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital, 10,000 £10 6 per cent. preference shares, fully paid, £100,000; 100,000 £10 ordinary shares, £5 paid, £500,000, with a reserve liability of £500,000	600,000	Cash at bankers	483,633
Reserve fund	400,000	Short-dated Imperial and Indian Government securities	2,826,596
Bills re-discounted	1,617,288	Bills discounted	15,879,483
Deposits and sundry balances, including profit and loss account	16,824,960	Loans on security and sundry accounts	252,536
	19,442,248	(Out of the above, assets of the value of £18,287,943 are held by depositors and others as cover for liabilities, per contra.)	
			19,442,248

JOINT-STOCK BANKS OF IRELAND.

BANK OF IRELAND.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital paid up	2,769,231	Cash at head office, branches, and Bank of England	4,709,498
Rest	1,400,000	Cash at call and short notice	1,900,078
Notes and post bills in circulation	7,637,285	British Government Treasury bills	1,750,000
Government and other public accounts	5,877,853	British Government debt	2,630,769
Deposit, current, and other accounts	35,148,276	British Government stocks, £23,534,312; other securities, £4,204,977	27,739,289
Profit and loss account, balance	197,107	Bills discounted, advances to customers, &c.	13,724,096
	53,029,752	Bank premises, head office and branches at cost, less depreciation	576,023
			53,029,752

HIBERNIAN BANK, LIMITED.

The report submitted to the meeting held on July 30th states that, after providing for rebate on bills, interest on deposits, and bad and doubtful debts and contingencies, the net profits for the half-year amount to £55,748, to which has to be added balance of undivided profits from last account, £14,229—£69,977. The directors have transferred to the reserve fund the sum of £27,246, and they recommend that the balance be applied as follows, viz., in payment of a dividend for the half-year at the rate of 10 per cent. per annum (subject to deduction of income-tax) £25,000; in reduction of bank premises account, £5,000; to next account, £12,731—£69,977.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital, viz.:—100,000 shares of £20 each, £2,000,000—amount paid up, £5 per share	500,000	Cash in hand and with bankers	1,330,942
Reserve fund	475,000	Investments, viz.:—	
Deposit, current, and other accounts, including interest due on deposits	15,045,627	War Loans and other Government stocks	7,784,385
Sundry agents	47,854	Corporation stocks, railway debenture stocks, and other securities	150,977
Rebate on bills discounted not at maturity	18,472	Bills discounted (including Irish Free State bills), advances on current accounts, loans, &c.	6,609,733
Profit and loss account, £69,977; lost transferred to reserve fund, £27,246	42,731	Sundry agents	74,975
	16,129,684	Bank premises and furniture (head offices & 58 branches), written down to	178,672
			16,129,684

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of management, including directors' fees, salaries, pensions and allowances, bonuses and grants to staff, rents, rates, repairs, inland Revenue taxes, and all other outlay	124,869	Balance from last account ..	14,229
Amount transferred to reserve fund	27,246	Gross profits for half-year, after providing for rebate on bills, interest on deposits, and bad and doubtful debts and contingencies	180,617
Dividend to be paid in August, 1923, subject to deduction of income-tax, £25,000; bank premises account, £5,000; balance to next account, £12,731	42,731		
	194,846		194,846

MUNSTER AND LEINSTER BANK, LIMITED.

The report presented at the meeting held on July 24th states that the profits for the half-year ended June 30, 1923, after deducting expenses, providing for interest on deposits, rebate on bills, and for all bad and doubtful debts, amount to £94,204; to which has to be added the balance from the last account, £41,032; making a total of £135,236. The directors recommend the payment of a dividend for the half-year at the rate of 20 per cent. per annum, £40,000; less income-tax at 5s in the £, £10,000—£30,000; and after transferring to reserve fund £50,000, and applying in

BANK OF LIVERPOOL
&
MARTINS LIMITED

Head Office: 7, WATER STREET, LIVERPOOL.

London Office: 68, LOMBARD STREET, LONDON, E.C.3.

Capital Subscribed	- - - -	£18,791,120
Capital Paid Up	- - - -	2,348,890
Reserve Fund and Surplus Profits	- - - -	1,626,099
Deposits, etc., at 30th June, 1923	- - - -	63,934,396

350 BRANCHES AND SUB-BRANCHES.

All descriptions of Banking, Trustee and Foreign Exchange Business Transacted.

THE BANK IS PREPARED TO ACT AS AGENTS FOR FOREIGN BANKS ON USUAL TERMS.

IMPERIAL OTTOMAN BANK

Capital - £10,000,000. Paid-up - £5,000,000.
Reserve Fund - £1,250,000.

GENERAL COMMITTEE:

LONDON.	PARIS.
VISCOUNT COSCHEN, C.B.E. E. W. H. BARRY. THE EARL OF BESSBOROUGH, C.M.G. THE EARL OF CHICHESTER, O.B.E. SIR W. GUY GRANET, G.B.E. SIR JOHN P. HEWITT, G.C.S.I., K.B.E. C.I.E., M.P.	LORD HILLINGDON. General the HON. SIR HERBERT A. LAWRENCE, K.C.B. LORD ORANMORE & BROWNE, K.P., P.C. Lieut.-Col. SIR ALBERT STERN, K.B.E., C.M.G. LE BARON DE NEUFILIZE, C.V.O. JEAN BOISSONNAS. CHARLES DE CERJAT. HORACE FINALY. GEORGES HEINE.

London Office: 26, THROGMORTON STREET, E.C.2.

Manager: E. W. H. Barry. Assistant Manager and Secretary: C. E. L. Corthorn.
Assistant Manager and Deputy Secretary: R. S. C. Pearce. Assistant Manager: W. P. Sheppard.MANCHESTER:
56-60, Cross Street.PARIS:
7, Rue Meyerbeer.MARSEILLES:
41-43, Rue Grignan.

CONSTANTINOPLE (Galata, Stamboul & Pera).

EGYPT.	PALESTINE.	CYPRUS.	PERSIA.
Alexandria. Cairo. Mansourah. Minieh. Port Said.	Bethlehem. Caiffa. Jaffa. Jerusalem. Nablous. Ramallah.	Nicosia. Larnaca. Limassol. Paphos.	Teheran. Kermanshah. Hamadan.

SYRIA.

(Banque de Syrie—Affiliated Bank.)

Aleppo. Alexandretta. Beyrout.	Damascus. Hamah. Hama.	Lattakie. Saïda. Tripoli.
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SALONICA.

SMYRNA. MESOPOTAMIA.
(Over 80 Branches in the Near East.)

TUNIS, Africa.

reduction of premises account £10,000, there will remain to be carried to next account, £45,236—£135,236.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—200,000 shares of £5 each, £2 paid	400,000	Cash on hand, at Bank of England, and with other bankers, and cheques in course of collection	2,380,714
Reserve fund	950,000	Money at call and at short notice	902,483
Deposits, current, and other accounts	28,795,388	Treasury bills of British and Irish Free State Governments	583,000
Profit and loss—Balance from Dec. 31, 1922, £41,032; net profit for half-year ended June 30, 1923, £94,204—£135,236; less amount transferred to reserve fund and premises account, £60,000 ..	75,236	Investments:—War Loan and other British Government stocks, £12,043,278; Corp'n. stocks, railway debenture and preference stocks, and debenture bonds, £107,622 ..	12,150,900
		Bills discounted	1,734,582
		Advances on securities and current accounts	12,166,477
		Bank premises, head office and branches	302,468
			30,220,624

NATIONAL BANK, LIMITED.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up on 150,000 shares	1,500,000	Cash on hand at head office, branches, and Bank of England	4,164,967
Reserve fund (Government securities)	1,110,000	Money at call and at short notice, including Stock Exchange loans, British and Irish Free State Treasury bills, and short-dated securities	3,996,611
Notes in circulation	2,432,394	National War Bonds and Exchequer Bonds maturing 1924/30, and War Loan 5 per cent., 1929/47 ..	11,582,219
Amount due by the bank on deposit, current, and other accounts	42,011,746	Government securities, including reserve fund	6,188,493
Acceptances to bankers' drafts and on security	213,290	Corporation, railway, and other stocks	431,025
Net profits for the half-year, £181,068; brought forward from Dec. 31, 1922, £27,369 ..	208,437	Advances on securities at sundry dates, and current accounts	17,221,070
		Bills discounted	2,945,158
		Bankers' guarantee and securities held against acceptances, per contra ..	213,290
		Bank premises—London, Dublin, and branches, freehold and leasehold (at cost, less depreciation)	733,034
			47,475,867

The report presented to the meeting held on July 26th states that the profit and loss account for the half-year ended June 30, 1923, including £27,369 brought forward from December 31st last, shows a balance of £208,437 available for distribution. The board decided, owing to the amount of income-tax for which the bank is liable not being as yet ascertained, to pay a dividend free of income-tax, and accordingly declared a dividend at the rate of 10 per cent. per annum, or 10s per share (£10 paid), payable free of income-tax, as against the rate of 12 per cent. per annum paid less income-tax—i.e., 9s per share—for the previous half-year. (N.B.—This is equivalent to an increase of over 1 per cent. per annum on the dividend last declared.) The dividend absorbs £75,000, leaving a balance of £133,437 to be dealt with. Of this sum the directors transferred

£70,000 to income-tax and contingencies account, £15,000 to the reserve fund, and £20,000 in reduction of bank premises account. £28,437 was carried forward to profit and loss new account. They further transferred £75,000 from a fund established to meet depreciation in the bank's investments, and which is now no longer required, to the reserve fund, the total of which fund will now amount to £1,125,000.

NORTHERN BANKING COMPANY, LIMITED.

The report to be submitted to the meeting to be held on October 25th is as follows:—The net profits for the year, after making full provision for all bad and doubtful debts, rebate on bills discounted, and interest due on deposits, amount to £153,279; less bonus to bank's officers, £19,844—£133,435; which, with the balance brought from last year, £50,043, and a special profit on realisation of Government securities of £100,958, makes a total for disposal of £284,436. Dividends at the rate of 17½ per cent. on the "A" shares and 8½ per cent. on the "B" shares, have been paid to the shareholders, amounting in all to £91,875, less income-tax, £22,028. £14,342 has been applied in reduction of bank buildings account, £50,000 has been transferred to reserve, and £100,000 to contingency account, leaving balance of £50,247 undivided profits to be carried to next account.

BALANCE-SHEET—August 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital paid up	600,000	Cash on hand, notes of other banks, and balances in London and with other banks ..	2,402,764
Reserve fund	650,000	Investments:—	
Officers' guarantee fund	14,389	War Loans and other	
Widows' and orphans' fund ..	32,399	British Government securities, £4,229,505; Indian and Colonial Government, English railway debentures and preference stocks, Corporation debentures, and other securities, £286,857	5,116,362
Officers' insurance fund	9,031	Bills of exchange discounted, loans on securities, advances to customers, &c.	9,805,500
Balance (being undivided profits) carried forward to next account	50,247	Bank buildings—head office, thirteen city and seventy-three country branches, £294,341; less written off, as below, £14,341	280,000
Notes in circulation, £1,597,347; acceptances, nil; deposits & credit accounts, £14,652,213 ..	16,249,560	Liabilities of customers for endorsements, guarantees, and confirmed credits, as per contra	241,210
Endorsements, guarantees, and confirmed credits, as per contra	241,210		17,846,836

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Salaries, current expenses, &c.	267,979	Balance brought forward from August 31, 1922	50,043
Bonus to officials	19,844	Gross profits for the year ended August 31, 1923, after making provision for bad and doubtful debts, interest due on deposits, and rebate on bills not yet due	421,258
Dividend paid in March, less income-tax, £34,455; dividend paid in September, less income-tax, £35,390 ..	69,847	Profits realised on sales of Government securities	100,958
Amount appropriated in reduction of bank buildings ..	14,342		
Reserve	50,000		
Contingency account	100,000		
Balance (being undivided profits) carried forward to next account	50,247		
	572,259		572,259

LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:

The Right Hon. R. McKENNA

JOINT MANAGING DIRECTORS:

FREDERICK HYDE

EDGAR W. WOOLLEY

Subscribed Capital - -	£38,117,103
Paid-up Capital - -	10,860,852
Reserve Fund - -	10,860,852
Deposits (June 30th, 1923) - -	347,900,203

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2

OVER 1,720 OFFICES IN ENGLAND AND WALES

OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2

AFFILIATIONS:

BELFAST BANKING CO. LTD.

THE CLYDESDALE BANK LTD.

THE LONDON CITY & MIDLAND EXECUTOR & TRUSTEE CO. LTD.

SOCIÉTÉ GÉNÉRALE (DE PARIS)

(SOCIÉTÉ ANONYME).

Subscribed Capital - - -	Frs. 500,000,000
Paid-up Capital - - -	Frs. 250,000,000
Reserve Fund - - -	Frs. 55,601,882
Uncalled Capital - - -	Frs. 250,000,000
	Frs. 555,601,882

Head Office: 29 BOULEVARD HAUSSMANN, PARIS.

LONDON Office: 53 OLD BROAD STREET, E.C.

West End Branch: 65 REGENT STREET, W.

OVER 1,200 BRANCHES IN FRANCE AND NORTH AFRICA.
SUBSIDIARY BANKS or Correspondents in all parts of the World.

This Bank transacts every description of English and Foreign Banking business, including the sale of Drafts Telegraphic Transfers and Circular Letters of Credit and Notes payable in Allied or Neutral Countries. It also undertakes the purchase and sale of Stocks and Shares on the London and Continental Exchanges, the collection and cashing of Dividends, Coupons, Bills of Exchange, Drawn Bonds, arrangements for Documentary Credits, &c., &c. The West End Branch has been specially fitted with Safe Deposits for the use of Customers. This Office buys and sells Foreign Exchange and Securities.

FRIENDS' PROVIDENT & CENTURY LIFE OFFICE

and

THE CENTURY INSURANCE COMPANY, LTD.

LIFE. - FIRE. - ACCIDENT. - SICKNESS.

Combined Funds exceed £5,500,000.

HEAD OFFICES:

LONDON - 42, Kingsway, W.C.2. :: EDINBURGH - 18, Charlotte Square.

PROVINCIAL BANK OF IRELAND, LIMITED.
The report presented to the meeting held on July 25th states that, including £42,291 brought forward from last account, there remains a profit for the half-year ending June 30, 1923, of £101,788. Out of this the directors have declared a dividend for the half-year at the rate of 10½ per cent. per annum, free of income-tax, which will require £28,350; they have added to reserve fund, £10,000; written off bank premises account, £7,500; placed to contingency account, £15,000; and carried forward, £40,938—£101,788. The dividend now declared of 10½ per cent., free of tax, yields 13s 1½d on the £100 shares (£12 10s paid), and 10s 6d on the £20 shares (£10 paid), as against the net return of 12s 10½d and 10s 4d respectively paid last half-year.

BALANCE-SHEET—June 30, 1923.			
LIABILITIES.	£	ASSETS.	£
Capital paid up	540,000	Cash at head office, branches, and in London	1,404,667
Reserve fund	510,000	Money at call and short notice	1,150,000
Notes in circulation	1,852,482	British Government and Irish Free State Treasury bills	1,552,000
Deposit receipts, current and other accounts	16,888,753	Investments, viz.:—British Government and Colonial securities, £5,791,341; Corporation stocks and other investments, £241,152	7,072,493
Net profits for the half-year, including £42,291 brought forward from Dec. 31, 1922, £101,788; less £10,000 added to reserve fund, £7,500 written off bank premises, and £15,000 placed to contingency account, £32,500 ..	69,288	Advances to customers and other accounts	7,143,743
		Bills discounted	1,379,429
		Bank premises, freehold and leasehold	198,191
	19,860,523		19,860,523

ROYAL BANK OF IRELAND, LIMITED.
The report submitted to the meeting held on September 28th states that the net profit of the bank for the year ended August 31, 1923, after making provision for all bad and doubtful debts, amounted to £67,268, which, with the amount brought forward from last year of £5,956, make together £73,224. From this an interim dividend at the rate of 8 per cent. per annum (less tax) for the first six months of the year has been distributed to the shareholders, £9,000, leaving a balance of £64,224, out of which the board have appropriated to reserve fund, officers' superannuation, and other contingencies, £43,019, leaving available a balance of £21,205, which they recommend should be appropriated as follows: a further dividend at the rate of 12 per cent. per annum (less tax) for the six months ended August 31st last, £13,500; the balance to be carried forward to the credit of next year's account of £7,705.

BALANCE-SHEET—August 31, 1923.			
LIABILITIES.	£	ASSETS.	£
Capital, £1,500,000, in 30,000 shares of £50, of which £10 has been paid up	300,000	Investments—British Government securities (including War issues) below market prices	1,874,254
Reserve fund	150,000	Colonial Government stocks, railway debenture stocks, &c. below market prices	175,352
Current deposit and other accounts, including officers' superannuation fund	7,625,983	British Treasury bills	446,513
Profit and loss, balance after paying interim dividend at the rate of 8 per cent. per annum (less tax), £84,224; less appropriated to reserve fund, officers' superannuation, and other contingencies, £43,019	21,205	Bankers' balances and cash at head office and branches	928,164
	8,097,188	Bills discounted, including Free State bills	216,182
		Advances on current and other accounts	4,201,723
		Bank premises (head office and 42 branches)	225,000
			8,097,188

LATEST BALANCE-SHEETS OF FOREIGN BANKS HAVING LONDON OFFICES AND OF BRITISH BANKS TRADING ABROAD.

ANGLO-SOUTH AMERICAN BANK, LIMITED.

The report to be presented at the meeting, to be held on October 23rd, states that the net profit, after making provision for all charges, rebate, &c., amounts to £436,256, which, together with £256,684 brought forward, makes a total of £692,940, of which £196,530 was absorbed by the interim dividend paid on April 30th last. There is now an available balance of £496,410, of which the directors recommend that £133,749 be applied to the payment of a final dividend of 4s per share, less income-tax, payable on the 29th instant, making a total distribution for the year of 10 per cent.; £25,000 be added to the staff pension fund, and that the balance of £337,661 be carried forward—£496,410.

BALANCE-SHEET—June 30, 1923.			
LIABILITIES.	£	ASSETS.	£
Issued capital—875,466 shares of £10 each, £5 paid	4,367,330	Cash in hand, at bankers, and at call	15,367,880
Reserve fund	4,000,000	British Government securities	9,279,261
Special reserve, on account of depreciation of capital in Chile	183,827	Foreign Government, railway and other securities	1,421,596
Sight drafts on head office and branches	1,953,698	Bills receivable	11,914,006
Bills payable—drafts on head office and branches at usance	7,652,101	Holdings in foreign banks and kindred companies, at cost	1,619,677
Acceptances on account of customers	3,070,474	British Bank of South America, Limited, 99,615 shares, at £27 10s	2,739,413
Current, deposit, and other accounts	47,809,274	Commercial Bank of Spanish America, Limited, 485,673 shares, at cost	454,341
Bills for collection	6,713,528	Liability of customers for acceptances, per contra	3,070,474
&c., not due	77,856	Advances, &c.	22,047,536
Profit and loss, as per account below, £692,940; less interim dividend paid on 30th April, 1923, £196,530	496,410	Bank premises and office furniture	1,696,786
To liability on bill re-discounted, on uncalled capital on investments held, and guarantees, &c., £12,943,486 less 9d, of which £10,486,304 18s 11d has run off ..	76,324,498	Bills for collection, per contra ..	6,713,528
	76,324,498		76,324,498

NOTES.—The assets and liabilities at branches in local currencies are shown at the par rates of exchange, the difference between them having been adjusted to the rates of the day with the exception of the capital employed in South America and other countries, which, after allowing for the special reserve of £183,826 12s 11d, shows a depreciation of £326,405 at 30th June, 1923. Certain of the above assets have been lodged with other parties on which a lien exists to the amount of £2,293,385 8s 10d.

PROFIT AND LOSS ACCOUNT.			
Dr.	£	Cr.	£
Charges at head office and branches	1,010,017	Balance brought forward from last account	256,584
Income-tax and corporation profits tax, to June 30, 1923 ..	271,282	Gross profits and credits after providing for bad and doubtful debts	1,795,411
Rebate of interest on bills, &c., not due	77,856		
Balance, as per balance-sheet	692,940		
	2,052,095		2,052,095

The National Provincial and Union Bank of England, Ltd.

Established in 1833.

Subscribed Capital	-	-	£43,447,080
Paid-up Capital	-	-	9,309,416
Reserve Fund	-	-	9,000,000

Head Office - 15, BISHOPSGATE, LONDON, E.C.2.

OVER ONE THOUSAND OFFICES in ENGLAND and WALES.

Agents in all parts of the world.

BRITISH, COLONIAL and FOREIGN BANKING.

TRUSTEESHIPS and EXECUTORSHIPS UNDERTAKEN.

COUTTS & CO.

Established 1692, is affiliated with this Bank.

Auxiliary

LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LIMITED.

THE MITSUI BANK, LTD., TOKYO

(The oldest Banking Institution in Japan—Founded in 1880.)

Capital Subscribed ...	Yen 100,000,000.00	Reserve Fund ...	Yen 25,000,000.00
Capital Paid up ...	60,000,000.00	Special Reserve Fund ...	12,100,000.00
		Reserve Fund for Dividend ...	3,000,000.00

HEAD OFFICE: No. 1, SURUGACHO, TOKYO, JAPAN.

LOCAL BRANCHES:

FUKUOKA, HIROSHIMA, KAWAGUCHI (Osaka), KOBE, KYOTO, MARUNOUCHI (Tokyo), MOJI, NAGASAKI, NAGOYA, NAKANOSHIMA (Osaka), NIHONBASHI (Tokyo), OSAKA, OSAKA NISHI (Osaka), OTARU, SHIMONOSEKI, WAKAMATSU, YOKOHAMA.

FOREIGN BRANCHES—NEW YORK, SHANGHAI.

FOREIGN AGENTS:

LONDON—BARCLAYS BANK, LTD. LONDON JOINT CITY & MIDLAND BANK, LTD. NEW YORK—THE NATIONAL CITY BANK OF NEW YORK. BANKERS TRUST COMPANY. THE CHASE NATIONAL BANK. PARIS—COMPTOIR NATIONAL D'ESCOMPTE DE PARIS. BANQUE DE L'UNION PARISIENNE. HAMBURG—COMMERZ-UND PRIVAT-BANK. BOMBAY—NATIONAL BANK OF INDIA, LTD. LLOYDS BANK, LTD., COX'S BRANCH.

BALANCE SHEET.

Dr.		Cr.	
LIABILITIES.		ASSETS.	
Capital	Yen 100,000,000.00	Capital unpaid	40,000,000.00
Reserve Fund	25,000,000.00	Cash in hand and at Bank of Japan	44,098,947.15
Special Reserve Fund	9,600,000.00	Money at call and short notice	15,660,000.00
Reserve Fund for Dividend	2,000,000.00	Japanese and Foreign Government Bonds	57,641,832.49
Pension and Provident Funds	1,486,826.97	Debentures and Stocks	45,554,460.50
Deposits (current, fixed, etc.)	440,693,853.42	Foreign Bills of Exchange Purchased	53,594,084.88
Foreign Bills of Exchange sold	5,024,028.50	Customers' Liabilities under L/C per contra, etc.	10,596,841.92
Due to Foreign Correspondents (including Discounts)	28,426,602.58	Due from Foreign Agents and Correspondents	4,516,739.09
Due to Local Banks	10,596,841.02	Loans and Discounts	361,984,980.87
Dividend unpaid	777,940.89	Due from local Banks	124,825.16
Liabilities under L/C, etc.	10,342.94	Provisional Payments	688,590.71
Due to local Banks	4,819,555.11	Bank Premises and Real Estates	8,678,494.99
Interest accrued on deposits not due	8,884,598.51		
Rebate on Bills not due	695,295.27		
Provisional Receipts	2,085,165.17		
Balance from last account	8,022,577.78		
Net profit for the half year	638,124,187.95		638,124,187.95

APPROPRIATION OF PROFIT.

Dr.		Cr.	
	Yen		Yen
Special Reserve Fund	2,500,000.00	Net profit for the half year	8,022,577.78
Reserve Fund for Dividend	1,000,000.00	Balance brought forward from last half-year	2,085,165.17
Pension and Provident Funds	176,000.00		
Bonus	531,400.00		
Dividend to Shareholders	3,600,000.00		
Balance carried forward to next half year	2,310,342.95		
	10,107,742.95		10,107,742.95

The Bank sells Drafts and Telegraphic Transfers, buys approved inward and outward Bills, grants Commercial Credits, issues Travellers' Letters of Credit available in all important places in the World, and makes collections.

Australian Mutual Provident Society (A.M.P.)

Established 1849.

SEVENTY-FOURTH ANNUAL REPORT.

Remarkable Figures.—Ordinary Department.

NET NEW BUSINESS.—25,106 Policies Assuring £10,767,776, with Annual Premiums of £336,580.
DEATH CLAIMS.—£1,414,833, including Bonus Additions of £461,914. This is only 53 per cent. of the "Expected."
MATURITY CLAIMS.—£1,152,395, including Bonus Additions of £315,475.
ACCUMULATED FUNDS (including Industrial) have increased by £2,736,997 and amount to £49,448,175.
WAR AND REPATRIATION LOAN SUBSCRIPTIONS total over £14,160,000.
THE DIVISIBLE SURPLUS (after strengthening the Reserves by the application of £175,000) is £1,756,738, which represents a return of 47·3 per cent. of the premiums received under participating policies. The corresponding Reversionary Additions amount to about £3,000,000.
THE VALUATION (on a Pure Premium Basis) has been made at 3 per cent.
THE EFFECTIVE RATE OF INTEREST (after deducting Income Tax) was £5 7s. 3d. per cent. There is therefore an Interest Margin of more than 2½ per cent.
THE EXPENSE RATE (excluding Taxes) was 12·95 per cent. of the Premium Income. This is only about two-thirds of the provision for expenses included in the Premiums.
THE TOTAL ASSURANCES issued in 74 years amount to £227,702,775, of which £122,607,257, or 53·8 per cent., are still in force.

LONDON OFFICE: 73-76, KING WILLIAM STREET, E.C.4.
W. C. FISHER, Manager for the United Kingdom.

ASSETS.		
Cash—	Currency.	Gold Dollars of 18d.
Fiscal and Treasury notes	33,691,474	12,135,253
Gold disposable in Chile and London	682,082	..
Silver	6,860,312	1,626,575
Cheques and balances disposable in other banks in Chile and abroad	4,653,962	5,220,667
Bonds and letters of credit	19,000,000	..
Government bonds, Law 3772, 5th July, 1921	50,000,000	..
Do do Law 3820, 23rd Dec., 1921	3,325,000	..
Do do Law 3851, 10th Feb., 1922	20,800,000	..
Do do Law 3874, 9th Aug., 1922	355,897,315	..
Bonds and shares in custody and guarantee	14,668,021	..
Real estate	899,781	1,840
Furniture	803,975	..
Books and stationery	344,466,225	17,468,565
Advances and other documents	3,971,005	..
Do in gold in Chile and London at 18d.	159,941	..
Do (Clause 10 of Bank Act)	9,633,700	..
Do (Art. 14, Law 1054 of July 31, 1898)	11,070,436	3,603,839
Bills discounted, Law 3795, Sept. 13, 1921	1,795,903	..
Agencies and branches	489,028	..
Suspense account	5,633,240	6,666,666
Interest, discount, &c.	..	..
Office of Emission Fiscal	886,216,469	49,009,336

BANCO DE BILBAO.

BALANCE-SHEET—December 30, 1922.

LIABILITIES.		ASSETS.	
Capital	100,000,000	Cash in hand and at Bank	39,865,147
Reserve funds	63,000,000	of Spain	..
Current accounts	190,572,368	Foreign money and notes, cash value	521,213
Fixed deposit accounts	142,126,393	Cash at other banks and bankers	25,906,809
Current accounts in foreign money, cash value	42,358,802	Bills receivable	92,388,536
Bills payable	12,701,080	Government securities	112,073,875
Acceptances for account of customers, as per contra	12,675,713	Railway and other industrial debentures	25,740,256
Sundry creditors	84,494,840	Other securities	39,361,040
Profit and loss	853,718	Advances to customers against security	37,212,157
	648,782,914	Banking correspondents, &c.	73,555,326
Depositors of securities, nominal value, as per contra	2,347,972,913	Banking correspondents, &c. in foreign money, cash value	42,710,395
	2,996,755,827	Property and office buildings	17,843,906
		Furniture and fittings	956,969
		Liabilities of customers for acceptances, as per contra	12,675,713
		Unissued shares	40,000,000
		Sundry debtors	87,971,572
			648,782,914
		Securities deposited, nominal value	2,347,972,913
			2,996,755,827

BANCO DI ROMA.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.		ASSETS.	
Share capital	150,000,000	Cash and coupons	128,506,264
Ordinary reserve fund	2,876,163	Portfolio & Treasury bills	1,601,206,390
Extraordinary reserve fund	15,400,000	Bills for collection for third parties	53,147,452
Special reserve fund	6,000,000	Investments	131,482,162
Deposits in current and savings account	547,988,288	Securities yielding interest	247,617,250
Deposit securities in current account	247,617,250	Banking participations	9,065,650
Circular cheques	78,779,626	Sundry participations	9,479,954
Ordinary cheques	24,803,459	Contango loans	388,396,093
Correspondents—credit balances	2,626,881,421	Real estate owned	30,994,421
Sundry creditors	96,572,364	Secured current accounts	56,225,107
Unclaimed dividends	158,315	Correspondents—debit balance	1,029,012,006
Rediscount	5,914,688	Sundry debtors	120,900,041
Acceptances on behalf of customers, per contra	9,537,160	Furniture, fixtures, & sales	1
Guarantees for third parties, per contra	147,197,701	Liabilities of customers, per contra	9,537,160
Profits carried forward from preceding year	90,403	Do in respect of guarantees, per contra	147,197,701
Net profits for current year	3,550,811	Staff provident fund	1,529,288
Sundry deposits	1,051,646,881	Securities deposited as guarantee	186,854,755
Deposits with third parties	861,676,001	Do in bail	6,657,341
	5,876,490,533	Do for safe custody	856,605,496
		Deposit of securities with lien	861,676,001
			5,876,490,533

BANCO ESPANOL DEL RIO DE LA PLATA.

The report of the directors for the year ended June 30th states that the net profits realised amount to £692,552, which, after deduction of £285,100 distributed and allocated in January last, leaves a balance of £407,452, which the directors propose to apply as follows:—Allowance for bad and doubtful debts, £87,301; allowance for furniture and fittings, £13,095; and of the balance 91 per cent. to the shareholders: 955,853 shares fully paid at December 31, 1922, at \$3.00 per share, 128 shares fully paid on March 31, 1923, at \$2.70 per share, 44,019 shares 80 per cent. paid at \$2.40 per share, £259,596; 2 per cent. to the directors and auditors, £5,705; 2½ per cent. to the staff pension and benevolent fund, £7,845; ¼ per cent. to contributions to charity, £713; 4 per cent. undistributed profits account, £11,411—£385,666. The above distribution, added to the 3 per cent. paid in January last, will make a total distribution of 6 per cent. for the year.

CHARTERED 1822.

The Farmers' Loan and Trust Company.

Head Office: 16, 18, 20 & 22, WILLIAM STREET, NEW YORK.

Branch Office: 475, FIFTH AVENUE, NEW YORK.

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LONDON: 15, COCKSPUR STREET, S.W. 1.
26, OLD BROAD STREET, E.C. 2.

Member Federal Reserve System and New York Clearing House.

Makes a speciality of the care and management of real and personal property in the United States, and will act as Agent, Custodian, Trustee or Executor.

FOREIGN EXCHANGE. CABLE TRANSFERS.

LETTERS OF CREDIT PAYABLE THROUGHOUT THE WORLD.

CURRENT AND DEPOSIT ACCOUNTS.

United States Government Depository.

THE BEST INVESTMENT
FOR CAPITAL, EFFORT AND ENTERPRISE

is in the participation in the quick industrial development of the splendid Pastoral, Agricultural, Mineral and other resources, aided by the increasing population and settlement, of

NEW ZEALAND

Good Ports, Expanding Railways and other Communications, Convenient Sites, Cheap Electricity, Efficient Workers, Reliable Markets, well-established for all kinds of Produce, Raw Materials and Manufactured Goods.

THE STATE FACILITATES PRODUCTION.

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THE HIGH COMMISSIONER FOR NEW ZEALAND, 413, STRAND, LONDON, W.C.2.

J. W. H. TURNER & CO.
LIMITED.

Exporters of

Wool, Tops and Noils.

Basils, Sole and Upper Leathers.

Hair, Horns, Hoofs, Bones and Glue Pieces.

Sheep, Kangaroo, Wallaroo, Whiptail, Wallaby,

Rabbit, Fox, Bear and Opossum Skins.

Tallow, Premier Jus, Dripping, Stearine and Soap.

Animal Fertilisers and Sulphate of Ammonia.

Hides, Calfskins and Yearlings.

Head Office—SYDNEY, N.S.W.

Branches at Melbourne (Victoria), Brisbane, Rockhampton and Townsville (Queensland).

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	£	ASSETS.	£
Capital subscribed.....	8,730,158	Cash.....	12,009,556
Current accounts and de- posits.....	46,486,887	Branches.....	6,525,975
Rebate—Corresponding to next half-year.....	179,546	Shareholders (liability on uncalled capital).....	76,684
Reserve fund.....	4,365,079	Bills discounted and ad- vances.....	33,348,456
Undistributed profits.....	31,229	Securities.....	861,270
Sundries.....	587,208	Bank premises.....	1,188,853
Profit and loss.....	407,452	Furniture and fittings.....	215,373
		Mortgages against credits.....	2,377,775
		Freehold properties received in payment of advances.....	2,177,436
		Sundries—Accounts in pro- cess of liquidation.....	2,007,281
			2,007,281
	60,787,559		60,787,559

BANCO NACIONAL ULTRAMARINO.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Esc.	ASSETS.	Esc.
Capital paid up—For general operations— Head office.....	14,825,000\$00	Cash in hand.....	28,758,582\$33
Home branches.....	3,800,000\$00	Cash with other banks.....	21,755,676\$32
Abroad—£750,000† Guarantee fund for predial operations.....	2,000,000\$00	Investments—Stocks (at actual value)— Quoted in escudos.....	44,293,349\$31
Permanent reserve fund.....	22,200,000\$00	Quoted in foreign currencies—Fr.s. 7,327,412, £682,373, Lira 13,351, Pts. 468,500, Rps. 858,396 (at par of ex- change).....	4,776,785\$93
Extra reserve fund.....	5,000,000\$00	Foreign bills.....	1,099,884
Cash deposits.....	156,802,112\$84	Inland bills discounted.....	97,180,326\$05
Current accounts.....	321,670,249\$36	Bills receivable.....	105,559,292\$56
Do agents and cor- respondents.....	4,869,047\$05	Current accounts.....	373,131,435\$74
Do credit balances of loan accounts.....	1,632,784\$37	Do agents and cor- respondents.....	17,680,049\$71
Cheques and bills pay- able.....	31,728,399\$97	Advances—against bills, &c.....	61,809,326\$85
Sundry impersonal ac- counts, as per contra.....	285,528,653\$97	Head office & branches —amounts in transit.....	4,082,681\$62
Government Treasury account, as per contra.....	22,051,928\$02	Mortgage and mun- icipal loans.....	615,750\$96
Securities deposited in guarantee of ad- vances and/or for safe custody, as per contra.....	311,150,346\$44	Predial mortgage loans (Law April 27, 1901) Sundry impersonal accounts, as per contra.....	668,093\$72
Obligations 4½ per cent. &c.....	942,579\$00	Government Treasury account, as per contra.....	285,528,653\$97
Predial colonial obli- gations 6 per cent. (Law 27 April, 1901), &c.....	779,951\$25	Securities, as per contra.....	311,150,346\$44
Sundry accounts.....	483,215\$45	Bank premises.....	1,865,095\$78
Unclaimed dividends	219,305\$55	Furniture and fittings.....	27,223\$79
Pension fund.....	524,868\$46	Payments made on account of interim dividends for 1922 ..	1,279,593\$00
Vales for Customs duties.....	29,626\$17		
Notes in circulation ..	54,077,371\$83		
Profit and loss.....	10,880,351\$79		
	1,382,015,291\$94		1,382,015,291\$94

* Par of exchange Esc. 4.50 = £1. Rate on December 31, 1922, Esc. 100 = £1.
† Against the capital account are entered on the assets side gold values
representing the capital set aside for the London, Paris, and New York offices
(£750,000), which gold values are calculated in the balance-sheet at the par of
exchange.

BANK OF ROUMANIA, LIMITED.

The report for the year 1922, presented to the meeting held on July 18th states that after making provision for bad and doubtful debts, income-tax, corporation tax, &c., placing £2,000 to pension fund, and providing for exchange depreciation in the bank's funds employed in Roumania, the amount available is £16,437. The directors recom- mend a dividend of 6s per share (less tax), absorbing £11,062, and carrying the balance of £5,375 to credit of the contingency account.

BALANCE-SHEET—December 31, 1922.

(Lei calculated at 800 to £ sterling.)

LIABILITIES.	£	ASSETS.	£
Capital.....	300,000	Cash in hand and at bankers— London.....	62,940
Reserve account, old, £19,693; reserve account, new, £56,607.....	*76,300	Money at short notice, London.....	25,000
Current accounts, sight drafts and other accounts— Sterling, £394,982; lei, 579,717,745.84 at 800 per £, £724,647.....	1,119,629	British Treasury bills.....	540,000
		Cash in hand and at bankers, Bucarest, lei 378,499,492.73 at 800 per £.....	473,124
		Bills receivable, loans, cur- rent, and other accounts— Sterling, £131,382; lei, 210,786,116.38 at 800 per £, £263,483.....	394,865
			1,495,929

* This amount is more than
ample to cover any further
exchange depreciation in the
funds actually employed in
Roumania.

BANQUE BELGE POUR L'ETRANGER.

(Affiliated to the Société Générale de Belgique.)

BALANCE-SHEET—June 30, 1922.

(Fr.s 25 to the £.)

LIABILITIES.	£	ASSETS.	£
Capital.....	4,000,000	Shareholders' liability.....	999,990
Statutory reserve.....	78,463	Cash in hand and with bankers.....	5,763,500
Special reserve.....	720,028	Loans.....	1,480,728
Sundry creditors.....	25,067,048	Sundry debtors.....	9,756,784
Acceptances.....	1,067,493	Liability of customers on acceptances.....	1,067,493
Obligations.....	192,000	Investments— Government and Govern- ment guaranteed stocks.....	557,774
Note issue in China.....	67,160	Treasury bills.....	650,355
Profit and loss account.....	320,348	Other securities.....	1,589,753
		Financial participations.....	86,616
		Bills receivable.....	9,160,515
		Bank premises, &c.....	388,992
			31,512,540

IMPERIAL BANK OF INDIA

Constituted under the Imperial Bank of India Act, 1920.

For the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay, and the Bank of Madras.

BANKERS TO THE GOVERNMENT OF INDIA.

AUTHORISED CAPITAL: 225,000 shares of Rs. 500 each	Rs. 11,25,00,000
PAID-UP CAPITAL as on 30th June, 1923: 75,000 Shares of Rs. 500 each—Fully Paid	3,75,00,000
150,000 Shares of Rs. 500 each—Rs. 125 Paid	1,87,50,000
	Rs. 5,62,50,000

RESERVE FUND as on 30th June, 1923

RESERVE LIABILITY OF SHAREHOLDERS as on 30th June, 1923

Managing Governors:—Sir ROBERT AITKEN, KT.; Sir BERNARD HUNTER, KT.

Local Head Offices: CALCUTTA, BOMBAY, MADRAS.

London Office:—5, Whittington Avenue, E.C.3.

Sir NORCOT WARREN, KT., K.C.I.E., Manager.

BRANCHES.

Burra Bazaar, Calcutta	Bangalore	Dalhousie	Karachi	Nadiad	Saharanpur
Clive Street, Calcutta	Bareilly	Darjeeling	Kasauli	Nagpur	Salem
Park Street, Calcutta	Bassein	Dhara Dun	Khandwa	Naini Tal.	Sargodha
Byculla, Bombay	Bellary	Delhi	Kumbakonam	Nandyal	Secunderabad
Mandvi, Bombay	Benares	Dhulia	Lahore	Naraingunge	Seralunge
Sandhurst Road, Bombay	Berhampore	Dibrugarh	Larkana	Nasik	Sholapur
Mount Road, Madras	Bezwada	Erode	Lucknow	Negapatam	Sikot
Abbottabad	Bhopal	Ferozepore	Lyallpur	Nellore	Simla
Agra	Breach	Guntur	Madura	Nowshera	Simla Town
Ahmedabad	Calicut	Hubli	Mandalay	Ootacamund	Srinagar (Kashmir)
Ahmedabad City	Cawnpore	Hyderabad (Deccan)	Madagascar	Farbani (Sub-Agency)	Sukkur
Ahmednagar	Chittagong	Hyderabad (Sind)	Masulipatam	Patna	Surat
Ajmer	Cochin	Indore	Meerut	Peshawar	Talicherry
Akola	Colombore	Jalgaon	Moradabad	Poona	Tinnevely
Akyab	Cuddalore	Jalpaiguri	Moulmein	Poona City	Trichinopoly
Allahabad	Cuttack	Jamshedpur	Multan	Quetta	Trivandrum
Alleppey	Dacca	Jubbulpore	Murree	Rajahmundry	Tuticorin
Amala		Jullundur	Mussorie	Rajkot	Ujjain
Amritsar			Muttra	Rangoon	Vellore
			Muzaffarpur	Rangpur	Vizagapatam
			Mymensingh	Rawalpindi	Vizianagaram

CURRENT ACCOUNTS—Opened free of charge.

FIXED DEPOSITS—Received at Interest.

SAVINGS BANK DEPOSITS—Received and Interest allowed.

GOVERNMENT AND OTHER SECURITIES—Received for safe custody, Purchases and Sales effected, Interest and

Dividends collected and credited to account or remitted in accordance with instructions.

LOANS AND CASH CREDITS—Granted, and approved Mercantile Bills discounted.

Rates, copies of rules, Powers of Attorney, &c., may be had on application at any of the Local Head Offices or Branches of the Bank.

ROBERT AITKEN, Managing
BERNARD HUNTER, Governors.The
BANK OF ATHENS

draws the attention of
British merchants and
manufacturers to the
very important markets
of the
NEAR EAST
Traders contemplating
opening up business
in these countries are
invited to apply for
information and
guidance, in addition
to the usual banking
facilities, to

LONDON OFFICE:
22, Fenchurch St., London, E.C.
NEW YORK AGENCY, 25, PINE ST.

Cable Address:
"KANEYAMA, OSAKA."

Codes:
A.B.C. 5th & 6th; Leiber's & Bentley's
Complete Phrase Codes.

YAMASHITA SHOTEN

IMPORTERS, EXPORTERS & GENERAL MERCHANTS.

10, KITAKYUTARO-MACHI, OSAKA, JAPAN.

PROFIT AND LOSS ACCOUNT.			
Dr.	£	Cr.	£
General expenses	613,979	Balance on July 1, 1921	8,360
Staff pension fund	18,976	Interest, commission, &c.	944,943
Net profit	320,348		
	<u>953,303</u>		<u>953,303</u>

BANK OF TAIWAN, LIMITED. (TAIWAN GINKO.)

BALANCE-SHEET—December 31, 1922.			
LIABILITIES.		ASSETS.	
	Yen.		Yen.
Subscribed capital	60,000,000	Cash in hand	15,134,708
Reserve funds	12,180,000	Cash at bankers	8,479,731
Notes in circulation	34,416,456	Bullion and foreign money	7,847,043
Current accounts, fixed deposits, &c.	225,240,869	Bills discounted, loans, and overdraft	378,938,598
Bills payable	178,249,000	Interest bills and exchange bought	177,406,610
Bills re-discounted	83,516,296	Customers' liabilities	101,038,485
Exchange sold	18,677,779	Government bonds, &c.	63,230,586
Acceptances	101,038,485	Correspondents Dr.	3,719,208
Correspondents Cr.	50,081,581	Suspense account	1,677,775
Suspense account	5,588,411	Bank's premises, property, furniture, &c.	6,732,083
Net profit	2,578,625	Capital uncalled	7,511,575
Dividends unclaimed	48,600		
	771,716,502		771,716,502

BANQUE DU CONGO BELGE.

BALANCE-SHEET—June 30, 1922.			
LIABILITIES.		ASSETS.	
Capital	12,000,000	Property and premises	2,342,000
Reserves	1,820,315	Furniture and fixtures	357,000
Notes	31,475,957	Uncalled capital	6,000,000
Due to Colonial Treasury ..	1,106,738	Cash in hand and at bank ..	39,701,871
Creditors	111,389,160	Government securities	13,218,750
Bills payable	2,074,891	Bills receivable	46,708,276
Profit and loss	735,280	Debtors	52,274,444
	160,602,341		160,602,341

BANQUE NATIONALE DE CREDIT.

BALANCE SHEET—December 31, 1922.							
LIABILITIES.		Francs.		ASSETS.		Francs.	
Capital.....		500,000,000		Cash		215,702,867	
Reserves		91,871,836		Due from banks		209,233,056	
Current and deposit accts. .		2,439,911,541		Bills and Treasury bills ..		1,627,462,120	
Bills payable		56,246,436		Coupons		30,917,025	
Acceptances		38,728,242		Loans against securities ..		264,336,930	
Sundry accounts		23,913,482		Current accounts		387,441,502	
Profit and loss		32,075,917		Discounts		50,167,085	
				Investments		12,137,470	
				Cover for acceptances ..		38,728,242	
				Sundry accounts		21,861,442	
				Premises		86,756,465	
				Uncalled capital		238,034,250	
		3,182,747,454				3,182,747,454	

BRITISH ITALIAN CORPORATION, LIMITED.

BALANCE-SHEET—December 31, 1922.				
LIABILITIES.		£	ASSETS.	£
Capital—Authorised and issued, 50,000 shares of £20 each, fully paid	1,000,000		Cash in hand	6,378
Reserve account	235,418		Cash at call and short notice ..	345,000
Current, deposit, loan, and other accounts including provision for contingencies ..	1,336,636		Balances with bankers in London	146,255
Acceptances, guarantees, and endorsements—			Balances with Banca Italo-Britannica	194,330
Acceptances	713,438		Balances with other bankers abroad	53,950
Guarantees	2,565,502		Bills receivable	416,171
Endorsements	329,804		Investments at cost—	
Profit and loss account—			Banca Italo-Britannica—	
Balance at 31st December, 1921, £27,724; add net profit for the year 1922 as per profit and loss account, £41,016	68,740		1,500 shares of Lit. 5,000 each, fully paid; 2,000 shares of Lit. 5,000 each, Lit. 1,000 paid; Società Immobiliare Italo-Britannica—6,000 shares of Lit. 1,000 each, fully paid	174,111
			Advances to customers and other accounts	458,524
			Advances to Banca Italo-Britannica	803,332
			Liabilities of customers for acceptances, guarantees and endorsements, as per contract—	
			Banca Italo-Britannica	96,234
			Other Italian banks	2,570,906
			Other customers	941,604
			Premises account	40,742
			Office furniture	1
		6,247,538		6,247,538

BRITISH BANK FOR FOREIGN TRADE, LIMITED.

BALANCE-SHEET—April 30, 1923.			
LIABILITIES.		ASSETS.	
	£		£
Capital, 240,000 shares of £1	240,000	Cash in hand, at bankers in	
Current, deposit, and other		London and abroad, and	
account.....	231,276	at call	82,499
Profit and loss account.....		Premises account.....	46,000
Balance brought forward,		Investments at cost or under	129,914
£32,981; add profit for		Loans to customers.....	256,106
year, £10,262.....	43,243		
	514,519		514,519

The report presented at the meeting held on August 24th states that the net profit for year ending April 30, 1923, after charging sums shown to the debit of profit and loss account, amounts to £10,262; to which add balance brought forward, £32,981—£43,243. Because of the Con-

FERRIER LULLIN & CIE.

GENEVA (Switzerland).
Established 1795.

Partners: A. LULLIN, F. BOISSIER, J. STRAESSLE, M. FERRIER.

Telegraphic Address: "FERULIN, GENEVA."

London Correspondents:
THE LONDON JOINT CITY & MIDLAND BANK, Ltd.
SWISS BANK CORPORATION
BANCA COMMERCIALE ITALIANA
Messrs. BARING BROTHERS & CO., Ltd.
Messrs. HELBERT WAGG & CO., Ltd.
Messrs. S. JAPHET & CO., Ltd.
Messrs. SELIGMAN BROTHERS

New York Correspondents:

NATIONAL CITY BANK OF NEW YORK

Messrs. HALLGARTEN & CO.

Messrs. A. ISELIN & CO.

All kinds of banking business transacted.

THE BANK OF AUSTRALASIA.

(Incorporated by Royal Charter, 1835.)

Head Office: 4 THREADNEEDLE STREET, LONDON, E.C.2.
West End Branch: 17 NORTHUMBERLAND AVENUE, W.C.2.

Paid-up Capital	£1,000,000
Reserve Fund	3,525,000
Reserve Liability of Proprietors under the Charter	4,000,000
	£11,525,000

DIRECTORS.

RIGHT HON. LORD ALDENHAM.	RIGHT HON. LORD GEORGE F. HAMILTON, G.C.S.I.	RIGHT HON. THE EARL OF MIDDLETON, K.P.
CHARLES EDWARD BARNETT, Esq.	SIR WALTER JEANS.	HAROLD NELSON, Esq.
RIGHT HON. VISCOUNT CHELMSFORD, G.C.S.I., G.C.M.G.	T. R. JOHNSON, Esq.	HORACE PEEL, Esq.
CHARLES GIPPS HAMILTON, Esq.	FREDERICK V. C. LIVINGSTONE-LEARMONTH, Esq., D.S.O.	ARTHUR WHITWORTH, Esq.

Numerous Branches throughout the States of VICTORIA, NEW SOUTH WALES, QUEENSLAND, SOUTH AUSTRALIA, WESTERN AUSTRALIA, TASMANIA, and the Dominion of NEW ZEALAND.

Letters of Credit and Bills of Exchange granted. Bills Negotiated or Sent for Collection. Telegraphic Transfers made. Banking Business of every description transacted with Australia and New Zealand.

Deposits received in London at interest for fixed periods on terms which may be ascertained at the Office.

THE LANCASHIRE & YORKSHIRE BANK, LTD.

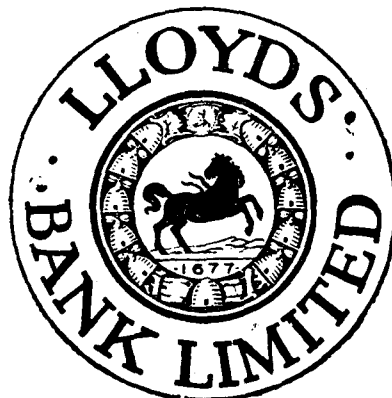
Head Office: 43 SPRING GARDENS, MANCHESTER.

Subscribed Capital	£2,013,120
Paid-up Capital	1,006,560
Reserve Fund	1,006,560
	30th JUNE, 1923.
Cash and Money at short notice	£6,167,926
Investments	8,650,897
Bills of Exchange	3,411,797
Advances to Customers	10,136,873
Deposits	26,662,045

BANQUE BELGE POUR L'ETRANGER

SOCIÉTÉ ANONYME. (Filiale de la Société Générale de Belgique.)

CAPITAL (subscribed)	Frs. 100,000,000
(paid up)	Frs. 75,000,000
RESERVES	Frs. 21,852,280
HEAD OFFICE: BRUSSELS, 66 Rue des Colonies.	
Branches: PARIS (12 Place de la Bourse), NEW YORK, BUCHAREST, BRAILA, COLOGNE, CAIRO, ALEXANDRIA, etc., PEKING, SHANGHAI, TIENSIN, HANKOW.	
LONDON OFFICE: Moorgate Hall, Moorgate, E.C.2 (temporarily).	
MANCHESTER OFFICE: 19, Spring Gardens.	
London Committee: Messrs. J. S. HASSELL, A. F. BUXTON, G. GRINNELL MILNE, SIR WM. GARSTIN, G.C.M.G., EMILE FRANCOU, CHEVALIER DE WOUTERS.	
Associated Banks in all TOWNS of any importance in BELGIUM and LUXEMBOURG.	
Allied Banks: WIENER BANK-VEREIN, Vienna, with branches in Austria, Hungary, Rumania, Italy (Tyrol), Yugo-Slavia; ALLGEMEINER BOHEMISCHER BANK-VEREIN, Prague, with branches in Czechoslovakia; SOCIÉTÉ GÉNÉRALE DE BANQUE EN POLOGNE, Cracow with branches in Poland; BANCO DE CARTAGENA, Madrid, with branches in Spain and Morocco; BANQUE FRANCO-BELGE DE BULGARIE, Sofia, with branches in Bulgaria; and LANDSBANK FÜR BOSNIEN UND HERZEGOVINA, Sarajevo, with branches in Yugo-Slavia.	
Correspondents in all parts of the World.	
Agents in the United Kingdom for the Belgian Postal Cheque Service.	
FOREIGN EXCHANGE business a speciality; FOREIGN CURRENCIES bought and sold for immediate or forward delivery, enabling traders to secure the exchange for their contracts in the currency of the country of their customers.	
All kinds of Banking Business undertaken.	



Chairman:
J. W. BEAUMONT PEASE.

Deputy-Chairman:
Sir AUSTIN E. HARRIS, K.B.E.

Head Office:
LOMBARD STREET,
LONDON,
E.C. 3.

CAPITAL:

SUBSCRIBED	£71,864,780
PAID UP	£14,372,956
RESERVE FUND	£10,000,000
(30th June, 1923.)	
DEPOSITS, &c.	£335,594,414
ADVANCES, &c.	£138,004,940

This Bank has over 1,600 Offices in England and Wales. Correspondents and Agents throughout the British Isles, and a large number of Colonial and Foreign Agents. World Letters of Credit are issued by all Branches of the Bank.

Affiliated Banks:

THE NATIONAL BANK OF SCOTLAND LIMITED. THE LONDON AND RIVER PLATE BANK, LIMITED.

Auxiliary:

LLOYDS AND NATIONAL PROVINCIAL FOREIGN BANK LIMITED.

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.

DRAFT BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Share capital issued and fully paid: 21,345 shares of £5 each	106,725	Cash in hand and at Lloyds Bank, Limited	33,460
Current, deposit, and other accounts	129,500	Money at call and at short notice	180,740
Drafts payable	18,290	Balances with foreign bankers and correspondents	294
Bills for collection, per contra	4,678	Investments—British Government securities	29,905
		Advances to customers and other accounts	5,728
		Bills for collection	4,678
		Lease, alterations, and furniture	1,534
		Preliminary expenses	2,458
		Profit and loss account—Excess of expenditure over income from November 6, 1922, to date	396
	259,193		259,193

CREDITO ITALIANO.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Lire.	ASSETS.	Lire.
Capital	300,000,000	Cash and balances at call with banks	431,602,313
Reserve fund	90,000,000	Bills receivable on Italy, England, and other countries	2,573,085,034
Deposits and saving accounts	836,574,928	Loans against collateral securities	341,870,238
Current accounts	3,086,521,282	Current accounts	1,136,522,700
Acceptances on account of customers	77,959,403	Investments	104,353,283
Cheques outstanding	194,701,183	Participations	16,426,157
Sundry creditors	40,894,688	Freehold bank premises	12,500,000
Guarantees on account of customers	57,416,715	Sundry debtors	59,033,086
Rebate on bills receivable maturing next year	13,222,099	Customers' liabilities against guarantees	57,416,716
Net profit	42,215,829		
	4,739,809,527		4,739,809,527
Clerks' provident fund, as per contra	16,707,606	Securities belonging to clerks' provident fund	16,707,606
	4,756,517,133		4,756,517,133

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital (fully paid up)	250,000,000	Cash on hand	303,147,984
Reserve fund	72,129,262	Bills discounted and Treasury bills	3,052,393,165
Deposits and current accounts	3,801,211,991	Current accounts	481,333,859
Fixed deposits	2,175,010	Correspondents	196,560,719
Acceptances	103,012,720	Loans on stocks & bonds	17,319,421
Exchange contracts (guaranteed)	45,807,100	Other advances (guaranteed)	165,859,501
Foreign agencies	9,212,323	Investments in French rentes, &c.	5,263,213
Sundry accounts	192,877,441	Exchange contracts (guaranteed)	45,807,500
	4,439,460,875	Acceptances for account of clients, &c.	101,508,622
		Sundry accounts	54,249,553
		Bank premises	15,000,000
			4,439,460,875

EQUITABLE TRUST COMPANY OF NEW YORK

BALANCE-SHEET—September 10, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital	23,000,000	Cash on hand and in banks	35,695,654
Surplus and undivided profits	10,224,692	Exchanges for clearing	17,186,847
Deposits (including foreign offices)	257,812,636	Due from foreign banks	2,577,861
Acceptances (less in portfolio)	22,578,872	Bonds and mortgages	7,637,550
Notes payable and rediscounts	6,000,000	Public securities	25,517,709
Accrued interest payable, reserve for taxes, and other liabilities	7,542,446	Short term investments	2,534,216
		Other stocks and bonds	16,454,784
		Demand loans	46,205,987
		Time loans	29,685,991
		Bills discounted	86,556,189
		Customers' liability on acceptances (less anticipations)	19,968,211
		Real estate	4,534,200
		Foreign offices	29,150,661
		Accrued interest receivable, and other assets	2,482,786
	327,187,646		327,188,616

THE BANK OF NOVA SCOTIA

ESTABLISHED 1832.

General Office: TORONTO, CANADA.

Capital Paid Up - \$10,000,000
 Reserve Fund - \$19,500,000
 Total Assets - over \$215,000,000

London, England, Branch: 55, OLD BROAD STREET, E.C.2.
 New York Agency: 52, WALL STREET.

A GENERAL BANKING BUSINESS IS TRANSACTED.

Particular attention is devoted to Business with Canada, Newfoundland, and the West Indies, where Branches of the Bank have been established many years.

ARCOS BANKING CORPORATION, Ltd.

49, MOORGATE, E.C.2.

Founded for the Rebuilding of the RUSSIAN FOREIGN TRADE.

FULLY PAID-UP CAPITAL - £250,000

Transacts Banking Business of every description.

Offers all facilities in connection with Commercial and Banking Business with Russia.

Effects Transfers to Russia, payable in Sterling, Dollars and Chervontzy (the Bank Notes of the State Bank of Russia—one Chervonetz equals ten Gold Roubles or roughly one Guinea).

Issues Travellers' Cheques for Russia in Chervontzy.

THE BANK HAS AGENTS ALL OVER THE UNITED STATES OF RUSSIA.

Cable Address: SOGRABANK.

Telephone No.: LONDON WALL 8626.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank.)

Established 1889

HEAD OFFICE: HELSINKI (Helsingfors), FINLAND.
 BRANCHES: 131 all over Finland.

PAID-UP CAPITAL and RESERVES - Fmk. 252,000,000

Every kind of Banking and Exchange Business transacted at most favourable terms.
 Deposits Received. Bills Collected.

Mail and Telegraphic Remittances Made.

TELEGRAPHIC ADDRESS: "Kansallispankki."

A/B NORDISKA FÖRENINGSBANKEN

(IN FINNISH: OY POHJOISMAIDEN YHDYSPANKKI)

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FOR THE
INVESTOR, FARMER AND SKILLED ARTISAN, &c.

Progressive New South Wales	1901	1911	1921
Population	1,376,199	1,701,884	2,128,786
Area under Crops (Acres)	2,276,528	3,629,170	4,464,342
Total Area Cultivated (Acres)	2,744,367	4,437,224	6,007,659
Total Primary Production	£29,362,000	£47,340,000	£86,062,000
Value of Manufactured Goods	£25,648,471	£54,346,011	£137,841,386
Value of Exports	£18,210,627	£32,161,401	£52,601,806
Value of Imports	£17,560,207	£27,343,428	£72,466,388
Bank Deposits	£45,067,166	£78,708,052	£158,762,031

WATCH NEW SOUTH WALES GROW!

AUSTRALIA'S AMBITION is to MANUFACTURE and export as a FINISHED ARTICLE as much as possible of her WONDERFUL PRIMARY PRODUCE; the Governments of the Commonwealth and of New South Wales are anxious to assist, and public opinion sustains the adoption of a policy by which this ambition may be achieved.

MANUFACTURERS catering for the Australian Market are invited to study the OPPORTUNITIES OF ESTABLISHING BRANCH FACTORIES IN NEW SOUTH WALES, thereby coming INSIDE THE TARIFF and SAVING Freight and Handling charges.

NEW SOUTH WALES PRODUCES THE RAW MATERIAL, and MEN OF FORESIGHT, BUSINESS ABILITY and CAPITAL are required to assist in its DEVELOPMENT.

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For further information call or write to:—
 The Agent-General for New South Wales, Australia House, Strand, London, W.C.2.

CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Francs.	Assets.	Francs.
Capital	125,000,000	Uncalled capital	5,492,750
Reserves	20,867,631	Cash	52,620,765
Superannuation fund	210,482	Bills	400,861,088
Credit Foncier de France	103,705,139	Investments	25,845,295
Credit Foncier d'Orient	12,361,247	Special advances	1,000,000
Caisse Hypothe. d'Egypte	15,000,000	Premises, &c.	23,714,802
Current and deposit accts.	473,034,442	Loans and advances	171,046,657
Deposits	47,693,044	Correspondents	32,819,428
Correspondents & creditors	94,655,513	Current accounts	153,746,451
Acceptances, &c.	29,744,363	Syndicates	34,549,529
Exchange operations	6,202,500	Cover for acceptances	21,968,630
Sundry accounts	5,294,456	Exchange operations	6,202,500
Profit and loss	7,092,533	Preliminary expenses	6,193,474
	941,061,369		941,061,369

FARMERS' LOAN AND TRUST COMPANY.

BALANCE-SHEET—September 10, 1923.

LIABILITIES.	\$	Assets.	\$
Deposits	129,780,131	Cash on hand and in bank	27,414,726
Accrued interest, re-serve for taxes, divi- dend, &c.	1,963,355	U.S. Government bonds and certificates	29,537,863
Bills payable Federal Re- serve Bank secured by U.S. Government securi- ties	2,500,000	Bills purchased	27,369,346
Domestic and foreign ac- ceptances	1,398,006	Call loans—Collateral	33,391,847
Capital stock	5,000,000	Time loans—Collateral	17,854,902
Surplus and undivided profits	16,171,582	Accrued interest	916,422
	156,803,074	Bonds and stocks	15,036,870
		Bonds and mortgages	884,835
		Liabilities of customers for acceptances	1,376,463
		Real estate	3,000,000
			22,615,969

GUARANTY TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—September 10, 1923.

LIABILITIES.	\$	Assets.	\$
Capital	25,000,000	Cash on hand, in Federal Reserve Bank, and due from banks and bankers	87,013,847
Surplus fund	15,000,000	U.S. Government bonds and certificates	30,455,524
Undivided profits	3,330,442	Public securities	29,014,158
Accrued dividend	583,000	Other securities	21,530,377
Accrued interest payable and reserve for taxes	1,000,000	Loans and bills purchased	294,188,509
Due for exchange bought	4,563,350	Real estate bonds and mort- gages	2,342,910
Miscellaneous liabilities	3,202,406	Foreign exchange	2,178,046
Acceptances—New York Offices, \$20,797,972; for other offices, \$8,172,862	28,970,834	Credit granted on acceptances	28,970,834
Outstanding treasurer's cheques	14,619,020	Real estate	8,398,105
Deposits	415,126,530	Accrued interest and ac- counts receivable	7,619,769
	511,712,119		511,712,119

HAMBROS BANK, LIMITED.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	\$	Assets.	\$
Paid-up capital—£2 10s per share on 400,000 shares	1,000,000	Cash in hand, at bankers, and at call	3,144,661
Reserve	1,050,000	Bills of exchange	1,680,634
Profit and loss account	203,501	Investments—Valued at or below prices current at March 31, 1923—	
Current, deposit, and other accounts	13,513,195	British Government securities, \$4,197,066; other investments,	4,850,598
Acceptances	6,849,273	\$653,532	5,775,803
Memorandum—Contingent liability as endorers of bills discounted, \$700,264, and on guarantees given covered by counter guarantees or se- curities, \$769,540.		Loans, advances, and other accounts	6,849,273
		Liabilities of customers for acceptances, as per contra Bank premises	315,000
			22,615,969

The Investor's Monthly Manual

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THE MOST COMPLETE PERIODICAL RECORD in existence of the dealings, throughout the United Kingdom, in every description of stocks and shares.

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and 355 Branches and Agencies throughout Australia.

Authorised Capital	-	-	£3,000,000	0	0
Paid-up Capital	-	-	£1,500,000	0	0
Uncalled Capital	-	-	£1,500,000	0	0
Reserve Fund	-	-	£1,450,000	0	0

Board of Directors:

A. WILLIAMSON, Esq., *Chairman*.
HON. SIR JOHN A. COCKBURN, K.C.M.G.
THE RT. HON. VISCOUNT KNUTSFORD.
HON. SIR ARTHUR LAWLEY, G.C.S.I.
JOHN PATERSON, Esq. | SIDNEY M. WARD, Esq.
GEORGE SLADE, Esq. | SIR FREDERICK W. YOUNG.

Manager—E. M. JANION.
Assistant Manager—A. A. SHIPSTON.
Acting Sub-Manager—J. A. ROBERTSON.
Accountant—WALTER PHILLIPS.

Bankers:

BANK OF ENGLAND;
WESTMINSTER BANK, LIMITED.

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Remittances made by Telegraphic Transfer.

Bills Negotiated or forwarded for Collection.

Banking and Exchange Business of every description transacted with Australia.

THE BANK OF VICTORIA LIMITED.

ESTABLISHED OCTOBER 1852.
Registered under the Companies Act, 1890.

Authorised Capital	-	-	£3,240,000
Capital Paid Up	-	-	1,478,010
Capital Uncalled	-	-	1,061,250
Reserve Fund and Undivided Profits	-	-	727,439
(Used in the business of the Bank)			£3,266,699

Head Office: COLLINS STREET, MELBOURNE.

General Manager: P. C. DE CRESPIGNY.
Assistant General Manager: P. McVICKAR.

Head Office, Melbourne:
Manager: DUNCAN TAYLOR.
Accountant: - F. J. NIVEN.

London Office: 69, King William Street, E.C.4.

London Board:
E. C. MILLER. A. E. WALLIS.
Manager: J. G. WATSON.
Assistant Manager: - J. STARK.

118 Branches and Agencies.

Drafts Issued, Remittances Cabled, Bills Negotiated or Collected.

THE UNION BANK OF AUSTRALIA Limited.

Established 1837. Incorporated 1880.

CAPITAL AUTHORISED AND ISSUED	£9,000,000
Capital Paid-up	- - - - £3,000,000
Reserve Fund	- - - - £3,350,000
Reserve Liability of Proprietors	- £6,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., *Chairman*.
The Rt. Hon. LORD CARMICHAEL, SOMERVILLE R. LIVINGSTONE, G.C.S.I.
The Rt. Hon. THE EARL OF CHESTER. LEARMONTH, Esq.
JOHN DENNISTOUN, Esq. ROBERT C. NESBITT, Esq., M.P.
FREDERICK G. PARBURY, Esq.
HUGH D. FLOWER, Esq. The Hon. EDMUND W. PARKER.
The Rt. Hon. LORD HILLINGDON. Sir WESTBY B. PERCEVAL, K.C.M.G.

HEAD OFFICE:

71 Cornhill, London, E.C.3.

Manager—W. J. ESSAME. Assistant Manager—W. A. LAING.
Secretary—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA	44
" SOUTH AUSTRALIA	14
" NEW SOUTH WALES	48
" WESTERN AUSTRALIA	20
" QUEENSLAND	19
" TASMANIA	3
" NEW ZEALAND	47
	190

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland. Commercial and Circular Travelling Credits issued—available throughout the World.

Telegraphic Remittances are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection. Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

The QUEENSLAND NATIONAL BANK, LIMITED.

Incorporated under "The Companies Act, 1863," of the Legislature of Queensland.
ESTABLISHED 1872.

Authorised Capital	-	-	£2,000,000
Subscribed Capital	-	-	£800,000
Paid-up Capital	-	-	£800,000
Reserve Fund	-	-	£400,000
Interminable Inscribed Deposit Stock	-	-	£3,091,669

DIRECTORS.

Chairman—JAMES MILNE, Esq.
Hon. G. W. GRAY. WM. HAMILTON HART, Esq.
JAMES LOVE, Esq. A. C. LUYA, Esq.
General Manager—M. G. HAYMEN.

Head Office - BRISBANE.

Manager—C. A. MUNRO.

London Office: - 8 PRINCES STREET, E.C.

London Directors—D. W. MACDONALD, Esq.

Sir T. B. ROBINSON, G.B.E., K.C.M.G.

Manager—J. W. DICKENSON.

Bankers—BANK OF ENGLAND, LLOYDS BANK LIMITED.

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Victoria—MELBOURNE: 360, COLLINS STREET;
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The London Office receives Deposits for fixed periods at rates which can be ascertained on application.

HONG KONG AND SHANGHAI BANKING
CORPORATION.BALANCE-SHEET—December 31, 1922.
Sterling exchange taken at 2/22.

LIABILITIES.	£	ASSETS.	£
Issued and paid-up capital—160,000 shares of £125 each	2,229,167	Cash (including \$24,700,000 lodged with the Hong-kong Government against authorised and/or excess note circulation)	9,393,533
Reserve liability of proprietors—\$125 per share on 160,000 shares issued, \$20,000,000	4,500,000	Bullion in hand and in transit	508,198
Sterling reserve	2,619,271	British Government, Indian, Colonial, and other securities	11,481,749
Marine Insurance account	27,865	Bills discounted, loans and credits	25,464,482
Notes in circulation	4,668,282	Bills receivable	23,279,742
Current accounts	40,862,868	Liabilities of constituents for acceptances, per contra	872,321
Fixed deposits	15,126,116	Bank premises	1,870,421
Bills payable	568,230		
Acceptances on account of constituents	872,321		
Profit and loss account	1,396,326		
Liability on bills of exchange rediscounted, £4,632,375, of which £3,811,318 have since run off			
	72,870,446		72,870,446

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Interim dividend:— Paid on August 8, 1922, of £3 per share on 160,000 shares—£480,000 at 2s 7½d	3,686,400	Balance of undivided profits, December 31, 1921	3,331,778
Remuneration to directors	50,000	Amount of net profits for the year ending December 31, 1922, after making provision for bad and doubtful debts and contingencies, deducting all expenses and interest paid and due	12,932,404
Balance to be appropriated—Final dividend of £3 per share on 160,000 shares—£480,000 at 2s 2½d			
—£4,306,542: bonus of £2 per share on 160,000 shares—£320,000 at 2s 2½d	7,177,570		
Transfer to silver reserve	1,000,000		
Transfer to bank premises account	1,000,000		
Balance forward to next year	3,350,212		
	16,264,182		16,264,182

IMPERIAL OTTOMAN BANK.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	ASSETS.	£
Capital, £10,000,000; less not called up, £5,000,000	5,000,000	Cash in hand and at bankers	4,067,076
Bank notes in circulation	977,683	Money at call and notice	1,376,992
Bills payable and sight drafts	744,389	Bills receivable (including £5,869,385 3s 1d British Treasury bills and Bons de la Défense Nationale)	7,268,969
Current accounts of sundries	12,843,692	Investments, including £3,037,226 11s 8d British and French Government securities	4,309,091
Deposits for fixed terms	343,514	Current accounts of sundries	1,968,361
Statutory reserve	1,250,000	Advances on securities	1,864,189
Profit and loss account	194,633	Bank premises & real estate	499,313
	21,353,971		21,353,971

The report presented to the meeting held on July 25th states that in the preparation of the balance-sheet, assets and liabilities in foreign currency have been converted into sterling at the rates ruling at December 31, 1922. The

accounts made up to December 31, 1922, after providing for bad and doubtful debts out of revenue and provisions previously made, show an amount available of £194,693, including the sum of £18,553 brought forward from the previous year. In view of the present situation, the committee recommended that this amount of £194,693 be carried forward to the current year.

IMPERIAL BANK OF PERSIA.

BALANCE-SHEET—September 20, 1922.

LIABILITIES.	£	ASSETS.	£
Capital—99,800 ordinary shares of £5 10s; 200 founders' shares of £5 10s	650,000	Cash in hand, at bankers, and in transit, and money in London at call	2,744,508
Reserve account	340,000	Investments in British and Colonial Government and other securities, taken at or under prices ruling on September 20, 1922	1,810,895
Notes in circulation	815,822	Bills discounted, loans and advances, including adjustments and past due bills and loans	1,746,551
Deposits	3,996,064	Bills receivable	955,947
Bills payable, endorsements, and adjustments	1,431,030	Bank premises, furniture, and stationery	38,786
Profit and loss account	63,721		
	7,296,687		7,296,687

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Amount due to Persian Government	5,518	Balance brought forward at September 20, 1921	31,955
Interim dividend at 3s per share, paid June 15, 1922 (free of income-tax)	15,000	Net profit, after deducting expenses of management and general charges in London, at chief office, branches, and agencies, and after making provision for income-tax, corporation tax, and bad and doubtful debts	92,304
Transfer to reserve account	30,000		
Transfer to bank premises account	10,000		
Proposed dividend at 6s per share (free of income-tax, £30,000; balance to new account, £33,721)	63,721		
	124,259		124,259

INTERNATIONAL BANKING CORPORATION.

BALANCE-SHEET—June 30, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital stock	5,000,000	Cash on hand and in local depositories	12,462,833
Surplus	5,000,000	Bullion and foreign money on hand	549,091
Undivided profits (dividends paid Mar. 31, 1923, \$250,000, and June 30, 1923, \$250,000)	5,510,949	Due from banks and correspondents	2,701,645
Reserve for dividends	500,000	Bills, remittances, and other funds	22,965,843
Reserve for taxes	133,192	Demand loans and advances	36,450,311
Deposits, time	28,886,938	Time loans and bills discounted	14,891,573
Deposits, demand	36,335,190	Securities & investments, of which securities of a value of \$1,500,000 were lodged as cover for loans, deposits, &c.	5,268,999
Notes in circulation in China	3,565,535	Bank premises at head office and branches	4,923,037
Bills and accounts payable	13,465,433	Customers' liability (account of acceptances)	10,803,819
Acceptances by this bank	10,532,701		
Acceptances by other banks (for account of this bank)	1,687,212		
Securities borrowed (bills sold with our endorsement \$15,300,000)	600,000		
	111,017,151		111,017,151

LEU & CO.'S BANK,
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ZURICH " " " Switzerland.

ESTABLISHED 1755.

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Under the statements of condition as of September 14, 1923, the aggregate totals of the two Banks were as follows:

Deposits	\$220,120,526.55
Capital, Surplus and Undivided Profits	\$20,723,183.57
Cash and Sight Exchange	\$48,875,327.91
Resources	\$247,359,572.92

The Foreign Departments of both Banks are especially well equipped for conducting all classes of Foreign business. Officers invite correspondence and assure prompt and efficient service in every respect.

ITALO-BELGIAN
BANK

(Banque Italo-Belge, Société Anonyme).

Capital subscribed and paid - Frs. 50,000,000
Reserve Funds - - - Frs. 26,000,000

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Telephone: London Wall 1157, 1158.

THE PHILADELPHIA NATIONAL BANK

Organized 1803.

CAPITAL, SURPLUS AND UNDIVIDED PROFITS	\$16,500,000
DEPOSITS	\$110,000,000
TOTAL RESOURCES	\$135,000,000

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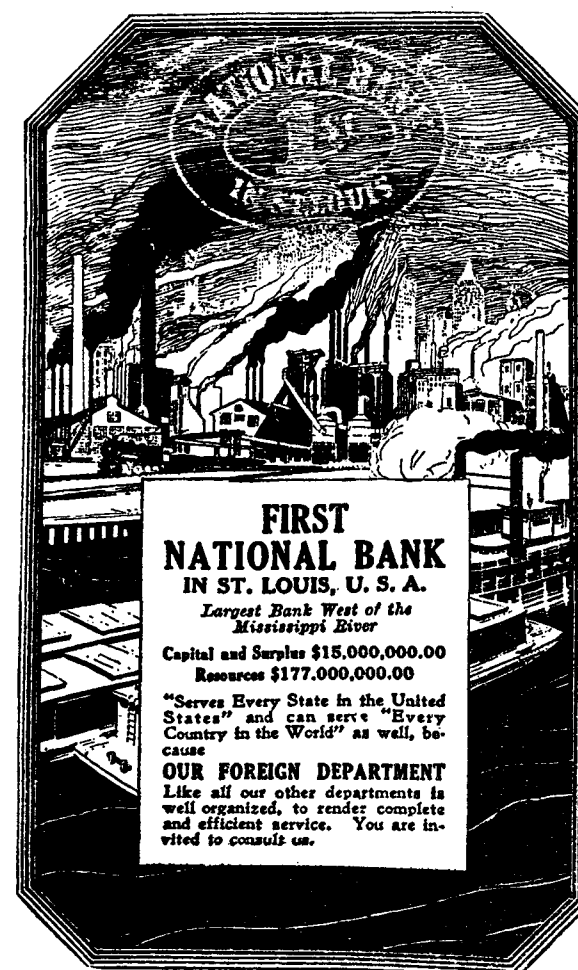
LONDON CORRESPONDENTS:

Barclays Bank, Ltd.
Lloyds Bank, Ltd.

Westminster Bank, Ltd.

London Joint City and Midland Bank, Ltd.

National Provincial and Union Bank of England, Ltd.



IONIAN BANK, LIMITED.

BALANCE-SHEET—August 31, 1922.

LIABILITIES.		ASSETS.	
Capital—97,116 shares of £5 each, fully paid		Cash in hand and at bankers	
485,580		243,555	
Reserve fund	155,000	Money at call with National Bank of Greece and	
		National Bank of Egypt	139,573
Current accounts, including		Investments at market	
£2,315,301; deposits bearing		prices or under—Securities	
interest, £516,492	2,831,793	of, or guaranteed by,	
Other liabilities and credit		the British Government,	
accounts, including out-		£1,440,956; British Domin-	
standing advances, ex-		ions, Colonial and foreign	
change contracts, letters		Government securities and	
of credit, documentary		other investments, £140,228	1,581,184
credits, unclaimed divi-		Bills discounted	431,779
dends, and other credit		Advances on securities	928,320
balances	922,223	Loans and current accounts	223,914
Bills payable	91,349	Other assets, including out-	
Premises redemption fund	10,000	standing advances, exchange	
Rebate on bills discounted		contracts, letters of credit,	
not due	4,259	documentary credits, and	
Profit and loss, balance of	24,762	other advances	813,467
		Current accounts secured by	
Contingent liability on bills		mortgages	1,342
of exchange discounted,		Advances on mortgages	67,920
£28,240		Mortgaged property taken	
		possession of	4,855
		Freehold bank premises at	
		Athens, Corfu, Cephalonia,	
		Patras, Piræus, Zante, and	
		bank furniture	88,957
			4,524,966

ITALO-BELGIAN BANK

(BANQUE ITALO-BELGE SOCIÉTÉ ANONYME).

BALANCE-SHEET—June 30, 1922.

LIABILITIES.		ASSETS.	
Capital		Premises	
50,000,000		6,495,364	
Reserves—Legal reserve,		Furniture and fittings	
1,863,712; extraordinary		Cash in hand and with	
reserve, 24,136,288	26,000,000	banks	182,217,207
Current and deposit		Bills receivable	213,934,856
accounts	460,936,678	Securities	2,749,914
Bankers and correspond-		Current accounts—	
ents	160,976,328	Bankers and correspond-	
Bills payable	11,604,243	ents, 143,857,431; clients,	
Interest and dividends not		guaranteed and not	
claimed	174,673	secured	311,585,310
Depositors	259,926,254	Securities deposited,	
Re-discount on bills,		143,385,408; securities	
1,102,311; interest and		deposited as collaterals,	
dividends, 5,000,000; car-	7,290,780	116,540,845	259,926,254
ried forward, 1,118,469			
			976,908,906

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CREDIT AVAILABLE IN ALL
PARTS OF THE WORLD.INVESTMENT
SECURITIES

COMMERCIAL PAPER

PROFIT AND LOSS ACCOUNT.		Dr. Frances.	
General expenses		7,352,576	
Distribution of profits—5%			443,831
to the legal reserve,			
433,803; first dividend of			
5%, 2,500,000; 15% to the			
board of directors, £61,340;			
second dividend of 5%,			
2,500,000; extraordinary			
reserve, 1,636,288; carried	9,119,900		
forward, 1,188,469			
	16,472,576		16,472,576

MITSUBISHI BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.		ASSETS.	
Capital		Uncalled capital	
50,000,000		20,000,000	
Reserve funds	13,410,000	Loans and bills discounted	195,828,254
Deposits	266,412,712	Foreign bills bought	2,053,263
Bills payable	87,553	Interest-bearing foreign	
Foreign bills sold	708,775	bills	9,582,113
Due to other banks	1,446,717	Due from other banks	417,119
Acceptances and guarantees	5,809,192	Acceptances and guaran-	
Interest accrued on deposits	2,522,159	tees, as per contra	5,809,192
Rebate on bills discounted		Government bonds	30,087,525
not yet due	1,209,375	Other bonds and securities	46,624,370
Suspense accounts	91,704	Office premises	8,145,039
Accounts en route	1,028,813	Suspense accounts	1,841
Balance brought forward		Cash on hand and in banks	21,477,963
from last profit and loss	1,205,957		
account			
Net profit for the current	4,093,722		
half-year	348,026,679		348,026,679

MOSCOW NARODNY BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.		ASSETS.	
Capital issued—25,000 shares		Cash at bankers and in hand	
of £10 each, fully paid	250,000	133,329	
Current accounts	63,714	Loan at short notice secured	
Deposit accounts	80,065	by British Government	
Correspondents	7,311	securities	50,000
Transfers to be effected by		Clients' current accounts	3,865
this bank	2,123	Correspondents of the bank	17,769
Miscellaneous creditors and		Bills discounted	36,003
secured charges	28,449	Advances against goods and	
Profit and loss account	125	documents	136,110
		Miscellaneous debtors, ac-	
		crued interest and prepaid	
		charges	1,758
		Moscow Narodny Bank	
		London branch	42,836
		Office furniture and fittings,	
		less depreciation	1,496
		Donation to the Russian	
		Famine Fund, to be written	
		off over a period of five years	9,122
		Preliminary expenses—less	
		amount written off	498
			431,787

THE EQUITABLE
TRUST COMPANY
OF NEW YORK.ALVIN W. KRECH, Chairman of the Board.
ARTHUR W. LOASBY, President.Capital, Surplus and Undivided
Profits (Sept. 10, 1923), \$33,224,691
(£7,302,129)

Member New York Clearing House Association.

Current Accounts opened and Deposits received.
Dollar Bills purchased.
Drafts and Cable Transfers on New York and other
important cities in the United States and Canada issued
at closest rates.
Banking and Exchange Business of every description
transacted.LONDON OFFICE:
10 MOORGATE, E.C.2.
WEST END OFFICE:
BUSH HOUSE, ALDWYCH, W.C.2.
NEW YORK.Head Office: 37 WALL STREET.
Branches: 222 BROADWAY, 247 BROADWAY,
MADISON AVENUE at 45th Street.PARIS.
23 RUE DE LA PAIX.
MEXICO CITY.
48, CALLE DE CAPUCHINAS.
Member Federal Reserve System.STATE BANK
OF THE R.S.F.S.R.

(Russian Socialist Federal Soviet Republic).

Created by Decree of the Soviet Government
of October 12th, 1921.Capital Chervonetz.
5,000,000Total amount of Notes
issued on Oct. 1st,
1923 23,500,000Gold reserve of Issue
Dept. 8,500,000

Note: 1 chervonetz is equal to 10 roubles gold.

Head Office: NEGLINNI PROESD, 12, MOSCOW.

The Bank is represented by over 200 Branches and Agencies
in all the principal towns of European and Asiatic Russia; the
Bank accepts deposits and opens current accounts in foreign gold
and Russian currency; remittances to all parts of European and
Asiatic Russia, payable both in Russian and foreign currency,
effected; documentary credits opened; bills discounted;
documents payable in Russia collected; banking business of
every description transacted.London Agents: Lloyds Bank, Ltd., 20, King William St., E.C.4;
Barclays Bank, Ltd., 168, Fenchurch St., E.C.3; Westminster
Bank, Ltd., 82, Cornhill, E.C.2; Guaranty Trust Co., of New York,
32, Lombard St., E.C.3; J. Henry Schroder & Co., 145,
Leadenhall St., E.C.3.

"Made in Canada"

OVER a Billion Dollars worth
of merchandise was ex-
ported from Canada during the
year 1922.There is a growing demand for
"Made in Canada" products
from the leading countries
of the world.If you are interested in estab-
lishing trade connections in
Canada, we shall be pleased to
put you in touch with reliable
export houses.Write to our Foreign Trade
Department, Montreal.The Royal Bank
of Canada

Enterprise—Service—Co-operation.

THE CHASE NATIONAL BANK
of the City of New York, 57 BroadwayCapital - - - - \$20,000,000
Surplus and Profits - - - 23,250,354
Deposits (Sept. 14, 1923) - 390,789,470OFFICERS:
ALBERT H. WIGGIN, President.
Vice-Presidents:
SAMUEL H. MILLER HENRY OLLESHEIMER
CARL J. SCHMIDLAPP ALFRED C. ANDREWS
REEVE SCHLEY ROBERT I. BARR
SHERRILL SMITH
Assistant Vice-Presidents:
EDWIN A. LEE M. HADDEN HOWELL
WILLIAM E. PURDY ALFRED W. HUDSON
GEORGE H. SAYLOR GEORGE HADDEN
JAMES L. MILLER
Comptroller:
THOMAS RITCHIE
Cashier:
WILLIAM P. HOLLY
DIRECTORS:
HENRY W. CANNON EUGENE V. R. THAYER
ALBERT H. WIGGIN CARL J. SCHMIDLAPP
JOHN J. MITCHELL GERHARD M. DAHL
GUY E. TRAPP ANDREW FLETCHER
JAMES N. HILL REEVE SCHLEY
DANIEL C. JACKLING H. WENDELL ENDICOTT
CHARLES M. SCHWAB WILLIAM M. WOOD
SAMUEL H. MILLER JEREMIAH MILBANK
EDWARD R. TINKER HENRY OLLESHEIMER
EDWARD T. NICHOLS ARTHUR G. HOFFMAN
NEWCOMB CARLTON F. EDSON WHITE
FREDERICK H. ECKER ALFRED P. SLOAN, Jr.
WE RECEIVE ACCOUNTS OF BANKS, Bankers, Corpora-
tions, Firms or Individuals on favourable terms, and shall be
pleased to meet or correspond with those who contemplate
making changes or opening new accounts.
Through its Trust Department, the Bank offers facilities as:
Trustee under Corporate Mortgages and Indentures of Trust;
Trustee under Corporate Mortgages and Indentures of Trust;
Depository under reorganization and other agreements;
Custodian of securities and Fiscal Agent for Corporations and
Individuals; Executor under Wills and Trustee under
Testamentary Trusts; Trustee under Life Trusts.

FOREIGN DEPARTMENT.

THE NATIONAL
SHAWMUT BANKOF BOSTON,
BOSTON, MASSACHUSETTS, U.S.A.

Chartered in 1836.

Capital - - - - \$10,000,000

Correspondents in all large cities in the United
States of America.Transacts a general Foreign and Domestic Banking
Business.Issues Commercial Letters of Credit and Travellers'
Letters of Credit.

Buys and sells Foreign Exchange.

Discounts Acceptances.

Makes Advances against Merchandise stored at
home or abroad.

Check Accounts solicited.

London Agents:

London Joint City and Midland Bank, Ltd.
Barclays Bank, Ltd. Lloyds Bank, Ltd.
Guaranty Trust Company of New York.

LONDON AND BRAZILIAN BANK, LIMITED.

BALANCE-SHEET—January 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital—150,000 shares issued, £20 each, paid up, £10 per share	1,500,000	Specie and cash at head office and branches	8,482,141
Reserve fund	1,500,000	Bills receivable	1,858,033
Current accounts and deposits in currency at branches, £19,340,097; current accounts and deposits at head office, £344,302	19,684,399	Bills discounted, loans, &c.	15,454,120
Bills payable	3,282,563	Cash and remittances in transit, &c.	1,245,739
Agents and sundry accounts	1,010,619	Bills for collection, as per contra	6,613,347
Bills for collection on account of customers	6,613,346	Bank premises at head office and branches	376,186
Profit and loss, £539,976; less dividend (interim) paid to July 31, 1922, £75,000	464,976	Furniture at head office and branches	25,277
	34,055,903		34,055,903
(Staff pension and benevolent fund trust £179,196, 5% War Loan, 1923-1947)			
PROFIT AND LOSS ACCOUNT.	£	CR.	£
Charges at head office and branches	392,385	Balance brought down	498,622
Taxes at home and abroad	39,897	Profit to Jan. 31, 1923, after providing for rebate of interest on bills discounted not due, and bad and doubtful debts	473,636
Dividend (interim) for the half-year ending July 31, 1922	75,000		473,636
Balance carried down	464,976		972,258
	972,258		972,258

NATIONAL CITY BANK OF NEW YORK.

BALANCE-SHEET—September 14, 1923.

LIABILITIES.	\$	ASSETS.	\$
Capital	40,000,000	Cash in vault and in Federal Reserve Bank	80,497,608
Surplus	45,000,000	Due from banks, bankers, and United States Treasurer	66,473,087
Undivided profits	7,622,108	Loans, discounts, and acceptances of other banks	514,329,410
Deposits	659,962,933	United States Government bonds and certificates	78,816,380
Items in transit with branches	1,250,244	State & municipal bonds	9,909,903
Acceptances of other banks and foreign bills sold with our endorsement	71,097,028	Stock in Federal Reserve Bank	2,550,000
Acceptances outstanding, as per contra	22,911,153	Ownership of International Banking Corporation	8,500,000
Anticipated by customers	1,250,047	Other bonds & securities	69,345,411
Circulation	2,159,195	Bank buildings	13,094,013
Bonds borrowed	1,958,000	Customers' liability account of acceptances	22,911,153
Reserves for—		Other assets	1,083,943
Accrued interest and unearned discount	3,591,357		867,510,888
Taxes and accrued expenses, &c.	4,908,655		
Contingencies	5,790,168		
	867,510,888		867,510,888

LONDON AND RIVER PLATE BANK, LIMITED.

BALANCE-SHEET—September 30, 1922.

LIABILITIES.	£	ASSETS.	£
Capital, 120,000 shares of £25 each, on which £17 per share has been paid	2,040,000	Cash on hand, at bankers, and at branches	11,099,110
Reserve fund	2,100,000	Bills receivable, discounted, advances, securities, &c. (including depreciation arising on conversion of currency capital into sterling—see Directors' Report) after deducting provision for contingencies	25,914,510
Acceptances—account branches	3,117,213	Bills for collection	5,093,224
Acceptances—customers' drafts under merchandise credits, &c.	1,430,360	Bank premises, including furniture	1,036,299
Bills advised—drafts in transit	1,383,452		
Current accounts, &c., and deposits in currency at branches	26,950,352		
Current accounts and deposits at head office	631,560		
Monte Video branch—Local currency emission	6,799		
Bills for collection on account of customers, per contra	5,093,224		
Rebate of interest on bills not due	87,591		
Profit and loss account, as per statement below	302,592		
	43,143,143		43,143,143

Note—Contingent liability as endorers of foreign bills discounted, £2,761,311—of which £1,734,331 has since run off.

PROFIT AND LOSS ACCOUNT.

DR.	£	CR.	£
Charges at head office and branches, including rent and taxes	665,635	Balance brought forward	317,524
Interim dividend	122,400	Gross profit, after providing for bad and doubtful debts	773,103
Balance carried down	302,592		
	1,090,627		1,090,627

THE P. & O. BANKING CORPORATION, LIMITED.

The report presented at the meeting held on July 13th states that the net profits for the year ended March 31st, after providing for taxation, bad and doubtful debts, and valuing investments at market rates, amount to £139,388, which, with £14,043 brought forward from last year, gives an available balance for disposal of £153,431. The direc-

The ANGLO-EGYPTIAN BANK, LIMITED.

Subscribed Capital £1,800,000
Paid up - - £600,000
Reserve Fund - £720,000

Head Office: 37 to 39 King William St., London, E.C.4.

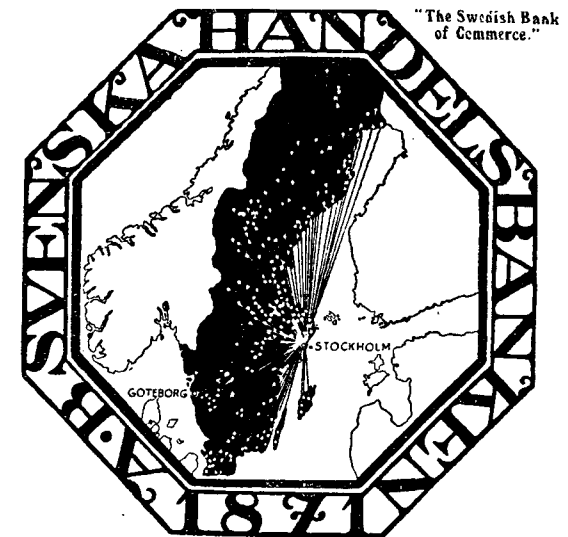
BRANCHES:

EGYPT: Alexandria, Cairo, Port Said, Suez, Tintah, Zagazig, Mansourah, Assiut, Beni-Suef, Minieh. SUDAN: Omdurman, Khartoum, Port Sudan, Makwar, Wad-Medani. PALESTINE: Haifa, Jaffa, Jerusalem, Ramallah, Nazareth. MEDITERRANEAN: Malta, Gibraltar. TRANS-JORDANIA: Amman.

THE Bank transacts every description of Banking Business in Egypt, grants Letters of Credit, and affords facilities to Travellers proceeding to Egypt and elsewhere.

Deposits received for fixed periods at rates to be obtained on application.

On current accounts Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.



Svenska Handelsbanken

Stockholm
Head Office

Göteborg
S. Hamngat, 23

260 Branches throughout Sweden.

The business facilities in the matter of payments, collections, documentary credits, etc., which the Bank's clients have at their command are clearly indicated by the map of the Bank's Branch organization above. Incidentally this complete network of Branches is a great convenience to the traveller from abroad equipped with cheques or a letter of Credit payable at the Handelsbank.

Tel. Addr. to Head Office and all Branches: "Handelsbank."

B.W. BLYDENSTEIN & Co.,

55-56, Threadneedle Street,
London, E.C.2.

Bankers and
Discount Agents

ALL BANKING AND DISCOUNT
BUSINESS TRANSACTED.

Dealers in British Treasury Bills of any
Maturity.

Special Facilities for Business with
Holland.

FORWARD CONTRACTS IN DUTCH
GUILDERS.

THE Punjab National Bank Ltd.

ESTABLISHED IN 1895.

Head Office: P.O. Box No. 12, LAHORE (India).

Capital Authorised—Rs. 1,00,00,000. Capital Subscribed—Rs. 50,00,000.
Capital Issued—Rs. 50,00,000. Capital paid up to 30/6/23—Rs. 27,27,772/2/10.
Reserve Funds up to 30/6/23 - - - - - Rs. 21,00,408/8.

Telegrams: Stability Head Office and all Branches.
Clearance for Bombay, Amballa Cantt: Peshawar Cantt and Lahore City only.

Amballa City	Jallundhar City
Amballa Cantt	Karachi
Amritsar	Kasur
Bombay	Lahore City
Calcutta	Ludhiana
Cawnpore	Lyallpore
Delhi	Multan City
D. I. Khan	Montgomery
Ferozpur City	Okara
Gujra	Patiala
Gujranwala	Peshawar City
Hafizabad	Peshawar Cantt
Hapur	Quetta
Hoshiarpore	Rawalpindi City
Hyderabad (Sindh)	Sargodha
Jammu	Sialkote City
Jhelum	Srinagar (Kashmere)

London Agents—

The London Joint City & Midland Bank Limited.

Banking Business of every kind transacted

GOVIND DASS BHAGAT, M.A., LL.B., Secretary and Chief Manager.

THE MERCANTILE BANK OF INDIA, LIMITED.

HEAD OFFICE:

15 GRACECHURCH STREET, LONDON, E.C.3

Capital Authorised £3,000,000
Capital Paid-up £1,050,000
Reserve Fund and Undivided Profits £1,352,105

Branches and Agencies in India, Ceylon, Burma, Siam, Straits Settlements, China, and Port Louis, Mauritius.

The Bank buys and sells Bills of Exchange, issues Letters of Credit, and conducts every description of Banking Business in connection with the East.

Fixed Deposit Rates will be quoted upon application.

On Current Accounts interest is allowed at 2 per cent. per annum on Daily Balances, provided interest for the half-year amounts to £1.

FREDRIKSSTAD PRIVATBANK

FREDRIKSSTAD
(NORWAY).

ESTABLISHED 1891.

The Bank makes collections at cheapest rates and places every description of Banking services at the disposal of its correspondents.

Telegraphic Address:
PRIVATBANK, FREDRIKSSTAD.

tors have placed to reserve the sum of £25,000, making a total reserve of £115,000. Out of the balance of £128,431 they propose to pay a dividend of 5½ per cent., less income-tax at 4s 1½d, absorbing £113,251; carrying £15,180 to next account.

BALANCE-SHEET—March 31, 1923.

LIABILITIES.	£	ASSETS.	£
Capital, 259,416 shares of £10 each, fully paid up	2,594,160	Cash at bankers and in hand	2,468,137
Reserve fund	115,000	Bullion in hand & in transit	195,343
Current, deposit, and other accounts, including rebate on bills not due, provision for bad and doubtful debts, income and corporation profits taxes, &c.	10,360,705	Money at call and short notice	2,229,167
Loans payable against security	8,148,904	Remittances, &c., in transit	1,089,164
Liabilities for acceptances, endorsements, &c., as per contra	950,896	Bills discounted, including British and Indian Government Treasury bills	4,582,669
Liabilities to customers on account of bills receivable for collection, as per contra	126,489	Investments—British Government securities at market value, £642,165; Indian Government securities at market value, £361,674; Allahabad Bank £23,403 ordinary shares of Rs.100 each, of which 14,865 are fully paid and 8,738 are paid up to the extent of Rs.50 per share, at cost, £589,569	1,593,408
Profit and loss account—Balance brought forward from March 31, 1922, £14,043; net profit for the year ended March 31, 1923, £139,368—£153,431; deduct transferred to reserve fund, £25,000	128,431	Loans receivable against security	£304,440
Notes.—There is a contingent liability in respect of bills re-discounted amounting to £14,047,588, of which £12,263,485 had run off by June 30th.		Advances to customers on current and other accounts, including exchange adjustment account, &c.	2,850,141
Outstanding forward exchange contracts for purchase and sale of bills and telegraphic transfers, &c., £26,399,576.		Bank premises (less instalments of purchase money not due) and furniture	34,731
		Liabilities of customers for acceptances, endorsements, &c., as per contra	950,896
		Bills receivable for collection, as per contra	126,489
	22,424,585		22,424,585

SOCIETE BELGE DE CREDIT INDUSTRIEL ET COMMERCIAL ET DE DEPOTS.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Francs.	ASSETS.	Francs.
Subscribed capital	20,000,000	Premises	1,000,000
Statutory reserve	1,380,124	Uncalled capital	15,130,800
Special reserve	600,000	Cash	2,074,561
Deposit accounts	31,404,122	Current accounts	10,317,794
Current accounts	27,531,122	Coupons for collection	221,935
Other accounts	218,842	Bills receivable	47,408,145
Profit and loss	911,301	Short loans	4,315,577
		Advances	1,380,668
		Other assets	197,133
	82,046,313		82,046,313

SOCIETE GENERALE.
(Pour Favoriser le Développement du Commerce et de l'Industrie en France.)

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	500,000,000	Cash in hand and at bank	636,132,466
Reserve	54,324,885	Bills receivable	3,618,548,930
Drawing accounts	1,233,631,003	Coupons for collection	65,340,978
Deposit accounts	122,449,000	Short loans	17,567,730
Bills payable	75,111,796	Loans on security	202,214,554
Current accounts	3,762,939,069	Current accounts	915,469,887
Sundry creditors	201,505,633	Investments	43,424,741
Interest and dividends	1,865,336	Syndicates	34,753,086
Profit and loss	30,178,950	Premises, &c.	56,397,639
		Sundry debtors	142,316,261
	5,982,205,672	Uncalled capital	250,000,000
			5,982,205,672

SOCIETE GENERALE DE CREDIT INDUSTRIEL ET COMMERCIAL.

The balance of profit and loss for 1922 amounts to £265,731, which the board, at the general meeting in Paris on March 20th, has appropriated as follows:—(1) Interim dividend of 4 per cent, paid in November, 1922, on paid-up capital—viz., 5f on 178,513 shares (125f paid up) and 20f on 21,487 fully-paid shares, £52,892—£212,839; (2) 10 per cent. to the board, £21,284—£191,555; (3) final dividend

ANGLO-CZECHOSLOVAKIAN
BANK.

Head Office - PRAGUE.

London Office:

24 - 28, LOMBARD STREET, E.C.3.

Branches in all
the principal towns
of Czecho-Slovakia.

Capital fully paid :
CzechKronen 120,000,000

GENERAL BANKING BUSINESS
TRANSACTED.

ANGLO-AUSTRIAN BANK,
LIMITED.

Head Office:

24/28, LOMBARD STREET, LONDON,
E.C. 3.

Branches:

Vienna and throughout Austria.
Budapest. Trieste. Marburg.
Czernowitz. Nagyvarad. Suczawa.

Correspondents in Czecho-Slovakia :
Anglo - Czechoslovakian Bank,
Prague and Branches.

CAPITAL:

Authorised - - - £2,000,000
Paid up - - - £1,406,370

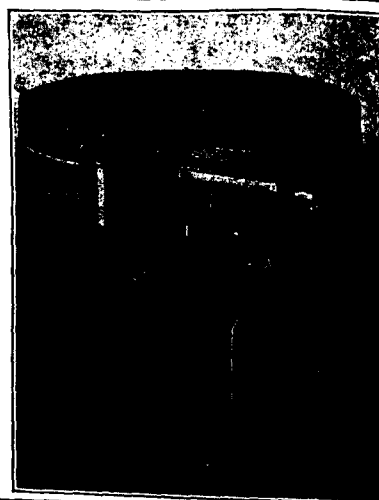
GENERAL BANKING BUSINESS
TRANSACTED.

COIN COUNTERS
for every description of Coin.

Totalizers and Unit Counters.
Save time and secure accuracy.

Write for particulars and prices to

INTERNATIONAL COIN COUNTING MACHINE Co.
43, Holborn Viaduct, London, E.C.1. LTD.



THE MITSUBISHI BANK, LTD.

(Incorporated in Japan.)

Subscribed Capital: Yen 50,000,000.

Paid-up Capital: Yen 30,000,000. Reserve Fund: Yen 15,610,000.

General Banking and Exchange Business. Deposit Rates on Application.

Head Office: TOKYO.

Branches: TOKYO, OSAKA, KOBE, KYOTO, NAGOYA, OTARU,
SHANGHAI, NEW YORK, LONDON.

London Office: 3, BIRCHIN LANE, CORNHILL, E.C.3.

BANK OF BERMUDA, LTD.

Head Office: HAMILTON, BERMUDA.

CAPITAL £15,000

RESERVE FUND £50,000

President: HON. A. W. BLUCK, M.C.P. Manager: J. D. C. DARRELL. Cable Address: BANCO, BERMUDA.

Branches: SOMERSET, ST. GEORGES, BERMUDA.

FOREIGN CORRESPONDENTS:

THE LONDON JOINT CITY & MIDLAND BANK,
LTD., Lothbury, London, E.C.
CHASE NATIONAL BANK, New York.
CANADIAN BANK OF COMMERCE, Toronto.

ROYAL BANK OF CANADA, Halifax.
COLONIAL BANK, London, and its Branches throughout
the West Indies.

BANCO AGRICOLA COMERCIAL
SAN SALVADOR, CENTRAL AMERICA.

FOUNDED IN 1895.

Paid-up Capital - - - \$780,000.00 U.S. Currency
Reserve and Contingency Funds \$375,000.00 „ „

JUNTA DIRECTIVA.

RODOLFO DUKE, Director.
FERNANDO SAGRERA, 1st Director Consultor. Dr. FEDERICO YÚDICE, 2nd Director Consultor.
F. S. BADGEROW, Gerente.

Collections and General Banking Business Transacted.

The Bank is also especially interested in bringing together buyers and sellers of Salvador coffees, and will be pleased to put importers in touch with responsible planters and dealers.

of 16f on 200,000 shares, £128,000—£63,555; (4) income-tax on dividends, £20,074—£43,181; amount carried from 1921, £4,162—£47,643; transfer to extraordinary reserve fund, £40,000; balance to be carried to new account, £7,643. Dividend 1922, 16.80 per cent., free of French tax.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	£	Assets.	£
Deposit accounts	4,573,764	Cash in hand	1,229,465
Current accounts	14,085,462	Due from other banks	658,257
Fixed deposits	1,642,781	Coupons for collection	174,819
Acceptances guaranteed	110,877	Bills receivable, "Bons de la Défense Nationale"	15,573,086
Foreign exchange business guaranteed	453,075	Current accounts	2,359,564
Unclaimed interest and dividends	3,666	Advances guaranteed	965,758
Transitory and sundry accounts	921,202	Acceptances guaranteed	110,877
Rebate	103,085	Foreign exchange business guaranteed	453,075
Reserve fund	1,200,000	Payments made on account of interest and dividends for 1922	47,527
Capital subscribed	4,000,000	Investments	1,180,630
Brought forward from 1921	4,162	Shares of affiliated societies	1,693,052
Profit and loss account for 1922	265,731	Bank premises	240,000
		Uncalled capital	2,677,695
	27,363,805		27,363,805

SUMITOMO BANK, LIMITED.

BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Yen.	Assets.	Yen.
Subscribed capital	70,000,000	Capital unpaid	20,000,000
Reserve funds	21,500,000	Loans, bills discounted and exchange purchased	307,626,797
Pension reserve	1,600,000	Due from other banks	4,146,152
Deposits	333,919,450	Customers' liabilities on foreign credits, acceptances and guarantees	8,914,782
Exchange sold and bills payable	7,298,983	Government bonds	50,318,341
Exchange adjustment	1,025,123	Municipal and other securities	17,529,280
Due to other banks	9,759,178	Foreign currencies	3,681
Foreign credits, acceptances and guarantees	8,914,782	Bank premises and furniture	7,531,613
Dividends not yet paid	1,919	Cash in hand	48,838,558
Rebate on bills not yet due and interest accrued on deposits	5,763,737		
Balance brought forward from last half-year	996,331		
Net profit for the half-year	4,129,701		
	464,909,204		464,909,204

PROFIT AND LOSS ACCOUNT.

Dr.	Yen.	Cr.	Yen.
Reserve funds	1,300,000	Balance brought forward from last half-year	996,331
Dividends	2,500,000	Net profit for the half-year	4,129,701
Pension reserve	100,000		
Bonus	120,000		
Balance carried forward to next half-year	1,106,032		
	5,126,032		5,126,032

SWISS BANK CORPORATION.

BALANCE-SHEET—December 31, 1922.

(£1 = 25 Francs.)

LIABILITIES.	£	Assets.	£
Share capital	4,800,000	Cash	2,973,298
Reserves	1,320,000	Banks and bankers	5,046,066
Fixed deposits	4,956,816	Bills receivable	11,282,995
Current accounts, &c.	27,323,291	Loans at short dates on securities	76,912
Bills payable and acceptances	1,922,399	Current accounts	16,672,024
Profit	460,369	Permanent investments	328,861
		Government, railway, and other securities	3,703,375
		Syndicates	142,357
		Bank premises and other property	556,947
	40,782,875		40,782,875

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
General expenses and taxes	933,238	Balance from 1921	39,285
Provision for bad and doubtful debts (less return of amounts previously written off), and writing down new premises, &c.	59,749	Discounts	735,433
Net profit available	460,369	Interest	194,936
		Commissions	368,595
		Investments and syndicates	109,090
		Coupons and foreign moneys	65,917
	1,453,356		1,453,356

YOKOHAMA SPECIE BANK, LIMITED.

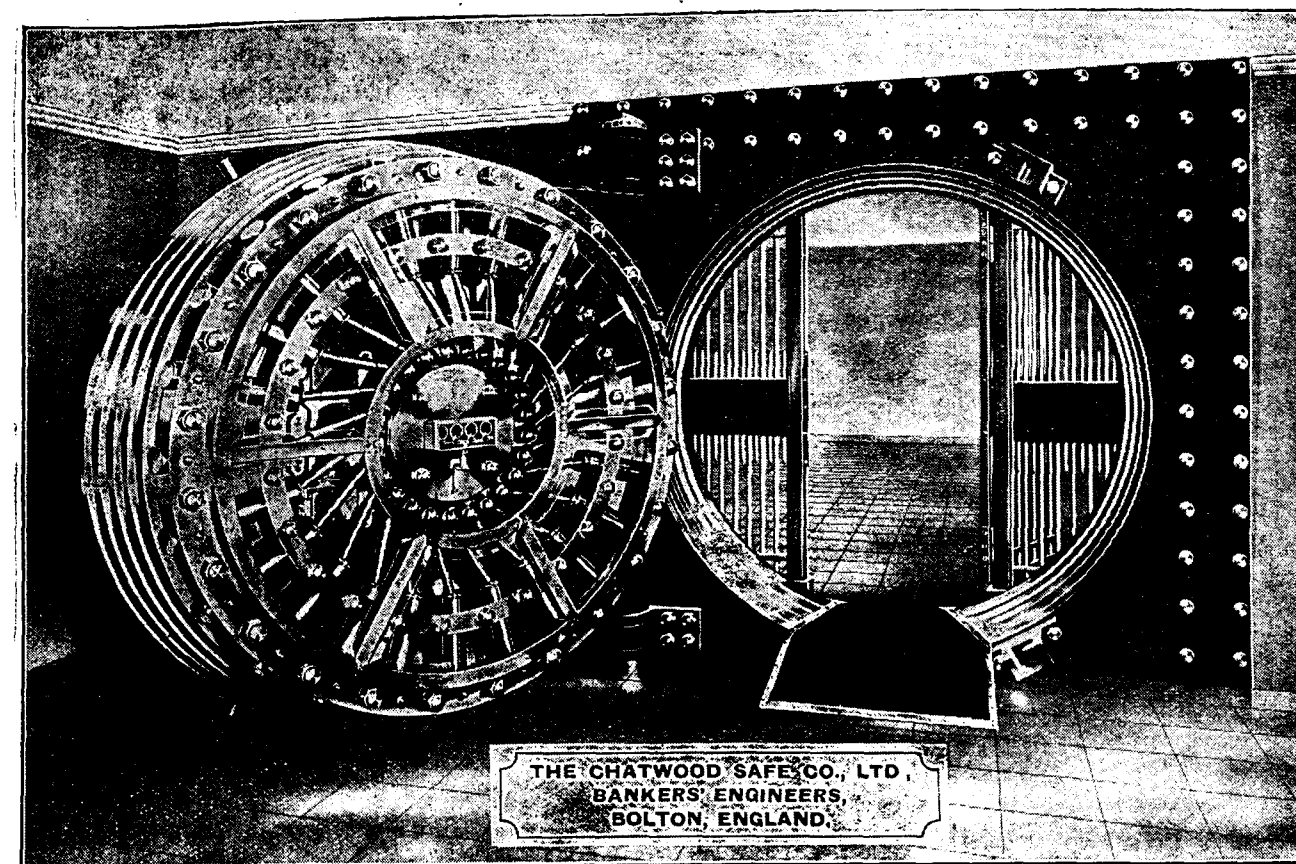
BALANCE-SHEET—December 31, 1922.

LIABILITIES.	Yen.	Assets.	Yen.
Capital	100,000,000	Cash in hand and at bankers	70,951,974
Reserve fund	65,000,000	Investments in public securities and debentures	199,335,680
Reserve for doubtful debts	2,136,638	Bills discounted, loans, advances, &c.	259,120,581
Notes in circulation	5,832,577	Bills receivable and other sums due to the bank	530,594,565
Deposits (current, fixed, &c.)	473,616,462	Balance and foreign money	15,494,177
Bills payable, bills rediscounted, acceptances, and other sums due by the bank	425,625,182	Bank's premises, properties, furniture, &c.	11,764,947
Dividends unclaimed	35,240		
Balance of profit and loss brought forward from last account	4,902,694		
Net profit for the past half-year	10,113,131		
	1,087,261,924		1,087,261,924

PROFIT AND LOSS ACCOUNT.

Dr.	Yen.	Cr.	Yen.
Reserve fund	4,000,000	Balance brought forward, June 30, 1922	4,902,694
Dividend—6.00 yen per share for 1,000,000 shares	6,000,000	Net profit for the half-year ended December 31, 1922	10,113,131
Balance carried forward to next account	5,015,825	(After making provision for bad and doubtful debts, rebate on bills, &c.)	
	15,015,825		15,015,825

THE CHATWOOD SECURITY



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

It is with pride that we illustrate the new The Chatwood Strong Room Door, which was the first of its type to be manufactured and installed in this country. It is for the Treasury of the new Head Office of one of the leading Bankers in London.

It weighs 21 tons, is 20in. thick, and the entrance is exactly 100in. in diameter. It has 24 bolts of the finest steel 3½in. thick, which are operated by a series of connecting-rods receiving their motion from a centre wrist-plate.

It is fitted with a four-movement time lock, which makes it possible for the Door to be locked so that it cannot be opened by any person whatsoever until a pre-arranged time

has expired, and has, in addition, two letter-locks, which can be set at more than two million different combinations.

The design provides for an arrangement that if the Door is opened during the night or during any unauthorised period a street electric alarm is set in motion, as well as an alarm at the nearest police station.

A record is made when the Door is opened during banking hours, the length of time it remains open, and the exact moment when it is shut.

The Chatwood security is the result of 70 years' unremitting endeavour to attain perfection in its own field—and stands to-day as the nearest approach to that intention.

THE CHATWOOD STRONG ROOM

Since 1858

THE NEW CHATWOOD SAFE BOOK

The guiding factor in the preparation of this book has been a desire to convey something of the standard of quality of work and high ideals of the firm in the hope that their worth may be gauged in some measure by their aims as well as their achievements. It contains 58 pages, many in full colour, and includes the fullest particulars of each model of The Chatwood Safe and Strong Room. A complimentary copy will be sent gratis on receipt of a postcard.

SINGER & FRIEDLANDER,

251/8, Salisbury House,
London Wall,
LONDON,
E.C.2.

FOREIGN BANKERS.

VICKERS LIMITED

Engineers
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Tools

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SHIPBUILDING and REPAIRS.
Floating Docks and Cranes, Marine
Engines. Large Gas Engines from
500 to 5,000 H.P. Railway
Material. Special Steels. Drop
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Supplies and Equipment. Machine
Tools. Train Lighting Equipment.
Etc., Etc.

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Birmingham, Erith, Crayford,
Dartford, Weybridge.

Head Offices: VICKERS
HOUSE, BROADWAY,
LONDON, S.W.1.

BANK OF MONTREAL

ESTABLISHED IN 1817.

CAPITAL PAID UP	- - - - -	\$27,250,000
REST	- - - - -	\$27,250,000
UNDIVIDED PROFITS	- - - - -	\$882,941
TOTAL ASSETS (in excess of)	- - - - -	\$650,000,000

HEAD OFFICE: MONTREAL.

Sir Vincent Meredith, Bart. - - - - - President.
Sir Frederick Williams-Taylor - - - - - General Manager.

Branches and Agencies throughout Canada and Newfoundland, also at New York, Chicago, San Francisco and Spokane in the United States, and at Mexico City, Vera Cruz, Ver., and Puebla, Pue., in the Republic of Mexico.

LONDON OFFICES { 47, THREADNEEDLE STREET, E.C.2.
9, WATERLOO PLACE, PALL MALL S.W.1

LONDON COMMITTEE:
Sir Thomas Skinner, Bart. F. R. S. Balfour, Esq.
George Cyril Cassels, Manager.

PARIS AGENCY: BANK OF MONTREAL (FRANCE),
6, PLACE VENDOME, PARIS.

PARIS COMITE CONSULTATIF: M. le SENATEUR GASTON MENIER.
W. F. BENSON, Manager.

FINANCIAL AGENTS OF THE GOVERNMENT OF THE DOMINION OF CANADA.

The Bank has reciprocal arrangements with leading banks covering all countries, and is, therefore, in a position to offer favourable competitive rates for business in all parts of the world. With its numerous Branches it offers exceptional facilities for the transaction of general banking business in Canada, Newfoundland, the United States, Mexico and France.

SWISS BANK CORPORATION

Established 1872.

BASLE, ZURICH, ST. GALL, GENEVA, LAUSANNE, LA CHAUX-DE-FONDS, NEUCHÂTEL, SCHAFFHOUSE,
BIENNE, CHIASSO, HERISAU, LE LOCLE, NYON, AIGLE, BISHOFSZELL,
MORGES, RORSCHACH, VALLORBE.

LONDON OFFICE - - - - - 43, LOTHBURY, E.C.2.

WEST END BRANCH: 11c, REGENT STREET, Waterloo Place, S.W.1.

Managing Director in London: X. CASTELLI.

Paid-up Capital	- - - - -	£4,800,000
Reserves	- - - - -	£1,320,000

Every description of banking business. Current and deposit accounts. Purchase and sale of foreign exchanges for forward delivery. Transactions in all investment securities.

AGENT IN GREAT BRITAIN FOR THE SWISS GOVERNMENT POSTAL CHEQUE SERVICE AND FOR THE SALE OF SWISS POSTAL TRAVELLERS' CHEQUES FOR THE USE OF VISITORS TO SWITZERLAND.

BROWN, SHIPLEY & COMPANY, LONDON.

FOUNDERS COURT,

LOTHBURY, E.C. 2.

OFFICE FOR TRAVELLERS:

123, PALL MALL, S.W.1.

ESTABLISHED 1810.

COMMERCIAL CREDITS & CONSIGNMENTS.

FOREIGN EXCHANGE.

CABLE TRANSFERS. FOREIGN COLLECTIONS.

TRAVELLING CREDITS.

SECURITIES PURCHASED and SOLD.

DIVIDENDS COLLECTED. COUPONS PURCHASED.

DEPOSIT and CURRENT ACCOUNTS OPENED.

AGENTS and CORRESPONDENTS ALL OVER THE WORLD.

BROWN BROTHERS & COMPANY, NEW YORK, 59, Wall Street.

PHILADELPHIA.
4th and Chestnut Streets.

BOSTON.
60, State Street.

BALTIMORE.
(Alexr. Brown & Sons.)

ESTABLISHED 1800.

THE LONDON & RIVER PLATE BANK, LIMITED.

ESTABLISHED 1862.

PAID-UP CAPITAL and RESERVE FUND - - - - - £4,140,000

AFFILIATED WITH LLOYDS BANK LIMITED.

DIRECTORS.

J. W. BEAUMONT PEASE, Chairman.

RICHARD FOSTER.
FOLLETT HOLT, M.I.C.E.
KENNETH MATHIESON.

LAMBERT W. MIDDLETON.
HERMAN B. SIM.
ROBERT A. THURBURN.

ESTABLISHED AT

BELGIUM: ANTWERP, 22, Place de Meir.
FRANCE: PARIS, 9, Rue du Helder.
PORTUGAL: LISBON, 44, Rua Aurea.
U.S. AMERICA: NEW YORK, 51, Wall Street.

ARGENTINA:
BUENOS AIRES, with City sub-branches at
BARRACAS AL NORTE, BOCA DEL
RIACHUELO, ONCE DE SETIEMBRE, CALLE
SANTA FE, CALLE BERNARDO DE IRIGOYEN.
Also at BAHIA BLANCA, CONCORDIA, COR-
DOBA, MENDOZA, PARANA, ROSARIO,
TUCUMAN.

URUGUAY:
MONTEVIDEO, and at CALLE RIO NEGRO
(Montevideo), PAYSANDU, SALTO, RIVERA.

BRAZIL:
RIO DE JANEIRO, BAHIA, CURITYBA, MACEIO,
MANAOS, PARA, PELOTAS, PERNAMBUCO,
PORTO ALEGRE, RIO GRANDE, SANTOS, SAO
PAULO, VICTORIA.

CHILE:
VALPARAISO, SANTIAGO, ANTOFAGASTA.

PARAGUAY: ASUNCION.

COLOMBIA: BOGOTA, MANIZALES, MEDELLIN.

AGENTS THROUGHOUT THE WORLD.

BANKERS:

THE BANK OF ENGLAND.

Purchases and sales of stocks and shares effected through the Bank's Brokers. All kinds of Banking Business transacted.

Information Department.—Commercial information and up-to-date reports on South American firms are available on application. Every care is taken that this information is obtained from reliable sources, but the Bank cannot guarantee or accept responsibility for its accuracy.

Monthly Review sent post free on application.

Head Office: 7, PRINCES STREET, LONDON, E.C.2
Agencies at—MANCHESTER: 86, CROSS STREET. BRADFORD: 35, HUSTLERGATE.

BANK OF NEW ZEALAND.

BANKERS TO THE NEW ZEALAND GOVERNMENT.

AUTHORISED CAPITAL - - £6,154,988

Capital Subscribed and Paid Up

Four per Cent. Guaranteed Stock	.	.	.	.	.	£529,988
"A" Preference Shares	.	Issued to N.Z. Government				500,000
"B" Preference Shares	.	Issued to N.Z. Government				625,000
Ordinary Shares	.	.	.	.	.	2,250,000
						£3,904,988
Reserve Fund and Undivided Profits	.	.	.	.	.	2,246,957
						£6,151,945

HEAD OFFICE: WELLINGTON, N.Z. LONDON OFFICE: 1, QUEEN VICTORIA STREET, E.C. 4.
BRANCHES AND AGENCIES AT OVER 200 POINTS IN NEW ZEALAND,
And at Melbourne, Victoria; Sydney, New South Wales; Suva and Levuka, Fiji; Apia, Samoa.

THE LONDON OFFICE GRANTS DRAFTS on any of the above places; MAKES TELEGRAPHIC TRANSFERS; OPENS CURRENT ACCOUNTS for the convenience of its Colonial Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; UNDERTAKES all descriptions of Colonial Banking and Monetary Business, and affords every facility to persons in their transactions with the Colonies.

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.
Established in Calcutta 29th September, 1863.

Bankers to the Government in KENYA (B. E. Africa) and UGANDA.

Subscribed Capital	.	.	.	.	£4,000,000
Paid-up Capital	.	.	.	.	£2,000,000
Reserve Fund	.	.	.	.	£2,700,000
Number of Shareholders	.	.	.	.	2,363

Head Office: 26 BISHOPSGATE, LONDON, E.C. 2.

BOARD OF DIRECTORS:

ROBERT CAMPBELL, Esq., *Chairman*. ROBERT WILLIAMSON, Esq., *Deputy-Chairman*.
SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E., M.P. SIR CHARLES C. MCLEOD, Esq.
ROBERT MILLER, Esq. J. D. NIMMO, Esq. J. N. STUART, Esq.
J. A. TOOMEY, Esq.

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BOMBAY	DELHI	COLOMBO	MOMBASA	KAMPALA
MADRAS	LAHORE	KANDY	NAIROBI	JINJA
KURRACHEE	TUTICORIN	NEWERA ELIYA	NAKURU	TANGA
CHITTAGONG	COCHIN	ADEN [ADEN	KISUMU	DAR-ES-
AMRITSAR	RANGOON	STEAMER POINT		SALAAM

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; collects Pay, Pensions, and generally transacts every description of Eastern Banking Business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

The Bank opens Current Accounts, and, provided they do not fall below £200, allows Two per cent. per annum interest on the minimum monthly balances.

THE COUNTY BANK.

THE MANCHESTER & COUNTY BANK LIMITED.

Directors:

Sir FRANK FORBES ADAM, Bt., C.B., C.I.E., Manchester, Chairman.
GEORGE HESKETH, Esq., Bolton, Deputy Chairman.
DONALD BEITH, Esq., Manchester. ERNEST S. GLADSTONE, Esq., Liverpool.
The Hon. MARSHALL J. BROOKS, Rawtenstall. Sir FRANK HOLLINS, Bt., Preston.
T. GILBERT DUGDALE, Esq., Blackburn. JOHN W. MAKANT, Esq., Bolton.
Joint Managers: J. W. NIGHTINGALE and R. B. MARTIN.

Head Office - - 55, KING STREET, MANCHESTER.
Foreign Department 59, KING STREET, MANCHESTER.
Liverpool Office - 53, DALE STREET, LIVERPOOL
(With Foreign Department Attached).

And 159 BRANCHES in LANCASHIRE and Adjacent Counties.

Capital Subscribed	-	-	-	-	-	£5,460,200
" Paid up	-	-	-	-	-	1,092,040
Reserve Fund	-	-	-	-	-	1,000,000

Current and Deposit Accounts are Opened. Interest is allowed in accordance with the current value of money.

Drafts and Letters of Credit issued, and Telegraphic Transfers of funds made, to all parts of the world.

Foreign Bills and Coupons collected or negotiated.

Purchases and Sales of Stocks and Shares effected.

The Officers of the Company are bound to secrecy in respect of the transactions of its customers.

NEDERLANDSCHE HANDEL-MAATSCHAPPIJ

(NETHERLANDS TRADING SOCIETY).

Established by Royal Charter A.D. 1824.

Capital Paid up	-	-	f.80,000,000 Neth. Currency (£6,666,666)
Statutory Reserve Fund	-	-	f.19,769,180 " (£1,647,432)
Extraordinary Reserve Fund	-	-	f.22,660,000 " (£1,888,333)

Head Office: AMSTERDAM.

Branches: ROTTERDAM, THE HAGUE.

Branches in the NETHERLANDS INDIES: BATAVIA, SOURABAYA, SAMARANG, MEDAN, and further Principal Ports.

Branches in the STRAITS SETTLEMENTS, BRITISH INDIA, CHINA and JAPAN: SINGAPORE, PENANG, RANGOON, CALCUTTA, BOMBAY, HONGKONG, SHANGHAI and KOBE.

Grant Drafts and Issue Letters of Credit on all their Branches and Correspondents in the East, on the Continent, on Great Britain, Africa, America and Australia, and transact Banking Business of every description.

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FLAX, HEMP, JUTE, JUTE GOODS,
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MALCOLM & CO.

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Riga, Latvia.

Telegraphic Address: "MALCOLM."

THIRD IMPRESSION WITH ADDITIONAL CHAPTER AND STATISTICS.

AN INTRODUCTION TO THE STUDY OF PRICES

with special reference to the History of the Nineteenth Century.

By WALTER T. LAYTON, M.A. 7s. 6d. net.

The Economic Journal:—"The high qualities he possesses and exhibits will, we are sure, recommend his 'Introduction' to all who would make at once the easiest and the safest approach available to the fascinating but complicated 'study of prices.' That is, perhaps, the most crucial of present popular economic questions, and it must always occupy a prominent place in the scientific discussions of professional economists."

The Westminster Gazette:—"Mr. Layton, who is one of the ablest of the younger Cambridge economists, has refrained deliberately from a long exposition of the theory of the relation between price levels and the quantity of circulating currency. He has adopted that historical method which appeals to the instinctive empiricism of the practical man. His tracing of the price fluctuations of the past ninety years in England, and his analysis of their causes and results are admirably lucid. And if the book secures the wide circulation which its merits deserve, it should do much to draw public attention to the vital importance of a neglected question."

The Economic Review:—"His excellent and clear little book ought to be in the hands of every student of social conditions."

The Practical Engineer:—"This book should be valuable to the student of monetary values and prices, especially of the nineteenth century."

MACMILLAN & CO., LTD., LONDON, W.C.2.

THE NATIONAL BANK LIMITED.

Head Offices: 13-17, OLD BROAD STREET, LONDON, E.C.2.

ESTABLISHED 1835.

Capital Subscribed, £7,500,000. Paid up, £1,500,000. Reserve Fund, £1,125,000. Deposits, etc. (as at 30th June, 1923), £42,011,746.

DIRECTORS.
JAMES BLACKADER MEERS, Esq., C.B., Chairman.
*SIR THOMAS HENRY GRATTAY ESMONDE, Bart., Chairman of Irish Board and Deputy-Chairman of the Bank.
MICHAEL J. COOKE, Esq.
*RT. HON. SIR WILLIAM JOSHUA GOULDING, Bart.
CHARLES FREDERICK HIGGINSON, Esq.
*RICHARD JOHN KELLY, Esq., K.C.
RT. HON. LD. MACDONNELL OF SWINFORD, G.C.S.I., K.C.V.O., Deputy-Chairman of London Board.
*RT. HON. THE EARL OF KENMARE, C.V.O.
*These Directors sit in Dublin.

General Managers—J. J. O'CONNELL, M. J. COOKE. Secretary—E. S. GOADBY. Secretary in Dublin—W. M. ROCHE.

London Branches:
LONDON.—13, OLD BROAD STREET, E.C.2.—F. W. CARR, STANLEY ARCHER, Joint Managers.
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G. L. Bennett, Joint Manager.

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AND 127 BRANCHES AND 90 SUB-OFFICES THROUGHOUT THE PROVINCES.

ALL DESCRIPTIONS OF BANKING, FOREIGN EXCHANGE AND TRUSTEE BUSINESS TRANSACTED.

THE P. & O. BANKING CORPORATION, LIMITED.

Head Office: 122 LEADENHALL STREET, LONDON, E.C.3.

Authorised Capital	£5,000,000
Subscribed Capital	£2,594,160
Paid-up Capital	£2,594,160
Reserve Fund	£115,000

BRANCHES: 16 Cockspur Street, London, S.W.1; Bombay; Calcutta; Colombo; Hongkong; Karachi; Madras; Singapore; Shanghai.

Affiliated Bank: THE ALLAHABAD BANK, LIMITED. **Head Office:** CALCUTTA; with 35 Branches and Sub-Agencies in India.
Authorised Capital - Rs. 40,00,000
Paid-up Capital - Rs. 35,50,000
Contingency Fund - Rs. 6,00,000
Subscribed Capital - Rs. 40,00,000
Reserve Fund - Rs. 35,50,000

London Bankers: Bank of England; The National Provincial and Union Bank of England, Ltd.; The Westminster Bank, Ltd.; Lloyds Bank, Ltd.; Royal Bank of Scotland.

Every description of Banking Business transacted. Correspondents in all parts of the World.

STOCKHOLMS ENSKILDA BANK.

BANK WITH UNLIMITED LIABILITY.
Established in 1856.

TELEGRAPHIC ADDRESS:
NITTON-STOCKHOLM.

STOCKHOLM.

HEAD OFFICE:
STOCKHOLM 18.

CAPITAL (paid up) - Kr. 43,500,000.
RESERVE FUNDS - Kr. 41,500,000.

Banking and Exchange Business of every description.
Bills negotiated or forwarded for Collection.
Letters of Credit and Travellers' Cheques issued available in the principal Cities of the World.
Remittances made by Telegraphic Transfer.
Deposits received for fixed periods or at notice.

LONDON AGENTS:
WESTMINSTER BANK, LIMITED, LOTHBURY, E.C.; HAMBRO'S BANK, LIMITED; FREDK. HUTH & CO.

THE ONE HUNDREDTH BANK, LTD.

ESTABLISHED 1878.

President: K. IKEDA, Esq.

Capital—Subscribed	25,000,000 Yen.
Paid-up	17,500,000 Yen.
Reserve Fund and Undivided Profits	10,230,000 Yen.

Head Office: TOKYO, JAPAN.

Branches: OSAKA, YOKOHAMA, KOBE, KYOTO, TOTTORI.

London Agents: Brown, Shipley & Company. The Lloyds Bank, Ltd.
The London Joint City and Midland Bank, Ltd.

New York Agents: Brown Brothers & Company. The Equitable Trust Company of New York.

The Guaranty Trust Company of New York.

Correspondents in all important places at home and abroad.

Every description of Banking and Foreign Exchange Business transacted. Current accounts opened on the most favourable terms. Special attention is given to Collection Business. Draft and Telegraphic transfers sold on all principal parts of the world.

WILLIAMS DEACON'S BANK

(Members of the London Bankers' Clearing House.)

LIMITED.

TOTAL ASSETS, 30th June, 1923 - - - £38,393,446

LONDON OFFICE: - - - 20, BIRCHIN LANE, E.C.3.
MANCHESTER OFFICE: - - - MOSLEY STREET.
And 173 other Offices, in London, Lancashire, Yorkshire, Cheshire,
Derbyshire, Staffordshire, and North Wales.

The Bank is prepared to act as Trustees under Wills, Settlements, Debentures, Trusts, &c.
Trustee Departments: LONDON and MANCHESTER.

SAVINGS ACCOUNTS OPENED.

Money received on deposit, bearing interest and repayable on demand.
Current Accounts conducted on agreed terms.

ACCEPTANCE CREDITS ARRANGED

AND
EVERY DESCRIPTION OF FOREIGN BUSINESS TRANSACTED.

FOUNDED



1871.

DEN DANSKE LANDMANDSBANK

HYPOTHEK-OG VEKSELBANK

COPENHAGEN (Denmark).

Telegraphic Address: "Landmandsbank."

THE BANK TRANSACTS EVERY KIND OF LEGITIMATE BANKING BUSINESS.

LONDON AGENTS & CORRESPONDENTS:

WESTMINSTER BANK, Ltd.
LONDON JOINT CITY & MIDLAND BANK, Ltd.
HAMBROS BANK, Ltd.

NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, Ltd.
BARCLAYS BANK, Ltd.
LLOYDS BANK, Ltd.

BANK OF LIVERPOOL & MARTINS, Ltd.

ROTTERDAMSCH E BANKVEREENIGING.

ROTTERDAM.

THE HAGUE.

AMSTERDAM.

Capital - fl. 75,000,000. Surplus - fl. 36,500,000.

COLLECTIONS, LETTERS OF CREDIT, FOREIGN EXCHANGE, DOCUMENTARY CREDITS.
PURCHASE AND SALE OF STOCKS AND SHARES.

Every Description of Banking Business Transacted.

PRVA HRVATSKA ŠTEDIONICA FIRST CROATIAN SAVINGS BANK

Established in
1846.Telegraphic Address:
PRAŠTEDIONA.

Première Caisse D'Epargne Croate.

Head Office: ZAGREB, YUGOSLAVIA.

CAPITAL - - -	Dinars 50,000,000
RESERVE FUND - - -	Dinars 33,750,000
DEPOSITS - - -	Dinars 586,300,000

Bank Business of every description transacted. Current and deposit accounts opened. Purchase and sale of investments, securities, &c. Special attention given to Exchange and Transfer Business with all countries. Documentary credits. The Bank has correspondents in all parts of the world and will be pleased to furnish information relating to the opening of commercial activity, having branches in all towns in the Kingdom of Serbs, Croates, and Slovenes (Yugoslavia).

Česká Průmyslová a Hospodářská Banka INDUSTRIAL AND AGRICULTURAL BANK OF BOHEMIA, Banque Industrielle et Agricole de Bohême. Böhmisches Industriell und Landwirtschaftliche Bank.

Head Office and Eight Sub-Branches:

PRAGUE, CECOSLOVAKIA.

Paid up Capital	Kč210,000.000
Reserves over	Kč70,000.000
Resources over....	Kč2,650,000.000

80 Branches in Czechoslovakia.

Foreign Branch: Ljubljana, Yugoslavia.

Foreign Affiliations:

Hungarian-Bohemian Industrial Bank, Budapest, Hungary. Prva Hrvatska Obrtna Banka, Zagreb, Yugoslavia.
Cable Address: INDUSBANK. Anglo-Roumanian Bank, Bucharest, Roumania.

PETSCHEK & Co.

BANKERS.

PRAGUE.

Telegrams: "PETSCHEKOMP."

THE NATIONAL BANK OF SCOTLAND, LIMITED.

Incorporated by Royal Charter and Act of Parliament.

Established 1825.

Affiliated with Lloyds Bank Limited.

Capital Subscribed, £5,000,000. Paid-up, £1,100,000. Uncalled, £3,900,000.

RESERVE FUND, £1,200,000.

DEPOSITS (1st November, 1922), £35,638,251.

Head Office - St. Andrew Square, EDINBURGH.

London Office - 37, Nicholas Lane, LONDON, E.C.4.

Glasgow Office - 47, St. Vincent Street, GLASGOW.

Branches in all the principal towns and places in Scotland.

Correspondents in all the leading towns in England and Ireland, and in the principal towns in all parts of the World.

Every description of banking business transacted, including the purchase and sale of Stocks, Shares, Securities, &c.; which are effected either through the Bank's Brokers or through Brokers selected by Customers; collection of Dividends and Coupons, whether payable in Great Britain or abroad; the issue of Drafts, Letters of Credit, and Circular Notes payable in the principal Cities and Towns throughout the World; and Cable transfer of remittances to all parts.

FOREIGN EXCHANGE BUSINESS. There is a specially-equipped Colonial and Foreign Department at the principal Glasgow Office, where information regarding all classes of foreign business may be obtained. FOREIGN CURRENCIES bought and sold for immediate or forward delivery. CLEAN and DOCUMENTARY Foreign Drafts negotiated or collected. All classes of Overseas business transacted at all the Bank's Branches.

THE BRITISH BANK OF SOUTH AMERICA, LIMITED.

Capital Authorised and Subscribed, £2,000,000, in 100,000 Shares of £20 each, with power to increase. Paid up Capital, £1,000,000. Reserve Fund, £1,000,000.

HEAD OFFICE: 4, Moorgate, London, E.C.2. MANCHESTER OFFICE: 2, Norfolk Street.

DIRECTORS.

ROBERT JOHN HOSE, Esq., Chairman,
WILLIAM HERBERT HOLLIS, Esq.,
Deputy Chairman,
FREDERICK R. S. BALFOUR, Esq.Rt. Hon. Sir MAURICE W. E. de BUNSEN, Bart.,
G.C.M.G., G.C.V.O., C.B.,
RAOUL HECTOR FOA, Esq.,
EDWARD GREENE, Esq.FRANK HENRY HOULDER, Esq.,
FREDERIC LUBBOCK, Esq.,
JOHN EDWARD MOUNSEY, Esq.

MANAGER—HENRY PROBYN ROBERTS, Esq.

SECRETARY—LOUIS GEORGE BALLY, Esq.

SUB-MANAGERS—PATRICK ERNEST O'HEA, Esq.

JOHN DEVEREUX BLACKBURN, Esq.

AUDITORS.—MESSRS. TURQUAND, YOUNGS & CO.

Branches at—PERNAMBUCO, BAHIA, RIO DE JANEIRO, SÃO PAULO, SANTOS, PORTO ALEGRE, RIO GRANDE (State of Rio Grande do Sul), MONTE VIDEO, MERCEDES (Sub-Branch to Monte Video), BUENOS AYRES, ROSARIO DE SANTA FE, PERGAMINO (Sub-Branch to Buenos Ayres). Also Sub-Branches at—PLAZA ONCE DE SETIEMBRE, PLAZA CONSTITUCION, AVELLANEDA, CALLE LAVALLE, CALLE VICTORIA and CALLE CORRIENTES, BUENOS AYRES; and AVENIDA RONDEAU and CORDON, MONTE VIDEO.

CORRESPONDENTS

in all the principal Cities and Towns in Europe, in the United States of America and in South and Central America. Also in Australia, Canada, New Zealand, South Africa, India, etc.

MONTHLY TRADE CIRCULAR FREE ON APPLICATION.

BANK OF NEW SOUTH WALES

ESTABLISHED 1817.

London Office: 29, THREADNEEDLE STREET, E.C.2

PAID-UP CAPITAL - - - - - £6,000,000

RESERVE FUND - - - - - 3,800,000

RESERVE LIABILITY OF PROPRIETORS - - - 6,000,000

£15,800,000

Aggregate Assets to 31st March, 1923, £79,220,426 Os. 3d.

The London Office issues Drafts on Demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji and Papua. Makes Mail and Cable Transfers. Negotiates and Collects Bills of Exchange. Arranges Wool and other Produce Credits. Receives Deposits for fixed periods on terms which may be known on application; and conducts every description of Australasian Banking Business.

J. S. CAMPBELL, Manager.

IONIAN BANK, LIMITED.

Head Office: LONDON.

BASILDON HOUSE, MOORGATE, E.C.2.

ESTABLISHED 1839, INCORPORATED BY ROYAL CHARTER.

Authorised Capital £600,000 Stg. Paid-up Capital £485,580 Stg.
Reserve £155,000 Stg.

GREECE.—The only British Bank or Financial House in the country. Possesses a network of Branches and Correspondents throughout Old and New Greece, including Macedonia. PRINCIPAL OFFICE: ATHENS. Undertakes all Banking operations on most favourable terms.

EGYPT.—PRINCIPAL OFFICE: ALEXANDRIA. Branches throughout the cotton districts. Specialises in all operations connected with the moving of the cotton crop.

TURKEY.—Branch at CONSTANTINOPLE.

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727.

PAID-UP CAPITAL	£2,000,000
REST AND UNDIVIDED PROFITS (October, 1922)	1,403,735
DEPOSITS ... (Ditto)	40,265,016

Head Office - ST. ANDREW SQUARE, EDINBURGH.

General Manager—A. K. WRIGHT, C.B.E., D.L.

Secretary—J. B. ADSHEAD.

London Office - 3 BISHOPSGATE, E.C.2.

Joint Managers—ALEX. DICK and WM. WHYTE.

Glasgow Office - EXCHANGE SQ. and BUCHANAN ST.

Agent—THOMAS LILLIE.

Sub-Agent—WILLIAM DONALD.

Foreign Exchange Departments at all these Offices.

190 BRANCHES THROUGHOUT SCOTLAND.

Banking business of every description transacted. Deposits received at interest, repayable at call or at notice. Drafts, Circular Notes, Letters of Credit, and Cable Transfers issued—available throughout the world. Accounts opened, and Agency Business undertaken for Foreign and Colonial Banks and other financial establishments.

CORRESPONDENCE INVITED.

BANK OF SCOTLAND.

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL	£4,500,000
PAID-UP CAPITAL and RESERVE FUND	£2,125,000
DEPOSITS and CREDIT BALANCES as at 28th February, 1923	£34,695,437

Governor: WILLIAM JOHN MURE, ESQ., C.B. Deputy-Governor: The Right Hon. LORD ELPHINSTONE.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2 ST. VINCENT PLACE. W. G. LEGGAT, Manager.

LONDON Office: 30 BISHOPSGATE, E.C.2. J. W. JOHNSTON, Manager.

Over 200 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland. Every Description of British and Foreign Banking Business transacted.

GEORGE J. SCOTT, Treasurer.

THE BRITISH LINEN BANK

Incorporated by Royal Charter, 1746.

CAPITAL (PAID UP) £1,250,000 RESERVE FUNDS £1,450,000

Governor: THE RIGHT HON. THE EARL OF ROSEBURY AND MIDLOTHIAN, K.G., K.T.
Deputy-Governor: THE RIGHT HON. THE EARL OF HOME.

HEAD OFFICE - EDINBURGH.

REES GRIFFITH THOMAS, General Manager.

R. W. STEVENSON, Secretary.

170 Branches throughout Scotland.

London Office: 38, Threadneedle Street, E.C.2.

Every description of Home and Foreign Banking Business transacted.

"BARCLAYS" GROUP OF BANKS:

Barclays Bank Ltd. Barclays Bank (Overseas) Ltd. The British Linen Bank. The Union Bank of Manchester Ltd. The Anglo-Egyptian Bank Ltd.

Commercial Bank of Scotland Ltd.

ESTABLISHED 1810.

Head Office: EDINBURGH.

Capital Subscribed	£5,500,000
Paid up	£1,750,000
Reserve	£1,600,000
Deposits	£40,000,000

ALEX. ROBB, General Manager.

MAGNUS IRVINE, Secretary.

London Office: 62 LOMBARD STREET, E.C.3.

JOHN F. SANDEMAN, Manager.

ANDREW W. RUSSELL, Asst. Manager.

General Banking business and every description of Foreign Exchange business, transacted. Banking Correspondents throughout the United Kingdom and in the principal Cities of the World. The Bank has 278 Branches and Sub-Offices throughout Scotland, and is in touch with every District, and in an exceptionally favourable position for dealing with General Business, and with Agency Business for Colonial and Foreign Banks.

NATIONAL BANK OF EGYPT

Head Office - - - CAIRO.

FULLY PAID CAPITAL - - - £3,000,000

RESERVE FUND - - - £2,250,000

LONDON AGENCY:

6 & 7, KING WILLIAM STREET, E.C.4.

Branches in all the Principal Towns in EGYPT and the SUDAN.

BANK OF ROUMANIA

(FOUNDED 1866.)

LIMITED.

HEAD OFFICE: 64, Cornhill, London, E.C.3.

BRANCH: 11, Calea Victoriei, Bucarest.

DIRECTORS:

E. W. H. BARRY, Esq.
C. de CERJAT, Esq.

The Viscount GOSCHEN, C.B.E.
General The Hon. Sir H. A. LAWRENCE, K.C.B.
Lieut.-Col. Sir ALBERT STERN, K.B.E., C.M.G.

BANKERS: BANK OF ENGLAND; Messrs. GLYN, MILLS, CURRIE, HOLT & Co.

A General Banking Business with Roumania is conducted, and Correspondence from those having interests in that country is invited.

BANK OF BRITISH WEST AFRICA,

ESTABLISHED 1894.

LIMITED.

Authorised Capital ... £4,000,000

Subscribed Capital ... £3,000,000

Paid-up Capital ... £1,200,000

Reserve ... £400,000

Chairman:

The Right Hon. THE EARL OF SELBORNE,
K.G., G.C.M.G.

Head Office:

37, GRACECHURCH ST., LONDON, E.C.3.

General Manager:

LESLIE COUPER, C.M.G.

Liverpool Manchester Hamburg New York
West Africa Canary Islands Egypt Morocco

PRINCIPAL SHAREHOLDERS:

Lloyds Bank Ltd.; Westminster Bank Ltd.; National
Provincial & Union Bank of England, Ltd.; Standard
Bank of South Africa, Ltd.

Mellon National Bank

PITTSBURGH, PA.

Statement of Condition at the Close of Business,
June Thirtieth, Nineteen Hundred Twenty-Three.

RESOURCES.

Loans and Discounts	...	\$45,688,861.21
United States Obligations	...	45,188,821.49
Other Bonds and Investments	...	25,690,369.59
Overdrafts	...	None
Cash and Due from Banks	...	23,623,734.85
		<u>\$140,191,787.14</u>

LIABILITIES.

Capital	...	\$7,500,000.00
Surplus and Undivided Profits	...	5,365,684.89
Reserves	...	4,087,346.88
Borrowed from Federal Reserve Bank	...	6,500,000.00
Circulating Notes	...	7,102,600.00
Deposits (Banks)	\$29,757,464.79	
(Individuals)	79,878,690.58	
		<u>109,636,155.37</u>
		<u>\$140,191,787.14</u>

CABLE ADDRESS: MELLONSON, PITTSBURGH.

Thorough facilities for every phase of banking.
Direct connections with all parts of the U.S.

London Agents: NATIONAL PROVINCIAL AND
UNION BANK OF ENGLAND, Ltd.

UNION BANK OF SCOTLAND,

Limited.

ESTABLISHED 1830.

SUBSCRIBED CAPITAL	-	-	£5,000,000
PAID-UP	-	-	£1,000,000
RESERVE FUND	-	-	£1,200,000
DEPOSITS	-	-	£31,740,996

Chairman.

HIS GRACE THE DUKE OF ATHOLL, K.T.

Deputy Chairman.

JOHN Y. BUCHANAN, F.R.S.

Ordinary Directors.

ROBERT CLARK, Esq., Shipowner, Glasgow.
ROBERT ELMSALL FINDLAY, Esq., Merchant, Glasgow.
ARTHUR C. D. GAIRDNER, Esq., Banker, 33, Gracechurch Street,
Lombard Court, London, E.C.3.
HENRY E. GORDON, Esq., of Aikenhead, Cathcart.
JAMES NOBLE GRAHAM, Esq., Merchant, Glasgow.
Sir LUDOVIC JAMES GRANT, Bart., LL.D., Edinburgh.
WILLIAM HUTTON, Esq., Actuary, Glasgow.
ARCHIBALD R. C. PITMAN, Esq., Writer to the Signet, Edinburgh.
PETER RINTOUL, Esq., Chartered Accountant, Glasgow.
Sir H. ARTHUR ROSE, D.S.O., Merchant, Edinburgh.
The Right Honourable J. PARKER SMITH, of Jordanhill.
NORMAN L. HIRD, Esq., General Manager, Glasgow.
ADAPTED IN EVERY WAY TO CARRY THROUGH ALL FORMS OF
BANKING BUSINESS IN LONDON AND SCOTLAND.

Every description of HOME and FOREIGN Banking transacted.
Letters of Credit on all places at home and abroad; Cable
remittances arranged; Freight Collections; Ships' Disbursements
Credits; Commercial Credits, etc., arranged; Bills of Exchange and
Shipping Documents collected or negotiated subject to approval.
The Bank also undertakes the duties of Trustee and Executor.
At London Office Current Accounts and other business
conducted on the usual terms of London Banks.
Deposits received at interest.

NORMAN L. HIRD, General Manager.

HEAD OFFICES:

GLASGOW—Ingram Street. EDINBURGH—George Street.

LONDON OFFICE—62, Cornhill, E.C.3. John Alexander, Manager
WITH FOREIGN EXCHANGE DEPARTMENT.
166 BRANCHES THROUGHOUT SCOTLAND.

Hongkong and Shanghai Banking Corporation

CAPITAL ALL PAID UP	...	...	\$20,000,000
SILVER RESERVE	...	...	\$24,500,000
STERLING RESERVE, held in London	...	...	£4,500,000
RESERVE LIABILITY OF PROPRIETORS	...	...	\$20,000,000

Head Office - - HONGKONG.
Chief Manager - Hon. Mr. A. G. STEPHEN.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo,
Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg,
Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe
(Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila,
Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San
Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani,
Tientsin, Tsingtao, Vladivostok, Yioilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., Chairman.
Hon. Cecil Baring. C. A. Campbell.
David Landale. Sir George Macdonagh,
K.C.B., K.C.M.G.
Sir George Sutherland. A. M. Townsend.
C. F. Whigham.

MANAGERS IN LONDON:

SIR NEWTON-J. STABB. H. D. G. JONES.
Sub-Manager, E. W. Townend. Accountant, A. Moncur.

9, GRACECHURCH STREET,
LONDON, E.C.3.

SUMITOMO BANK,

THE

LIMITED.

OSAKA, JAPAN.

ESTABLISHED 1895.

(Successors to the Sumitomo Bank.)

Capital Subscribed	-	-	Yen 70,000,000.00
Paid-up Capital	-	-	Yen 50,000,000.00
Reserve Fund	-	-	Yen 26,100,000.00
Deposits	-	-	Yen 335,000,000.00

BARON K. SUMITOMO, President.

K. YUKAWA, Esq., Managing Director.

S. YOSHIDA, Esq. " "

N. YATSUSHIRO, Esq. " "

HOME BRANCHES.—Tokyo, Yokohama, Nagoya, Kyoto,
Kobe, Hyogo, Onomichi, Niihama, Kure, Hiroshima, Yanai,
Shimonoseki, Moji, Kokura, Wakamatsu, Hakata and
Kurume.
FOREIGN BRANCHES.—Shanghai, Hankow, Bombay,
London, New York, San Francisco, Seattle and Honolulu.
LONDON BANKERS.—Lloyds Bank, Limited.

Correspondents in all important places at
Home and Abroad.

The Bank buys, sells and receives for collection Drafts and
Telegraphic Transfers; issues Commercial and Travellers'
Letters of Credit available in all important parts of the
world, and acts as Trustee for Mortgage Bonds, besides
doing general Banking Business.

LONDON OFFICE:

67, BISHOPSGATE, E.C.2.

J. MATSUSHIMA, Manager.

Cable Address: "Oksumitban, London."

ALEXANDERS DISCOUNT CO.

LIMITED,

24 Lombard Street, E.C.3.

Capital Authorised	-	£1,250,000
Capital Subscribed	-	1,100,000
Paid up	-	600,000
Reserve Fund	-	400,000

DIRECTORS.

COLIN FREDERICK CAMPBELL, Chairman.

ROBERT ERNEST ALEXANDER.

GEORGE CLEVERLY ALEXANDER.

SIR AUSTIN EDWARD HARRIS, K.B.E.

Manager—F. NEWCOMB.

Sub-Manager—E. D. SPRING RICE.

Secretary—A. K. BRUCE.

Approved Mercantile Bills discounted. Loans
granted on negotiable securities. Money received
on deposit at call and short notices at current market
rates, as advertised from time to time in the daily
papers. For longer periods on specially agreed terms.

The Company deals in British Treasury Bills
of any maturity.

LONDON & BRAZILIAN BANK, LIMITED.

ESTABLISHED 1862.

Capital Subscribed	-	-	£3,000,000
Capital Paid up	-	-	1,500,000
Reserve Fund	-	-	1,500,000

Head Office:

7, Tokenhouse Yard, London, E.C.2.
MANCHESTER—(Agency) 36, Charlotte Street

BANKING BUSINESS OF EVERY
DESCRIPTION TRANSACTED IN

BRAZIL, ARGENTINA,
URUGUAY, PORTUGAL.

CONTINENTAL TRADE FACILITIES.

PARIS BRANCH—5, Rue Scribe.

AMERICAN TRADE FACILITIES.

NEW YORK—(Agency) 66, Wall Street.

The Bank issues **TRADE REPORTS** embracing business
Conditions and Opportunities for Expansion of Trade.
There are also extensive Files of **INFORMATION AND
STATISTICS** at the disposal of Clients.

FOREIGN EXCHANGE DEPARTMENT.

Cable Transfers and Drafts bought and sold on Brazil, River Plate,
Portugal and U.S.A.; also on all principal European Cities.

Currency Accounts and Forward Contracts
a special feature.

THE EASTERN BANK LIMITED.

Head Office:

4 CROSBY SQ., LONDON, E.C. 3.

Authorised Capital	...	£2,000,000
Paid-up Capital	...	£1,000,000
Reserve Fund	...	£320,000
Reserve Liability of Shareholders		£1,000,000

BOARD OF DIRECTORS.

Chairman.

J. S. HASKELL, Esq.

Deputy Chairman.

Sir JAMES LEIGH-WOOD, K.B.E., C.B., C.M.G.

J. H. BATTY, Esq. EMILE FRANQUI, Esq.

G. BROMLEY-MARTIN, Esq. MEYER SASSOON, Esq.

Sir PERCY WILSON NEWSON, Bart., M.P.

Branches—

BOMBAY, CALCUTTA, MADRAS, COLOMBO,
BAGDAD, BASRA, BAHREIN, AMARA,
HILLAH, MOSUL, KARACHI.

The Bank issues Drafts, Telegraphic Transfers and
Letters of Credit, negotiates and collects Bills of
Exchange, and transacts Banking and Agency
Business in connection with the East.

Deposits are received for one year and for
shorter periods at rates which can be ascertained
on application. On current accounts interest
is allowed at 2 per cent. per annum on the
minimum monthly balances.

F. H. SUTTON, Manager

Telegraphic Address: "Compdebary, Amsterdam."

Handel-Maatschappij
H. Albert de Bary & Co.
AMSTERDAM

Merchant Bankers

Capital Fl.6,000,000

(FULLY PAID)

BANCO DE CHILE

94 GRACECHURCH STREET, E.C.

PAID-UP CAPITAL	-	-	-	\$100,000,000	Chilian Dollars
RESERVE FUND	-	-	-	58,000,000	
RESERVE LIABILITY OF SHAREHOLDERS	-	-	-	100,000,000	
RESERVE FUND IN GOLD OF 18d	-	-	-	13,333,333	
				= \$1,000,000	

Head Offices—SANTIAGO & VALPARAISO.

BRANCHES.

Santiago (Estacion), Santiago (Matadero),
Santiago (San Pablo), Santiago (Bella Vista),
Santiago (Bandera), Valparaiso (Almendral),
Ancud, Antofagasta, Arica, Chillan, Concepcion,
Copiapó, Coquimbo, Curicó, Illapel, Iquique, La
Calera, Lebu, Ligua, Linares, Los Andes, Los
Angeles, Mulchen, Nueva Imperial, Osorno,
Ovalle, Puerto Montt, Quillota, Rancagua, Rengo,
Rio Bueno, San Antonio, San Carlos, San
Fernando, San Felipe, San Javier, Santa Cruz,
Serena, Tacna, Talca, Talcahuano, Taltal,
Temuco, Tomé, Tocopilla, Traiguén, Valdivia,
Vallenar, Vicuña, Vina del Mar.

The London Agency transacts every class of
Banking business with Chile. Current Accounts
also opened and Deposits received.

DAVID BURNS, Manager.

FINLANDS BANK

HELSINGFORS.

The only Bank authorized to issue
Bank Notes in Finland.

ESTABLISHED 1811.

Governor: AUGUST RAMSAY.

Managing Directors:

K. BASILIER, ERNST GRÅSTEN,
LAURI af HEURLIN, HARRY BROMS.

CAPITAL Fmk.156,000,100

Branches at: Björneborg, Joensuu,
Jyväskylä, Kotka, Kuopio, St. Michel,
Sordavala, Tammerfors, Tavastehus,
Uleåborg, Wasa, Wiborg, and Åbo.

THE BANK OF ADELAIDE

(Established 1865).

Paid-up Capital	-	-	-	£875,000
Reserve Fund	-	-	-	720,000
				1,595,000
Reserve Liability of Shareholders				875,000
				£2,470,000

Head Office—Adelaide, South Australia.

MELBOURNE OFFICE—267 COLLINS STREET.

SYDNEY OFFICE—105 PITT STREET.

PERTH OFFICE—SURREY CHAMBERS,

ST. GEORGE'S TERRACE.

LONDON OFFICE—11 LEADENHALL ST., E.C.3.

Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued and Remit-
tances cabled.

Deposits received for fixed periods at rates to be ascertained
on application, and every other description of banking and
exchange business transacted.

THE WESTERN AUSTRALIAN BANK.

(Established 1841.)

SUBSCRIBED CAPITAL	...	...	...	£378,000
PAID-UP CAPITAL	...	...	...	£347,790
RESERVE FUND	...	...	...	£710,238
RESERVED PROFITS	...	...	...	£27,948
RESERVE LIABILITY OF SHAREHOLDERS	...	...	...	£378,000

Drafts issued, Remittances cabled, Bills negotiated or collected, Deposits
received for fixed periods at rates to be ascertained on application, and all
Banking and Exchange Business connected with Western Australia conducted
through the

London Agents:

THE BANK OF ADELAIDE, 11 Leadenhall Street, London, E.C.3

STOCKHOLMS INTECKNINGS GARANTI AKTIEBOLAG

STOCKHOLM

ESTABLISHED 1869.

Paid - up Capital
and Reserve Funds
Kr. 32,000,000

Telegraphic Address: SIGAB, STOCKHOLM

London Agents:

HAMBROS BANK, Ltd.

LAZARD BROTHERS & Co., Ltd.

All kinds of Banking Business transacted.

Letters of Credit issued.

NETHERLANDS BANK OF SOUTH AFRICA.

AUTHORISED CAPITAL - £750,000
SUBSCRIBED & PAID-UP CAPITAL - 240,000

HEAD OFFICE:

AMSTERDAM, Keizersgracht 389.

LONDON AGENCY:

2, Great Winchester-street, E.C.2.

London Manager: J. Cost-Budde.

LONDON BANKERS:

Lloyds Bank Ltd. (Capital & Counties Bank Branch)
Messrs. B. W. Blydenstein and Co.

BRANCHES IN SOUTH AFRICA:

Cape Town, Bethlehem, Bloemfontein, Brits, Bronkhorstspuit,
Dullstroom, Durban, East London, Ermelo, Hartbeestfontein,
Johannesburg, Pietersburg, Port Elizabeth, Potchefstroom,
Premier Mine, Pretoria, Witbank.

The Bank is prepared to grant Drafts and Letters of Credit, and to make
Telegraphic Transfers upon its Branches as well as upon its Agencies in Cape
Colony, Natal, Orange River Colony, and Transvaal.

Bills negotiated and collected, and every description of Banking Business
transacted in connection with South Africa.

Current Accounts kept and Deposits received for fixed periods.

The Bank acts in South Africa as Agents for the

PRETORIA HYPOTHEEK MAATSCHAPPY
(Pretoria Mortgage Company).

ESTABLISHED 1889.

Money advanced on loan on the security of landed property.

THE Commercial Banking Company of Sydney, LIMITED.

ESTABLISHED 1834.

INCORPORATED IN NEW SOUTH WALES.

Capital Paid Up £3,000,000. 0. 0
Reserve Fund £2,580,000. 0. 0
Reserve Liability of Shareholders £3,000,000. 0. 0

Drafts payable on demand and Letters of Credit on Australasia are issued by the London Branch. Bills on Australasia negotiated or collected. Remittances cabled.

London Offices:

18 BIRCHIN LANE, LOMBARD STREET, E.C.3.

F. A. SCRIVENER, Manager.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL - £3,000,000
RESERVE FUND - £3,800,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman.
COLIN FREDERICK CAMPBELL, Esq.
THOMAS CUTHBERTSON, Esq.
Sir ALFRED DENT, K.C.M.G.
Sir WILLIAM HENRY NEVILLE GOSCHEN, K.B.E.
The Right Hon. LORD GEORGE HAMILTON, G.C.S.I.
W. E. PRESTON, Chief Manager.
J. S. BRUCE, Esq.
G. MILLER, Esq.

AGENCIES AND BRANCHES.

ALOR STAR (Malay States)
AMRITSAR
BANGKOK
BATAVIA
BOMBAY
CALCUTTA
CANTON
CAWNPORE
CEBU
COLOMBO
DELHI
HAIPHONG
HANKOW
HONG KONG
ILOILO
IPOH
KARACHI
KLANG
Kobe
KUALA LUMPUR
MADRAS
MANILA
MEDAN
NEW YORK
PEKING
PENANG
PUKET
RANGOON
SAIGON
SAMARANG
SEREMBAN
SHANGHAI
SINGAPORE
SOERABAYA
TAIPEING (F.M.S.)
TAVOY
TIENTSIN
YOKOHAMA
ZAMBOANGA (Philippine Islands)

BANKERS.

THE BANK OF ENGLAND.
THE LONDON JOINT CITY AND MIDLAND BANK, LIMITED.
THE WESTMINSTER BANK, LIMITED.
THE NATIONAL PROVINCIAL AND UNION BANK OF ENGLAND, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

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£846,665 0 0
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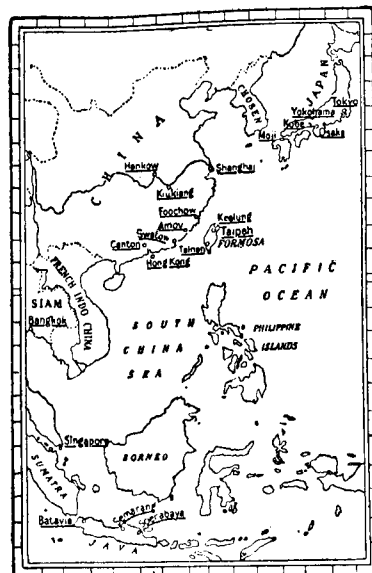
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WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 12, 1923.	(c) Week ended Oct. 13, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 41 Weeks 1923	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,745	262,000	347,000	609,000	1,115,000	14,235,000	25,385,000	48,324,000	50,832,000
London & North-Eastern	6,702	408,000	707,000	1,115,000	1,864,000	29,677,000	48,324,000	50,832,000	50,832,000
Do same period 1922	6,657	490,000	749,000	1,239,000	2,041,000	30,415,000	50,832,000	50,832,000	50,832,000
London, Mid., & Scottish	6,963	581,000	884,000	1,465,000	2,660,000	36,675,000	53,276,000	53,276,000	53,276,000
Southern.....	2,127	308,000	123,000	431,000	1,399,000	4,748,000	18,747,000	18,747,000	18,747,000
Metropolitan (c).....	79	31,916	3,981	35,897	1,318,091	150,127	9,327,935	1,468,218	1,468,218
Underground E.R. (c).....	..	..	..	232,175	..	..	151,675	1,658,432	1,658,432
Lon. & Sub. Group (c).....	..	..	..	38,902	..	..	168,303	274,485	274,485
Belfast & Co. Down (b).....	80	4,676	1,417	6,093	224,288	50,197	398,480	1,012,676	1,012,676
Dublin and S.-East. (b).....	160	6,884	3,976	10,860	259,854	138,626	..	..	..
Midland Gt. West. (b).....	538	11,412	12,747	24,159	418,853	593,823	..	..	..

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
Assam Bengal	24 weeks	Sept. 15	1,072	Rs. 2,64,000	Rs. 18,119	Rs. 55,21,414	+ 1,33,873
Barsi Lt. Ry.	25 weeks	22	118	15,700	2,500	8,12,500	+ 59,400
Bengal & N. Western	25 weeks	22	2,062	4,54,100	1,81,095	1,50,05,589	+ 7,60,248
Bengal Nagpur	24 weeks	15	2,738	13,29,000	50,000	3,40,89,692	+ 6,25,285
Bombay, Bar. & C.I.	24 weeks	Oct. 13	2,994	21,13,000	2,96,000	5,71,25,000	+ 16,07,000
Burma.....	24 weeks	Sept. 15	1,342	6,21,789	22,434	1,54,79,699	+ 201,410
Delhi, Umballa & Kalka	26 weeks	30	239	1,09,285	71,932	25,92,061	+ 803,000
East Indian.....	28 weeks	Oct. 13	2,856	37,77,000	4,87,000	8,55,01,000	+ 2,01,410
G. Indian Peninsula	28 weeks	13	3,164	23,35,400	1,34,100	6,75,22,215	+ 41,37,590
Madras & S. Mahr.	25 weeks	22	3,029	12,95,000	24,536	3,60,97,855	+ 1,82,829
Rohilk'd & Kumaon	24 weeks	15	259	41,058	2,042	12,94,726	+ 1,64,072
Do Lucknow-Breilly	24 weeks	15	314	49,556	13,721	15,47,354	+ 1,64,180
South Indian.....	25 weeks	22	1,877	9,11,981	13,226	2,45,68,118	+ 7,49,652

CANADIAN.

Canadian National ..	40 weeks	Oct. 7	22,680	5,566,728	80,433	187,124,956	17,256,315
Canadian Pacific	41 weeks	14	13,539	5,193,000	46,000	140,234,000	5,431,000

ARGENTINE (a).

Argentine N.E.	15 weeks	Oct. 13	752	11,500	2,200	168,200	17,200
Argentine Trans.	15 weeks	13	..	4,018	978	54,732	26,072
S. A. and Pacific.....	15 weeks	13	3,317	142,000	7,000	1,967,000	33,000
S. A. Gt. Southern.....	15 weeks	13	3,948	158,000	5,000	2,370,000	196,000
g. Western.....	15 weeks	13	1,822	44,000	4,000	650,000	159,000
Central Argentine ..	15 weeks	13	1,822	80,000	1,000	1,114,000	18,000
Cordoba Central.....	15 weeks	13	3,305	28,000	3,000	257,000	26,000
Entre Rios	15 weeks	13	1,205	211,000	35,000	3,036,000	244,000
San Carlos	15 weeks	13	1,205	53,000	3,000	946,100	26,400
San Carlos	15 weeks	13	729	20,500	2,200	264,600	17,600

BRAZILIAN (b).

Gt. West. of Brazil..	41 weeks	Oct. 13	1,005	10,300	2,600	375,700	131,700
Leopoldina	41 weeks	13	1,831	27,568	7,256	1,063,712	130,760
San Paulo	41 weeks	14	1,534	31,260	3,157	1,216,161	74,784

CHILEAN.

Antofagasta	41 weeks	Oct. 14	838	32,270	3,515	1,429,680	536,296
Nitrato (4-monthly)	41 weeks	15	366	19,149	7,910	618,983	286,523

CUBAN.

Havana Central	15 weeks	Oct. 13	..	11,947	2,325	173,470	32,166
United of Havana....	15 weeks	13	1,210	51,350	11,181	871,206	159,671

URUGUAYAN.

Central Uruguay....	15 weeks	Oct. 13	273	24,165	769	310,241	1,431
C. Urug. (East Ext.) ..	15 weeks	13	311	4,368	134	60,759	313
C. Urug. (North Ext.) ..	15 weeks	13	185	2,573	89	35,038	2,585
C. Urug. (West Ext.) ..	15 weeks	13	211	2,323	212	28,923	1,470

OTHER OVERSEAS.

Alcoy and Gandia ..	41 weeks	Oct. 13	33	15,000	1,000	837,800	60,850
Egyptian Delta	26 weeks	Sept. 30	575	9,330	1,290	126,166	22,791
Gt. Southern of Spain	40 weeks	Oct. 6	104	119,329	41,126	3,668,673	482,458
Mexican Railway	15 weeks	14	432	243,300	46,300	3,558,600	361,900
New Cape Central....	38 weeks	Sept. 23	805	2,137	731	98,591	1,407
Paraguay Central....	15 weeks	Oct. 13	274	3,970	2,340	59,210	42,280
Salvador.....	15 weeks	13	100	1,870	400	35,670	5,910

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name,	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	41 weeks	Oct. 14	329	£85,594	4,653	3,433,737	11,839
Burnley Corporation ..	1 week	13	12	£3,147	219	..	..
Calcutta Tramways....	41 weeks	13	359	Rs. 33,074	26,475	..	+ 156,428
Chatham & District....	41 weeks	11	15	£1,575	100	64,775	3,851
Egyptian Markets ...	41 weeks	11	..	£1,875	62	74,710	5,531
Glasgow Corporation ..	19 weeks	13	106	£46,631	+ 1,699	840,352	+ 25,317
Tramways	10 days	10	..	..	..	1,133	231
Ile of Thanet	41 weeks	9	39	£2,881	214	117,348	7,389
Lancashire United ..	28 weeks	13	124	£28,450	1,072	782,356	52,715
Liverpool Corpora...	28 weeks	17	163	£84,721	10,641	2,467,891	206,378
L.C.C. Tramways	41 weeks	15	..	Rs 53,447	+ 6,110	10,02,671	+ 72,629
Madras Elect. (2 wks)	41 weeks	14	..	£3,608	422	149,706	131
Pernambuco Trams...							

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(Continued from page 610.)

statement. I am sorry it gives you that impression. It is true it is intended to redress the balance as to the emphasis placed on various angles of the problem, but most of all it is intended as a constructive suggestion for an agreement which will benefit all parties and create the atmosphere for bringing the United States into the settlement.—Your obedient servant,
October 17th, 1923.

ALPHA.

THE TRANSFER OF MONEY WITHIN THE EMPIRE

TO THE EDITOR OF THE ECONOMIST.

SIR,—The Imperial Conferences have shown that Australia and New Zealand keenly desire improved and extended trade with the United Kingdom, and the attitude of the British Government shows the latter to be more than anxious to assist by every way politically possible the development of Dominion trade and the solution of Empire trade problems. Of these, one of the most important is the question of the present cost and condition of the London-Australasian exchanges.

It is an axiom that a country pays for its imports by its exports; invisible imports or exports, such as loans raised on the one hand, and interest on same on the other, and services, requiring also to be taken into account. But imports and exports do not necessarily take place at the same time, and before 1914, gold, and the facility of its shipment from one country to another, maintained the equilibrium. Hence the value of the Australasian £ and the £ in London could vary only by the cost of shipping the gold. That basis is gone, and it may be assumed that the Dominions cannot at present return to a gold standard. To do so, moreover, and before the United Kingdom does so, would prevent the parity of exchange being maintained.

Compare the position of Australia in 1922 with 1914:—

	Banks' Deposit Liabilities.	Reserves Held by Banks.		Percentage of Reserve to Liabilities.	
		Notes.	Gold.	Notes.	Gold.
1914..	159,209,287	5,036,516	36,410,000	3.1	22.9
1922..	246,575,000	30,049,000	22,070,000	12.2	8.9

Since 1914, therefore, bank deposit reserves have been created on a paper basis. It is presumed that the Commonwealth Government holds the balance of the gold against its note issue.

Notes cost no more than the cost of the paper and printing, but the banks thus got the needful legal tender, borrowers obtained advances, prices advanced, and wages increased as at home. The largely increased purchasing power of the Australian public led to largely increased imports, culminating in the extraordinary position towards the end of 1920 and beginning of 1921, when the Associated Banks ran so short of money in London that they could not finance all the imports purchased under their own letters of credit, whilst the premium on money in London rose to £5 and £6 per cent.

The violent post-war oscillations in Australasian trade have resulted in the accumulation of large balances, either in London or in the Dominions alternately, without any apparent ability on the part of the banks to move them freely in either direction. These lamentable—one might also term them—"breakdowns," are, according to the statements made at the banks' annual meetings, due entirely to the war having destroyed old arrangements, and consequently to the absence of any free movement in gold. On the other hand, it has been suggested that these post-war evils are due to the monopoly which the ring of Australasian banks has established, which enables them to make their own tariff in normal times, which in times of difficulty accentuates the result of violent trade oscillations to the profit of the banks as shown in 1920-21.

Assuming that the late and present difficulties are caused entirely by the admitted inability to ship gold, are the banks not morally bound in the interests of Empire trade and its prospective development to suggest an alternative—a remedy? One, at any rate, is down on the agenda of the Economic Conference now sitting: the scheme of Empire currency bills of which a prominent London banker, Mr J. F. Darling, is the protagonist. Starting apparently with the idea of an enlargement of the British Treasury bill, the present scheme, so fully and lucidly explained this week in the Press, represents the culmination of Mr Darling's idea for the establishment of a financial co-partnership between the great Dominions and Great Britain.

London is, and will remain, the financial centre of the Empire, and its clearing house. But both Australia and New Zealand can borrow to-day in the London market on fairly long-dated securities at approximately the same rate as Great Britain, viz., at or about 5 per cent. per annum. It should, however, be noted that last week the Victorian Treasurer stated that, "The rates of exchange between Australia and London were so high that, beyond borrowing to meet London obligations, English money was too costly to use for construction in Victoria." On British Treasury bills for three months, Great Britain borrows at present at (say) 3 per cent. per annum, and during the past year the average rate has been less. The Dominions have no bill market and Empire currency bills (for three months also) would seem to hold out a great financial advantage to Australia and New Zealand. Certainly, they would provide the remedy which the Australasian banks seem to require (as well as an interest-bearing secondary basis for credit), and it is to be sincerely hoped that the Economic Conference will fully explore the possibility of their adoption.

In the event of the Economic Conference finding itself unable to adopt, or obtain the adoption of, the Empire currency bill scheme, the position will, I suggest, require the gravest consideration. In a very able article in the *Economist* of August 5, 1922, it was stated, when referring to the 1921 difficulties, "the Australasian banks.....did, in fact, refuse to remit money to this country; and had the balance of trade not turned once more in favour of Australia, they must have either raised their rates for London money or continued to this day refusing to remit."

As previously stated, the rate for Australian money in London, where available at all, rose to £5 per cent. and £6 per cent.

It is a very notable fact that in Melbourne, Sydney, Adelaide, &c., almost alone amongst the great cities of the world, there is no open market for bills of exchange on London. There must be some reason for this. The explanation which the English inquirer always receives from Australian merchants is that the Australian banks strongly discountenance the purchase and sales of bills of exchange, except through their own officers. Outside transactions of a kind which, in other markets, are perfectly normal, and regarded as absolutely necessary, seem to be regarded in Australia as piratical, and if they occur the offender suffers for it. I am not able to say whether this is a true account or not, but the indisputable fact is that the Australian banks have secured for themselves a monopoly of exchange business, that the system has of late worked exceedingly badly, and that many merchants think that if free trade in bills of exchange were made effective, the present breakdown would very soon disappear.

Under present conditions, it would appear that there are no limits—other than limits imposed at their discretion by the combine of the Associated Banks—to the rates which Australasian importers may have to pay for remitting money to London, or which exporters may have deducted from the value of their produce when remitted from London to Australia and New Zealand—except one. That one is the competition of City firms in London and small exchange brokers in the Dominions who do banking business in telegraphic transfers.

In spite of the hope expressed in the same issue of the *Economist* referred to, that "they" (the Australasian banks) "will in future move their exchange rates freely and openly as economic conditions indicate," the banks' T.T. rate of 25s per cent. outwards, and 5s per cent. from the Dominions home has remained untouched from November, 1922 to the present.

But such business as the City merchants have been able to do has been done at much lower than the banks' rate. For part, at least, of 1923, the merchants' rate was 12s 6d per cent. to Australia and 5s and 7s 6d to New Zealand. To-day, as against the banks' "official" T.T. rate of 5s per cent. as a charge on money home from Australia and New Zealand, these merchants are offering a premium of 15s per cent. in New Zealand and over 20s in Australia.

The New Zealand Government, at least, must be aware of the position, as Mr Massey is reported as stating in the New Zealand House of Representatives on July 27th this year that he had been successful in obtaining a premium of 10s per cent. on the remittance home of £500,000—a profit of £2,500 instead of an "official" charge of £1,250.

If the facts are, as I believe them to be, correctly stated in this reply, how is this state of affairs to be remedied? The Empire currency bills scheme would certainly seem to provide the proper remedy both for normal times and times of difficulty.

Failing its adoption, there would appear to be but one alternative; it may be "half a loaf," but present conditions are inexcusable, and a handicap to trade. That alternative is:—

(a) Let the Commonwealth Government definitely arrange that the Commonwealth Bank of Australia shall fulfil its proper and original function, and allow perfect freedom for exchange operations in any part of Australia to any customer who likes to open an account with it.

(b) Let the New Zealand Government—regardless of its holding in the Bank of New Zealand, insist on the Bank of New Zealand allowing perfect freedom likewise throughout New Zealand.

(c) Let both, through these banks in London, give proper facilities for the purchase and sale of Australasian exchange in London.

However it is to be achieved, it is important that proper financial arrangements should be made to facilitate not only present Empire trade, but that increase of trade which Mr Bruce and Mr Massey are here to seek and to promote.—Yours, &c.,

J. A. COOPER (Deputy-Chairman, B.A.W.R.A.).
October 18th, 1923, London, E.C.

TO THE EDITOR OF THE ECONOMIST.

SIR,—From the primary producers' point of view the most interesting question to be discussed at the forthcoming Imperial Economic Conference will be how to reduce the cost of transferring money from London to the Union.

Since we were forced to abandon the gold standard the exchange has been against exporters, at various times assuming serious proportions, and with our export trade steadily increasing it will be for some years a source of worry and expense to the mining and agricultural industries.

Three years ago I urged the Select Committee of the House of Assembly to adopt the Egyptian system and secure the stability of the exchange by utilising Imperial Treasury Bills in lieu of gold.

The proposal was rejected mainly on the ground that the outlook for sterling was too uncertain, and also that it might lead to increased cost of living.

The latter argument was largely based on quotations from the *Economist*, which at one time ascribed the rise in the price of cotton and the increased cost of living in Egypt to its new method of financing the export trade.

The Egyptian Government and banks, on the other hand, were confident that the advance in prices was not caused by the change, and I see from the latest tables published by the League of Nations that the cost of living in Egypt is considerably less than in Britain or America.

It may be that the *Economist* of to-day holds different views from the *Economist* of 1914.

The primary producers of Egypt have benefited from the stabilisation of the exchange, and the low cost of realising their products in the world's markets, and I believe the satisfactory financial position of Egypt is largely due to the revenue which she derives from holding Treasury Bills and bonds in lieu of gold.

I cannot see what Egypt would gain if London went on a free market in gold to-morrow, by reverting to the old cumbersome and expensive method of settling her differences by shipping gold backwards and forwards from London to Alexandria.

Is there any reason why Egypt should not continue indefinitely the present satisfactory method of financing her export trade? It seems to me that the position of the Union and Australia is on all fours with Egypt: in each case international transactions are settled in London, and there is therefore no need for them to hold gold reserves.

A big proportion of our business is done by cable transfer, and Treasury Bills are a great help in carrying out such transactions. On the other hand, settling differences by gold shipments means heavy charges in the shape of interest, insurance, and freight. These in themselves are sufficient to make the spread between the gold points of serious importance.

By the proposed method the cost of trading within the Empire is reduced; in practice works smoothly, is not revolutionary, but merely an extension of modern banking methods, can be put in operation without delay, and has not the political objections which are obvious in Mr Darling's empire currency proposals. No Government, for instance, will readily forgo its sovereign right to inflate.

If the revenue derived from the Treasury Bills and bonds were devoted to making our revenue and expenditure balance, it would favourably affect South Africa's credit, just as the utilisation of revenue from a similar source enhanced the credit of India.

I think the *Economist's* views on the above method of financing the export trade of the Dominions, particularly as regards South Africa, would be much appreciated by its primary producers.—Yours faithfully,

D. C. GREIG.

75 Stock Exchange buildings, Johannesburg,
September 19th, 1923.

AUSTRALIAN WHEAT PRODUCTION AND BRITISH IMPORTS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—You have shown that the annual wheat imports of the United Kingdom from sources within the Empire, which for the pre-war years 1904-1914 averaged 47,800,000 cwts, fell during the war period 1915-1918 to 35,900,000 cwts, showing a decrease in the average import of about 25 per cent., at a time when we were most in need of overseas supplies. But it was no new experience for us to have to depend upon supplies of wheat from foreign countries in times of emergency. Lord Macaulay, in February, 1842, being then a member of the House of Commons, in supporting Mr Villiers' motion for the repeal of the Corn Laws, said, "As to war interrupting our supplies, a striking instance of the fallacy of that assumption was furnished in 1810, when all Europe was against us. In that year there were 1,600,000 quarters of corn imported, *one-half of which came from France itself.*"

Moreover, Australia is so subject to severe droughts, that she has on several occasions within the last generation been unable to send any supplies of wheat to Great Britain. Her average export to us during the period 1909 to 1913 was 12,400,000 cwts, which fell during the years 1914 to 1918 to 6,600,000 cwts. India is also unreliable from climatic causes, and even Canada, though to a much less extent, has occasionally very disappointing harvests. If we wish to remain secure from the fear of famine, we must still encourage wheat-growers all over the world to supply our open market.—Your obedient servant,

H. JAMES ROBINSON.

Isleworth, October 15th, 1923.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London, E.C.3.

This Bank is in close touch with leading Bankers in all parts of the world, and provides facilities for the financing of every description of Overseas business.

Traders interested in the Foreign Markets are invited to correspond with

THE FOREIGN MANAGER.

Foreign Branch: 168, Fenchurch Street, E.C.3.

STOCK EXCHANGE NEWS. SETTLING DAYS.

TICKET. October 30.	ACCOUNT. October 31.
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The outstanding feature of the week is the coolness of the public reception accorded to the Nigeria 4 per cent. issue at 88, the public subscribing only 8 per cent., and the underwriters being left with the balance of the stock. This came as an unexpected climax to the recent very successful offerings of stock from other colonies and big borrowers. The price went back to 1¼ discount. Other gilt-edged stocks were not greatly affected by this. It is known, however, that several other substantial lines of stock are coming to market in the course of the next week or so, and the Union of South Africa is again here. The *Daily Mail* issue of £8,000,000 7 per cent. debentures at 99 aroused lively interest, and there was an eager demand for underwriting; the commission is 1½ per cent.

The Government's proposals for expenditure in connection with unemployment relief led to a somewhat dull tone in the gilt-edged stocks, already disposed to ease off a little from the recent best in consequence of the expected emission of a big India Government loan. Prices are well maintained, however, in view of the high levels which they have reached. A number of corporation and county stocks are better on the week.

The latest developments in the Ruhr district are disturbing the foreign market, though without affecting prices to any

noticeable extent. French bonds are as volatile as ever. Several Argentine loans advanced by reason of the welcome recovery in the Buenos Aires exchange. Japanese bonds have further rallied. Turkish Unified went back because of the delay that has arisen in connection with the reported mission that is to discuss Turkish finance with European bondholders.

Undergrounds are the centre of attraction amongst Home Railway stocks, and several substantial advances occurred. Reorganisation of the capital of the Underground Railways Company of London is put forward as the mainspring of the buying which has lifted prices of the company's stocks. Great Westerns and North-Westerns, after a spurt, reacted to some extent. American bonds are better because of the rise in the value of the dollar. Argentine Railway stocks, after being heavy and inert, recovered on the advance in the exchange already mentioned in connection with Argentine Government bonds. Brazilians are steady.

Rubber shares, as a whole, are dull, the raw produce losing fractions of a penny day by day. Anglo-Dutch eased off on the dividend of 9 per cent. being below expectation. Rubber Trusts, however, are a bright exception, the shares spurring in response to the news that the company has sold some 3,400 acres of its Sumatra estates to the United Serdang Company. Oil shares went ahead on the contango account showing an increase in the bear position, and the better tone received assistance from American news to the effect that prices of various oils had risen in the States. About 25 different shares in the iron, coal, steel, engineering and roadmaking group gained small amounts, on publication of the Government's unemployment scheme, it being expected that part of the money will find its way into the industries connected with these undertakings. Vickers have been a feature of strength. Shipping shares are being quietly absorbed by people in the North, who maintain that the trade outlook is gradually clearing. The tea share market threw off its recent weakness, and various leading shares show material recoveries. Motor shares are quiet: the Dunlop report, accompanied possibly by that of the Committee of Inspection, is expected to be made public about the end of next month. The activity in hotel shares is not so apparent as it was last week, and textiles have fallen upon quiet days. Nor do tobacco shares show the resilience to which their supporters have been accustomed for so long a time in this market. The electric lighting group is better on the whole, and gas stocks are firmer. Insurance shares are decidedly strong, the increase in the Royal Exchange interim dividend attracting renewed attention to this market. Amongst banking shares the changes are insignificant, though a few of the foreign shares are rallying after their recent heaviness. Nitrates have hesitated; the Salar del Carmen's interim dividend of 5 per cent. did not come up to optimistic hopes.

The Kafir market shows occasional sparks of life, and prices are mounting by degrees under the influence of a little support from the Cape, and also from home purchasers. The latter are buying shares to put away, more especially those upon which good dividends are likely to be declared. In Rhodesians a temporary rise to 14s bid in Chartered aroused mild attention, and Eileen Alannahs, with one or two of the other speculative counters, went ahead for a time on professional support. Huronian Belts were introduced to the Mining market without, however, attracting much public notice. Russians are a little better, and a number of the tin mining shares secured moderate gains in consequence of the price of the metal showing a hard tendency at a pound or two over £200 per ton. In copper, Rio Tintos continue dull on the recent dividend announcement.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ ..	226,901,987 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED OCT. 13, 1923.				
April 1, 1923, to Oct. 13, 1923,	£15,950,000 ..	1,000,000 ..	1,000,000 ..	
To Shareholders only—				
Forster's Glass, £100,000 7½%				
First Mort. Deb. Stock (red. at par, 1927 37), issued at par	100,000 ..	100,000 ..	10,000 ..	90,000
Rushden and District Electric Supply, 10,000 £1 shares at 22s 6d ..	10,000 ..	11,250 ..	1,250 ..	10,000
Sungel Krian Rubber, 9,000 New Ord. Shares, £1, at 50s per share ..	9,000 ..	13,500 ..	2,250 ..	11,250
Total offered to shareholders only ..		124,750 ..	13,500 ..	111,250
Total offered for subscription to date in—				
1923 ..	£228,026,737			£273,675,650
1922 ..	519,139,749			388,978,403
1921 ..	220,901,754			367,549,656
1920 ..	320,716,753			1,036,059,951
1919 ..	941,555,400			1,393,381,441
1918 ..	1,113,673,585			1,318,596,010
1917 ..	1,143,020,302			585,436,853
Total offered for subscription for whole year—				
1923 ..				
1922 ..				
1921 ..				
1920 ..				
1919 ..				
1918 ..				
1917 ..				

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

The Daily Mail Trust, Limited.—Share capital £2,500,000 in ordinary shares of £1 each, of which 2,000,000 are issued, with 2s paid up. The loan capital consists of £8,000,000 7 per cent. guaranteed mortgage debenture stock. This is an offer for sale of the debenture stock at £99 per cent. It is repayable at 107 (except in certain cases where it has been fixed at 110) by a cumulative sinking fund of 2 per cent. per annum, the first payment to be made in 1924 and the last in 1947. The company, however, reserves the right to redeem the stock on giving two months' notice. The Daily Mail Trust was established as recently as 1922, and owns 800,000 deferred shares in a newspaper company. We are told that the market value of those shares is £5,600,000. In addition to this, the Trust is about to purchase shares in another company for £6,000,000. Incidentally, we are informed that the Trust holds other newspaper and allied investments recently acquired for £200,000. This £8,000,000 of Daily Mail Trust debenture stock is secured (a) by a first charge on these, (b) by a guarantee of two newspaper companies—namely the Daily Mirror Newspapers, Limited, and Sunday Pictorial Newspapers (1920), Limited, and (c) upon the uncalled capital of the Daily Mail Trust. Profits are at present on a scale sufficiently generous to pay interest and other charges. It is fairly obvious, however, that if these publications did encounter a period of unpopularity that assets might not be so valuable. According to one statement, we learn that "the securities upon which the debenture stock is charged, together with the net assets of the guaranteeing companies," represent a value of £14,600,000. Instead of giving a general statement of this description, we would suggest that it would have been better from the investors' standpoint if these first mortgage debentures had been definitely secured upon the actual property and plant of the allied or subsidiary concerns, and if full details of the value of such property and plant were given. We have never been inclined to view favourably the "offer for sale" method of approaching the public, and this particular offer does not alter our view. This issue is the sequel to the recent big newspaper deal which excited considerable interest. In the ordinary way a newspaper debenture is not a very attractive security for a conservative investor, and though in this particular case the words "guaranteed" and "mortgage" appear, it would be unwise to overlook the fact that the rate of interest and terms arranged with the purchaser of the stock betoken a degree of risk. The value of the uncalled capital as security we would point out depends upon the financial status of the holders—and this is an unknown factor.

Rembau Jelei Rubber, Limited.—Share capital £400,000 in shares of £1 each. This is an issue of 350,000 shares, of which 231,000 will be allotted to the vendors and 125,000 are now offered at par. This company has been formed primarily to acquire eight rubber estates situated in Negri Sembilan, F.M.S. The properties cover a total area of about 7,648 acres, of which approximately 5,873 acres are planted with rubber. A planting expert values the estates at £539,468 on the basis of seven years' purchase with rubber at 15s 3d per lb and unrestricted outputs, after deducting all expenditure to be incurred during that period both on capital and revenue account. The purchase price is £300,000, of which £69,000 is payable in cash and the balance in shares. This is equivalent to £51 per planted acre. A little information about the past financial history of the various estates might have been of assistance to the reader of the prospectus, especially as the future is dealt with up to 1929, when a yield on issued capital is estimated at 18.30 per cent.

South American Gold Areas, Limited.—Authorised capital £200,000, divided into shares of £1 each, of which 65,000 shares have been issued at par for cash and 100,000 have been issued credited as fully-paid. The company was formed in August, 1921, to acquire freehold gold-bearing properties in Brazil. The company in September, 1921, entered into an agreement for the purchase of this property for £100,000 in fully-paid shares and £11,050 in cash. These and other details are published in the Press to comply with Stock Exchange rules, in connection with an application for permission to deal in 65,000 of the issued shares.

Haslemere and District Gas Company.—This is an offer for sale by tender of £5,000 capital, consisting of 1,000 6 per cent. redeemable preference shares of £5 each, the minimum price of issue being par. The issue is to be redeemed at par on March 31, 1930. The authorised capital of the company is £38,435, and, including the present offer, all has been issued. The authorised loan capital is £12,812, of which £6,612 remains to be borrowed. Net revenue for the year ended June 30, 1923, amounted to £3,626. Interest on loan capital

absorbs £310, leaving a balance of £3,316. As the dividend on preference shares will only amount to £900 per annum, a wide margin of security is available. A good share, but one which will have a very narrow market.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price	Last	Week.	Rise or
				Fall.
War 4½%, 1925-28	95½	95	+	+
Loans 5%, 1925-45	99½	99	+	+
Loans 5%, 1925-47	102½	102	+	+
Loans 4½%, 1925-42	101½	101	+	+
Funding Loan 4½%	91	90	+	+
Victory Bonds 4½%	92½	92	+	+
Conversion Loan 3½%	78½	78	+	+
Consols 2½%	58½	58	+	+
Irish Land Stock 2½%	60½	60	+	+
Local Loans 3%	68	67½	+	+

Banks.				
	Price	Last	Week.	Rise or
				Fall.
Barclays B (£1, f.p.d.)	2½	2½	+	+
Chartered Bk of India	194	193½	+	+
Lloyds (£5 with £1	3	3	+	+
London Joint City &	3	3	+	+
Midland (£12 with	8½	8½	+	+
Nat. Bank of Egypt	23	22½	+	+

Colonial and Foreign Railways.				
	Price	Last	Week.	Rise or
				Fall.
Antofagasta Cons	88½	87½	+	+
B.A. and Pacific	78	78½	+	+
B.A. Gt. Southern	83½	85	+	+
Buenos Ayres West	76½	77	+	+
Canadian Pacific	159½	158	+	+
Central Argentine	69½	70½	+	+

Foreign Government Securities.				
	Price	Last	Week.	Rise or
				Fall.
Argentine 5%, 1886-7	99	99	+	+
Austrian 6% Guar.	63½	63½	+	+
Belgian 3%	67	68	+	+
Brazil 5%, 1914	71	71	+	+
Chilian 4%, 1895	92	92	+	+
Do 7½%	105½	105½	+	+
Chinese 5%, 1912	66½	67	+	+
Egyptian 4%	73	73	+	+
French 5%	27½	27½	+	+
Do 4%	22½	22½	+	+

Telegraphs.				
	Price	Last	Week.	Rise or
				Fall.
Anglo-American "A"	23	23	+	+
Marconi Wireless	2½	2½	+	+

British Railways.				
	Price	Last	Week.	Rise or
				Fall.
Great Western, Ord.	111½	111½	+	+
Do Def.	87	87	+	+
Lond. & North-Eastern	87½	87	+	+
5% Def. Ord.	33½	33½	+	+
Do Def. Ord.	33½	33½	+	+
Lond., Mid., and	106½	106½	+	+
Scottish, Ord.	77½	79½	+	+
Metropolitan District	54½	57½	+	+

American Railroads.				
	Price	Last	Week.	Rise or
				Fall.
Chesapeake & Ohio	72	72	+	+
Erie	15	15	+	+
Do 4% 1st Pref.	24	24	+	+

Miscellaneous.				
	Price	Last	Week.	Rise or
				Fall.
Aerated Bread (£1) ..	1½	1½	+	+
Amal. Cottons (£1) ..	2½	2½	+	+
Anglo-Persian Oil (£1) ..	27½	28	+	+
Armstrong (Sir W.G.) ..	2½	2½	+	+
and Co. (£1) ..	2½	2½	+	+
Ass. Portland Cement (£1) ..	1½	1½	+	+
Barker, John (£1) ..	2½	2½	+	+
Bham Small Arms (£1) ..	47	46½	+	+
British-American ..	5½	5½	+	+
Tobacco (£1) ..	4½	4½	+	+
Burmah Oil (£1) ..	3½	3½	+	+
Coats (J. and P.) (£1) ..	3½	3½	+	+
Courtaulds (£1) ..	3½	3½	+	+
Cunard (£1) ..	1	1	+	+
Dorman, Long (£1) ..	1	1	+	+
Dunlop Rubber (£1) ..	1	1	+	+
Fine Cotton Spinners ..	28	28	+	+
Forestal Land (£1) ..	1½	1½	+	+
Furness, Withy (£1) ..	1½	1½	+	+
Highlands and Low ..	1½	1½	+	+
lands Rubber (£1) ..	1½	1½	+	+
Hudson's Bay (£1) ..	5½	5½	+	+

Mines.				
	Price	Last	Week.	Rise or
				Fall.
Brakpan (£1) ..	3½	3½	+	+
Broken Hill Prop. (B) ..	1½	1½	+	+
Chartered (£1) ..	1½	1½	+	+
Cons. Gold Fields (£1) ..	1½	1½	+	+
Crown Mines (10) ..	2½	2½	+	+
De Beers Def. (£2½) ..	12½	12½	+	+
East Rand Prop. (£1) ..	1½	1½	+	+
Geduld (£1) ..	3½	3½	+	+
Gov. Gold Areas £1 ..	5½	6½	+	+

OIL OUTPUTS.

UNITED BRITISH OILFIELD OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, October 10, 1923, amounted to 1,497 tons.

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

COMPANY MEETINGS, &c.

THE ROYAL BANK OF IRELAND, LIMITED.

STEADY PROGRESS AND RECORD PROFITS.

The eighty-seventh annual general meeting of the Royal Bank of Ireland, Limited, was held on September 28th, at Foster place, Dublin, Mr M. Barrington Jellett, J.P. (chairman of the company), presiding.

The Chairman said: Before proceeding with the business of the meeting, I think I am voicing the wish of all present when I ask you to send a resolution of sympathy to the widow and family of our late secretary and old friend, Mr Colville Jones. His life, I may say, was spent in your service (over 60 years), and it requires no words of mine to recall his worth and devotion to your interests. His charm and personality are sorely missed. I am sure that the shareholders will like to join in the vote of sympathy which will be moved by one of them before we separate.

We meet here to-day when the conditions prevailing in the country are much brighter than at our last meeting, and though the outlook is still clouded, your directors retain their confidence in the future of the commercial prosperity of the country.

The report has been in the hands of the shareholders for the past few days, and no doubt you are all familiar with the results it discloses, so I assume that we may take it as read.

RECORD PROFITS.

It is a great pleasure to the board to be able to put before you such a satisfactory report, which shows steady progress, the profits constituting a record, and this is particularly satisfactory, as we are still passing through troublesome times, happily, however, showing signs of material improvement.

The shareholders will, I feel sure, appreciate the wisdom of the continuation of your directors' policy in setting aside out of the year's profits the substantial sum of £43,000 to strengthen the existing reserves of the bank. This policy is a sound one, and very necessary if we are to continue to progress.

EXTENSION OF ACTIVITIES.

As already pointed out in the report, the board have been able to extend the activities of the bank by acquiring, on advantageous terms, 20 branches from the Belfast Banking Company, which are situated in the Free State area, many of them in important towns, such as Navan, Drogheda, Dundalk, Castleblayney, Ballybay, Monaghan, Sligo, Ballyshannon, Donegal, and Letterkenny.

For the past few years we have been extending our business with your full approval by opening new branches, and you will all realise the advantage to the bank of this purchase, as the branches we acquired have all established business attached to them.

During the negotiations we had the benefit of the services and advice of Messrs. Price, Waterhouse and Co., the very eminent firm of chartered accountants in London, the investigations being under the personal supervision of Sir Gilbert Garnsey, one of the senior partners of that firm.

I cannot do better than to read a paragraph out of their report made to us, which is as follows:—

"We may perhaps add that, taking all the circumstances into consideration, in our opinion the arrangement which you have made with this bank may be considered eminently satisfactory, and made with this bank may be expected to accrue to you as the result of the acquisition should add materially to the strength and prestige of your bank, and at the same time largely increase its earning capacity."

I would like to add that, from beginning to end, the negotiations were carried through with the greatest goodwill on both sides, and were of the pleasantest nature.

THE BALANCE-SHEET.

Turning to the balance-sheet, you will see that the figures are much larger than they were a year ago, the increase being accounted for by the expansion of business and the merging of the newly-acquired branches with the Royal Bank.

The only item that calls for special comment is the amount set out opposite bank premises. This figure has been substantially increased, but when it is borne in mind that, in addition to the purchase of the 20 branches already referred to, there were new branches opened at Phibsboro', Bray, and Naas, the figure is a very moderate one, as all the properties of the bank are value for a very large sum in excess of this amount.

We have had a strenuous year, and I ask you to join with the directors in thanking our staff for their loyalty, keenness and attention to your interests. We have made considerable progress

in the last few years, and no effort will be spared to further develop the business of the bank, and steadily improve the property of the shareholders.

One word more: we must not let the meeting close without turning our sincere thanks to the staff of the 20 branches recently taken over by us, for the manner and despatch with which they have carried out the transfer of the business.

I should like them to know that we realise the anxious and trying times they have gone through, and that you thoroughly appreciate their service and the goodwill and co-operation shown.

The Chairman then moved the adoption of the report, which was carried.

RAPHAEL TUCK AND SONS, LIMITED.

SATISFACTORY RESULTS OF THE YEAR.

The annual meeting of Raphael Tuck and Sons, Limited, was held, on the 17th inst., at Winchester House, London. Sir Adolph Tuck, Bart., the chairman and managing director, presided.

The Chairman, in moving the adoption of the report and accounts, said he ventured to claim that it spoke well for the inherent strength and popularity of the business of the company that, in spite of the serious falling off in the general trade of the world brought about by the insecure conditions which prevailed for so many months, they had emerged from the year's trading with a balance-sheet which under all the circumstances could not but be considered as fairly satisfactory. In the meantime the company's unique position in the art world had not merely been maintained, but further strengthened by the production of a wealth of novelties in every department of the business at a time when less well-placed publishing houses had found it necessary considerably to curtail their activities. In particular did the board take pride in the fact that the department which had been the leading one for the past 50 years and more still continued in the forefront, giving clear evidence of the solidity of its foundations. He referred to the Christmas, New Year, birthday, and general greeting card department, which had carried the name of Raphael Tuck to the four quarters of the globe, and which, despite all the difficulties referred to, more than maintained its record. The book and calendar departments, which came next in importance, had never been in a better condition.

POSTCARD POSTAGE COMPETITION.

The company's great postcard postage competition had duly run its course during the greater part of the year, and attracted an amount of attention on the part of the trade and the public which fully justified the labour and expenditure involved. The real object of the competition, to keep picture postcards and the cheaper postage question well to the front, had proved entirely successful. He was satisfied from the tacit promises made by no less than four Postmasters-General who had held that much-discussed office during the eight months covered by the competition that the next Budget would see the entire question of postage revised, and the penny postage on letters and the halfpenny postage on all postcards revised. The full benefit of the company's competition would then become apparent. The Queen's doll's house postcards formed another unique and highly promising series which they were producing by arrangement with the authorities of the British Empire Exhibition, and for which a very large demand was anticipated. He took that opportunity of predicting that that marvellous doll's house, with its beautifully furnished rooms and considerably over 1,000 individual articles, would prove one of the great attractions of the exhibition, which opens its doors in May next, and from which the board promised themselves gratifying results. They had been fortunate enough to secure a unique site in the British Empire Exhibition which would enable them to make a specially effective display of the art service which the company gave to the world. The directors recommended the payment of a final dividend on the ordinary shares for the six months to the end of April, 1923, at the rate of 12 per cent. per annum, making with the interim dividend paid a dividend of 10 per cent. for the year. He trusted that the twenty-second annual report of the directors would prove satisfactory to the shareholders, and had much pleasure in moving its adoption and the declaration of the dividend recommended.

Sir A. Conan Doyle, in seconding the motion, said there was no doubt that the company would see even greater prosperity in the future than had been the case with them in the past.

The resolution was carried unanimously.

BOOKS AND CALENDARS.

Mr Gustave Tuck, in proposing the re-election of Sir Arthur Conan Doyle and Mr Desmond A. Tuck, said that the sales of their books and calendars were increasing, and he had no hesitation whatever in saying that Raphael Tuck's children's books occupied a foremost place in children's literature. Their various

libraries amounted to about 400 volumes. Many of these had to be reprinted regularly, a fair proof of their popularity. The "Raphael House Library," which was at once unique and unrivalled and had established itself as a collection of children's classics, now comprised 32 beautiful volumes. The last two books, "The Heroes, or Greek Fairy Tales," by Charles Kingsley, and "Tales of the Alhambra," by Washington Irving, were proving a great success.

In conclusion, he wished to take that opportunity to record their great appreciation of the splendid work of their staff, which never stood higher in efficiency than at the present time, and with whose continued assistance they hoped to maintain the position occupied by their company, to the satisfaction of the trade, the public, and last, but not least, of all their shareholders, for many years to come.

The resolution was seconded and unanimously agreed to.

The proceedings terminated with a cordial vote of thanks to the chairman, directors, and staff.

HARRISONS AND CROSFIELD, LIMITED.

IMPROVED POSITION.

At the fifteenth ordinary general meeting of Harrisons and Crosfield, Limited, held on the 17th instant, Mr C. Heath Clark, the chairman, reviewing the balance-sheet, said:—

The view I have expressed at the last two general meetings, that any revival in the rubber industry would do away with the depreciation in our investment values as compared with their cost to the company, has been justified, and at the present time the market value of the investments is in excess of the total at which they stand in the books.

Three years ago, before the period of depression set in, the profits carried forward amounted to £37,873, and you will therefore appreciate that, if the present proposals are carried out, the company's reserves will have been strengthened to the extent of nearly £30,000.

The business has come through three years of unprecedented difficulty, one of the after results of the Great War, but we have been able throughout to pay to both classes of our preference shareholders the full dividend to which they are entitled; our reserves have not only been kept intact, but have been strengthened, and I believe our balance-sheet is to-day in as clean and sound a condition as at any time in the history of the company.

THE TEA INDUSTRY.

Since our last meeting the tea industry has continued in a very prosperous condition. Prices have been well maintained throughout the year, and although they have eased a little at times, they have, on the whole, shown a strong tendency to rise.

The stocks of tea which had accumulated, not only in this country, but also in America and other places, largely on account of the disturbances caused by the war, have now practically disappeared, and the current consumption will have to be met from current production.

The production during the present year will be considerably greater than it was last year, and it will probably amount to from 750 million lbs to 800 million lbs, against 681 million lbs produced last year. The attractive prices that have been ruling during the year have no doubt contributed to this increase.

It seems likely, therefore, that during the present year there will be a moderate excess of production, and that the stocks under bond in the United Kingdom at the middle of next year will be greater than they were at the corresponding period this year. It remains to be seen what effect will be produced upon the market by such surplus during the coming months, but I regard the present and future prospects as being very satisfactory from the producers' point of view.

THE RUBBER INDUSTRY.

The rubber industry has greatly improved its position during the past year. The absorption during the current year will amount to nearly 400,000 tons, of which the United States will account for nearly 285,000 tons, and the rest of the world about 115,000 tons—the production for the same period amounting to about 360,000 tons.

The outlook for the plantation industry is now, I think, favourable. So long as the Stevenson Scheme is in operation the price of rubber will, in my opinion, fluctuate between 1s 3d and 1s 6d per lb. Taking into account the upward trend of consumption, it cannot fall below 1s 3d for any prolonged period. The supply of rubber is, under the restriction scheme, automatically regulated to conform with the world's requirements, and the scheme will also automatically cease to operate, with little disturbance to the industry, whenever the world can absorb the full unrestricted production.

The report was adopted unanimously, and dividends of 10 per cent. on the deferred ordinary and management shares were declared.

ASSAM RAILWAYS AND TRADING COMPANY, LIMITED.

"B" STOCK DIVIDEND RESUMED.

The forty-third ordinary general meeting of the Assam Railways and Trading Company, Limited, was held, on the 17th inst., at Winchester House, Old Broad Street, London, Mr George Turner, M.E. (chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the accounts showed some improvement, and they were able to resume the payment of dividend on the "B" stock. He desired to emphasise the point. Their railway, as compared with the bigger systems of India, was a short metre-gauge line, but it was one of the most fully equipped, and carried a heavy traffic for a line of its character. His estimate of some years ago that the railway earnings would increase by 5 or 6 per cent. per annum had been borne out, and increase was likely to go on for some time. They had not anticipated such heavy working costs, but hoped to get expenses down to a better proportion of the receipts; the very greatest attention was being given to all costs.

With regard to the collieries, a much better balance was shown than in the preceding year, both the quantity sold and the receipts showing satisfactory increase; in the near future they hoped to show considerable improvement on the expenditure side. As to the development of their new collieries, the railways to the mine entrances should be nearly completed during the present cold weather, and mine development had commenced. Opening out coal mines was a matter of some years, but they would be able to get an early production from a big outcrop of the seam. This year unexpected labour trouble at the mines had caused a good deal of extra expense, and reduced the output. They had practically reconstituted the labour force, however, and it was hoped that the original estimate might hold good to a considerable extent.

With regard to their new timber concessions, the creosoting plant had been completed, and sleepers and other timber were being treated. The veneer plant was at work, though only in its experimental stages, but they hoped to have tea-chests on the market for next season. The earnings in the year under review were £116,734, and they proposed a 3 per cent. dividend on the "B" stock, carrying forward £1,955.

Mr Sydney S. Hawkins said the new areas of coal lay farther back into the hills than the old areas, and so to a great extent were more un-get-at-able, entailing considerable distances of underground drivings and borings before coal was actually reached. Consequently, for probably four or five years increase of the colliery output would be limited. They had decided to open four new collieries, including one where they would start on the outcrops, as mentioned by the chairman.

The report and accounts were unanimously adopted, and a dividend of 3 per cent. on the "B" stock was declared.

GOODE, DURRANT, AND CO., LIMITED.

SUCCESSFUL RESULTS, DESPITE DIFFICULT CONDITIONS.

The twenty-fifth ordinary general meeting of Goode, Durrant and Co., Limited, was held, on the 19th inst., at the registered office of the company, No. 27 Milton Street, London, E.C., Mr J. Albion Williams, chairman of the company, presiding.

The notice convening the meeting and the auditors' report having been read,

The Chairman, in moving the adoption of the directors' report and the audited balance-sheet, stated that, although the conditions of trading in Australia were distinctly difficult during the last half of the year under review, the final result was one upon which the directors were able to look with considerable satisfaction, and fully justified the confidence he had expressed a year ago with regard to the company's prospects.

CREDIT BALANCE.

It would be noted that after paying all the expenses, including the discount of the issue of £200,000 6½ per cent. 20-year notes in November last—and the shareholders would remember that this issue was very quickly over-subscribed—there still remained a balance to the credit of the profit and loss account of £56,755 19s 7d.

Mr J. C. Gait seconded the proposition, and it was unanimously resolved: "That dividends at the rates of 7 per cent. per annum on the preference shares and 10 per cent. per annum on the ordinary shares, including the interim dividends paid in April last, be declared and paid; that the sum of £20,000 be placed to the credit of the general reserve fund, making the

THE DIVIDENDS.

The Chairman proposed, Mr J. C. Gait seconded, and it was unanimously resolved: "That dividends at the rates of 7 per cent. per annum on the preference shares and 10 per cent. per annum on the ordinary shares, including the interim dividends paid in April last, be declared and paid; that the sum of £20,000 be placed to the credit of the general reserve fund, making the

total reserves £240,000, and that the balance of profit amounting to £5,933 4s 6d be carried forward to next year."

FORMAL BUSINESS AND VOTES OF THANKS.

Mr A. T. Wreford proposed, and Mr W. S. Ross seconded, the resolution of the retiring directors, Mr James Albion Williams and Mr William E. Pennick. They were thanked for their past services, and unanimously re-elected.

On the motion of Mr J. C. Gait, seconded by Mr A. C. Emms, the auditors, Messrs Newman Ogle, Ashworth and Co., were re-appointed for the ensuing year.

Hearty votes of thanks to the chairman, the staffs in London and the various branches concluded the proceedings.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Oct. 13, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	14	14
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13
4½% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,095	2,095	2,095
National War Bonds	649	1,509	1,476	1,413	1,201	971	953	924	924
4% Funding Loan	409	409	409	405	401	401	400	400	400
4% Victory Bonds	368	357	348	335	335	325	325	325	325
5½% Conversion Loan	..	..	..	..	266	690	684	683	683
5½% Treasury Bonds	..	..	..	..	23	24	24	24	24
5% Treasury Bonds	..	..	..	..	381	166	165	165	165
Do by tender 5%	..	..	..	..	40	40	40	40	40
Do by tender 4½%	..	..	..	..	8	69	70	70	70
Treasury Bills	15	261	1,107	1,107	1,121	878	719	616	636
Exchequer Bonds	20	392	323	319	289	185	150	150	150
Natnl. Savings Certs.	138	267	274	285	342	350	354	370	370
War Expend. Certs.	23	..	..	..	..	..	..	..	..
Other Debt	944	1,306	1,181	1,132	1,087	1,071	1,157	1,150	1,150
American Loan	51	51	51	51	..	..	..	..	..
Temporary Advances	1	204	243	205	154	147	194	180	180
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,757
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,826

* Figures adjusted in accordance with Finance Accounts, 1922-23.

POSITION OF THE FLOATING DEBT.

	Oct. 14, '22.	Mar. 31, '23.	Oct. 13, '23.
Temporary Advances	9,000,000..	180,897,500..	180,511,500..
Advances by Bank of England	180,064,500..	193,897,500..	180,511,500..
Advances by Public Deposits	733,295,000..	616,045,000..	635,535,000..
Treasury Bills outstanding	922,359,500..	809,942,500..	816,046,500..
Total Floating Debt	922,359,500..	809,942,500..	816,046,500..

* Includes £20,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.			
				Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.
1922.							
Mar. 29	300,351	14,255	5,000	28,500	19,450	15.9	261,479
June 28	295,374	13,338	6,000	28,500	19,650	16.3	254,312
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,456
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,922
1923.							
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,595
Oct. 11	283,599	12,090	7,000	27,000	22,450	17.4	239,102
Oct. 18	282,145	12,084	7,000	27,000	22,450	17.5	237,643

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - - - Fmk. 252,000,000
Deposits and Cheque Accounts (30/6/23) - - - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

TREASURY BILLS AND BONDS BY PUBLIC TENDER.
Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Oct. 22-Oct. 27 were opened on Oct. 19, 1923, and the total amount applied for was £51,135,000. For bills at three months, dated Monday to Friday, at £99 4s 8d, about 91 per cent., above in full; Saturday, at £99 4s 10d, about 91 per cent. above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Sept. 7, 1923.	40,000,000	54,090,000	£ s d	£ s d
Sept. 14	35,000,000	55,520,000	3 5 5-9	nil
Sept. 21	45,000,000	60,140,000	2 19 11-2	nil
Sept. 28	45,000,000	86,895,000	3 4 5-9	nil
Oct. 5	35,000,000	61,220,000	3 1 4-25	nil
Oct. 12	35,000,000	61,565,000	3 1 5-61	nil
Oct. 19	35,000,000	51,135,000	3 0 7-85	nil

Tenders will be received on Oct. 26, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from April 1, 1923, to Oct. 13, 1923.	Total Receipts into the Exchequer from April 1, 1922, to Oct. 14, 1922.	Week Ended Oct. 13, 1923.	Week Ended Oct. 14, 1922.
BALANCES IN EXCHEQUER ON 1st April:—					
Bank of England	..	5,442,665	9,963,424	..	..
Bank of Ireland	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs	116,900,000	67,895,000	67,710,000	2,324,000	3,029,000
Excise	143,850,000	71,622,000	80,436,000	1,329,300	1,576,000
Motor Vehicle Duties	13,250,000	3,928,000	3,172,000	144,000	178,000
Stamp, &c., Duties	52,000,000	27,950,000	33,481,000	660,000	760,000
Stamps	20,000,000	9,302,000	850,000	750,000	..
Land Tax, House Duty	3,000,000	520,000	570,000	..	..
Property & Income Tax	261,000,000	113,237,000	150,772,000	3,123,000	..
Super-Tax	58,000,000	21,490,000	150,772,000	500,000	3,271,000
Excess Profits Duties, &c.	12,000,000	954,000	..	..	..
Corporation Profits Tax	20,000,000	11,270,000	9,047,000	520,000	450,000
Post Office	52,600,000	26,100,000	28,000,000	500,000	500,000
Crown Lands	900,000	460,000	380,000	..	..
Interest on Sundry Loans	12,500,000	8,299,172	6,133,343	..	..
Miscellaneous	12,500,000	7,773,173	17,222,323	143,441	226
Ordinary Receipts	40,000,000	20,942,509	28,359,099	..	2,038,128
Special Receipts	..	..	..	..	..
Revenue	818,500,000	391,816,834	435,598,765	10,093,441	12,552,354
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	..	65,000	800,000	..	..
Under the Unemployment Insurance Acts, 1921	..	4,480,000	2,650,000	170,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	..	3,370,000	3,360,000	..	..
Under the Housing Act, 1919	..	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	..	1,553,300	..	1,553,300
(b) Under the Unemployment Insurance Acts, 1921	..	270,000	2,510,000	..	..
(c) For other Issues:—					
By Treasury Bills	1,333,101,000	1,628,235,000	47,600,000	61,928,000	..
By National Savings Certificates	34,650,000	39,168,000	1,600,000	1,120,000	..
By Exchequer and National War Bonds	..	20	..	..	..
By Treasury Bonds—					
5-15 year, 1925-35	..	..	..	..	..
5-15 year, 1925-35	..	61,543,782	..	..	..
5-15 year, 1925-35	..	..	..	..	..
4-1/2%, 1932	..	52,648,508	..	..	..
4-1/2%, 1931-33	29,202,627	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	..	11,869	..	..	..
(d) Ways and Means Advances	503,955,000	519,514,000	8,900,000	8,450,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	50,081	243,012	..	..	..
Repayments:—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	186,598	183,435	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	162,425	..	..	..
Total	2,307,983,327	2,767,170,606	68,363,441	85,603,654	

	Estimate for the Year 1923-24. (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from April 1, 1923, to Oct. 13, 1923.	Total Issues out of the Exchequer to meet Payments from April 1, 1922, to Oct. 14, 1922.	Week Ended Oct. 13, 1923.	Week Ended Oct. 14, 1922.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	310,000,000	179,330,534	181,300,360	1,555,827	2,020,081
Sinking Fund	40,000,000	20,424,965	..	537,416	..
Road Fund	12,650,000	3,028,044	2,444,999	..	110,000
Payments to Local Taxation Authorities, &c.	10,348,000	4,458,012	2,853,797	300,000	250,000
Payments to Northern Ireland Exchequer	3,000,000	1,866,791	1,096,042	..	300,000
Land Settlement	1,500,000	358,611	598,895	12,711	25,439
Other Consolidated Fund Services	2,972,000	1,290,840	1,209,480	..	..
Supply Services	440,665,000	197,543,676	215,301,823	6,270,000	7,072,875
Expenditure	821,035,000	408,301,463	406,705,402	8,675,964	9,778,395

	Total Receipts into the Exchequer from April 1, 1923, to Oct. 13, 1923.	Total Receipts into the Exchequer from April 1, 1922, to Oct. 14, 1922.	Week Ended Oct. 13, 1923.	Week Ended Oct. 14, 1922.
OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	36,891	84,909
Under the Unemployment Insurance Acts, 1921	270,000	3,310,000	..	250,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922	3,620,000	3,360,000	250,000	..
Under the Housing Act, 1919	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904	..	1,553,300	1,553,300	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed..	4,010,000	2,110,000	..	..
Redemption of Debt—				
Treasury Bills	1,313,595,000	1,777,054,000	41,865,000	57,910,000
Principal of National Savings Certificates	18,700,000	14,550,000	600,000	1,100,000
Principal of Exchequer Bonds paid off	..	19,612,208	..	..
Principal of National War Bonds paid off	31,886,910	42,284,182	..	1,750,000
Other Debt under the War Loan Acts, 1914 to 1919	6,981,184	11,255,348	..	..
Ways and Means Advances Repaid	517,341,000	477,751,000	16,750,000	13,435,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.	50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..
BALANCES IN EXCHEQUER—	2,304,901,664	2,764,690,926	68,177,845	85,861,604
Bank of England	2,110,735	1,905,834	+ 57,596	+ 179,590
Bank of Ireland	970,328	573,846	+ 128,000	+ 78,000
Total	3,081,663	2,479,680	+ 185,596	+ 257,590

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, October 15, 1923.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, October 17, 1923.

ISSUE DEPARTMENT.

	£	£
Notes issued	145,592,480	Government debt 11,015,100
		Other securities..... 8,734,900
		Gold coin and bullion 125,842,480
	145,592,480	
		145,592,480

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities	41,608,506
Rest	3,087,097	Other securities	71,730,675
Public deposits*	15,792,186	Notes	22,229,760
Other deposits	103,959,043	Gold and silver coin..	1,828,226
Seven-day & other bills	5,841		
	137,397,167		137,397,167

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

	Amount Oct. 17, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£	£	£
Public deposits	15,792,186	+ 7,996	+ 46,490
Other deposits	103,959,043	+ 2,290,791	+ 3,574,283
Government securities	41,608,506	+ 951,948	+ 5,208,160
Other securities	71,730,675	+ 379,672	+ 4,449,394
Reserve	24,057,986	+ 546,558	+ 2,894,471
Note circulation	123,362,720	+ 546,410	+ 1,673,190
Coin and bullion	127,670,706	+ 148	+ 235,252
% of reserve to liabilities	20%	+ 1/2%	+ 1/2%

Date.	Coin and Bullion.	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.	£	£	£	£	%
Sept. 12	127,648,292	124,090,785	117,205,336	23,507,507	19 1/2
19	127,648,696	123,383,615	116,843,998	24,016,018	19 1/2
26	127,658,268	123,002,140	116,938,856	24,006,128	19 1/2
Oct. 3	127,659,536	120,265,975	115,918,999	22,696,086	18 1/2
10	127,670,558	123,909,130	118,412,386	23,511,428	19 1/2
17	127,670,706	123,362,720	119,751,229	24,067,986	20

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.	£	£	£	£
January 1 to September 12 ..	22,605,051	1,092,303	1,981,215	25,678,569
September 19 ..	538,293	25,487	51,312	615,092
October 26 ..	530,384	25,001	48,136	603,521
3 ..	699,332	30,723	52,192	782,247
10 ..	607,006	30,986	63,623	701,615
17 ..	585,227	30,208	56,295	671,730
Total to date 1923 ..	25,565,293	1,234,708	2,252,773	29,052,774
Do 1922 ..	26,601,714	1,267,272	2,258,754	30,127,740
Increase or decrease in 1923 ..	= 3.9 %	= 2.6 %	= 0.2 %	= 3.5 %
Total for year 1922 ..	32,780,635	1,092,303	2,806,165	37,161,199
Total for year 1921 ..	30,268,214	1,121,720	3,002,179	34,392,113
Increase or decrease in 1922 ..	+ 2,512,421	= 2.6 %	= 6.5 %	+ 2,230,902

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to October 13.	£	£	%
BIRMINGHAM	89,332,500	92,471,800	+ 3,139,300 3.5
Bristol	55,615,000	47,543,000	- 8,072,000 14.5
DUBLIN	252,187,400	244,070,400	- 8,117,000 3.2
HULL	44,433,900	43,486,300	- 947,600 2.1
LEEDS	43,386,600	41,172,000	- 2,214,600 5.1
LEICESTER	32,472,400	30,638,600	- 1,833,800 5.6
LIVERPOOL	339,368,200	351,794,800	+ 12,426,600 3.6
MANCHESTER	613,344,900	594,536,300	- 18,808,600 3.0
NEWCASTLE-ON-TYNE	75,378,600	81,901,800	+ 6,523,200 8.6
NOTTINGHAM	26,843,600	25,035,600	- 1,808,000 6.7
SHEFFIELD	38,108,300	46,280,900	+ 8,172,600 21.4

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the *Economist* of August 11; Egypt in September 18; Canada in September 22; Japan in September 29; Portugal and Denmark in October 6; Greece and Lithuania in October 13.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Oct. 12, 1923.	Oct. 5, 1923.	Sept. 28, 1923.	Oct. 13, 1922.
RESOURCES.				
Total gold reserve	3,122,390	3,115,830	3,116,600	3,089,980
Legal tender notes and silver reserve	71,530	72,160	76,090	120,040
Bills discounted for member banks	869,020	881,660	862,010	524,790
Bills bought in open market	182,410	172,900	172,120	246,620
Government obligations owned	91,880	95,140	91,890	474,560
All other resources	68,700	68,320	68,770	63,480
LIABILITIES.				
Government deposits	20,150	30,070	56,280	12,460
Other deposits	1,885,600	1,906,170	1,873,790	1,909,770
Federal Reserve Notes in actual circulation	2,288,580	2,274,310	2,247,830	2,320,120
F.R.B. Notes in actual circulation	480	490	400	42,720
All other liabilities	22,320	21,420	21,310	24,250
Capital and surplus	328,050	328,040	328,030	321,670
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	76-1%	75-8%	76-4%	75-7%

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).									
Assets.	Sept. 21, 1923.	Sept. 14, 1923.	Sept. 7, 1923.	Aug. 31, 1923.	Aug. 24, 1923.	Sept. 2, 1923.	Sept. 2, 1923.	Sept. 2, 1923.	Sept. 2, 1923.
Govt. securities	11,49,65	11,78,68	11,78,68	11,78,68	11,78,68	11,78,68	11,78,68	11,78,68	11,78,68
Other securities	1,30,81	1,30,81	1,30,77	1,30,77	1,30,77	1,30,77	1,30,77	1,30,77	1,30,77
Loans	14,97,80	15,74,90	16,24,05	16,21,39	16,23,86	16,23,86	16,23,86	16,23,86	16,23,86
Cash credits	30,51,99	31,04,91	31,22,05	30,77,70	30,25,03	30,25,03	30,25,03	30,25,03	30,25,03
Inland bills	4,06,36	4,16,12	4,34,82	4,18,60	4,51,14	4,51,14	4,51,14	4,51,14	4,51,14
Foreign bills	23,34	29,71	26,54	24,41	26,07	26,07	26,07	26,07	26,07
Dead stock	2,43,11	2,43,08	2,42,20	2,42,06	2,41,83	2,41,83	2,41,83	2,41,83	2,41,83
Sundries	38,00	38,50	38,22	39,25	25,64	25,64	25,64	25,64	25,64
With other banks	17,50	20,69	51,91	14,55	8,37	8,37	8,37	8,37	8,37
Cash	37,63,73	35,55,52	37,43,09	39,56,82	37,94,41	37,94,41	37,94,41	37,94,41	37,94,41
LIABILITIES.									
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00
Public deposits	16,39,80	20,30,29	22,06,72	23,18,91	22,86,96	22,86,96	22,86,96	22,86,96	22,86,96
Other deposits	75,89,58	72,65,80	73,01,68	72,57,11	71,18,18	71,18,18	71,18,18	71,18,18	71,18,18
Sundries	80,41	76,83	75,74	74,89	69,56	69,56	69,56	69,56	69,56
The above includes—									
Deposits in Lond'n	230	230	421	223	206	206	206	206	206
Adv'nces in Lond'n	313	310	308	308	305	305	305	305	305
Cash, &c., at other									
Banks in London	110	332	339	91	48	48	48	48	48

BANK OF FINLAND.—In F. marks (000's omitted).					
Assets.	Oct. 8, 1923.	Sept. 29, 1923.	Sept. 22, 1923.	Oct. 7, 1922.	Position May 30, 1914.
Gold	42,704	42,704	42,704	43,212	35,091
Balance abroad and foreign bills	328,500	329,947	383,116	593,406	90,379
Finland and Foreign Govern- ment securities	571,399	571,399	571,407	687,304	21,826
Discounts and loans	917,382	895,125	883,491	583,929	105,151
LIABILITIES.					
Notes in circulation	1,387,586	1,382,919	1,346,544	1,403,781	123,941
Deposits at notice	250,860	235,428	231,509	227,156	121,225

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).									
Assets.	Aug. 22, 1923.	Aug. 22, 1923.	Aug. 22, 1923.	Aug. 22, 1923.	Aug. 22, 1923.	Aug. 22, 1923.	Aug. 22, 1923.	Aug. 22, 1923.	Aug. 22, 1923.
Monetary reserves	57,316	57,316	57,316	57,316	57,316	57,316	57,316	57,316	57,316
Notes of foreign banks	785	785	785	785	785	785	785	785	785
Foreign bills	55	55	55	55	55	55	55	55	55
Credits with foreign correspondents	408,937	408,937	408,937	408,937	408,937	408,937	408,937	408,937	408,937
Note circulation	3,653,057	3,653,057	3,653,057	3,653,057	3,653,057	3,653,057	3,653,057	3,653,057	3,653,057
Loans to the State	3,745,052	3,745,052	3,745,052	3,745,052	3,745,052	3,745,052	3,745,052	3,745,052	3,745,052

3,745,052

POLISH NATIONAL BANK.—In Polish marks (000's omitted).					
Assets.	Sept. 30, 1923.	Sept. 20, 1923.	Sept. 10, 1923.	Aug. 31, 1923.	Sept. 30, 1922.
Gold.....	53,180	49,074	48,671	47,953	32,400
Silver.....	20,706	30,635	32,994	32,877	44,153
Foreign coin.....	(a)1,508	(a)2,031	(a)2,267	(a)2,250	1,002,991
Foreign bills.....	(a)27,716	(a)25,797	(a)27,511	(a)24,327	1,036,893
Advances to the Govt.....	10,265,500,000	8,745,000,000	7,585,000,000	6,473,000,000	342,500,000
Private loans & discounts.....	2,747,148,215	2,330,765,962	2,074,554,335	2,009,419,073	86,332,402
LIABILITIES.					
Notes in circulation.....	11,197,737,897	8,854,452,547	7,883,426,661	6,871,776,522	463,706,047
Deposits.....	2,277,200,903	2,498,726,383	2,298,827,278	1,727,763,993	64,310,266

(a) Gold marks.					
BANK OF LATVIA.—In lats (gold francs) (000's omitted).					
	Oct. 10, 1923.	Oct. 3, 1923.	Sept. 12, 1923.	April 11, 1923.	Nov. 22, 1922.
Assets.					
Total cash	14,663	14,200	15,739	5,464	3,085
Gold coin & bullion	15,786	15,786	15,798	14,470	12,993
Of which held abroad	2,506	2,506	3,744	1,319	
Foreign banks	60,994	61,219	60,999	42,470	24,466
Discounts and loans	28,678	27,290	23,821	14,355	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	18,197	4,005
Capital paid up	10,214	10,214	10,000	8,000	8,000
Government deposits	41,574	40,616	38,336	23,680	16,697
Other deposits	40,871	40,747	40,981	18,852	16,995

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).						
Assets.	Oct. 7, 1923.	Sept. 30, 1923.	Sept. 23, 1923.	Sept. 15, 1923.	Sept. 7, 1923.	Oct. 7, 1922.
*Liabilities of the Austro-Hungarian Bank to the Bank- ing Office	10,096,328	10,096,926	10,096,926	10,096,923	10,096,913	10,096,713
Discounts & advances Gold & silver hold'gs	1,533,374 1,079,217	1,529,047 1,060,901	1,525,406 1,061,080	1,512,143 1,060,763	1,525,111 1,060,668	1,906,249 808,161
Foreign bills and balances abroad	2,408,933	2,433,067	2,446,755	2,444,593	2,451,998	1,601,326
Other assets	378,460	444,661	431,723	469,586	486,134	689,860
LIABILITIES.						
State notes circ'n	9,162,700	9,311,378	8,813,121	8,925,099	9,081,484	10,024,989
Deposits	5,351,379	5,253,783	5,755,544	5,665,832	5,563,143	2,901,008
Other liabilities	983,433	999,444	993,225	993,077	973,197	2,175,812

* Resulting from banknotes, current accounts, Exchequer bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted)

Assets.	Oct. 8, 1923.	S pt. 30, 1923.	Sept. 22, 1923.	Sept. 15, 1923.	Oct. 8, 1922.
Gold	68,799	68,800	63,078	63,078	78,286
Other coin and notes	21,587	20,957	20,321	20,980	16,696
Foreign credits	357,464	355,265	357,287	348,269	341,054
Bills	1,430,045	1,415,815	1,379,692	1,368,304	1,460,335
Govt. advances	4,570,875	4,568,677	4,568,637	4,568,637	4,567,359
LIABILITIES.					
Notes in circulation	6,000,699	5,928,550	5,839,170	5,820,101	5,236,672
State credits	373,176	373,176	373,136	373,136	332,903
Deposits	443,021	508,152	545,910	525,165	899,021

LONDON RATES.									
	Oct. 12, 1923.	Oct. 13, 1923.	Oct. 15, 1923.	Oct. 16, 1923.	Oct. 17, 1923.	Oct. 18, 1923.	Oct. 19, 1923.	Oct. 19, 1923.	Oct. 19, 1923.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—									
60 days' bankers' drafts	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
4 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
Discount (Treasury Bills)	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount—Advances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount—Advances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Short Loans.	Bank Bills.	Trade Bills.
	3 Months.	4 Months.	6 Months.
1923.			
Sept. 14	2 1/2	3 1/2	3 1/2
21	2 1/2	3 1/2	3 1/2
28	2 1/2	3 1/2	3 1/2
Oct. 5	2 1/2	3 1/2	3 1/2
12	2 1/2	3 1/2	3 1/2
19	2 1/2	3 1/2	3 1/2

OVERSEAS BANK RATES.

Amsterdam	Changed.	%	Madrid	Changed.	%
Sept. 14, 1923	11.50	7 1/2	Sept. 14, 1923	11.50	7 1/2
Sept. 15, 1923	11.50	90	Sept. 15, 1923	11.50	90
Sept. 22, 1923	11.50	54	Sept. 22, 1923	11.50	54
Sept. 4, 1920	11.50	6	Sept. 4, 1920	11.50	6
July 5, 1923	11.50	18	July 5, 1923	11.50	18
June 28, 1933	11.50	4	June 28, 1933	11.50	4
May 1, 1923	11.50	6	May 1, 1923	11.50	6
May 1, 1923	11.50	6	May 1, 1923	11.50	6
Sept. 13, 1923	11.50	9	Sept. 13, 1923	11.50	9
Sept. 12, 1923	11.50	9	Sept. 12, 1923	11.50	9
Feb. 21, 1923	11.50	4 1/2	Feb. 21, 1923	11.50	4 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	Oct. 20, 1922.	Oct. 12, 1923.	Oct. 19, 1923.
Paris	francs to £1	T.T.	60.02.07	74.70.80	75.27.32
Berlin	marks to £1	T.T.	17700-17900	20.23 mill'cts	50.60 mill'cts
Vienna	krone to £1	T.T.	31.330.000	320.325.000	315.325.000
Prague	krone to £1	T.T.	1354-1364	1514-1524	1514-1524
Warsaw	P. marks to £1	T.T.	46.000.49.000	53.500.000	45.000.000
Bucharest	lei to £1	T.T.	720-740	970-990	950-960
Budapest	forint to £1	T.T.	24.02	10.000-12.000	75.95.000
Constantinople	piastre to £1	T.T.	110	735-755	765-785
Sofia	levas to £1	T.T.	26.224	650-700	450-490
Belgrade	dinas to £1	T.T.	25.224	250-260	382-402
Amsterdam	florin to £1	T.T.	13.107	11.41.42	11.55.54
Brussels	francs to £1	T.T.	26.224	64-85-90	87-70-80
Christiania	kroner to £1	T.T.	18.169	25-05-10	29-05-10
Copenhagen	kroner to £1	T.T.	18.169	16-70-73	17-15-18
Helsingfors	P. marks to £1	T.T.	25.224	22-20-35	25-73-78
Stockholm	P. marks to £1	T.T.	25.224	1864-1884	169-169 1/2

RUBBER OUTPUTS AND DIVIDENDS.

In the table below we give the June outputs, and dividends for four complete years of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ends December 31, Except where Stated.	Outputs.			Output Month Sept., 1923.	Increase or Decrease on 1922.	Output 9 Months 1923, Except Where Otherwise Stated in Brackets.	Increase or Decrease on 1922.	Dividends paid in Past 4 Complete Years.			
	Year 1920.	Year 1921.	Year 1922.					1919. %	1920. %	1921. %	1922. %
Llaga	354,250	329,300	372,300	..	..	..	..	..	..	..	..
Anglo-Java	2,101,424	1,752,499	1,780,811	..	..	1,126,200(6)	..	10	nil	nil	..
Anglo-Malay	1,430,807	814,209	1,199,767	72,741	- 42,742	709,324	- 188,396	60	10	nil	7 1/2
Anglo-Sumatra (May 31)	1,058,736	920,074	658,184	73,000	+ 11,345	294,377(4)	+ 24,364	30(19-20)	nil(20-21)	5(21-22)	..
Ayer Kuning	943,803	812,127	858,670	56,000	- 15,000	502,000	- 165,000	10	7 1/2	10	10
Bah Lias (Oct. 31)	1,561,555	1,123,038	1,255,416	82,593	- 32,159	1,116,243(11)	- 9,938	10(19-20)	nil(20-21)	7 1/2(21-22)	..
Bajoe Kidol (Mar. 31)	1,029,608	729,467	963,945	88,308	+ 66,601	555,667(6)	+ 235,487	20(19-20)	nil(20-21)	5(21-22)	12 1/2(22-23)
Bakap (June 30)	230,300	164,080	215,600	..	..	92,000(2)	- 34,600	nil(19-20)	nil(20-21)	nil(21-22)	..
Bandar Sumatra (July 31)	614,867	523,957	414,711	59,000	+ 26,700	99,000(2)	- 34,600	15(19-20)	5(20-21)	nil(21-22)	..
Bantam (Java) (June 30)	913,616	713,192	580,343	..	..	677,600(12)	- 54,940	25(19-20)	nil(20-21)	nil(21-22)	..
Batang (Selangor) (April 30)	571,712	467,809	461,740	26,970	- 11,440	144,130(5)	- 28,733	150	5	nil	4
Batang Consolidated	390,686	296,140	303,819	28,403	+ 2,124	244,385	- 28,733	30	10	nil	5
Batu Caves	647,153	534,893	537,616	43,764	- 7,412	373,341	- 28,733	150	5	nil	4
Batu Tiga	765,100	510,500	609,767	54,500	+ 1,000	464,950	+ 38,700	30	10	nil	5
Bekoh Consolidated (June 30)	1,534,416	1,269,877	1,504,498	102,000	..	90,300(3)	..	30(19-20)	5(20-21)	5(21-22)	16 1/2
Bertam Consolidated (March 31)	342,250	277,730	326,254	..	..	277,730	..	7 1/2 p.s.	2 d p.s.	7 1/2 p.s.	4 d p.s.
Bukit Cihong	881,671	756,638	655,540	69,044	+ 11,868	192,398(3)	+ 10,570	10(19-20)	nil(20-21)	nil(21-22)	..
Bukit Kajang (June 30)	842,362	602,362	676,119	65,413	+ 14,722	350,844(6)	+ 23,482	20(19-20)	nil(20-21)	nil(21-22)	..
Bukit Mertajam (March 31)	1,636,390	1,010,164	1,055,656	..	..	408,000(6)	..	10	nil	5	3
Bukit Sembawang	1,214,645	975,540	1,153,720	..	..	459,322(7)	..	10	nil	5	20
Chersonese	653,267	504,891	503,741	31,664	- 1,409	309,194	- 67,422	20	6 1/2	12 1/2	10
Cheviot	875,814	867,033	728,000	44,400	- 31,600	465,200	- 59,289	21	5	5	5
Cicely Ordinary (March 31)	636,372	647,688	723,461	..	..	158,380(4)	..	60(19-20)	nil(20-21)	5	12 1/2
Consolidated Malay	1,070,389	842,805	903,300	53,400	- 40,400	504,550	- 166,175	37 1/2	12 1/2	nil	1 1/2 p.s.
Damansara	801,697	694,708	608,538	..	..	285,000(6)	- 121,295	32 1/2	nil	3 1/2	6
Dennistown	436,210	392,404	464,401	29,700	- 11,341	239,298	..	20	nil	5	10
Dusun Durian	1,053,163	698,008	959,420	..	..	239,298	..	12 1/2	5	7 1/2	10
Eastern Sumatra (June 30)	454,740	443,900	366,000	80,000	+ 38,600	185,000(3)	+ 62,000	1 d p.s. 19-20	nil(20-21)	nil(21-22)	..
F. M. S. Planters	933,000	900,300	907,000	63,000	- 29,000	492,000	- 295,782	25	10	7 1/2	7 1/2
General Ceylon	1,247,524	1,063,642	1,153,166	51,000	- 61,580	571,968	..	20	nil	nil	10(22-23)
Goelonda Malay	612,403	473,041	485,452	..	..	..	..	35	nil	nil	5
Golden Hope	461,424	233,446	343,759	23,757	- 27,031	231,711	- 5,693	25	nil	nil	5
Grand Central (Ceylon)	5,217,447	4,379,972	5,063,897	..	..	1,820,667(6)	..	15	2 1/2	6	10
Gula-Kalumpang	1,618,987	1,023,600	1,183,280	..	..	..	..	22 1/2	7 1/2	7 1/2	10
Harpenden	454,966	320,861	326,353	..	..	116,620(5)	..	30	nil	2 1/2	7 1/2
Highlands and Lowlands	1,533,919	1,215,779	1,171,977	92,000	- 8,200	846,951	- 38,649	45(19-20)	nil(20-21)	nil(21-22)	..
Inch Kenneth (May 31)	427,039	334,688	396,583	25,030	- 10,120	75,840(3)	- 35,620	20	nil	nil	..
Java Amalgamated	932,212	882,331	834,149	80,000	- 19,400	682,600	+ 90,710	20	nil	nil	..
Java Rubber Plantations	380,504	375,635	454,638	31,500	+ 31,500	305,800	+ 9,700	20	nil	nil	..
Jeram (March 31)	298,821	238,900	288,298	27,536	+ 2,079	306,800	+ 9,700	20	nil	nil	..
Jong-Landor (June 30)	663,960	570,879	715,920	..	..	148,643(6)	+ 4,853	15(19-20)	nil(20-21)	nil(21-22)	..
Jugra Land and Carey (Nov. 30)	2,457,721	2,058,792	2,833,770	..	..	616,714(12)	..	15(19-20)	nil(20-21)	5(21-22)	..
Kamuning (Perak) (June 30)	902,605	747,769	721,071	43,820	- 45,180	136,540	- 112,500	5(19-20)	nil(20-21)	5(21-22)	..
Kaper Para	1,022,925	851,775	848,610	..	..	328,767(6)	..	12 1/2(19-20)	nil(20-21)	4 1/2(21-22)	..
Kawie (Java) (March 31)	610,097	474,803	..	..	..	..	..	40	7 1/2	5	10
Keptigalla (March 31)	536,311	529,781	..	..	..	584,300(12)	..	20(19-20)	nil(20-21)	nil(21-22)	10(22-23)
Kepong (Malay)	693,685	662,000	685,454	52,900	- 17,750	282,000(6)	- 99,150	nil(19-20)	nil(20-21)	nil(21-22)	..
Kinta Kelas (March 31)	1,709,537	1,350,385	1,030,922	88,700	- 15,300	274,643	..	65	10	nil	10
Kuala Lumpur (June 30)	1,605,468	1,664,712	1,624,436	23,751	- 32,916	285,600(3)	- 13,400	20(19-20)	12 1/2(20-21)	6 1/2(21-22)	..
Kuala Selangor	1,120,230	1,120,230	900,710	61,510	- 20,390	335,042	- 168,644	15(19-20)	nil(20-21)	nil(21-22)	..
Labu (F.M.S.)	1,451,209	1,105,819	1,261,642	118,091	+ 6,428	582,410	- 87,920	6 1/2	25	5	16 1/2
Landron	451,209	370,000	555,688	69,500	+ 31,500	925,989	- 12,584	20	5	5	7 1/2
Langen Java (Aug. 31)	812,728	455,034	555,688	..	..	712,067(12)	..	7 1/2(19-20)	nil(20-21)	nil(21-22)	..
Langkat Sumatra	451,500	370,000	555,688	69,500	+ 31,500	329,200	+ 73,200	20	nil	nil	..
Leadbury	685,259	434,976	473,677	42,070	- 7,060	368,245	- 22,913	35	nil	nil	..
Linggi Plantation, Ord.	2,804,217	2,175,728	2,256,547	212,440	+ 15,504	1,590,654	- 76,409	25	nil	nil	7 1/2
London Asiatic	1,605,830	1,426,257	1,335,145	188,249	- 73,563	1,714,874	+ 820,386	35	nil	nil	7 1/2
Lumut (Sept. 30)	1,431,500	1,076,700	1,099,700	81,700	- 13,026	1,011,257(12)	- 429,720	12 1/2(19-20)	7 1/2(20-21)	10(21-22)	..
Malacca, Ordinary	4,122,973	3,508,340	3,515,765	275,760	+ 3,610	2,328,230	..	10	nil	nil	..
Malayalam (March 31)	1,415,500	1,076,700	1,099,700	81,700	- 13,026	3,302,833	+ 465,010	12 1/2	nil(20-21)	nil(21-22)	..
Mendari	1,415,500	1,076,700	1,099,700	81,700	- 13,026	1,003,856	+ 72,039	10	nil	nil	5(22-23)
Merlimau	1,646,237	1,143,466	1,159,308	108,100	..	590,310(7)	..	19	nil	nil	..
New Crocodile	782,070	517,290	646,110	..	..	159,430(3)	+ 19,975	17 1/2	nil	nil	5
Nordana (Johore)	743,464	510,286	690,114	52,298	- 12,623	480,176	- 64,726	10	nil	nil	..
North Hummock (March 31)	587,880	594,456	630,518	..	..	125,597(3)	..	25(19-20)	nil(20-21)	nil(21-22)	..
Padang Jawa (March 31)	303,089	264,375	252,412	22,643	- 1,027	118,916(6)	- 18,433	20(19-20)	nil(20-21)	nil(21-22)	..
Padang Jawa (March 31)	751,379	736,381	827,157	52,959	- 30,033	379,928	- 185,383	20	nil	nil	..
Panawatte	1,067,238	527,110	769,087	72,969	- 12,466	396,730	- 22,913	250	5	nil	5
Pataling	587,880	546,122	612,804	72,969	- 12,466	746,931(12)	- 22,913	10(19-20)	nil(20-21)	7 1/2(21-22)	..
Pegoh (Sept. 30)	792,782	660,607	769,830	56,640	- 19,420	925,989	- 12,584	10 1/2(19-20)	nil(20-21)	nil(21-22)	5(22-23)
Perak Rubber (March 31)	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10(19-20)	nil(20-21)	nil(21-22)	5(22-23)
Port Dickson-Lukut (March 31)	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Rangpon Para	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Rani (Travancore)	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Rubber Estates of Johore	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Rubber Estates of Krian	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Sampang Java	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Sapumalkand	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Scottish Malay	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10	nil	nil	..
Seaford	792,782	660,607	769,830	56,640	- 19,420	306,058(6)	+ 11,669	10			

Output.	Other Notes in Return.
Copper.	
Namaqua.....	243 Blister copper.
Bangrin.....	17
Bisichi.....	56
Briseis.....	35
Deebok Dredging.....	18
Ex-Lands (Nigeria).....	40
Elani.....	33
Gopeng.....	74
Gurum River.....	10
Idris Hydraulic.....	9
Kaduna Pros.....	14
Kaduna Syndicate.....	23
Kinta.....	282
Kramat Pulai.....	31
Lahat.....	40
Mongu.....	50
Naraguta.....	113
Nigerian Consolidated.....	203
Pahang Cons.....	32
Pari.....	14
Premier Hydraulic.....	172
Rambutan.....	164
Ropp.....	9
Rukuba.....	91
Siamese.....	91
South Crofty.....	48
Sungei Besi.....	48
Tekka.....	36
Tekka-Taipung.....	653
Tronoh.....	524
Yarde Kerri.....	4
Coal.	
Chinese Engineering.....	74,376
East Kent.....	4,472
Natal Navigation.....	36,296
Northern Natal.....	22,026
Tweefontein United.....	68,886
Vryheid.....	29,359
Miscellaneous.	
Crown Diamond.....	3,2583 carats, value £7,742.
Transvaal Silver.....	39,611 ozs fine silver.

BRITISH AUSTRALIAN.—Four weeks ended October 6th.—15,006 tons crude ore produced 2,500 tons lead concentrates, containing 1,512 tons lead and 65,500 ozs silver; also 2,000 tons zinc concentrates, assaying 7 per cent. lead, 8.5 ozs silver per ton, and 45 per cent. zinc. 370 tons carbonates raised. Two days' stoppage.

FALCON.—September.—Crushed 16,662 tons of ore, producing 233 short tons (2,000 lbs) of blister copper, containing 2,379 ozs of gold, 4,819 ozs of silver. Estimated value, \$24,350 (taking copper at \$56 per short ton, gold at 90s per oz, and silver at 2s 6d per oz).

NORTH BROOKS HILL.—September.—16,800 tons of crude ore were treated, producing 3,340 tons lead concentrates, averaging 64 per cent. lead, 29 ozs silver per ton, and 8 per cent. zinc; also 3,000 tons zinc concentrates, averaging 48 per cent. zinc, 6 per cent. lead, and 7 ozs silver per ton.

SAN FRANCISCO MINES OF MEXICO.—September.—Ore treated 10,345 tons. Lead concentrates produced 2,150 tons. Zinc concentrates produced 2,400 tons. Estimated net smelter return on lead, \$104,250 U.S. currency; estimated net smelter on zinc, \$46,300 U.S. currency; total net smelter return, \$150,550. Operating expenses, \$69,510; estimated operating profit, \$81,040; capital expenditure (including development), \$33,890.

SANTA GERTRUDIS.—September.—Milled, 8,289 tons; profit, \$17,994. In addition, treated 40,598 tons from the Inversiones mines, the estimated percentage of profit accruing to Inversiones Company being \$19,698, less certain development expenses amounting to \$19,957.

Reports and Notices.

The Anglo-South American Bank, Limited, has received cable advice from their New York agency to the effect that approval has been given to a Charter for the formation of the Anglo-South American Trust Company, New York. The new company will have a paid-up capital of \$1,000,000 and reserves of \$500,000. The board will consist of the following:—Mr R. J. Hose (chairman and managing director of the Anglo-South American Bank, Limited), Mr W. E. Wells (general manager of the Anglo-South American Bank, Limited), Mr W. S. Carpenter (vice-president and treasurer of Messrs E. I. Dupont de Nemours and Co., Wilmington, Delaware), Mr E. J. Cornish (president of the National Lead Company, of New York), Mr F. S. Jerome (president of the American Copper Products Company, of Elizabeth, New Jersey), and Messrs C. J. Gleason, A. Elkus, N. C. Stenning, C. Piatt, and W. H. Trachsel. It is anticipated that the new institution will commence business on November 15th next.

The address of the Second Mercantile Trust, Limited, is now 320 Gresham House, Old Broad Street, London, E.C. 2.

The address of the Mercantile Investment and General Trust Company, Limited, is now 320 Gresham House, Old Broad Street, London, E.C. 2. New telephone numbers, London Wall 3469, 3470.

At an extraordinary general meeting of the shareholders of Hall and Company, Limited, held on Wednesday, the 17th, at the Croydon Chamber of Commerce, Katharine Street, Croydon, the resolution proposed by the board increasing the authorised preference capital to £200,000 by the issue of 125,000 new 6 per cent. cumulative preference shares of £1 each, ranking *pari passu* with the existing 75,000 preference shares, was agreed to by a very large majority. The rate of interest on the existing preference shares is to be increased from 5½ per cent. to 6 per cent. as from October 1st, and the issue of the new preference shares is subject to the condition that the preference shares issued shall at no time exceed the number of ordinary shares from time to time issued.

The retirement is announced of Mr Henry Leaver, manager of the claims department of the Employers' Liability Assurance Corporation, Limited, after 41½ years' service with the corporation. As a token of their friendship and esteem, his colleagues have presented him with an old English bracket chiming clock.

We are officially informed that the old-established distillery business of John Watney, Limited, of Wandsworth, has been reorganised. The two senior partners of the firm have retired, and the business will be conducted in future by Mr Bertram Watney in conjunction with Booth's Distillery, Limited, who have acquired the controlling interest held by the retiring partners.

The address of the United States and South American Investment Trust Co., Limited, now is 320 Gresham House, Old Broad Street, London, E.C. 2.

RAILWAYS.

BUENOS AYRES AND PACIFIC.—The report for year ended June 30, 1923, just issued, shows the following comparative results:—

	Year, 1921-22.	Year, 1922-23.	Train Mile Statistics.	
	£	£	1921-22.	1922-23.
	s	s	d	s
Receipts.....	7,465,112	8,672,234	17 4½	19 0½
Expenses.....	5,318,508	5,485,808	12 4½	12 0½
Profit.....	2,146,604	3,186,426	5 0	7 0
Working percentage.....	71.24	63.26		

The ordinary stockholders receive 7 per cent., against nothing for 1921-22. The reserve funds stand at £1,814,019. The sum of £205,129 is carried forward.

CENTRAL ARGENTINE RAILWAY.—A marked improvement is shown in the working of this line for the year ended June 30, 1923. Gross receipts have risen from £9,442,503 in 1921-22 to £10,655,819 in 1922-23. Working expenses have been reduced from £7,380,951 to £7,210,763. The net receipts have risen from £2,052,611 to £3,445,056. The ordinary stockholders receive 6 per cent., as against 4 per cent., and the deferred stockholders, who received no dividend for 1921-22, are to receive 6 per cent. for 1922-23. The sum of £171,857 is carried forward, against £5,781 brought in to the accounts.

ENTRE RIOS RAILWAYS.—The report for the year ended June 30, 1923, shows that the net receipts at £321,517, increased by £142,406, or 79.57 per cent. Gross receipts were £77,723 higher, or 8.12 per cent. Working expenses were reduced by £64,743, or 8.32 per cent. The report adds that "the prospects so far for the current year are satisfactory. Revolutionary disturbances in Paraguay have ceased, and international traffic has been resumed. The early reports of the next cereal crops are good, grazing lands are in a favourable state, and the cattle industry is gradually recovering from the post-war condition of low prices and restricted demand."

SOUTH INDIAN RAILWAY COMPANY, LIMITED.—The following interesting table of gross earnings, working expenses, and net earnings of the South Indian Railway is given in the report and accounts for the year ended March 31, 1923, just issued:—

Year.	Gross Earnings.	Working Expenses.	Net Earnings.
	Amount.	Amount.	Amount.
		Percentage of Gross Earnings.	Percentage of Gross Earnings.
	Rs	Rs	Rs
1921-22.....	4,40,03,089	3,15,57,197	1,24,45,892
1922-23.....	4,88,99,408	3,44,14,688	1,44,84,720

Compared with the previous year, there was an increase of Rs. 48,96,319, or 11.13 per cent. in the gross earnings; an increase of Rs. 28,57,491, or 9.05 per cent. in the working expenses; and an increase of Rs. 20,38,828, or 16.38 per cent., in the net earnings. The dividend on the ordinary stock is maintained at 8 per cent.

UNITED RAILWAYS OF THE HAVANA & Co.—The following table shows the results for the year ended June 30, 1923, and how they compare with preceding years:—

	1921-22.	1922-23.
	£	£
Receipts.....	3,893,949	3,765,534
Expenditure.....	2,729,956	2,463,264
Surplus.....	1,163,993	1,302,270
Percentage of expenses to receipts.....	70.11	65.42
Profit per train mile.....	4s 5d	5s

The ordinary dividend is 6 per cent., as against 4 per cent. for preceding year. The reserve account amounts to £1,219,617. General renewals reserve amounts to £192,819. Fossilisation of dividends account amounts to £300,000. The insurance account stands at £80,000. The sum of £217,060 is carried forward.

INSURANCE.

OLYMPIC FIRE AND GENERAL REINSURANCE COMPANY, LIMITED.—The directors have made a call of 5s per share on the issued capital of the company, payable in two instalments of 2s 6d each, on November 1st and December 14th. At the last annual meeting reference was made to the fact that the directors were considering the question of reducing the capital of the company, with a view of writing off the preliminary expenses and other losses. This matter is still under serious consideration by the directors. Before the second instalment of the call now made is due, it is expected a meeting of the shareholders will be called for the purpose of submitting proposals for the writing down of the capital, or of considering any alternative proposals which the directors may have to submit to shareholders.

BANKS.

ANGLO-SOUTH AMERICAN BANK, LIMITED.—The report for year ended June 30, 1923, shows that the net profit, after making provision for all charges, rebate, &c., amounts to £436,256, which, together with £256,684 brought forward, makes a total of £692,940, of which £196,530 was absorbed by the interim dividend

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.	Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefce.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
Anglo-South American.....	June 30	256,684	436,256	692,940	£	330,279	10	25,000	337,661
Breweries.									
Highland Distilleries.....	Aug. 31	20,383	41,512	61,895	£	38,250	30½	2,000	23,645
William Longmore and Co.....	Sept. 30	4,225	10,082	14,307	£	7,000	20½	5,307	31,853
Electric Lighting and Power.									
Electric Supply of Victoria.....	Mar. 31	45,542	32,617	88,159	£	10,500	..	12,856	64,803
Financial, Land, & Investment.									
Argentine Southern Land.....	June 30	22,842	33,179	56,021	£	25,000	5	5,000	26,021
Cordova Land.....	Sept. 30	20,604	9,833	10,771	£	..	..	..	10,771
Port Madryn (Argentina).....	June 30	15,727	3,359	19,086	£	12,250	10	..	6,836
Hotels, Restaurants, &c.									
Carlton Hotel.....	Aug. 31	15,790	46,065	61,855	£	11,000	20,000	10	15,622
Piccadilly Hotel.....	July 31	..	17,656	17,656	£	..	..	..	17,000
Iron, Coal, and Steel.									
Coltness Iron.....	July 31	21,738	213,039	234,777	£	25,750	42,000	8	137,664
Kayser, Ellison, and Co.....	June 30	Dr 39,641	5,853	Dr 33,788	£	3,000	..	..	Dr 36,788
Rubber, &c.									
Bajoe Kidoel.....	Mar. 31	18,492	32,165	50,657	£	27,270	12½	..	23,387
Bukit Lintang.....	June 30	Dr 2,128	4,036	1,608	£	1,512	5	..	96
Inch Kenneth.....	June 30	Dr 66	2,615	2,549	£	1,702	7½	..	847
Kamuning (Perak).....	June 30	28,748	21,735	50,483	£	20,100	10	..	30,383
Laras (Sumatra).....	Mar. 31	Dr 8,666	6,355	Dr 2,311	£	..	..	..	Dr 2,511
Lewa Estates.....	June 30	..	1,144	1,144	£	865	..	..	279
Maturata Tea and Rubber.....	June 30	2,238	6,299	8,537	£	6,000	25	..	2,177
Sengat.....	June 30	5,189	10,013	15,202	£	10,625	6½	..	4,577
Straits Plantations.....	June 30	8,895	12,415	21,310	£	12,000	10	..	9,310
Sungkai-Chumor.....	June 30	30,308	13,495	43,803	£	12,482	12½	500	30,821
Shops and Stores.									
Maynard's.....	June 30	123,807	77,586	201,393	£	3,390	38,960	40	25,000
Tea.									
Central Province, Ceylon.....	June 30	519	10,600	11,119	£	4,500	5,000	10	1,619
New Dimbula Co.....	June 30	11,734	44,517	56,251	£	39,506	50	..	16,745
Trust.									
British Canadian Trust.....	Aug. 31	6,171	14,430	20,601	£	4,698	7,321	7	2,000
Stock Conversion and Investment.									
Aug. 31	..	42,455	42,455	14,625	£	11,269	Ann.	4,508	7,545
Other Companies.									
Bretts' Stamping.....	Aug. 3	3,993	439	4,432	£	910	1,517	5	..
Eastern Chemical.....	Mar. 31	8,535	Dr 10,503	Dr 1,968	£	..	..	..	Dr 1,968
Gramophone Company.....	June 30	166,555	127,183	294,738	£	5,000	163,500	15	126,238
Herbert Morris.....	July 31	16,824	76,882	93,706	£	11,767	25,000	10½	27,203
Rosario Drainage.....	June 30	30,262	29,307	59,569	£	7,200	18,460	5	29,736
Union Cold Storage.....	Dec. 31	104,028	498,166	602,194	£	328,800	30,000	10	133,472
United Dairies.....	June 30	101,311	468,623	569,934	£	113,594	254,796	12½	109,922

† Free of tax.

paid on April 30th last. There is now an available balance of £496,410, of which the directors recommend that £133,749 be applied to the payment of a final dividend of 4s per share, less income-tax, payable on the 29th inst., making a total distribution for the year of 10 pence, against 12 pence for preceding year; £25,000 to be added to the staff pension fund, and that the balance of £337,661 be carried forward. The report contains some interesting comparative statistics of the position of the bank for a number of years past. The balance-sheets of British Bank of South America and Commercial Bank of Spanish America, Limited, at June 30, 1923, are furnished with the report.

THE CHASE NATIONAL BANK OF THE CITY OF NEW YORK.—Balance-sheet, September 14, 1923:—

LIABILITIES.	ASSETS.
Capital.....	20,000,000
Surplus and profits.....	23,250,355
Reserve for taxes, interest, &c.....	2,312,183
Dividend payable Oct. 1, 1923.....	800,000
Deposits.....	390,783,470
Circulating notes.....	1,063,600
Acceptances outstanding.....	9,058,915
Other liabilities.....	929,980
	448,204,503

THE ONE HUNDREDTH BANK, LIMITED (TOKYO).—Balance-sheet June 30, 1923:—

LIABILITIES.	ASSETS.
Capital paid up.....	17,500,000
Reserve fund.....	8,900,000
Pension fund.....	246,280
Deposits & current accounts.....	121,337,576
Liabilities for account of customers on letters of credit, acceptances, & guarantees.....	5,101,666
Foreign bills sold.....	1,327,638
Due to Bank of Japan.....	9,350,000
Due to other banks.....	6,280,634
Unclaimed dividends, accrued interest on deposits, and unearned discount.....	2,074,337
Net profit—Brought down.....	733,607
For the half-year.....	1,450,390
	174,301,998

THE PUNJAB NATIONAL BANK, LIMITED.—We have received the fifty-seventh report on the working of the bank for the half-year ending June 30, 1923. The accounts have been thoroughly checked by Messrs Basant, Ram and Sons, the auditors, and their report is appended to the balance-sheet. The total profit for the half-year, after defraying normal expenditure, amounts to Rs. 4,19,460-15-9, which works out as profit at about 31 per cent. per annum on the paid-up capital, including advance capital, and at about 1.43 per cent. per annum on the working capital. The results would have been much better but for the failure of the Alliance Bank of Simla towards the end of April, 1923, as a consequence of which the directors thought it necessary to keep a large cash balance in hand, and to restrict investments to some extent. Out of this total profit of Rs. 4,19,460-15-9 the directors have provided a sum of Rs. 42,864-12-1 for writing off bad debts, and have transferred Rs. 1,00,000 to reserve fund No. 2, raising it to Rs. 3,00,408-8-0, to meet bad and doubtful debts, leaving a balance of Rs. 2,76,596-3-8, which, together with the sum brought forward from last half-year, i.e., Rs. 36,561-1-10, makes the total sum available for distribution as Rs. 3,13,157-5-6. The directors recommend that this sum may be appropriated as under:—To ad-interim dividend at Rs. 15 per cent. per annum for the half-year ending June 30, 1923, free of income-tax, payable on and after September 1, 1923, Rs. 2,00,826-15-2; to provision for income-tax in part for 1923-24, Rs. 50,000; balance carried forward to next half-year's account, Rs. 62,330-6-4—total, Rs. 3,13,157-5-6. During the half-year two new branches were opened—viz., at Hafizabad and Peshawar Cantt.

RUBBER, &c.

BAJOE KIDOEL RUBBER AND PRODUCE.—Improved results are revealed in the report for the year ended March 31, 1923. The net profit is £32,165, against £12,243 in preceding year. The ordinary dividend of 12½ per cent. compares with 5 per cent. paid for year 1921-22. The sum of £23,387 is carried forward, against £18,492 brought into the accounts. The average net price, taking in at a valuation the portion of the crop unsold, or not yet accounted for, was 1s 1.93d per lb. The coffee crop harvested on the three estates amounted to 12,165 piculs, against an estimate of 11,000 piculs, and a yield the previous year of 12,700 piculs.

KAMUNING (PERAK) RUBBER AND TIN.—The net profit of this company for the year ended June 30, 1923, amounts to £21,735, as

Current approximate quotations are as follows:—Best Admirals, 27s to 28s; second Admirals, 26s to 27s; best drys, 27s to 28s; Black Veins, 26s 6d to 27s; Western Valleys, 26s to 26s 6d; Eastern Valleys, 23s to 25s; best bunker smalls, 17s to 19s; ordinary cargo smalls, 15s to 16s; anthracite big vein large, 42s 6d to 50s; machine-made cobbles, 55s to 57s 6d; French nuts, 60s to 62s 6d; stove nuts, 55s to 57s 6d; rubble culm, 15s to 15s 3d; coke for export, 42s 6d to 50s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 28s to 31s; pitwood, ex ship, 29s 6d to 30s 6d.

The position in the tin-plate trade has further improved. The prices are moving beyond the minimum rates, and the volume of trade is steadily expanding. The latest returns of shipments from Swansea are in excess of the average weekly quantity, and are reaching the level of the figures attained during the very active conditions in the first half of the year.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—This market for merino tops still lags behind the raw material markets, and topmakers are finding it difficult to do business. There is such a marked discrepancy between the cost of wool and the price obtainable for tops that sellers are obliged to move with extreme caution. On the other hand, users appear to be more or less indifferent, and the actual business passing is in comparatively small lots for current requirements. The outlook as regards crossbreds, however, is much better, and the steady buying of crossbred wool by the home trade during the last few weeks is evidence of renewed faith in the future of this class of raw material. Moreover, an increasing amount of business is being done in crossbred tops, medium and low qualities changing hands in quite good weights. Quotations do not show much change on the week, but there is a disposition on the part of sellers to ask more money on new business. Meanwhile, it is difficult to sell at a higher level, but the tendency is certainly in that direction. Yarn business remains disappointing. There is rather more doing in both botanics and crossbreds, but prices are cut so fine that they do not cover costs. This is especially noticeable in merinos, where competition is exceedingly keen for the small amount of business on offer. Some fair weights of crossbreds have been sold during the last few days, and spinners are now much better employed than was the case a few weeks ago. The piece goods trade is "spotty," with demand leaning to the cheaper fabrics. Standard lines in botanics are being sold at very low prices, and practically the only demand is for stock lots where delivery can be given immediately. The mohair trade is healthy, and consumption is well maintained.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The sale at Hull last week demonstrated the improved demand which has come about for crossbreds, and the outlook from this standpoint is the best that we have seen since the days of the slump. There has been a very marked recovery in the price of crossbred wools during the past twelve months, and this cannot but be encouraging, particularly from a New Zealand grower's standpoint. It is quite true that Australia is now turning out a fair quantity of crossbred wool, particularly Tasmania and Victoria, although we certainly cannot look with pleasure upon Australian pastoralists breeding crossbred sheep on a larger scale. However, in twelve months' time even crossbred wool will be on a different level of values to what obtains to-day, there being no doubt that users are being inspired to operate by the increasing consumption of 40's to 50's. Perhaps it is as well that these qualities are on a comparatively low level, in view of the sensibly decreased purchasing power of every country in the world. The outlook certainly is black in Germany from a commercial standpoint, and this is bound to have a material effect in reducing consumption of crossbreds, that country certainly coming second as a buyer and user of this class of staple. The home trade has always been the largest consumer of crossbreds, and probably will remain so for some time to come. For hundreds of years Bradford has been accustomed to use the wools of the mutton breeds, hence spinners and manufacturers in other parts of the world cannot beat the goods made from crossbred yarns in the West Riding. All the same, the reasonableness of crossbreds is to-day inducing a large number of merino topmakers to turn their attention to them, that fact alone clearly showing the trend of trade and fashions. It speaks volumes for their absorptive capacity that during the past six weeks the home and Continental trades have taken well over 200,000 bales of crossbreds.

THE COTTON TRADE.

MANCHESTER, October 18.

Prices in the market this week have gone against buyers. The hardening tendency has brought out an increased inquiry, and in certain quarters more business has been done. Transactions in piece goods for India have been interfered with by the holidays on the other side, but light fabrics and miscellaneous goods have attracted a fair amount of attention for Calcutta, Madras, and Karachi. Only occasional lines have been booked for China. The increased activity in fancies for several minor outlets has been a feature of interest. Warp satins and shadow stripes have been sold on an encouraging scale for the United States. Bleaching and finishing descriptions have moved off more freely for Java, the Near East, and South America. Some manufacturers of special cloths are now improving their position. The higher rates in the

raw material have harassed spinners of American yarns, but in small lots rather more business has been put through. A little more activity has also shown itself in Egyptian spinnings. Bundle yarns have been sold on a rather healthier scale for India.

(I.) Comparative Statement of the Cotton Trade.

	Price, Oct. 18, 1923.	Previous Weeks in 1923.				
		Oct. 11.	Oct. 4.	Sept. 27.	Sept. 20.	Sept. 13.
Raw Cotton—Fully Mid. American .. per lb	17.45	16.56	16.99	16.95	16.58	17.29
— Sakellaridis Fully Fair .. per lb	18.40	18.35	18.90	18.35	19.00	17.60
Yarns—32's twist .. per lb	23.4	22.4	23	23	24	23
— 40's twist .. per lb	23.4	22.4	23	23	24	23
— 60's twist (Egyptian) .. per lb	31	31	31.5	31	31.5	30
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	32	33	33	34	32
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	36	36	36	37	36
38-in. ditto, 38 yds, 18 by 16, 16 lbs	19	19	19	19	19	19
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	17 10 1/2	17	17	17	17	17

(II.) Compared with Previous Years.

	Price, Oct. 18, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	17.45	13.85	12.73	16.71	23.59	23.38
— Sakellaridis Fully Fair .. per lb	18.40	17.75	24.50	43.03	34.00	29.40
Yarns—32's twist .. per lb	23.4	20.4	21.3	39	45.4	55.1
— 40's twist .. per lb	23.4	19.4	21.3	37	44	55.1
— 60's twist (Egyptian) .. per lb	31	29.5	42	56	69	69
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	33	30	36	66	65	72
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	31	36	68	63	69
38-in. ditto, 38 yds, 18 by 16, 16 lbs	19	17	21	37	37	41
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	17 10 1/2	16	20	29	33	35

LIVERPOOL OFFICIAL QUOTATIONS—October 12, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	Ord	G O L M	Mid	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	G M M F
Brazilian	Mid	M F	Fr.	G F	Gd.	Fne	M F	Fr.	Gd.	M F	Fr.	Gd.
Pernam	..	1581	1681	1756	..	..	1140	1290	..	1012	1262	..
Parahyba, Rio Grande, &c.	..	1581	1681	1756	..	..	1140	1290	..	1012	1262	..
Mossoro, &c.	..	1581	1681	1756	..	..	1140	1290	..	1012	1262	..
Ceara	..	1581	1681	1756	..	..	1140	1290	..	1012	1262	..
Maranhão, &c.	..	1581	1681	1756	..	..	1140	1290	..	1012	1262	..
São Paulo	..	1581	1681	1756	..	..	1140	1290	..	1012	1262	..
Egyptian	Fr.	G F	Fr.	Gd.	Fne	Fr.	G F	Fr.	Gd.	Fr.	G F	Fr.
Upper	..	1590	1650	1670	1690	1715	1240	1340	1440	..	1800	2100
Sakellaridis	..	1720	1795	1815	1905	2005	1440	1665	1940	..	..	..
Brown	..	1590	1650	1670	1715	1805	1240	1390	1565	..	1225	2225
Peruvian	M F	Fr.	G F	Gd.	Fne	M F	Fr.	Gd.	Fne	..	..	..
Rough	..	..	1750	1875	1900	..	..	1450	..	..	1550	..
Moderately Rough	..	..	1600	1700	1750	..	..	1300	1425	..	1325	1500
Smooth	..	1631	1706	1756	1806	1831	1275	1425	1550	1212	1487	1662
Tanguis	..	1606	1656	1706	1756	1831	1275	1425	1575	..	..	..
Mitafi	..	..	1600	1675	1750	1800	..	1100	1450	..	..	..
West Indian, &c.	..	..	1600	1700	1775	..	..	1325	..	..	..	..
Do Sea Island	..	1900	2100	2430	2500	..	..	2200	2800	..	3030	3600
African, East, &c.	1175	1275	1425	1525	1625	1725	1025	1200	1400	1150	1350	1550
Do	..	1606	1616	1626	1706	nm	..	1150	1225	..	..	..
East Indian	G F	Fr.	G F	Gd.	Fne	Fr.	G F	Fr.	Gd.	Fr.	G F	Fr.
Machine Ginned Surtee	..	..	1470	1510	1550	..	..	1210	..	..	1305	..
Machine Ginned Broach	..	..	1225	1245	1285	1325	1040	1080	1160	1155	1180	1255
Machine Ginned Bhowmgar	9.60	1010	1060	1100	1160	1210	8.95	9.45	1025	9.19	9.69	1069
Machine Ginned Oomra. No. 1	9.70	1020	1070	1120	1170	1220	9.05	9.55	1035	9.25	9.75	1075
Machine Ginned Oomra. No. 2	..	..	1045	1095	1145	1195	..	9.30	1010	..	..	..
Machine Ginned Khandeish	9.70	1020	1070	1120	1170	1220	8.55	9.05	9.85	8.50	9.00	1000
Machine Ginned Comptah	1175	..	1215	..	..	..	..	1050	..	..	9.95	..
Machine Ginned Bengal	8.95	9.35	9.75	1015	1055	1095	7.10	7.50	8.30	7.65	8.15	9.15
Machine Ginned Soinde	8.85	9.25	9.65	1005	1045	1085	7.00	7.40	8.20	7.55	8.05	9.05
Tinnivelly	1360	1400	1440	..	..	..	1210	1250	..	1305	1330	..
Madras, Western	1110	1150	1190	1230	..	..	9.85	1025	..	9.95	1020	..
Madras, Northern	..	..	1215	..	..	..	..	1050	..	..	..	..
M.G. Coconada, Red	Fr.	1190	..	..	..	..	..	1010	..	..	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

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

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

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

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

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

Good supplies of building timbers have been imported over the month, coming principally from Finland and Russia, Swedish supplies having fallen off, we presume, on account of competition from other European producing countries. The new Baltic States are increasing their supplies to this country, which is no more than what was expected, Riga and Danzig sending much larger quantities compared with a year ago.

Stocks of building woods in docks and yards around the coast and inland are fairly heavy, and still further good supplies are expected before the season closes, their volume depending very largely upon whether navigation terminates early or late. The shipper will look for a lengthened season. The importer and merchant will not be greatly upset with a sudden cold snap, though icebreakers are increasing in numbers at Northern ports in order that the latter may be available as long as possible during the early weeks of winter.

Prices on the spot are firm, with the demand very fair from the building trade, while packing-case makers report better times, which means a greater consumption of the inferior qualities. Deal sizes are still an unpopular feature of the market, and though importers and merchants have been trading very well in 2 by 4 scantlings particularly, and in their 2 and 2 1/2 by 7 battens, deals must have entailed this season losses, thus going to prove that it is useless to think of standardised prices in the timber trade, which bears its ups and downs on supply and demand.

Shipbuilding woods—teak, pitchpine, Oregon pine, spruce, &c.—are in no great call, owing to the bad state of the shipbuilding trade; but the demand from Japan for American timber, as well as the increased call for same in the U.S.A., have had a stiffening influence on prices of pitchpine, which has reflected to this side.

There are heavy supplies of foreign furniture hardwoods on the market, mostly American waiting for a change from the present dull demand, and under these conditions it is not surprising that the calls for our own woods are only fair.

Pitwood supplies have been greater this year than last, France contributing the larger part which find their way to the South Wales coalfields.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market remains firm but erratic, as two classes of ox hides failed to find buyers at Thursday's Bermondsey sales, and the three which sold changed hands at a 1/4d per lb advance. Best, when sold, made from 6 1/2d to 8 1/2d, and seconds from 5 1/2d to 7 1/2d per lb. Best cows remained unsold, heavy and light calf meeting with the same fate. 17/24 lb calf sold at 8 1/2d, and 9/16 lbs at 10 1/2d to 12s 6d each. The demand for imported hides has been good during the past week, and prices are firm. The frigorific market is affected by the demand from the United States, and prices paid on spot are \$40 to \$40 1/2 for Argentine ox, and \$44 for Uruguayan ox. Several thousand Liebig hides have been sold to Liverpool at 8 1/2d c.i.f. Dry hides are also firm, and all classes have again been inquired for. Cables from New York report the Chicago market as steady, with best heavy packers selling at 15 cents.

After the excitement of the Shoe and Leather Fair trade has fallen rather flat in sole leather in Bermondsey. Deliveries, however, of medium and heavy-weight bends have gone out to the Midlands, the demand for cheap dry hide bends having fallen off a little. Business in English bends at the Fair was excellent, and some tanners managed to book forward their output for two or three months ahead. Prices are firm, and buyers who went to the Fair bargain-hunting came away feeling disappointed.

The demand for dressed leather seems improving, and many sellers secured large orders for box and willow calf at the Fair. Importers were specially energetic, but offered little advantage in the way of prices to secure business. Sampling is in evidence, and the outlook is thought to be much better.

The boot section is also improving, as many makers secured enough orders at the Fair to keep them employed for several weeks. The export section is also good, the value of footwear sent overseas up to the end of September this year amounting to £3,356,040, as against £2,318,237 for the first nine months of 1922—this referring to footwear of all materials.

VEGETABLE OILS AND OILSEEDS.

The feature of the week has been the sharp break in the values of Plate linseed, which have declined 10s to 15s per ton all round on the week. Speculators in Argentina have held the balance of the oil crop at high levels, which crushers on this side, at any rate, have declined to concede. With only small quantities afloat and market requirements within narrow compass, business is by no means active, and purchasing of new crop hardly begun, although values of this for January-February shipment are back at the level of a few weeks ago, and more likely to attract consumers. The oil demand is small, and values barely held at late rates, "spot" oil offering at £42 per ton naked, ex Hull mill. Cotton oils are only a quiet trade.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, October 19.
SUGAR.—No fresh development took place in this market, business in refined goods being confined to a moderate compass, and then chiefly in British descriptions, while previous quotations were repeated all along the line. Local markets in Java move steadily upward under steady buying on Indian, Chinese, and Japanese

account, and with stimulating cables from America the undertone of the London market is one of distinct steadiness, despite quietness of general demand. Only comparatively small quantities of Java are due to come along, of which brown sugar forms a large proportion. Messrs Tate and Lyle's cubes quoted 60s 6d to 61s 6d; granulated, 5s 7 1/2d to 58s 1 1/2d, as to quality, and yellow crystals, 52s 1 1/2d. White Java, spot, 53s 6d to 53s 9d; afloat, steamer, 27s; August-September, 25s 6d; May-June, 23s 7 1/2d, c.f. and i.; London. Offers of Belgian and Dutch granulated for shipment are sparingly made. Czecho granulated, November-December, sold, 25s 9d, f.o.b., Hamburg, for star, fine or equal. White terminal market firm, and business proved of fair extent. October, sold, 27s 3d; December, 25s to 25s 4 1/2d to 25s; March, 24s 9d; May, 25s.

COFFEE.—General stability characterised this market, prices for all suitable parcels being again dearer on the week, with supplies on a small scale. Export requirements were of moderate extent. Terminal market steady, but slow.

COCOA.—Only quiet trading in spot lots at about late rates. Accra, F/F quality, November-January, sold, 28s, f.o.b. terms.

TEA.—Indian auctions of 48,190 packages this week met an active demand, especially for low and medium qualities, and prices ruled quite firm to 1/4d per lb dearer. 17,800 packages Ceylon were catalogued and sold readily, all fine and finest being fully maintained with undergrades from 1/4d to 3/4d per lb dearer. 6,500 packages Java and Sumatra were auctioned, and met a strong market. Leaf teas were 1/4d per lb dearer, while all tippy invoices commanded extreme figures. Pekoe sold, 1s 2d to 1s 6d; broken pekoe, 1s 3 1/2d to 1s 6d; pekoe souchong, 1s 3 1/2d to 1s 5 1/2d; orange pekoe, 1s 5 1/2d to 1s 8 1/2d; broken orange, 1s 3 1/2d to 1s 9 1/2d per lb in bond. New season's China selling with fair freedom, particularly finer Keemun.

RICE.—There is no new feature to note, general trade being very quiet. Two sars, spot, value 15s 9d; October-November, 14s. Japanese peas, spot, 23s 9d per cwt. Rangoon bran, October-December, sellers, 112s 6d; and buyers, 110s per ton, ex ship terms, London-Liverpool.

SPICE.—Pepper steady but demand is quiet. Fair black Singapore, October-December; L.S. quoted 4 1/2d; Muntok ditto, 6 1/2d, sellers. Zanzibar cloves, October-December, 1s 2 1/2d lb. Tapioca held for late prices, but buyers are not much in evidence. Sago flour, October-December, Liverpool, sellers, 13s 6d. Desiccated coconut, halves, afloat, sold, 41s 3d per cwt.

JUTE.—This market, after firmness, took a rather sharp downward turn on some pressure being shown to sell. First grade, October-November, continent, sold, £21 10s to £22; November-December, £21 17s 6d to £22; December-January, £22 5s to £22 to £22 5s; January-February, £22 5s to £22 15s. Hessians and twills quiet, unaltered.

HEMP.—The market for Manila developed more activity than for some considerable time past, buying orders from ropemakers circulating with freedom, and prices advanced all round, but more particularly so with regard to J grade. About 18,000 bales changed hands, streaky ones, November-January, also January-March shipments, at £41 10s; ditto twos, £40; ditto threes, £36 15s to £37; J grade, £28 to £32; K, £26 to £26 5s; L, £25 10s to £25 15s; ditto, house marks, £26; M grade, at £23 10s to £23 15s; G quoted £36; and

first-tide, quoted 26s; Khredrowie, ditto, 20s; Siar, 16s; second-tide 14s 6d, landed terms, London. Figs, genuine natural, in bags, quoted 38s to 39s; layers, in boxes, 95s to 105s; and small boxes of pulled, 145s to 160s. Evaporated fruits experienced a moderate demand. Australian apricots quoted 55s; peaches, 43s; Californian apricots, choice, 66s; extra choice, 72s; fancy, 92s. Oregon plums, sizes 60/70, quoted 46s; Californian, ditto, 30/40, at 82s to 84s; 40/50, 70s per cwt.

CANNED GOODS.—There was no new feature to note in any particular line, with general course of trade quiet, but which is usually associated with this period of the year. Sardines in fair supply regarding Portuguese, and quarters of same quoted 2s 6d to 3s; ditto, 12 oz, 5s to 5s 6d; 18 oz, 9s 6d to 11s. French, 18 oz, 16s 6d; quarters of good quality, 9s per dozen tins. Salmon, 1 lb flat reds, labelled, 53s to 55s 6d; ditto tall, 41s to 42s; 1 lb flat pink, 24s 6d; ditto tall, 23s; and cases of 96 3/4-lbs 28s to 30s. Lobster tends in buyers' favour. Fancy halves, 150s to 155s; seconds, 145s per case. Canned fruits in quiet request, with demand largely running upon lower-priced goods. Singapore pines, fair quality, spot, 5s 6d; Californian apricots, 7s to 11s; peaches, 8s to 12s; pears, 12s to 14s 6d; and tomatoes, Spanish threes, 6s 3d; Italian ditto, 6s 6d per dozen tins. Canned meats generally steady, with moderate inquiries in force for beef.

OILSEEDS.—Linseed quiet and easier on weaker Argentine cables and increased crop estimates. Bold Bombay, October, £21 15s; small Bombay, ditto, £21 5s; Calcutta, afloat, £21 15s; September-October, £21 7s 6d. Plate, afloat, £20 5s; December-January, £16 17s 6d; January-February, £16 7s 6d to £16 15s; April-May, £16 10s. Rapeseed quieter. Toria, September-October, £17 5s; real bold Ferozepore, September-October, £17 2s 6d; Jamba, £13 5s. Cottonseed quiet. Egyptian black, October, £11 10s. Sakellaris, £10 17s 6d, to Hull. Bombay, November-December, £9 7s 6d; December-January, £9 5s. Ginnelly seed quiet. East African, October-November, £22 15s. Chinese, October-November, £23. Groundnuts easier. Coromandel, machine-dried, December-January, £21 12s 6d; Chinese decorticated, f.a.q., December-January, £21 7s 6d; East African, afloat, £23 5s. Soya beans quiet. Manchurian, October-November, £11 8s 9d. Castor-seed firmer. Bombay, October-November, £21 7s 6d per ton.

OILS.—Linseed irregular, but easier on balance. Spot, net, naked, 42s; October, 40s 9d; November-December, 39s 9d; January-April, 36s 6d. Rape firm. Crude, spot, 39s 3d; refined, 42s 3d. Cotton easier. Crude Egyptian, spot, 37s; Bombay, 36s; common edible, 45s; deodorised (in barrels), 49s. China-wood firm. Hankow, spot (barrels), 93s; November-December, 94s. Coconut steady. Ceylon, spot, 46s; October-November, 44s 6d; Cochin, ditto, quoted 50s. Soya steady. Oriental, barrels, October-November, 38s 6d.

Cod firm. English, spot, 36s. Groundnuts firm. English, crushed, naked, spot, 47s 6d; deodorised, barrels, 55s 6d. Turpentine dull. American, spot, 73s; November-December, 73s 9d; January-April, 74s 9d. Rosin easier. American, grade B, 13s; F, 13s 3d; G, 13s 3d; H to I, 13s 3d; WG, 15s 9d; WW, 16s per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Castor-oil firm. First pressure, spot, quoted 52s; second pressure, 51s, and pharmaceutical 57s per cwt.

METALS.—Tin opened with a firmer tendency, due to higher Eastern and American advices, while a fair business transpired. Standard, cash, quoted at £202 10s, with business in October at £202, and three months at £200 to £200 7s 6d to £199 15s and £200 7s 6d. Later some irregular was noticeable, but prices firm on balance. By the middle of the week standard, cash, sold at £202 17s 6d, and three months £200 15s. Sales in the East occurred on the basis of £202 5s, c.i.f. On the following day rates ruled in seller's favour, though closing below top points. Standard, cash, sold at £204 15s to £204 5s, and three months £201 10s to £202 10s to £201 15s. Further sales were reported in the East at £203, c.i.f. Tin opened easier, though marked some improvement at Friday's session; but on buyers becoming reserved, sellers were obliged to make slight concessions. Standard, cash, sold at £204, and three months £201 to £202 to £201 15s. English ingots quoted at £204 15s to £205. Copper was a firm market at the commencement, due to reserved offerings and higher American advices, while a good demand prevailed. Standard, cash, quoted at £60 15s, with business in three months at £61 10s to £61 5s to £61 8s 9d. Subsequently prices maintained a fully steady level, with business mainly centred on forward dates. Standard, cash, on Wednesday stood at £61, with sales in three months at £61 8s 9d to £61 15s. At Thursday's session a good demand prevailed, and prices after showing firmness, eased somewhat. Standard, cash, sold at £61, and three months £62 to £61 13s 9d to £61 15s. On the following day copper was in good request, and tendency of prices in favour of buyers. Standard, cash, sold at £60 13s 9d, and three months at £61 7s 6d to £61 5s to £61 10s to £61 8s 9d. Electro, £64 to £65; best selected, £63 10s to £65; strong sheets, £92; wire bars, £65 per ton. Lead firmer at £27 12s 6d to £26 7s 6d, as to position. Spelter dearer at £33 12s 6d to £32 10s, according to position. Antimony quiet. English regulus quoted at £34 10s to £35. Aluminium quiet. Home trade, £415; export, £420.

TALLOW.—Messrs Colchesters and Woolner write on October 17th as follows:—The tallow market was quiet during the week, and prices are 6d lower to-day. The business is mostly in the better sorts, inferior kinds receiving little attention. Shipments of tallow from Australasia during September amounted to 1,400 tons,

against 4,800 tons during the same month last year. At auction to-day 1,137 casks tallow were offered, and 134 were sold. Quotations are:—Australian mutton: Fine, 43s 6d; good to fair, 42s 6d to 41s; dull to dark, 37s 6d to 36s 6d; hard, 42s. Australian beef: Fine, 43s; good to fair, 41s to 39s; dull to dark, 36s 6d to 36s; sweet, 43s 6d. Present shipment from Australasia: good mixed, nominal. Present shipment from South America, 4cs 6d to 39s. The market letter is unchanged. Town tallow, 36s 6d per cwt. Rough fat, per 8 lbs, 2d; melted stuff, 27s 6d per cwt. Quotations are:—Town, 35s 6d, net cash, naked, ex works. Country: Frail casks, 35s 6d; home melted, shipping casks, net. f.o.b., good coloured, 39s; fair to dull, 36s 6d to 35s 6d. Bone fat: White, none; pale, none; benzine, 33s; melted stuff, 33s 6d, f.o.b.

METROPOLITAN CATTLE.—OCTOBER 18.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Herefords	s	d	s
Shortboms	6	4	6
Devons	6	10	7
Norfolks	6	10	7
Scottish	6	4	6
Irish	6	4	6
Fat Cows	6	4	6
Beasts—Heavy Bulls			
Canadian	6	4	6
Sheep—Downs	11	0	10
Ewes	6	2	6
Crossbred	10	4	10
Scottish	12	0	12
Lamb—Downs	12	0	12

LONDON POTATO MARKETS.—OCTOBER 18.

Per Cwt.			
English (new) Sharpe's	s	d	s
Express	5	6	0
Belshire	5	0	0
King Edwards	6	0	6
British Queens			
Majestic	5	6	0

The Anglo-South American Bank, Limited

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

Statement of Accounts to be presented to the Shareholders at the Thirty-fifth Annual General Meeting, to be held at Winchester House, Old Broad Street, London, E.C., on Tuesday, the 23rd October, 1923, at 2 o'clock p.m.

Dr.			
BALANCE SHEET at 30th June, 1923.			
Cr.			
To Authorised Capital—	£	s.	d.
1,000,000 Shares of £10 each	10,000,000	0	0
Issued Capital—			
878,465 Shares of £10 each, £5 paid	4,392,325	0	0
Reserve Fund	4,000,000	0	0
Special Reserve on account of Depreciation of Capital in Chile	183,826	12	11
Sight Drafts on Head Office and Branches	1,953,697	15	3
Drafts on Head Office and Branches at usance	7,652,101	10	2
Acceptances on Account of Customers	3,070,473	12	0
Current, Deposit and other Accounts	47,809,273	12	6
Bills for Collection	6,713,527	10	9
Rebate of Interest on Bills, &c., not due	77,856	9	0
Profit and Loss, as per Account below	692,940	8	8
Less—Interim Dividend paid on 31st April, 1923	196,529	17	0
	496,410	11	8

To Liability on Bills Re-discounted, on Uncalled Capital on Investments held, and Guarantees, etc., £12,943,486 11s. 9d., of which £10,486,304 18s. 11d. has run off.

By Cash in Hand, at Bankers and at Call £ | s. | d. || British Government Securities | 15,367,879 | 13 | 2 |
Foreign Government, Railway and other Securities	9,279,291	9	11
Bills Receivable	1,421,595	6	8
Holdings in Foreign Banks and kindred Companies, at cost	1,619,677	5	9
British Bank of South America, Limited, 98,443 Shares at £27 10s.	2,739,412	10	0
Commercial Bank of Spanish America, Limited, 485,073 Shares at cost	454,310	17	4
Liability of Customers for Acceptances per contra	4,813,430	13	1
Advances, &c.	3,070,473	12	0
Bank Premises and Office Furniture	22,075,596	1	10
Fills for Collection per contra	1,696,746	4	0
	6,713,527	10	9

NOTES.—The Assets and Liabilities at Branches in Local Currencies are shown at the par rates of exchange, the difference between them having been adjusted to the rates of the day with the exception of the Capital employed in South America and other countries which, after allowing for the Special Reserve of £183,826 12s. 11d., shows a depreciation of £226,405 at 30th June, 1923.

Certain of the above assets have been lodged with other parties on which a lien exists to the amount of £2,029,385 es. 10d.

PROFIT AND LOSS ACCOUNT for the Year ended 30th June, 1923.

To Charges at Head Office and Branches			
By Balance brought forward from last Account			
Income Tax and Corporation Profits Tax, to 30th June, 1923	£	s.	d.
Rebate of Interest on Bills, &c., not due	271,281	12	0
Balance as per Balance Sheet	77,856	9	0
	692,940	8	8
	£2,052,095	0	5

APPROPRIATION ACCOUNT.

To Interim Dividend paid on 30th April, 1923			
By Balance of Profits as per Account			
Final Dividend of 4s. 0d. per share, less Income Tax	£	s.	d.
Transfer to Staff Pension Fund	196,529	17	0
Balance carried to New Account	133,749	9	9
	25,000	0	0
	337,661	1	11
	£692,940	8	8

R. J. HOSE,
ROBERT HARVEY,
C. G. HYDE.

W. E. WELLS, General Manager.

A. G. BARTHOLOMEW, F.C.A., Chief Accountant.

We report to the Shareholders that we have audited the above Balance Sheet, dated 30th June, 1923, with the Books at the Head Office (London), and have obtained all the information and explanations we have required.

We have examined the Returns from the Branches certified by the respective Managers, and have satisfied ourselves that they are properly incorporated in the above account.

We further report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us and as shown by the Books of the Head Office and the above-mentioned Returns.

LONDON, 9th October, 1923.

PRICE, WATERHOUSE & CO.

CRÉDIT SUISSE

Established 1856.
Capital and Reserves - - - - - Francs 130,000,000
Head Office: ZURICH, SWITZERLAND.
Bale, Berne, Frauenfeld, Geneva, Glaris, Kreuzlingen, Lausanne, Lugano, Lucerne, Neuchâtel, St. Gall.
General Banking Business.

THE Investor's Monthly Manual

(Established 1864).
Post free 1s. 6d.
Annual Subscription £1 1s. 0d.
Offices:
3 Arundel St., Strand, London, W.C.2

Equitable Life Assurance Society

MANSION HOUSE STREET, LONDON, E.C.2.

NO SHAREHOLDERS. NO COMMISSION.

If the bonuses just declared continue uninterruptedly an assurance for £1,000 payable at the end of 25 years (or at death), which costs about £40 a year, will produce £1,500 at the end of the term.

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.				INDIA RUBBER—s d				PROVISIONS—s d				PEPPERS—Pepper, lb—s d			
0000A—Duty, British grown				Alces, fine E.L.P., cwt/100	8 18 8			Butter—s d				Black Singapore			
25s. 4d. foreign 22s. cwt.	44	55	8	Cape, good to fine	40	45	0	Irish creamery	184	0	88	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Balsam Peru	1	6	9	Do factory	145	16	0	White Salt	0	64	0
Grenada	37	43	7	Opavi	1	4	1	Australian	177	1	184	White Salt	0	64	0
Ceylon, plantation	45	10	0	Japan, refined	10	31	11	Argentine	150	18	0	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Ceylon	3	8	5	New Zealand	186	0	282	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, China	4	3	3	Danish	201	0	282	White Salt	0	64	0
0000B—British grown				Cardamomo, Siam	4	3	3	Beacon, mgd.—Irish	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000C—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000D—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000E—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000F—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000G—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000H—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000I—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000J—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Grenada	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Guayraquil	53	67	9	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000K—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
Trinidad, per cwt.	37	43	7	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
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Ceylon, plantation	45	10	0	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
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Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000L—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
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0000M—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
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Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000N—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
25s. 4d. foreign 22s. cwt.	44	55	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
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0000O—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
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Bahia, finest	42	43	8	Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0
0000P—British grown				Cardamomo, Siam	4	3	3	Do	97	0	103	White Salt	0	64	0

THE DAILY MAIL TRUST, Ltd.

The British, Foreign & Colonial Corporation Ltd., B.F.C. House, Gresham Street, London, E.C.2, will offer for sale next Monday at the price of £99 per cent.

£8,000,000

7% GUARANTEED MORTGAGE DEBENTURE STOCK
OF

THE DAILY MAIL TRUST, Ltd.

Repayable at £107 per cent. by a Cumulative Sinking Fund of 2 per cent. per annum, beginning in 1924 and ending 1948. The Sinking Fund will be applied by purchases on the market, or drawings at £110 per cent. during the first three years, and similarly at £107 per cent. during the remaining period.

The Stock will be secured on 800,000 Deferred Shares in Associated Newspapers, Limited, and on 918,056 Shares (being the whole of the issued capital) in E. Hulton & Company, Limited, also on the uncalled capital of the Trust and its other assets and undertaking. The total security represents about £14,600,000.

The Issue will be guaranteed unconditionally by the "Daily Mirror" Newspapers and "Sunday Pictorial" (1920) Ltd. The average profits of the Guaranteeing Companies of Associated Newspapers, Ltd., of E. Hulton & Company, Limited, and of the Scottish Newspaper Company included in the purchase, calculated over a period of seven years and five and a half years respectively, is £1,048,539, and the current year's earnings of these Companies are estimated to amount to about £2,500,000.

The flat yield is over £7 per cent. per annum, plus the profit of £8 per cent. on redemption between 1928 and 1948 and an additional £3 per cent. if redeemed earlier.

Copies of the Offer for Sale can be obtained from the Bankers, the Brokers, the Trustees and the Issuing House.

The Economist,

WEEKLY COMMERCIAL TIMES,
Bankers' Gazette and Railway Monitor:
A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVII

SATURDAY, OCTOBER 27, 1923.

No 4,183

ALLIANCE

ASSURANCE COMPANY, LIMITED.
HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2
ASSETS EXCEED £25,000,000.

Chairman, CHARLES EDWARD BARNETT, Esq.

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting
ESTATE DUTY

and
CHILDREN'S EDUCATIONAL
POLICIES

issued by the Company may
be obtained on application
from the Head Office or any
of the Offices or Agencies
of the Company.

O. MORGAN OWEN, General Manager.

Centralbanken for Norge

Christiania, Norway.

Founded by 50 Norwegian and Foreign Banks and
amalgamated with the Christiania Banking Houses.

Tho. Joh. Heftye & Søn

(Established 1769).

and

Sev. Chr. Andersen.

(Established 1845).

Transacts all kinds of Banking business.

Correspondents in all Norwegian places of any importance.

CREDITO ITALIANO.

Capital Fully Paid Lire 300,000,000
Reserve Lire 100,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers { D. A. HORNER,
F. N. SCHILLER.

Transacts a general Foreign Banking Business, having
correspondents in all Countries, and is specially pre-
pared to grant facilities for the development of trade
between the British Empire and Italy.

Correspondent of the Royal Italian Treasury.

Telegrams: "Italocredi, Cannon, London."

Telephone: 7802-7803 City.

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Quarterly, 14s 6d; Half-yearly, £1 9s 6d; Yearly, £2 18s. 6d.
Colonies and Abroad, £3 1s 6d per Annum.

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Leathwait and Simmons, 34 Throgmorton street.

Barker and Howard, 6 Fenchurch buildings, Sugar Loaf court,
Leadenhall street.

Pottle and Son, 15 Cullum street.

Willing and Co., Limited, 50 Copthall avenue, and 53 Finsbury
pavement.

Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's,
37 Avenue de L'Opera.

THE MONEY MARKET.

EXTREME stagnation has again ruled in the money market,
with money not too plentiful, and bills decidedly scarce.
The scarcity of money was said to have been relieved
by the usual ministering angels, whose business it is to

keep the market out of the banks lest Treasury bills should become too expensive. Nevertheless, in spite of the scarcity of bills, discount rates were appreciably firmer, chiefly owing to apprehensions connected with the downward movement in the New York exchange. Yesterday the Treasury bills went at a higher rate, and discount rates hardened slightly.

	Oct. 26, 1923.	Oct. 19, 1923.	Oct. 12, 1923.	Oct. 5, 1923.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market Rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed an increase of £255,000 in Reserve, with a corresponding decline in the note circulation. There was a small decrease in Government securities, and a smaller increase in Other. Public deposits declined by £1,835,000, and private deposits rose by £1,682,000. Currency notes outstanding were reduced this week by £1,970,700 to £280,174,400, which includes £1,440,000 for notes called in but not yet cancelled. The fiduciary issue is £229,284,400, or £40,899,400 below the maximum.

As we go to press we are informed that the directors of the London Joint City and Midland Bank, Limited, have decided to recommend that the name of the bank be changed to the Midland Bank, Limited. A resolution to this effect will be submitted at a meeting of shareholders to be convened shortly.

THE STOCK MARKETS.

After uneasiness at the beginning of the week, aroused by the revolt in Germany and the decline in the American exchange, which produced talk of a rise in Bank rate, the stock markets have taken on a brighter complexion. Prices have recovered a little, the speeches of Mr McKenna and the Prime Minister having helped to produce a better atmosphere. War Loan was marked ex dividend yesterday, and a large business resulted, while the premiums on the recent Commonwealth and Victoria loans have risen. A new Finnish Government 6 per cent. loan and another large issue of Underground Railway debenture stock were underwritten with ease. In the foreign bond market prices have moved erratically, and Home Rails have been inclined to droop. Canadian Pacifics and American Rails have improved with the decline in the New York exchange, and Argentine Rails are better again. The tone in the Rubber market has become a little harder, and Oils have improved considerably, but the Tea share market is troubled by a stale bull account.

THE COMMODITY MARKETS.

A distinctly better tone is noticeable in many of the Commodity markets. At Cardiff big orders have been placed for best Admiralty coal at 27s 6d per ton, and the outlook is better than that prevailing a week ago. Makers of Cleveland pig-iron, having sold their present limited output, have advanced prices. The steel trade is reported to be showing signs of improvement. Tin went higher, but copper declined. A fair amount of business was effected in rubber at firmer prices; the market, however, tended to be somewhat erratic. The wheat position is dull. The sugar market is steady but quiet, while the demand for tea continues to expand. Transactions in the Manchester Cotton trade have tended to expand, prices having hardened, and buyers being more willing to accept current values. The good general demand for wool at the London auctions this week has again emphasised the strength of the raw material position. The hide market is gathering strength, both in London and in the provinces. Linseed oil has been irregular, and is easier on balance.

FOREIGN EXCHANGES.

Increasing chaos in Germany and further irresponsible discussion of the inflation question has produced more depression and uncertainty in the foreign exchange market. Sterling has again moved sharply down in New York, the mark has collapsed so completely as to have become practically useless as a circulating medium in Germany itself, and at the same time the uncertainty of

German conditions has spread its influence over the other "reparation exchanges." It is to be hoped that the speech of Mr Baldwin on Thursday evening will have finally laid the ghost of the inflationist scare, and one may also entertain a hope—according to late news a growing one—that the speech of General Smuts and the appeal made by Mr Baldwin may prevail on M. Poincaré to join with Great Britain and the United States in a new examination of Germany's position. The dollar rate, which on the 19th closed at \$4.52½, dropped suddenly at the beginning of the week to below \$4.50, and at one time on the 23rd was quoted as low as \$4.47½. After that there was an irregular recovery to about \$4.49½, but at one time on the 25th it was again down to \$4.47½. Early yesterday, before Mr Baldwin's speech had had time to take effect, it stood at \$4.49. Although the usual autumn pressure is still making itself felt, there is no doubt that the main influence on the rate has been the fear, completely unjustifiable, but comprehensible enough in view of statements by less responsible public men and newspapers, of a change in the Government's financial policy. Forward quotations have remained unchanged at ½ cent per month over spot. This same influence accounts for the movement against us of Amsterdam, Vienna, Helsingfors, Stockholm, Switzerland, and other more stable currencies, although it is interesting to note a sudden temporary rise in the Dutch rate in the middle of the week, due, it is suggested, to the removal of German funds to New York. The Berlin rate from 57,500 million marks on the 19th has moved up to 400,000 million yesterday morning, after being considerably higher at various times during the week (on the 25th it actually reached 600,000 millions). Various hasty proposals for the issue of some form of stable currency have so far lost all favourable influence under the threat of the dissolution of central authority. It is interesting in this connection to see that Danzig has not been able to wait for the proposed introduction in January of its new currency based on sterling, but is already issuing an intermediate currency with stable currency backing in order to escape from the disastrous effects of the mark. The Paris rate, which a week ago was 75.45, has not been able to escape the combined effect of the development of the German situation and the world disapproval of M. Poincaré's policy as expressed by General Smuts, and active official intervention has not been able to prevent a rise in rate to at one time as high as 78.35, from which, however, there was some recovery to 77.10 yesterday morning. It is particularly unfortunate for the French Government that this movement should have occurred just in the middle of the subscription period for its new bond issue. The Belgian rate has followed the same course, rising from 87.35 on the 19th to 92 on the 23rd, being quoted yesterday morning at 89.15. Forward rates in Paris are the same at 4 centimes per month above spot; in Brussels they have narrowed again from 5 centimes to 4 centimes above spot. The Italian rate has been less affected, and, after being higher, was quoted yesterday morning at 99½, as compared with 100½ a week ago. Copenhagen, where the recently introduced stabilisation policy is being actively pursued, has moved down slightly from 25.82½ to 25.76. Poland, unfortunately, has not yet found any solution for its financial difficulties, and depreciation has proceeded still more rapidly, the rate moving from 4½ million marks a week ago to 7½ million yesterday. Prague has remained almost steady, and Budapest shows a further appreciation from 960 to about 950, after being somewhat better. In the East the rupee has depreciated slightly from rs. 4 33-64d to rs. 4 11-16d, while Yokohama has moved up from 2s 1 27-32d to 2s 2-18d. In the silver market an unexpectedly strong speculative demand from India and China brought up prices sharply, and the market is now quieter on a higher level. Hong Kong has moved from 2s 3½d to 2s 3 18d, and Shanghai from 3s 1d to 3s 1 18d. In South America, Rio is 1-32d lower at 4 31-32d, while Buenos Ayres has moved from 38½d to 38½d, and Monte Video from 39d to 38½d. Valparaiso, at 38.30 pesos, is also .80 pesos cheaper.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended October 20th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	8,000	From Revenue	17,215
Interest, &c., on Debt	4,654	Taken from Exchequer balances	281
Sinking Fund	516		
Sundries	1,362		
Reduction of debt	2,964		
	17,496		17,496

Revenue amounted to £17,214,800, as compared with £20,338,200 in corresponding week a year ago. Property and Income-tax yielded £2,673,000 and Super-tax £360,000, against a combined total of £4,419,000 in the corresponding period. Customs yielded £2,003,000, against £2,721,000, and Excise £8,386,000, against £9,308,000. Special Receipts amounted to £900,000, against £1,360,500. The week's operations reduced the National Debt by £2,964,400, and caused the following changes:—

	Min. £
Public Departments Advances	— 600
National Savings Certificates	— 550
Treasury Bills	— 1,567
National War Bonds repaid	— 247
	— 2,964

The floating debt was reduced by £2,175,000 to £813,871,500.

FINANCIAL YEAR, 1923-24 (April 1 to October 20, 1923).

£	£
Total Expenditure .. 422,833,095	Raised by Revenue .. 409,031,634
	Net Borrowings 9,783,689
	Decrease in Balances 4,017,772
Total 422,833,095	Total 422,833,095

ESTIMATES for YEAR 1923-24.

£	£
Ordinary Expenditure 801,013,000	Ordinary Receipts .. 778,500,000
Special Expenditure .. 15,603,000	Special Receipts 40,000,000
Total 816,616,000	Total 818,500,000
	Surplus 1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the meetings of the following companies:—Anglo-South American Bank; United Railways of the Havana and Regla Warehouses; Buenos Ayres and Pacific Railway; Buenos Ayres Western Railway; Buenos Ayres Great Southern Railway; Central Argentine Railway; United Dairies; Union Cold Storage Company, and Piccadilly Hotel. At the meeting of the Anglo-South American Mr R. J. Hose gave his usual interesting review of conditions not only in South America, but also at home. We hope to examine next week the results of the four great Argentine railways, whose meetings have been held this week. We regret that in this column last week, in referring to Mr Heath Clark's speech at the meeting of Harrisons and Crosfield, Limited, we omitted to state that his remarks with regard to excess production referred to the tea industry, and not to rubber, the absorption of which, he predicted, would be in excess of production.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of the iron and steel trade in America and an analysis of economic progress in the self-governing Dominions of the British Empire during the last decade.

GENERAL SMUTS SPEAKS OUR MIND.

SOME words are deeds, and however despondent we may feel as we look back with our own eyes over the last five years, we cannot contemplate the picture as presented to us by General Smuts in his speech to the South African Luncheon Club on Tuesday evening without feeling that even now something can be done to avert a catastrophe to which we had almost resigned ourselves. It is not by prophesying smooth things that General Smuts inspires us. None of our statesmen since the war has painted the picture of the European problem with such remorseless truth. That we were "back to 1914" was his trenchant description of to-day's position. He succeeds, nevertheless, in giving us courage by pointing us to a possible conjunction of political and moral forces, which is not

visionary but practicable, and which, if we take our part in setting it in motion, affords, at least, some prospect of victory over the forces of destruction. The new spark of hope which General Smuts kindled is fanned into flame by Mr Baldwin's Plymouth speech, which reveals the British Government as prepared not only in pious expression, but also in action to support General Smuts's policy.

General Smuts made a fresh appeal to the United States to come over and help us. Considering the number of times that other statesmen have made similar appeals without useful result, that might have appeared a hazardous thing to do. But we now know that in making this appeal General Smuts knew something of the ground he was exploring. His appeal coincided with a speech by Mr Harvey, the American Ambassador in London, which went further in the direction of answering it than any declaration by a responsible American since Mr Wilson's failure. Moreover, official documents published yesterday show that the British Government, "on behalf of the whole British Empire," has actually sounded Washington on the subject of American participation in such a conference as General Smuts suggested, and, what is of vastly greater importance, that the reply, while cautious, does nothing towards closing the door. America in no way changes her attitude on the Allied debt question, and continues to regard it as outside the scope of a Reparations Conference, but President Coolidge has himself repeated the famous offer made by Mr Hughes last December. That offer was rendered barren by French refusal to agree to a conference on reparations with American participation. The perils of Europe have deepened tragically since then. Can France afford to refuse again? As we go to press French acceptance "on conditions" is reported. Let us hope the conditions are not obstructive. Even if they are, the Washington Government does not necessarily take French abstention as ruling out the proposed conference. It merely, in such a case, "reserves its decision as to its course of action." Thus from the West comes a new ray of hope, and this is not the only element of encouragement. For once the united voice of the British Empire has spoken. There is, at least, a chance that this, together with some continental influences, may be strong enough to prevent France from slamming the door in the face of the United States; and there is obviously an intention on Germany's part to make a genuine attempt at Reparations. These forces may well be potent in combination. There are, unfortunately, rival forces in the field. We need not take too seriously the British "Die-hards" or the British "Trust" Press.* But we have to reckon seriously with the German reaction, and, above all, with M. Poincaré.

The closing note of General Smuts's speech was friendliness and sympathy for the French people, and he made an eloquent appeal to France to remember "her noble historic mission as the great bearer of the liberal tradition in Europe." But of the policy of M. Poincaré he framed an indictment that surpasses in frankness and lack of reserve any pronouncement of modern statesmen. Referring to the Ruhr occupation and its legality, he said:—"The greatest issue in the international relations, not only of Europe, but of the whole world, has once more come to the front. We are back in August, 1914. It is again the scrap of paper. Once more a great instrument of European settlement has been broken. We entered the war to avenge such a breach. It bodes ill for the future peace of Europe that four years after the war we should have to face the same sort of situation again." As the General admitted, such things "are seldom said by those in responsible positions." By saying them General Smuts has performed a service which is overdue from our home statesmen, for he has made it abundantly clear to France that we cannot share the responsibility or the fruits of her present policy.

But it was not only on the moral and legal question of the Ruhr that General Smuts spoke straight, strong words to M. Poincaré. On the material side he described his policy as barren, and on the all important question of

* The danger of a great Press Trust, especially in the direction of suppression of vital things, was never more clearly revealed than in the fact that the *Daily Mail* omitted to publish the most important parts of General Smuts's speech.

security he said: "There is no real security to be obtained by the sword. In the dark period on which Europe is now entering there is far more security for France in the company of liberal England and America than in all the legions, black and white, which she is mustering, and in all the unstable combinations which her Government is laboriously building up in Europe."

General Smuts grasped the nettle of armaments, and firmly linked the question of Continental militarism with that of the indebtedness of Continental nations to Great Britain and America. The ground which he was here exploring is common to the British Commonwealth and to the United States, and it is of more intimate interest to the non-European members of this great group of nations than M. Poincaré may suspect. What is South Africa's stake in Europe? She is separated by many more days' journey than America herself from the scene of disturbance; she lies in another hemisphere, another world. Yet, whether M. Poincaré knows it or not, he has supplied a key himself in his recent reference to France as "a nation of a hundred millions," which General Smuts has sardonically paraphrased in his warning that "the black hordes of Africa have been called in to redress the political balance of this mother-continent of civilisation." That is a menace to which neither America nor any British Dominion can afford to be indifferent. The Anglo-Saxon world will not abdicate its position in Europe in order to offer Africa the vacancy.

Meanwhile, the changing scene in Germany is a factor with which all parties have to reckon. Will Germany dissolve? What are the prospects of the separatist movement so carefully fostered by M. Poincaré? In the strife that is beginning, will victory go to the forces of reaction? In the face of these movements, what should be the attitude of the British Government? The Prime Minister gave his answer to the last of these questions at Plymouth on Thursday evening:—"We cannot contemplate with any satisfaction the disintegration or the disruption of that country (Germany), which must put back for years her powers of reparation. Nor can we contemplate the breaking-off of any part of Germany into a separate state, which would at once break the Treaty of Versailles." Those words are welcome, and we believe that behind them lies a realisation of the opportunity for action in their sense, which our position at Cologne provides. The Cologne area under British occupation has already been spoken of by the German separatists as the rock on which their movement may be wrecked. So far, the actions of the British authorities in that area have been correct and effective. The Cologne area is a wedge between the separatist movement in the north and the Bavarian territory of the Rhenish Palatinate, where the French representative of the Rhineland Commission has apparently made a *démarche* in favour of autonomy, on the pretext of the recent political developments at Munich. On every ground which the French have alleged on their own behalf, we are entitled to declare ourselves, at Cologne, in favour of German unity.

It would, however, be deplorable in the extreme if there is an attempt by either France or England to look for petty means of bringing pressure on the other. Let the matter be frankly settled on the larger issues. General Smuts has the backing, definitely expressed, of his Empire colleagues, his views have the implied approval of the Government and the explicit support of individual members of it, while on Thursday Mr J. H. Thomas declared that he had precisely expressed what is in the mind of the working classes of this country. Knowing this, we would appeal to France to consider that it was the urge of the moral forces in the world, and the *imponderabilia* of politics, which always will win in the long run, that rallied the material support by which the German menace was overcome. Does France not realise that these forces are slowly but surely shifting over to the other side, and that her apparent inability to take an international point of view, and her reliance upon force, are accomplishing the almost incredible result of producing a feeling of sympathy towards Germany, even among those whose repugnance to militarism and everything German might have been expected to remain a lifelong obsession. Perhaps the latest Paris news means that at last realisation is dawning.

DEFLATION AND INFLATION.

THE question of our monetary policy has once more sprung into prominence in the last few days. The Associated Chambers of Commerce have been discussing the subject at their quarterly meeting, at which both the President and the Chairman of the London Chamber laid special emphasis on the dangers of inflation, which, in the words of Lord Kysant, can only have one result—"a short time of prosperity, and then everything would go wrong." The Federation of British Industries have addressed a memorandum to the Government reiterating the necessity for a new inquiry into the monetary policy, so that, at all events, industry might be protected against further appreciation of the £ sterling. Finally, Mr McKenna, at Belfast on Wednesday, in a speech which dealt very clearly with the essentials of the trade situation, emphasised the harmful effect of pushing on a policy of deflation and restricting purchasing power at a moment like the present. The matter is not, however, by any means only one of academic interest. On the contrary, the idea, which arose out of a recent speech by Sir Montague Barlow, that this country was about to embark upon a career of limited inflation, coincided with a sharp downward movement of dollar exchange; and the uncertainty put into the minds of business people in various parts of the world was undoubtedly one of the influences which brought this movement about. The exchange has since recovered a little, but the incident is a sharp reminder that international opinion is one of the most important factors, at all events for short periods, in regulating exchanges and the movements of international capital.

The experience is not likely to be repeated in the near future, for Mr Baldwin, in his speech at Plymouth, formally announced that the Government would have nothing to do with a "suggestion for creating out of nothing artificial money to finance this, that, and the other..... There is no truth whatever in any stories you may hear from any quarter that a Government of which I am a member will depart from what is understood in this country to be sound financial policy."

But what is this sound financial policy, and what does it imply? Mr Baldwin was very sparing of his words on the subject: "We are not, in present circumstances, any more than we have been for many months, pursuing a policy of active deflation, and we certainly do not propose to proceed in the direction of inflation. No such project has ever been considered. I hope this will lay the ghost." Perhaps it will; but ghosts have a way of hanging about haunted houses in a most disconcerting way. If we understand Mr Baldwin rightly, he means that he is in favour of the view which appears to be common with the great majority of our councillors on the subject. All of them express in general terms their concurrence with the view held by the *Economist* that, on the whole, in present circumstances a definite policy of maintaining stability in prices is desirable. A phrase in the memorandum of the Federation of British Industries, however, shows which way the wind is blowing. For, after paying lip service to this principle, they say that "The object of a policy of price stabilisation should not be to 'stabilise' prices at the abnormal low level shown by the index number at the bottom of a severe depression, but at such an increase on this level as normal trade activity would entail." But are prices abnormally low, and, if so, on what standard? The significance of the phrase obviously depends upon what the Federation of British Industries considers to be a normal level of prices, and its vagueness obviously opens the door to an uncertainty which illustrates the difficulty of departing from the doctrine of stability. We do not conceal that there are very different prices and ability to achieve them are very different things. Mr McKenna is perfectly right in calling attention to the fact that if the volume of trade expands, as we desire, not without hope, that it will soon do, our monetary mechanism must be sufficiently elastic to permit an expansion of credit and of currency. So far as credit is concerned, we do not doubt that our banking system would be quite adequate to deal with this; but it is possible that when a trade revival comes

we may have some difficulty in securing the necessary expansion of the note circulation of the country under the terms of the Treasury Minute of 1919, which imposes an arbitrary limit on our paper circulation. This, however, can be dealt with when the question arises, if it is not previously solved by a unification of our note issue under the Bank of England. But this increase of money to deal with a growing volume of trade is quite a different matter from expanding money sufficiently not only for an increased volume of trade, but also to stimulate a rise of prices. In other words, stability of prices does not mean fixity of the money of the nation, any more than an increase or decrease of money necessarily means deflation or inflation. Nor do these much abused words necessarily apply to even the rise or fall of prices. Inflation is perhaps best defined, on the lines suggested by Mr Baldwin, as a rise of prices brought about by the creation of an artificial purchasing power, and deflation as a fall due to an artificial restriction of purchasing power. Like many definitions, this statement needs a good deal of explanation; but even in its crude form it serves to emphasise that we should only speak of inflation and deflation in relation to a deliberate regulation or manipulation of money. It is in this sense that we are opposed to inflation, and it is in this sense that the instinct of the public has resisted the apparent attractions of inflation.

It would have been natural to suppose that after two or three years of the acutest depression almost any proposal would have been eagerly seized upon which offered any hope of improving employment. Yet hardly any responsible Labour leader has shown any sign of supporting the demand for inflation, and even among employers who are likely to benefit most, opinion is very much mixed. The reasons for this are, we believe, first, the examples of Russia and Germany, which are taken to mean that in the end the plan leads to disaster; second, the feeling that even in small doses inflation which does not increase the real resources of the country means higher profits and a reduced standard of living, both for the wage earner and for the mass of the middle classes; and, finally, there is the idea rooted in the sub-consciousness of the people that we live by foreign trade, and that inflation will not help us to regain the markets of the world. In banking circles the question is considered from its broader aspects and on grounds which we shall have other occasions to discuss. But there is one consideration which is worth emphasising here—namely, that if the truth be told, the after effects of the last period of wild inflation have by no means all been liquidated yet. The banks are still carrying many concerns which will take a considerable time to recover a completely sound position, and so long as this condition persists, the banking community is being constantly reminded of the unsound elements which are almost certain to creep in when the period of credit expansion is in full swing. Their psychology, therefore, is all against speculative expansion.

But while these considerations have meant that the enchantments of the inflationists have fallen upon deaf ears, it is none the less important that if an improved tone is to be fostered in British trade there should be confidence that prices are not likely to sag further at present. At the moment the price tendency is slightly in an upward direction, as figures in our Trade Supplement this week show. But Mr McKenna is right in thinking that it is a restricting influence on trade if employers think that for any reason prices are going to fall again. We welcome, therefore, Mr Baldwin's assertion mentioned above. But his statement that active deflation will not be pursued—which is an important qualification of the doctrine laid down in the Cunliffe report—was thrown out in a rather casual manner, and, in any case, the business world does not know how far it commands the support of the Bank of England. There can be no real confidence among industrialists as to the future of prices so long as there is room for doubt as to whether the condition of the dollar exchange is, or is not, to override the desire for stability of prices in Great Britain. When prices alone are under discussion, there are very few who dis-

pute that in present circumstances steadiness is the best for trade. But if prices fall in America, are we to allow the £ to depreciate in terms of the dollar, or are we to follow America's lead and reduce our own prices in order to keep the exchange steady? It is on this point that we think the industrialists of the country have a right to ask for fuller information, and to know what will be the policy of the Bank of England. But before a statement is made, we are of opinion that an exchange of views should take place between financiers who realise the advantages to this country of a steady dollar exchange in commercial transactions, employers who want to be satisfied that there will be no further fall of prices, and the Government, who would like to be able to buy dollars cheap in order to pay off the American debt.

UNEMPLOYMENT INSURANCE.

No one has ever yet devised a system of State insurance that is free from imperfections; and the scheme of Unemployment Insurance now in force in this country is no exception to the general rule. But many of the chief accusations so freely hurled against this scheme arise from a misunderstanding or ignorance of the facts, which should be dispelled by the "Report on National Unemployment Insurance" just issued in blue-book form* by the Ministry of Health. This report has many merits. It tells the main story clearly, yet gives a mass of detailed information. It is not obtrusively propagandist. It brings the story of the working of the scheme from its inception right up to July, 1923, and is therefore laudably up to date. If those who now talk loosely about "doles" and insolvency will read this report, they will probably concede at least two points: First, that, in view of the crisis which followed so soon after, the beginning of the scheme in a small way in 1912 was a piece of national good fortune. Secondly, that, considering the phenomena conditions under which the scheme has been developed its financial position is nothing like so precarious as might have been expected.

The history of unemployment insurance may be divided into three chapters. When launched in 1912 the scheme embraced about 2½ million workpeople, the weekly benefit for adults being 7s, and the joint weekly contribution of employers and employed 5d and the State contribution 1½d per week. In 1916 the scheme was extended to other classes of workers who were deemed likely to suffer unemployment immediately after the war. These extensions brought the total number of insured up to about 3½ millions. Then in November, 1920, came a far wider extension, which brought the total up to 11½ millions. The Act was made to apply, with certain exceptions, to all manual workers, and all non-manual workers earning £250 a year or less. The chief exceptions were persons engaged in agricultural or private domestic service permanent civil servants, and employees of local authorities and railway companies. At the outset of the expanded scheme weekly rates of benefit began at 15s for men and 12s for women. For a short period in 1921 these rates were raised, but since June, 1921, the 15s and 12s rates have gained in force. Weekly contribution rates under the expanded scheme began as follows:—8d for a man and 6½d for a woman (contributed in equal shares by employers and employed), the State adding a quarter. But since November, 1921, they have been as follows (for men):—Employer, 10d; employed, 9d; State, 6½d. These rates of contribution are to remain in force until the Unemployment Fund has paid off its debt, which at June 30th amounted to £15,600,000.

How comes it, it may well be asked, that the debt is not larger, in view of the prolonged existence of extensive unemployment? In 1913 and 1914 employment in the insured trades was very good, and during the war unemployment in those trades almost disappeared. Thus at the

* Published by H.M. Stationery Office Price 3s net.

date of the Armistice the Fund had a balance in hand of about £15,200,000, which grew to £22,200,000 by November, 1920. Thus in facing the past two years of exceptionally heavy unemployment the scheme started in an unexpectedly good financial position. This, as we have seen, has been changed to a deficit of £15,600,000. It is true, as is pointed out in the report, that borrowings amounting to that figure are not very large in relation to the Fund's annual income of £47 millions. But unfortunately, with no sign on the horizon of a really substantial trade improvement, this deficit must presumably be expected to increase. The report before us says:—"The debt is not so large that it cannot be paid off in a comparatively short space of time as soon as trade revives, and the financial stability of the scheme is not in question." Quite so. But whether it will be possible to make the same claim a few years hence time and economic developments alone will show.

We come now to the question how far it is justifiable to describe unemployment benefit, as it is often described, as a "State dole." That the justification is small is shown by the following aggregate figures:—In the past 2½ years £128,000,000 has been paid out. Of this sum, three-fourths, to quote the report, "has been provided by, or will be a future charge upon, insured workpeople and their employers; not more than one-fourth is provided by the taxpayer." Broadly, those facts dispose of the word "dole" as an accurate description. The word was originally applied to grants, which, while administered through the Employment Exchanges, had nothing to do with the National Unemployment scheme—that is to the "out-of-work" donation instituted for a time after the Armistice. This donation scheme was devised to cover the period of violent post-war readjustment, when service men and war workers were changing over to peace-time employment. That was a "dole." The Exchequer bore the full cost, and no charge was involved on the Unemployment Insurance Fund. The total amount paid out in the shape of these donations was £61,659,000. The only real justification that can be attempted of calling the present unemployment benefit a "dole" arises in the case of "uncovenanted" benefit. The long-continued trade depression had the effect that many workers who had steadily paid their contributions suffered so prolonged an unemployment as to exhaust completely their benefit rights. Fresh measures had to be devised to save them from destitution or the Poor Law. So a system of "special periods" of extra or "uncovenanted" benefit were instituted. We are at the moment in the early days of the fourth "special period," and it is these renewals of payment of uncovenanted benefit which have told so heavily upon the funds of the Unemployment Insurance scheme. Technically, people in receipt of uncovenanted benefit are receiving something to which they have not acquired the right by their contributions. Nevertheless, such receipts may be regarded as advances on account of benefits to which they may hope to acquire the right if and when employment comes their way once more. Contributory rates for those who are employed, as well as for employers and the State, are to be kept at their enhanced level until the Fund's debt has been paid off. Thus it may be claimed that, even in the case of uncovenanted benefit, the contributory principle has not been abandoned, and, further, that the finance of the scheme itself is sound. The present debt arises because the majority of those it now has to carry were not inside the scheme and contributing in the war years, when employment was good.

So long as the present acute depression lasts it may not be possible to do more than meet fresh emergencies as they arise by temporary measures. But in the whole matter of unemployment insurance we have reached the stage where it is time to look back and learn from an adequate period of experience, and lay plans against the return of normal times. One possible development to which great attention is being given is on the line of unemployment insurance by industries. Scope for such development was allowed by the Act of 1920. But in view of the abnormal trade depression only one such special scheme has been evolved. Whatever the future may hold in store, we may be grateful that the skeleton was built before the war of a system that has proved an immense national asset in times of abnormal difficulty.

THE PROBLEM OF HUNGARY.—II.

(BY A CORRESPONDENT.)

"WERE the economist King," the problem of Hungary's future could be stated in terms which by no means preclude solution. That reasonable freedom of trade is an essential factor in reconstruction is a condition applicable not solely to Hungary, but to all the secession States. The desolation of the Danube, with no more than four loaded barges per day entering the Hungarian section of the river, bears mute testimony to the effect of national hostilities, tariffs, and frontiers in South-Eastern Europe. Given, however, some abatement of existing jealousies and restrictions as between the Danubian States, the purely economic situation of Hungary itself is grave but not hopeless.

In a previous article it was suggested that, granted an adequate measure of land reform, which would carry with it the necessity of finding substantial capital to be loaned to peasant proprietors for the purchase of machinery and fertilisers, Hungary could establish a sufficient surplus of cereals to balance all necessary imports. The financial position is equally susceptible of betterment. At the end of September the fiduciary circulation at 588 milliards represented in sterling, converted at the effective rate of exchange, less than £4½ million. Were the Government able to avoid the necessity of further inflation, the harm done to the country's finances would be in no way irreparable.

The question really resolves itself into whether stability in Hungary can be attained, and reconstruction effected, without a foreign loan. If the answer be in the negative, it still remains to be asked whether the conditions on which alone foreign assistance would be forthcoming or, if forthcoming, effective, are likely to be realised.

From the fact that conversations in September at Geneva between Count Bethlen and the representatives of the Little Entente are reported to have reached a conclusion so favourable as to warrant instructions being given to the Financial Committee of the League of Nations to prepare a scheme for a Hungarian loan, in anticipation of a formal request from the Reparations Commission, it may be inferred that Hungary's neighbours are prepared, at least in principle, to assent to raising their liens on Hungary's assets. Failing such assent, all talk of a loan would be a hollow sham, and though a common attitude in Buda Pesth is still to depict the Little Entente in the attitude of a cat releasing a mouse—with ultimate intent unchanged—there is no warrant for endorsing such a view.

(Since the above was written the Reparations Commission has announced itself "disposed in principle to consider the waiving of liens on certain property and resources of Hungary," and has invited the League to prepare a plan of reconstruction, which "would involve exercise of control by the League with which would be associated the States who are creditors of Hungary." The last proviso may well be the stumbling-block.)

Count Bethlen is understood to have made it clear that, failing a foreign loan, neither he nor Dr Kallay, the Minister of Finance, would continue to be responsible for the administration of the country. It is self-evident that on existing lines of policy, without some help in stable currency, the 1923-24 budget must disclose a menacing deficit, and entail further inflation, and perhaps a final crash in the value of the korona. The published estimates for 1922-23 provided for revenue of 153 milliards, against 193 milliards expenditure. Loss on State enterprises accounted for 27 milliards (the bulk under the head of railways), while 48 milliards were chargeable to the Ministry for Home Defence. With a population of 7½ millions, Hungary budgeted for 250,000 civil servants, conceding to them and their dependents (some three-quarters of a million in all) grants in aid to reduce the cost of living at a charge of 24 milliards. On the revenue side, as opposed to a burden of indirect taxation which presses intolerably on the poor, income-tax, which in 1921-22 yielded one-sixteenth of the total revenue, was in 1922-23

estimated to produce 19 milliards, or 12½ per cent. of the whole.

The dilemma is obvious. A balanced budget entails fewer uniforms, demands drastic cutting down of *personnel* in railway and other departmental employ, and requires heavy sacrifices of income by the rich, and, above all, by the large landlords. Without such resources as would provide compensation for "axed" officials, it may be doubted whether the Cabinet would dare throw a hundred thousand men out of employment to swell the various existing brands of agitation and discontent. Unless it were in a position to "deliver the goods," or, in other words, to guarantee future stability if supported, what chance would any Government have of successfully taxing the very class which dominates the country? These are the salient points in the case for a loan, the implication being that, *rebus sic stantibus*, it is worth Europe's while to gamble on a chance of success rather than watch a certain failure with far-reaching consequences of disorder.

Unhappily for the peace of Europe, the Horthy régime called spirits from the vasty deep which the Financial Committee of the League of Nations may find it hard to exorcise. Under present circumstances, a loan without strict foreign control of its expenditure would be equivalent to inviting trouble, and is outside the scope of practical politics. On the other hand, before Count Bethlen returned from Geneva, complaints could already be heard in quarters of Buda Pesth not to be neglected that the Premier was too compliant, that control would be intolerable, that Hungary must stand, die if need be, on her own feet. While supervision "in an advisory capacity" by an English Controller might be welcomed, there are dangerous elements in Hungary which would go far to jeopardise the position of any administration acceding to a control in which members of the Little Entente participated. Regarded as an instrument for keeping ebullitions of proletarian discontent in check, the Army can be relied upon. To what extent its loyalty to the administration is tempered by sympathy with the "Awakening Magyar" and kindred movements is a less calculable factor. Rifles that would be trained readily to the left might not go off so easily to the right, and a sinister feature of the situation is that not only does one brand of Hungarian irredentism receive more or less open encouragement from a greater Fascist power, but, if reliable informants are to be trusted, secret subsidies to several of the underground military organisations in Hungary are furnished by a member of the Little Entente on the principle, presumably, of *quem volo perdere, demento*.

It is not without significance that since his return to Buda Pesth Count Bethlen has been at pains to insist that no "political conditions" would be attached to a foreign loan, and that the Regent was lending no authority to the increasing activities of White irredentists such as Hejjas and Baron Pronay.

Should these initial difficulties be overcome, and a form of control devised acceptable to all parties, the position of the Controller is likely to prove unenviable. His first serious step must be construed as a violation of the integral sovereignty of Hungary. To confine himself to the negative task of seeing that the loan is not applied for warlike purposes would be to leave untouched the issues fundamental to permanent stability and to the repayment of the capital in his charge. To insist, as he must if his trusteeship is to be effective, on a radical alteration in the basis of taxation, and, above all, in the tenure of land, is to assume a position little different from that of an alien dictator. So, at least, his attitude is likely to be described, and even on the supposition that the terms of the loan can be agreed upon, that the Magyar aristocracy can persuade the Little Entente as to their good intentions, that guarantors for the loan can be secured, and a Controller of the highest tact and authority appointed, there remains the need of assurance that the scheme of reconstruction will not break down half-way, when most of the funds have been spent, through refusal of the Hungarian Government to carry out to its conclusion a policy increasingly distasteful to themselves.

A singularly intelligent representative of working-class Hungary (who is not a Communist) recently remarked to the writer that the present régime could maintain itself in

power only so long as it induced sufficient Hungarians outside its own ranks to hate the Governments of other nations more than their own. There is substance in this, admittedly *ex parte*, view, and it illustrates the crux of the problem. Let it be admitted that the overhanging shadow of indefinite claims for reparation has accelerated Hungary's downward progress, that her neighbours have given her small encouragement to put her house in order, that no one but the Hungarians themselves has the right to say what sort of Government Hungary shall have, there still remains the "business" point of view which actual and potential creditors of Hungary cannot be expected to overlook—that reconstruction is not to be effected by the simple operation of a loan, but by the common effort and sacrifices of all sections of the people, inspired by a Government representing the common will.

IRON ORE RESOURCES OF THE WORLD.

"Iron—cold iron—is master of them all."

EARLY in the eighteenth century, when the existence of the British iron trade was thought to be threatened by the competition of the American Colonies, Sweden, and Russia, a pamphlet was written entitled "The Interest of Great Britain in Supplying Herself with Iron," urging that the American forges should be suppressed, or, at least, no new ones allowed to be erected, the duty on imported iron should be increased, and a premium given on the output of British iron. The writer admitted that "Iron ore is a mineral that abounds in most parts of the earth, and that there is no considerable tract of this globe wherein it may not in some shape or other be found," but there were "few counties in England wherein probably it may not be found.....Cumberland and Lancashire are supposed capable of answering the purposes not only of this nation, but even of the universe."

The truth of the assertion as to the abundance and wide distribution of iron ore has since been fully proved, and it is now estimated (by Professor F. W. Clark for the United States Geological Survey) that iron forms 4.44 per cent. of the earth's crust—a proportion exceeded only by oxygen, silicon, and aluminium. Fortunately, however, there are portions of the earth's surface containing up to 70 per cent. of iron, and any material containing upwards of 20 per cent. is usually referred to as iron ore. The utility of iron requires no comment, but it is interesting to note that of the total world production of metals pig-iron accounts for 95 per cent., or 20 times that of all other metals combined, and 60 times that of lead, which is the metal produced in the next largest quantity. At the date of the pamphlet just referred to the writer thought that ore could not "be converted with advantage into good malleable iron with any other fire that we know of, but what is made of wood charakt, or charcoal." Consequently Great Britain was then producing less than 20,000 tons of pig-iron per annum, but since then many inventions have contributed to increase production, so that in 1913 the world production approached 80 million tons, of which Great Britain produced 10,260,000 tons, Germany (as then constituted and including Luxembourg) 19,000,000 tons, France 5,100,000 tons, and the U.S.A. 30,966,000 tons.

The question of the iron ore reserves is second in importance only to that of coal, and the subject has naturally received considerable attention; nor is the subject of local interest merely, for modern transport methods make it possible to smelt ores thousands of miles from where they are raised—half the iron made in this country is produced from Spanish iron ore, while Germany has recently been importing ore from Newfoundland. The latest comprehensive review of the iron ore resources of the world is that undertaken by the Imperial Mineral Resources Bureau, at the request and with the assistance of the National Federation of Iron and Steel Manufacturers. The results have been published in eight volumes—one devoted to Great Britain, four to the other countries of the British Empire, and three to foreign countries.

In the early days of the industry, when the furnaces were small and the processes available crude, the iron

content of the ore was the most important consideration, but when ores containing as little as 20 per cent. of iron can, in favourable circumstances, be smelted, it is clear that the iron content, though obviously important, is not the predominant consideration. Other considerations are the mass of ore available, the cost of transporting ore to fuel or fuel to ore; the cost of "winning" the ore—which depends partly on the cost of labour and partly on the situation of the ore and hardness of the rock; the cost of the "flux"; the percentage of harmful material present; the mechanical condition of the ore, &c.

As the quantity of high-grade ore gradually lessens, rendering it necessary to mine and transport ores of inferior quality, the practice known as "Beneficiation" has arisen, whereby the amount of useless matter to be transported (such as water, silica, &c.) is reduced, and the percentage of iron increased. The most important methods of beneficiation in use are:—(1) Heating to drive off volatile matter, e.g., the carbonate ores of Great Britain are calcined either in open heaps or in kilns, to drive off water and carbon di-oxide, which reduces the weight of the ore sometimes by as much as one-fourth; (2) washing and mechanical concentration, which is used in some parts of the United States and Sweden, to eliminate siliceous and argillaceous impurities; and (3) magnetic concentration, which is practised both in the U.S.A. and Sweden.

The year 1913 was the year of maximum production of iron ore, and seems likely to remain so for some years to come. We therefore give below the 12 countries which in that year produced upwards of one million tons, together with the import and export figures for that year, where these are available. The figures for Germany and France are for those countries as constituted in 1913, the changes consequent on the war being dealt with later.

IRON ORE PRODUCTION, IMPORTS AND EXPORTS IN 1913.

(In Thousands of Tons.)

	Production.	Imports.	Exports.
United States	59,643	2,595	1,042
Germany and Luxembourg	35,364	13,794	2,571
France	21,566	1,388	9,905
United Kingdom	15,997	7,441	5
Spain	9,703	..	8,676
Russia	7,947	?	?
Sweden	7,355	3	6,336
Austria-Hungary	5,016	927	104
Cuba	1,582	..	1,582
Algeria	1,327	..	1,343
Newfoundland	1,243	..	1,243
Total (including other countries).....	170,149	..	..

It will be seen that the four biggest consumers of iron ore are also the biggest producers, and that Spain and Sweden export nine-tenths of their production. The iron industry of Belgium is based on imported ore, the home production in 1913 amounting to only 148,000 tons, and imports to 6,971,000 tons. The predominance of the U.S.A. is most marked, and this predominance has since increased, for in 1920 America raised 68,372,000 tons of ore out of a world production of 122,000,000; that is, the rest of the world, which in 1913 produced 110,636,000 tons, produced in 1920 only 54,000,000 tons.

In the course of this and succeeding articles we propose to examine the reserves of this and other countries, and the prospects of their development, dealing first with Great Britain, next with the other countries of the British Empire, and finally with foreign countries.

GREAT BRITAIN'S RESOURCES.

The volume dealing with the United Kingdom summarises the ore resources as follows:—

IRON ORE RESERVES—GREAT BRITAIN.

(In Millions of Tons.)

	Actual Reserves	Probable Reserves	Possible Reserves	Ores Raised 1917, 1918, and 1919.	Total Reserves 1920.
Jurassic ores	1,212.00	2,177.00	420.00	35.30	3,773.7
Carboniferous bedded ores	1,049.50	1,247.09	5,423.23	3.55	7,716.3
Hematites	45.00	90.00	..	4.70	130.3
Other deposits	..	15.55	75.50	0.31	90.7
Totals	2,306.50	3,529.64	5,918.73	43.86	11,711.0

(1) *The Jurassic Ores.*—It will be seen that 80 per cent. of the ore now being worked comes from the Jurassic beds, where the actually developed reserves amount to over 1,200 million tons—equivalent to 100 years working—and that the probable total quantity available is something like three times as much. Out of the total reserves of 3,774 million tons, 428 million tons are in the Cleveland district of Yorkshire, 490 million tons in the Frodingham district of North Lincolnshire, and 2,245 million tons in the Northampton bed of Northants, Rutland, and South Lincolnshire. The reserves of Jurassic ore were of great importance during the war, when the submarine campaign curtailed supplies of Spanish ores, although the use of this phosphoric ore involved extensive alterations to much of the blast furnace and steel plant of the country, which was designed for acid pig-iron and steel. In 1918 about 30 per cent. of the total output of the country came from the Cleveland district, 23 per cent. from Northampton and Rutland, and 17.5 from North Lincolnshire.

The average iron content of the Jurassic ironstone is 27.6 per cent., varying from 22.7 per cent. in the Frodingham stone to 32.5 per cent. in the Northampton stone. Although relatively poor in iron, the Jurassic ores are of great economic importance, since they are of considerable thickness and extent. Moreover, except in the Cleveland district, where the workings are now exclusively underground, the ironstone is for the most part quarried at the surface after a layer of sand, soil or clay has been removed. This enables very economical working, for whereas the average output per man per shift is little more than 2 tons in underground workings, it is 4 or 5 tons per man per shift in the open workings, and as much as 15 tons where mechanical excavators can be used. Most of the ore raised in Cleveland and North Lincolnshire is used locally, but from returns made to the Ministry of Munitions in 1917, it was found that 27 per cent. of the ore raised in South Lincolnshire, Rutland, Northampton, Leicester, and Oxford was consumed locally, 85 per cent. of the remainder went to blast furnaces in the coal fields—particularly the Derbyshire and Nottingham coal field—and the balance was almost equally divided between the furnaces of Cleveland and North Lincolnshire for mixing purposes.

(2) *Carboniferous Bedded Ores.*—Formerly the carboniferous ores furnished the bulk of the raw material used in this country, but the thicker and more profitable seams are now more or less exhausted, and the reserves occur mostly as nodules or in thin bands. The output, which in 1855 amounted to 7,848,600 tons, had therefore fallen by 1918 to 1,122,800 tons. At present it is only possible to mine the ironstones apart from their associated coals in North Staffordshire, where the beds of ironstone range from 1 ft to 6 ft in thickness. The ironstones of the coal measures are still abundant and fairly rich in iron content, but because of the thinness of the individual beds and the amount of waste left in working them; the irregularity in the occurrence of any particular bed; the compact nature of the strata; and the adherence of foreign deleterious substances which must be removed mechanically or by weather, the extraction of the iron is not profitable. Coal measure ironstone is smelted chiefly in Staffordshire and Shropshire; in Yorkshire the smelting of coal measure ores is confined to the Low Moor district, and in the Sheffield, Derbyshire, Nottinghamshire and S. Wales districts the ores have practically ceased to be used at all. Warwickshire sends some ironstone to South Staffordshire, but does not now smelt any locally, while the output of the remaining coalfields is negligible. In Scotland, the output has fallen from two and a half-million tons in 1876 to about 350,000 tons in 1918, obtained from the coal measures of Ayrshire, Fifeshire, Midlothian and the Central Coalfield.

(3) *Hematites of Cumberland and Lancashire.*—The hematite ores of Cumberland and Lancashire are of particular importance, as they are the only native ores low in phosphorus and sulphur. They therefore furnish pig-iron very suitable for the acid process, and yield an exceptionally pure steel.

Before the war output was in the neighbourhood of 1,700,000 tons per annum, but in 1920 the output was only 1,257,000 tons. The actual reserves amount to about 45,000,000 tons, sufficient, if 1,500,000 tons are raised annually, for about 30 years; there are probable reserves,

however, sufficient to prolong the life of the mines for a further period of sixty years.

(4) *Other Deposits.*—Deposits of ore other than Jurassic, carboniferous bedded and hematites occur in many areas, but nowhere in sufficient quantity for economical working; the ore raised from these "other deposits" amounted in 1917, 1918 and 1919 to no more than an average of 100,000 tons per annum.

It will be seen that there are very considerable reserves of iron ore in this country, but that except in Cumberland and Lancashire it is relatively poor in iron content; for this reason approximately half of the pig-iron made is from richer imported ore, which is smelted in furnaces situated on or near the seaboard, with coalfields not far away inland. In spite of the efforts made during the war to develop home ores, the proportion of ore imported is now slightly higher than before the war on account of the high cost of transport and fuel.

HOME RAILWAY TRAFFICS AND PROSPECTS.

The railway statistics for June published by the Ministry of Transport have appeared this week, and we are enabled to gain some idea of the position at the end of the first half of the current year. Neither these statistics nor the weekly traffic returns give expenditure figures, without which the stockholder can obtain no clue as to his prospects. The Ministry of Transport, however, does publish with the gross figures the comparable totals for last year of the constituent and subsidiary companies of the four groups, from which it is possible to see the effect of trade conditions and changes in fares and rates upon the gross takings of the railways:—

	January to June, 1923.	Inc. or Dec.	%
Passenger traffic—			
Passenger journeys (excluding season ticket holders)	595,100,000	.. + 20,271,000	.. + 3.5
Passenger receipts	£29,167,000	.. — £2,958,000	.. — 9.2
Receipts from season tickets	£6,173,000	.. — £204,000	.. — 3.2
Parcels, &c., traffic	£6,953,000	.. — £849,000	.. — 10.9
	£42,293,000	.. — £4,011,000	.. — 8.7
Freight traffic—			
General merchandise ..	31,058,000 tons	.. + 3,626,000	.. + 13.2
Coal, coke, and patent fuel	112,485,000 tons	.. + 19,695,000	.. + 21.2
Other minerals	32,436,000	.. + 9,770,000	.. + 43.1
Total	175,979,000	.. + 33,091,000	.. + 23.2
Freight receipts—			
General merchandise ..	£28,287,000	.. — £3,705,000	.. — 11.6
Coal, coke, and pat. fuel ..	£20,737,000	.. + £877,000	.. + 4.4
Other minerals	£8,314,000	.. + £1,457,000	.. + 21.2
	£57,338,000	.. — £1,371,000	.. — 2.3

While the number of passenger journeys has increased by 3½ per cent., the reduction in fares, which came into force at the beginning of this year, has reduced the takings by over 9 per cent. Again, an increase of over 23 per cent. in the tonnage of goods carried was accompanied by a reduction of 2.3 per cent. in goods receipts—entirely, it may be noted, on account of the fall in receipts from general merchandise. The total tonnage carried shows a noteworthy increase in comparison with last year. Moreover, a comparison with 1913 is by no means unsatisfactory. For the six months of 1923 general merchandise carried represents 45 per cent. of the tonnage carried in the whole of 1913, coal, &c., 49.5 per cent., and other minerals 45.5 per cent.

But the six months' figures, interesting though they are, do not give any idea as to the net results of working. They tell us, it is true, that passenger train miles increased by 5.4 per cent., that goods train miles increased by 12.4 per cent., that the average goods train load had increased by 6.4 per cent., and that the net ton miles per engine hour were 4.4 per cent. higher than in the first half of 1922. But whether there has been a net saving in general working costs, and if so, whether it has been sufficient to meet the decline in gross revenue, is purely a matter of conjecture. Wages are lower, but, on the other hand, the cost of coal may have been higher. Some

economies in administration expenses may have been achieved, though up to the present these have probably not been very extensive. The weekly figures published by the London and North-Eastern, which is the only one of the four companies to give a comparison with the corresponding period of the previous year, show a decline in gross receipts for the 42 weeks ended October 21st of 5 per cent., the decreases in passenger and goods receipts being 8.7 per cent. and 2.5 per cent., respectively, which is remarkably similar to those of all the railways for the six months, as shown above.

But whatever may be the actual decline shown in total gross receipts, and it is only possible to gain a rough comparison with last year by taking the aggregate figures of all the constituent companies, we must still remain in the dark as to net receipts and dividend prospects for the current year. It is possible that the dividends anticipated at the beginning of the year, when the new stocks were inaugurated, may not be actually earned on the ordinary and deferred stocks, but it is, on the other hand, quite possible that they will be paid, seeing that the large reserve funds of the four companies have so far not been drawn upon to any extent, and are available for increasing dividends if the directors think it desirable to do so. The Home Railway market has, since the turn of the half-year, been fairly steady, and current prices, although below those reached in the boom of the spring, are substantially above the lowest points touched this year, as may be seen from the following table:—

	1923.		Oct. 26,
	Highest.	Lowest.	1923.
London, Midland, and Scottish Ord. ..	108½	102½	106½
London and North-Eastern Deferred..	39½	28½	32½
Southern Deferred	43½	34½	40½
Great Western Ord.....	118½	108½	111½

The Great Western paid a dividend at the end of 1922, when the subsidiary companies had been absorbed, of 8 per cent. Should this be maintained, the yield at the current price works out at over 7 per cent.

IMPROVEMENT OF INDUSTRIAL RELATIONS.—III.

THE CASE FOR THE PUBLICATION OF THE WORKING RESULTS OF ALL STAPLE INDUSTRIES.

EXPERIENCE gained from the operation of the Coal Mines Agreement, to which reference was made last week, suggests the possibility of the extension of a similar principle to other industries.

There is no allegation so far that the publication of figures showing the proceeds of sale and cost of production of coal has damaged anyone, and this fact should go far to dispose of the objections always raised to any suggestion for the disclosure of results in other industries. Such objections can arise from a few causes only:

(1) The ingrained aversion which owners and directors have to disclosing what they consider to be their private affairs, not only to their officials and workmen, but also to their competitors and the public.

Can it any longer be said that the proceeds of sales, the cost of production, and the surplus remaining are the private concern of any individual or group of individuals? If the owners make mistakes it is not only they who suffer; the workers engaged on the undertaking depend upon its success for their livelihood, and are therefore vitally interested in seeing the costs of production reduced to a minimum, a result that can only be attained by harmonious co-operation between owners and workers; the effects of mistakes by the management, as well as of bad workmanship or slackness on the part of the workers, can only be shown by an honest publication of results. Moreover, the general public as consumers have a vital interest in the cost of production, an interest which has been actively brought home to them by the high prices charged during the war for the ordinary necessities of life, and the large fortunes made during that period by many of those, both companies and individuals, engaged in their production and distribution.

Under these conditions the case for the publication of the aggregate proceeds of sale, costs of production, and

margins of surplus in, at any rate, the more important industries of the country is a strong one, if labour and consumers generally are to be placed, as they should be, in the position to form an opinion as to the reasonableness, not only of the profits of capital, but of the wages of labour.

(2) A second possible objection that would be raised by owners to the publication of figures of costs and results is that it would disclose valuable information to competitors, both domestic and foreign.

So far as domestic competitors are concerned, the objection would seem to be met by the publication only of the aggregate figures of all producers in a district, as in the coal industry. In the case of foreign competitors an average figure would give no indication of the lowest costs or of the margin which the most efficient producers had in hand to meet competition.

It happens, however, that there is on record a practical demonstration of the fatuity of this whole argument. In the years 1911 and 1912 full and detailed reports of the manufacturing costs of the United States Steel Corporation were published as a result of an investigation by the Federal Government; it has not been suggested, and the subsequent prosperous course of this great corporation would at once refute any suggestion, that its business has been hampered, or its prosperity unduly diminished, as a result of such publication.

(3) A third possible objection to publication is that at certain times the profits of an industry may be so large that the management are afraid to disclose them. This may be so in a few cases, particularly where the industry is to some extent a monopoly; but it does not, and cannot, apply to our great staple industries, where competition must on the average keep profits within reasonable limits. In so far, however, as this argument exists, it affords an even stronger reason for insisting on publication.

Much labour trouble and much discontented criticism on the part of consumers would be avoided by publication by all our staple industries of summary figures on similar lines to those in force under the Coal Mines Agreement. Such a result could be attained either voluntarily or by legislation. In the case of the coal mines, legislation first compelled the filing of financial returns with the Coal Mines Department, but these were furnished under pledges of secrecy, and it was only as a result of the Coal Mines Commission Act that their publication was authorised. The Labour members of the Commission asked for the submission to the Commission of the individual returns, but this request was not pressed, and publication was limited to summaries substantially in the form of the present quarterly returns. These returns were made compulsory under section 21 of the Mining Industry Act, 1920, but publication was restricted to district summaries, and the secrecy of individual returns was jealously maintained. On this precedent, it would seem as if the authority of Parliament might perhaps be invoked in other industries, so far as to require the filing of periodical accounts in such form as to disclose the gross proceeds, costs, and net proceeds of each undertaking, which would be aggregated and summarised by districts. If these individual returns were made to a Government Department the expense of tabulation and verification would be considerable, and this could be avoided if the owners' and workers' associations for the industry were, by their respective auditors, to verify the individual returns as far as necessary, tabulate them, and forward the certified tabulations to the Government Department concerned for publication. This is the procedure followed in the coal-mining industry, and in effect with the railroads, which are now grouped into four distinct companies. Other industries, such as iron and steel, cotton, woollen, ship-building, and engineering, which have their own trade associations and unions, might be required to follow the same procedure, and to avoid additional expense in a Government Department the district aggregations might be audited and certified by auditors selected from a panel approved by the Board of Trade.

Unfortunately, the railways have not yet seen the wisdom of the publication of periodical monthly or quarterly accounts of their working expenses and net earnings, gross earnings alone being reported, alleging that it is impracticable to prepare such statements with any degree of accuracy. In the United States, on the contrary,

monthly statements of gross and net earnings have been published for over 25 years, and no suggestion that these accounts are not reliable or substantially accurate have been made.

In fact, it must be admitted that this country is behind the United States in methods of accountancy, and the inability for this reason to prepare monthly or quarterly accounts is one of the underlying objections to their publication.

The legislation for coal mines was a war measure, and it is doubtful if, under normal circumstances, a law requiring the publication of accounts would have passed without most strenuous opposition. It may be doubtful whether even now other industries are prepared to follow that example. Among the more enlightened employers in most industries there are undoubtedly many who are keenly anxious to secure permanently harmonious relations with their employees, and there are some who have already adopted with success the plan of sharing with them the net proceeds of their undertakings on a more or less permanent basis. It is to be hoped that the influence of this minority may in time leaven the mass, and it is probable that legislative action can be effectively invoked only as a majority of the owners in an industry are in favour of the publication of the produce, cost, and surplus of the whole.

Assuming that the principle of publicity on the lines indicated is accepted in one or more of our staple industries, there are still other essentials to the removal of friction and suspicion between capital and labour and the consumer.

In the first place, the form of the published returns would require much careful consideration. In the coal industry returns, many months of discussion were required to arrive at the present forms, but the result is a clear statement giving all the main factors involved in the operations of coal mining. The most satisfactory way of arriving at similar results in other industries would be the appointment of joint committees of masters and men, with an advisory chartered accountant appointed by each side, and perhaps a third chartered accountant appointed by the Board of Trade as chairman.

Such committees would have little difficulty in a few months' time in arriving at clear and intelligible forms, which would disclose all material facts. The close relationships engendered between the members of such a committee during their discussions would, in all probability, be such that they could then proceed to discuss the basis of wage fixing on the general principle of the Coal Mines Agreement, with a reasonable prospect of success.

A second essential is the removal of suspicions and of veiled hostility between owners and men, which too often result in misunderstanding and strikes. In the case of the coal mines, the most progressive elements among both masters and men realise the inherent advantages of the scheme, and are alive to the difficulties which still have to be surmounted. The conversion of the extreme elements on both sides is a more difficult matter, and can only be accomplished by persistent education, particularly among the rank and file of labour, who, lacking the higher education of which their leaders, as well as the owners, have had the advantage, are too apt to look at new suggestions as only another attempt to "do them in." The agreement has introduced the idea of both parties being interested in obtaining the best results, and the rank and file should quickly learn that such elementary matters as increased output, reduced absenteeism, and steady work, are essential to their own welfare, and that any individual "slacker" is striking a severe blow at the prosperity of his fellow-workers. This new attitude of mind would be much assisted by the greater interest which should be taken by all owners in the welfare of their employees, not only while at work, but also at play, and by engendering a spirit of comradeship and goodfellowship, which, while not unknown in many individual instances, has by no means been a universal, or even a common experience in the past.

A third essential is that the employees should have some effective voice in suggesting improvements in working. It is of no use to give to employees the results of operations, and to urge them to better organisation and more consistent efforts to improve production, if they have no

means of calling attention to defective methods of operation, which may, and frequently do, have a disastrous effect upon results, or of suggesting and discussing remedies therefor. Their voice must be heard through their representatives, and generally, their representatives are reasonable men, with a thorough knowledge of their work. The second part of the Mining Industry Act, 1920, provided for an elaborate system of pit and district committees to discuss and make recommendations with respect to safety, health, welfare, maintenance, increase of output, and disputes as to wages. Such a body would seem to be an invaluable adjunct to the management, and it is most unfortunate that, by the inaction of both parties, it became a dead letter. The Coal Mines Agreement of July 1, 1921, provided for national and district boards, whose powers, as compared with those given by the Act of 1920, are very limited, being apparently confined to questions relating to wages, arising out of the agreement. Some undertakings, it is true, have pit committees of their own, but there is no such general system of committees as is essential if the new principles of co-operation and partnership between masters and men are to be effective in reducing costs of production and increasing output per person employed. Committees of managers and men, when once established on a proper basis, and with such powers to investigate and recommend as were given by the abandoned provisions of the Act of 1920, must lead to increased co-operation, better understanding, and greater efficiency, and will give to the joint body an effective voice in the conduct of the industry.

DIARY OF THE IMPERIAL CONFERENCE.

Friday, October 19th.—The Imperial Conference, sitting in private, considered questions of Imperial defence, from the naval and aerial aspect. Statements were submitted by the Secretaries of State for War and for Air.

The Imperial Economic Conference listened to a statement on aerial communications by Sir Samuel Hoare (Secretary of State for Air). It was agreed to set up a Committee to examine the "Burnley scheme," which aims at establishing a bi-weekly airship service from this country to India, capable of reducing the average time taken to 100 flying hours. It is understood that the Committee will report so as to enable a definite decision to be made at a very early date.

Monday, October 22nd.—Matters of Imperial defence were again under discussion by the Imperial Conference. No report of the proceedings has been issued.

Wednesday, October 23rd.—The Imperial Economic Conference, after a brief session, unanimously adopted the following resolutions on Imperial shipping policy, epitomising some of the main conclusions emerging from the previous week's discussions:—

In view of the vital importance to the British Empire of safeguarding its overseas carrying trade against all forms of discrimination by foreign countries, whether open or disguised, the representatives of the Governments of the Empire declare:—

(1) That it is their established practice to make no discrimination between the flags of shipping using their ports, and that they have no intention of departing from this practice as regards countries which treat ocean-going shipping under the British flag on a footing with their own national shipping.

(2) That in the event of danger arising in future to the overseas shipping of the Empire through an attempt by a foreign country to discriminate against the British flag, the Governments of the Empire will consult together as to the best means of meeting the situation.

The second resolution ran as follows:—

That this Conference is of opinion:—(1) That the work accomplished by the Imperial Shipping Committee is convincing proof of the wisdom of its establishment, and that it is of the highest importance to the Empire that this work should continue; (2) that it is, therefore, desirable to maintain the Committee on its present basis, deriving authority from, and responsible to, the Governments represented in the Imperial Conference.

The Conference also received a deputation from the Empire Press Union on the subject of cable rates between Great Britain and the Dominions.

Wednesday, October 24th.—Lord Peel (Secretary of State for India), reviewed the present situation of British Indians in other parts of the British Empire. The case from the Indian side was presented by Sir Tej Bahadur Sapru and the Maharajah of Alwar.

During the afternoon the Imperial Economic Conference discussed resolutions put forward by the London Conference of the International Committee on Maritime Law, and by the Committee on the Liability of Dominion and Foreign Governments to United Kingdom Taxation. The former body recommended that Sovereign Powers owning and operating ships for commercial purposes should accept all liabilities enforceable against private owners. While general approval was expressed, no final motion was put, the Canadian and Australian representatives having intimated their inability to commit their Provincial and State Governments.

The report of the Commercial Facilities Committee of the Conference, published on Wednesday, dealt with the supply of information to Dominion and Colonial Governments by Imperial commercial diplomatic representatives in foreign countries; the admission duty-free into any part of the Empire of commercial travellers' samples, &c., and the forthcoming League of Nations Conference on Customs formalities.

Thursday, October 25th.—The Imperial Conference discussed the practicability of enforcing in one part of the Empire judgments of Courts of Justice, and arbitration awards, made in another. No decision was taken, although the members expressed their individual agreement in principle.

After a discussion opened by Lord Onslow (Parliamentary Secretary to the Board of Education), the Economic Conference further agreed that all possible encouragement should be given to the education of children in Imperial matters.

Notes of the Week.

Mr Baldwin Takes the Plunge.—The Prime Minister's Plymouth speech, on Thursday, may become historical for its great appeal to M. Poincaré, and may mark the turning point in the political situation abroad if, as he almost leads us to hope, America may come and lend a hand with the Reparation question. But whether we are disappointed or not in this, the speech is a landmark in internal politics. The presence of the Dominion Premiers and the demand of some of them for increased Imperial Preference, has re-awakened the tariff reform elements in the Conservative party, who have at last made a capture of Mr Baldwin. The Government is pledged to make no fundamental change in our fiscal system, and Mr Baldwin tells us that "I am not the man to play with a pledge." But he adds significantly: "I cannot see myself that any slight extension or adoption of principles hitherto sanctioned in the Legislature is a breach of that pledge. But at any time that I am challenged I am always willing to take a verdict." In other words, Mr Baldwin does not think that the imposition of new taxes not for revenue purposes, but for the sake of giving a preference to the Dominions, is a fundamental change in our fiscal system. On this Mr Baldwin will certainly be challenged, and his words can only mean an early appeal to the electorate. But it is not merely on preference that Mr Baldwin wishes release from his pledge. He is rightly exercised as to ways and means of dealing with unemployment. "If we go pottering along as we are we shall have unemployment with us to the end of time. And I have come to the conclusion myself that the only way of fighting this subject is by protecting the home market." Mr Baldwin is well aware that there are three chief centres of unemployment to-day. The Lancashire cotton trade, which is overwhelmingly an export industry, is in desperate straits; iron and steel, which exports directly or indirectly three-quarters of its products, is painfully recovering from the severest depression in its history; while shipbuilding and its dependent industry of shipping, which is entirely dependent on ex-

ternal trade, is the worst of all. Therefore, says Mr Baldwin, let us cure the trouble by protecting the home market, and restricting the international exchange of our goods. Ever since Great Britain outran her internal resources a hundred years ago, and took to international exchange as the means of supporting a dense population, every protectionist movement has wrecked itself on the imperative necessity of expanding and not checking international trade. From the broadest standpoint and in essentials the war has made no economic revolution. Mr McKenna has shown that the general outlines of world trade, and the proportion which we are able to do, are singularly unchanged by comparison with the pre-war situation. Mr Neville Chamberlain tells us that had his father been listened to 20 years ago, "we should not be where we are to-day." He is right. Had we adopted the policy of trade restriction in 1904, we should have lacked the merchant shipping, we should have had fewer foreign investments in distant countries, we should not have had the control of economic resources in every part of the world which enabled the Allies to win the war. That a cure for unemployment can be found in measures which, by restricting our foreign trade, will restrict the productions of the country, is surely a fallacy so patent that the electorate will reject it as wholeheartedly as it has repudiated similar fiscal fallacies at one general election after another.

Conditions in Ireland.—Our Dublin correspondent writes:—Business is slowly being resumed as the Government proposals for a provisional settlement are gradually being accepted. The dockers at Cork, Waterford, Limerick, and Dundalk are back at work; in Dublin there is little doubt of the result, but on two separate occasions the revolutionary extremists forcibly prevented the men's ballot from being held. On the latter occasion the union leaders, satisfied on the facts that the large majority of the men desired it, ordered a resumption of work on the Government conditions. The Dublin workingman, though willing to do the best for himself without extravagant overwork, has had a long training in politics; he is a patriot rather than a revolutionary, and is not devoid of a certain cynical insight into the motives and methods of the firebrands. In the meantime, the employers and their agents to-day (Thursday) proceeded to load certain ships of their own, and the Government provided full protection. There has been, so far, no disturbance. The cessation of the strikes, though a welcome and much-needed relief to business, is, of course, only temporary pending the fuller consideration, in accordance with the Government proposals, of all the matters in dispute. So far little has been done to tackle the problem of the high cost of living, and those responsible for the latter are said to exercise great, if indirect, influence in Government circles. Doubtless there are difficulties in the way of procuring the due reduction of cost of living, but they will have to be surmounted if the attempt to get wages down to fair competitive levels is to succeed—and to succeed without leaving an intolerable grievance. A mitigation of the burden of crushingly heavy rates and of very high rents for very bad housing accommodation will have to come later from the Oireachtas. The newspapers report that as the result of private negotiations the British Government is about to hand over the whole postal service of Northern Ireland to Sir James Craig's Government. If this be so, there may be serious trouble, as this transfer will be regarded as a clear and wilful breach of the Anglo-Irish Treaty by Great Britain—and this coming on the top of the difficulty as to Article 12 relating to the Ulster Boundary Commission may cause acute controversy. The Treaty provided that the six northern counties could vote themselves out of the Free State, and that, if they did so, the Government of Ireland Act, 1920, should continue to be of full force and effect as regards Northern Ireland. Under the Act of 1920, Section 9 (2), the postal service, amongst others, is a reserved service "until the date of Irish union," and under Section 10 certain deliberative and advisory powers are vested in the Council of Ireland in regard to these "reserved services," and the time, conditions, &c., of their transfer to Irish control. A transfer of the postal service to Northern Ireland without reference to the Council of

Ireland is thus plainly seen to be an infraction of the letter as well as of the spirit of the Act of 1920, in which the Irish Free State, having regard to the provisions of Articles 12 and 13, has very definite rights. On the broader grounds of principle, too, it is clear that the policy of the Act of 1920, as well as of the Treaty, was the unification of Ireland and the withholding of certain services with a view to and until that unification. It is true that, as a portion of the temporary readjustments, the functions of the Council of Ireland are held up to some extent for five years, but that shows that their permanence and effectiveness were deliberately contemplated. It is stated that the Postal Authorities in London estimate that their Northern Ireland service is run at a loss of £165,000 per annum, and that the transfer is to be accompanied by a subsidy of £200,000 per annum.

Lloyds Bank and Profit Sharing.—We are informed that the directors of Lloyds Bank, desiring to give the members of the staff "a direct personal interest in improving the earnings of the bank," have decided that if the dividend paid to shareholders for the current half-year is at the rate of not less than 16½ per cent., an amount equivalent to one-half of the difference between such dividend and 15 per cent. will be set aside for distribution amongst the staff. The calculation will be made in respect of the gross amount of the dividend, and income-tax will be payable by the recipients, as in the case of shareholders. The sum available will be paid over to the Staff Representative Committee, and the Central Committee has been asked to prepare a scheme for the disposal of it, subject to the approval of the board. The arrangement will be continued for the year 1924, except that the allocation will not be made half-yearly, but after the end of the year. It may be abrogated or varied subsequently, but the directors "hope that circumstances will permit of its continuance and even extension." This proposal is quite an innovation in the banking world, as far as we are aware, the nearest approach to anything of this nature having been the introduction by Barclays Bank of C shares of £1 each, which are issued to employees only. The number of these subscribed at the date of the last balance-sheet was 401,205, and on these a dividend of 14 per cent. has been paid for the last three years. If the dividend paid by Lloyds Bank in the current half-year is maintained at 16½ per cent., the amount for distribution amongst the staff will be just short of £60,000. Assuming a total of 10,000 employees, this would give an average of £12 per head for a full year, which, though not large, should be sufficient to stimulate interest in the well-being of the bank and in the pursuit of economy, and the directors are to be congratulated on introducing this innovation. Profit-sharing schemes in ordinary industrial undertakings have frequently proved of little advantage to employees, as they have been swamped by wide fluctuations in profits. But in the case of one of the great English banks the liability to fluctuation is very much smaller, and the profits which are disclosed and the dividends paid keep remarkably steady. For this reason we are inclined to think that the proposal made by the directors of Lloyds Bank should prove successful. It seems to indicate that the general slackness of trade has not greatly impaired the profit-earning capacity of the great banks.

Production Cost of Cereals in America.—The gross average cost last year of producing an acre of wheat in the United States is given by the Bureau of Agricultural Economics as \$21.20, and a net average cost of \$19.68. With an average yield of 16 bushels per acre, the cost per bushel was \$1.23. The average sale value reported was \$1.11 per bushel. Sold at this price, there would be a loss of 12 cents per bushel, or \$1.89 per acre. It is well to keep in mind, however, that this did not represent an actual cash loss, since a large percentage of the total cost of production did not involve a cash outlay. A summary on 2,601 reports on the cost of producing oats showed an average gross cost of \$19.19 per acre, and an average net cost of \$17.40 per acre. The yield per acre was 33 bushels, and the cost per bushel was \$0.53. An average sale value of \$0.48 per bushel was reported; this

is \$0.05 per bushel, or \$1.65 per acre, less than the average cost of production. The average cost of producing an acre of maize was \$25.09; from this a credit for stover of \$2.08 was deducted, leaving a net average cost of \$23.01 per acre and \$0.66 per bushel for a 35-bushel yield. The average value of the maize sold was \$0.73 per bushel, leaving a margin of \$0.07 per bushel, or \$2.43 per acre, after charging all expenses, including unpaid labour and use of land.

Who Makes the Markets?—A Stock Exchange correspondent writes:—Stock Exchange men raise a general plaint that there is no public in their markets, and that for this reason the tendency at the present time in a good many parts of the House is for prices to sag. On the other hand, the belief is almost universally held amongst clients that it is the Stock Exchange which causes fluctuations in prices. Members are constantly blamed for allowing quotations to drop. It is at the Stock Exchange that men point the finger of scorn for running up values at a rate which gives the public little or no chance of getting in at what people consider, in the light of previous quotations, to be reasonable figures. The events of the present day, which can be illustrated by the recent vagaries of prices in the tea share market, show that it is not the Stock Exchange, but the public, to whose efforts must be attributed movements, more or less violent, that occur in markets. In other words, Stock Exchange fluctuations are governed by supply and demand of shares, a fact so apparently self-evident that it would scarcely seem worth while dilating upon were it not that the great majority of public investors unhesitatingly lay the blame—and they rarely concede any praise—upon the shoulders of Stock Exchange men who are declared to be the governors of these price movements. As was pointed out here three weeks ago, if a jobber has not got stock on his book, and does not know where to go for it, it would be unreasonable to expect him to make a price in the dark, knowing that he would run the risk of selling shares that were more or less unobtainable. The buyer, unable to get what he wants at his price, can insist as a matter of right upon having the quotations advanced in the Stock Exchange Official List. If the List calls a stock 74-76, and a buyer bids 76 without being able to get any, that buyer can compel the price to be put up, and to any figure, until his demand is satisfied. In point of practical fact, he would scarcely be likely to do so except, of course, in a modest way, since any dramatic alteration would have the opposite effect from what was intended; it would confirm proprietors in the holding of their stock except in a few cases. Moreover, it would obviously be spoiling one's market to do such a thing, and therefore the raising of prices, or the lowering of them, is regulated by common-sense principles. That stock, which is priced at 74-76, and is obtainable at the latter figure, would probably not appeal to the buyer however insistent if it were put up, say, 10 points. Where the purchaser is really anxious to obtain stock, he will naturally prefer to wait in order to see whether any comes in at a reasonable rate, rather than insist upon the official quotation being advanced, day by day, in such manner as would draw general attention to the fact that somebody was very anxious to buy it. The fact of tea shares being generally of high denomination, and standing at big prices, means, of course, that the issued share capitals are small; that there are not enough shares to go round when pressing demand arises, as it does when a boom is in progress. On the other hand, directly the buying ceases, the market takes a turn towards lower levels, for the constitution of human nature is such that people who will not sell on a rise are eager to get out before a fall has run its full length. Previous buyers who were bidding for shares as prices rose, cancel their intentions and their orders when the market swings in the other direction, and assumes an appearance of going lower. Just as few people have the strength of mind to foresee any conclusion to a rise when a market is booming, so there are few—although more of these than in the former class—who are content to buy on a falling market. These arguments are not meant in any sense to be a special pleading on behalf of Stock Exchange men maligned for the violence with which movements in prices occur. They are intended to show

that, although the Stock Exchange exerts a certain amount of influence over the way in which fluctuations come about, this influence is almost entirely the result of intelligent anticipation of what people are likely to do in the way of buying or selling. Orders from the public "make" the prices, and bring about the changes that cause markets to be good or bad. Politics, revolutions, foreign exchanges, monetary considerations are all factors which sway the markets and Stock Exchange prices, because the public buy when they think the outlook is encouraging, and the same public sell when they are nervous of the immediate future prospects.

The Mint Report.—The fifty-third annual report of the Deputy Master and Comptroller of the Royal Mint for 1922* is full of interesting reading. We are told, for example, why the first of the new silver coins became rapidly discoloured and how this tendency has been overcome. The new silver alloy containing 10 per cent. of nickel has been discarded, and in June, 1922, was replaced by an alloy containing 500 parts silver and 500 parts copper per thousand, and to overcome the tendency of this alloy to exhibit a copper-coloured surface at a very early stage the blanks are subjected to an intensive pickling treatment to remove the copper from the surface, so that the pieces become thickly coated with fine silver, which renders them more uniform in appearance and less likely to suffer rapid deterioration under the varied oxidising influences of ordinary circulation. Then there is a lengthy apologia for the "inferior" work of the medal department, in which Mr Robert A. Johnson, the Deputy Master, sets out many of the difficulties, technical and otherwise, with which the Mint has been faced. So far as actual financial results are concerned, the year 1922 showed for the first time since 1904 an excess of expenditure over receipts to the extent of £264,600. This compares with a profit of £1,703,400 in 1921, of £2,303,900 in 1920, and an annual average for the past fifty years of £695,300. In his report, the Deputy Master writes that as the year went on the contraction in the circulation of silver coins in this country became more and more apparent, and the accumulation of stocks of old coin was still further accentuated by the return of coin from overseas. "In the circumstances, relief to the holders of surplus coin could obviously not be afforded by merely replacing old coin with new, and further recourse was had to the Currency Note Redemption Account, whose holdings of silver coin were increased by stages to a total of seven millions at the end of the year. So held, the old coin in this reserve could be replaced by new coinage at the convenience of the Mint, and the fact that there is always this recoinage to fall back upon when other business is slack is naturally of great assistance in arranging for an economical allotment of the week's work." In the late autumn, as accumulations in the Bank were still heavy, and large repatriations were being made from South Africa in preparation for a forthcoming issue in that Dominion of a subsidiary coinage of their own, a supplementary estimate for £750,000 was presented in the House of Commons to be utilised in buying back old coin at face value on Mint account, the coin so obtained to be melted and the resulting bullion to be sold outright. It is this operation which accounts for the excess of expenditure over revenue for the year mentioned above. Under "extra receipts" there was a profit on silver in 1922 of £4,388,100, and of £6,649,400 in the financial year 1922-23, and while there was a loss in the calendar year on bronze of £23,900, the financial year showed a profit of £32,300. The amount paid over to the Exchequer was £545,500. The value of the new silver coin issued in 1922 was £6,519,550, which compares with £8,529,100 in 1921. The amount of old silver coin of 925 fineness withdrawn was £8,898,100, which showed a loss of weight equal to 2.38 per cent. No gold bullion was received from the Bank of England during 1922, and no gold coin was issued by the Royal Mint. The total issue of bronze coin in 1922 was only about one-fifth of the average annual issue in the previous ten years, the issue in Great Britain and Ireland being £70,900 and to the Colonies £14,500. The total number of bronze pieces

* H.M. Stationery Office. 5s net.

struck was 37,038,658, which compares with 167,214,083 in 1921. The withdrawal of worn bronze coin resulted in the receipt of some £10,600, the largest amount received in any year since 1913. The net loss of metal amounted to 11 per cent. of the standard weight of the coins on issue. On the last weekday in June, 1922, the banks (including the Bank of England) held gold coin to the value of £79,930,400, silver coin to the value of £16,194,700 and bronze coin to the value of £2,131,200. In 1921 the corresponding values were £81,317,300, £17,331,900, and £1,832,100 respectively.

Daily Mail Trust.—From the avid way in which the Daily Mail Trust debenture issue was snapped up, it is obvious that the public imagination has been captured by the appeal for the eight million pounds stock offered at 99. It is thought that the allotments may be published some time within the coming week, and as 2 premium was bid for "Results" before the applications went in, it is generally expected that the price will open, when dealings start, at something like 101. Many people are known to have left orders with their brokers to pick up the scrip at anything like 2 premium, and some have left limits to buy at best. Following upon our comments last week (*Economist*, page 710), a Stock Exchange correspondent writes that it is pointed out in the Stock Exchange that this eight million pounds debenture stock is secured upon 800,000 deferred shares in the Associated Newspapers, Limited, the price being taken at £7 per share for the purposes of the prospectus. Besides these shares there are 918,000 fully-paid ordinary shares in E. Hulton and Co., Limited, which have been acquired for the sum of six million pounds sterling. Cool Stock Exchange observers point out that to value 800,000 Associated deferred shares at the current market price is rather a tall order, in view of the fact that the market in the shares could certainly not be relied upon to take anything like this amount at the figure quoted. It is not always easy to deal even in five thousand of these shares at a time, and the fact that the price fell to 6½ on Wednesday, thus shearing off £200,000 from the assets, is an indication of the way in which security of this nature may fluctuate. The prospectus states that "the company also reserves the right to realise, with the consent of the trustees, all or any of the specifically mortgaged premises, the proceeds of such realisation when amounting to 10 per cent. of the stock for the time being outstanding being applied in redeeming the stock *pro rata*." The word "premises," read casually, might easily be assumed to refer to buildings, &c., such as a debenture is frequently secured upon, but examination of the offer for sale shows that the word applies to what is premised in the earlier part of the offer, namely, the security of these shares, uncalled capital, and sundry investments in allied newspaper undertakings. It is not in any spirit of carping criticism that details such as these are indicated, but, having regard to the unusual security offered upon so large an amount of debenture stock, it is but fair to point out that the investor who is ready to buy scrip "at best," or to pay a substantial premium for it, ought to realise that the debenture stock is different from one which has for its protection such assets of land, property, &c., as are more generally offered.

An Affiliation of South American Banks.—Recent rumours as to an impending amalgamation of British banks operating in South America appear to have had some foundation, for on Saturday last the directors of the London and Brazilian Bank, Limited, announced that subject to the sanction of the Treasury Committee controlling bank amalgamations, and to the passing by this bank of the requisite special resolutions, a preliminary agreement has been arrived at for establishing a community of interests between this bank and the London and River Plate Bank, Limited. The result to the shareholders of the London and Brazilian Bank will be that for every five of their shares they will receive two fully-paid shares of £25 (twenty-five pounds) each in the London and River Plate Bank, arrangements having been made whereby part of the existing capital of the latter bank will be paid up in full, and so rearranged that ultimately the whole paid-up capital will equal the present paid-up capital of the two banks. The assets representing the capital and reserves of both banks will remain undisturbed.

Both the banks are British institutions, and a controlling interest—98½ per cent. of the share capital—in the London and River Plate Bank is held by Lloyds Bank, Limited. Both the South American banks were established in 1862, and each has a subscribed capital of £3 millions, but while the London and River Plate has £2,040,000 paid up, the London and Brazilian paid-up capital is £1,500,000. The London and River Plate Bank paid a dividend of 10 per cent. for the year 1922, but whether this can be maintained for the current year, which, judging by the results of other South American banks, has not been a very favourable one, remains to be seen. London and Brazilian shares rose by £2 to £18 on the announcement, but some of this has since been lost.

Canadian Banks.—A Correction.—We regret that in the article in our Banking Number last week on Canadian Banks, there was a sentence which appears to have conveyed to a correspondent that the Standard Bank of Canada had been absorbed by a larger concern. This, of course, is not the case, although the bank in question was obliged to draw heavily upon its reserves to meet certain losses.

Cotton Trade Short Time.—Our Manchester correspondent writes:—Since last March spinners of American cotton yarns in Lancashire have worked only half time on the recommendation of the Masters' Federation. The position has been reviewed from month to month, and this week the committee has recommended the members to continue the curtailment of production by 50 per cent. until the end of November. Before that month expires a ballot of spinners will be taken as to what further action should be adopted with regard to restriction of output. It is fairly well known that during the past month the recommendation of the Federation has not been carried out so thoroughly as earlier in the year. It cannot be said that the trade position warrants a much larger output, but many companies have grown tired of the organised movement, as it has not achieved the result expected, and more cases are being mentioned of firms making their own arrangements as to output. It is not improbable, therefore, that when the vote is taken it will be found that the necessary majority in favour of any scheme of further short time has not been obtained.

Oil Company Earnings.—Oil prices in this country have been found to reflect the movement of oil prices in the United States generally from six to twelve weeks afterwards. Why that should be so is something of a trade mystery, but the question naturally occurs—How far may the earnings of oil companies operating in Great Britain be expected to reflect the present trend of oil earnings in America? The question is interesting, for at the present time the financial effects of the state of over-production in the American oil industry are becoming prominent. A number of leading companies have either passed or substantially reduced their dividends for the third quarter of the year. Large profits were made in the first quarter, but the trend of oil prices has been downward ever since. The highest grade of mid-Continent crude oil began the year at \$1.80 per barrel, and rose to \$2.60 by February 17th, but in April had fallen to \$2.50, and in May to \$2.20, at which price it was arbitrarily maintained until its reduction about a month ago to \$1.60 per barrel. Californian crude oil of 35 deg. gravity fell from its January price of \$1.45 per barrel to \$1.04 in April, and this month was reduced by the Standard Oil Company of California to 76 cents per barrel. Refined oil prices have declined even more sharply on account of the price war. The ability of the big concerns to meet their current dividend requirements has therefore become a painful question, and many of the leading companies have passed or reduced their payments for the third quarter. When it comes to the final quarter there will no doubt be a larger number of companies who will pass or reduce their payments. According to a report prepared from the *Pittsburg Gazette Times*, 55 of the leading oil companies of the United States, with a total capital investment of \$3,643,363,142, have been paying up to the

present time an aggregate of \$269,310,067 a year in dividends, which would necessitate their earning, over and above all expenses, reserve funds, and interest on bonds, an aggregate of \$448,124 a day. With the present market prices this can no longer be done. Oil companies are, of course, variously affected. Generally speaking, the company that is merely producing and selling the crude oil commodity is hard hit in a period of crude oil over-production, while the complete unit companies—producing, refining, and marketing—may be able to maintain their normal ratio of profit. For example, the Standard Oil Company of New Jersey, by virtue of its widely distributed organisation, is able to earn the \$94,140 a day (\$33,894,587 a year) which it requires in order to meet its dividend payments. The Vacuum Oil Company, handling a product—namely, lubricating oil—which has not proportionately declined in price, is actually showing a better record than last year, when its net earnings were \$13,600,000. For 1923 its net earnings are expected to be between \$18,000,000 and \$19,000,000, and an extra dividend is likely to be declared in the new year. On the other hand, the president of the National Independent Producers' Association is heard bewailing the fact that the continual cuts in the price of crude oil have brought the small oil producer to the verge of bankruptcy. Similarly, the cuts in the price of refined products are ruining the small refiner. All this is not to be wondered at, when some of the complete unit companies have been forced to pass or reduce their dividends. In so far as British oil prices follow the downward course of American, oil companies here might be expected to have the same difficulty in maintaining their dividends. But, again, special circumstances govern each individual company. The Anglo-American Oil Company, for example, which has maintained its interim dividend, has long held the bulk of the wholesale trade in lubricating oils, as well as the largest individual proportion of the petrol trade, and, withal, can show the lowest tanker transportation costs—a very important consideration. It has also claimed that the recent reductions in the price of petrol have increased its turnover by 20 per cent., which must be peculiar to itself, seeing that in America the gasoline consumption is not usually increased by falling prices. Then the Shell group is not confined to this or any other country, but has the advantage of a world-wide organisation, and is able, probably, to obtain a higher average selling price than even Standard Oil. Its production has enormously increased this year. The Anglo-Persian Oil Company is the only one of the three combines here that has been restricted in its refining and market operations, but no question has been raised as to its dividend for the year ending March 31st last, which will shortly be announced. On the whole, British oil companies are never so adversely affected as American, with oil prices more stabilised in the markets here.

Black Sea and Other Chartering.—Following on the formation of an Anglo-Russian company, in which Messrs Furness, Withy and Co., Limited, some well-known grain brokers, and Messrs Arcos, among others, are interested, there has been a big burst of chartering from the Black Sea ports, and during the early part of the week something like 80,000 to 90,000 tons were booked from the South Russian ports for grain to the United Kingdom, France, Belgium, and Germany. The rates paid were 14s to 14s 6d per ton for anything able to load promptly, and the rush of orders cleared all the early tonnage off the market. Should the demand expand further, as anticipated, steamers will have to be drawn from the Mediterranean ports, and this will have a good influence upon the ore markets, which are already beginning to show more interest owing to the rise in pig-iron and the better demand and improving outlook for iron and steel. In other directions the Canadian market has been firm, with tonnage short. Shippers have had to pay 3s 9d per quarter to the United Kingdom, and later 3s 10½d, while 17 cents per 100 lbs on heavy grain basis was paid to Havre and 24 cents to Greece. From the Northern Range of ports there has been a much better business done, and 13 cents per 100 lbs has been fixed for Antwerp-Rotterdam, with 17 cents Genoa. Coal moves quietly, but a steamer for Monte Video made \$3.90. There has been a good

business done for lumber from the Gulf of Mexico, and 130s was fixed for Holland and Belfast, with 150s River Plate, another boat securing \$14.50 to the same destination for 1,250 standards. On net charter, \$4 was arranged from the Northern Range to the River Plate, and a tanker from the Gulf to the French Atlantic made 23s 6d for early loading. The North Pacific ports are fairly active, with a demand for grain and also lumber to the Mediterranean, United Kingdom, and Japan. The Eastern markets continue firm, with Bombay booked up at 24s 6d to the United Kingdom or Continent, and 27s 6d Japan. The River Plate has been very disappointing to ship-owners, and there are numerous steamers ready for November loading as yet unfixed. The general feeling in the freight markets is better, with more business offering both outwards and home.

Linen and Research.—Those who expected the Government scheme for the application of scientific and industrial research to accomplish miracles in the rejuvenation of our industries will find but little evidence to support their view in the annual statement just issued. Nevertheless, it is noteworthy that in the case of the linen industry, where the rule-of-thumb methods so characteristic of past generations were in practice until very recently, the Linen Research Institute, under Dr Vargas Eyre, reports some advances, which must bring very considerable benefit to the linen trade and to the textile industries generally. Perhaps the most outstanding of these is the invention of a simple machine for wear testing, to supplement the apparatus which has hitherto been in general use for testing the breaking strength of yarns under direct tension. The influence of wear on yarns and fabrics is of the utmost importance. This is so much the case that it has been found that some dressings applied to yarns are able to increase tenfold the resistance of the cloth produced without increasing their tensile strength more than 3 per cent. Still another result has been the discovery of a ready means whereby flax, ramie, cotton and hemp constituents may be differentiated qualitatively and quantitatively in any fabric. Then also quite a flood of light has been thrown on the relations of yarns and cloths to moisture under pressure in bleaching and finishing. Of paramount interest likewise, to agriculturists no less than to those connected with linen production, has been the evolution by the Linen Research Association of a pedigree flax seed which will not only produce 200 per cent. more fibre than the best strains now grown, but will also give a flax of similar superiority as far as its spinning qualities are concerned. If the Linen Research Association had been able only to record this latter achievement it would have more than justified its existence and continuance.

The Dearness of Linseed.—A correspondent writes:—"Can any of your readers throw light upon the extraordinary position of linseed, which, despite 6,200,000 cwt. imported since January 1st (seven years' average for the period January 1st-September 30th, 5,760,000 cwt.), is costing £21 per ton for the Argentine, £22 to £23 for Indian, and £25 for English, prices £2 to £3 up from the stiffish terms of last October, and fully £8 above the pre-war prices of 1914, January 1st-June 30th. The dearth of an article which cost British buyers about £7,000,000 last year is rendered the more inexplicable from the fact that the United States, from being a large buyer, has become fully self-supporting. Nearly a million acres added to the area have raised production by 200,000 tons, possibly more, but I believe America only gets a ton from five acres, whereas English growers can rely on that yield from four." The answer to the writer's question is to be found mainly in a consideration of the situation in world markets, and more particularly in the fact that the high prices of late coincide with the interval between the comparative exhaustion of old crop supplies and the forthcoming arrival of the new crops. The heavy shipments of Argentine linseed in the first six or seven months of the year had the effect of reducing the balance left for export to small proportions, and although this has been a variable figure, it is unquestioned that the

balance, including the Indian surplus, has been regarded by market opinion as only barely sufficient to meet the probable consumptive demands until the new crops come along. The tightness of the position has, of course, been seized upon by speculators, and the firmness of Argentine options has been reflected in the prices ruling on this side, old Plate crop afloat or in near positions now standing at a premium of £3 to £4 per ton over the new crop, which is expected to commence shipment late in December or early in January. Apart from this and higher transport and other expenses, there is no particular reason why linseed should be 50 per cent. above pre-war value, because this year's world production has certainly been above normal, and calculated to meet all consumptive requirements and leave possibly a margin over. The output of the two principal exporting countries was estimated around 1,500,000 tons, and at the beginning of October 1,328,150 tons had actually been shipped as compared with 1,000,065 tons at the same date last year. From Argentina alone 1,018,200 tons have been shipped, and it is noteworthy that no less than 524,000 tons have been shipped to the United States, against only 220,000 tons a year ago, to supplement the domestic yield. This, with 1,050 tons from India, gives the United States an import to date of over 525,000 tons towards the 600,000 tons estimated to be required from outside sources this year to meet the home demand for oil. The United States domestic crop yielded only 305,950 tons, but the one now about to be harvested, which, all being well, will be going into the mills next month, is estimated to produce just upon half a million tons. Inasmuch as the year's requirements of linseed oil are the equivalent of a million tons of seed, it will be seen that the United States are not anywhere near being self-supporting, as is suggested by the correspondent who writes enquiring, notwithstanding that there is an import duty on foreign linseed, and an almost prohibitive one on linseed oil from abroad. Last year the net imports of linseed oil into the United States were 64,060 tons, the equivalent of roughly 200,000 tons of linseed, but this year, owing to the operation of the duty, they will not, in all probability, be more than one-third of that figure. Apart from America, both Great Britain and the Continent of Europe have been large buyers of linseed, the shipments of Plate and Indian together to the former this year being 363,775 tons, and to the latter 435,325 tons, against 319,150 tons and 460,925 tons respectively in the corresponding period of last year.

Coal Production, Wages, and Profits.—In our issue of October 13th last, we published our usual quarterly statement of the ascertainment made in the coal industry in accordance with the terms of the National Wages Agreement. Selections from the statistics there given have been quoted by a labour journal, from which the misleading conclusion is drawn that, whereas wages have only risen by some 5 per cent., mine profits rose 236 per cent. during the second quarter of this year, as compared with the third quarter of 1922. Such a comparison is improper for two principal reasons. On the one hand the reference to net profits in these quarterly statements is to the surplus of commercial disposals over total costs during that period. These sums are credited to the owners, but in consequence of the method of two-monthly wage assessments, a large proportion of these "credits" are paid away as wages in a subsequent quarter. Thus the increased wages which are being paid in the current period September-October are financed out of the "credits" (i.e., net profits) of the period May-June. In other words, the quarterly summaries, while giving an admirable picture of the general condition of the industry during the period, do not show the proportion of the surplus accruing from the operations of that quarter which is retained by the owners as profits. In the second place, there has been much leeway to be made up of recent months in respect of the quota due in 1922 according to the Agreement, but not actually realised by the owners. For example, there was actually a small deficit, as our table showed, during the second quarter of last year, though this is naturally passed over for purposes of propaganda. Of course, the returns should be judged on an annual basis in order to arrive at the actual relationship between the remuneration to Capital

and to Labour respectively. These facts should be known to those who endeavour to form labour opinion on the working of what is probably the most important wage agreement of our times.

Standardised Accounts.—The chairman's speech at the Rubber Shareholders' Association annual meeting is always an interesting survey of matters connected with rubber-growing and the rubber industry in general. That part of the speech, however, which deals with "standardisation of accounts" interests us in particular, since we have always pressed for this reform in the pages of the *Economist*. In the course of his remarks the chairman said:—"This brings me to another most important question of administration—the standardisation of accounts and the rendering of full information to shareholders. The position of our association in relation to this question is set forth fully in the annual report, and I do not propose to weary you with vain repetitions. Let me, however, point out that the R.S.A. has not acted in any irresponsible fashion or with hot-headed impetuosity. The form of standardised accounts which we advocate has been approved by one of the most eminent firms of chartered accountants in the City of London—Messrs Deloitte, Plender, Griffiths, and Co., whose considered opinion is set forth in their report printed as part of the memorandum. In March last we circulated that memorandum to the board of every rubber-planting company registered in this country. What has happened since? One or two chairmen at annual meetings have referred sympathetically to our proposals. One or two chairmen have fiercely denounced our proposals. The great majority of directors, however, have simply ignored our proposals. Apparently the R.S.A. memorandum upon standardised accounts has been quietly pigeon-holed, in the belief that the whole question will be allowed to sink into oblivion. Your committee is of opinion that it is not in the best interests of rubber shareholders that this should happen." The chairman then proceeded to point out that "there is a great deal more in this controversy than the mere question of whether or not production costs should be published. The real point at issue is how far shall it be made possible to keep shareholders in the dark. One of the principal objects of the standardised form of accounts which we advocate is to provide shareholders with an adequate amount of information about the businesses they own." We trust that shareholders will support this policy, and not, as is only too often the case, be lulled into a comatose state by the pretty cooings of somnolent or self-interested financiers.

Port of London Authority.—The report of the Port of London Authority for the year ended March 31st shows that in the year 1922 there was a further very large increase in the total net tonnage of vessels which arrived at and departed from London with cargoes and in ballast, the total being 39,293,200 tons, as compared with 34,089,800 tons in 1921. The lowest point since 1913, when the total was 40,082,300 tons, was 1918, with 14,564,000 tons. Since then there has been a steady increase. The net tonnage paying dues in the year ended March, 1923, was 30,028,100, an increase of 16.7 per cent. over the previous year, the increase being made up of 2,905,000 tons in the foreign and 1,392,800 tons in the coastwise trades. Thanks, however, to three reductions which took place in the percentage additions to the basic rate during the year, the total revenue of the Authority was considerably lower last year than in 1921-22, as may be seen from the following table:—

	FOR YEAR ENDING MARCH 31.					
	1914.	1919.	1920.	1921.	1922.	1923.
Total revenue	£ 3,434,453	£ 5,723,690	£ 8,305,801	£ 10,043,731	£ 7,929,874	£ 6,319,295
Total expenditure ..	2,217,822	3,532,604	5,531,726	7,101,601	5,801,217	4,682,425
Balance of rev.	1,216,631	2,191,086	2,774,075	2,942,130	2,128,657	1,636,870
Fixed charges	332,786	1,264,567	1,600,323	1,944,160	1,575,929	1,400,990
Surplus revenue	283,845	926,519	1,173,752	997,970	552,728	235,880
Brought forward	89,637	341,953	349,384	383,347	896,044	1,448,772
Written off, &c.	373,482	1,268,472	1,523,136	1,381,317	1,448,772	1,684,652
Carried forward	281,578	919,068	1,139,789	485,273	..	111,400
	91,904	349,384	383,347	896,044	1,448,772	1,573,252

The reserve fund was raised to £1,000,000 at March 31, 1922, and as this is the statutory maximum, the interest on investments has, since that date, been credited to net revenue account. A contribution of £100,000 to the insurance fund, while £11,400 goes in the form of further provision for a recreation ground for the staff, leaving £1,573,300 to be carried forward, subject to liability, if any, for excess profits duty. On March 31st last the balance of Port stock unissued was £3,056,700, and capital expenditure during the year was £627,000. From the table below, which shows the value of the imports and exports (excluding coastwise goods) of the principal ports, it will be seen that London still maintains its leading position:—

	1920.	1921.	1922.	Inc. or Dec. in 1922.
London (including Queenborough)	£ 1,005,276,386	£ 606,856,886	£ 564,333,772	— 7.0
Liverpool	1,091,657,022	528,012,834	484,200,149	— 8.3
Hull	172,951,919	91,922,735	101,344,091	+ 10.2
Manchester (including Runcorn)	207,683,045	86,515,435	92,023,169	+ 6.4
Southampton	88,509,359	66,813,302	64,039,112	— 4.2
Glasgow	158,126,941	94,701,689	81,174,625	— 14.3

During 1922-23 the Authority landed or received 2,413,600 tons of import goods for warehousing or for immediate delivery, an increase of 182,400 tons or 8.2 per cent. as compared with the previous year.

The Anglo-Dutch Report.—When the directors of the Anglo-Dutch Plantations of Java announced a final dividend of 5 per cent., making 9 per cent. for the year, as against 6 per cent. for the previous year, the market showed some signs of disappointment, a bigger increase in the dividend rate having been expected in some quarters. The report and accounts now published should remove that disappointment, for they show a rise in profits from £116,596 to £231,653, an increase which would have enabled a much bigger distribution had not the directors wisely decided to enlarge the carry forward from £51,644 to £109,581. A summary of results for recent years is shown below:—

	1917.	1918.	1919.	1920.	1921.	1922.
Share capital	£ 1,163,216	£ 1,286,780	£ 1,286,780	£ 1,330,170	£ 1,330,170	£ 1,330,170
Net profit	81,615	89,317	215,350	147,186	116,556	231,653
Brought forward	48,483	71,937	58,311	48,475	50,898	51,644
Available for distribution	130,098	161,254	273,661	195,661	167,454	283,297
Paid in dividends	58,167	102,943	225,187	144,763	115,810	173,715
Rate per cent.	5	8	17½	10 on old shares 2½ on new shares	6	9
Carried forward	71,937	58,311	48,475	50,898	51,644	109,581

The company's tea crop rose from 1,620,778 lbs to 2,610,965 lbs, and while the cost of production fell from 7.44d per lb to 6.34d, the selling price rose from 5.91d to 8.73d per lb. The rubber crop was also larger in 1922 than in 1921, being 3,189,650 lbs, against 2,369,602 lbs, but the selling price fell from 1s 3d to 1s 1d. But production costs were cut by over 3d, being 7d per lb against 10½d in 1921 and over 1s in 1920. This drastic cutting of cost is a favourable feature of the report, which also contains at least two other points of outstanding importance to shareholders. One is the proposed provision of new capital for the purchase of new estates, the intention being to create £1,000,000 debenture stock, and to issue half of this at an early date at 5 per cent. The other is that the Netherlands Indies Government has granted the company permits to prospect for oil over eight areas, totalling 145,000 acres. The speculative interest aroused by this announcement is partially tempered by the following sentence:—"The permits to prospect give the company no rights over oil if found, but application will be made to the Netherlands Government for permission to exploit same upon terms." The shareholders will scan the chairman's speech on Tuesday for further elucidation of this point, and also for his views on the prospects of the rubber-plantation industry.

United of Havana.—The report of the United Railways of the Havana and Regla Warehouses, Limited, for the year ended June 30th last shows a decline in railway receipts accompanied by a greater reduction in working expenses, giving an increase of nearly 12 per cent. in net railway receipts. Other receipts, however, were on a smaller scale, but this decline was largely offset by a reduction in taxes, and the balance available was sufficient to increase the ordinary dividend from 4 to 6 per cent. The table below summarises results for the past three years:—

	1920-21.	1921-22.	1922-23.
Railway receipts	£ 6,329,669	£ 3,893,949	£ 3,765,534
Railway expenses	4,848,142	2,729,956	2,463,264
Ratio	(76.59 %)	(70.11 %)	(65.42 %)
Other receipts (less charges)	1,481,527	1,163,993	1,302,270
	328,703	278,442	71,893
Fixed charges (less sundry income)	1,810,230	1,442,435	1,374,163
To reserve	1,162,521	929,793	793,061
Dividends	439,987	439,987	571,123
Ordinary rate	4 %	4 %	6 %

The decline of £128,400 in railway receipts is more than accounted for by the fact that the tariffs ruling for the first six months of 1921-22 were reduced by approximately 20 per cent. as from January 1, 1922. Passenger receipts declined by 3.6 per cent., and goods receipts by 3.51 per cent., the latter being more than accounted for by sugar cane and products, receipts from which dropped from £1,133,500 to £882,100. This group supplied 44.2 per cent. of the freight revenue, compared with 54.81 per cent. in the previous year. The tonnage of sugar moved represents 30.68 per cent. of the total production of the island, compared with 37.48 per cent. in 1921-22. The general manager states that generally the grinding season began about a month earlier than in the previous year, and as the crop was considerably shorter, it may be said to have practically ended in April. Expenditure was reduced by £266,700, or 9.77 per cent. Expenditure on permanent way and works was 6.18 per cent. higher, and on coaching maintenance 22.43 per cent. higher, but in all other directions there was a substantial reduction, especially in locomotive maintenance and running, towards which lower wages and salaries contributed largely. Receipts from the Regla Warehouses and other properties declined from £63,500 to £20,800, while the gain in exchange was £54,600, as against £218,500 in 1921-22. Interest and dividends on investments, however, brought in £114,900, as against £60,300, while British and Cuban taxes absorbed £236,000, as against £319,000 in the previous year. Twelve months ago £105,000 was transferred to a special deferred maintenance account, but no special allocations are made this year, the balance forward being increased by £10,000. The general manager in his report writes that Cuba has passed through a very satisfactory year, and although a large amount of liquidation still remains to be effected, considerable progress has been made towards a general commercial recovery after the financial crash of 1920-21. The largest factor in the improved business conditions has been the excellent price obtained for this year's sugar crop, which to date has averaged approximately 5 cents per pound in Cuban warehouses. The weekly earnings of the company for the opening months of the new financial year are showing quite satisfactory increases, while the prospects for the coming crop are at the present time quite favourable, as there has been a satisfactory increase in the new planting of cane and in the necessary fertilisation of the older cane fields.

Gold Fields Rhodesian Development.—Our mining correspondent writes:—"The final dividend of 5 per cent. brings the total for 1922-23 up to 10 per cent., the same as paid for half-a-dozen preceding years. It is not very often that an undertaking of the kind maintains its distributions at so level a rate. An examination of the accounts, however, indicates that it has only been practicable in recent years by steadily drawing upon the carry forward. The profit for the twelve months ended May 31st last amounted to £127,300, or a little more than required to provide the 10 per cent. As £21,600 is written off

mining properties, the carry forward becomes almost correspondingly reduced. In each of the two preceding years the earnings fell short of the sum needed to provide the distributions, while in 1921-22 as much as £46,200 was amortised. The result is that the profit and loss surplus has in three years been pulled down from £112,000 to £16,000. The procedure followed by the directors may be considered warranted in view of the strength of the financial position—the latest balance-sheet shows liquid cash assets £119,000 in excess of the liabilities. But it is obvious from the figures given that the time has now arrived when the distributions will have to be governed by the earnings. The company's interests in mining claims are small, but its land holdings are equivalent to over half-a-million English acres. Shares in three important Rand concerns, also in the Cam and Motor, have been added to the portfolio. With reference to the South American Gold and Platinum, in which the "Devels" company holds 100,000 five-dollar shares, it is satisfactory to note that a further and marked expansion has occurred in the output, which in 1922 reached a value of \$1,250,000.

Electrolytic Zinc.—Gratifying results are shown by the statement to June 30th, received by cable from Melbourne by Austral Development, Limited. This covers the first complete year of working. A gross profit is recorded of £401,800, comparing with £93,800 in respect of the seven months included in the preceding report. Moreover, the first-named figure has been arrived at after allowing the largely increased sum of £90,000 for depreciation, as well as writing off £20,000 against research. New issue expenses to the tune of £75,000 have been cleared away, and several special appropriations made. The dividends due on the preference shares (which are held by the general public) have been paid, plus certain arrears, while an initial distribution of 4 per cent. has been made on the ordinary shares (which are held by various associated undertakings). After both classes of shares have received 8 per cent., all rank alike for surplus profits. On the basis of the fixed 8 per cent., the preference shares at current price yield 5½ per cent.; hence their market quotation makes allowance for an increase in the future. It was originally estimated that with the full zinc plant at work the production would total 45,000 tons per annum. In the past financial year 31,300 tons of electrolytic zinc were turned out, with some lead and silver; the estimated output is now being closely approached. The company, it may be recalled, is a mining as well as a treatment enterprise. The report states that the properties on the west coast of Tasmania are being steadily developed, and the erection of reduction works is proceeding. Acid and super-phosphate plants being put up at Risdon should be completed next March. Altogether, therefore, the prospects of the undertaking are distinctly hopeful.

The Resources and Trade of Chile.—Though the immediate financial outlook in Chile may inspire misgivings, the report of the British Consul-General at Valparaiso, just issued by the Overseas Trade Department, indicates that the country has begun to recover from the recent economic crisis, unparalleled in its history, and that the only influences likely to hamper its development are labour difficulties and the policy of "Chile for the Chileans." During 1921 the suspension of the nitrate industry and the closing of many copper mines cut off the northern home market for agricultural produce and necessitated the transfer of 200,000 inhabitants to the southern districts, where they existed on short rations. But since June of last year nitrate and copper have been recovering, with the certain result of a quickened demand for iron and steel constructional material, machinery, and agricultural produce. As to the mineral resources, the output of coal, which ranks third in importance, is aided by labour-saving devices, but so hampered by labour difficulties that America, Great Britain, and Australia must long continue to supply the North. The working of the vast iron ore deposits is hindered by deficient transport and by the uniform export tax on minerals, and the Government's efforts to create an iron and steel in-

dustry have failed, partly through the lack of Chilean coke. The wheat harvest, mediocre in 1922, has been good this year, and the exports to the United States of fresh and dried fruit have alarmed the Californian growers. Cane sugar production is being encouraged by the Government, but beet sugar, so far, has failed. Forestry is attracting attention. The country can supply all its own timber, a dozen kinds or more are largely used for building and furniture, and there is a great future for their export and for that of paper pulp. Sea fisheries are imperfectly developed, and only a Government inquiry can supply the necessary knowledge of the migrations of the fish; but the lobster fishery is important at Juan Fernandez, and is beginning at the islands of San Ambrosio and San Felix, while efforts are being made to develop the salmon rivers in the South. Import trade has declined heavily since 1920, and in a much greater proportion than export trade: hence the fall in exchange, and speculation has caused sharp fluctuations in the rate. But Great Britain, India, France, and Italy have apparently recovered their pre-war share. Germany has recovered about one-fourth, and her exporters have actively pushed sales. British exporters are less active, and are recommended to send out special representatives speaking Spanish to study local needs and terms of business and to sell through competent agents. But in many kinds of goods Chile is now independent of foreign supplies, or likely soon to be so. Coastwise shipping is confined to Chilean ownership, probably to the detriment of domestic traffic. The State railways are worked at a loss, but a suggested transfer to foreign syndicates is prevented by the political influence of the railway men. The foreign mail service has been accelerated and the Transandine line improved. Nearly £7,500,000 is to be spent on port improvements; San Antonio is coming to compete as a port with Valparaiso. About £1,125,000 was voted by Congress in January, 1922, for town drainage, which should reduce the high infantile death-rate. Interesting particulars are given of recent commercial legislation, and the report concludes by noting the national tendency to confine employment in general, and such businesses as shipping, banking, and insurance, exclusively to Chileans.

Santo Domingo Crop.—Encouraging results, writes a correspondent, have followed Government action in removing all restrictions regarding cacao exports. Before 1920 the product—one of the principal articles of commerce in the Dominican Republic, paid an export duty; but under the new Tariff law the tax has been abolished. The Department of Agriculture, in order to encourage extensive cultivation, has established a number of model plots to demonstrate up-to-date methods of planting, and now offers bonuses to farmers who produce the best crops. Penalties are inflicted for badly-cured cacao. The effect of these measures has been to eliminate, almost entirely, inferior qualities, and to improve the general condition of the product, which is now considered superior to that of any previous year. The smaller cacao crop, now coming into bearing, will be gathered during October, November, and December, although the bean is grown throughout the year, the larger crops being gathered between March and June. Trade in this commodity with the United Kingdom has fallen off considerably since 1920, when 246,236 kilos, valued at £15,408, were exported; in the following year (1921) no more than 109,340 kilos, valued at £1,618, were shipped out of a total of 26,573,871 kilos (valued at £616,790). The crop of that year was the largest on record, although the total price received was no more than one-half of that realised in 1920, which proved the best year on record for all West Indian products.

At the first meeting of the session 1923-24 of the Institute of Actuaries, to be held at Staple Inn Hall on Monday, the 29th inst., at 5 p.m., a paper entitled "Notes on the Interpretation of 'Select' Rates of Mortality," by Messrs W. Palin Elderton and H. J. P. Oakley, will be submitted.

Oversea Correspondence.

UNITED STATES.—CROP SITUATION—CO-OPERATIVE MARKETING—FEDERAL LAND BANK FINANCING—STEEL TRADE CONDITIONS—SOLDIER BONUS LEGISLATION.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 15.

ALTHOUGH estimates of prospective yields are lower in some instances than those of a month ago, latest returns indicate that this country's crops in the aggregate will reach an exceptionally large volume. The Department of Agriculture's report, as at October 1st, estimates the corn crop at 3,021,000,000 bushels, which would be 130,000,000 bushels more than last year's harvest, and only for the fifth time in history would exceed the three billion bushel mark. The spring wheat crop forecast has been cut down to 213,000,000 bushels; that would be 63,000,000 bushels less than last year, and some 32,000,000 below the average. The total wheat crop is figured at 781,737,000 bushels, or 7,490,000 less than a month ago, and comparing with last year's actual harvest of 862,091,000 bushels. The prospective yield of seven cereal crops is given as 5,382,000,000 bushels, as against 5,487,000,000 on September 1st, and 5,292,000,000 harvested last year. The oats crop promises to be about 100,000,000 bushels larger than the 1922 harvest. The tobacco crop suffered a heavy reduction last month, due to extensive losses from frosts in Wisconsin and Ohio, and wet or unfavourable weather in Tennessee and Kentucky. In Maryland the yield has been good, although the crop there is said to have been damaged considerably in barns as a result of house burning or pole sweat. In North Carolina the production has been larger than usual, but the quality is described as only fair, while in Indiana the crop is reported as heavy, with little damage from frost. The following table gives the latest Government crop estimates, compared with the September 1st forecast, last year's actual harvest, and with record yields in previous years:—

(Production in Million Bushels.)

	1923, October Fore- cast.	1923, Septem- ber Fore- cast.	1922 Harvest.	Record Yields.	Years.
Winter wheat	568	568	586	760	1921
Spring wheat	213	221	276	356	1918
All wheat	781	789	862	1,026	1915
Corn	3,021	3,076	2,891	3,208	1920
Oats	1,302	1,312	1,201	1,593	1917
Barley	199	199	186	256	1918
Rye	65	65	95.5	96	1922
Buckwheat	13.9	13.5	15	23	1866
Rice	33	33	42.0	52	1920
Total, seven cereals....	5,382	5,487	5,292	5,896	1915
White potatoes	401	390	451	451	1922
Sweet potatoes	96.3	93.5	110	110	1922
Tobacco	1,461	1,551	1,325	1,582	1920
Flaxseed	19.6	19.4	11.7	29	1902
Hay, all	102.9	98	113	113	1922
Cotton	11.2	10.8	9.8	16.1	1914
Peaches	45.5	45.4	56.7	64.0	1915
Apples	190.7	190	201	253	1914
Peanuts	695	655	624	1,234	1917

All grain prices have been advancing lately, and the present outlook is that farmers will fare much better in marketing their grain crops than seemed likely a short time ago.

The Government's agricultural policy is to "help the farmers help themselves," and to that end the Administration is encouraging the promotion of co-operative marketing associations among farmers. Eugene Meyer, head of the War Finance Corporation, and another member of that body are now visiting grain farmers in the West and Central North-West to explain co-operative marketing methods in use by cotton, rice, and tobacco growers of the South and by fruit growers in California. They will also explain how producers may be aided financially through such co-operative associations. In this connection it is noteworthy that the Federal intermediate credit banks recently sold a second issue of

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\$10,000,000 intermediate debentures, the proceeds to be used in furthering co-operative marketing among wheat growers, according to an announcement by the Federal Farm Loan Board. That the co-operative farming method is becoming increasingly popular with agricultural communities is indicated by figures showing that up to September 30th of this year, farmers, through their co-operative marketing associations, had received advances totalling practically twice the amount that was advanced up to November 30th of last year by the War Finance Corporation.

Another interesting development is that the Federal Farm Loan Board, in co-operation with and on behalf of the twelve Federal Land Banks, announced to-day a new issue of \$47,000,000 ten-thirty-year Federal Land Bank 4½ per cent. bonds, dated July 1, 1923, and not redeemable before July 1, 1933. The bonds are being offered for subscription at 100 and interest. The announcement discloses the fact that in five and a-half years of active operation, the Federal Land Banks have grown rapidly. On August 31, 1923, their combined capital was \$41,113,530, reserves \$4,050,500, surplus and undivided profits \$3,278,177, and total assets \$827,744,341. They are all on a dividend-paying basis, and each bank shows a surplus earned from its operations. On September 30th last, the United States Government owned \$2,400,000, approximately, of the capital stock of these land banks. During 1922, the Farm Loan Associations acquired about \$8,500,000 of such stock, 25 per cent. of the proceeds of which was used to retire stock owned by the Government, as required by the Farm Loan Act. The United States Treasury, it is said, has purchased and now holds more than \$100,000,000 Federal Land Bank bonds. While these bonds are not Government obligations, or guaranteed by the United States Government, they are the secured obligations of banks operating under Federal charter with Governmental supervision.

The latest monthly statement of unfilled orders by the United States Steel Corporation shows that the corporation's unfilled tonnage on September 30th amounted to 5,035,750 tons, as against 5,414,663 on August 31st, representing a decrease during September of 378,913 tons. On September 30, 1922, the total was 6,691,607 tons. The decrease last month compares with a loss of 496,100 in August, and indicates that new business received in September was about 100,000 larger than in the preceding month, allowing for somewhat lighter shipments. An outstanding feature in the steel situation, as disclosed by the corporation's report, is that production is being well maintained, notwithstanding that the volume of unfilled orders has steadily decreased in the past few months. Since March, United States Steel's unfilled orders have dropped from 7,403,332 to 5,035,750 tons, or more than 30 per cent., but its operations have declined during that period only about 7 per cent. to slightly below 90 per cent. of capacity. From this fact, together with the absence of any accumulation of steel at the mills, the inference is drawn that this country's consumption of steel cannot be measured, or is not reflected, by the amount of new orders placed in recent months. The fact that production has been maintained at such a high percentage of capacity is taken to indi-

cate that actual consumption of steel is very heavy. The volume of incoming business thus far in October is said to show further expansion.

It now seems practically certain that efforts will be made at the forthcoming session of Congress to put through soldiers' bonus legislation, similar to that which was enacted at the last session, but vetoed by the late President Harding. It has even been asserted by advocates of such a measure that enough votes could be counted on to pass such a Bill over a possible veto by President Coolidge. Attention is again being given, therefore, to the probable cost of a Bonus Bill, should it be enacted. According to calculations made by the National Industrial Conference Board, the cost of various plans embodied in the bonus proposals which have been made heretofore would involve a total cost of \$3,845,659,481. On that basis the Board estimates that \$1,136,741,670 would have to be provided by taxation or by loans during the next 20 years, while the balance of \$2,708,917,811 would have to be paid after 1943. The Board declares that the bonus would add to the debt of the United States 20 years hence a sum equivalent to from \$102 to \$142 on every family, and from \$64 to \$86 on every person employed in this country. In the form in which the Bonus Bill is likely to be presented the total cost would probably be at least \$4,000,000,000. Any bonus legislation will be vigorously opposed by many business and financial interests.

FRANCE.—RHINE REPUBLIC—FOREIGN TRADE—COAL IMPORTS—TRADE BALANCE.

(FROM OUR CORRESPONDENT.)

PARIS, October 24.

THE circumstances connected with the proclamation last Sunday of the so-called Rhine Republic and the prospects of the latter are still so obscure that French opinion is holding itself very much on the reserve in regard to the whole matter. Apart from the political aspect of the venture, however, the outstanding feature of the situation is the aspiration which is voiced by most of the leaders of the Rhineland Separatist movement, not only in favour of entirely cutting off political connection with the German Empire, but of entering into independent economic agreements with the new Republic's neighbours on the West—France, Belgium, and Luxembourg. "Our economic future," said one of the leaders of the movement, a day or two ago, in an interview with a French journalist, "is bound up with France and Belgium, and not with Germany. We have our eyes on Antwerp as our real port, and all our aspirations tend towards the West. Our ideal would be to have a similar position in Europe to that held by Belgium before the war." These statements are distinctly suggestive, and afford much food for reflection to those people, both in France and in Great Britain, who are inclined to regard the Rhineland Separatist movement merely as a very effective weapon for the purpose of bringing about the breaking up of German unity.

Economically, there can be no doubt, the elevation of the Rhineland into a separate, independent state would have much farther reaching effects than would merely political separation from the Reich of the territory concerned. The detachment from the German Zollverein of the Rhineland—which, it must not be forgotten, includes, in the view of those who are attempting to found the new republic, practically the whole of the Ruhr basin—must inevitably lead sooner or later to the inclusion of this rich industrial area in the orbit of the French-Belgian-Luxembourg combination. In many respects, economically speaking, such an evolution would be entirely in the natural order of things, and would ensure many advantages (which would probably be found far to outweigh the disadvantages) to all concerned. The benefit to French industry, from one point of view, would, of course, be immense.

In any case, such an adjustment of the economic map of Western Europe would render comparatively easy that co-operation between French and German industrial interests which has for many years been the dream of many leading men on both sides of the Franco-German frontier. In the opinion of a good many people here—quite apart

from the comparatively small number who admittedly favour the creation of the new Republic as a means for weakening Germany and aggrandising France—the real solution of the problem of French security is to be found in this direction. Common and interdependent economic interests, it is argued, would place France, Belgium, Luxemburg, and the Rhineland in such an assured position that political union would be unnecessary, and there could thus be no question of the creation of another Alsace-Lorraine on the Rhine, to be a menace to the peace of Europe. At the same time Germany, through the loss of so large a proportion of her economic and military strength, would be deprived of the possibility of being able to repeat her aggression of 1914. From the point of view of British interests, it is doubtful whether a development of this kind would be very welcome. The creation of a potential new Continental economic bloc of this kind could only be another serious menace to British foreign trade, and might, in certain circumstances, be even more dangerous than a united and resurrected Germany itself. The possibility is not so remote, however, as to be unworthy of consideration.

The French foreign trade returns for the first nine months of the present year, which were issued this week, show that imports during the period in question have increased by 37 per cent. in value, as compared with the corresponding period of last year, while exports increased about 41 per cent. The detailed figures are as follows:—

	First Nine Months of		Difference for 1923.
	1922.	1923.	
Imports—			
Foodstuffs	4,067,721,000	5,228,014,000	+ 1,160,293,000
Raw materials	9,463,123,000	14,166,189,000	+ 4,703,066,000
Manufactured goods ..	2,956,389,000	3,157,497,000	+ 201,108,000
Total	16,487,233,000	22,551,700,000	+ 6,064,467,000
Exports—			
Foodstuffs	1,262,141,000	2,238,515,000	+ 976,374,000
Raw materials	4,034,852,000	6,552,928,000	+ 2,518,076,000
Manufactured goods ..	9,068,143,000	11,623,602,000	+ 2,555,459,000
Postal Parcels	939,523,000	1,147,666,000	+ 208,143,000
Total	15,304,659,000	21,562,711,000	+ 6,258,052,000

It will be noted that over three-quarters of the increase in imports was in raw materials, while nearly half the increase in exports was in respect of manufactured goods and an almost equal value in raw materials. Out of 35,239,281 tons of raw materials imported during the nine months, 22,812,501 tons consisted of coal alone, most, if not all, of which came from Great Britain. The total amount of coal imported during the corresponding period of 1922 was 21,194,206 tons, from which it will be gathered that, in round figures, the amount of coal imported into France since the occupation of the Ruhr began was, down to the end of September, 1,600,000 tons more than during the first nine months of 1922. The figures show that, while the value of the total imports during the past nine months was 37 per cent. higher than in 1922, the total weight was less than 10 per cent. more. The effect of the fall in the franc is seen in the fact that, while the quantity of coal imported from Great Britain increased during the nine months by only 7 per cent., the value of the quantity imported increased by over 56 per cent.

The returns for the nine months disclose an adverse balance amounting to 988,989,000f, as compared with one of 1,182,500,000f for the corresponding period of 1922. This adverse balance, of course, concerns only the "visible" imports and exports, and does not take into consideration the large amount of money spent in the country by tourists and others from abroad, which would tend substantially to reduce the apparent deficit. The figures for exports and imports during the last five months are as follows:—

	Imports.	Exports.
May	2,596,881	2,675,045
June	2,559,336	2,479,391
July	2,615,648	2,423,781
August	2,633,217	2,542,820
September	2,613,376	2,434,645

Compared with the corresponding period of 1913, French imports during the first nine months of 1923 showed an increase in value of 16,429,345,000f and in weight of

7,649,635 tons, while the exports were 16,543,920,000f greater in value and 1,992,183 tons more in weight. The increase in value and weight was distributed over all categories of imports and exports, with the exception of the imports of manufactured goods, which were 22,358 tons less in weight, and of the exports in the form of postal parcels, which were 2,636 tons less.

GERMANY.—POLITICS—FOOD CRISIS—CURRENCY—FINANCES—BOURSE AND MONEY MARKET—BUSINESS.

(FROM OUR CORRESPONDENT.)

BERLIN, October 23.

THE end of last week saw the Republic in a desperate condition, and since then things have got worse rather than better. There is an accumulation of evils—in international politics, in home politics, in finance, in currency, and in every branch of business. While predictions of immediate break-up or general disorder cannot safely be made, it is hard to see how present conditions, not to mention the worse conditions which seem to be coming, can be survived. It is probably a record in history that any country, and a country with a homogeneous population, should simultaneously have three movements of wholly different kinds threatening three different secessions; yet such is the case with Bavaria, Saxony, and the Rhineland. The Rhineland movement is a pure French invention; but what it lacks in native physical force it gains in French support. The Bavarian and Saxon movements would probably not have reached the present tension were it not for the general disaster brought by the Ruhr occupation. The Republic has already been forced to move troops into Saxony to restore constitutional conditions, and these troops have been fired on, and have replied. With Bavaria the Republic will ultimately either have to act in the same way, or to recognise a *de facto* secession, because the assertions of the Bavarian Cabinet and of the local dictator, von Kahr, that they are devoted to Germany, and are merely resisting "Berlin Marxism," cannot be taken seriously. The present revolt was undoubtedly planned, probably after the revolt following Dr Rathenau's assassination, when Bavaria refused to put into force on her territory the special security measures taken by the Republic. On that occasion Dr Wirth, sooner than provoke a conflict, weakly gave way, and to-day the Stresemann Cabinet seems to have only the same choice. The next step will probably be the proclamation of a Bavarian Monarchy. This, though it would violate the Constitution no more plainly than several of Bavaria's acts last week, would by its overt nature probably force an armed conflict. It is nevertheless recognised that the retention of Bavaria within the Republic by armed force is, though militarily possible, politically impossible.

The food crisis is very serious, and cannot continue without general disorders. For weeks butter, milk, and potatoes have been hard to get. Now the turn has come to bread. Yesterday nearly all Berlin bakers' shops were closed. In future, according to a decree of to-day, they must be kept open whether they have bread or not. A police inquiry has shown that it is not true that bread is being purposely withheld from the market. Flour is not coming to the market. For weeks past it has been sold wholesale only against dollars, and the mark sums necessary to carry on a small bakery are so enormous that business is not done. In one week the official dollar exchange has risen from around 4 to over 40 milliards, and prices have fully kept pace. Berlin workmen threaten a general strike if a stable wage is not introduced within three days. This can be done only by employing a stable currency. The system, initiated in August, of raising wages automatically according to an index, becomes wholly useless when prices double and even sometimes treble between morning and evening. Already between October 4th and 18th prices (*Frankfurter Zeitung's* index) increased 14.6-fold, and in the second half of the month this record will be beaten. The price of the 1,900 gramme loaf rose in a week from 440,000,000 to 5,500,000,000 marks. On October 15th the cost of living (official index) was 691,900,000-fold that of 1914, having risen 534.2 per

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cent. in a week. The Cabinet, in the hope of influencing the farmers, has appointed Count Kanitz, an influential Agrarian and former German-National, as Food Minister. It is to be feared that the bare necessities of life will soon be unobtainable by a great part of the population; that actual starvation conditions will appear in the cities. If that should happen, and should not be remedied in a few days, general disorder seems inevitable.

The Currency Bank has been formally established. The president is Dr Lentze, a former Prussian Finance Minister. Actual business will be begun next week, and it is hoped to issue the first "Rentenmark" notes by November 5th. The notes will be in denominations of 1, 2, 5, 10, 50, 500, and 1,000 r.m., and "Rentenmark" pfennig copper coins of from 1 to 50 pf will be minted. The new currency will have to be issued before the mortgage and bond security by which it is covered is formally completed. In view of the fact that "gold loan," now to be used provisionally as currency, has maintained its theoretical gold value without any real security, it is hoped that the mere assurance that there will be no "Rentenmark" inflation, and that the "Rentenmark" will be taken at full gold value for tax payments, will prevent depreciation. It seems, in fact, that the right to convert into mortgage bonds will have very little influence upon the value of the notes. Banks are preparing for the new currency. The Disconto Gesellschaft has provisionally opened a "stable value department" for managing current and deposit accounts in units of gold-loan and dollar treasury bills. The difficulty here is that these surrogate currencies are not divisible into very small denominations. The bank undertakes to book fragments of indivisible units, and if an account is closed to pay out any uneven balance in the form of paper marks at the day's exchange. Other banks are expected to adopt this system.

The State of Bremen has issued a dollar loan of \$1,000,000. The Minister of Communications has published a plan of savings to be achieved by ceasing to run trains which are little used, and by differentiating the Sunday and the week-day services. The Reichswirtschaftsrat has voted down a proposal to increase the Sales Tax from 2 to 2½ per cent. The Customs gold surcharge is put on a new basis from October 24th, being the same as the new gold key-number for taxes, which will be based on the dollar exchange of the preceding day.

The latest decade report of the Finance Ministry, for October 1st to 10th, must be considered relatively satisfactory. Taxes yielded 393,366 milliards, against 81,848 milliards in the preceding decade, while expenditure rose only from 40,065,854 to 43,230,293 milliards. Revenue rose from the 1-500th to around the 1-100th of expenditure. The loss on the railways in ten days totalled 12,868 billions. The Floating Debt of discounted Treasury Bills rose in ten days from 46,716 billions to 89,142 billions. Despite the great drop in the value of money, the item General Expenditure increased only from 23,994 to 27,474 billions. This is due to a large decline in real expenditure on the Ruhr. The Government is having great difficulty in holding to its new policy of keeping up the charges for State services. As an instance, the home letter rate, though multiplied so rapidly that it is now impossible to get postage stamps of sufficient size, was at yesterday's exchange only about the 150th part of a penny, or much less than at the time when no serious attempt was made to adapt at all, but

when the exchange movement was less rapid. This means an increased deficit.

By decree of yesterday, the Cabinet restored the already tried and already abandoned prohibition against buying or selling exchange at other than the official rate. Industrial concerns are to be allowed to issue their own "stable-value" currency, and will so be able to pay stable wages. The Reichsbank's statement for October 6th shows a slackening off in the demand for credit and in the rate of inflation. Commercial discounts rose by 2,941 billions to 6,601 billions, Treasury Bill discounts by 25,015 billions to 70,231 billions, and circulation by 18,704 billions to 46,933 billions. Advances had a large increase, by 193 billions to 292 billions. Nearly all these new advances are on "wertbestaendig" basis. The gold reserve remains unchanged at 433,927,000 gold marks.

The Bourse boom continues without interruption. Yesterday news from Bavaria and from the Rhineland produced something like a panic atmosphere, which did not, however, check the upward movement, and it was rumoured that the Bourse would be closed for some time. These rumours seem to have been baseless. Money has been very tight, day rates yesterday reaching 15 and even 20 per cent. a day; later in the day money was more plentiful. There is a great demand for dollar Treasury Bills and for gold loan, into which the paper mark gains made in stock speculation seem to go. There have been small bank failures, and rumours of more to come. Stocks last week had another rapid rise, the *Frankfurter Zeitung's* index for home dividend-payers rising from 386,400,570,000 to 1,332,500,570,000, or 48,738,130 if the average at the beginning of January, 1922, is taken as 1, and of January, 1923, at 14. Most home bonds continue to have no official quotations. Threes, still the favourite, yesterday were quoted 1,500,000,000, Savings and Premium 50,000,000, Berlin, 1923 (8-18 per cent.) 3,000,000.

The Reichsrat has approved of the Bill extending the maximum permissible working-day to ten hours. The two Socialist States, Saxony and Thuringia, voted against it, though the Bill is supported by numerous prominent Socialists. The Ober-President of Prussian Saxony and the Burgermeister of Berlin also opposed. The condition of industry is ever worse; there is, therefore, a heavy drop in the demand for coal. Industry is again short of capital; shortened hours are reported from every quarter. A statement for mid-September shows that 71 per cent. of concerns reported that business was bad, as against 49 per cent. in mid-August. The figure to-day is undoubtedly higher.

UNION OF SOUTH AFRICA.—EXPANSION IN MINERAL PRODUCTION—FAR EAST RAND COSTS DOWN TO 18s 7d—GOVERNMENT AREAS' REMARKABLE PRODUCTION AND PROFIT—GOVERNMENT'S INTEREST IN MINES.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, October 3.

THE mineral production of the Union is showing progressive increase, the value (inclusive of £105,034 gold "premium") being substantially over four millions and a-half in August, against rather over four millions in January, the exact figures being £4,561,097 against £4,048,919. The most marked expansion has been in diamonds, the yield of which in August was 229,332 metric carats, valued at £645,717, against 86,494 carats, valued at £274,000 in January. There has also been considerable expansion in coal production, which for the past four months has exceeded a million tons a month, the value of £336,615 for August being £53,000 in advance of that for January. For the eight completed months the total value, inclusive of somewhat less than £1,100,000 currency premium on gold, is practically £33½ millions. I do not give the corresponding figures for last year, as they are vitiated by the strike. It only requires the present production to be maintained for the year's value to exceed £50 millions.

The foregoing figures are taken from the publication of the Mines Department, for details of the profit aspect of the gold mines one may similarly refer to the analysis

of the Chamber of Mines. During the eight months upwards of 17,750,000 tons have been crushed (all but a mere 224,400 tons on the Rand itself) for 6,040,226 fine ounces, or an average of 6.71 dwt per ton. The working revenue is given at £25,922,900, against a value of £26,801,657 shown by the Mines Department. The apparent discrepancy is explained by the fact that some of the groups deduct the cost of realisation, swollen at the present time by the heavy bank exchange, from the value to arrive at the revenue figure; others, on the contrary, charge realisation to working costs. Naturally these variations in accountancy make no difference in the profit, which totalled £7,860,839, being at the rate of 8s 10d per ton. This corresponds very closely with the average in 1914, but it must be pointed out that the present mean recovery at 6.706 dwt is nearly half a dwt more, and that the premium works out still at 1s 3d per ton. While the recovery is 2s 9d per ton higher, working costs, which have averaged 20s 5d for the eight months, are 3s 4d higher than in 1914. But the Rand's August figure of 19s 11d is only 2s 10d higher. This is a most satisfactory showing when we remember that nine years ago the charges for compensation for miners' phthisis were not included, and there was no regular leave on pay, while, of course, the mines are now much deeper, involving much heavier expenditure on support of workings.

The most important mines of the Far East Rand are working below the general average. Excluding New State Areas and Modder East as exceptional, I find the ten producers average only 18s 7½d. The huge tonnages of 156,500 crushed by the Government Areas at 16s 10d and of 116,000 by New Modder at 16s 5d have a favourable bearing on the average. As they are each making well over a sovereign a ton profit, the adage, "The best is cheapest" is once again exemplified in rather an unusual manner.

Statistics of Union trade for the first six months show imports at £25,343,417, an advance of £3,400,000, and exports at £34,811,588, an increase of £11,105,000, the comparison being, however, with the strike period. Of the total exports, minerals account for two-thirds, or £23,957,000. While exporting capacity improves the Union's financial position, an excess of nearly nine and a-half millions over imports must tend to increase bank balances in London, which is given as the reason (may it not, perhaps, be merely an excuse?) for the high adverse exchange. I am inclined to think that the "shearing" of the profits of the commercial banks by the Reserve Bank securing the monopoly of the note issue, which was formerly highly profitable, has compelled the banks to make their profits in other directions. Among exports, hides, skins, and wool account for an increase of £900,000, but cereals dropped by £639,000. We imported £1,000,000 more in articles of food and drink, but £728,000 less of cotton goods. The value of motor cars, cycles, and lorries increased by £750,000, notwithstanding the lower price tendency.

The report of the Government Mining Engineer for the year ended December 31, 1922, contains statistics of operations and results secured by mines in which the Government participates in profits, and shows the total participation by Government in profits in respect of these mines up to the end of the year. The companies concerned and amounts are as under:—

	Government Share.
Premier (Transvaal) Diamond Mining Company.....	*5,552,359
Meyer and Charlton Gold Mining Company, Limited ..	338,811
Government Gold Mining Areas (M.) Cons., Limited....	3,787,314
Brakpan Mines.....	139,333
Springs Mines.....	71,461
Modderfontein East.....	15,856
Zaaiplaats Tin Mining Company.....	154,681
	9,949,815

* Up to October 31, 1922. † Up to June 30, 1922. ‡ Up to July 31, 1922.

The total amount is £9,949,815, and this colossal sum is, of course, quite apart from contributions to Government revenue in respect of Union and provincial taxation. All the seven profit-earning mines in which the Government is a co-partner are situated in the Transvaal. Mr Clegg, the Governor of the South African Reserve

Bank, has again been recommending the wider use of trade bills instead of open credits, so largely in vogue in South Africa, and the wisdom of such a change is generally realised by merchants who pursue the sounder methods of finance. Mr Patrick Duncan, Acting Minister of Finance, in the absence of Mr Burton, who is attending the Imperial and Economic Conferences in London, in opening the South African Parliamentary Conference here, expressed the opinion that the Union had definitely turned the corner, and that the deficit would not be increased. As to taxation, he went no further than to say it would not be increased, cold comfort for those who looked for some measure of reduction, even if only the jettisoning of the irksome and complicated patent medicine tax. But we should like to see the Customs Tariff moderated, postage brought back, if not to a penny, to three-half-pence an ounce, telephone tariffs reduced, and the income-tax abatement raised from £300 to £350 or £400. In the halycon days it was as high as £1,000—a handsome figure still observed in Rhodesia.

POLAND.—FINANCIAL SITUATION—POLITICS—COMMANDER HILTON YOUNG'S MISSION—CROPS—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

WARSAW, October 16.

THE present financial situation is grave. It would be wrong to consider an improvement as impossible; nevertheless, it is certain that without energetic measures the Polish currency cannot be saved from a total collapse. The depreciation of the currency is so rapid that the fixation of wages every fortnight is no longer sufficient to enable the working population to make both ends meet, and the latter are demanding that the wages should be fixed every week.

According to the last return of the Polish National Bank, the circulation has increased in September by 4,326 milliards, as compared with 800 milliards in June, 900 milliards in July, and 2,400 milliards in August. At the end of September the circulation already exceeded 11,000 milliards.

This rapid inflation has completely disorganised the exchange market, as may be seen from the figures below:—

	London.	New York.	Zurich.	Paris.
End of September..	1,445,000	315,000	56,000	19,900
October 5.....	2,416,000	485,000	86,760	28,625
" 8.....	2,640,000	580,000	103,800	34,500
" 11.....	4,300,000	900,000	170,500	57,000
" 13.....	4,100,000	900,000	161,400	54,750
" 15.....	4,300,000	950,000	170,000	58,750

In a fortnight the Polish mark has lost nearly ⅔ of its value. A rise of the exchanges by 25 per cent. and even more in one day has ceased to be an exceptional phenomenon.

Under such conditions the *exposé* of the new Minister of Finance in the Diet was awaited with great impatience. As reported in my last letter (*Economist*, September 29th, p. 481), Mr Kucharski has recently conducted negotiations with foreign capitalists for the granting of a loan to Poland, and it was expected that he would make some definite announcement on this subject in his speech on Thursday. But he did not; and it seems that he failed to obtain foreign financial assistance. Mr Kucharski's speech was vague; but he proposed three measures for stopping the increasing flood of paper money: (1) an increase of the land tax, (2) the fixation of the fines for defaulters at 150 per cent. a month of the assessed amount, (3) the closing of all credits for new investments. These measures are only palliatives, and do not constitute a financial programme which can restore Polish finance to the right lines.

The gravity of the present situation may be best gathered from the figures quoted by Mr Kucharski. The amount of the income-tax was fixed at 200 milliard Polish marks, corresponding to 133 million Swiss francs. During the first eight months of this year 100 milliard marks were collected, which corresponds to a total of 5.75 million gold francs. After the increase of the income-tax during the

second half-year the revenue from this source will be increased by 700 milliard marks; nevertheless, the total will not exceed 13 million gold francs instead of the 133 which were fixed in the estimates. Similarly the amount which will be collected as land tax will not exceed 7 million francs, instead of 53 millions. From indirect taxes, 125 millions were expected in the first half year, of which 75 millions failed to mature.

According to official statistical data, the revenues of the Ministry of Finance expressed in Swiss francs, and compared with the revenues during the same period in 1922, were as follows:—

	Million Swiss Francs.		Per Cent. in 1923 as Compared with	
	1922.	1923.	1922.	
Direct taxes	98.73	28.50	....	28.8
Indirect taxes	74.26	56.31	....	75.7
Import duties	16.06	27.54	....	171.5
Stamps	18.07	22.23	....	123.0
Export duties	0.65	3.53	....	543.1
Total.....	207.77	138.01	....	66.4

While in 1922 207 million gold francs were collected, the amount obtained in 1923 reaches only 138 millions, or 66.4 per cent. of this sum. In the first instance the direct taxes have decreased, and in spite of the increased yield of Customs duties, the results in 1923 are worse than in 1922.

This very unsatisfactory financial situation is accentuated by the political instability at home. The depreciation of the mark, the steady rise of prices, the failure of Mr Kucharski's negotiations, the recent reverses sustained by Poland at Geneva and at The Hague (the election of Mr Benes, and the decision of the International Court relating to the right of expropriating German colonists are considered as such) have embarrassed the Cabinet and widened the rift existing between the different parties which form the present majority. The Christian Democrats, who represent the working population, are partially refusing support to the present Cabinet. Though it is unlikely that Mr Witos will be overthrown in the near future, it may be expected with some certainty that a reconstruction of the Cabinet will take place. Probably the portfolio of the Ministry of Finance and of the Ministry of Foreign Affairs will pass into other hands.

Commander Hilton Young, the English financial adviser, has given to a Press Conference some information relating to the aim and programme of his mission. He emphasised that his journey to Poland is without any official implication, and that all rumours connecting his mission with the question of a foreign loan are without foundation. He will devote himself to an investigation of Poland's financial position, and he will present his recommendations to the Polish Government. Commander Hilton Young declared that close study has already convinced him that the economic foundation of Poland is sound, and that it is only necessary to complete the superstructure of financial prosperity.

Statistics published recently support this judgment. The crop estimates for the current year show that agricultural production has not only reached, but has in some cases surpassed the pre-war level, as may be seen from the figures below (thousand quintals):—

	Average, 1909-13.	1921-22.	1922-23.	1922-23, As Compared with 1909-13.
Wheat	16,591	11,597	14,528	86
Rye.....	56,591	50,660	65,428	116
Barley	14,985	13,040	17,846	119
Oats	28,101	25,481	37,726	134
Potatoes.....	245,880	337,590	287,182	117

With the exception of wheat, all other crops gave this year a greater yield than before the war. The rye crop is 16 per cent., barley 19 per cent., oats 36 per cent., and potatoes 17 per cent. greater than the average of 1909-13. The value of Polish exports in August reached 101,900,000 gold francs, as compared with imports amounting to 96,700,000 francs. During the first half-year the excess of exports over imports was estimated at 38,000,000 gold francs. This represents great progress in comparison with previous years.

SWEDEN.—BETTER LABOUR POSITION—TRADE CONDITIONS—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, October 16.

THERE is a certain amount of activity at the ironworks now, since the settlement of the long labour dispute. The output is larger than before the conflict, but does not reach normal. Only half of the existing blast furnaces and two-thirds of the Martin and Bessemer works are in action; the number of works open is slightly higher than before the conflict broke out. The settlement of the ironwork dispute has, of course, had a good deal of influence on the labour market in general, as several trades connected with the iron trade were suffering from lack of work, owing to this dispute. At present it seems as if the ironworks are booked with orders for the rest of this year. Some branches of our industry have lately been suffering rather less from foreign competition, but the present state of affairs abroad has, of course, an unfavourable influence on trade in general. In particular, our iron ore export trade has been suffering a great deal, owing to the Ruhr occupation, and the low rate of exchange of the French and Belgian currencies has had a bad influence on our timber exports to these countries. Usually two-thirds of the Swedish iron ore is exported to Germany, but during present conditions iron ore exports to that country have been greatly reduced. This loss has been partly compensated by exports to other quarters, but these are insufficient to keep the mines going as usual, and reductions in the number of workmen have had to be made. In the timber market the sales are rather lively at present, and the amount sold is estimated at 750,000 standards, which is little under the quantity sold at the same time last year. The situation on the pulp market seems to be satisfactory, and there seems to be little anxiety that the quantities still available will not be sold out. In general the business situation at present may be considered less satisfactory than of late; thanks to the general situation in Europe the future is uncertain. The situation on the labour market can be considered satisfactory, as there is no more unemployment now than in pre-war times. This time of the year is about the busiest, but there seems little fear of any great increase in unemployment.

October 1st is the time when trade agreements concerning a great number of labourers in various trades are due for revision. The workshop owners have terminated their present agreement, as they desire reductions of wages and some other alterations for next year. This industry employs about 30,000 workers, and it is stated that even the lower wages now proposed will be higher in purchasing power than were the wages before the war. At the match-making factories as well as in some other trades the agreements are also up for revision. The harvest this year seems, in spite of the very bad weather, to be a little above the average, as far as the quantity is concerned, but the quality is below the average. Approximate figures show that the crop of bread cereals may reach a total value of 150 million crowns. Of the total, it is estimated that about 30 per cent. will appear in the open market, while the rest is used by the producers.

A combined concern of A.S.E.A. (Allmänna Svenska Elektriska A.B.) in Vasteras and the Luth & Rosén A.B. has secured a great order from the State Railways lately. They are to manufacture the 50 electrical locomotives required for the Stockholm-Gothenburg line, which is going to be electrified. The price for each locomotive will amount to 210,000 crowns, the whole order thus amounting to 10.5 million crowns. Tenders for this order were made by several foreign as well as Swedish firms. The price now paid is slightly higher than the lowest foreign offer.

In the money market a feature is the ease with which new loans have been absorbed. For instance, a new 5 per cent. State bond loan of 50 million crowns issued last month was absorbed very quickly. The turnover on the Stock Exchange during September was 10.05 million crowns, of which 3.18 million crowns were for bonds. During September last year it was 10.1 million crowns, and in September, 1913, it was 11.8 million crowns. There seems to have been a check in the fall of prices. The

index issued quarterly by the Board of Social Welfare, which includes all necessities of life, shows an increase from 174 on July 1st to 177 on October 1st. The increase is chiefly due to the increase of prices for house rents and some foodstuffs. This index is the basis on which the war bonus of all Government officials is calculated, and there will thus be a small rise in the pay for all those employed by the Government. The monthly index issued by the same Board, including foodstuffs, fuel, and lighting only, has risen from 161 for August to 165 for September. For July this year it was 160.

ROUMANIA.—OPENING OF PARLIAMENT—LEGISLATIVE PROGRAMME—NATIONAL BANK AND CURRENCY CIRCULATION—LOAN NEGOTIATIONS—INDUSTRIAL BANK.

(FROM OUR CORRESPONDENT.)

BUCHAREST, October 19.

IN a disturbed political atmosphere consequent upon the recent discovery of a plot—said to be partly Fascist and partly anti-Semitic—to assassinate several members of the Government and a number of prominent citizens, and with serious Cabinet differences arising out of the shifting economic policies of the Government, the autumn session of Parliament was formally opened by the King on October 15th. In the usual speech outlining the legislative programme prominence was given to all the administrative reforms and measures necessary to be adopted in order to give full effect to the provisions of the New Constitution for Greater Roumania which was voted and signed last March. The legislative programme also includes a new mining law to govern the exploitation of mineral wealth (a law which will be of paramount importance to the petroleum companies), a new labour code, social and sanitary reforms, and measures to relieve the economic situation. The speech also made complimentary reference to the balancing of the Budget, and inferred—as have other recent official utterances—that no new money has been printed during the past year for the needs of the Treasury.

Under these circumstances it is rather striking that the bank note circulation continues to show a steady rate of increase. At the end of September, 1922, according to the statements of the National Bank, circulation amounted to 15,157 million lei, while on September 29, 1923, it had reached a total of 17,426 million lei, the increase last month alone amounting to more than 400 million lei. That no increase in the Treasury debt to the bank has taken place is confirmed by the asset side of the bank statement, which shows, as a matter of fact, that advances to the State have been reduced during the year ending September 29, 1923, from 12,348 million lei to 11,568 million lei. The increase in note circulation has been offset on the asset side of the bank statement by the item "portfolio" (presumably meaning discounted paper of other banks and industrial enterprises), which has increased during the year under consideration from 3,100 million lei to 5,220 million lei—the bank thereby issuing new currency against discounted bills. A considerable portion of these discounted bills probably represents sums owing by the Government and State-controlled enterprises to industrialists, which the Treasury is as yet not prepared to meet by direct payment; so that, while the Treasury debt to the bank shows no direct increase, it is presumably safe to say that, if the State were able to meet its internal liabilities, the National Bank would not be called upon to discount such a large and growing volume of bills. Some misgivings have been occasioned by the announcement of the bank a few days ago that it would shortly cut down its discount operations by at least 20 per cent., with a further reduction after January 1st next, in an attempt to bring about deflation. No change has yet been announced in the bank rate, which it officially maintained at 6 per cent. That the substantial increase in circulation during the last month or two has not yet been reflected in exchange rates is probably due to the fact that grain shipments are moving out a little more freely after the port stagnation during August and September.

Two visitors to Bucharest during the early part of this month—M. Henri Bérenger, a member of the Budget

Committee of the French Senate, and Mr Douglas Vickers, of Vickers, Limited—attracted a considerable amount of Press attention. It is now being confidently stated that, as a result of M. Bérenger's visit, Roumania will shortly negotiate another French loan—perhaps for as much as 100 million francs; while, in Mr Vicker's case, expectations run as high as a £3 million loan, or credit, in return for which Vickers would receive from the Government (so it is stated) 30,000 shares of stock in the "Reshitza" Metallurgical Works in the Banat, the largest Roumanian industrial enterprise. "Reshitza" shares, of a par value of 500 lei, are now selling at around 1,500 lei, the lowest price (in gold) at which they have yet been sold. It is being stated that, with the active backing of Vickers, the "Reshitza" works would be capable of undertaking the electrification of a considerable portion of the State railways, this being one of the projects in connection with the contemplated (and badly needed) reconstruction of the country's transport system.

The new Industrial Bank, approved by Parliament last June with a capital of 500 million lei, is just beginning to function, the books on the first public offering of shares (200 million lei) having been closed a few days ago. As public subscriptions have amounted to 140 million lei, the State and the National Bank—although required by the charter provisions to subscribe 50 per cent. of the total capitalisation—will only be called upon to take 60 million lei of the first issue. While the new enterprise may be able to afford some slight relief in the present credit crisis, its resources are quite insignificant compared with the needs of the country.

DENMARK.—EXCHANGES—TRADE BALANCE—PRICES—NATIONAL BANK REPORT.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, October 20.

THE question of the price of the Danish krone has been discussed for the last couple of months by an Exchange Conference convened by the National Bank; but it is not yet possible to say what will be the practical results of the conference. Recently the question of the establishment of an Exchange Equalising Fund amounting to about £5,000,000 has been discussed—this amount to be provided through a loan in England. A fund of this description might be employed partly to counteract fluctuations of the krone rate and partly to appreciate this rate, at least through the psychological effect, which no doubt would be created by the establishment of the fund. It is suggested that the Equalising Fund should be provided by co-operation between the State and the banks, and that it should be managed by the National Bank and the principal banks jointly, the National Bank being commissioned to effect the necessary dispositions with the means of the Fund.

In other respects the Exchange Conference has been of importance by throwing light on the economic situation and the causes of the decline of the krone rate. Investigations have been made with regard to the extraordinary consumption of capital after the war. Certain members of the Conference have maintained that the reconstructive measures connected with the reversion of Slesvig to Denmark and also the re-establishment of livestock and replenishment of merchants stocks have to a considerable extent affected exchange conditions. Further, the consumption of capital has, of course, had connection with the losses caused by the world slump.

In August the balance of trade has again shown a rather considerable import surplus, imports aggregating Kr. 172,000,000, against exports of Kr. 140,000,000, of which Kr. 7,000,000 represented the re-export of foreign goods. During the first eight months of the present year imports totalled Kr. 1,265,000,000 and exports Kr. 1,013,000,000. The import excess for the eight months is thus about Kr. 250,000,000. However, exports of agricultural produce have been considerably more than last year. During the eight months exports of bacon, meat, &c., were Kr. 316,600,000, butter, cream, milk, and cheese Kr. 326,900,000, and eggs Kr. 74,500,000, the

figures for the corresponding period last year being for Kr. 227,900,000, Kr. 248,700,000, and Kr. 66,400,000 respectively. Exports of agricultural produce have also risen considerably in quantity. The sales to the United Kingdom, for instance, amounted to 109,800,000 kilos bacon, 62,700,000 kilos butter, and 24,200,000 scores of eggs, as against 69,700,000 kilos, 41,900,000 kilos, and 19,900,000 scores respectively in January-August, 1922. A statistical summary just published shows that Germany in 1922 was again the country from which the largest share of the imports emanated. During the said year the value of the imports from Germany was Kr. 477,000,000, against Kr. 341,000,000 from England, the total value of the imports being Kr. 1,553,000,000. In 1922 31 per cent. of the imports came from Germany, against 27 per cent. in 1921 and 17 per cent. in 1920. In 1913, however, the percentage was 38.

Just over one-fifth of the value of the imports in 1922 fell to the share of the United Kingdom, as against just below one-fifth in 1921. This is, for instance, due to the higher value in 1922 of the imports of the two principal classes of goods, viz., coal and coke and drapery. The value of these imports amounted to Kr. 120,000,000 and Kr. 76,000,000 respectively, as against Kr. 108,000,000 and Kr. 56,000,000 in 1921. The increased value of the mineral fuel imported corresponds to still further increase of the quantities. The greater value of the imports in 1922 is, however, partly due to the fact that the direct import of goods from other continents were less in 1922 than in 1921 and the years just preceding, a portion of goods originating from other countries being once more purchased *via* London. There was a considerable drop in the share of the United States in our import trade, although this share in 1922 was still somewhat larger than before the war.

The monthly wholesale price index of the *Finanstidende* rose during September from 202 to 205 (100 = average 1912-14), price movements having been irregular during the said month. The general tendency was upwards, but several articles show a decline during the month, including pork, potatoes, and especially the four principal cereals, of which supplies have come into the market after completion of the harvest. Rather considerable rises are, however, shown by goods like butter and eggs, and smaller rises by margarine, sugar, coffee, wool, iron, nitrate manures, and various metals, &c. Eight articles, including lumber, coal, and petroleum, were unchanged. At the beginning of August a provisional report was published by the National Bank, suggesting that the financial year closing July 31st would show no surplus, as the earnings would be absorbed by writings off and a sinking fund "to meet the sacrifices made by the National Bank in order to support the Landmands Bank." The annual report now available shows net earnings at Kr. 19,000,000. The board has declared a dividend of 10 per cent. to be paid out of the shareholders' dividend regulation fund, in accordance with the provisions of the charter. This rate is the same as a year ago.

Letters to the Editor.

LOW EXCHANGES AND INTERNATIONAL TRADE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I ask your permission to make some observations on certain statements of Sir Eric Geddes at the luncheon at Glasgow on October 23rd. Sir Eric says: "At the present moment we see the most extraordinary position of two systems of exchange being created—a circle of high-exchange countries and a circle of low-exchange countries; and the tendency is becoming obvious for trade to circulate in two separate circles, the low-exchange countries doing business with each other, the high-exchange countries doing business with each other on an entirely different scale."

I venture to assert that no such two separate circles now exist, that there is no tendency for low-exchange countries to trade with those similarly situated rather than with high-exchange countries, and that any idea that such a tendency would naturally be created is based on wholly false reasoning.

It is not, broadly speaking, true that low-exchange countries are doing a large trade with one another. It may be the case that Germany imports grain from Poland rather than from North or South America or Australia, but it is simply because the countries are adjoining and there is a great saving of freight. It may be true that Poland does relatively more trade with Russia than other countries do. They adjoin, and they understand each other better. In neither case has the condition of the exchanges anything at all to do with it.

Germany used to import a great quantity of wool from Russia, but she now receives none from Russia and has increased her imports from Australia and the Argentine. The relative increases have nothing to do with the fact that Australian exchange is 7 per cent. below par and the Argentine 20 per cent. below par. Germany, Poland, France, and Belgium import their cotton from the United States, India, and Egypt as before. The proportions have not been in the least degree affected by the United States currency being at par while the Indian rupee is 30 per cent. below the parity of a few years ago. Germany's exports of textiles, leather, fancy goods, constructional steel, &c., are not directed in any greater degree than before to the countries where the exchanges have collapsed. Her best customers in 1919-23, as in 1910-14, have been the countries where exchange is now at par or near it. France does not send her wine and her luxury products chiefly to countries where exchanges are as low as her own or lower. Her chief markets continue to be the richest countries, and some countries which have ceased to be rich and have collapsed exchanges have also ceased to figure amongst the best customers of France. England is a better customer of France than all the countries with collapsed exchanges put together. Belgium, likewise, does not look for her markets to the countries that suffer in equal or greater degree her malady of a depreciated currency. Her best buyers are those whose purchasing power has suffered least in consequence of the war, and such countries, without exception, figure amongst those with a good or comparatively good rate of exchange.

This country exports coal as it used to do to the Argentine, Germany, Italy, &c., countries where the exchange has fallen in very varying degrees, and also to such countries as Holland and Sweden, where the currency is at par. We export our manufactures to the Dominions, to the East, to North and South America, and to the Continent of Europe. Because the purchasing power of the countries where exchange is lowest is usually lowest, our exports to certain distressed countries are much less than they used to be, and we suffer bitterly from the loss of that trade. Is it seriously contended by Sir Eric Geddes that we should make good what we have lost by lowering our rate of exchange and putting ourselves into the same circle as certain other countries? In the first place, nobody will dare to suggest that we should lower our exchange sufficiently to compare even with Belgium, France and Italy. In the second place, if we deliberately placed our exchanges in the position which theirs have come to, we

should still find our best customers just where we find them now.

No one need be surprised at the comparatively small effect of relative currency values in the course of international exchange. Let us consider a typical case. The Argentine, Australia, and the United States are all sellers of wheat for export at almost all times. Given that the quality of the wheat is the same, all three countries must sell their wheat at prices equivalent on a given day to the world price, for example, 40s per quarter c.i.f. Liverpool. The rate of freight being the same, if Germany or France wished to buy foreign wheat they must pay 40s per quarter irrespective of the state of their currency. The United States, the Argentine, and Australia will all exact the highest gold price the world market will give. Let us say Poland enters the field as a seller of wheat. Does she turn to Germany as a buyer because Germany's currency has collapsed like her own? Not at all. Poland exacts for her export surplus of wheat the highest gold price she can anywhere obtain. If the transport charges from Warsaw to Liverpool or Rotterdam are 5s per quarter, then Polish wheat, if equal in quality to other foreign wheat, is worth 35s per quarter in Warsaw when the price in Western Europe is 40s. If Germany is to buy Polish wheat she must pay 35s in Warsaw, quite irrespective of whether calculated in Polish marks. This price is equal to one or ten million marks, or calculated in German currency is equal to seven billion or seven trillion marks (the latter happens to be to-day's equivalent). Germany will probably buy her wheat from Poland rather than from the more distant countries, but not in the least because Polish currency is depressed, simply because with transport charges from Warsaw to Berlin at say 3s per quarter she would be able to buy Polish wheat some shillings lower than Australian or Argentine.

It may be noticed in passing that now that Russia is re-entering the wheat export market it is not to Germany within her own circle that she turns, but to England, whose position in the circle of exchanges is, thank Heaven, separated by some trillions!

It may be true that for a time a depreciated exchange gives a country an advantage in export business. Somebody in the exporting country has to pay up the difference some day or another, but for a time the drug may work. Sir Eric Geddes, however, has no foundation at all for his statement that countries with depreciated currencies seek each other out and come into a trade circle from which countries with high exchanges are excluded. This is not true now, and there is not the slightest reasonable ground for supposing that, broadly speaking, it ever will be true.—I am, Sir, your obedient servant,

A. H. GOLDFINCH,

Governing Director.

British Australian Wool Realisation Association,
Limited, E.C., October 24th, 1923.

INFLATION OR DEFLATION?

TO THE EDITOR OF THE ECONOMIST.

SIR,—Mr F. C. Goodenough is reported as having stated that "a policy of active deflation would make it difficult for us to find these great sums," meaning the loans we had lent to the Dominions and to India. He emphasised later that "there should be neither inflation nor deflation." One rejoices that he knocked on the head the silly rumour that he was in favour of a large measure of inflation, but it is disquieting to find his disclaimer somewhat marred by the above statements. No one suggests active deflation in the sense of a rapid contraction of the currency, but there is no such thing as passive deflation, and certainly it is impossible to stand still as his later utterance seems to imply.

Surely the restoration of the London money market to its pre-war position of a free market in gold, and a resumption of specie payments, will attract an increasing number of loans to be floated in London, and thus stimulate trade and widen the area of employment. This can only be achieved through deflation gradually applied, and how that can hinder or make it difficult for us to find large sums for the Dominions or anybody else I am at a loss to discover.—I am, Sir, your obedient servant,

October 19th, 1923.

D. M. MASON.

P.R. IN IRELAND.

TO THE EDITOR OF THE ECONOMIST.

SIR,—There is some danger of losing sight of the original issue between your Dublin correspondent and myself. My purpose was not, of course, to impugn the accuracy of your correspondent's statement of the facts of the election, but only to question the accuracy of his opinion in respect of the working of the transferable vote system. Your correspondent explained the slightly greater proportionate success of the Republican Party by the theory that P.R. in some mysterious way gives a "disproportionately large influence to minorities." In order to defend his example from the recent Irish elections of this alleged tendency of the P.R. system, your correspondent is compelled to link together as solidly Pro-Treaty parties which have certainly Republican elements in them. These elements may not be very great, but are sufficient to require special treatment when, as here, one is considering, not the broad aspects of representation, but arithmetic proportions to one place of decimals. The organisations responsible for the Farmers' Union and the Labour Party candidates were quite separate and distinct from the others; they conducted their own separate campaigns; no Ministerial post has been allotted to them, for the Government regards them as independent parties; and on all grounds it would seem desirable to present the figures for the three minor groups separately.

The recent Dail election, if one takes what I believe to be the truer view that there were several separate interests seeking representation, gave a result in accordance with usual experience, namely, that the two largest groups got a slight advantage. It may perhaps be claimed as an exception that the second largest group, the Republicans, did better relatively than the largest group—the Government. These slight variations from strictly proportional representation are to be expected when the contests are spread over a number of separate areas (28 in the Irish case), with differing circumstances. But the causes of variation are special, rather than general.—Yours truly,

ALFRED J. GRAY, Assistant Secretary,

The Proportional Representation Society.

82 Victoria street (Flat 24), Westminster,
London, S.W. 1, October 23rd, 1923.

HUNGARIAN EXCHANGE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The writer of the article on "The Reform of Hungary" appearing in this week's issue of the *Economist* refers to the difference between the official and the "commercial" rate of exchange. I have just returned from a visit to Vienna and Budapest, and I was much struck by this very fact. The curious thing about it is that in Budapest the existence of the two rates is not openly recognised. It only came to my knowledge when the head waiter at one of the principal hotels offered to exchange some of my Treasury notes into Hungarian money. He informed me that I should not get more than 88,000 crowns at any bank or exchange office, but that he would give me 100,000 crowns. Wishing to satisfy myself on the point, I inquired at a large bank what was the rate. The reply was 88,000 crowns. When I asked how was it then that outside people were willing to give much more, the cashier only made an evasive reply, and merely reiterated that banks were forbidden by the Government to allow any higher rate, and that if anybody offered more they were breaking the law. It is evident, however, that this regulation is infringed with impunity. The result is a purely fictitious rate of exchange.

I found afterwards that I might have done much better with my Treasury notes. Waiters in other hotels, and even shopkeepers, were offering 130,000 crowns (the "commercial" rate mentioned by your correspondent). The reason given to me was that people were speculating on the eventual fall of the Hungarian crown to an even much lower level than this. I need hardly say that in Vienna no such discrepancy exists at the present time, the Austrian crown having long ago been stabilised at between 315,000 and 325,000 to the pound.—I am, &c.,

RONALD HEPBURN.

Devonshire Club, October 22nd, 1923.

Books and Publications.

TWO BOOKS ON STATISTICS.*

THESE books afford an interesting contrast, illustrating the wide range of statistics, and they will appeal to different classes of readers. Dr Kelley is mainly interested in the statistical methods of measuring ability and in kindred psychological problems, and for these purposes the mathematical investigations of the biometric school are extensively used. Though the book is intended to be self-contained, only competent mathematicians will be able to use it, and even they should proceed very critically, since Dr Kelley is inclined to introduce formulæ without proof or analysis, and with insufficient attention to the hypotheses on which they rest and their limitations. There is, however, some interesting original work in some chapters. Where the author handles economic statistics he is not on ground familiar to him, for he speaks of the table of numbers of assessments to income-tax in 1914 of various amounts as showing "the total distribution of wealth in Great Britain"; of course, the figures relate to the whole United Kingdom, and exclude earned incomes under £160, while assessments are very different things from total incomes. Those whose interest in the theory of index numbers is not exhausted, will find a little that is new in his chapter on the subject.

Mr Boddington's task is to show that the ordinary use of statistics by business men does not involve the higher mathematics, nor, indeed, anything more rare than common sense, and further, that well-considered tabulations, graphs, and analyses of relevant information are of the greatest utility in the conduct of business. The treatment is for the most part simple, straightforward, useful, and convincing. By well-chosen examples, useful rules for the calculation of averages, the framing of tables, and the construction of diagrams, are explained. Perhaps it is not a disadvantage that much of what is said is familiar to every intelligent person who handles numbers; the type is so good that it is easy to skip the obvious. There is, however, a good deal that is open to criticism. In describing schedules for collecting information, he does not advocate the use of cards, though his model on page 23 is very suitable for this method. In speaking of investigation by samples, he does not remark on the greater security that is obtained by selecting a proportion systematically from every class or stratum in the group to be measured than by proceeding entirely at random. The method of approximating by omitting the last three digits (page 49), rather than entering to the nearest thousand, should only have been named in order to condemn it. He advocates the use of round numbers, but in his model tables (page 113) he prints the last unit in 38 millions. There is inconsistency in condemning the geometric mean on the ground that it is troublesome to calculate, while advocating the use of the ratio-chart, the construction of which equally involves logarithms.

When mathematical conceptions are involved the author is not always clear, or even correct. On page 54 he speaks of the standard error (in a total obtained by approximation) as the "best estimate" of the error. The best estimate is zero; the standard error merely measures (in suitable cases) the error against the exceeding of which the chances are two to one approximately. It is absurd to regard, as the author does, the obtaining of an error near the standard error as an indication of correctness. It is incorrect to state, as on page 103, that the mode is incapable of being ascertained by mathematical formulæ, for in those cases where it is needed a simple interpolation formula will afford a good estimate. We recommend readers to omit the section on the normal frequency curve (pp. 143-8); even its shape is not that drawn in the diagrams, and it is not specially suited for representing ordinary frequency curves.

In Mr Boddington's book, also, we have the inevitable

* "Statistical Method." By Truman L. Kelley, Ph.D., Professor of Education in Stanford University. New York: The Macmillan Company, 1923, xi. and 390 pp. Price 18s.

"Statistics and Their Application to Commerce." By A. Lester Boddington. Second Edition (revised and enlarged). London: H. F. L. (Publishers), 1923, xvi. and 344 pp. Price, 12s 6d.

chapter on index numbers. We do not understand why he considers that regulation of wages automatically by a general wholesale price index "shows a distinct advantage" over regulation by a cost of living index; his illustration depends not on the basis of regulation, but on its application.

On page 32 there is a misprint, 4,973 being printed for 4,793, which makes the subsequent argument difficult to follow.

"THE STOCKBROKER'S OFFICE."

"THE Stockbroker's Office," by Julius E. Day (Isaac Pitman and Sons, Limited, 7s 6d net) deals with the organisation, management and accounts of the office of a Stock Exchange member. Mr Day is described on the title page as sometime manager of an inside firm of stockbrokers "on" the London Stock Exchange. His book contains a mass of information, much of it that will be useful, more particularly to the novice entering a Stock Exchange office, though no doubt it will also interest the outsider who would like to know something of the complexities, book-work, routine, &c., that surround the business of dealing in stocks and shares. The book contains many extracts from official data respecting commission, Clearing House forms, certification instructions, &c. From various minor slips which occur in the book, it would seem that the author has not been a member of the House. For instance, he refers to bargains on the contango days being for cash up to twelve o'clock noon, and those after that hour as for the new account. In dealing practice, it happens that the majority of bargains done on the contango day are for new account at whatever time they are transacted. He makes a mistake in regard to commission on bought and sold transactions within the same account, saying that it is not usual to charge commission on both the bargains. The Stock Exchange rule is that commission must be charged on one side at the full scale, and on the other the broker may charge at half the official rate. This is an unfortunate slip in a book which is intended for general as well as for Stock Exchange use. There are exhaustive chapters on informative details and Stock Exchange books; the volume is usefully indexed.

* "The Stockbroker's Office, Organisation, Management, and Accounts." By Julius E. Day. London: Sir Isaac Pitman and Sons, Limited. 7s 6d. net.

THE GREAT PRODUCE MARKETS.*

THIS small volume of some 212 pages should prove useful to many who wish to make themselves acquainted with the organisation and technique of the trade in grain, cotton, wool, sugar, and coffee. The purpose of the volume is to make intelligible to the layman the commercial reports which appear in the Press, and to show the journalist how the reports are drawn up. Each section opens with an historical sketch and a general discussion of the main features of the trade, which serve to introduce the reader to the more technical and detailed matter relating to the organisation and business of particular markets. The authors make clear in each case the conditions of supply and the principal varieties of produce. They explain the importance of the crop reports of the principal producing countries and the value of certain unofficial estimates. The intricacies of grading receive attention, and in the section dealing with cotton the precise relation between the United States and the English grades of cotton is set out. A good deal of information is found on such questions as the weight of a bale of cotton and the number of pounds weight of different kinds of grain which go to a quarter; while numerous technical expressions are defined, and the terms on which business is conducted on the principal markets are explained. Economists and statisticians who are concerned with commercial matters will certainly find in this book a lot of valuable matter.

The new edition has been prepared by a member of the staff of the *Frankfurter Zeitung*, who has for many years been concerned with the produce markets, and has drawn upon a large number of experts connected with various branches of the trade for information.

* "Weltwarenhandel, Märkte und Berichterstattung." By Artur Norden. Second edition revised by Hans Hirschstein. Leipzig: G. A. Gloeckner. 1923.

PALESTINE ESSAYS.*

THIS volume of collected papers by Jews and non-Jews, Zionists and non-Zionists, passing visitors and permanent residents in Palestine, touches upon almost every side of contemporary life in that country; but a considerable proportion of it is devoted to economics. The engineer, Mr S. Tolkowsky, contributes an essay on physical features; Dr M. D. Eder on immigration and labour (a notable contribution); Mr A. Ruppin (author of a work on the economics of Syria and Palestine, besides other publications dealing with Zionism) on economic development; Mr N. Wilbush of Haifa (the principal port), on industrial prospects; Mr S. Hoofien on credit facilities; Dr Jacob Thou on problems of land development; and Mr S. E. Soskia on land settlement. The economic factor in Palestine really conditions all the rest, for the social, political and religious future of the country turns upon the nature, extent, and control of its undeveloped margin of productivity. The essays in this book, though they belong to the class of ephemeral literature, are interesting for the light which they throw upon the development of the unexploited resources of Palestine during the period since the Armistice. Incidentally, they make it evident that if the economics of Palestine are the key to its politics and sociology, the economic factor is even more difficult to abstract in this case than it is in most human relationships. Many educated Europeans of the present day, if asked for a concrete instance of the classical *Homo Economicus*, would probably reply that he does not exist, but that the nearest approximation to him is to be found in the Jew. The best commentary upon such a view is to read what Professor Patrick Geddes or Dr Eder have to say about the Zionist pioneers in Palestine. Here are economic activities of a far-reaching character, being undertaken by people who would never have contemplated them if they had been actuated by the motive of economic profit; and permanent economic results are thus being produced by a non-economic psychological cause. A certain coefficient of non-economic motive doubtless enters, always and everywhere, into economic action, and the case of the Zionists in Palestine differs only in degree and not in kind from others with which we are familiar every day. Nevertheless, the spectacle of a people ordinarily reputed so "realist" in business as the Jews, devoting themselves to the reclamation of so barren a land as contemporary Palestine (with little hope, in most cases, of personal remuneration for their labour in the economic sense) is sufficiently notable (even at second-hand) to interest any student of human nature, over and above the specialists in Near Eastern affairs.

BOOKS RECEIVED.

Modern Foreign Exchange. By Hubert C. Walter. (London) Methuen and Co., Limited. 5s net.
Stock Exchange Accounts, with an Appendix of Forms. By Stephen H. M. Killik. Second edition. (London) Effingham Wilson. 3s 6d net.
The Fixing of Wages in Government Employment. By E. Colston Shepherd. (London) Methuen and Co., Limited. 7s 6d net.
International Year-Book of Agricultural Statistics, 1922. (Rome) International Institute of Agriculture.
Official Directory of the Chartered Accountants of Scotland. June, 1923. (London) William Blackwood and Sons.

STOCK EXCHANGE NEWS.

TICKET.
October 30.

ACCOUNT.
October 31.

Brighter conditions prevail, in some of the markets of the Stock Exchange, than those which ruled at the beginning of the week. No little uneasiness was engendered a few days ago by the "revolution" in Germany, and the fall in the value of the pound sterling as compared with the dollar, this latter consideration giving rise to talk of a possible rise in the Bank rate. Within the last day or two, however, the atmosphere at home and abroad is read as being clearer, and the tendency is now for prices to recover, the speech of Mr (London), J. Murray. 1923. Pp. 308 and map. 7s 6d net.

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Bradford Foreign Branch - 13, Market Street, Bradford.

McKenna on Wednesday and of the Prime Minister on Thursday helping to confirm the better impression.

The War Loan went ex dividend yesterday (Friday), when about 45s was deducted from the price. A good many people had been waiting both to buy and to sell when the stock became ex, and a large business resulted. The Nigeria scrip remains at a discount, but both the recently-issued Commonwealth and Victoria loans are in request, and on the former the premium has risen to 1½, to 1¼ on the latter. Other gilt-edged stocks, after being distinctly heavy, recovered under the leadership of Conversion Loan. Underwriting of a new Finland 6 per cent. loan, and another large amount of Tube Railway debenture stock was completed with ease.

French bonds have moved up and down with a good deal of violence, and the prices changed sharply from hour to hour. Austrian scrip suffered an abrupt fall when the foreign market went flat, but there was an equally sharp recovery towards the end of the week. Argentine bonds are not much affected by the movements in the Buenos Ayres exchange, and other South Americans show comparatively few changes.

After a display of something like buoyancy, in the course of which the stocks and shares were substantially advanced in price, the Underground group came in for profit-taking, which reduced prices from the best, though it is noticed that on any setback buyers stand ready to pick up the stocks. Other Home Railways are inclined to droop, talk of a possible Bank-rate rise affecting them. Canadian Pacifics and other Americans have been strong with the dollar, though Canadian Railway pre-ordinary issues moved down a little. Mexican Rails, Government bonds, and Utility descriptions have given way, owing to the long-protracted delay over settlement of the Mexican debt question. Argentine Railway stocks are better again, after being very heavy because of the rate of exchange. The chairman's speech at the Buenos Ayres Great Southern meeting this week was considered encouraging. Nitrate Railways were unaffected by the declaration of a dividend that came as a favourable surprise. Nitrate-producing shares showed irregular movements, none being of particular consequence.

The Rubber market is a little harder, owing to a faint improvement in the price of the produce. Anglo-Dutch went back on the proposal to create a million pounds debenture stock, of which one-half is to be issued shortly. Oil shares went ahead, on heavy option dealing, based apparently on the idea that petrol is about to rise in price, and that, with the improvement in world trade, which some are talking about, the oil industry stands amongst the first that are likely to benefit. In the shipping group, Cunards have risen to nearly a pound, with other shares also disposed to harden. Insurance and Banking issues are heavy. London and Brazilians rose 30s, on the proposed terms of the bank's amalgamation with the River Plate Bank, but the gain was not held. The Tea share market, again lower, is obviously troubled by the account open on behalf of weak speculative holders.

Courtaulds fell below 60s, by reason of the German and other competition from which the company is said to be suffering, and the Textile market, as a whole, is none too bright. Austin Motor fourth debentures enjoyed a material rise, possibly due to the fact that the Motor Show opens next week. Other motor shares, however, are quiet. Watney deferred has fallen several points, this being the only change of note amongst breweries. Newspaper shares weakened as a sequel, which may have been only a coincidence, to the issue of the Daily Mail Trust prospectus. Associated Portland Cements came in for considerable support, on the Government's unemployment plan, while shares in other companies likely to be affected by the winter work in connection with the unemployed have moved narrowly and somewhat irregularly.

In the Kaffir market the outstanding feature has been a jump in the price of Robinson Deep "B" shares, owing to favourable developments reported from the property. People had been expecting that these shares would receive no dividend for two years, at the end of which time it was hoped that substantial profits could be distributed. With the favourable reports now coming in, the talk runs that the dividend-time on the "B" shares is brought appreciably nearer. De Beers

and Rio Tintos fell heavily, on Paris selling. A little animation in some of the Rhodesian issues is ascribed mainly to professional operations. Russo-Asiatics, after a rise, subsided again into quietude, and Mexicans are apathetic. Tin, the metal, enjoyed a material rise, which found a dim reflection in small improvements amongst Malayan shares. Indian mining descriptions drooped, the latest development reports being considered none too good.

We are officially informed that Mr Cecil Asher has this day ceased to be a member of the Stock Exchange.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ ..	£ 228,026,737 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.			
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED OCT. 20, 1923.			
	£	Dr	£
April 1, 1923, to Oct. 20, 1923, £15,400,000 ..	£ 550,000	£ 550,000	

To the Public—				
Union of South Africa £9,000,000				
5% Inscribed Stk., red. 1933-1943, at par, issued at 99½%, less £5,655,055 for redemption of maturing loans (Oct. 24)	3,344,965	..	3,328,175	.. 167,248 .. 3,160,927
Daily Mail Trust, £8,000,000 7% Guar. Mt. Deb. Stk., at 99% (Oct. 22), less £1,600,000 of outstanding Debenture Stk. to be redeemed ..	6,400,000	..	6,320,000	.. 640,000 .. 5,680,000
Auckland Harbour Board, £200,000 5% 20-year Debts., at 99% (Oct. 26) ..	200,000	..	198,000	.. 10,000 .. 188,000
Westover Garage, Limited, £2,500 Shares, £1, at par (Oct. 29) ..	52,500	..	52,500	.. 6,562 .. 45,938
Hodgson Road Contractors, 378,000 Ord. Shares, 5s, at par (Oct. 26) ..	82,000	..	82,000	.. 8,200 .. 73,800
Total offered to the public ..	..	..	9,980,675	.. 832,010 .. 9,148,665
To Shareholders only—				
Cubitts' Engineering, £53,153 2nd Mort. 7% Deb. Stk. (red. in 1933), at par ..	53,153	..	53,153	.. 5,315 .. 47,838
Distillers' Company, £1,222,800 New 5% Pref. Shares, £1 (10s paid up by capitalisation of reserve fund) ..	911,420	..	911,420	.. 911,420
Second Alliance Trust, 35,000 Shares, £3, at £9 7s 6d for every two shares ..	105,000	..	164,062	.. 59,062 .. 105,000
Selangor United Rubber, 100,000 Shares, 2s, at par ..	10,000	..	10,000	.. 10,000
Total offered to Shareholders only ..	..	..	1,138,635	.. 985,797 .. 152,838
Total offered for subscription to date				
1923 ..	£238,596,047		1922 ..	£573,675,650
1922 ..	539,516,499		1921 ..	388,978,203
1921 ..	230,784,413		1920 ..	367,549,656
1920 ..	321,875,125		1919 ..	1,036,059,951
1919 ..	955,254,373		1918 ..	1,393,381,441
1918 ..	1,138,190,516		1917 ..	1,318,596,010
1917 ..	1,161,729,860		1916 ..	585,436,853

Union of South Africa 5 per Cent. Inscribed Stock, 1933-1943.—This is an issue of £9,000,000 stock at £99½. The principal is repayable at par in 1943, the Government of the Union having the option to redeem the stock in whole or in part at par on or after June 1, 1933. The loan is being raised for the redemption of £2,655,035 Cape of Good Hope 4 per cent. stock and £3,000,000 Treasury Bills, maturing in London, and for railways, harbours, irrigation works, land settlement, and other public works. Holders of Cape of Good Hope Stock maturing December 1st next are offered conversion in whole or in part, into an equal amount of this stock, and will receive preferential allotment. Holders exercising the option will receive a cash payment of 10s per cent., being the difference between the nominal amount of the stock maturing and the issue price of the new stock, together with the dividend due in December. Any portion of the maturing stock not converted will be paid off on December 1st next. This is a trustee investment and an excellent security.

Auckland Harbour Board.—Offer for sale of £200,000 5 per cent. 20-year debentures to bearer at 99 per cent. Principal is repayable, in London, at par on July 10, 1943. Interest is payable in London or New Zealand at the option of the holder. These debentures, and the interest thereon, if held by persons not domiciled in New Zealand, will be free of all present or future taxes of the Dominion. The present issue is part of a total authorised amount of £1,000,000 debentures, constituting a charge, subject to prior loans amounting to £1,765,000, upon the lands and rents of the board; also on the dues chargeable by the Board; on the harbour works now constructed, or to be constructed, and on the Auckland Harbour Fund. Of the authorised total of £1,000,000 mentioned above, £600,000 has already been issued. The surplus of assets over liabilities at December 31, 1922, it is stated, amounted to £1,973,738. The accounts show that for the year ended December 31, 1922, after deducting from gross receipts all expenses, including interest and loan charges, "but

before charging depreciation," there remained a balance of £44,317. This is an interesting attempt to test the appetite of the investing public in view of the terms of the recent issue of the Commonwealth loan, which showed a yield of shade over 5 per cent.

Hodgson Road Contractors, Limited.—Authorised capital £100,000, divided into 400,000 ordinary shares of 5s each. This is an issue at par of 328,000 shares. The company has been formed to acquire, as from May 31, 1923, the undertaking of E. S. Hodgson, Limited, quarry masters and transport contractors, of Manchester, and the mechanical transport contractors of Messrs Wort and Way, of Salisbury. In addition to the supply and transport of road material, the company intends to undertake the construction and repair of roads. The assets being acquired, which include the leases and tenancies of five quarries for the supply of road stone, have been valued at £47,077. The aggregate purchase-price is £55,520 (including £8,443 for goodwill), of which £37,520 is payable in cash and £18,000 in shares. Thus a substantial portion of the purchase price is being taken in cash. Past profits are averaged. This information might have been given in greater detail. We cannot find any considerable attraction in the prospectus.

Southend Waterworks Company.—Total ordinary stock, £584,447, preference stock £359,321. This is an offer for sale by tender £33,333 4 per cent. perpetual debenture stock, at a minimum price of £80 per £100 of stock. Apparently debenture stock is issued for £243,090, on which interest is payable amounting to £12,904. But if the present issue is included, the yearly interest on debenture stock will be £14,237. Total interest and dividends at present absorb £65,835 per year. The net revenue of the company for the year ended December 31, 1922, was £92,909. This "offer for sale by tender" is not, in our opinion, well set out, but the security behind the debenture stock is fairly good.

The Westover Garage, Limited.—Authorised capital £75,000, in ordinary shares of £1 each. Of these 7,000 have already been subscribed for at par, and 15,500 are to be issued as fully paid, while 52,500 are now offered for subscription at par. The company has been formed to acquire and extend a garage undertaking at Bournemouth formed in 1920. The purchase price has been fixed at £15,500, payable in shares. Assets are valued £11,000, including goodwill £1,050. But profits are not given, in their place appearing "turnover" figures. This is a serious omission, and must not be overlooked by the careful investor. On the other hand, we have the comforting assurance that profits in the future should allow a dividend of 1½ per cent. to be paid on the capital invested. We do not like the prospectus, or the proposition.

Taku (F.M.S.) Rubber Estates, Limited.—Authorised capital £40,000, divided into shares of 2s each. Of these 217,500 shares will be allotted to the vendors, 160,000 shares will be held in reserve to meet conversion rights attached to debenture stock, and the balance may be issued as and when required. A statement published in the press to comply with Stock Exchange regulations gives details of an issue of £16,000 6 per cent. first mortgage convertible debenture stock at 99. This stock is redeemable at a premium of £4 per cent. on December 31, 1935, or, at the option of the holder, may be converted into 2s ordinary shares at the rate of 10 shares for each one pound of stock. There is not sufficient information available for us to give an opinion as to future prospects.

Hemel Hempstead District Gas Company.—Incorporated by special Act of Parliament, 1878. Authorised stock capital £61,500, of which £34,500 has been issued. The loan capital consists of £27,100, of which £11,710 has been borrowed. This is an issue of £13,000 of 6 per cent. irredeemable preference capital, the minimum price of issue being par. The net revenue of the company for the year ended December 31, 1922, was £5,250. Interest on loan capital absorbs £627, and as the dividends on the preference capital now being issued will require only £870, there is an ample margin.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Price Latest.	Rise or Fall.
War (3½), 1925-28 .. 96 .. 96 ..			
Loans (4½), 1925-45 .. 99½ .. 98½ ..			-10
Loans (4½), 1929-47 .. 102½ .. 100½ ..			-20
Loans (4½), 1929-42 .. 101½ .. 101½ ..			
Funding Loan 4½ .. 92 .. 90 ..			-20
Victory Bonds 4½ .. 92 .. 92 ..			
Conversion Loan 3½ .. 78 .. 78 ..			
Consols 2½ .. 58½ .. 58½ ..			
Irish Land Stock 2½ .. 60½ .. 60½ ..			
Local Loans 3½ .. 67½ .. 67½ ..			
Aust. 6% 1931-41 .. 105 .. 105 ..			
Canada 4½ 1920-25 .. 102 .. 102 ..			
India 3½ Stock .. 69½ .. 68½ ..			-10
Do 7½ 1926-31 .. 117½ .. 117½ ..			
Do 5½ 1932 .. 102½ .. 102½ ..			
Do 4½ .. 89½ .. 89 ..			-5
N.S.W. 5½ 1922-32 .. 100 .. 100 ..			
Nigeria 6% 1949-79 .. 115 .. 115 ..			
U. of S.A. 6% 1930-40 .. 105 .. 105 ..			
Victoria 5½ 1924-34 .. 102 .. 102 ..			
W. Aust. 6% 1930-40 .. 105 .. 105 ..			

Banks.

	Price Last Week.	Price Latest.	Rise or Fall.
Barclays B (£1 f.p.d.) .. 21½ .. 21½ ..			
Chartered Bk of India .. 19½ .. 19½ ..			
Lloyds (£5 with £1 paid) .. 3½ .. 3 ..			-½
London Joint City & Midland (£12 with £2½ paid) .. 8½ .. 8½ ..			
Nat. Bank of Egypt (£10) .. 22½ .. 22½ ..			
Nat. Bank of S. Africa .. 11½ .. 11½ ..			
Nat. Prov. & Union of England (£20, with £4 paid) .. 11½ .. 11½ ..			
Standard of S. Africa (£20, with £5 paid) .. 11½ .. 10½ ..			-10
Westminster Bank (£20, with £5 paid) .. 17½ .. 17½ ..			

Colonial and Foreign Railways.

	Price Last Week.	Price Latest.	Rise or Fall.
Antofagasta Cons .. 87½ .. 85½ ..			-20
B.A. and Pacific .. 78½ .. 77 ..			-1½
B.A. Gt. Southern .. 85 .. 85½ ..			+½
Buenos Ayres West .. 77 .. 76 ..			-10
Canadian Pacific .. 158 .. 160 ..			+20
Central Argentine .. 70½ .. 71½ ..			+10
Leopoldina .. 21 .. 20½ ..			-½
Mexican Railway .. 32 .. 31 ..			-10
Do 1st Pref. .. 32 .. 31 ..			-10
Do 2nd Pref. .. 19 .. 19 ..			
San Paulo .. 140½ .. 137 ..			-3½
United Havana .. 76½ .. 78½ ..			+20

Foreign Government Securities.

	Price Last Week.	Price Latest.	Rise or Fall.
Argentine 5%, 1886-7 .. 99 .. 99 ..			
Austrian 6% Guar. .. 63½ .. 64½ ..			+10
£20 pd .. 63½ .. 64½ ..			+10
Brazil 5% Fund., 1914 .. 71 .. 71 ..			
Chilian 4½%, 1895 .. 92 .. 92 ..			
Do 7½% .. 105½ .. 105½ ..			
Chinese 5%, 1912 .. 67 .. 66 ..			-10
Egyptian 4% .. 73 .. 73 ..			
French 5% .. 27½ .. 28 ..			+½
Do 4% .. 22½ .. 22½ ..			
Greek 4%, 1884 .. 43½ .. 43½ ..			
Japanese 4½% .. 104 .. 105 ..			+10
Do 4% 1910 .. 68 .. 63 ..			-50
Mexican Cons. 1899 .. 56 .. 52 ..			-40
Peruvian Corp. Pref. .. 29 .. 28½ ..			-½
P.L.M. 6% .. 88 .. 88 ..			
Portuguese (New) .. 31 .. 31 ..			
Russian 5%, 1906 .. 11 .. 11 ..			
Spanish 4% .. 65½ .. 65½ ..			
Seine (Dept.) 7% .. 100 .. 100 ..			
Siam 7% .. 106½ .. 106½ ..			

Telegraphs.

	Price Last Week.	Price Latest.	Rise or Fall.
Anglo-American "A" 23 .. 23 ..			
Marconi Wireless .. 2½ .. 2½ ..			
Marconi Canada .. 1½ .. 1½ ..			
Marconi Marine .. 1½ .. 1½ ..			

British Railways.

	Price Last Week.	Price Latest.	Rise or Fall.
Great Western, Ord. .. 111½ .. 111½ ..			
Do Def. .. 87 .. 87 ..			
London & North-Eastern .. 87 .. 87 ..			
5% Pref. Ord. .. 87 .. 86 ..			-10
Do Def. Ord. .. 33½ .. 32½ ..			-10
London, Mid., and Scottish, Ord. .. 106½ .. 106½ ..			
Metropolitan .. 79½ .. 78½ ..			-10
Metropolitan District .. 57½ .. 56 ..			-15
Southern, Ord. "A" .. 37½ .. 37 ..			-½
Do Ord. "B" .. 13½ .. 13 ..			-½
Do Pref. Ord. .. 87½ .. 87½ ..			
Do Def. Ord. .. 404 .. 403 ..			-10
Underground Electric (£100) .. 34½ .. 34 ..			-½
Do "A" (1) .. 101 .. 100 ..			-10
Do Ino. Bds. (£100) .. 101 .. 100 ..			-10

American Railroads.

	Price Last Week.	Price Latest.	Rise or Fall.
Chesapeake & Ohio .. 72 .. 74 ..			+20
Erie .. 15 .. 14½ ..			-½
Do 4% 1st Pref. .. 24 .. 23 ..			-10
Southern .. 36 .. 36 ..			
Do Non-cum Pref. .. 73 .. 73 ..			

Miscellaneous.

	Price Last Week.	Price Latest.	Rise or Fall.
Aerated Bread (£1) .. 1½ .. 1½ ..			
Amal. Cottons (£1) .. 2½ .. 2½ ..			
Anglo-Persian Oil (£1) .. 2½ .. 2½ ..			
Armstrong (Sir W.G.) and Co. (£1) .. 8½ .. 8½ ..			
Ass. Ind. Cement (£1) .. 1½ .. 1½ ..			
Barker, John (£1) .. 1½ .. 1½ ..			
B'ham Small Arms (£1) .. 1½ .. 1½ ..			
Brasil Traction (£100) .. 46½ .. 44½ ..			-20
British-American Tobacco (£1) .. 5½ .. 5½ ..			
Burmah Oil (£1) .. 4½ .. 4½ ..			
Coats (J. and P.) (£1) .. 3½ .. 3½ ..			
Courtauld (£1) .. 3½ .. 3½ ..			
Cunard (£1) .. 3½ .. 3½ ..			
Dorman, Long (£1) .. 3½ .. 3½ ..			
Dunlop Rubber (£1) .. 8 .. 8 ..			
Fine Cotton Spinners (£1) .. 2½ .. 2½ ..			
Forestal Land (£1) .. 1½ .. 1½ ..			
Furness, Withy (£1) .. 1½ .. 1½ ..			
Highlands and Lowlands Rubber (£1) .. 14½ .. 14½ ..			
Hudson's Bay (£1) .. 5½ .. 5½ ..			
Imperial Tobacco (£1) .. 3½ .. 3½ ..			
Linggi Plantain (£1) .. 1½ .. 1½ ..			
Lipton (£1) .. 1½ .. 1½ ..			
Lever Bros. C.M.P. (£1) .. 1½ .. 1½ ..			
Do 8% C.M.P. (£1) .. 1½ .. 1½ ..			
Do 20% C.M.P. Ord. (£1) .. 1½ .. 1½ ..			
Lister (£1) .. 1½ .. 1½ ..			
Lobitos Oilfields (£1) .. 6½ .. 6½ ..			
Lyons (J.) & Co. (£1) .. 4½ .. 4½ ..			
Magadi Soda (£1 Ord.) .. 1½ .. 1½ ..			
Mexican Eagle (£10) .. 1½ .. 1½ ..			
Pekin (2) .. 1½ .. 1½ ..			
Rubber Plantations Investment (£1) .. 1½ .. 1½ ..			
Shell Transport (£1) .. 3½ .. 3½ ..			
Smithfield & Argentine Meat (£1) .. 1½ .. 1½ ..			
United Dairies (£1) .. 1½ .. 1½ ..			
United Seriang (2) .. 1½ .. 1½ ..			
United Tobacco (£1) .. 3½ .. 3½ ..			
Vallambrosa (2) .. 1½ .. 1½ ..			
Vickers (£1) .. 1½ .. 1½ ..			
Watney Def. Stk. (£1) .. 18½ .. 17½ ..			-10

Mines.

	Price Last Week.	Price Latest.	Rise or Fall.
Brakpan (£1) .. 3½ .. 3½ ..			
Broken Hill Prop. (8) .. 1½ .. 1½ ..			
Chartered (£1) .. 1½ .. 1½ ..			
Crown Mines (10) .. 2½ .. 2½ ..			
Cons. Gold Fields (£1) .. 12½ .. 12½ ..			
De Beers Def. (£2½) .. 12½ .. 12½ ..			
East Rand Prop. (£1) .. 3½ .. 3½ ..			
Gold (£1) .. 3½ .. 3½ ..			
Gov. Gold Areas (£1) .. 6½ .. 6½ ..			
Knight .. 4½ .. 4½ ..			
Modderfontein (10) .. 4½ .. 4½ ..			
Modderfont. "B" (5) .. 1½ .. 1½ ..			
Modderfont. Deep (£1) .. 2½ .. 2½ ..			
Premier Def. (2½) .. 2½ .. 2½ ..			
Rand Mines (5) .. 2½ .. 2½ ..			
Selukwe .. 2½ .. 2½ ..			
Rio Tinto (£5) .. 32 .. 30½ ..			-1½
Spring Mines (£1) .. 2½ .. 2½ ..			

MINING OUTPUT STATISTICS FOR SEPTEMBER, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	\$
Mexican Corporation	103,208					
Wahai Grand Junction	7,130		1,670 (gold)	4,365 (silver)		\$103,974
Tin.	Output.	Other Notes in Return.				
Boro	Tons. 5					
Nigerian Base Metals	11					
Renong	23					
Coal.	Output.	First half October.				
Chinese Engineering	116,012					
Witbank	65,556					

CORNISH KALIN.—Production of china clay for September:—Washed, 1,287 tons; dried, 1,310 tons; despatched, 1,231 tons.
MOUNT LYELL.—Four-weekly period ended October 17th:—Smelted Mount Lyell ore, 952 tons; North Lyell ore (direct to smelters), 635 tons; concentrates, 3,043 tons. Converters produced 587 tons of blister copper, containing copper 582 tons, silver 11,566 ozs., gold 231 ozs. Mill treated 9,138 tons of ore, and produced 3,028 tons of concentrates. Furnace ran 28 days.
TRIPLID MINERALS.—Production of china clay for September:—Washed, 1,300 tons; dried, 875 tons; despatched, 743 tons.

OIL OUTPUTS.

THE UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, October 17, 1923, amounted to 1,485 tons.

COMPANY MEETINGS, &c.

ANGLO-SOUTH AMERICAN BANK, LIMITED.

RESULTS OF A DIFFICULT YEAR.

BANK'S LIQUID POSITION.

SOUTH AMERICAN CURRENCY AND EXCHANGES.

INFLATION AND NATION'S FINANCIAL POSITION.

The thirty-fifth annual general meeting of the Anglo-South American Bank, Limited, was held, on the 23rd instant, at Winchester House, Old Broad Street, London.

Mr Robert J. Hose (chairman of the company) presided.

The secretary (Mr Ernest E. Hayes) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and Gentlemen,—Having regard to the continuance of the general trade depression, the recent history of the national finances of this country may be reviewed with some feeling of satisfaction. It is desirable that the Government should still further reduce expenditure, but, taking into consideration the slight remission of taxation provided for by this year's Budget and the amounts allotted to the service of our debt to America, it is encouraging to note that, during the first half of the present financial year, the national revenue amounted to nearly £366,000,000, against expenditure of just under £363,000,000, thereby showing a surplus of revenue of nearly £3,000,000. The floating debt was lowered during the year ended September 30th last year by over £68,000,000, although the reduction corresponding to the last six months of that period was only about £6,000,000. The process of deflation appears to have been arrested during the present year, and in this connection it is gratifying to note that the Government, in announcing their plans for the amelioration during the coming winter of the growing problem of unemployment, have hastened to deny the rumour that recourse would be had to inflation. The adoption of the latter policy, even temporarily, would, of course, nullify the great efforts and sacrifices made in the past few years in order to maintain our monetary stability, and, in the circumstances, it is probable that the Government will, at most, merely abstain for the time being from taking any further action towards deflation of the currency.

INDUSTRIAL OUTLOOK.

The industrial outlook, I regret to say, continues dark. The past year has not witnessed the trade revival which has been so anxiously awaited, and many of our leading industries are in a serious state of depression. Most of the political and economic problems which have come to us as a legacy of the war still remain unsolved, and the feeling of universal confidence so necessary to prosperous trading relations has not yet been re-established.

EUROPEAN SITUATION.

The European situation continues to be dominated by the reparations question, while the occupation of the Ruhr district by the French has proved a protracted strain upon the resources of both the creditor and debtor nations involved, and particularly upon those of Germany. The lack of confidence engendered by this indecisive state of affairs has spread stagnation in European markets. The prospects of a settlement of this thorny question had, it is true, recently become more hopeful by reason of the withdrawal of the German policy of passive resistance in the Ruhr; but this action is somewhat the less encouraging in that it may be taken as an indication of the chaotic state to which German finances have been reduced. Moreover, although any progress towards the discovery of a basis of negotiations must be welcomed, the general view is beyond doubt that no settlement of this question can be regarded as of practical value unless definite provision be made for effecting an improvement in the financial position of France and Belgium by the establishment of an equitable annuity from Germany in respect of reparations, based upon adequate real guarantees, some small portion of which annuities may be mobilised

by a credit operation in their favour. It, unfortunately, appears from the political events of the last week that the hope of any settlement on these lines is still further deferred.

EXCHANGES.

The question of the depreciation of the exchanges is, I feel, one that has been dealt with almost *ad nauseam*, and, therefore, it would be superfluous for me to treat the subject at any great length. This factor, however, probably has a greater influence upon the business of such a bank as ours than on any other British institution, for, if we except the British Colonies and Protectorates, practically the only countries in which English banks trading mainly abroad are established are the Central and South American Republics. Banks operating in the British colonies are not, however, subject to the effect of exchange fluctuations in the same manner as ourselves. During the past year the course of the exchange values of the currencies in the countries where we are established has been, for the most part, one of steady depreciation, as will be seen from the following comparative quotations:—

	Exchange Rate at June 30, 1922. (Date of last Balance Sheet.)	Exchange Rate at June 30, 1923. (Date of Present Balance Sheet.)	Present Rate (October 23, 1923.)
Argentina	44½d	41½d	38½d
Chile	6½d	6½d	6½d
Peru	6 per cent. premium, i.e., £P.106 = £100 stg.	8½ per cent. premium, i.e., £P.108½ = £100 stg.	10 per cent. premium, i.e., £P.110 = £100 stg.
Uruguay	44½d	42½d	38½d
Spain	28-32 pesetas	31-53 pesetas	33-80 pesetas
France	52-78 francs	75-62 francs	78-15 francs

I would like to point out in passing that the slight improvement shown in the Chilean exchange during the period July, 1922-June, 1923, is more apparent than real, as the highest point touched—viz., 7 27-32d—was recorded as far back as August of last year, and there has since been a gradual but steady decline.

EXCHANGES AND INTERNATIONAL TRADE.

The depreciation of currency and disturbed exchange markets have a most adverse effect upon international trade relations. The inevitable result of the continued fall in value of currency in any country is that the importer there must correspondingly limit his purchases from abroad, whilst violent fluctuations of the exchange rates in themselves tend to bring about a hesitancy to enter into commitments. On the other hand, however, the exporter is likely to experience a temporary benefit by an increase in orders from foreign customers anxious to profit by the favourable state of affairs existing until production costs increase in sufficient measure to counter-balance the fall in exchange.

sound basis which is essential in order that the national accounts may be balanced without recourse to excessive borrowing abroad.

One encouraging feature of the situation is the advantage which has accrued to Great Britain as a result of the course pursued in imposing and submitting to taxation—which has been, to say the least, very onerous—in order to make a reasonable contribution towards the cost of the war. While this taxation must necessarily be regarded as a very heavy burden on the community, it has had the eminently satisfactory effect of maintaining our exchange during 1922 at a discount of only about 9 per cent. in relation to that of the only country in which the free movement of gold is permitted—namely, the United States.

DEBT TO AMERICA.

An outstanding event of the year, and one which has done more towards the maintenance of our leading financial and economic position than any other since the termination of the war, has been the funding of our enormous debt to the United States, the formal agreement for which was signed in Washington on June 19th last. Our readiness to provide for the service of this debt has been loudly applauded in the United States, and, indeed, universally, and this evidence of integrity has been held up as an example to other debtor nations. It is generally admitted that, by thus maintaining that any British commitments would be fully met regardless of the question of collecting the amounts due to us from other countries, we have enhanced in no small measure our credit and prestige throughout the world, and the outcome will doubtless be that international trade will in the future pass through our hands in the same full, or even greater, measure than has been the case in the past. In addition to this sentimental effect, we have derived considerable practical benefit from the reduced cost of providing for the service of our debt by reason of the much lessened depreciation in the value of the £ sterling as represented in United States dollars.

With your permission, I do not propose to occupy your time at the present juncture by giving you either the whole or any part of the usual detailed review of conditions in the countries where the bank is established, which I have had prepared, and which tends each year to become more extensive in consequence of the wide territory covered. We have, therefore, decided to issue a special booklet containing the complete address, which will be posted to you shortly in the same manner as in the past few years.

NET PROFITS.

Turning to the profit and loss account, I will deal first of all with the result for the year, amounting to a net profit of £436,256. This is a considerable falling off from the previous year, when we had a total of £644,137, and it is necessary to explain to you how this arises. In the first place, this bank trades in countries almost all of which have suffered from a fall in the value of their currency during the year. I have, in my preliminary observations, already pointed out to you the effect that this has on business generally, including that of banks, but there is an additional point, and that is, that even the decreased profits that are earned have to be remitted to London at a lower rate of exchange, and consequently yield a less sum in sterling.

LIQUID POSITION.

You will observe that we have subdivided our investments into two parts, the first consisting entirely of British Government securities amounting to over 9½ million pounds, which, added to the cash, totals £24,647,000, whereas last year the amount of cash in hand, together with similar securities, had been grouped in the same way, would have represented about £2,000,000 less. The reason why we have adopted this new form is that, in respect of our surplus funds in London, which had largely increased, we have found it desirable to invest, in order to gain a reasonable interest, together with the best possible and readily realisable security, a very considerable sum in Government securities repayable within a short term of years, and therefore of a practically non-fluctuating value. These two items, and the bills receivable, amounting to nearly £12,000,000, make a total of liquid assets of £36,000,000, against a liability to the public on deposits and bills payable of £55,000,000—a percentage of 65.5—which, whilst eminently satisfactory from the point of view of liquidity, must necessarily involve a reduced earning power, to which we have now to submit. One cannot but hope that conditions will, at no distant date, become so modified that we shall not find ourselves embarrassed to so great an extent by being unable, as I have said, to utilise our resources abroad advantageously, and we feel sure that, in the meantime, you will approve of a policy of extreme caution in times like these, although it involves a really serious decrease in our profits. The item "Holdings in banks and kindred companies" has not appreciably altered since we last met, the only addition being the payment of the final instalments on the new shares in Messrs The Banco de A. Edwards and Cia., to which I alluded at our last meeting, and £2,700 more in respect of further

shares in the British Bank of South America, Limited, which have been delivered in the meantime.

REVIEW OF OTHER BANKING INTERESTS.

It is due to you that I should give some information regarding the position of the banks in which we are interested, and I will commence by referring to the British Bank of South America, Limited, of which we now hold over 99½ per cent. of the capital. The assets of that bank, taken at their true value but excluding the question of exchange, to which I will refer later, may be assessed at approximately the figure at which the shares stand in our books, because, apart from certain reserves which are held in accordance with the custom of all banks, the premises in various places possessed by the bank have been written down from time to time, and represent a value vastly in excess of the balance-sheet figure.

The Commercial Bank of Spanish America, Limited, has had a fairly successful year, and shows a profit of some £39,000, but we have concurred with the management of that bank in retaining that sum in order to meet contingencies which have arisen out of the recent world crisis.

The Banco de A. Edwards and Cia. continues to prosper, and has paid a dividend of 16 per cent. for the year ended June last, as compared with 14 per cent. in the previous year, making also a substantial addition to its reserve funds.

The Banque Générale Belge gives us a dividend of 10 per cent., which is at the same rate as that paid in the previous year, whilst adding considerably to reserves. The depreciation of the Belgian franc which has occurred since we made our investment in the Banque Générale Belge does not leave us with any serious loss at present value, because the price of the shares in francs has risen considerably above that which we paid for them, and we made also certain other arrangements to cover the possibility of a depreciation in the franc.

The British Overseas Bank has, unfortunately, suffered in common with other institutions from the general condition of international trade, and during last year its profits were £75,287, as compared with £102,326 in the previous year. We understand, however, that the current year promises a considerably better result.

PREMISES.

There is, again, an addition to our bank premises and office furniture account, and there will be a still further sum to add during the next year, but our programme is now near completion, and the item will not be appreciably larger. The importance of having adequate premises in which to conduct our business has forced upon us an expenditure at various places, which is, in the aggregate, very considerable, but it was inevitable, and we have in a number of our branches offices which are let and produce substantial rentals, whilst the fact of having tenants within our buildings is found to induce business which might otherwise go elsewhere.

DEPRECIATION OF CAPITAL.

I have said that I will deal with the question of depreciation of capital. This item stands in our own balance-sheet at £326,405, in addition to the provision already made, and the British Bank of South America, Limited, also has a depreciation of some £489,238. Now, this question is one which, as a matter of principle, is generally regarded—and we do so regard it—as being one that should not be dealt with year by year, because it is of a very fluctuating kind, and to adjust it would completely alter the whole aspect of our balance-sheet and prevent you from being able to gauge the actual results of our banking operations. Suppose that we had during the last three or four years made an adjustment on the basis of the rates of the day, we should at one time in recent years have assessed our dollars in Chile at the price of about 16d, our dollars in the Argentine at 70d, and in Uruguay at 70d, and the British Bank of South America, Limited, would have assessed the milreis at over 18d, whereas the prices are to-day, as you know, very much lower. The result would have been that when the exchanges were at their height we should have shown an enormous, but unrealised profit, which would have subsequently been replaced by an even greater and equally unrealised loss. When business has resumed its normal trend, it is quite conceivable that there may be a considerable recovery in any or all of these rates, and it is, therefore, from all points of view, undesirable to deal with the matter by including the result of the fluctuations in our accounts. In the meantime, it is, we think, satisfactory to know that against the total depreciation, which I have already mentioned, we have a reserve fund of £4,000,000, so that in what I believe is the unlikely event of the exchanges remaining at their present low levels, a transfer necessary to provide for the whole of the deficiency would still leave us with a reserve of over £3,000,000, which would be very substantial in proportion to our paid-up capital.

In the profit and loss account you will find that the gross profits, after making all provisions for bad and doubtful debts,

amount to £1,800,000, a decrease of £350,000, whilst the expenses are £100,000 down at £1,010,000.

EXPENSES AND TAXATION.

The question of reducing the expenses has always had our careful attention, and it is to be noted that during the year ended June, 1922, a reduction of £167,000 was effected, followed in the past financial year by the further £100,000 which I have just mentioned. Although it is true that part of this reduction is due to low rates of exchange, much of it is due to real economies effected in difficult circumstances, because a very considerable portion of our charges consists of salaries, and in these days, when the cost of living has ceased to fall, and, indeed, is even rising slightly (and this, I believe, applies not only to Great Britain, but to almost all of the countries where we deal), it is not feasible to make great reductions and at the same time maintain efficiency. An item that largely absorbs our profits is taxation, and, whilst the tax paid in England is £271,000, I may mention that, including taxation abroad, we have actually paid during the year almost precisely the same sum as we are able to allocate to our shareholders for dividend. When I spoke to you last year I expressed the hope that we should find some relief in this respect, and since then the corporation profits tax has been reduced by one-half, whilst there has been a slight decrease in the income-tax. We can only hope for some further modification, but I fear that we must not look for any serious reduction for some time.

THE DIVIDEND.

We propose to pay a final dividend at the rate of 4 per cent., making a total of 10 per cent. for the year, as compared with 12 per cent. last year. I can only tell you that it is with infinite regret that we have felt ourselves compelled, as prudent persons, to ask you to accept this lower rate. The importance of having an ample surplus in the profit and loss account at this moment is perhaps greater than in more prosperous times, and we have preferred, therefore, to increase our carry forward by some £80,000 rather than to distribute the profits in their entirety, a course which I sincerely trust will meet with the approval of all shareholders. There are no signs at present that our earning power will be increased, but if we can maintain it at the present figure, and continue to preserve our *clientèle* in the manner which is proved by the figures in the balance-sheet, we hope, later on, when a revival of trade may occur, to be in a position to utilise our funds to greater advantage, and to be able to give you a rate similar to that which has obtained at times in the past.

ANGLO-SOUTH AMERICAN TRUST COMPANY.

I have to mention to you that we have revised our arrangements for the conduct of our business in New York. As you are doubtless aware, there are certain banking restrictions in the United States whereby our agency is precluded from undertaking banking business in its entirety—being, for instance, debarred from accepting local deposits—with the result that our transactions have been of limited scope. We have, in consequence, arranged to form in the United States a local company under the title of the Anglo-South American Trust Company, the majority of shares in which will be held by this bank, the necessary number being reserved to enable the directors to qualify. The Trust Company has been fortunate enough to secure the services, as directors, of three commercial gentlemen of high standing and also of two members of a leading firm of lawyers. This arrangement will be of great assistance in the developing of our business, and will also give us the benefit of most valuable service. Our own agency will be continued in New York for the conduct of the business with which it has previously been identified.

I now have pleasure in moving:—"That the report and balance-sheet as distributed be adopted, and that a final dividend of 4s per share, less income-tax, be, and is hereby, declared, payable on the 29th inst." If any shareholder has any observations to make, we shall listen to them with pleasure after the resolution has been seconded by Sir Robert Harvey.

Sir Robert Harvey: Ladies and gentlemen, I have great pleasure in seconding the chairman's proposition.

After certain of the shareholders had asked questions, which were answered by the Chairman, the resolution was put to the meeting and carried unanimously.

RE-ELECTION OF DIRECTORS.

Mr J. A. Goudge, C.B.E., moved "That Mr Alfred Naylor, retiring director in accordance with the articles of association, be and is hereby re-elected." In moving the resolution, he observed that Mr Naylor was well known to all the shareholders. He had been engaged in business in South America the whole of his life, and for the past twelve years had been a director of the bank or of the London Bank of Mexico and South America.

Mr E. E. Barclay seconded the resolution, and it was unanimously carried.

Mr H. W. Patrick then proposed, "That Mr Thomas Woodsend,

retiring director in accordance with the articles of association, be and he is hereby re-elected." It was unnecessary, he said, for him to dwell upon the qualifications of Mr Woodsend, as they were well known to all the shareholders. Mr Woodsend was a member of one of the largest firms operating on the West Coast, and his opinion and advice upon all matters appertaining to the bank were of the utmost value to his colleagues. He had great pleasure in proposing that that gentleman be re-elected.

Mr A. Geddes seconded the resolution, and it was passed unanimously.

Mr E. E. Kennard Davis proposed, "That Messrs Price, Waterhouse, and Co. be, and they are hereby, reappointed auditors for the year ending June 30, 1924, at a fee of £750."

Mr F. King seconded the resolution, and it was agreed to.

VOTE OF THANKS TO STAFF.

Sir Clarendon G. Hyde then proposed a vote of thanks to the staff at home and abroad. He said that it gave him very great pleasure to move that resolution, especially in view of the difficult and anxious times through which the world had been passing. It was a great satisfaction for the board to know, as also for the shareholders, that at all the branches of the bank they had a loyal, competent, and hard-working staff. Moreover, they appreciated the wise maxim that it was better to do no business than bad business, and, indeed, it required a great deal of pluck to carry through a comparatively small volume of business when one had been accustomed to do business on a large scale. However, that was the wisest and truest policy in the long run. He had much pleasure in proposing the resolution.

Baron Emile B. d'Erlanger seconded the resolution, which was carried with acclamation.

MR WELLS'S RESPONSE.

Mr William E. Wells (one of the general managers): Ladies and Gentlemen,—It is with special pleasure that on this occasion again I respond to, and acknowledge, on behalf of the staff, the kind expressions to which utterance has just been given, for, from my long residence in South America and the several years since spent in the London office, I feel myself, perhaps, peculiarly qualified to speak on behalf of our staff at home and abroad. Moreover, since our last general meeting I have had the duty and privilege of paying a visit to our principal branches in the Argentine and Chile, as well as our offices in Montevideo, Lima, and New York, and it is with much satisfaction I can say that I found everywhere prevailing, as here, a spirit of enthusiasm for the progress and prosperity of the bank, and of loyalty to our leaders and administrators.

The year has not been without its difficulties, as you have heard; but we are glad, and I may even say proud, that in times when such phenomena as strikes of bank employees in some parts of Europe have not only been in the air, but have actually materialised at points where we are represented, the spirit of co-operation and unity has carried us through those testing periods. Under the sympathetic leadership and guidance of our chairman and his colleagues, we look for a successful issue out of the present widespread depression, and a future true in every respect to the traditions which the bank has already created. On behalf of the staff, therefore, at home and abroad, I proffer our sincere thanks for your kind words.

VOTE OF THANKS TO THE CHAIRMAN AND DIRECTORS.

Mr M. B. Snell: Before we conclude the business of the meeting, I think you would all like to join with me in passing a vote of thanks to the chairman and directors. We have heard to-day the reason why we, the shareholders, have had to put up with a slightly smaller dividend, but really I think we can congratulate ourselves that things have not been far worse. You have only to look round to see how the exchanges of the different countries of the world have been affected in the most extraordinary way, such as the City of London has never been accustomed to witness. I have been in the City a great many years. I am the holder of stocks in many Argentine railways, and I may say that we never gave exchanges a thought until we came to the year through which we have just passed.

We are quite sure that the directors have worked very hard, and in all the circumstances the result has been very satisfactory. I feel that the board will go away cheered by the unanimous vote we are now going to accord them. I have great pleasure in proposing a cordial vote of thanks to the chairman and the board of directors.

Mr W. H. Sadgrove seconded the vote, and it was accorded with acclamation.

The Chairman: On behalf of my colleagues and myself, I thank you most sincerely for this vote of thanks, which, coming at a time such as this, is even of more value to us than usual. I thank you, gentlemen.

The proceedings then terminated.

UNITED RAILWAYS OF THE HAVANA AND REGLA WAREHOUSES, LIMITED.

INCREASED DIVIDEND—FAVOURABLE PROSPECTS.

The 26th ordinary general meeting of the United Railways of the Havana and Regla Warehouses, Limited, was held, on the 25th instant, at Winchester House, Old Broad street, London, the Right Hon. Lord Ashfield, P.C., presiding.

The secretary (Mr W. J. Maslen) read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said: I think you will agree that the results for the year are satisfactory. The gross receipts of the railway amounted to £3,765,000, a decrease of £128,000, or 3.30 per cent. when compared with the previous year. This decrease is more than accounted for by the reduction of approximately 20 per cent. in our tariffs which became operative on January 1, 1922. You will remember that our fiscal year begins on July 1st and ends on June 30th, so that, whereas for the year under review the lower tariffs operated for the whole period, for the previous year they operated for only six months. This decrease of £128,000 is made up of a decrease of £41,000 in passenger traffic, £251,000 in sugar traffic, and £23,000 in ferries traffic and sundry receipts; these items total £315,000. On the other hand, parcels and general goods traffic increased by £187,000, and the difference is the sum which I have just mentioned. On the expenditure side the total expenditure on working the railways amounted to £2,463,000, a reduction of £267,000, or 9.77 per cent., when compared with the previous year. The ratio of expenses to receipts was 65.42 per cent., compared with 70.11 per cent., a reduction of 4.69 per cent.

With two exceptions, every department has spent less money this year than was the case last year, which indicates that great care and vigilance were exercised in the management of your railway. The operating costs, excluding costs of maintenance, show a reduction of 11.04 per cent. when compared with the costs for the previous year.

YEAR'S RESULTS.

The final result of the year is that we have a balance of £1,302,000, or £138,000 in excess of the previous year. After making the various adjustments, which are detailed on pages 3 and 4 of the report, we have an available balance of net revenue of £610,470 8s 1d. Deducting from this the interim dividend of 2 per cent., less income-tax, on the ordinary stock and shares paid in June last, there remains a balance of £479,333 13s 4d, out of which we propose to pay a further dividend of 4 per cent., making a total of 6 per cent. for the year, which compares with 4 per cent. paid in each of the two previous years, and leaves £217,060 3s 9d to be carried forward, or £9,979 1s 4d more than was brought into the accounts for the year.

As I have already said, I think that the year's results may be viewed with satisfaction, particularly when they are associated with an increased dividend. At the date of our last meeting Cuba was slowly emerging from the general upheaval resulting from the financial crisis which arose in 1920. It is true that the prospects of the sugar crop were at that time hopeful, and prices were inclined to advance, but the general and passenger traffics were very restricted, and our gross receipts showed a decline of some £128,000. Thanks, however, to the good prices at which the crop was sold, although in quantity it was some 350,000 tons less than that for the previous year, the financial position in the island was greatly improved, and your railway was able to benefit by securing a larger tonnage of general goods handled as distinct from sugar.

It will also be recalled that for some considerable time large sums were owing to us for services rendered, which, owing to the financial conditions in Cuba, we were unable to collect. A large

share of that money has now been paid to the company, and our cash resources have been correspondingly improved. This strengthening of our financial resources, the better results for the past year, and the satisfactory prospects for the current year, together with the large sum of £217,000 which will be carried forward, were the factors which influenced your directors in paying the larger dividend, and I hope that the proprietors will agree that they merited the consideration which we gave to them.

CURRENT YEAR'S PROSPECTS.

As to the prospects for the future, I am encouraged by our general manager (General Jack), who takes the view that we may look for a definite improvement during the current 12 months, and our earnings for the period from July 1st to October 20th, which show an increase of £171,939 over those for the corresponding period of last year, support this forecast.

The latest information which we have received by cable is:—

"Prospects for the coming crop are favourable. Future sales have been made in very small amounts at 4.20 cents, delivery March-April. Reports from the eastern end are pessimistic on account of drought, but believe crop will not be less than last year, both for our zone and whole island."

Mr Cater Scott seconded the resolution, and it was unanimously adopted.

BUENOS AYRES AND PACIFIC RAILWAY COMPANY, LIMITED. RECORD TRAFFIC—FAVOURABLE PROSPECTS.

The ordinary general meeting of the Buenos Ayres and Pacific Railway Company, Limited, was held, on the 26th instant, at Winchester House, Old Broad street, London.

The Viscount St Davids, the chairman of the company, presided, and, in moving the adoption of the report and accounts, dealt first with the position in the Argentine. When he was in that country a year ago the tone was most optimistic; on visiting the Argentine a couple of months ago, however, the tone was quite the reverse; people were talking of bad times and of a crisis. He thought that change of tone was to be attributed to the fact that the cattle industry was doing badly, but for his part he did not treat that as a very serious state of affairs, because he had always thought that too much of the good land there, which ought to have been devoted to agriculture, was being given up to cattle, and when cattle were doing badly it was likely that agriculture would increase. As a matter of fact, they were seeing something of that to-day.

There was another good point in the position in the Argentine, which was that immigration was beginning again, and the country was getting the people who were so badly wanted if its great spaces were to be filled up. Again, the experiment of cotton growing in the extreme north of the country was becoming something more than an experiment; it looked as if it were likely to be a great success. That would be an advantage not only to the Argentine, but to the people of this country and of Lancashire, because instead of buying cotton in America, where the exchange was against us, we could go to the Argentine, where the exchange was favourable.

As to the position of their own undertaking, he had told them perfectly distinctly a year ago that provided the company did not lose further on exchange, and provided there was a good average crop, he was sure the results of the year would be pleasant. One of his provisos had gone against them, as they had lost further on exchange, but there had been a good crop—better than the average—and setting one against the other, the result had been a very satisfactory year. Before the war there was no question but that the railway was over-built, but they had had to build lines rather than that they should be built by the Government or by other

people. Since the war, however, they had confined themselves to completing that work by building little branches and sidings. A great deal had been done in that way, and the policy had been amply justified because of the traffic which they had contributed to the main line. During the year under review they had had the biggest traffic the railway had ever taken, their gross receipts going up to £8,671,000, and he ventured to tell them that, big as that traffic was, in the conditions prevailing to-day, they might look upon that as something like a fair guide to the traffics the line was likely to have in the future. No one could say that the harvest was safe in the Argentine until about the middle of December, but from the weather and other conditions he was able to say that they had never had a better or more hopeful harvest outlook than they had to-day. There was an increase of 4½ per cent. in the acreage under fine cereals, 4 per cent. under vines, and 4 per cent. under fruit, and there was also an increase under vegetables. Those were all very pleasing and reassuring features, and if, as might be the case, their fuel bill for the current year was heavier, it would not be a matter which need worry them at all.

Up to date their traffic showed an increase of £43,000, which came upon an increase of £1,200,000 last year, and a very big increase indeed in the year before, and he would further point out that as they had no longer the "Transandine," it virtually meant that whatever their total traffic for the year might be they were £150,000 better off than when they included the returns of that line. As to the prospects of the current year, he would say once more that given an average harvest, and that they were able to remit their money at an average rate of round about 40d, he felt very confident that when the board met the shareholders next year they would be able to recommend as good a dividend as was being recommended that day.

The report and accounts were unanimously adopted.

BUENOS AYRES WESTERN RAILWAY, LIMITED.

INCREASED RECEIPTS—DECREASED EXPENSES.

The ordinary general meeting of this company was held, on the 23rd instant, at River Plate House, London, Sir Henry Bell, Bart., presiding.

The Chairman, in moving the adoption of the report and accounts, said that the results of the year's working as a whole were satisfactory, showing increased receipts and decreased working expenses. Passenger receipts showed an increase of £82,913, parcels traffic an increase of £30,202, and goods traffic increased by £257,356. The total working expenses had decreased by £153,146, the saving being due mainly to decreased expenditure in locomotive running and traffic expenses. It was gratifying to be able to state that they had been free from any serious labour troubles during the year. Sir Albert Bowen and he had visited Buenos Ayres in March last, accompanied by Sir B. H. Henderson, of Messrs Livesey, Son and Henderson, their consulting engineers, and they were of opinion that the property of the company was in a very good condition, and had been well maintained.

April 30th of the present year was an important date in the history of the company, being the day on which the electric passenger service was officially opened. With regard to the poor traffic since the end of the financial year, a drought in the far west of their line, whence they had the longest haul, had ruined the maize crop, so that instead of a heavy maize traffic between July and November, they had had hardly any to carry. Another cause was that in August all the western portion of their line had had the worst blizzard known in the history of the country. As to the future, much depended upon a general recovery in trade all over the world. There were, however, some indications that business conditions in Argentina were improving.

Coming to their own direct business, they had as an adverse factor the question of exchange, but, on the other hand, they had received on the previous day a satisfactory cablegram from their general manager, stating that the crops were in a splendid condition, and the prospects for harvest were exceptionally good. According to a rough estimate, there was an increase of about 8 per cent. in total area sown with wheat, oats, linseed, rye, and barley. Rainfalls during the last three months had been ample, but for ploughing for maize somewhat excessive. Crops and livestock are in good condition, as result of recent favourable weather. Prospects for Colonia Alvear fruit harvest all that could be desired, and an increase in this traffic should again be recorded. Large increase in potato sowing recorded in many districts. He thought they could look to the coming harvest and results of working with considerable confidence.

The report and accounts were unanimously adopted.

BUENOS AYRES GREAT SOUTHERN RAILWAY COMPANY LIMITED.

RECORD GROSS AND NET RECEIPTS.

The ordinary general meeting of the Buenos Ayres Great Southern Railway Company, Limited, was held, on the 24th instant, at River Plate House, London, Sir Albert Bowen, Bart., presiding.

The Chairman, in moving the adoption of the report and accounts, said that the company continued to show normal progress, as was evidenced by the fact that the gross receipts, at £9,586,880, were the highest reached in their history. The net receipts also constituted a record, and they had been able to reduce the ratio of working expenses to 61.99 per cent. of the gross receipts—the best showing since 1916. The general reserve, renewal, and other funds totalled £5,398,000—a healthy figure.

The Chairman proceeded to deal at some length with the question of the Argentine exchange, explaining why Argentine currency had depreciated in relation to sterling. He pointed out that, on the whole, it was not unreasonable to anticipate that the fall in exchange had been stayed, and that the intrinsic wealth of the country and its inhabitants, and the high place it was steadily taking as a supplier of the world's staple requirements, made it practically certain that, given sound government, statesmanlike finance, and economical administration, Argentine currency could not permanently remain below its par level.

Describing his recent visit to the property with Sir Henry Bell and the consulting engineer, he said it had been decided that a law of Congress would be necessary in regard to the proposed transfer of the lease and working of the Bahia Blanca and North-Western Railway from the Pacific Company to themselves. It was expected to be dealt with next session, and there was no reason to anticipate difficulty in obtaining the necessary sanction. The development of the "Agricultural Light Railways" had justified all that he had said of them. As regarded their railway generally, he noted distinct progress and improvement in several directions since his last visit four years ago. The outlook for the present year was quite satisfactory. So far they were doing even better than they had done during the corresponding period of the previous year. Current rates of exchange were still unfavourable, but the estimated net revenue increases up to date were more than sufficient to cover the increased loss on remittances during the same period. The area under cultivation was greater than that of the previous year, and steady traffic returns were expected to continue.

The report and accounts were unanimously adopted.

CENTRAL ARGENTINE RAILWAY, LIMITED.

"EMINENTLY SATISFACTORY POSITION."

The ordinary general meeting of the Central Argentine Railway, Limited, was held, on the 25th instant, at River Plate House, London, Sir Joseph White Todd, Bart. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said that it was gratifying that the board's anticipations of being able to revert to their accustomed dividends had been fully realised, and they recommended on the present occasion the payment of a final dividend on the ordinary stock of 3½ per cent., making 6 per cent. for the year, and of 6 per cent. for the year on the deferred stock, both less tax. There would then remain a balance to be carried forward of £171,857, against £5,781 brought in. The position was even better than those figures indicated, for this year they had met the loss on exchange of £309,000 out of revenue, whereas last year's deficiency of £258,300 had been debited to general reserve. During the year under review they had credited their renewals fund with the full contribution of 2½ per cent. on the wasting assets of the railway, whilst in the period with which they compared £100,000 had been short credited to that fund. Considerable further sums were charged in the Maintenance Abstracts this year which last year had been debited to the renewals fund. Lastly, they had had to have recourse to the general reserve fund to the extent of £150,000 last year, in order to distribute 4 per cent. on the ordinary stock. The position disclosed by the balance-sheet was eminently satisfactory.

The Chairman then dealt at some length with the exchange position, and added that until the situation in Europe was put upon a practical and sensible basis, there would, no doubt, be sympathetic fluctuations in the Argentine exchange, but he did not believe that there would be a crumbling of the exchange to the extent of spelling a catastrophe or anything approaching it.

With regard to the question of extensions and the many statements which had been made that the Argentine Government proposed to construct lines competing with British-owned railways, the war had prevented the raising of capital by English companies to build extensions, and such extensions being rightly demanded by the people, it was natural that, the companies failing to do it, the Government should take them in hand. In the case of such an

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extension in their zone they proposed to offer to construct the line in question if the Government would agree. Generally, the prospects for the current year seemed excellent.

The report and accounts were unanimously adopted.

UNITED DAIRIES, LIMITED. MANIFOLD ACTIVITIES.

The eighth ordinary general meeting of United Dairies, Limited, was held on Friday, October 26, 1923, at the Connaught Rooms, London. Mr J. H. Maggs, the chairman, presided.

The Chairman, in the course of his speech, said: After providing for the final dividend on the ordinary shares at the rate of 7½ per cent., we have recommended the transfer of £100,000 to reserve, and still leaving £101,544 to be carried forward, "subject to excess profits duty (if any)."

Mortgages have been reduced from £21,251 to £6,016. On this item it will interest you to know that the Aylesbury Dairy Company paid off their debentures, amounting to £75,000, during the year, that mortgages and debentures to the total of £16,917 on other subsidiary companies' properties have been paid off, and that notice has been given to pay off others amounting to £24,900.

Every day our organisation in the retail trade makes approximately 1,000,000 calls on customers to distribute the produce of about 2,000 farmers. In short, we make 500 calls to distribute one average farmer's production. Milk, however, is but a section of the trade of United Dairies, and our retail milk trade forms less than one-third of our turnover, continued Mr Maggs. If the whole of our profit had been made out of milk, it would have amounted to just over 1d a gallon, or less than one-sixth of a penny on a pint.

Those who have tried the new milk powders, "Milkal" and "Kookal," will, I am sure, agree that they show a distinct advance on earlier methods of drying milk. In these products we are associated with Messrs. J. Lyons and Co., Limited, whose wonderful delivery organisation should go a long way to ensure success.

Our butter trade has beaten all past records, and our sales of provisions and sundries are most encouraging, particularly having regard to the state of employment throughout the country. We have, indeed, during the year sold over 16,000,000 lbs of butter and 60 million eggs.

WHAT THE PUBLIC PAYS FOR.

We buy milk from the farmer, but the price the consumer pays is not for mere milk, but for milk plus the inspection, collection, pasteurising, delivery, accountancy, credit, and all our other services.

Some actual figures will give you an idea of the extent and expense of these services of collecting and distributing liquid milk. We handle over 100,000,000 gallons a year. We employ over 12,000 people. We keep up a fleet of over 400 road vehicles, and our motor lorry service covered last year 2,500,000 miles. To maintain this transport service alone costs annually over £275,000.

We have many analytical laboratories, and, on an average, 550,000 milk samples annually are chemically tested for quality. This is nearly ten times the number of samples dealt with during 1922 by all the public authorities in England.

Rather a striking illustration of the results of our system of inspection is shown in the annual report of the Ministry of Health, which records the fact that of the 60,274 samples of milk taken by public authorities in England and Wales during 1922, 7.7 per cent. were reported to be adulterated or not up to standard.

The figures analysed show 4.5 per cent. for London and 8.2 per cent. for the rest of the country. In other words, the risk of milk being below the standard in London would appear to be only half that of places outside London. I am happy to tell you that out of 1,342 public samples taken from our companies' milk there were only three complaints. This is very encouraging, and, to my mind, fully justifies the costly system of inspection which we maintain.

Transport and inspection of liquid milk are two aspects of our work practically unknown to the man in the street, for his milk supply is largely carried while he sleeps, and he has no conception of the care taken by our bacteriologists, chemists, and inspectors, who ensure the purity of his milk, and which, of course, is included in the price he pays for it.

The charge for collection, transmission, and the delivery of a pint of milk in the London area is, roughly speaking, 1½d, or the same figure charged by the Post Office for the collection, transmission and delivery of a letter. But the Post Office, which is a public service, not only has a monopoly of the trade, and is paid in advance for its services, but the letter so delivered must not weigh more than 2 ounces, and is merely, of course, collected, transmitted, and delivered. Now consider each pint of milk. Exclusive of the weight of the can or bottle, this is at least ten times greater than the weight of the letter. It has been collected from farms that have been regularly inspected, in churns that have been specially

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cleansed; it has been pasteurised in expensive plants, with which are connected expert laboratory examiners, replaced in other specially cleansed vessels, and within eight hours of its arrival in London has been delivered to the consumer—and all this at a cost equal to or less than that charged by the Post Office for the delivery of a single letter. There is no transport service in the country which will deliver an individual package at anything like the figure the dairyman receives for bringing to the consumer's door a pint of milk.

In spite of all these heavy expenses, we continue to reduce the margin between producer and consumer. What are the facts? In the winter of 1921-1922 the margin was 14d per gallon; in 1922-1923 it was reduced to 12d, and now to-day we are working on a 11d basis.

MUST NOT IMPAIR SERVICE.

Personally, I see no possibility of further reduction without impaired service. Our service has been our pride. It has never stood still, and is better to-day than ever. It will be even better in future if we are allowed to make it so. I firmly believe that no other product of the farm is so efficiently distributed with so little waste and so great an economy as milk, and whilst I welcome any honest constructive criticism of the trade, I do deprecate and most strenuously resist ignorant disparagement of our trading methods. The report and accounts were adopted.

UNION COLD STORAGE COMPANY, LIMITED. GOOD RESULTS—SATISFACTORY PROSPECTS.

The twenty-sixth ordinary general meeting of the Union Cold Storage Company, Limited, was held, on the 23rd instant, at Winchester House, Old Broad Street, London, Mr Roger P. Sing, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said that since the successful issue of new capital in July last the company had taken a considerable step forward in the organisation of its business by acquiring several large and well-known meat distributors' businesses, having about 2,400 retail shops in the United Kingdom. The board believed those shops had been acquired on favourable terms, well within their real value, and he looked on the transaction as constituting the most important development in the whole history of the company. It was of the utmost importance to see that proper care and attention production to consumption; they aimed at maintaining quality, tribute meat of reliable quality at a fair price to the public.

The shareholders had every reason to be satisfied with the unique position which the company had attained, forming as it did not only the largest, but the most complete organisation of its kind in the world. As for the year ending December 31st last, the volume of business had been maintained, and the results were satisfactory. As to the cold storage department, however, there was, as a result of the aftermath of the war, a great excess of cold storage accommodation, both in this country and in the colonies. Fortunately, the directors had realised that war requirements in that direction were only of a temporary nature, and as a result the company's reserve funds were in the satisfactory state disclosed by the balance-sheet. The reserve now stood at £2,075,617. The balance of working accounts amounted to £581,580, and the available balance was £685,617, from which, after providing for prior charges, there remained £139,922, from which the usual dividend

of 10 per cent. on the ordinary shares was recommended, leaving £109,922 to be carried forward.

He thought shareholders would agree that, on the whole, there was reason to be satisfied with the results achieved for the year under review, and he had pleasure in saying that while the year 1923 had presented many difficulties, a sufficient period had elapsed to enable him to say with confidence that the results to be placed before the shareholders when next they met would, taking the business as a whole, be satisfactory.

The report and accounts were unanimously adopted.

THE PICCADILLY HOTEL, LIMITED.

IMPROVED RESULTS—INCREASED TURNOVER AND PROFIT.

The fourteenth annual general meeting of the Piccadilly Hotel, Limited, was held on the 24th instant, Sir Charles T. Ruthen, F.R.I.B.A., the chairman of the company, presiding.

The Chairman presented to the shareholders the accounts for the year ended July 31, 1923, and said:—

The accounts are as before presented to you in a form which enables you to compare the trading figures with those of the previous year. It is with pleasure that I am again able to inform you that there has been a very satisfactory increase in turnover, and this increase is still being maintained since the close of the year. Last year at this meeting, although I did not indulge in prophecy, I gave it as my opinion that we might look forward to increasing prosperity, and it is very encouraging to find that my opinion has been justified. As to the year upon which we have embarked, I look forward with considerable confidence to presenting you with a still more favourable result. Although we have by no means returned to the normal state of affairs which we enjoyed before the war, yet we have so far recovered that we are not met with those difficulties in general conditions which have so greatly hampered us in past years. Careful management, attention to detail in every department, and, above all, unceasing consideration for the comfort of our visitors, is bearing fruit. The improvement to the ball room which I referred to last year has been of the greatest benefit in increasing our popularity. I would like to mention that for this season we have engaged what is perhaps to-day the best dance band in London, the London Band from the Hippodrome, and that this is recognised by the dancing public is shown by the fact that our ball room receipts are achieving records.

You will see from the accounts before you that the profit for this year has exceeded that of last year, and the increase would have been still greater had we not had to bear the heavy expense of improving the ball room, the excellent results of which are now becoming so apparent.

The directors recommend that the balance of profit should be utilised in strengthening the position of the company, and to this end propose that a sum of £17,000 should be carried to general reserve.

Since the close of the year we have again been able to decrease the rate of interest upon our first mortgage, and we have lately been able to purchase over £100,000 of the 6 per cent. debenture stock on favourable terms. The result of these two transactions will, I am sure, be a source of gratification to the shareholders in the current year.

The Chairman proposed that the accounts and report be adopted. This was seconded by Mr David Williams, J.P., and carried unanimously.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Oct. 29-Nov. 3 were opened on Oct. 26, 1923, and the total amount applied for was £50,275,000. For bills at three months, dated Monday to Friday, at £99 4s 4d, about 45 per cent., above in full; Saturday, at £99 4s 7d, above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
Sept. 14.....	35,000,000	55,520,000	3 2 4 63	nil
Sept. 21.....	45,000,000	60,140,000	2 19 11 2	nil
Sept. 28.....	45,000,000	86,895,000	3 4 5 59	nil
Oct. 5.....	35,000,000	61,220,000	3 1 4 25	nil
Oct. 12.....	35,000,000	61,565,000	3 0 7 85	nil
Oct. 19.....	35,000,000	61,135,000	3 1 8 33	nil
Oct. 26.....	35,000,000	50,275,000		nil

Tenders will be received on Nov. 2, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Oct. 20, 1923.	Total Receipts into the Exchequer from Apr. 1, 1922, to Oct. 21, 1922.	Receipts. Week Ended Oct. 20, 1923.	Week Ended Oct. 21, 1922.
Balances in Exchequer on 1st April—					
Bank of England....	..	5,442,665	9,963,424	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs.....	116,900,000	69,898,000	70,431,000	2,003,000	2,721,000
Excise.....	143,850,000	80,008,000	89,864,000	8,386,000	9,308,000
Motor Vehicle Duties ..	13,250,000	3,928,000	3,172,000	730,000	640,000
Estate, &c., Duties.....	52,000,000	28,680,000	34,121,000	290,000	170,000
Stamps.....	20,000,000	10,620,000	9,472,000	..	..
Land Tax, House Duty & Mineral Rights Duty	3,000,000	530,000	580,000	10,000	10,000
Property & Income Tax	261,000,000	115,910,000	155,191,000	2,673,000	4,419,000
Super-Tax.....	58,000,000	21,850,000	..	..	..
Excess Profits Duties, &c.	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	11,860,000	9,447,000	590,000	400,000
Post Office.....	52,600,000	27,100,000	28,600,000	1,000,000	600,000
Crown Lands.....	900,000	460,000	380,000	..	..
Interest on Sundry Loans.....	12,500,000	8,299,172	6,450,848	..	317,505
Miscellaneous.....	12,500,000	8,045,953	17,614,459	272,780	392,136
Ordinary Receipts...	40,000,000	21,842,509	29,719,659	900,000	1,360,551
Special Receipts.....	818,500,000	409,031,634	455,936,957	17,214,780	20,338,192
Revenue.....	..	415,849,801	467,110,487	..	..
Total, Inc. Balance	..	..	..	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	65,000	800,000	..	50,000
Under the Unemployment Insurance Acts, 1921.....	..	4,480,000	2,710,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1921 and 1922.....	..	3,370,000	3,360,000	..	..
Under the Housing Act, 1914.....	..	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	..	1,553,300	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	270,000	2,510,000	..	..
(c) For other Issues:—					
By Treasury Bills.....	..	1,374,434,000	1,680,447,000	41,333,000	52,212,000
By National Savings Certificates	..	34,800,000	40,168,000	150,000	1,000,000
By Exchequer and National War Bonds.....	..	..	20	..	..
By Treasury Bonds—					
5-15 year, 1925-35.....	..	..	61,543,782	..	..
5%, 1927.....	..	..	53,792,735	..	1,144,227
4%, 1932.....	..	29,202,627	..	..	..
4%, 1931-35.....	..	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	..	11,869	..	..
(d) Ways and Means Advances ..	..	507,705,000	530,064,000	3,750,000	10,550,000
Anglo-Persian Oil Company—					
Dividends on Shares acquired	..	50,081	243,012	..	..
Repayments of Debt:—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	..	186,598	183,435	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	..	6,827,960	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	..	162,425	..	..
Total.....	..	2,370,431,107	2,852,465,025	62,447,780	85,294,419

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1923, to Oct. 20, 1923.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Oct. 21, 1922.	Issues. Week Ended Oct. 20, 1923.	Week Ended Oct. 21, 1922.
EXPENDITURE.					
National Debt Services—					
Interest, &c.....	310,000,000	183,984,866	194,021,532	4,654,332	12,721,172
Sinking Fund.....	40,000,000	20,940,455	..	515,500	..
Road Fund.....	12,650,000	3,327,044	2,444,999	299,000	..
Payments to Local Taxation Accounts, &c.....	10,348,000	5,158,012	3,453,797	700,000	600,000
Payments to Northern Ireland Exchequer ..	3,000,000	2,207,884	1,096,042	341,093	..
Land Settlement.....	1,500,000	383,318	629,454	21,677	30,559
Other Consolidated Fund Services.....	2,972,000	1,290,840	1,209,480	..	..
Supply Services.....	440,565,000	205,543,676	222,901,829	8,000,000	7,000,000
Expenditure.....	821,035,000	422,833,095	425,757,133	14,531,602	20,351,731
OTHER ISSUES.					
Temporary Advances—					
Bullion.....	..	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..	..
Under the Unemployment Insurance Acts, 1921.....	..	270,000	3,310,000	..	..
Issues to Meet Capital Expenditure:—					
Under the Telegraph (Money) Acts, 1921 and 1922.....	..	3,620,000	3,360,000	..	..
Under the Housing Act, 1914.....	..	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904.....	..	..	1,553,300	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed..	..	4,010,000	2,110,000	..	..
Redemption of Debt:—					
Treasury Bills.....	..	1,356,495,000	1,825,504,000	42,900,000	48,450,000
Principal of National Savings Certificates.....	..	19,400,000	15,100,000	700,000	550,000
Principal of Exchequer Bonds paid off.....	..	..	19,612,208	..	..
Principal of National War Bonds paid off.....	..	32,134,356	43,034,182	247,446	750,000
Other Debt under the War Loan Acts, 1914 to 1919.....	..	6,981,184	11,255,348	..	..

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1923, to Oct. 20, 1923.	Apr. 1, 1922, to Oct. 21, 1922.	Week Ended Oct. 20, 1923.	Week Ended Oct. 21, 1922.
Ways and Means Advances Repaid	521,691,000	492,643,000	4,350,000	14,892,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.	50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..
Balances in Exchequer—	2,367,630,712	2,849,684,657	62,729,048	84,993,731
Bank of England	1,999,437	2,013,282	111,298	107,448
Bank of Ireland	800,958	767,086	169,970	193,240
Total	2,800,395	2,780,368	281,268	300,688

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.
Treasury, October 22, 1923.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Oct. 20, 1923.
unded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	14	14
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	15	15	15	15	15	15	15	15
4½% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,095	2,095	2,095
National War Bonds	649	1,509	1,476	1,413	1,201	971	853	924	924
4½% Victory Bonds	..	409	409	405	401	401	400	400	400
4½% Victory Bonds	..	360	357	348	335	335	325	325	325
4½% Conversion Loan	..	..	..	..	266	690	684	683	683
5½% Treasury Bonds	..	..	..	..	23	24	24	24	24
5½% Treasury Bonds	..	..	..	..	381	166	165	165	165
Do by tender 5%	..	..	..	..	40	40	40	40	40
Do by tender 4½%	..	..	..	..	8	69	70	70	70
Do 4½%, 1931-35	..	..	..	..	..	110	110	110	110
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	634
Exchequer Bonds	80	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.	..	138	267	274	285	342	350	354	369
War Expnd. Certs.	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,157	1,150
American Loan	..	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	222	194	180
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,754
Total Liabilities	71	57	8,079	7,876	7,623	7,493	7,835	7,813	7,823

* Figures adjusted in accordance with Finance Accounts, 1922-23.

POSITION OF THE FLOATING DEBT.

	Oct. 21, '22.	Mar. 31, '23.	Oct. 20, '23.	Week ended Oct. 20, '23.
Temporary Advances Outstanding	2,250,000	..	..	..
Advances by Bank of England	182,472,500	193,897,500	179,611,500	600,000
Advances by Public Deposits	737,010,000	616,045,000	633,960,000	1,575,000
Treasury Bills outstanding	..	..	..	..
Total Floating Debt	921,732,500	809,942,500	813,571,500	2,175,000

* Includes £12,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.		Investments Reserve Account.		Silver Coin.		Redemption Account.	
	£	000's	£	000's	£	000's	£	000's
1922.	300,351	14,255	6,000	38,500	19,450	159	261,479	177
Mar. 29.	295,374	13,338	6,000	38,500	19,450	159	254,312	250
June 28.	289,127	12,848	7,000	37,000	21,150	166	246,456	169
Sept. 27.	301,337	12,872	7,000	37,000	21,150	166	258,922	137
Dec. 27.	285,616	12,318	7,000	37,000	22,450	173	241,294	190
1923.	286,503	12,516	7,000	37,000	22,450	173	242,446	123
June 27.	282,784	12,401	7,000	37,000	22,450	173	238,595	140
Sept. 27.	282,145	12,084	7,000	37,000	22,450	173	237,643	136
Oct. 25.	280,174	11,972	7,000	37,000	22,450	173	235,509	187

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,968,400, and for 1923 at £270,183,800.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, October 24, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued	145,595,875
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	125,845,875
Total	145,595,875

BANKING DEPARTMENT.

£	£
Proprietors' capital	14,553,000
Reserve	3,161,509
Public deposits	13,956,896
Other deposits	105,640,722
Seven-day & other bills	6,153
Total	137,318,280

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

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS EXCEED £12,000,000

FIRE. LIFE. ACCIDENT. MARINE.

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

	Amount, Oct. 21, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,161,509	+ 74,412	+ 29,700
Public deposits	13,956,896	+ 1,835,290	+ 1,244,381
Other deposits	105,640,722	+ 1,681,679	+ 4,539,615
Government securities	41,133,506	+ 475,000	+ 6,520,397
Other securities	71,872,945	+ 141,370	+ 436,837
Reserve	24,312,729	+ 254,743	+ 316,645
Note circulation	123,110,835	+ 251,885	+ 1,224,385
Coin and bullion	127,673,564	+ 2,858	+ 241,030
% of reserve to liabilities	207%	+ 3%	+ 1%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.
1923.					
Sept. 19	127,648,696	123,383,615	122,595,348	116,843,998	24,015,081
Oct. 26	127,658,268	124,002,140	118,079,550	112,943,856	23,406,128
Oct. 3	127,659,536	124,783,450	120,265,975	115,918,999	22,626,086
10	127,670,558	123,909,130	118,412,386	112,538,295	23,511,428
17	127,670,706	123,362,720	119,751,229	113,399,181	24,057,986
24	127,673,564	123,110,835	119,597,618	113,005,551	24,312,729

BANKERS' CLEARING RETURNS (000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to September 19	£ 23,143,344	£ 1,117,790	£ 2,032,527	£ 26,293,661
September 26	530,384	25,001	48,136	603,521
October 3	699,332	30,723	52,192	782,247
10	697,006	30,986	63,623	791,615
17	585,227	30,208	56,295	671,730
24	614,069	30,203	52,346	696,618
Total to date 1923.	26,179,362	1,264,911	2,305,119	29,749,392
Do 1922.	27,202,799	1,297,923	2,310,831	30,811,553
Increase or decrease in 1923	-1,023,437	-33,012	-5,712	-1,062,161
	= 3.7 %	= 2.5 %	= 0.2 %	= 3.4 %
Total for year 1922	32,780,635	1,092,303	2,806,165	36,679,103
Total for year 1921	30,268,214	1,121,720	3,002,179	34,392,113
Increase or decrease in 1922	+ 2,512,421	+ 29,583	+ 196,014	+ 2,738,008
	= 8.3 %	= 2.6 %	= 6.5 %	= 7.9 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to October 20.			
BIRMINGHAM	£ 91,070,200	£ 94,345,100	+ 3,274,900
BRISTOL	56,761,000	48,268,000	- 8,493,000
DUBLIN	259,033,100	249,826,600	- 9,206,500
HULL	45,459,600	44,575,900	- 883,700
LEEDS	44,256,500	42,008,300	- 2,248,200
LIVERPOOL	33,074,800	31,251,800	- 1,823,000
MANCHESTER	348,988,100	360,488,400	+ 11,500,300
NEWCASTLE-ON-TYNE	628,013,500	608,742,200	- 19,271,300
NOTTINGHAM	76,991,800	83,698,100	+ 6,706,300
SHEFFIELD	27,388,000	25,681,600	- 1,706,400
	38,852,100	47,203,800	+ 8,351,700

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the *Econo* mist of August 11; Japan in September 29; Denmark in October 6; Russia, Roumania, Switzerland, and Bulgaria in October 6.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted.)

Resources.	Oct. 19, 1923.	Oct. 12, 1923.	Oct. 5, 1923.	Oct. 20, 1922.
Total gold reserve	3,125,170	3,122,390	3,115,830	3,086,810
Legal tender notes and silver reserve	72,850	71,530	72,160	127,380
Bills discounted for member banks	854,540	869,020	881,660	511,100
Government obligations owned	190,520	182,410	179,900	256,820
All other resources	94,040	91,880	95,160	448,900
LIABILITIES.				
Government deposits	69,360	68,700	68,320	63,640
Other deposits	36,850	20,150	30,070	12,550
Federal Reserve Notes in actual circulation	1,938,750	1,885,600	1,906,170	1,943,560
F.R.B. Notes in actual circulation	2,272,390	2,288,580	2,273,310	2,315,440
All other liabilities	470	480	490	40,610
Capital and surplus	22,450	22,320	21,420	24,800
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	75.3%	76.1%	75.8%	75.2%

STATEMENT OF CANADIAN BANKS.—In \$'s (000's omitted.)

	Aug. 31, 1923.	July 31, 1923.	June 30, 1923.	May 31, 1923.	Aug. 31, 1922.
Assets.					
Cash and bank balances	437,296	438,848	467,270	459,407	419,980
Bank balances abroad	58,798	56,509	72,270	60,466	111,014
Call and short loans	302,036	287,893	316,305	309,267	276,778
Securities	412,100	399,612	403,169	397,333	330,646
Loans in Canada	1,135,801	1,135,206	1,161,876	1,175,411	1,192,614
Loans abroad	152,473	152,834	156,095	152,817	145,119
Other assets	100,392	101,156	100,985	103,532	99,412
LIABILITIES.					
Note circulation	169,980	163,043	174,658	157,379	158,086
Deposits—					
Government	69,791	69,791	69,857	69,301	69,595
Public in Canada	1,708,478	1,705,597	1,745,402	1,752,966	1,639,485
Foreign	304,560	296,845	335,712	313,545	339,985
Canadian—					
Foreign	12,004	11,075	19,443	10,554	8,348
Bills payable, &c.	38,437	36,720	36,289	36,172	36,072
Other liabilities	23,717	25,120	24,574	26,439	23,238
Capital and rest.	3,919	3,239	2,413	3,699	3,758
	247,031	247,029	251,786	251,781	255,197

BANK OF FRANCE.—In francs (000's omitted.)

	Oct. 25, 1923.	Oct. 18, 1923.	Oct. 11, 1923.	Oct. 25, 1922.	Position May 28, 1911
ASSETS.					
Gold coin and bullion	5,539,031	5,538,629	5,538,547	5,533,160	
Of which held abroad	1,864,321	1,864,321	1,864,321	1,897,967	3,730,625
Silver coin and bullion	295,540	295,223	295,073	287,821	632,650
Discount and advances	5,291,506	5,251,760	5,364,371	4,293,995	3,377,776
Advances to the State	23,400,000	23,500,000	23,700,000		
LIABILITIES.					
Notes	23,400,000	38,086,964	38,489,354	36,693,634	5,811,875
Government deposits	55,414	21,751	21,399	60,289	183,700
Private deposits	1,978,043	1,967,317	1,965,423	2,109,258	485,960

BANK OF LITHUANIA.—In lt. (000's omitted).

ASSETS.	Oct. 15, 1923.	Sept. 30, 1923.	Sept. 15, 1923.	Aug. 31, 1923.	July 31, 1923.
Gold	16,391	16,399	16,388	16,378	16,373
Silver	248	247	246	241	237
Dollars, & sterling, &c.	40,241	37,185	37,428	35,650	34,819
Other foreign currency	17	17	17	17	20
Discount and credit	13,923	13,616	13,740	13,919	13,863
Other assets	9,012	7,451	7,686	6,750	8,971
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Banknotes in circulation	56,784	53,564	53,644	51,973	50,685
Deposits	5,735	6,795	6,208	6,999	5,266
Other liabilities	5,313	2,546	3,658	2,159	2,498

BANK OF CZECHOSLOVAKIA.—In Cz. K. (000's omitted).

ASSETS.	Oct. 15, 1923.	Oct. 7, 1923.	Sept. 30, 1923.	Sept. 23, 1923.	Sept. 15, 1923.	Oct. 15, 1922.
Liabilities of the Bank to the Bank of Austria	10,096,935	10,096,328	10,096,926	10,096,926	10,096,923	10,096,715
Discounts & advances	1,503,582	1,533,974	1,529,047	1,525,406	1,512,143	1,535,445
Gold & silver holdings	1,079,332	1,079,217	1,069,901	1,060,080	1,060,763	808,775
Foreign bills and balances abroad	2,328,801	2,408,933	2,433,067	2,446,755	2,444,593	1,657,821
Other assets	368,395	378,460	444,661	431,723	469,586	653,607
LIABILITIES.						
State notes circ'n	8,912,193	9,162,700	9,311,378	8,813,121	8,925,099	9,835,981
Deposits	5,385,952	5,351,379	5,253,783	5,755,544	5,665,832	3,140,383
Other liabilities	1,078,900	983,433	999,444	993,225	993,077	2,173,999

* Resulting from banknotes, current accounts, Exchange bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

ASSETS.	Oct. 15, 1923.	Oct. 8, 1923.	Sept. 30, 1923.	Sept. 22, 1923.	Oct. 15, 1922.
Gold	68,672	68,799	68,800	65,078	77,540
Other coin and notes	17,952	21,587	20,957	20,321	16,545
Foreign credits	365,685	337,464	355,265	357,287	321,290
Bills	1,431,483	1,430,045	1,415,815	1,379,692	1,479,528
Govt. advances	4,570,877	4,570,875	4,568,677	4,568,637	4,567,359
LIABILITIES.					
Notes in circulation	5,925,817	6,000,699	5,928,170	5,839,170	5,153,297
State credits	373,178	373,176	373,176	373,136	332,903
Deposits	548,770	443,021	508,152	545,910	991,636

LONDON RATES.

	Oct. 15, 1923.	Oct. 8, 1923.	Sept. 30, 1923.	Sept. 22, 1923.	Oct. 15, 1922.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%
Market rates of discount	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
60 days' bankers' drafts	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
3 months' do	3 3/4%	3 3/4%	3 3/4%	3 3/4%	3 3/4%
4 months' do	3 3/4%	3 3/4%	3 3/4%	3 3/4%	3 3/4%
6 months' do	3 3/4%	3 3/4%	3 3/4%	3 3/4%	3 3/4%
Discount (Treasury Bills)	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Loans—Day to day	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Short	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Deposit allowances: Banks	2	2	2	2	2
Discount houses at call	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
At notice	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.		%	%	%	%	%	%	%
Sept.	21	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
Oct.	28	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
	5	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
	12	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
	19	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
	26	2 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	Oct. 27, 1922.	Oct. 19, 1923.	Oct. 26, 1923.
Paris	francs to £1	T.T.	85-224	63-62-67	75-27-32
Berlin	marks to £1	T.T.	80-43	17900-18100	50-60 mils.
Vienna	krone to £1	T.T.	24-07	31/350,000	315/325,000
Prague	krone to £1	T.T.	24-07	142-143	1513-1524
Warsaw	zlotys to £1	T.T.	20-43	58000	4500,000
Bucharest	lei to £1	T.T.	25-224	685-705	950-960
Bombay	rupees to £1	T.T.	24-02	10,500-11,500	75/90,000
Constantinople	piastres to £1	T.T.	110	760-780	770-790
Sofia	levas to £1	T.T.	35-224	630-680	450-490
Belgrade	dinas to £1	T.T.	25-224	260-280	375-400
Amsterdam	florin to £1	T.T.	12-107	11-43-44	11-55-56 1/2
Brussels	francs to £1	T.T.	85-224	68-52-57	87-15-20
Christiania	kroner to £1	T.T.	18-159	24-72-77	29-27-32
Stockholm	kroner to £1	T.T.	18-159	16-62-65	17-17-19
Copenhagen	kroner to £1	T.T.	18-159	22-15-20	25-80-85
Helsingfors	F. marks to £1	T.T.	35-224	185-187	169-169 1/2
Greece	drachmas to £1	T.T.	35-224	210-215	285-295
Italy	lire to £1	T.T.	35-224	1134-1138	100-100 1/2
Switzerland	francs to £1	T.T.	35-224	24-68-72	25-26-29
Madrid	pesetas to £1	T.T.	35-224	29-24-27	33-54-57
Lisbon	escudos to £1	T.T.	534	534	534
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4-86	4-46-46 1/2	4-52-53
Montreal	dollars to £1	Cable	4-86	4-45-45 1/2	4-51-52
Buenos Ayres	pesos to £1	T.T.	47-52	444-444 1/2	384-39
Rio de Janeiro	pesos to £1	T.T.	16	65	57 1/2
Montevideo	pesos to £1	T.T.	16	65	57 1/2
Valparaiso	pesos to £1	T.T.	16	65	57 1/2
Lima	soles to £1	T.T.	16	65	57 1/2
Calcutta	rupees to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Bombay	rupees to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Madras	rupees to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Hong Kong	dollars to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Shanghai	dollars to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Singapore	dollars to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Yokohama	dollars to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Manila	pesos to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.
Mexico	pesos to £1	T.T.	10 to 10 1/2	11 1/2 prem.	10 1/2 prem.

† Rate for previous day.

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	July 18, 1922 .. 4	Madrid	Mar. 23, 1923 .. 5
Athens	Jan. 14, 1923 .. 7 1/2	Paris	Mar. 11, 1923 .. 5
Berlin	Sept. 15, 1923 .. 90	Prague	May 28, 1923 .. 4 1/2
Brussels	Jan. 22, 1923 .. 5 1/2	Rome	July 11, 1922 .. 5 1/2
Bucharest	Sept. 4, 1920 .. 6	Sofia	June 14, 1919 .. 6 1/2
Budapest	July 5, 1923 .. 18	Stockholm	July 1, 1922 .. 4 1/2
Calcutta	June 28, 1923 .. 4	Swiss Bank	July 14, 1923 .. 4
Christiania	May 1, 1923 .. 6	Tokyo	Nov. 18, 1922 .. 8
Copenhagen	May 1, 1923 .. 6	Vienna	Sept. 2, 1922 .. 9
Helsingfors	Sept. 13, 1923 .. 9	Warsaw	Feb., 1923 .. 12
Lisbon	Sept. 12, 1923 .. 9		
New York Fed. Res.	Feb. 21, 1923 .. 4 1/2	Irish	July 5, 1923 .. 5

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for Tchervonetz:—

	Sept. 20, 1923.	Sept. 27, 1923.	Oct. 3, 1923.	Oct. 10, 1923.	Oct. 17, 1923.	Oct. 24, 1923.
Roubles to Tchervonetz	3250	3850	4150	4900	5500	6400
" £ sterling	3135	3625	3875	4470	5030	5850
" dollar	685	789	845	980	1100	1280

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Oct. 26, 1922.	Sept. 27, 1922.	Oct. 4, 1922.	Oct. 11, 1922.	Oct. 18, 1922.	Oct. 25, 1922.
Call money	4 1/2%	5 1/2%	4 1/2%	5 1/2%	4 1/2%	5 1/2%
Time money (90 days' mixed call)	4 1/2%	5 1/2%	4 1/2%	5 1/2%	4 1/2%	5 1/2%
Bank acceptances:—						
Members—eligible, 90 days	4 1/2%	5 1/2%	4 1/2%	5 1/2%	4 1/2%	5 1/2%
Non-mem.—eligible, 90 days	4 1/2%	5 1/2%	4 1/2%	5 1/2%	4 1/2%	5 1/2%
Ineligible, 90 days	4 1/2%	5 1/2%	4 1/2%	5 1/2%	4 1/2%	5 1/2%
Commercial accept., 90 days	4 1/2%	5 1/2%	4 1/2%	5 1/2%	4 1/2%	5 1/2%

Rates of Exchange.	Par Level.	Oct. 26, 1922.	Oct. 11, 1923.	Oct. 18, 1923.	Oct. 25, 1923.
New York on—					
London—					
60 days	4-41875	4-52125	4-4925	4-45875	
Cable	4-44625	4-55125	4-5275	4-48875	
Cheques	4-44625	4-55125	4-5275	4-48875	
Paris	19-30	6-91	6-08	4-525	4-48375
Brussels	19-30	6-45	5-18	5-975	5-83
Switzerland	19-30	18-03	17-92	17-95	5-045
Italy	19-30	3-91	4-575	4-525	4-5025
Vienna	20-26	0-001	0-014125	0-01412	0-014125
Madrid	19-30	15-22	13-60	13-52	13-325
Amsterdam	40-196	39-04	39-31	39-18	38-84
Copenhagen	26-80	26-71	26-43	26-35	26-36
Stockholm	19-30	2-100	1-48	1-56	1-69
Athens	100	100-15	135-95	135-45	137-5
Montreal	49-85	48-10	48-85	48-75	48-7
Yokohama	..	55-30	51-95	51-9	51-7
Hong Kong	..	73-85	70-0	69-75	69-7
Shanghai	..	28-30	31-0	31-08	31-3
Bombay	103-65	122-5	135-5	135-00	137-5
Calcutta	32-41	11-35	9-68	9-55	9-25
Rio de Janeiro	30-60	11-40	12-20	12-22	12-3
Valparaiso	..	..	..	..	..

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From July 13, 1923.		From July 11, 1923.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling. (a)
T.T.	..	1 1/2% prem.	1 1/2% dis.	8% dis.
Demand	par	1 1/2% "	1 1/2% "	8% dis.
30 days	1 1/2% dis.	1 1/2% "	1 1/2% "	1 1/2% "
60 days	1 1/2% "	1 1/2% "	2 1/2% "	1 1/2% "
90 days	2 1/2% "	1 1/2% "	3 1/2% "	1 1/2% "
120 days	2 1/2% "	1 1/2% "	4 1/2% "	1 1/2% "

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

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Ecuador	Sucres to £1	10-00	Sight London	Oct. 20 18-28
Venezuela	Bolivares to £1	25-25	"	Oct. 23 23-8
Colombia (Bogota)	Pesos to £20	100	"	Oct. 23 95-25
Nicaragua	Colonias to £1	4-8665	"	Oct. 23 4-80
San Salvador	Colonias to £1	9-73	"	Oct. 20 9-20
Guatemala	Pesos to £1	90-23	"	Oct. 20 286
Costa Rica	Colonias to £1	10-45	"	Oct. 4 20-60
Bolivia	Pence to Boliviano	19-20	"	Oct. 23 15 1/2

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.	Aus- tralia.	New Zeal'nd.
T.T.	..	..	..	..	..	..	..	..
Sight	..	..	..	..	..	..	..	..
Cable	..	..	..	..	..	..	..	..
On demand	98½	98½	101½	101½	98½	..	100½	100½
30 days	98	98	100½	100½	98½	98½	99½	99½
60 days	97½	97½	..	..	98	97½	99½	99½
90 days	97	97	..	..	97½	97½	99½	99½
100 days	..	..	..	..	97½	97	99½	99½

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 19, 1923.	(c) Week ended Oct. 20, 1923.	Miles Open.	Passenger-gers.	Goods, &c.	Total for Week.	Aggregate 42 Weeks 1923	Passenger-gers.	Goods, &c.	Total Receipts.
Great Western.....	3,745	240,000	357,000	1,121,000	1,518,000	11,390,000	14,592,000	25,982,000	40,474,000
London & North-Eastern	6,702	391,000	730,000	1,223,000	2,044,000	19,038,000	30,407,000	49,445,000	79,483,000
Do same period 1922	6,557	438,000	785,000	1,223,000	2,046,000	20,855,000	31,200,000	52,055,000	83,255,000
London, Mid., & Scottish	6,963	557,000	929,000	1,486,000	2,972,000	27,158,000	37,604,000	64,762,000	102,366,000
Southern.....	2,127	296,700	130,100	426,800	853,600	14,296,600	4,878,100	19,174,700	24,052,800
Metropolitan (c).....	79	32,314	4,074	36,388	72,392	1,350,405	154,201	1,504,606	1,658,807
Underground E.R. (c).....	..	..	..	234,818	234,818	..	..	..	..
London & Sub. Group (c).....	..	..	..	1,286	1,286	..	..	..	..
Belfast & Co. Down (b).....	80	4,364	1,524	5,888	11,776	..	..	..	..
Dublin and S. East. (b).....	150	5,677	3,390	9,067	18,154	..	..	..	..
Midland Gt. West. (b).....	538	9,850	13,276	23,126	46,406	428,683	607,099	1,035,782	1,504,482

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
Assam Bengal	25 weeks	Sept. 22	1,072	Rs. 2,87,100	Rs. 12,742	Rs. 57,63,331	+ 75,948
Barsi Lt. Ry.	25 weeks	30	118	16,100	1,000	8,28,600	+ 60,400
Bengal & N. Western	22	2,062	4,54,100	1,81,095	1,50,05,589	7,60,248	
Bengal Nagpur	22	2,738	13,43,000	94,000	3,52,81,497	+ 5,67,979	
Bombay, Bar. & C.I.	29 weeks	Oct. 20	2,994	20,52,000	2,35,000	5,34,52,000	-12,97,000
Burma	25 weeks	Sept. 22	1,342	6,58,198	58,843	1,61,37,897	+ 1,42,567
Delhi, Umballa, Kalka	13 days	Oct. 13	239	1,84,115	17,990	1,84,715	+ 17,890
East Indian	20	2,856	30,37,000	76,000	8,85,38,000	+ 7,27,000	
G. Indian Peninsula	13	3,164	23,35,400	1,34,100	6,75,22,215	-41,37,590	
Madras & S. Mahr.	25 weeks	22	3,029	12,95,000	24,536	3,60,97,855	+ 1,82,829
Rohilk'd & Kumaon	25 weeks	22	259	39,705	10,362	13,34,431	+ 1,74,704
Do Lucknow-Breilly	25 weeks	22	314	38,628	3,825	15,85,982	+ 1,60,355
South Indian	25 weeks	22	1,877	9,11,981	13,226	2,45,68,118	+ 7,49,564

CANADIAN.

Canadian National.....	42 weeks	Oct. 21	22,680	5,936,715	+ 61,594	19,989,268	+ 17,445,344
Canadian Pacific.....	42 weeks	21	13,539	5,261,000	+ 205,000	14,549,500	+ 5,226,000

ARGENTINE (a).

Argentine N.E.....	16 weeks	Oct. 20	753	11,500	+ 3,600	179,700	+ 20,800
Argentine Trans.....	16 weeks	13	..	4,048	+ 978	54,732	+ 26,072
B. A. and Pacific.....	16 weeks	20	3,317	145,000	+ 10,000	2,112,000	+ 43,000
B. A. Gt. Southern.....	16 weeks	20	3,948	169,000	+ 2,000	2,539,000	+ 198,000
B. Western.....	16 weeks	20	1,882	82,000	+ 1,000	705,000	+ 161,000
Central Argentine.....	16 weeks	20	3,305	210,000	+ 14,000	3,246,000	+ 258,000
Cordoba Central.....	16 weeks	20	1,305	54,000	+ 2,000	1,000,000	+ 28,400
Entre Rios.....	16 weeks	20	729	21,800	+ 4,400	286,400	+ 22,000

BRAZILIAN (b).

Gt. West. of Brazil.....	42 weeks	Oct. 20	1,005	11,000	+ 2,400	386,700	+ 134,100
Leopoldina.....	42 weeks	20	1,831	29,363	+ 5,092	1,093,075	+ 135,852
San Paulo.....	42 weeks	21	1,533	32,706	+ 3,050	1,248,867	+ 77,834

CHILEAN.

Antofagasta.....	42 weeks	Oct. 21	838	31,200	+ 10,600	1,460,880	+ 525,695
Nitrate (4-monthly).....	41 weeks	15	366	19,149	+ 7,910	618,983	+ 286,523

CUBAN.

Havana Central.....	16 weeks	Oct. 20	..	12,050	+ 2,188	185,520	+ 34,357
United of Havana.....	16 weeks	20	1,210	58,271	+ 12,268	929,477	+ 171,934

URUGUAYAN.

Central Uruguay.....	16 weeks	Oct. 20	273	25,880	+ 96	336,121	+ 1,527
C. Urug. (East Ext.).....	16 weeks	20	311	4,427	+ 317	65,188	+ 4
C. Urug. (North Ext.).....	16 weeks	20	185	2,638	+ 83	37,738	+ 2,668
C. Urug. (West Ext.).....	16 weeks	20	211	2,437	+ 70	31,360	+ 1,400

OTHER OVERSEAS.

Alcoy and Gandia.....	42 weeks	Oct. 20	33	15,000	+ 3,000	852,800	+ 57,850
Barceloneta.....	27 weeks	10	575	11,228	+ 696	137,394	+ 23,487
Gt. Southern of Spain	41 weeks	13	104	1,35,088	+ 60,990	3,803,761	+ 542,548
Mexican Railway.....	16 weeks	21	432	1,187,400	+ 54,900	3,746,000	+ 416,800
New Cape Central.....	39 weeks	Sept. 29	905	2,633	+ 118	101,223	+ 1,524
Paraguay Central.....	16 weeks	Oct. 20	274	3,750	+ 2,000	62,960	+ 44,280
Salvador.....	15 weeks	13	100	1,870	+ 400	35,570	+ 5,910

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	42 weeks	Oct. 21	339	\$88,103	- 3,322	3,521,840	- 15,161
Burnley Corporation	1 week	20	12	\$2,994	- 276	..	..
Calcutta Tramways ..	42 weeks	20	353	Rs130,058	+ 24,440	..	+ 180,868
Chatham & District ..	42 weeks	18	15	£1,510	- 113	66,284	- 3,965
Egyptian Markets	41 weeks	11	..	£1,875	+ 62	74,710	+ 5,531
Glasgow Corporation	20 weeks	20	106	£47,176	+ 2,124	887,529	+ 26,952
Isle of Thanet	2 weeks	17	..	£696	- 52	1,829	- 283
London & North-Eastern	42 weeks	16	39	\$3,027	- 26	120,380	- 7,406
Liverpool Corporation	23 weeks	24	124	\$24,929	- 4,260	807,285	- 56,975
L.O.C. Tramways	20 weeks	24	163	\$85,032	- 8,892	2,552,349	- 215,264
Madras Elect. (2 wks) ..	15	..	..	Rs 53,447	+ 6,110	10,02,871	+ 72,629
Pernambuco Trams	42 weeks	21	..	\$1,562	- 308	153,268	- 177

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.				Dividend for Whole Years.	
	Interim Final.	Date of Payment.	Method of Payment.	Final div.	Last Year.	Pre-vious.
Railways.						
Bengal Doonars.....	4%	(& bonus 2%)	..	..	9	7
Bengal-Nagpur.....	3%†	..	Less tax	..	8	6
Burma.....	5%†	Jan. 1	Subject to tax	..	8 1/2	7
International of C. Amer. Prefd.	14%	Nov. 15	Quarterly	..	..	..
Nitrate Railways.....	3 1/2%*	Nov. 15	Less tax	..	..	..
United of Havana.....	4%	..	Less tax	..	6	4
Banks.						
Anglo-Egyptian.....	10/ p.s.	..	Tax free	..	15	15
Banco Nacional Ultramarino	6%*	Oct. 23	..	..	..	..
Canadian of Commerce	4%†	Dec. 1	..	..	13	13
Farmers' Loan and Trust	19	Nov. 1	Quarterly	..	18	17
North of Scotland	..	..	Less tax	..	..	..
Union of Canada.....	2%	Dec. 1	Quarterly	..	..	..
Union of Scotland	18/ p.s.	Nov. 10	Less tax	..	..	..
Insurance.						
Caledonian.....	22/6 p.s.	Nov. 10	Less tax	..	..	..
London.....	15%	Nov. 1	Tax free	..	..	..
Tea and Rubber.						
Allyngrugger Tea, Pref.	3%*	Nov. 1	Less tax 4/0 737 in	..	50	22
Carolina Tea.....	32%†	..	Less tax	..	..	..
Chargola Tea.....	5%*	Nov. 30	Less tax	..	..	..
Consolidated Estates.....	10%†	(& bonus 5%)	Less tax	..	22 1/2	12 1/2
Duckwari.....	20	Nov. 1	Less tax	..	..	..
East India and Ceylon	10%*	Dec. 4	Less tax	..	..	..
Mambau F.M.S. Rubber	..	..	Less tax 4/10, in £	4	..	nil
Noyahat Tea.....	10%*	Dec. 1	Less tax	..	..	..
Singapore United	..	Nov. 7	Less tax	13 1/2 p.	13 1/2 p.	..
Sudan Plantations.....	..	..	Less tax	..	..	..
Sumatra Para.....	2/ p.s.†	..	Less tax	(a) 17 1/2	5	35
Sungai Buaya.....	10%†	..	Less tax	10	..	nil
Tanjong Malim	5%†	..	Net	15	..	nil
Ukuwela Estates.....	..	..	Tax free	10	..	..
Mining.						
Aramayo on Bolivie	5%	Nov. 1	..	..	..	..
Banties Cons. (Liquidation)	1/ p.s.	Dec. 5	..	..	..	..
Gold Fields Rhodesian	..	..	..	..	10	10
Scottish Mining	2 1/2%*	Nov. 7	Less tax	..	..	..
St. John del Rey, Pref.	1/ p.s.†	Dec. 12	Tax free	..	..	..
Do Ord.....	1/9 p.s.†	Dec. 12	..	..	..	..
Other Companies.						
A. and F. Pears.....	..	..	..	..	20	20
A. J. Stevens.....	..	..	..	..	12 1/2	12 1/2
Alfred Bird and Sons	10% (& bonus 6 1/4%)	..	Tax free	..	21 1/2	21 1/2
Amey (Spinning).....	1/3 p.s.	Nov. 1	..	..	..	..
American Smelting and Refining	12%	Nov. 1	..	..	..	..
Anderson Foundry	3/ p.s.†	..	Less tax	..	..	..
Anglo-Chilian Nitrate	10%*	Nov. 12	Less tax	..	..	..
Argentine Southern Land	1/ p.s.†	Nov. 14	Tax free	..	..	..
Babcock and Wilcox	5%*	..	Tax free	..	5	..
Blenkhorn, Richardson and Co.	..	..	Tax free	..	..	..
Borax Cons., Def.....	1/ p.s.	..	Less tax	..	5	..
Brampton Brothers	..	..	Tax free	..	10	10
Buenos Ayres Trams	1/3 p.s.	Nov. 16	Less tax	..	..	..
Bushell, Watkin, and Smith	8 1/2%†	..	Less tax	12 1/2	12	..
Cian Line Steamers	2/ p.s.†	Oct. 29	Tax free	..	..	..
Clydesdale Invest.	11%	..	Less tax	9	8	..
D. and W. Murray	5%	..	Tax free	10	10	..
Debenture Securities Investment	7 1/2	Nov. 1	Less tax	..	..	..
Drybrough and Co.	..	..	..	10	10	..
Dunville and Co.	21/ p.s.	..	Less tax	13	15	..
Easterbrook Alford	..	..	Tax free	..	..	..
Egyptian Markets	5%*	Nov. 22	Less tax	..	..	..
Enfield Cycle	..	..	..	7 1/2	15	..
Ernesto Tornquist and Co.	..	..	..	7	..	..
First Scottish American	5%*	..	Less tax	..	..	..
Fleming and Ferguson	5%†	..	Tax free	..	..	..
Frome United Breweries.....	10%†	..	..	10	..	..
General Supply	..	..	..	15	15	..
Hammond's Bradford Brewery	5%	(& bonus 5%)	..	8	..	..
Haugh Ring (Spinning)	1/6 p.s.	..	..	15	15	..
Henry Berry and Co.	10%†	..	..	..	..	..
Herbert Morris	..	..	Tax free	20	10	..
Hodgsons' Kingston Brewery	9/ p.s.†	Nov. 1	Less tax	14	14	..
Horde Collieries	10%†	..	Tax free	15	18	..
Hotel Cecil.....	..	Nov. 21	..	6	4	..
H. Williams, Pref.	5	Nov. 1	Less tax	..	..	..
James Howell and Co.	5%*	..	..	..	..	..
John Clegg (Spinning)	1 1/3 p.s.	..	..	..	..	..
Joseph Lucas	12 1/2%*	(& bonus 5%)	Less tax	..	..	..
Kaministiquia Power	2%	Nov. 15	Quarterly	20	15	..
Kearsley.....	1/3 p.s.	..	..	..	..	..
Majestic Mill	1/ p.s.†	..	..	..	..	..
Marmite Food Extract	5%*	..	Tax free	..	..	..
Mence Smith's Stores, Pref.	1/6 p.s.	Nov. 1	Less tax	..	..	..
Mons (Tadmorden)	12/ p.s.	..	..	..	..	..
Montevideo Telephone	3%†	..	..	..	..	..
Mount Stuart Dry Docks, Prefd.	3†	..	Less tax	5	8	..
Novello and Co.	..	..	..	4 1/2	3	..
Old Silkatone Collieries	10*	Oct. 31	..	30	30	..
Olympic Portland Cement	5%*	Nov. 15	Less tax	..	..	..
Oriental Telephone and Electric	4%*	Nov. 1	Tax free	..	..	..
Packing Materials	10%†	..	Tax free	..	..	..
Pease and Partners	3%*	..	Tax free	15	15	..
Prince Line	5%†	..	Tax free	..	..	..
Richardsons, Westgarth	6%*	..	..	7 1/2	10	..
Robert Allen and Co.	..	..	Less tax	..	..	..
Sadler and Co.	4%†	Oct. 23	..	7	6	..
S. African Real Estate	..	..	..	2 1/2	2	..
S. and W. Beresford, Limited	10%†	Nov. 16	Less tax 4/9 in £	15	15	..
Scottish and Dominions Trust	..	..	Less tax	5	5	..
Sheaf Steam Shipping	..	..	..	5	5	..
Sir Elkanah Armitage	1/9 p.s.†	Nov. 1	Less tax	..	..	..
Stutaford and Co.	..	..	..	10	10	..
Sutton Heath, &c., Collieries	4*	Oct. 31	Tax free	..	..	..
Tanworth Old Store, Ltd	7 1/2	..	..	..	..	..
United Counties Omnibus	..	..	..	..	..	..
Wallerah Coal.....	1/3 p.s.	Dec. 7	Less tax	..	..	..
Wall Paper Manufacturers, Ord.	6%†	..	..	10	10	..
Do Defd.....	..	..	..	10	10	..
Wilson's Brewery	4%*	Oct. 31	Less tax	10	5	..
Do (New).....	5%	..	..	..	..	..

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%
Banks.											
North of Scotland Bank	Sept. 29	89,178	178,271	267,449	..	89,569	18	85,000	92,880	171,539	17
Breweries.											
Hammond's, Bradford	Sept. 30	7,453	42,087	49,540	4,500	16,875	15	19,000	9,165	44,276	15
Hodgson's Kingston	Sept. 30	17,907	26,769	44,676	..	21,450	14	5,000	18,226	25,815	14
Financial, Land, &c.											
Clydesdale Investment	Sept. 30	46,260	26,714	72,974	10,294	13,775	9	40,000	8,905	24,657	8
Sudan Plantations	June 30	162,300	85,082	247,382	..	78,750	17½(h)	..	168,632	131,627	35
Tecka (Argentina) Land	June 30	11,258	22,073	33,331	..	16,000	8	..	17,331	1,234	5
Iron, Coal, and Steel.											
Lambert Brothers	June 30	93,731	164,610	258,441	13,750	150,000	20	..	94,691	163,281	20
Motor and Cycle.											
A. J. Stevens and Co.	Aug. 31	18,231	22,075	40,306	..	12,682	12½	10,000	17,624	21,354	12½
Brampton Bros.	Aug. 4	8,235	19,574	27,809	3,412	8,175	10½	5,000	11,222	18,303	10½
Enfield Cycle	Aug. 31	44,197	9,779	53,976	1,330	15,000	7½ B Pref. & Ord.	..	37,646	52,628	15½ B. Pf. & Ord.
Joseph Lucas	Aug. 31	73,963	128,813	202,776	10,532	68,817	20	35,000	88,427	73,298	15
Rubber, &c.											
Anglo-Dutch Plantations of Java	Dec. 31	51,644	231,653	283,297	..	173,715	9	..	109,582	116,556	6
Berang (Selangor)	June 30	Dr 2,501	3,079	178	..	..	..	..	178	1,008	..
Chimpul (F.M.S.)	June 30	5,035	2,072	7,107	..	..	..	..	7,107	Dr 293	..
Kali Glagah (Java)	Mar. 31	8,143	4,337	12,480	..	..	..	6,000	6,480	248	..
Mambau (F.M.S.)	June 30	1,749	5,765	7,514	(a) 3,200	2,200	4	1,000	1,114	3,833	nil
Sumatra Para	June 30	885	22,046	23,931	..	19,934	10	..	2,997	3,884	nil
Sungei Buaya	June 30	18,411	17,412	35,823	..	20,832	15	..	14,991	5,772	nil
Tea.											
Korale	June 30	Dr 3,837	11,150	7,313	..	..	..	1,500	5,813	..	..
Telegraphs, &c.											
Montevideo Telephone	July 31	13,782	17,182	30,964	..	10,857	5	10,000	10,107	28,996	8½
Other Companies.											
Stuttford and Co.	July 31	47,358	59,253	106,611	12,600	30,015	10	17,000	46,996	68,589	10
Theatre Royal, Drury Lane	June 30	1,089	13,646	14,735	..	..	..	632	14,103	..	..
Ship Canal Portland Cement	Mar. 31	11,254	Dr 13,655	Dr 2,401	..	..	..	Dr 8,615	6,214	Dr 51,926	..
D. and W. Murray	July 19	13,952	143,636	157,588	51,021	45,000	10½	40,000	21,567	161,432	10½

† Free of tax. (a) Including arrears. (b) Sudan Plantations.—This dividend is paid on a larger capital than the preceding year.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Weather conditions have been unsettled, with heavy rains, which interrupted field work. A fairly large area, however, has already been drilled, and the young plants should obtain a good start before frosts set in. Threshings are proceeding actively, consequently offerings of native wheat were on a fairly extensive scale, though prices ruled steady for all good milling samples. A good deal of damp and inferior samples, however, are coming forward, and clear at low rates. Best samples range from 8s 10d to 9s 3d per 112 lbs, free on rail. Imported descriptions in moderate request, and prices were occasionally the turn in buyers' favour. No. 1 Northern Manitoba ex ship quoted 47s to 47s 3d as to position, Rosafe 62½ lbs ditto 46s 3d, Barusso 62½ lbs ditto 44s 9d, and choice white Karachi landed 44s, all per 49½ lbs. The floating and forward cargo section showed more activity, and rates, as a rule, maintained a steady level, the inquiry being chiefly from Continental and Mediterranean countries. Steamers of No. 1 Northern Manitoba shipment from Vancouver, expected to load November 20th, sold to Italy at 43s 6d, U.K. basis ditto to Southampton November 44s 7½d, Barusso 62½ lbs January-February also February March 41s 1½d, both to France. Maize steamers of La Plata arrived sold 35s 3d net, No. 2 white flat African early November loading 38s to Ireland, and No. 6 yellow African September-October 35s 6d, all per 480 lbs. A cargo of Dan-Bess-Kustendji barley end October 27s 6d per 400 lbs. Flour quiet. London standard straight run quoted at 37s 6d, patents 39s 6d-40s 6d, town households 35s 6d per sack delivered in. All English country straights 30s 6d-31s delivered to London stations. Imported dull. Australian 32s 9d per 200 lbs exstore. Millers' offals steady, with a fair demand. Bread bran quoted at 7s 3d, ordinary ditto 6s 3d, middlings 8s 6d, bags included, ex mill, light oats 5s 4d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 9d, free on rail, all per cwt. Barley: English malting steady at 9s 9d-13s 3d, with feedings sorts ranging from 8s 3d-9s per 112lbs, free on rail. Imported occasionally firmer. Californian quoted 40s-44s 6d, Chilean brewing 40s-44s, both ex store, per 44½ lbs. Persian ex ship 26s, Danubian landed 31s, No. 3 Canadian Western landed 30s 6d, No. 4 ditto ex ship 27s 6d, Algerian-Tunisian ditto 28s 3d, all per 400 lbs. Maize tends firmer. Plate ex ship 35s 6d, landed 37s, No. 2 white flat African ex ship, 37s, No. 6 yellow ditto 35s 9d, all per 480 lbs. Oats: English at 8s 3d-10s 6d per 112 lbs, free on rail, as to sample. Imported quiet. Plate f.a.q. ex ship 22s, landed 23s 3d, No. 2 Canadian Western ex ship 27s 3d, landed 28s 3d, No. 3 ditto landed 27s 6d, New Zealand "A" grade landed 38s-40s, "B" grade 36s, per 320 lbs. Oatmeal in fair demand at late rates. London-made flaked, also

rolled, 18s 6d, medium and fine cuts 18s, coarse and medium pin-head 17s 6d, ordinary Scottish oatmeal 19s 6d-21s, and American all cuts 17s-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24	1922-23	1921-22	1920-21
Estimated sales of home-grown wheat—				
1 week to October 20	Cwts. 416,910	Cwts. 526,007	Cwts. 285,408	Cwts. 341,650
7 weeks to October 20	2,974,915	2,602,788	2,832,025	3,547,671
Average price of English wheat per cwt.	s d 9 0	s d 9 2½	s d 11 1	s d 21 1½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
Oct. 13-20	Cwts. 487,438	Cwts. 513,930	Cwts. 100,203	s d 8 11	s d 10 6	s d 8 8
1919	416,910	622,613	96,015	9 0	10 6	8 7
1920	313,654	599,360	47,237	17 0	26 7	20 7
1921	356,079	539,289	78,000	21 1	35 5	19 8
1922	285,407	503,739	45,106	11 1	14 4	9 0
1923	526,007	381,575	84,421	9 3	11 2	9 2

IRON, STEEL, AND COAL.

Our Middlesbro' correspondent's report, dated October 25th, is as follows:—Pig-iron: Makers of Cleveland pig-iron, having sold their present limited output, have this week advanced their prices. The demand for prompt pig-iron has recently been good, particularly from Scotland, and it now remains to be seen whether consumers and merchants will continue to buy at the increased figure. No. 3 Cleveland G.M.B. is to-day quoted 100s per ton. Makers of East Coast hematite are not so well sold, and would welcome a better demand. The price of mixed numbers is about 99s 6d to 100s per ton. Manufactured iron and steel: The steel trade seems to be picking up slowly but steadily, and the immediate outlook is encouraging. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s. Iron ore: The demand for iron ore is quiet, most of the consumers having good supplies for some little time. Best Rubio is not easy to sell, as good Mediterranean ores are selling at comparatively low prices. Best Bilbao Rubio ore is quoted 23s per ton c.i.f. Tees.

THE WOOL TRADE.

Our Sheffield correspondent writes:—The output of basic steel is 70 per cent. of capacity, and of acid steel about 50 per cent. of capacity. Orders from the railway companies continue to be comparatively small in bulk, and the foreign demand is only moderate. Makers of pig-iron are stiffening their prices, but there is no quotable change in quotations for Derbyshire irons. Hematite pig-iron is firm, and the output does not exceed consumption. Holders prophesy a shortage of steel scrap immediately following any increased demand for steel, and have anticipated such a movement by advancing their prices. Consumers prefer to buy very sparingly. A large tonnage of scrap metals is being sent out from the yards where is carried on the breaking up of ships, tanks, guns, automobiles, and other surplus war material, and this supply will continue for a long time. Progress in the fine steel branches continues, but at a very slow pace, but few of the makers have any considerable amount of work in hand. There is, however, a fair amount of activity in the hand tool branches, both on home and export account, and the "cold" strip mills are running overtime. The output of table knives and electro-plated goods approaches the pre-war level. The demand is, however, mainly for low-priced articles, and very little expensive silver ware is being bought. Prices in these branches are being severely cut, and are 50 per cent. below the level of last season. Business in the coal market has shown signs of contraction for some time past, both at home and abroad. Although no slump in exports is anticipated, it is realised that shipments to Continent will be on a reduced scale in the future. The quietude of so many of the British works keeps down the consumption of steams and small coals, although the specifications of railways and gas companies continue satisfactory. Prices per ton at pits are:—Best hand picked branch, 31s; best Silkstone, 27s; South Yorkshire hards, 20s; Derbyshire ditto, 19s; Tynes, 24s; blast furnace coke, 24s.

Our Glasgow correspondent (writing on Thursday) says:—The large steel works in the district continue to run on short time, and inquiries for plates and sections are given this week as lighter than have been experienced for years. Opinion differs as to the amount of work in builders' hands at present, and the balance seems to favour the conclusion that the amount is respectable. A large tonnage is being dealt with in billets, bridges, girders, and black sheets. Good quantities of these materials are on request for Japan, India, and Australia. Steel rails are fetching from £8 to £8 10s for export; steel sections from £8 17s 6d and £9; boiler plates from £12 10s upwards. Ferro-manganese easier at 10s per ton of a reduction, making the quotation £17 per ton for 76-80 per cent. delivered at local works. The improvement in Scotch pig-iron referred to last week is fully maintained, and from the nature of the demand it is thought that higher prices are likely to immediately obtain. Scotch hematites are called £5 5s per ton; No. 1 foundry, £5 5s, a gain on the week of 1s 3d; No. 3 foundry, £5 13s 3d or a rise; crown bars, £12; and galvanised corrugated sheets, 24 b.g. (f.o.b. Glasgow), £18 17s 6d. Without going into detail, it may be mentioned that, generally, the tone in iron and steel relations here is the turn firmer, not a little in sympathy with the hardness that has been shown over the week in the Midlands, Sheffield, and Cleveland.

Our Cardiff correspondent writes:—The outstanding feature of the Cardiff coal market this week has been the arrangement of contracts involving considerable quantities for delivery over next year. On the whole, the colliery owners have done better than they expected to do a few weeks ago. Very powerful "bear" influences have been exercised in an effort to depress values, and the new situation created in Europe by the collapse of the passive resistance movement has been exploited to the utmost by foreign buyers. The contracts, however, which have been concluded represent an advance of from 1s to 1s 6d per ton above those at which contracts were placed this time last year. Big orders have been placed for best Admiralties at 27s 6d; for second Admiralties and some of the Monmouthshire coals at from 26s to 27s; and for good bunker smalls at 17s. During the week some of the colliery companies declined to repeat business at the prices which they had previously received, and they are now quoting from 6d to 1s per ton higher. The volume of the trade represented by the deals already transacted is sufficient to decide for the time being, at any rate, the basis of 1924 contract values. The outlook for the future remains very uncertain, but if it contains possibilities of a contraction in foreign demand, it also contains possibilities of expansion. The trouble is that the market has nothing definite to guide it as to the course which political and economic events are likely to take on the Continent. The outstanding fact, however, is that, notwithstanding the present disorders on the Continent and the decrease in the demand from France, Belgium, and Germany, the volume of the coal export trade of the Bristol Channel ports is well maintained, while the outputs are still approximating the best weekly figures for the current year. For spot positions prices have been slightly easier, principally in consequence of the disorganising effects of a succession of storms on the movements of shipping, and, therefore, on colliery stems. The current approximate quotations are as follows:—Best Admiralties, 27s to 28s; second Admiralties, 26s to 27s; best drys, 27s to 28s 6d; black veins, 26s 6d to 27s; Western Valleys, 23s to 25s; Eastern Valleys, 23s to 25s; best bunker smalls, 17s to 18s; ordinary cargo smalls, 15s to 16s; anthracite big vein large, 40s to 47s 6d; machine-made cobbles, 52s 6d to 55s; French nuts, 60s to 62s 6d; stove nuts, 54s to 56s 6d; rubbly culm, 14s 9d to 15s 3d; coke for export, 42s 6d to 50s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 28s to 31s; pitwood, ex ship, 29s to 29s 6d. In the iron and steel trade the position is not quite as strong generally as it was a week ago. There has been an easing off in the foreign demand for tinplates and galvanised sheets, but this slight reaction is balanced by an active home demand, and prices are unchanged.

Our Bradford correspondent, writing on Thursday, says:—The good general demand for wool at the London auctions this week has again emphasised the strength of the raw material position. Combing merinos are steady on about the basis of the last auctions, and are much too dear for Bradford topmakers, having regard to the prices obtainable here for tops. It is impossible to make more than 5s per lb for average 64's, though based on the current cost of wool the price should be 2d to 3d more. A big business has been put through in crossbred tops of all qualities, and in sympathy with the advance in crossbred wool—anything from 5 to 7½ per cent. on last sales' rates—topmakers have advanced their quotations from ½d to 1d as compared with a week ago. A certain amount of speculative buying is being indulged in, but there are indications that actual consumption is increasing. The home trade and several overseas markets are interested in most qualities of crossbred tops, and this constitutes the feature of the market at present. Rather more encouraging reports are to hand from spinners, some fair weights having been sold during the last few days. This refers more particularly to crossbred yarns. In botanies there is certainly more doing, but at prices greatly below replacement values. This is the worst feature of the trade, keen competition resulting in price-cutting, so that bare costs are not covered. Some improvement is noted in the demand for the hosiery trade. The piece goods trade is showing signs of expanding, wholesale fabric buyers being more interested in the cheaper lines made from crossbreds. With the exception of a small and specialised overseas demand, however, there is little doing in the more expensive botany cloths. Cheapness appears to be the ruling factor, both on home and export account. English wools are moving steadily at very firm prices.

COLONIAL WOOL.
(FROM A CORRESPONDENT.)

The sixth series of London sales commenced last Tuesday, and the results were very satisfactory. The home trade led the way in buying, having apparently generated further energy in that direction. The catalogues for the series consist very largely of crossbreds, the quantity of this description available being about 150,000 bales, and at the first sale merinos were too sparsely represented to be able to give really reliable quotations for them. Succeeding sales have confirmed the full opening rates paid, and, as was generally anticipated, merinos are very firm at the level current at the close of the previous auctions, crossbreds being mostly 5 to 7½ per cent. higher. These advances harmonise with what has taken place at Liverpool and Hull during the interval, and so far the buying honours have gone to the home trade. I am not at all surprised at this, for the opinion is being openly expressed that there is no good in merinos at current values, and particularly in view of present conditions. It is not often that Messrs H. Dawson and Co. speak gloomily of the home trade, but in their latest review

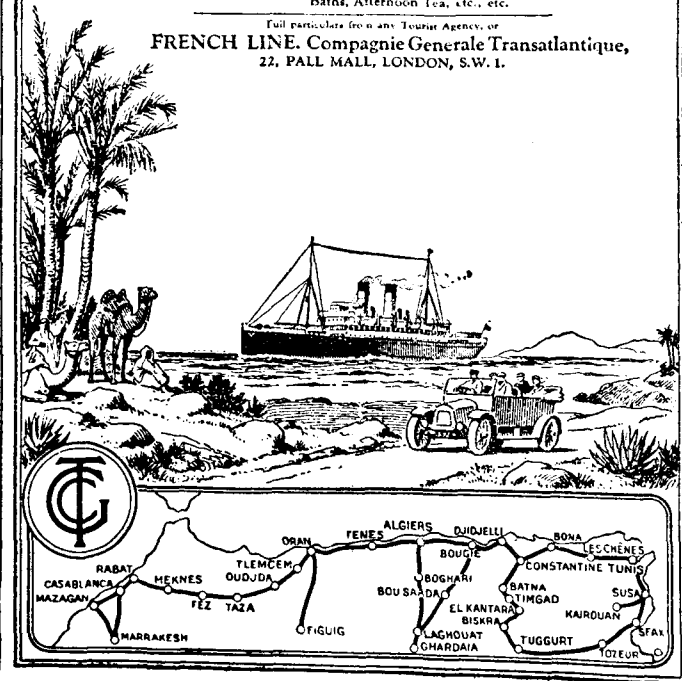
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of the situation at home and abroad they say that the home trade is at present struggling for its existence, and continue as follows: "It seems to be helpless against foreign competition, with its cheaper costs of production, larger output, and lesser taxation, and exchanges which are adverse to us. Our home markets, as well as foreign markets, are being lost, whilst, as against unemployment here, one hears of double shifts in some Continental centres." This statement is not an exaggerated one, though it will probably be found at the end of the year that the home trade has absorbed quite as much as during the previous twelve months, the chief difference being that interest has been transferred from merinos to crossbreds. This is an outstanding feature, the significance of which cannot be ignored.

In view of the quantity of wool purchased for the home trade during the past twelve months, which has been practically all crossbreds, there must be great faith in this class of raw material, and it does not seem that the confidence will be misplaced. I should have liked to see buying interest more evenly distributed, but manufacturers are compelled to cater for such requirements as are dictated by fashion, and as far as can be seen at this juncture there is every probability of a better profit being made out of crossbreds than merinos. If Continental users, particularly those in France, can find a profitable outlet for merinos, it is up to them to buy this class of wool, and if they are able to do so it will be all to the advantage of the growing end of the trade. The depreciated Continental currencies are certainly favourable to foreign manufacturers from the point of view of selling goods in this country, but when all is said and done this is only one side of the case, and it should impress upon firms in the home trade the necessity for turning out the very best goods possible, and putting them on the market at a minimum of cost. Probably the wholesale and retail trade can help more substantially in this direction at the present time than any other section, but that is another story. Commission combers and dyers could sensibly reduce their charges and still make a profit, for the trade is being badly handled by the combines which exist in these two departments.

It is recognised in Bradford that the attempt made in Manchester by the Piece Dyers' Association to monopolise dyeing by asking manufacturers and merchants to confine all their dyeing to them, and offering a rebate of 10 per cent. as an inducement, was, to say the least, a bad move. The worst feature of these big combines is the distinct tendency towards monopolisation, and nothing would do the trade more good than for merchants and manufacturers to set up dyeing establishments of their own. There is no objection on the part of anybody against paying reasonable charges, but monopolistic schemes are among the best trade killers that can possibly be introduced.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—October 25, 1923

Description.	Com.	Med.	Good Med.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
						Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	1574	1604	1654	1704	1724	1245	1315	1375	1004	1134	1344
Brazilian.....	Mid	Fr.	G	F	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Peruvian.....	1649	1749	1824	..	..	1215	1330	..	1009	1259	..
Paraguay, Rio Grande, &c.	1649	1749	1824	..	..	1215	1330	..	1009	1259	..
Macao, &c.	1649	1749	1824	..	..	1215	1330	..	1009	1259	..
Mosoro, &c.	1649	1749	1824	..	..	1215	1330	..	1009	1259	..
Ceara.....	1649	1749	1824	..	..	1215	1330	..	1009	1259	..
Maranhão, &c.	1649	1749	1824	..	..	1215	1330	..	1009	1259	..
São Paulo.....	1649	1749	1824	..	..	1215	1330	..	1009	1259	..
Egyptian.....	Fr.	G	F	Gd.	Fr.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Upper.....	1635	1695	1715	1735	1760	1300	1400	1500	..	1700	2000
Sakellariadis.....	1725	1800	1820	1910	2010	1450	1675	1950	..	1725	2125
Brown.....	1635	1695	1715	1760	1850	1300	1400	1625	..	1725	2125
Peruvian.....	Mid	Fr.	G	F	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Rough.....	..	..	1750	1875	1900	..	1450	..	..	1550	..
Moderately Rough.....	..	..	1600	1700	1750	..	1300	1425	..	1325	1500
Smooth.....	1699	1774	1824	1874	1899	1315	1465	1590	1209	1484	1659
Tanguis.....	1674	1724	1774	1824	1899	1315	1465	1615	..	..	..
Mitah.....	..	..	1625	1700	1715	..	1100	1450	..	..	..
West Indian, &c.	..	..	1600	1700	1775	..	1100	1450	..	..	..
Do Sea Island.....	..	..	1900	2100	2400	..	2300	2800	..	3000	3600
African, East, &c.	1225	1325	1475	1575	1675	1025	1200	1400	1150	1350	1550
Do West.....	Mid	Fr.	G	F	Gd.	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
East Indian.....	1674	1684	1694	1774	1824	..	1215	1290	..	..	..
Machine Ginned Surtee.....	G	F	Gd.	F	G	Fr.	Gd.	Fr.	Gd.	Fr.	Gd.
Machine Ginned Broach.....	..	..	1560	1600	1640	..	1250	..	..	1230	..
Machine Ginned Bhowanggar.....	1279	1310	1350	1390	1430	1080	1120	1160	1080	1105	1180
Machine Ginned Oomra. No. 1.....	1625	1075	1125	1175	1225	935	985	1065	890	944	1044
Machine Ginned Oomra. No. 2.....	1635	1085	1135	1185	1235	945	995	1075	900	950	1050
Machine Ginned Khandelish.....	..	..	1110	1160	1210	..	970	1050	..	..	..
Machine Ginned Comptah.....	1035	1085	1135	1185	1235	895	945	1025	825	875	975
Machine Ginned Bengali.....	1210	1280	..	..	..	1093	..	..	920	..	..
Machine Ginned Seinde.....	950	1000	1040	1080	1120	750	790	870	765	815	915
Tinnivelly.....	950	990	1030	1070	1110	740	780	860	753	803	903
Madras, Western.....	1425	1465	1505	..	..	1250	1290	..	1230	1255	..
Madras, Northern.....	1175	1215	1255	1295	..	1025	1065	..	920	945	..
M. G. Coconada, Red.....	1280	..	..	..	..	1050	..	..	920	..	..
China, Smyrna, &c.	Fr.	1255	..	..	..	..	..	..	..	..	..

MANCHESTER, October 25.

Trade in the market during the past week has tended to expand. Prices have hardened, and buyers have been more prepared to operate on a freer scale. A large part of the demand, however, has been impracticable. For India there has been increased activity in grey shirtings and bleaching and printing cloths, and numerous cables have been received from Calcutta and Bombay making offers. Inquiry for China has also been on broader lines, but most of the bids have not been workable. For several minor outlets East and West goods have moved off more freely, particular mention being made of the business passing for Java, Egypt, the Near East, South

America, and in fancies for the United States. Manufacturers with wide looms are getting busier. An increased turnover has also taken place in American and Egyptian yarns for home consumption, but it has been difficult for spinners to obtain full prices.

(I) Comparative Statement of the Cotton Trade.

	Price, Oct. 25, 1923.	Previous Weeks in 1923.				
		Oct. 18.	Oct. 11.	Oct. 4.	Sept. 27.	Sept. 20.
Raw Cotton—Fully Mid. American.....per lb	17.72	17.45	16.56	16.99	16.95	18.58
— Sakellariadis Fully Good Fair Egyptian.....per lb	18.60	18.40	18.35	18.90	18.35	19.00
Yarns—32's twist.....per lb	23 1/2	23 1/2	22 1/2	23	23	24
— 40's twist.....per lb	23 1/2	23 1/2	22 1/2	23	23	24
— 60's twist (Egyptian).....per lb	31	31	31	31 1/2	31	31 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	33 1/2	33 1/2	32 1/2	33 1/2	33 1/2	34 1/2
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	37 1/2	36 1/2	36 1/2	36 1/2	36 1/2	37 1/2
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	19 1/2	19 1/2	19 1/2	19 1/2	19 1/2	19 1/2
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	18 1/2	17 1/2	17 1/2	17 1/2	17 1/2	17 1/2

(II.) Compared with Previous Years.

	Price, Oct. 25, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....per lb	17.72	17.34	12.55	18.21	25.90	22.95
— Sakellariadis Fully Good Fair Egyptian.....per lb	18.60	17.75	23.00	43.00	35.50	29.40
Yarns—32's twist.....per lb	23 1/2	20 1/2	21 1/2	41	47 1/2	54 1/2
— 40's twist.....per lb	23 1/2	20 1/2	21 1/2	39	45 1/2	55 1/2
— 60's twist (Egyptian).....per lb	31	28 1/2	40	58	68	69
32 in. Printers, 116 yds, 16 by 16, 32's and 50's.....	33 1/2	30 1/2	35 1/2	66 1/2	67 1/2	72 1/2
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	37 1/2	31 1/2	35 1/2	68 1/2	64 1/2	69 1/2
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	19 1/2	18 1/2	21 1/2	37 1/2	38 1/2	39 1/2
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.....	18 1/2	16 1/2	20 1/2	29 1/2	33 1/2	35 1/2

VEGETABLE OILS AND OILSEEDS

The sharp break in prices of Plate linseed, due to the greatly increased official estimate of the yield of the growing crops in Argentina, brought buyers into the market in numbers, and early in the week a large business was done for January-February shipment to Hull down to as low as £16, business being effected between this figure and £16 5s, while about 100 more was paid for seed ready for shipment December-January. Prices have since steadied somewhat, but without attracting further business.

Under the influence of lower seed values, raw linseed oil has eased off to £41 per ton naked, ex Hull mill, for spot, but trade is

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quiet. Cotton oils are in small demand, and sellers are more inclined to meet buyers. New crude Egyptian is now quoting £37 per ton, ex mill.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market is again firming up, both in London and the provinces. At the auctions held in Bermondsey on Thursday last, best ox hides sold from 6 1/2d to 8 1/2d per lb, three classes showing 1 1/2d to 2 1/2d per lb advance. Seconds sold from 6 1/2d to 7 1/2d, three selections also showing advances of 1 1/2d to 2 1/2d. Best cows sold from 6 1/2d to 7d, and seconds from 6d to 6 1/2d. Best calf were also dearer, selling from 7 1/2d to 12 1/2d, and showing advances of 1 1/2d to 2 1/2d on two classes. Wools were slightly firmer, selling from 5s 3d to 10s 6d each, whilst hogs made from 2s 9d to 13s 3d each. Trading in imported hides is improving, and prices show little change. Business in the River Plate is, however, rather slow, and \$40 3/4 is still quoted for Argentine ox. Cables from Buenos Ayres report the killings for September to be 233,000, as against 237,000 for the previous month. The American hide market is reported as steady, with best heavy packers selling on a basis of 15c.

Whilst the improvement is maintained in Bermondsey leather circles, the demand for sole leather has shown a falling off since the Shoe and Leather Fair week. This was, however, to be expected, but it is certain trade is on the up grade at last, as there has been a regular demand for bends from the manufacturing, repairing, and exporting ends of late. Prices are very firm, and already tanners are in some cases advancing some selections by 1 1/2d per lb. A feature of the home trade is an inquiry for a better class of leather than has been popular of late. Official remains in very moderate supply at very firm prices.

There is also a better inquiry for dressed leather in box, willow, glacé, and patent. Imports from Germany seem to be falling off, and this gives British producers a better chance to compete at fair prices.

The boot and shoe sections show a decided improvement, and export orders are frequent. A meeting to discuss the all-British boot was held at Leathersellers' Hall on Tuesday last, when it was decided to form a small committee to report on the matter.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, October 26.

SUGAR.—No fresh development crept into this market, and which can only be described as steady but quiet. The small daily movement, however, is continuous, and mainly directed towards British refined, owing to supplies of foreign being found wanting. Prices remain at a fairly steady level, as any lack of demand is counterbalanced by smallness of available supplies. British-grown granulated of the new crop is now obtainable in small quantities, but next month will witness an increase, while certain parcels now ready for delivery can be secured from London dealers. 56s 3d is quoted ex works, Cantley and Kelham. Messrs Tate and Lyle's is down on the week; cubes quoted 59s 6d to 60s 6d; crushed, 57s; nibs, 60s 6d; granulated, fine and coarse grain, also stoved, 57s 1 1/2d; No. 1, 56s 10 1/2d; No. 2, also London, 46s 7 1/2d; ditto, second half November delivery, 56s 3d; yellow crystals, spot, 51s 1 1/2d; caster, 57s 9d to 58s 7 1/2d; and finest ditto, 59s 4 1/2d. White Java, spot, sold, 52s 9d to 53s; May-June, steamer, quoted 23 1/2d, c.f. and i., London. Belgian granulated, November-December, 25s; and crystals, 24s 9d, f.o.b., Antwerp. Czech granulated, star, fine or equal, November-December, sold, 25s 4 1/2d, f.o.b., Hamburg. Offers of Dutch sugars for shipment are on a small scale. Raw refining descriptions are scarcely mentioned. White terminal market quiet, and prices weaker. October sold, 26s 9d; December, 24s 7 1/2d to 24s 3d and 24s 6d; March, 21s 3d to 24s to 24s 3d; May, 24s 3d to 24s 6d; August, 24s. Cuban stock, 165,800 tons, against 254,100 last year.

COFFEE.—With sustained inquiries, the spot market gradually hardens, Colombian in particular being a firm feature, and a period of between seasons leaves but limited supplies to handle. New crop Costa Rica is expected to reach the London market about a month hence, and East Indian late next February, while crop accounts of the latter are couched in anything but a favourable strain. Futures firm, quiet. December quoted 59s; March, 58s 6d cwt.

COCOA.—Only quiet trading ensued in spot parcels this week at prices showing no material change. Some good to fine Trinidad sold, 48s to 51s; Grenada, 42s to 43s. Forward market for Accra continues to steadily decline under selling pressure, and down to 26s 6d, f.o.b., was accepted for November-January and December-February, with 29s to 29s 6d being paid on the coast for the fulfilment of October contracts.

TEA.—44,350 packages Indian were offered this week, and experienced active and well-distributed competition at full to slightly dearer rates, common kinds in particular being wanted. Some fine broken orange pekoe sold, 3s 2 1/2d to 3s 4d per lb, in bond. Ceylon auctions of 11,920 packages were briskly competed for at full to rates to 3d and occasionally 1 1/2d per lb advance. Fine broken orange sold, 2s 4d to 2s 5d per lb, in bond. 2,750 packages Java and Sumatra were catalogued in a cation, and met a strong market, at most 1 1/2d to 2 1/2d per lb advance. Pekoe sold, 1s 4 1/2d to 1s 6 1/2d; broken ditto, 1s 1 1/2d to 1s 3 1/2d; pekoe souchong, 1s 4 1/2d; orange pekoe, 1s 7 1/2d; broken orange, 1s 4 1/2d to 1s 8 1/2d per lb, in bond.

RICE.—Burma grain firm, while influenced by the rate of exchange, but buyers remain reticent. Two stars, spot, 16s; October-November, 14s 1 1/2d. No. 3 cleaned Rangoon, October-November, Levant, 14s 3d, c.f. and i. terms. Spanish in steady demand, business proceeding in second-hand parcels at 18s 6d, c.f. and i., London. Carolina sorts

paringly offered and firm. Rangoon haricot and Madagascar butter-beans quiet, unaltered. Japanese peas meet a quiet market. Spot quoted 23s 6d; September-October, 21s 6d; October-November, 20s 6d; November-December, 20s 3d; January-February, 20s 3d, c.f. and i. terms, per cwt. 7-8,000 tons Rangoon bran, October-December, changed hands recently at £5 10s per ton, ex ship, London and Liverpool, but mainly to the latter port.

SPICE.—Pepper steadily held, but trade proved quiet. Fair black Singapore, spot, 4 1/2d; October-December, L.S., ditto, 4 1/2d; Lampung, November-January, buyers, 4d; white Muntok, October-December, quoted 6 1/2d; Janu ry-March, 6 1/2d. Zanzibar cloves dull. October-December, steamer, quoted 1s 3 1/2d lb. Tapioca quietly steady. Fair flake, spot, 3 1/2d for Singapore, and fine Java 4d per lb. Singapore, October-December, to Havre, quoted 29s 9d. Sago flour, October-December, Liverpool, held for 14s. Desiccated coconut steady. Fine cut, spot, 43s 9d; medium, 43s; halves, September-October, 41s 3d; October-November, 40s 6d; November-December, 40s 3d cwt. Ginger quietly firm.

JUTE.—Slightly easier, with moderate transactions. First grade, November-December, Continent, sold, £21 12s 6d; ditto, December-January, sold, £22; January-February, £22 5s ton. Her'sians and twills quiet of sale, at late rates.

HEMP.—Manila dull and rates weak. J grade, November-January, quoted £31 5s; K, £26; L, £25 10s; and M, £23 10s. African sisal, No. 1 Tanganyiki, October-December, £35 10s ton. Italian dull and nominally unaltered on spot.

SHELLAC. steady. T.N., spot, quoted 310s; December, sold, 305s, to 310s; March, 300s to 305s.

COPRA irregular. F.M.S. Straits, October-November, London, sold, £26 17s 6d to £27 5s; ditto, August-October, Rotterdam, £27 10s; October-November, £27 2s 6d; October-December, £26 10s to £26 12s 6d; F.M. Straits, October-November, Rotterdam, at £26 2s 6d; Ceylon, October-November, quoted £29 10s; Java, October-November, Antwerp, sold, £27 7s 6d; Dutch E.L., October-December, £26 11s 3d; South Sea quoted £26 5s; Cebu, £26 7s 6d; F.M. Straits, September-October, Marseilles, sold, £26 12s 6d. Palm kernels, December-February, Liverpool, sold, £18 1s 3d to £18.

RUBBER.—A fair amount of business was effected at firm but slightly irregular prices. Standard plantation crepe and sheet spot, also October, sold, 1s 2d to 1s 1 1/2d; November, 1s 2 1/2d to 1s 1 1/2d; December, 1s 2 1/2d to 1s 2 1/2d, 1s 2d, and 1s 1 1/2d; January-March, 1s 2 1/2d to 1s 2 1/2d and 1s 2 1/2d; April-June, 1s 2 1/2d to 1s 3d and 1s 2 1/2d. To New York, standard estate sheet, October-November, sold, 1s 1 1/2d to 1s 1 1/2d; November-December and December-January, 1s 2 1/2d to 1s 1 1/2d. Fine hard Para, spot, 1s 0 1/2d; soft fine, 1s 0 1/2d; and cauchó ball, 1s 0 1/2d per lb.

FRUIT (Dried).—With a steady demand for currants a fair business was effected this week. Pyrgos, quarter cases, quoted 42s; ditto, Amal, 46s; Patras, 50s; new Vostizza, 65s to 85s. Sultanias were accorded but slow support. New Smyrna quoted 56s to 73s; fine, 80s to 85s. There is a good steady demand for Valencia raisins, and a shortage of fine qualities is noted. Australian, four crowns, quoted, 49s. Valencia, half-boxes, 58s to 62s. Dates: Hallowee, first tide, quoted

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVII

SATURDAY, NOVEMBER 3, 1923.

No. 4,184.

£16 to £16 6s 3d and £16 5s to £16 10s; April-May, quoted £16 10s Rapeseed quieter. Toria, October-November, £16 15s; real bold Ferozepore, ditto, £16 15s; Jamba, £13. Cottonseed steady. Egyptian black, October, £11 10s. Sakellaris, £10 17s 6d, to Hull. Bombay, November-December, £9 7s 6d; December-January, £9 2s 6d. Ginnelly seed steady. East African, October-November, £22 15s. Chinese, October-November, £23 2s 6d paid. Groundnuts quiet. Coromandel, machine-dried, December-January, £21 15s; Chinese decorticated, f.a.q., December-January, £21 10s; East African, afloat, £23 5s. Soyabean steady. Manchurian, October-November, £11 10s. Castor seed firm. Bombay, October-November, £21 10s, Hull, £21 2s 6d, continent, per ton.

OILS.—Linseed irregular, but easier on balance. Spot, net, naked, 41s 3d; October, 40s; November-December, 39s 6d; January-April, 36s 3d; May-August, 34s. Rape steady. Crude, spot, 39s 3d; refined, 42s 3d. Cotton quie. Crude Egyptian, spot, 38s; Bombay, 37s; common edible, 45s; deodorised (in barrels), 49s. China-wood firm. Hankow, spot (barrels), 93s 6d; November-December, 93s. Coconut quieter. Ceylon, spot, 46s; October-November, 44s; Cochín, ditto, quoted 50s. Soya easier. Oriental, barrels, October-November, 37s 6d. Cod firmer. English, spot, 36s 9d. Groundnuts firm. English, crushed, naked, spot, 47s 6d; deodorised, barrels, 55s 6d. Turpentine irregular. American, spot, 73s 6d; November-December, 74s; January-April, 75s 9d. Rosin quiet. American, grade B, 13s; F, 13s 3d; G, 13s 3d; H to I, 13s 3d; WG, 15s 9d; WW, 16s per cwt. French nominal. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon. Ca-tor-oil firm. First pressure, spot, quoted 52s; second pressure, 51s, and pharmaceutical, 57s per cwt.

METALS.—Tin opened with an easier tone due to selling pressure, while in moderate demand. Standard cash sold at £202 10s to £201 17s 6d, and three months at £200 10s to £200 15s to £200. Eastern cables reported sales on the basis of £201, c.i.f. Subsequently the market ruled firmer on buyers becoming more in evidence, combined with stimulating advice from America, and a good demand prevailed, being chiefly confined to distant positions. By the middle of the week cash sold at £204 5s, a d three months at £201 to £202 10s to £201 17s 6d to £202. At Thursday's session active trading resulted, and prices again advanced. Standard cash done at £207 to £208, and three months £203 10s to £204 10s to £204 5s, while finally at £204 12s 6d. Eastern cables reported 300 tons sold at £203 15s. c.i.f. At the final meeting values after opening firmer eased. Standard cash sold at £209 to £207 10s to £207 15s to £207 12s 6d, and three months at £205 5s to £204 5s to £204 10s to £204 7s 6d. English ingots, £203 5s to £208 15s. Copper commenced the week with an easier tone, due to lower American cables, but offers were well absorbed, and a partial recovery resulted. Standard, cash, sold, at £60 8s 9d, and three months £61 5s to £61 2s 6d. The down-

ward movement was continued, though at the lower range buyers were well to the fore. On Wednesday standard, cash, sold, at £59 18s 9d, and three months at £60 15s to £60 11s 3d. Very active trading ensued on the following day, and values ruled in favour of buyers, while somewhat irregular with regard to forward positions. Standard, cash, sold, at £207 to £208, and three months at £203 10s to £204 10s, to £204 5s, to £204 12s 6d. Later a reaction set in, prices moving in an upward direction. Standard cash sold at £59 17s 6d, and three months, £60 to £60 5s to £60 2s 6d, while finally at £60 8s 9d. Electro, £63 to £64; best selected, £62 15s to £64 5s; strong sheets, £62; wire bars, £64 per ton. Lead firmer, at £30 5s to £29 2s 6d, as to position. Spelter dearer, at £33 12s 6d to £33 13s 9d, according to position. Antimony, English regular, quoted at £38 10s to £39. Aluminium, home trade, £115; export, £120.

TALLOW.—Messrs Colchesters and Woolner write on October 24th as follows:—The tallow market was quiet during the week, and prices are unchanged to-day. Information that the Argentine meat works had stopped operations was followed by a little better demand for spot goods, but this came too late for auctions to be arranged this week. Quotations are:—Australian mutton: Fine, 43s 6d; good to fair, 42s 6d to 41s; dull to dark, 37s 6d to 36s 6d; hard, 42s. Australian beef: Fine, 42s 6d; good to fair, 41s to 39s; dull to dark, 36s 6d to 36s; sweet, 42s 6d. Present shipment from Australasia: good mixed, nominal. Present shipment from South America, 40s 3d to 38s 3d. The market letter is unchanged. Town tallow, 36s 6d per cwt. Rough fat, per 8 lbs, 2d; melted stuff, 27s 6d per cwt. Quotations are:—Town, 35s 6d, net cash, naked, ex works. Country: Frail casks, 35s 6d; home melted, shipping casks, net, f.o.b., good coloured, 39s; fair to dull, 36s 6d to 35s 6d. Bone fat: White, none; pale, none; benzine, 33s; melted stuff, 33s 6d, f.o.b.

METROPOLITAN CATTLE.—OCTOBER 25.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Herefords	s	d	s
Short-horns	6	8	7
Devons	6	10	7
Norfolks	nominal		
Scottish	nominal		
Irish	6	4	6
Fat Cows	nominal		
Beasts—Heavy Bulls	s	d	s
Canadian	6	4	6
Sheep—Downs	6	2	6
Ewes	6	2	6
Crossbred	10	4	10
Scottish	nominal		
Lamb—Downs	12	0	12

LONDON POTATO MARKETS.—OCTOBER 25.

Per Cwt.			
English (new) Arras	s	d	s
Chief	6	6	
Eclipse	5	6	
King Edwards	7	0	7
British Queens			
Majestic	6	6	

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			
00000A—Duty, British grown			
2s 4d foreign 28s cwt. s	d	s	d
Trinidad, per cwt.	44	5	5
Grenada, ditto	37	0	45
Ceylon, plantation	45	10	0
Guyana, ditto	53	7	0
Bahia, finest	42	8	45
00000B—British grown			
2s 4d foreign 28s cwt.	s	d	s
Do India fine good 8d. md.	85	10	8
Do good to fine	110		
Costa Rica, ord. to mid.	83	10	0
Good to fine	108	12	0
Central American, gd.			
Ord. to mid.	70	8	0
Mid. to fine	90	8	0
Columbian, ordinary	62	6	0
Do gd. ord. to low md	68	8	0
Do mid. to fine	85	8	0
ORIENTALS			
Acid, net	1	3	4
Ritic	0	2	4
Oxalic, net	0	6	4
Tartaric, English	1	12	0
Foreign			
Alum, lump	13/0	13/0	
Do ground	13/0	13/0	
Ammonia, carb. ton	27	15	20
Muriate, white, ton	27	15	20
Sulphate	27	15	20
Arsonic, lump, per ton	80	8	0
Powder, per cwt.	60	6	0
Ashes, pot., per cwt.	70	8	0
Pearl do	70	8	0
Bleaching pwr. p. ton	24	10	0
Borax, gran.	24	10	0
Do crystals	25	0	0
Do powder	26	8	0
Oreum Tartar	84	8	0
50% powder	84	8	0
Calomel	1	13	4
Iodine, dry	1	1	1
Nitrate of Soda, p. ton	13/0	13/0	
Potash			
Chlorate, net	9	4	4
Prussiate	1	2	3
Do Foreign	1	1	2
Sulphate	18	10	0
Sal-Ammoniac, per lb.	1	18	0
Sal-Ammoniac, p. cwt.	57	8	0
Soda Bicarb., per ton	26/0	26/0	
Crystals, per ton	5/0	5/0	
Alkali	7/10	7/10	
Gauze	15/17	15/17	
Sugar of lead white, ton	0/0	0/0	
Foreign white	2/0	4	0
Sulphate Quinine	2	2	3
Foreign	2	3	2
Sulphate Copper, p. ton	26/0	26/0	
Zinc, cut	nom		
Sulphur Flour	10/0	11/0	
Do Roll	9/10	10/10	
Vermilion, Chinese, lb.	1	4	4
E. L.	1	4	4
Oil Popper's, H. G. 83	0	23	6
00000A—per ton, c.i.f.			
Malacca, Oct./Dec.	nom		
Y.S. Singapore	25	6	0
Y.S. Straits	25	6	0
00000B—per lb.	2/0	2/0	

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Messrs Davies and Co., 95, Bishopsgate.
Leathwait and Simmonds, 34 Throgmorton street.
Barker and Howard, 6 Fenchurch buildings, Sugar Loaf court,
Leadenhall street.
Pottle and Son, 15 Cullum street.
Willing and Co., Limited, 50 Copthall avenue, and 53 Finsbury
pavement.
Paris: Galignani Library, 224 Rue de Rivoli; Messrs Brentano's,
37 Avenue de l'Opera.

THE MONEY MARKET.

THERE was the usual increase in the demand for money
at the end of the month, but the market was once more
saved from the clutches of the Bank of England by relief
measures, which appear to have chiefly taken the form of
purchases of early December Treasuries. On Thursday
there was the usual reaction, assisted by the disbursement
of Government dividends. Discount rates had a slightly

easier tendency, in spite of a seasonal increase in the volume of commercial bills.

	Nov. 2, 1923.	Oct. 26, 1923.	Oct. 19, 1923.	Oct. 12, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses' Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed an expansion—due to the demand for cash at the end of the month—of £1,681,000 in the note circulation, with a corresponding decrease in the Reserve. Government and Other securities showed increases of £1,170,000 and £148,000, and Public deposits declined by £2,513,000, leaving the Other deposits £2,196,000 higher. Currency notes outstanding increased by £1,080,500 this week to £281,254,900, which includes £1,438,600 for notes called in but not yet cancelled. The fiduciary issue is £230,366,400, or £39,817,400 below the maximum.

THE STOCK MARKETS.

The Stock Exchange holiday on Thursday did not check the expansion of business, and many sections of the House are, comparatively speaking, active. Not only is money continuing to flow into investment stocks, but a buoyant tone has developed among oil shares, and more interest is being shown in other speculative sections. Five per cent. War Loan is higher, part of the interest deducted last week having been recovered, and dealings have been started in the New Union of South Africa stock at a good premium. Yesterday there was some dulness in the gilt-edged market on fears of an early General Election. The foreign market has maintained a firm front, but Home Rails have been quiet. Rubber shares show inclination to improve, owing to the continuation of the output proportion for the coming three months at 60 per cent. Many industrials have improved, but Kaffirs are quiet.

THE COMMODITY MARKETS.

Although signs of a business revival are not revealed in the movements of commodity prices, there is a distinct tendency toward more stable markets. The position on the Cardiff coal market is inclined to be quiet, but for next year's contracts the movement is towards slightly higher figures. The pig-iron market is quietly firm, makers at Middlesbrough being comfortably situated with regard to orders. The boilermakers' dispute continues to impede progress among steelmakers. Tin on balance is better in price, while copper maintains its value. At one time conditions in the Manchester cotton trade looked brighter, but towards the end of the week buyers displayed a disposition to adopt a waiting policy pending the publication of the expected report on the American cotton crop. A slight improvement is recorded in the spinning section of the wool industry. Jute was in moderate demand, and prices were steady. Rubber was fairly firm, but sales were not heavy. The wheat position was better, and prices advanced about 3d. A depression became noticeable in the sugar market, and though tea values were maintained, a somewhat quieter tone prevailed. The hide market is steady, and the outlook for the boot trade is better. Linseed maintains its value.

FOREIGN EXCHANGES.

Business in the foreign exchange market during the week has been restricted, partly owing to uncertainty as to the fate of the proposals for a new reparations inquiry, and partly owing to holidays on the Continent in connection with All Saints' Day. The rapid recovery on the 26th in connection with the first news of the French acceptance of Mr Baldwin's proposals for an investigation in conjunction with the United States has been followed by a new relapse as it became increasingly clear that M. Poincaré was doing everything to restrict the range

and reduce the usefulness of this new inquiry. The dollar, which on the 26th stood at \$4.51, fell away again quietly until yesterday, when, under the influence of a further speech by M. Poincaré, it dropped suddenly to \$4.46½. Forward rates are slightly narrower at ¾ cents per month over spot, as compared with ⅞ cents a week ago. The Paris rate, which fell to 75.80 on the 26th, and to 75.60 on the following day, has fluctuated with the varying views as to the coming conference, and in spite of efforts to maintain the rate, stood yesterday morning at 77.05. In the same way, Brussels has risen again from 88.30 to 90.05. Forward rates in both centres have widened one centime to 5 centimes per month above spot. The lira has shown somewhat more power of resistance, having depreciated only during the same period from 99 to 100. The mark, after showing a slight recovery to 275 millions on Saturday, has continued its disastrous course, and was quoted yesterday morning at 1,750 millions, as compared with 350 millions a week ago. The emergency issue of dollar gold bond notes, which have been put out to anticipate the "rentenmark," is reported also to have depreciated rapidly. At present no satisfactory information can be obtained as to the new "gold" issues proposed in Hamburg, Bremen, and other centres, nor as to the new currency which Bavaria proposes to issue based on the large water-power stations at present under construction in the Bavarian Alps, and what will emerge out of the present welter of confusion is completely obscure. In the meantime the provisional "gulden" currency (25 gulden to £1 sterling) appears to have been successfully introduced in Dantzig. Among the more stable European currencies, Holland has moved against us in sympathy with the dollar from 11.55½ to 11.53½, Switzerland from 25.24 to 25.15, Stockholm from 17.08½ to 17.02½, Vienna from 320,500 to 317,000, and Helsingfors from 167½ to 166½. Christiania has continued to depreciate from 29.27½ to 29.87½, and Copenhagen from 25.88 to 26.05½. Madrid, however, has recovered from 33.67½ to 33.59½. In Eastern Europe Czecho-Slovakia has moved from 152 to 153; Warsaw, however, after a further collapse, has recovered again to seven millions, and the plans for next year's budget under M. Hilton Young's advice show a serious attempt to tackle a problem which should in no way prove unsurmountable. Bucharest also, in spite of a further issue of currency to meet the crying need for circulating medium, has again improved down to about 940. In the East the rupee has moved from 1s 4 49-64d to 1s 4½d, but prospects remain good. The yen has appreciated slightly from 2s 1½d to 2s 1 3-32d. The silver market has been maintained by the unexpected continuance of heavy buying on Indian account, which has absorbed offerings from China and America, and there is some speculation how long this support can keep up. Hong Kong is unchanged at 2s 3½d, Shanghai ½d lower at 3s 1½d. In South America, Rio is again slightly cheaper, and Buenos Ayres has depreciated from 38½d to 38½d, while Monte Video is down by about the same amount. Valparaiso also has depreciated further, from 38.30 to 38.70 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended October 27th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	4,625	From Revenue	11,484
Interest, &c., on Debt	348		
Sinking Fund	584		
Sundries	751		
Reduction of debt	4,879		
Added to Exchequer balances ..	297		
	11,484		11,484

Revenue amounted to £11,484,000, against £11,332,200. Customs yielded £2,892,000, against £2,743,000. Excise produced £1,534,000, against £1,719,000. Property and Income-tax receipts at £2,326,000, and Super-tax receipts of £400,000, are practically the same as the combined total a year ago. Expenditure has been reduced from £10,872,200 to £6,307,900, mainly owing to reduction in Supply Services from £6,370,400 to £4,625,000. Interest, &c., and Sinking Fund absorbed £3,565,600 a year ago, whereas interest, &c., absorbed only £348,400 in the latest returns and Sinking Fund £584,000. The week's

operations reduced the National Debt by £4,878,900, and caused the following changes:—

	Min. £		Min. £
Treasury Bills	+ 1,309	Public Departments Advances ..	5,350
		National Savings Certificates ..	200
		Unemployment Assurance ..	550
		National War Bonds repaid ..	888
	+ 1,309		6,188

The floating debt was reduced by £4,025,000 to £809,846,500.

FINANCIAL YEAR, 1923-24 (April 1 to October 27, 1923).

£	£
Total Expenditure .. 429,140,965	Raised by Revenue .. 420,515,634
	Net Borrowings 4,904,749
	Decrease in Balances 3,720,582
Total	429,140,965

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Bengal-Nagpur Railway; Anglo-Dutch Plantations of Java; and Rubber Securities. At the meeting of the Anglo-Dutch Plantations of Java the Honble. C. H. Strutt gave an interesting survey of the rubber and tea position, while the chairman of Rubber Securities claimed the restriction scheme as a success.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

MR BONAR LAW.

LAMENTATIONS at the graveside of a departed statesman are sometimes dictated almost as much by formality and decorum as by deep-seated regret. But there is, we believe, no reservation and no trace of insincerity in the chorus of regret aroused by the passing of Mr Bonar Law. In venturing to add our own brief and respectful tribute, we begin by asking ourselves what are the underlying reasons which prompt the genuine spontaneity of the feelings which find expression not only in the Press and on the platform, but in the private talk of people in all walks of life and of all political creeds. It is not greatness of constructive achievement, for death curtailed, at what for statesmen is an early age, the opportunity of major contributions to the country's page of history. Had fate spared him for longer tenure of the highest office, none would have forecast for him a career that would have ranked him with Pitt, Gladstone, or Disraeli. It is not that he possessed the brilliance or magnetism which compels the public regard. Those gifts were not his. Doubtless the pathos of his later years accounts for something of the public sympathy of to-day. But, in our opinion, the fundamental reason why the country so sincerely mourns his loss is that in Mr Bonar Law the country recognised one of the most honest, straightforward, and devoted public servants that have trodden the political stage in recent decades. The war temporarily depressed our political standards. Mr Bonar Law gave the impression—and we believe the impression was fully justified—of striving to uphold them. If we are right in this diagnosis, then the lamentations which follow Mr. Bonar Law to his grave are equally a testimony to the nation and to him; for they reveal recognition and respect for honesty and straight dealing in political life.

Mr Bonar Law—the only Prime Minister born outside the United Kingdom—spent his early years in Canada, and received his schooling and business experience in Glasgow. Elected to the House of Commons in 1900,

he quickly made his mark in debate, and in two years achieved subordinate office under Mr Balfour. He first attracted serious public notice by his attachment to Mr Joseph Chamberlain's tariff campaign, and the energetic part that he took in that "raging, tearing propaganda." But real prominence came later, and dramatically. When Mr Balfour retired from the leadership of the Unionist Party in 1911, the succession was supposed to lie between Mr Walter Long and Mr Austen Chamberlain; but, the supporters of these two candidates being approximately equal, both retired in favour of Mr Bonar Law—a compromise appointment which took the country by surprise. From that date to the outbreak of the war his political record may be summarised as vehement obstruction to Liberal legislation, dictated no doubt by conscience and conviction, but carried out with an excess of acerbity, which led him, not only in his encouragement of Ulster rebellion, but also in his tactics as party leader in the House of Commons, beyond the bounds of constitutional practice. It is, indeed, a grave subject for surmise where this dangerous path might have led him had not the Great War intervened.

When the war crisis came like a bolt from the blue, Mr Bonar Law, with quick realisation of the overwhelming national need, at once assured Mr Asquith of his own and his party's support, an assurance loyally kept. Eight months later, when the shell controversy had been exploited by the Press, he agreed to bring his chief colleagues to the support of the Government, and became Colonial Secretary in the first Coalition Administration. Then in December, 1916, he sided with those who believed a change in the methods of the war's conduct was needed, and, refusing the reversion of the Premiership himself, became Chancellor of the Exchequer, Leader of the House of Commons, and member of the War Cabinet. From that day until the end of the war he was Mr Lloyd George's most doughty henchman. The war over, he made what probably he realised later was the grave mistake of joining with Mr Lloyd George in the "new heaven and new earth" manifesto, which returned the latter's second Government with so overwhelming a majority in 1918. The strain of unremitting work had by this time told on his health, and he no longer coupled a great departmental office with leadership of the Commons, taking instead the post of Lord Privy Seal. Nevertheless, his burden grew rather than diminished with the pressure of great national problems, which, in Mr Lloyd George's frequent absence in Paris, he had mainly to sustain. But he courageously stuck to his post until March, 1921, when doctor's urgent orders compelled a rest. It was feared at the time that his retirement was final, but in November, 1922, the unsatisfactory drift of national and international affairs drove him back into the arena. He took the leading part in breaking the Coalition, and, although fully aware of the warnings of his state of health, accepted the obvious consequences of his action, namely, the assumption of the Premiership. The keynote of his election appeal—"tranquillity"—marked his recognition of the disastrous nature of the brilliant wholesale promises of 1918, and so well accorded with the public mind as to give him a comfortable working majority. But after a brief tenure of office the march of relentless illness compelled him to hand over the reins to Mr Baldwin.

It is too soon as yet to assess the place that history will give him among our modern statesmen. He must share, as no one else but Mr Lloyd George can, both the credit and the discredit of all that was done by the Coalition Governments from 1916 to 1921. But his share in both is in no way comparable to that of Mr Lloyd George, by whom he was completely overshadowed. In one sphere he must rank very high, namely, as a Parliament man, for few have achieved a firmer hold over the House of Commons. But probably his greatest public service was one of his last, namely, that when national unity—during the war both a fact and a necessity—had in 1918 become a dangerous and fraudulent pretence, he restored party government and saved from wreckage the vital principle of Cabinet responsibility. Another outstanding point in his career, which will live long in the public mind, is that he, before the war, the bitterest of anti-Home Rulers, had the courage and vision to pass through the House of Commons, as the first task of his Administration, the Bill

ratifying the Irish Treaty, in the debates on which his own speeches were the outstanding feature.

To attribute to him the stature or calibre of the greatest among English statesmen would savour of a flattery that Mr Bonar Law himself would have spurned. But his honesty, courage, kindness, devotion to duty, and untiring industry go to make up a figure that the country will remember with real affection and gratitude. British public life would be both cleaner and more efficient if men like Mr Bonar Law crossed its stage more often.

CONFERENCE ONCE MORE.

THE first report of French acceptance of the proposed Reparations Conference with American participation caused a momentary optimism which was quickly dispelled by the publication of the restrictive conditions with which M. Poincaré hedged round his acceptance. It must be a conference of experts, not principals; it must be appointed by and held under the auspices of the Reparation Commission; only the "present" capacity of Germany to pay is to be examined; and it must be clearly understood that no reopening of the question of Germany's total liability could be tolerated by France. The total of 132 milliard gold marks fixed in 1921 must remain outside the purview of discussion. At first sight the last two conditions would appear to rob the proposed conference of all chance of real usefulness. But if these conditions are accepted as reasonable at Washington, it becomes impossible for Great Britain to withdraw, even though it be considered that participation, in view of M. Poincaré's attitude, means little more than assistance at an academic and abortive discussion. But, fortunately, there are some important factors in the position which make it possible that, in spite of M. Poincaré and all his obstructive efforts, the opportunities of the conference may not be quite so limited as might appear. On broad and general grounds, the re-entry of the United States in any way, however limited and circumscribed, is a new and welcome fact in the situation, the value of which may turn out to be immense, especially in moral and political effect. But even on the practical side there are reasons for thinking that the conference may make a useful contribution. The Reparation Commission itself has firmly asserted its claim to the functions attributed to it by the Treaty of Versailles, and has unanimously passed a resolution stating in set terms that it and it alone has the right to decide what subjects shall or shall not be discussed by a body set up under its auspices. This resolution may have an important bearing on the terms of reference finally adopted. In any case, the conference is an advance on the Bankers' Committee of last year, which was not allowed to discuss Germany's payments at all.

It thus becomes probable that the conference will take place with both French and American participation, and with, at any rate, some hope of leading those concerned one step nearer to a settlement. Nevertheless, the holding of this conference contains certain elements of danger. It will inevitably tend to focus attention upon reparations, whereas the recent rapid march of events has reduced the reparations problem in the strict sense of the term to a position of secondary and more distant importance. It would be disastrous if the mere fact that the conference is pending should be used as an excuse for a policy of drift with reference to current events in Germany, or for postponing action as regards the grave and urgent international issues which General Smuts discussed with such frankness and eloquence. The question whether the British Government is right in its contention that France is guilty of a breach of treaty undertakings is one of those urgent and fundamental issues, which, once raised, must be submitted to judgment. There has been too much delay already. In our opinion, the British Government should at once make it clear to the Quai D'Orsay that, conference or no conference, it is determined to submit this vital question to the International Court of Justice, to whom it should also be prepared to submit all its own

actions in connection with the Treaty. If the holding of the conference on the possibility of Germany some day paying reparations is to close our lips and tie our hands as regards the really fundamental European problems of to-day, then we say frankly that the arguments against British participation in that conference are irresistible.

Equally obvious is it that the conference must not be used as an excuse for a policy of drift as regards the course of German internal affairs. The growing financial and economic chaos in Germany may be viewed with indifference by M. Poincaré, but it cannot be so viewed by the British Government, whose constant pre-occupation should be to encourage and assist the Berlin Government to stem the tide of demoralisation. Nor can Great Britain afford for one moment to relax a practical interest in German political developments, and we therefore welcome the Note which Lord Curzon has this week addressed both to Paris and Brussels on the subject of the Separatist movement in the Rhineland. The text of the Note has not yet been published, but, according to the Paris correspondent of the *Times*, it "calls attention to the grave and anomalous position which would arise if the menace of the Separatist movement is fulfilled," and clearly enunciates the view that "the creation of an independent State within the German territories would be, in fact, a reversal of the Treaty of Versailles, and would necessitate its revision." If this summary of the British Note is accurate, the British Government have taken the first step along a road of policy which we declared last week to be imperative. It is a step, moreover, that is doubly backed by both moral strength and physical fact. But since in dealing with both the German Separatists and their alleged godfather, M. Poincaré, physical arguments carry more weight than moral, it is the fact of the British position in Cologne that is likely to be most potent in breaking up the Separatist movement. Incidentally, M. Poincaré is at pains to disclaim complicity with the Separatists, while Belgium declares an attitude of "neutrality" towards the movement. The maintenance of a firm attitude by Lord Curzon should now be sufficient to prove the deciding factor in checking Rhineland separation.

As regards political disintegration outside the Rhineland, the past week has provided no new development of first-class importance. Saxony has exchanged a Socialist-Communist Cabinet for a purely Socialist one, and the change and the events connected with it appear to give some measure of satisfaction to Herr Stresemann. Bavaria is indulging in a great deal of bluster, and there is in that quarter wild talk—which should be generously discounted—of "marching on Berlin." But, on the whole, we see no reason for assessing the danger of a real break-up of Germany at a higher level than at the beginning of these movements. It cannot, however, be foreseen what effect the growth of economic chaos may have on political developments. By all means let us have a conference, talk about reparations, and make the most of America's resumption of a limited interest in one phase of the European problem. But our entry into that conference must not induce a Gallic spirit as regards fundamental international issues and the changing scene in Germany. They are the great practical problems of to-day, compared with which the importance of the reparations question is academic and distant.

INTER-IMPERIAL REMITTANCES.

A STRONG Committee has been appointed, as the result of a discussion last week in the Imperial Economic Conference, to consider the question of the difficulty that has been experienced in recent years in transmitting funds from one part of the Empire to another, and the high charges on such remittances that are still complained of as a restraint on inter-Imperial trade. The Conference discussion was based on the scheme, of which much has already been said in our columns, put forward by Mr J. F. Darling for a system of Empire Currency Bills. Our readers will remember Mr Darling, whose energy and enthusiasm in urging a remedy for an admitted evil deserve the thanks of all concerned, aims at providing a uniform basis for currency, a secondary basis for credit, and a

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balancing factor for exchanges within the Empire. Before the war these purposes were served by gold and commercial bills of exchange. Gold has, at least for the time being, ceased to perform its function as a uniform basis for currency, and as a balancing factor for exchanges; and commercial bills are, in his view, "entirely inadequate for the greatly increased superstructure of credit caused by the war." This increase in credit has been backed, as everybody knows, by Governmental indebtedness, and Mr Darling's scheme proposes to exchange a portion of this indebtedness into Empire Currency bills, issued by the Dominions and by the British Treasury, with a joint and several guarantee, to be used by the banks of the issuing powers as the sole basis for note issue, apart from gold. By this method he claims that rates of exchange between those parts of the Empire which join the scheme will be kept at par, and the extreme difficulty, sometimes amounting to actual impossibility, that has in the quite abnormal years that followed the war, been experienced in sending money between Australia and England will be avoided in future. His proposal, already considerably modified since he first put it forward, has been backed by influential support. In our issue of October 20th a letter was published from Sir James Cooper, deputy-chairman of the B.A.W.R.A., urging that "the Empire Currency bills scheme would certainly seem to provide the proper remedy both for normal times and times of difficulty." In the discussion at the Imperial Conference the representatives of Australia and New Zealand argued at length in favour of its careful consideration. Sir James Allen, opening the debate in the absence of Mr Massey, said that New Zealand had put this question on the agenda firstly because of the serious detriment to trade caused by the difficulty and dearth of remittance, and, secondly, because Mr Darling had put forward definite proposals for Empire Currency bills, and he went on to charge the banks with being the cause of the difficulty, which "arose owing to the fact that the question of drafts appeared to be entirely in the hands of the banks, whether they were drafts for sale or drafts to be purchased, and that the banks appeared to exercise a monopoly in the exercise of which, in their judgment, they were charging rates which were not justifiable." The examples that he gave certainly seemed to indicate that the machinery of remittance is extremely costly. Mr Bruce, who spoke next, heartily endorsed Sir James Allen's suggestion that the matter should be referred to Committee. Mr Darling's scheme, in his view, would have to be reviewed in great detail, because, even if it were a perfectly sound solution of the problem, it might involve a complete reversal of the whole banking system of Australia. But he went on to point out that the present position was quite intolerable, and that there was an absolute necessity for doing something. On the other hand, Mr Mackenzie King thought that the matter did not affect Canada, whose exchange arrangements were made chiefly through New York, and Mr Burton said that South Africa was not prepared even to consider and examine Mr Darling's scheme further than it had done already, and urged that the problem could only be solved by getting back to gold, or by the establishment

of central reserve banks. Incidentally, commenting on Mr Bruce's complaints against the Australian banks, he expressed South Africa's wonder why "the Australian State bank was allowed to associate itself with other commercial banks in exploiting the community in this way, because it did so." He thought that the crucial objection to the Darling scheme was the fact that it provided machinery for creating currency without at the same time creating any machinery for controlling credit; and since it is impossible to devise a scheme for controlling credit throughout any four self-governing countries, he felt sure that the Empire currency scheme must fail.

This point concerning control of credit was very effectively made by Colonel Guinness, speaking for the British Treasury. He showed strong reasons for not limiting the Committee to the Darling scheme, but for considering the real evils and finding an effective cure. The Treasury did not think that the scheme would work, "because control of currency could not operate satisfactorily unless at the same time they had control of credit"; Mr Darling's caution in avoiding the question of credit control "really rendered the scheme nugatory." Moreover, high bank charges and expensive exchange operations would not be cured by the issue of currency bills, because these bills would be held by the banks, "and the trader would no more go outside the ring and deal in these bills himself than he went in for exchange credit" at present. These shattering official criticisms of Mr Darling's scheme, combined with the unwillingness of Canada and South Africa to entertain it, and with the fact that even its author did not propose to apply it to India, have in effect narrowed the problem to an improvement in the exchange relations between England and Australasia. It was, however, urged by Colonel Guinness that the Committee should represent all parts of the Empire, because the experience of some parts might be useful to others. He also intimated that the scheme put forward by the Treasury was very similar to one advocated by Sir James Cooper, as a second barrel to be fired if Mr Darling's shot missed the mark. This was a proposal that the central bank system should be applied to Australia and New Zealand, by arranging that the Commonwealth Bank of Australia should fulfil its "proper and original function," and provide exchange facilities for customers in any part of Australia who chose to open accounts with it, and that the Bank of New Zealand should likewise be obliged to provide freedom in exchange operations throughout its own Dominion.

The Committee, which includes Sir Charles Addis, Sir Henry Strakosch, Mr Niemeyer, Controller of Finance in the Treasury, and other men of light and leading, has thus an extremely interesting field to explore; but we ventured to observe, in our Banking Number of October 20th, that the Imperial Conference might very well decide, firstly, that no scheme except a very grandiose one, involving considerable interference with normal financial operations, could cope with one-sided trade such as occurred in and after 1920, and secondly, that, with normal trade, inter-Imperial remittances can well be handled by the existing machinery with minor additions and improvements, in-

cluding a free market in exchange in the Dominions. One of the most interesting questions that the Committee will explore will surely be the defence that will be put forward by the Australian banks for the rates that they have charged. It seems hardly possible that they have really been so shortsighted as to expose themselves to the charges of extortion made by their customers without any answer to give to them. It may be that they can show that peremptory Governmental demand for remittances has done much to produce the state of things for which the Governments are now blaming them.

FISCAL FALLACIES.

WHENEVER the Protectionist movement makes one of its periodical revivals, its advocates invariably would have us believe that whatever may have been sound policy in the past, economic conditions at the moment are so entirely new and unprecedented that economic truths that have stood the test of time must be discarded and the new theories and policies adopted. As a matter of fact, the economic conditions of Great Britain to-day are in many ways startlingly similar to those prevailing after the Napoleonic Wars. We have, moreover, searched both the Press and the speeches of politicians to find some really new grounds which would justify us in returning to a policy of trade restriction. Our search has been disappointing, and, so far, we have only found the old misunderstanding and the partial arguments which have been current, not merely since Great Britain finally adopted Free-trade, but in the seventeenth and eighteenth centuries also. Indeed, the arguments which are now coming to light can be found recorded and commented upon at regular intervals in the files of the *Economist* from the date of its inception 80 years ago. As illustrating the lack of either logic or understanding which is so characteristic of fiscal controversy, we may quote one or two examples which have attracted our attention in the last fortnight. Mr Hewins tells us in the pages of the *Evening Standard* that duties on wheat and meat, with preference for the colonies, would not raise prices, because the Dominions would compete with one another. Has anyone except Mr Hewins ever heard of a market in which, if demand remains unchanged, but supplies restricted, prices do not rise? But the answer is really given by Mr Bruce, who bases his case for preference upon the argument that the British farmer and the Dominions producer "in many instances is unable to obtain prices that cover his costs." If the scheme does not correct this inconvenience it is of no use to Australia. Another statement of Mr Hewins is that from within the Empire "all our food needs are more than adequately met." Anyone who may have lightly accepted that statement is referred to the figures of our wheat supplies before, during, and since the war, which we gave in our issue of October 6th.

Again, Mr Massey, on October 29th, in a speech to the British Cold Storage and Ice Association, declared that, "if the people of Britain were fed upon meat produced within the British Empire, there would be much less unemployment. The trouble was that the people in Great Britain did not discriminate between what was produced by the foreigner and what was produced by their own fellow-citizens in the overseas Dominions. Every shilling spent with the people overseas would result in the provision of more employment for the working people of Britain." We can only assume from this statement that Mr Massey really thinks that when we buy from foreign countries it does not create trade, whereas when we buy from the Dominions it does so. Mr Massey does not say in so many words that foreign countries send us their goods for nothing, but he evidently seems to think it.

But perhaps the misunderstanding of the elementary doctrine of international trade is best illustrated in last Sunday's *Observer*, in which a leader writer, whose copy must clearly have evaded the scrutiny of his distinguished Editor, contains the following gem:—"It is untrue to say

that every import must mean an export. Under the modern conditions of triangular trade it is possible to sell in this country, to knock out British employment, and to use our money to cover purchases from foreign countries." This writer's idea of triangular trade—which incidentally dates from 2000 to 3000 years B.C.—is a triangle with only two sides. He implies that Germany can sell goods to Great Britain with fatal results to British industry, and recoup herself by imports from India. He seems to forget that the operation can only be completed by Britain selling goods to India.

Finally, the *Times*, which we suspect is still trying to make up its mind on this issue, summarises Mr Baldwin's arguments as follows:—"He bases his arguments on the cardinal and indisputable fact that the whole economic situation of the world has undergone an immense revolution since the war.....the interruption of emigration leaves us with more mouths to feed than ever; all our customers in Europe are impoverished, and we have more goods to sell and fewer customers able to buy them; depreciated currencies under our present fiscal system are enabling foreigners to compete with us in our home markets. We are suffering at the same time from a burden of taxation and rates unbearably heavier than our competitors have to bear." Mr Baldwin's own conclusion, which the *Times* hesitates to accept, is that in these difficult circumstances a policy of trade restriction which the country has repeatedly rejected on the sound ground that it would tend to impoverishment, should now be given a trial. The true commentary on the situation is that of Mr Austen Chamberlain, in a speech made only last year, in which, after welcoming the fact that wherever there is an import duty a preferential rebate is given to the Dominions, he added the following significant words:—"But I say to you, also, that it would seem to me perfect madness to think that in a world so altered from that in which we were acting in before the war—in a world where what you want is not to defend yourself against competition, but to find anyone who is in a position to purchase your goods, and to place orders with you—and with a country that has smarted, and very naturally smarted, under the evil effects of those Government controls and interferences in industry unavoidable in war, but proved a great source of difficulty to us both in their existence, and in the necessity to get rid of them since the war concluded—in such a world and in such a country to go out with the old programme of Tariff Reform at this time seems to me perfect madness." On Monday Mr Austen Chamberlain must have hoped that no one remembered the speech that we have just quoted; for in a speech at Birmingham he said: "In face of the existing situation I agree with the Prime Minister that our first duty and the essential duty is to protect our home market." What new factor has appeared to make what was madness last year wisdom to-day? Unemployment is the burden of Mr Austen Chamberlain's latest speech. But unemployment is to-day considerably less than when he condemned the very proposals that he supports to-day.

Every day's newspaper contains speeches by public men, from Mr Baldwin downwards, replete with fallacies which call for the attention of the Free-trader. Of this week's crop we can only find space to refer to two more, both from the Swansea speech of the Prime Minister. The Free-trader, said Mr Baldwin, "forgets that the development of transport has completely upset half the premises on which the arguments for Free-trade were founded, and that a system which was introduced when steam was in its infancy, and before electricity had been thought of, is surely due for revision in the year 1923." We are grateful to Mr Baldwin for his prominent mention of the great transport revolution, for it is one of the profound changes of the past century which, more than almost any other, has tended towards Free-trade. In the days when transport was difficult and crude, even villages, townships, and small areas could maintain local active duties against the rest of the world, including their immediate neighbours. The development of rapid and efficient transport has necessitated the breaking down of multitudinous narrow-area barriers. Mr Baldwin was surely unfortunate in mentioning this aspect of the question. The other slip in his speech to which we refer was his description of British "isolation." One would gather

from Mr Baldwin that British trade is "isolated" in a world of tariffs. If isolation is the correct term to apply to a system under which food and materials pour in from all over the world, not only for use here, but also for re-export, and under which, having been able to buy in the cheapest market, our manufacturers export to every quarter of the globe, then words no longer have any meaning.

OUR INDEX NUMBER.

CHANGES in commodity prices during October were mostly small, the net result upon our Index Number of wholesale prices being an increase of 23 points. This follows a rise of 109 points in September, and brings the total up to 4,320, which compares with 4,264 at the end of last year and 4,260 at this time last year. As will be seen from the appended table, the whole movement in October was accounted for by the minerals group, the small changes in the other four groups neutralising one another:—

Date.	Cereals and Meat.	Other Food Pro-duce (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Basis (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	579	352	516½	484½	553	2565	116.6
Dec., 1915	897	446	731	711½	848½	3634	165.1
Dec., 1917	1286½	686	1684½	839½	1348½	5845	265.2
Nov., 1918	1289	782½	1848	903	1389½	6212	282.6
Mar., 1920	1508	914	2974½	1246	1709½	8352	379.6
Dec., 1921	1344	805	1284	1216	1275	5924	269.3
Dec., 1921	921½	636	1106	762	931½	4357	198.0
June, 1922	1000½	676½	1135	690	887	4389	199.5
Sept. "	873½	682½	1116	699	818	4189	190.4
Dec. "	861	706	1184½	705	807½	4264	193.8
Jan., 1923	860	711½	1205½	739	808	4324	196.5
Feb. "	847½	746	1201	797½	810	4402	200.1
Mar. "	824	752	1178½	840	797½	4392	199.6
Apr. "	858	752	1199	834	797	4440	201.8
May "	869½	772½	1166½	818½	785	4412	200.5
June "	815½	773½	1177½	773½	761	4301	195.5
July "	819½	756	1115½	744½	746½	4182	190.1
August "	828½	762½	1119	734	744	4188	190.4
Sept. "	823	782	1214½	732½	745	4297	195.3
Oct. "	823	777	1220½	756	743½	4320	196.4

* Corrected figure.

All commodities but one in the first group of foodstuffs altered during the month, but these changes exactly offset one another. Cereals, with the exception of home-grown wheat, were slightly lower, but beef, mutton, and potatoes rose a little. In the second group butter and sugar were lower, but against this there was a further increase in tea. At the recent meeting of Harrisons and Crossfields, Mr Heath Clark, in briefly reviewing the position of the tea industry, said that the stocks of tea, which had accumulated not only in this country but also in America and other places, largely on account of the disturbances caused by the war, have now practically disappeared, and the current consumption will have to be met from current production. "The production during the present year will be considerably greater than it was last year, and it will probably amount to from 750 million lbs to 800 million lbs, against 681 million lbs produced last year. The attractive prices that have been ruling during the year have no doubt contributed to this increase. It seems likely, therefore, that during the present year there will be a moderate excess of production, and that the stocks under bond in the United Kingdom at the middle of next year will be greater than they were at the corresponding period of this year. It remains to be seen what effect will be produced upon the market by such surplus during the coming months, but I regard the present and future prospects as being very satisfactory from the producers' point of view."

In the textiles group cotton and cotton goods are a little higher, but Australian wool shows a small decline, and there was a considerable fall in silk after the previous month's very large increase. In the minerals section, the principal movement is a rise of 18 points in lead. Imports last month were rather smaller than in the two pre-

ceding months. The price of Cleveland pig-iron was raised last week, makers having sold their present limited output. According to our Middlesbrough correspondent, the demand for prompt pig-iron has recently been good, particularly from Scotland. Copper has declined again to under £60 per ton, and is now lower than the base figure, that is the average for the years 1901-5. The announcement of the Government plans for unemployment relief works have apparently had no pronounced effect upon prices. In the miscellaneous section changes were negligible, as may be seen from the next table, which shows the changes in each commodity's index as compared with the previous month, the figure 50 representing in each case the average price during the basic period, 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		
Wheat—For..	79	+	4	Cotton, A	160½	+	6	Copper	49½	- 2½
English	70	+	3	Cotton, E	128	+	1½			
Flour	73	-	1	Yarn	142½	+	2½	Minerals	756	+ 23½
Barley	82	-	3	Cloth	140½	+	6			
Oats	69½	-	1½	Wool, Eng.	138	-	1	Baltic timber	103½	- 1
Potatoes	78	+	3	Do Aust.	128	-	2½	Amer. timber	89	- 1
Rice	108½	-	1½	Silk	155½	-	9	Leather	59	- 1
Beef	81½	+	2½	Flax	110	-	1½	Petroleum	92	- 1
Mutton	94½	+	2½	Hemp	45	+	1	Oils	73½	+
Pork	87	-	1	Jute	72½	+	2½	Oilseed	77½	+
								Tallow	63½	+
Cereals& meat	823	..		Textiles	1,220½	+	6	Indigo	87	- 1
								Crystals	85½	- 1½
Tea	152	+	4	Pig-iron	107½	+	4	Rubber	13	- 1½
Coffee	90	-	1	Steel rails	79	..				
Sugar, cane ..	212½	-	3	Iron bars	92	..		Miscellaneous	743½	- 1½
Sugar, beet ..	113	-	1	Coal, steam	132	..				
Butter	93	-	6	House coal	88	+	1	Total	4,320	+ 23
Tobacco	116½	..		Lead	127	+	18			
				Tin	81	+	3			
Other foods ..	777	-	5							

The net effect of these changes is to raise the increase in prices over the pre-war level from 67.6 per cent. to 68.4 per cent. The fluctuation in each group in comparison with the level prevailing at the outbreak of war may be seen from the final table, in which the figure for the end of July, 1914, is taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec. "	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
June "	141	220	191	167	137	167.7
July "	141	215	181	160	135	163.1
August "	143	216	182	158	134	163.3
Sept. "	142	222	*197	158	134	*167.6
Oct. "	142	220	198	163	134	168.4

* Corrected figure.

Apart from the increase in minerals, the changes are negligible as compared with the end of September. Both other food and minerals have moved a little closer to the general average.

SOME RECENT BUDGETS.

It may seem futile nowadays to insist that States, like private individuals, cannot continue indefinitely to live beyond their means. The need for balancing budgets was clearly realised, if not by the Governments concerned, at least by the Brussels Financial Conference of 1920, and a pious resolution of that body in this sense has caused the economic and finance section of the League of Nations to collect and publish a considerable amount of most interesting information on the public finance of the various countries.* From this some idea may be gained of what progress is being made in a return to financial sanity.

Important as it is to have these facts in a handy and easily obtainable form, it should not be forgotten that the figures themselves require to be used with considerable

* See especially "Memorandum on Public Finance, 1922," and "Brussels Financial Conference, 1920: The Recommendations and Their Application, Vol. IV." Geneva: League of Nations.

caution. Quite apart from the unwarrantable optimism which frequently characterises the activities of the politicians of some countries in matters financial, a very considerable difficulty arises from the fact that there is as great a variety in Budget returns as there is in national characteristics. Moreover, the mantle of war finance still hangs heavily over the exchequers of the world, while official personages in certain States have not as yet lost faith in sources of revenue termed "extraordinary."

In spite of all these difficulties, however, a summary of budgetary data, reduced as far as possible on to a common basis, gives a sufficiently true picture to enable us to draw conclusions as to the comparative state of different countries. In the following table will be found the figures of net revenue (exclusive of loans) and expenditure for certain countries which have been arranged for this purpose in order of financial merit:—

(In Millions.)

Country.	Year.	Currency.	Total Revenue.	Total Expenditure.	Percentage of Revenue to Expenditure.	Corresponding Percentage in Previous Year.
(Assuming no Reparation Payments.)						
United States	1923-4	\$	3,361.8	2,835.7	115	101
Great Britain	1923-4	£	818.5	776.6	105	115
Denmark	1923-4	Kroner	407.2	405.1	100	77
South Africa	1923-4	£	27.7	28.5	97	98
Finland	1923	F. Marks	2,466.2	2,633.6	94	86
Sweden	1923-4	Kronor	581.7	775.6	87	89
Italy	1923-4	Lira	14,565.6	18,181.6	80	80
Netherlands	1923	Florins	591.4	815.4	72	56
Greece	1923-4	Drachmai	3,622.6	6,560	55	33
Luxembourg	1923	Francs	74.1	139.8	53	57
Belgium	1923	Francs	4,302.1	8,337	52	47
France	1922	Francs	22,381	50,020	45	50
(Assuming Reparations Payments.)						
France	1922	Francs	22,381	26,936	83	..
"	1923	Francs	23,038	23,402	98	..
Belgium	1923	Francs	5,942	8,337	71	..
Italy	1923-4	Lira	15,565.6	18,181	86	..

In the case both of the United States and of Great Britain, the sums devoted to the obligatory amortisation of debt have been deducted from the total expenditure. The British sinking fund in the current estimates takes £40 millions, while \$345.1 millions is the budget estimate of the reduction in the principal of the Public Debt in the United States. The above table thus shows the real surplus of current revenue over current expenditure. The American estimates for this financial year show a fairly well-marked improvement, while Great Britain maintains her policy of a balanced budget (in the estimates at any rate) without attempting to repeat debt reduction on the scale actually achieved last year. The Danish estimates show a by no means inconsiderable advance—though it may be worth adding that they are only estimates—while South Africa remains in much the same position as last year. The improvement in the Finnish budget is a further token of the increasing stability of that country, while in considering the Swedish figures it should be remembered that the Government is devoting a considerable amount of attention to expenditure for capital purposes.

A detailed consideration of Budget statistics reveals, to the insular mind, at least, the immense superiority of budgeting for cash receipts during the year over the plan of budgeting for the amounts payable in respect of a given year and of presenting "closed accounts" some time after; more especially if the accounts are never actually closed. This latter factor makes it difficult to make any definite comparison between estimates and actual results in the case of France, for example, where no closed accounts are available for any year after 1914. If French expenditure on reparations account be excluded from the reckoning, it will be observed that that country has already very nearly approached an equilibrium between current revenue and current expenditure. For the present financial year the estimates for the ordinary Budget proposed by the Government in April last anticipated a deficit of 3,895 million francs, but after much debate they were finally passed in the form in which they are given in the above table. In the absence of payments made by Germany, the expenditure of over 13,313 million francs estimated in the Budget of recoverable expenditure is to be met as to 9,800 millions from loan receipts, the balance coming for the most part from sales of surplus war stocks in connection with the service for the liberated regions.

Apart from the cost of national defence, which will be dealt with in a later article, one of the most important single items in the budgetary position of most countries

is the cost of the debt service. In the following table the twelve countries are arranged according to the percentage which interest charges bear to total expenditure. The figures relate to interest charges during the current year (1923 or 1923-24) as compared with those of the preceding year. In the case of France, however, the comparison is between 1922 and 1921. Side by side with these will be found the percentual changes in other net expenditure and in net revenue (exclusive of reparations payments) on the same basis:—

Country.	Currency.	Total Interest Charges. Millions.	Percentage of Total Expenditure. %	Increase (+) or Decrease (−) in—		
				Interest Charges. %	Other Net Expenditure. %	Net Revenue. %
Great Britain	£	310	37.8	+ 2.5	— 4.5	— 10.4
United States	\$	950	33.5	— 13.6	— 17.1	— 0.2
France	Francs	14,929	30.6	+ 13.3	— 12.3	+ 16.0
Italy	Lira	5,507	30.2	+ 4.2	— 13.7	— 8.7
Greece	Drachmae	1,579	24.1	+ 33.8	+ 10.0	+ 12.8
South Africa	£	8	20.0	+ 11.1	+ 5.1	+ 6.1
Luxembourg	Francs	21	17.1	+ 14.1	+ 11.6	+ 66.6
Belgium	Francs	951	13.9	+ 2.9	— 2.7	+ 7.0
Denmark	Kronor	53	13.6	— 0.9	— 30.6	— 5.1
Sweden	Kronor	85	10.7	+ 11.1	— 19.9	— 17.4
Finland	F. Marks	201	10.4	+ 2.8	+ 6.8	+ 15.7
Netherlands	Florins	88	9.8	+ 22.8	— 23.7	— 8.1

The remarkable diminution in interest charges shown in the case of the United States is undoubtedly due in no small measure to the fact that the previous year's figures with which the comparison is made are estimates only, and do not allow for the fall in the rate of interest which actually took place during the year. In the case of Great Britain, on the other hand, the comparison is between the current estimates, which allow under the heading of "National Debt Services" for a margin, over and above the Sinking Fund of £40 millions, which is 2½ per cent. greater than the closed accounts of the gross charges for interest and management of the Public Debt last year. In almost all countries, this year's estimates allow for an increase in interest charges, which is due in many cases to an increase in the total indebtedness, though in countries with a depreciating currency the service of the external debt has naturally called for larger sums of the national currency.

It is gratifying to notice that other net expenditure has been diminished considerably, at any rate as far as the current estimates are concerned, though it will be interesting to see to what extent this tendency will be borne out in the closed accounts. Net revenue has increased most in Greece, where the budgetary position, nevertheless, remains chaotic, while in Great Britain and the ex-neutral countries the movement is in the other direction.

In some countries currency depreciation has proceeded so far as to make budget estimates absolutely worthless. For this reason it has not seemed worth while including such countries as Germany and Poland in the above tables. With regard to the countries in the list, the general impression seems to be that while the budgetary position of the strong currency countries is in the main rather better this year than last, the weak currency countries are on the whole in much the same position.

THE OLIVE OIL INDUSTRY.

OLIVE oil is one of the most valuable and important of vegetable oils, and its production is increasing in most of the olive countries of the world, with the possible exception of France, where it has to meet with increasing competition from the grape vine and perfume plants. The total world production is now approaching 1,000,000 tons. In 1920 the total was over 800,000 tons, as will be seen from the appended table, and that year was a good year. In 1921, which was an "off" year, the total was much less, being somewhat over 500,000 tons. The chief producing countries are as follows:—

	1920.	1921.	1922 (estimated).
	Tons.	Tons.	Tons.
Spain	325,000	250,000	304,000
Italy	210,000	110,000	264,000
Greece	50,000	20,000	76,000
Portugal	35,000	20,000	15,000
Tunis	70,000	50,000	24,000
Algeria	15,000	10,000	15,000
Morocco	12,000	6,000	(?) 3,000
France	10,000	20,000	10,000
Others	80,000	24,000	60,000

Chief among the other countries are California, Turkey, Syria, Cyprus, Crete, South Australia, and, more recently, South Africa. It will thus be seen that its cultivation is not entirely neglected in the British Empire, and in view of the growing demand for this valuable oil, when it is really of first-grade quality, there seems no reason why it should not be grown in other parts of the Empire where soil and climate are suitable. Much of the oil produced is consumed in the producing countries, and compared with the production the export trade is not perhaps very large. The United States, however, imports large quantities, for the Californian output is quite inadequate, and the quality of this oil is not of the very best, notwithstanding the best scientific methods employed in cultivation and oil manufacture. The imports of olive oil into the U.K. during the past three years, according to Board of Trade figures, were:—1920, 2,427 tons; 1921, 2,342 tons; 1922, 4,984 tons. During the first nine months of 1923 the imports amounted to 2,896 tons, as compared with 4,381 tons for a like period in 1922, and 1,840 tons in 1921.

As its original home is in the Mediterranean basin, it is evident that the olive prefers a sub-tropical climate not too far from the coast. It often does well on a comparatively poor soil, especially of a calcareous or limestone nature, and therefore not too moist. The ground between the rows of olive trees must be kept thoroughly clean and open, and the practice of growing annual crops in between is not to be recommended. It is easy enough to start a new plantation, for the olive grows readily from cuttings and also by layering. In some parts of Italy buds are cut out from the stems and planted, and good results are also obtained from seed. It is often taken for granted that the olive can only bear a good crop every other year, but with careful pruning it is only necessary to have an "off" year once in every five or six years. The old method of gathering the fruit by beating it off the trees with long poles was also often prejudicial to the next year's crop by damaging the young shoots. But this method is still often practised. Manuring is another important matter in olive cultivation. The best results are obtained by applying farmyard manure one year at the rate of about 100 lbs per tree, and artificial manure the next, this latter consisting of a mixture of 1½ lbs ammonium sulphate, 2 lbs superphosphate, and 1 lb potash per tree. The occasional application of lime is very beneficial, especially in the form of ground limestone. The olive has numerous enemies in the way of insect pests, especially the olive fly, which often does great damage, and is difficult to deal with effectively. For this reason alone it is important that the oil mills in the neighbourhood of the orchards should be kept thoroughly clean and disinfected.

The methods used in the manufacture of olive oil vary from the most primitive of Western Asia to the most up-to-date and scientific of Spain and France. In Spain the industry is well organised. There are over 300 oil mills, many of them large and well equipped with the latest machinery, and practically all of them are combined into a federation. One large mill will collect the fruit from all the country around, and strict regulations as to the quality of fruit supplied are imposed. It has generally been the practice, after the preliminary crushing or pulping of the olives, to press them two or three times in powerful hydraulic presses, the pressure being gradually increased and the mass beaten up with hot water before the final pressing. More recently, however, one pressing only is used, the pressure being fairly slight to begin with and gradually increased up to over 120 tons, and the use of hot water is not desirable, since it encourages the fat-splitting action of the olive enzyme, olease, thus increasing the fatty acid content of the resulting oil. Sometimes the kernels are removed from the olives and crushed separately to yield olive kernel oil, but there does not appear to be any particular advantage in this. After the pressing there is still an appreciable percentage of oil left in the residue or cake (French grignons), and this is nearly all removed by the ordinary extraction process with solvents. The solvent most commonly used is carbon disulphide, and the oil thus obtained is the well-known "sulphur olive oil." Attempts are being made, however, in France to use another solvent, ethylene trichloride, for which several advantages are claimed, among which is non-inflammability. Another recent development is the use of centrifuges for

separating the oil from the dark-coloured liquor or "water of vegetation" (French margines), instead of by settling and decantation.

The very best olive oil is obtained from carefully hand-picked fruit, which may sometimes be peeled before being slightly pressed. Since the fruit on the trees does not, of course, all ripen to the right stage at once, it is necessary to store some of it for a time in shallow layers in well-ventilated rooms, and the fruit is best dealt with in the mills just before it is perfectly ripe. These best edible oils are used for cooking, but the lower-grade oils—including the sulphur olive oils—are employed in soap-making and for other industrial purposes. Olive oil is probably more subjected to adulteration than any other oil, and methods for the detection of adulterants constitute an important branch of olive oil technology.

ARGENTINE RAILWAYS.

VISCOUNT ST. DAVIDS, presiding recently at the annual general meeting of one of the four great Argentine railways, summed up the position in the Argentine very succinctly. He said that "when he was in that country a year ago the tone was most optimistic; on visiting the Argentine a couple of months ago, however, the tone was quite the reverse; people were talking of bad times and of a crisis. He thought that change of tone was to be attributed to the fact that the cattle industry was doing badly, but for his part he did not treat that as a very serious state of affairs, because he had always thought that too much of the good land there, which ought to have been devoted to agriculture, was being given up to cattle, and when cattle were doing badly it was likely that agriculture would increase. As a matter of fact, they were seeing something of that to-day."

The four great Argentine railway companies presented very satisfactory reports to their proprietors for the year ended June 30, 1923. The previous year was described as colourless, but this, perhaps, was only when considered in contrast with the boom year 1919-20. The year 1920-21 is generally thought to have been the poorest on record; certainly, as far as the following table reveals the progress of the companies, it was the most disappointing for stockholders. The dividend record of recent years reads as follows:—

Company.	1913-14.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	%	%	%	%	%	%	%
B.A. and Pacific, ord. ...	nil	nil	2	5	nil	nil	7
Do 5% 2nd non-cum. pref.	5	5	5	5	nil	5	5
B.A. Great Southern	5	2	3	7	4	4	7
B.A. Western	5	2	4	7	4	4	7
Central Argentine, ord.	5	2	2	6	4	4	6
Do deferred	5	nil	nil	6	nil	nil	6

As will be observed, the ordinary stock of the Buenos Ayres and Pacific Railway received a total distribution of 7 per cent., as against nil for each of the two preceding years. The Buenos Ayres Great Southern and Buenos Ayres Western both increase their distribution from 4 to 7 per cent., while the Central Argentine Railway contents itself with an increase of from 4 to 6. In the next table the results for 1922-23 are set out:—

	Pacific.	Southern.	Western.	Central.
	£	£	£	£
Gross receipts	8,672,234	9,586,880	4,643,182	10,655,819
Working expenses	5,485,808	5,942,967	3,072,917	7,210,763
[Ditto for 1921-22] ..	(5,318,508)	(6,259,563)	(3,226,063)	(7,389,951)
Net receipts	3,186,426	3,643,913	1,570,265	3,445,056
[Ditto for 1921-22] ..	(2,146,604)	(2,146,604)	(871,967)	(2,052,611)
[Ditto for 1920-21] ..	(981,397)	(1,368,254)	(377,884)	(1,966,865)
[Ditto for 1919-20] ..	(2,487,990)	(2,938,813)	(1,603,196)	(3,164,809)
Other income (less charges)	Dr217,848	Dr249,468	280,401	Dr249,520
Net income	2,968,578	3,394,445	1,850,666	3,195,436
Fixed charges	1,923,454	816,164	494,776	853,127
Balance	1,045,124	2,578,281	1,355,890	2,342,309
Preference dividends ...	110,000	400,000	129,855	436,306
Ordinary dividends ...	700,000	2,036,300	1,214,336	1,739,926
Reserves	7 %	(7 %)	(7 %)	(6% ord & df)
Inc. (+) or dec. (−) in carry-forward	+ 135,124	+ 141,981	+ 11,699	+ 166,077

A year ago we had to record a net income of £2,034,042 for the Pacific, £2,328,276 for the Southern, £1,029,142 for the Western, and £2,126,604 for the Central. Only one undertaking shows a reserve allocation, but this is much better than previous results, when the Western took £120,000 from reserve, while the Central obtained £150,000 from the same quarter. The increased amounts carried forward are very creditable, especially in the case of the Central; for 1921-22 this undertaking, in addition to tapping reserves, reduced its carry-forward by over £160,000. The Southern is the only company to show reduced fixed charges. The Central, in April last, offered £2,000,000 5 per cent. ten-year bearer notes to existing share and debenture stockholders at 96 per cent. The notes carried some valuable conversion rights, and were well received. This new issue means that next year the Central's fixed charges will have increased.

The next table distinguishes the receipts from passenger train traffic and goods traffic, giving a comparison with the figures for 1921-22 :-

	Passenger Train Traffic.			Goods, Merchandise, and Live Stock.			Total (Including Miscellaneous).		
	1922-23.	Inc. or Dec.	%	1922-23.	Inc. or Dec.	%	1922-23.	Inc. or Dec.	%
B.A. Pacific.	1,945,038	+ 244,897	14.4	6,375,150	+ 889,911	16.2	8,320,234	+ 1,134,808	13.8
B.A. Gt. Southern.	3,506,335	+ 332,698	10.5	5,419,930	+ 731,787	15.6	8,926,265	+ 1,064,485	13.8
B.A. Western.	1,299,896	+ 114,640	9.7	3,181,967	+ 432,539	15.7	4,481,863	+ 547,179	13.3
Central.	3,174,078	+ 357,640	12.7	7,056,846	+ 855,181	13.7	10,230,924	+ 1,212,827	12.8

This is an interesting table, showing the general all-round improvement in traffic receipts. Receipts from passenger traffic, states the Pacific, show an increase of 13.87 per cent. and from goods and livestock 15.86 per cent. The Great Southern state that these receipts are the highest recorded in the history of the company. The Western points out that the comparison has been affected by the increase in the long-distance passenger, parcels, and goods tariffs, which came into force from August, 1922. The changes in total receipts are compared in the table below with those of recent years :-

PERCENTAGE CHANGES IN TOTAL GROSS RECEIPTS.

	1913-14.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
B.A. Pacific.	-12.7	-5.0	+19.2	+19.0	+30.8	-16.4	+8.9	+16.1
B.A. Gt. Southern.	-16.8	+3.3	+1.8	+25.6	+30.1	-8.4	-3.6	+13.9
B.A. Western.	-13.0	-7.7	+14.8	+30.3	+41.0	-21.1	-1.1	+13.3
Central Arg.	-6.6	-8.5	+17.8	+12.0	+41.1	-0.2	-3.1	+12.8

This is a very useful illustration of the progress made in this direction. The Pacific, with a gain of 16.1 per cent., remarks in its report that "our principal revenue-earning traffics have done well, viz., wine, grain, and passengers. The last-mentioned shows a record in number and in receipts. Wine is very little under the previous record year, while grain in all classes shows up well. There has been nothing so good in grain transport during the last five years, with the exception of the record wheat year 1919-20, when almost two harvests were carried in one year." The report adds that "the movement of livestock was better than last year and the year before, but this has been due rather to the removal of cattle from camp to camp by speculative purchasers."

RATIO OF EXPENSES TO RECEIPTS.

	1913-14.	1916-17.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
B.A. and Pacific.	62.63	65.68	65.80	71.51	69.69	85.68	71.24	63.26
B.A. Gt. Southern.	58.56	64.06	76.16	77.96	69.19	84.33	74.34	61.99
B.A. Western.	58.82	66.88	75.68	75.08	69.48	90.88	78.72	66.18
Central Arg.	58.54	68.71	73.93	84.60	67.66	79.82	78.26	67.66

All four lines show large reductions in ratio of expenses to receipts. The Buenos Ayres Great Southern was able to reduce its ratio of expenses to receipts to 61.99 per cent. The company points out that working expenses continued on the downward curve of the previous year, while not on such an acute grade, owing to the difference in fuel costs being less marked.

The next table shows the divisions of expenditure in which the reductions have been effected :-

(00's omitted.)

	Running Expenses.		Maintenance.		General and Miscellaneous.	
	1921-22.	% of Revenue.	1922-23.	% of Revenue.	1921-22.	% of Revenue.
	£		£		£	
Pacific	3,779.5	43.9	3,005.4	34.6	1,841.7	21.2
Great Southern	5,598.6	42.7	3,163.5	33.0	1,954.9	23.2
Western	1,843.9	45.0	1,546.0	33.3	1,029.5	25.1
Central	4,668.8	49.4	3,946.8	37.0	1,941.6	20.7
					1,472.3	17.1
					2,476.5	28.7
					779.6	9.2
					818.5	9.7
					384.5	4.5
					787.4	9.2

As mentioned in the case of the Great Southern, fuel costs were lower, but there was not the marked fall as recorded in previous years. The Western states that it has saved in the year under review 4,708 tons of coal and 66,907 tons of firewood. This saving in coal and firewood is due to (a) the extended use of oil fuel, (b) to the running of suburban trains by electric traction. The change over from coal and wood fuel to petroleum is also a feature of other companies.

Vagaries in maintenance expenditure per mile of road are revealed in the following table :-

	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Pacific	248	295	451	414	429	555
Southern	254	367	464	507	500	498
Western	312	422	411	600	546	605
Central	376	426	525	606	588	749

Figures for the Central are not representative on account of certain financial adjustments. The Western has undertaken track ballasting on a somewhat extensive scale.

Our final table shows the aggregate gross and net receipts for the first 16 weeks of the year 1923-24 :-

	Present Mileage.	Gross Receipts.		Net Receipts.	
		Amount.	Inc. or Dec.	Amount.	Inc. or Dec.
B.A. Pacific	3,317	2,112,000	+ 43,000	705,000	+ 161,000
B.A. Gt. Southern	3,948	2,539,000	+ 198,000	705,000	+ 161,000
B.A. Western	1,882	1,196,000	- 17,000	286,000	- 23,000
Central Argentine	3,305	3,246,000	+ 258,000	..	..

The Buenos Ayres Great Southern and Buenos Ayres Western have furnished particulars of their net receipts week by week for a long time past, and we trust this excellent practice will soon be followed by the Buenos Ayres-Pacific and Central Argentine Railways, as investors have to await the appearance of the annual report of these two companies for any particulars as to net receipts.

The companies appear to be very hopeful about future prospects. The directors of the Pacific state "that, given an average harvest, and if they were able to remit their money at any average rate of round about 40d..... next year they would be able to recommend as good a dividend as was being recommended.".....The chairman of the Western thought that "they could look to the coming harvest and results of working with considerable confidence." The chairman of the Southern pointed out that "the area under cultivation was greater than that of the previous year, and steady traffic returns were expected to continue." And the chairman of the Central concluded a survey with "generally prospects for the current year seemed excellent."

DIARY OF THE IMPERIAL CONFERENCE.

FRIDAY, OCTOBER 26TH.—The Imperial Economic Conference discussed the subject of Empire currency and exchange, and set up a Committee to go into the matter in detail (see article on p. 781).

A subsequent discussion was concerned with the importation of Canadian livestock. Sir Robert Sanders (Minister of Agriculture) declared that the Government, in the interests of the British cattle-breeder, could not recommend legislation extending free admission to home markets of Canadian fat cattle as well as store cattle. He implied, however, that the Government would be willing to introduce measures to facilitate the exchange of pedigree stock throughout the Empire on reciprocal terms. Mr. Mackenzie King (Prime Minister of Canada)

and Mr. Graham (Canadian Minister of Railways) put forward the Canadian view that the free importation of Canadian fat cattle came within the spirit of the agreement originally concluded between the two countries, and that present methods of inspection were regarded as unnecessarily severe. All the representatives present were assured that the Home Government fully recognised the healthy condition of cattle sent to this country from the Dominions.

MONDAY, OCTOBER 29TH.—The Secretary of State for Foreign Affairs informed the Imperial Conference of the replies received from Allied Governments with regard to the proposed inquiry into German reparations. The adjourned discussion on the position of Indians within the Empire was resumed, a statement being made by the Secretary for the Colonies. It was decided to continue the discussion at the next meeting.

TUESDAY, OCTOBER 30TH.—No formal sitting took place, the day being devoted to committee work.

WEDNESDAY, OCTOBER 31ST.—Under the presidency of the Prime Minister, the Imperial Conference concluded its investigations into the problem of the status of Indians in other parts of the Empire. Each of the Dominion Prime Ministers (with the exception of the Prime Minister of South Africa) expressed his willingness to set up in his own country a commission of three or four members, with an equal number of members from India. The commissions will consider how far effect has been, or may be, given to the principle laid down by a majority at the 1921 Imperial Conference that Indians lawfully resident overseas should not suffer derogation of rights of citizenship. The Secretary of State for the Colonies declared a similar intention with regard to the Crown Colonies and Protectorates.

THURSDAY, NOVEMBER 1ST.—The Imperial Economic Conference adopted resolutions to the following effect :-

State Enterprises and Taxation.—Any Empire Government shall be liable to taxation by other Empire authorities in so far as it engages in trade and makes profits within their jurisdiction. Legislation to this effect will be introduced in the several Parliaments, without retrospective effect for any year prior to 1924. After the passing of these measures, negotiations will be opened with foreign Governments for similar reciprocal arrangements.

Immunity of State-owned Ships.—The Gothenburg draft convention of August last, as amended by the British Admiralty and Board of Trade, is adopted as the basis of a possible international convention.

Commercial Facilities.—The early consideration is recommended of the adoption throughout the Empire of the common form of invoice and certificate for exporters, already in use in some Dominions. Further legislation on the lines of the Imperial Customs Conference's decisions, to which effect has already been given by Australia and New Zealand, is also recommended.

Trade Statistics.—The Board of Trade is to consider a scheme for rendering its statistical publications as useful as possible in the development of inter-Imperial trade.

Bills of Lading.—The Brussels Resolutions, now embodied in the Carriage of Goods by Sea Bill, are recommended for acceptance by the Governments and Parliaments of the Empire.

Enforcement of Judgments.—While at present certain obstacles stand in the way of the reciprocal enforcement of judgments, including arbitration awards, throughout the Empire, such a development would be advantageous to trade, and is an object at which the different parts of the Empire should aim.

Patents.—The Provisional Scheme of the Empire Patents Conference, 1922, should be adopted as far as the Crown Colonies and Protectorates are concerned, but its application by the self-governing Dominions is not advisable at present, in view of difficulties in the Canadian position.

Notes of the Week.

The Republic in Turkey.—The proclamation of a republic in Turkey does not come as a surprise, and does not mark any turning-point either in the internal development of the country, or in its relations to the rest of the Islamic world. It is not even a novelty in Islamic history, for the governments founded in North-West Africa by Ottoman military adventurers in the sixteenth century were virtually autonomous republics under the Ottoman Sultan's suzerainty; the mediæval power of the Mamluks in Egypt was a military oligarchy, in which the elective sultan was only *primus inter pares*; and city-state republics, reminiscent of Ancient Greece, appear on one page in the history of Islamic Spain. In the present instance the really deci-

sive steps were taken in 1920, when the Nationalists in adversity defied the authority of the late Sultan-Caliph, and last year, when the Nationalists, after their triumph, deposed the former sovereign, confined his successor in the Caliphate to "spiritual"—i.e., non-political—functions, and wound up the old Ottoman Empire in favour of a new Turkish national State. These were the really important events, for the power of the Osmanli Turks had been built up by the dynasty whose name it bore, while its prestige in the Islamic world had appeared to depend on the dynasty's hereditary claim to the Caliphate. At that moment, therefore, the question arose whether the Turkish nation could maintain itself without the dynasty's support, and that question has already been answered. The National movement has proved strong enough to obtain a favourable peace from the principal Allied Powers, and to succeed, in the estimation of other Muslims, to the position of the Ottoman Sultans as the bulwark of Islamic society. In comparison with these issues, the constitutional forms adopted by the already secularised Turkish State are matters of secondary importance. The various States created or transformed by revolutionary methods in different parts of the world in the course of the past century and a-half, have either (like Italy and Germany) taken over a dynasty from one of their component parts; or (like Belgium and the Christian Balkan States) they have borrowed a dynasty from abroad; or else (like most American countries, as well as Poland, the Baltic States and Tchecko-Slovakia) they have established republics. The two former alternatives have much to recommend them on grounds of stability, but Turkish nationalism was no more compatible with the continuance of the Ottoman dynasty than English and French with that of the Stuarts and Bourbons; nor could Turkey, for religious reasons, borrow a dynasty from the West, while there is no Sunni Muslim monarchical Power of equal status with herself which could have supplied her with a cadet for a new constitutional Turkish monarchy. A republic was the only alternative available, and Turkey seems destined (like most young republics and young monarchies) to pass through her period of dictatorship. Mustafa Kemal Pasha, who is to combine the offices of President of the State and President of the Assembly, to appoint the Prime Minister, and to exercise a veto upon the selection of his ministerial colleagues, now enters upon the rôle of Capo d'Istria, in Modern Greece, and Stambolov in Modern Bulgaria.

Bradford and Protection.—In view of Bradford's plea for protection against foreign competition, special interest attaches to a study of the woollen and worsted industries, published in the current issue of the *Monthly Bulletin of the London and Cambridge Economic Service*. The main conclusion to be derived from those figures is that competition of foreign imports is not Bradford's fundamental trouble, the essential cause of which must be looked for nearer home. In the first nine months of the present year retained imports of woollen and worsted tissues were 15.1 million square yards, or at the rate of about 20 millions per annum, as compared with approximately 76 million square yards in 1913. Since the quarterly average in 1913 was about 19 million square yards, it is surely amazing that a small rise to 6.3 millions in the third quarter of the present year should have been sufficient to stampede Bradford into a cry for protection. Roubaix was held up as the particular menace. The fact is that, whereas the total exports of woollen tissues from France to this country in 1913 were about 61 million square yards, they amounted in the first nine months of 1923 to only 11.8 millions. In the third quarter they spurted to 5 millions, but even this is less than one-third of the quarterly average of similar imports from France in 1913. On the other hand, British exports of woollen and worsted tissues in the third quarter of the present year were above the 1913 quarterly average. In spite of a falling off in the June quarter, the exports for the nine months were 159 million square yards, or at the rate of 212 millions per annum, as compared with about 220 million square yards in 1913. Thus the net export (exports less retained imports) of cloth was about as large in the past nine months as in the whole of 1913. For the

explanation of manufacturers' difficulties, it is therefore desirable to examine the conditions in the home market. Here is the conclusion of the authority referred to above: "The difficulties that manufacturers find in obtaining orders appear, on the basis of these figures, to be due not to foreign competition so much as to the high costs of manufacturing, and the curtailment of purchasing power on the part of the home population. With raw wool at 48 per cent. above the 1914 price, it seems unreasonable that the cost of clothing should lead to the official estimate of a rise of 120 per cent.; and since wages in general have only increased 70 per cent., or a little more, it is not surprising that wage-earners cannot afford to buy woollen goods." The woollen and worsted industry would be better employed in studying ways and means for reducing the cost of production than in calling for a protective tariff, which, by holding prices up, would still further restrict the demand in the home market.

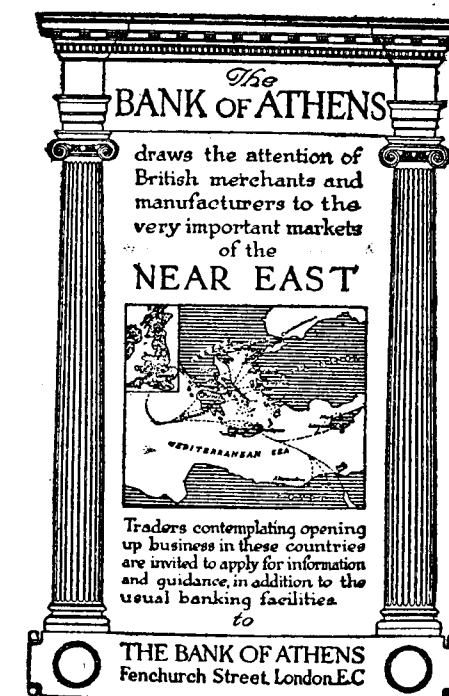
Irish Affairs.—Our Dublin correspondent writes:—The week-end saw a somewhat confused situation in regard to labour disputes in Dublin. The officials of the unions declared the strike terminated, and directed the men to return to work. The Larkinites, relying upon a small majority of votes at an unofficial ballot, which was boycotted by the large proportion of the union men involved, declared that the strike must continue, and sent round pickets calling out those who had resumed work. The officials replied with a declaration that no more strike pay would be issued, and this proved to be a determining factor, especially as it was quite clear that the bulk of the men wished to resume on the basis of the Government offer. Thereupon Larkin wrote to President Cosgrave proposing a conference, and a settlement on the basis of an immediate resumption all round on conditions that all the interned and imprisoned republicans, irregulars, and suspects should be forthwith released. President Cosgrave's reply will not have done much to enhance Larkin's prestige or influence with his following. His inevitable refusal was phrased in telling terms, and pointed out that the continued strike cannot have been honestly aimed at improved terms for the men when at or after the eleventh hour Larkin was prepared to abandon the men's case for a wholly extraneous and political consideration. Contemporaneous with the attempted great strike has been an attempted general hunger strike by all the prisoners and internees. It also has miscarried. Large numbers of the hunger-strikers have resumed their meals, and the Government has announced that it will concede nothing to this method of agitation and protest. It continues, however, its policy of systematic sifting, with a view to release, of the prisoners' cases, and expects to have a considerable diminution of the total number by Christmas. There is still no definite news as to the projected loan, but it is not likely long to be deferred. Unquestionably an issue of premium bonds would be the most popular form of loan, and would offer the best chance of widely diffused support throughout the country. However, it is known that some members of the Government have doubts—or possibly scruples. There is some resentment here at the continued attacks, systematic and bitter, upon the credit of the Irish Free State, which appear in certain British journals. They do not, however, cause much uneasiness. A country with an annual revenue which is actually being collected at the rate of some 30 millions per annum, while a dangerous insurrection was still in operation and a big dock strike tying up the flow of commerce, has good security to offer. The figures representing the public deposits in the joint stock banks, and the investments of the banks themselves, as shown in the Banking Supplement of the *Economist* recently, speak for the monetary resources of the public. And the Irish Free State has no debt, and enjoys a strong Government which can be trusted scrupulously to honour its obligations.

Production, Population, and Income.—The current number of the *Westminster Bank Review* contains a very interesting *résumé* of the statistics of production, employment and foreign trade of Great

Britain for 1922 leading up to a very rough estimate of the national income in that year. The writer laments the absence of official data, and puts in a plea, which we very strongly endorse, that the Board of Trade should take steps to get figures needed for a sound estimate of the national income under post-war conditions. In the absence of any alternative method, the writer takes the figure of the increase in the volume of our exports and imports, and calculates therefrom an upper and a lower limit, starting from the fact that in 1907, the year of the census of production, net imports of merchandise amounted to 40 per cent. of the "factory value" of the output of the country taken as a whole and free from duplication, while exports were 31 per cent. of that value. Seeing that imports have been maintained much better than exports, a calculation of present "factory value" from our present foreign trade by using these factors gives a higher figure on the import basis than on the export basis. Splitting the difference, the writer concludes that our net production in 1920 was equivalent to £1,300,000,000 in 1913 purchasing power (£2,300,000,000 at 1922 prices), as compared with a net production of £1,680,000,000 in 1913—a fall of 22 per cent. In our opinion, however, this is considerably too low a figure, for we have little doubt that a detailed investigation would show that home trade has been better maintained than overseas trade. It almost certainly varies less from year to year than our exports in good and bad times, and under post-war conditions our exports were particularly badly hit in 1922. Our conclusion is confirmed by the statistics of goods carried on British railways which in 1922 were considerably less than 22 per cent. below the carriage of goods in 1913. In the case of "general merchandise" the decline, it is true, is about 22 per cent. in comparison with 1913, but allowance has to be made for the very much larger quantity carried by road transport in 1922 than in 1913. Again, the home consumption of coal, which was 14.8 million tons a month in 1912 and 16.1 million in 1913, was 14.1 million in 1922—a fall of only 13½ per cent. from the exceptionally high peak of 1913. The writer supports his opinion by figures which suggest to him that in 1922 there were 500,000 less people in employment than in 1914. "With probably over one and a-half millions unemployed or on short time to-day, it is reasonable to assume that the number of wage earners now at work is roughly 500,000 below the 1914 average, although the number available for work is about one million more." This, however, ignores the substantial number who were unemployed in 1914, and we are, moreover, convinced that in the statistics of persons unemployed under the Insurance Act there are a number of persons who never figured in any statistics before the war. We should not be far wrong in assuming at least 350,000 persons unemployed in an average year before the war. The industrial population in 1922 was more than a million more than in 1913, and we therefore believe it will be found that there were as many people at work at the end of 1922 as in 1913, and by the summer of 1923 the number was appreciably greater. The writer reaches the conclusion that as the national income in 1907 was approximately 30 per cent. more than the net factory production it may be assumed that the national income of 1922 at 1922 prices is nearly £3,500,000,000. But for the reasons we have given we think this calculation is too low; moreover, the national income is appreciably bigger to-day than in 1922, and is almost certainly at a rate equivalent to £4,000,000,000 in a year, and may be larger. It should be borne in mind that these figures leave out of account income received by British nationals as interest on their holdings of British Government securities, which does not represent any contribution to the present income of the country, but is a transfer of income created by the productive forces of the country; but for taxation purposes such incomes may be taxed like other incomes, and in estimating the national income for taxation purposes we should therefore have to add £300,000,000 to the figures quoted. We should be surprised to learn that the gross national income is less than £4,300,000,000 for 1923.

Homage to M. Yves-Guyot.—On October 25th a large and distinguished gathering met at the Paris residence of M. Raphaël-Georges Lévy to fête the 80th birthday of M. Yves-Guyot. On this occasion the veteran French economist, whose position as President of the "Société d'Economie Politique," and as director of the "Agence Economique et Financière"—to mention only two of his multitudinous activities—is a fitting tribute to his lifelong devotion to economic science, was presented by his many friends with a bronze "Pegasus," as a small token of their admiration for his unbounded vitality. We for our part desire to associate ourselves with this *geste* of homage and respect to one who, in a world torn by nationalism and cupidity, has had the courage to stand for economic sanity. His attacks on the inflationist heresy have not always been popular in his native country, while his consistent advocacy of freedom of trade makes him a notable figure among French economists of the present day. His views on this latter subject are well set out in the reply made by him on the occasion of this presentation:—"Alas! the war has not dissipated the economic and political errors which result from the spirit of monopoly and commercial jealousy. While science and industry affirm the predominance of a civilisation based on exchange, the majority of nations and most of the governing classes to-day still hold to the old political conceptions of a war-time civilisation." Never was advocacy of this standpoint more needed than to-day, and we sincerely trust that France will at last listen to the voice of one of its few great living economists before it is too late.

The Defence of the Dutch East Indies.—The costly and untimely scheme described by our Amsterdam correspondent on September 22nd in our columns was rejected by the Dutch Parliament on Friday of last week. The fate of the Dutch East Indies in a conflict for supremacy of the Pacific has engaged public attention in Holland for years. Elaborate books have been written on the subject, and in 1913 a Commission recommended a large increase of the fleet, the mother country and the East Indian colonies sharing the cost. The plan was strongly opposed, and was suspended by the world-war; but in 1921 the Colonial Government began to set aside funds to pay for it, and recently the Dutch Ministry—based on a coalition of Conservative groups of Roman Catholics and Protestants—all strengthened by last year's elections—introduced a Bill providing for the construction of a fleet and the establishment of a naval base at Tanjong Priok, near Batavia, together with the strengthening of that existing at Surabaya. The total cost was to be 300 million guilders—some £25,000,000. But deficits both in the Home and the Colonial Budgets have long been chronic; it was officially estimated last year that 35 per cent. of the national income was absorbed by national and local taxation; the commercial depression is severe, the well-to-do classes have lost very heavily by the repudiation of Russian bonds, and both the Home and the Colonial Governments are constrained to borrow abroad. The Ministry contemplated retrenchment to the extent of 105 million guilders, partly by reducing all official salaries by 20 per cent., yet it pressed the Bill. The Socialists and trade unions opposed it vigorously, inside Parliament and outside; the Finance Minister resigned; and a petition was presented against it bearing more than 1,132,000 signatures—the total population being some seven millions. Ten Roman Catholic members deserted the Government, and one Protestant Conservative was ill, so the Bill was defeated by 50 to 49, and the Ministry has resigned. No Opposition Ministry is possible, for the Liberals are hopelessly at variance with the Socialists and among themselves; but the Bill is dead. It is noteworthy that the Prime Minister denied that it was introduced at the instance of a foreign Power—a rumour probably set up by the fact that the largest amount of the foreign capital invested in the Dutch East Indies is British, and by the British plan for Singapore. But it is not easy to see the need of the Bill. It was intended to protect the neutrality of the Dutch East Indies in a naval war in the Far East. But Russia and Germany have collapsed; the United States and Great Britain have no further colonial ambitions; and, whatever dreams may be cherished by



Japanese expansionists, they are not likely under present circumstances to attempt to realise them. Besides, though the Netherlands took no part in the Washington Conference, all the Powers concerned in it have expressly declared their intention to respect the rights of the kingdom to its possessions in the Far East. Under these circumstances the scheme can wait.

Securities and 5 per Cent.—A Stock Exchange correspondent writes:—Security and 5 per cent. may be regarded as the chief aim and object of the present-day investor, to whom preference shares and preferred stocks imply just that element of risk which he is not prepared to face. Nigeria endeavoured to set up a higher standard of price—and a correspondingly lower yield—in offering, last week, a 4 per cent. stock at 88. The underwriters of that loan are best acquainted with the sequel, and the price stands at 1¾ discount. Victoria and the Commonwealth tried 5 per cents. at 99; Union of South Africa asked 99½, and all three issues stand at a premium. The Tube Railway 4½ per cent. second debenture, at 95½, became promptly over-subscribed, but this carries the cachet of Government guarantee, and compares, therefore, with conversion stock and local loans, both of which yield £4 8s 9d per cent. on the money. War Fives pay £4 19s at 101, or £4 16s if it be calculated, as the Stock Exchange practice is, that repayment at 100 will be effected at the earlier of its two dates, 1929-47. Funding and Victory loans, with their yield of £4 7s per cent. on the money, are relatively the dearest of this quintet of British Government securities. These figures demonstrate the reason for the rapid way in which the London Electric railways secured their money. Amongst colonial stocks, the two mentioned above, Victoria and Commonwealth Fives, are popular at present for the simple reason that they can still be bought, not having yet passed entirely into permanent hands, as so many of the previously issued securities have done. Trustees are rightly chary of buying stocks which stand above 100, although some people argue that accrued interest may be allowed for in this connection. The trustee cannot avail himself, however, of the £9,000 Commonwealth Sixes, 1931-41, on offer at the moment at 105, interest March and September, where the yield is 5½ per cent., reduced to £5 9s per cent. upon allowance for redemption. There is also £10,000 Union of South Africa 6 per cent. stock, 1930-40, obtainable at the same price, 105xd, May and November dividends, giving £5 14s 6d per cent. on the money now, but £5 3s per cent. taking repayment into account. The trustee can have £10,000 West Australian 4½ per cents, January and July, dated 1935-65, at 93, when the return comes to £4 18s 6d per cent., or an equal amount of New South Wales 4½ per cent. stock, with the

same dividend dates, and repayable 1935-45, at 93½, the yield being £4 17s now, and £5 1s allowing for redemption. Of Canada stock there is little on offer in the market. Cape Threes, New Zealand, Southern Nigeria, and Crown Colony issues are equally scarce. Four thousand pounds of Ceylon Sixes, 1936-51, January and July interest, can be bought at 109½, the price making the stock ineligible for trustees, and the flat yield of £5 11s per cent. being reduced to £5 2s 9d per cent. by allowance for repayment. The new Nigeria Fours at 86½—1½ discount—afford £4 13s. per cent. outright, and the price will probably go better, because the Loan runs to 1963. Of other stocks in this category actually on offer in the market at the moment of writing (a necessary qualification) there are handfuls of Natal 3½, New Zealand, South Australia, South Africa, Cape, and New South Wales 4 and Straits 4½ per cents. The running yields range from about 4½ per cent. on the money to 4½ per cent., and, allowing for redemption, about 4½ per cent. is obtainable. But the investment appetite is so keen that the demand keeps up with supply, and in spite of all the recent new issues in this market, the cry for security and 5 per cent. becomes, weekly, more difficult to placate.

The World's Food Crops.—On the basis of information now available it is possible to ascertain, within reasonable limits, the results of this year's cereal harvests in most countries north of the Equator, with the important exception of Russia. The comparison with last year's yield is eminently favourable. According to the International Institute of Agriculture, the aggregates for the Northern Hemisphere (exclusive of Russia) in 1923 surpass those of 1922 by 10 per cent. in the case of wheat, 15 per cent. in that of rye, 14 per cent. as regards barley, and 15 per cent. as regards oats. Detailed figures will be found on Page 8 of the *Economist's* Monthly Supplement of October 27, 1923. The increases are mainly the result of plentiful yields in Europe and North Africa, where a favourable season was experienced, in sharp contrast with the drawbacks suffered last year. In North America and Asiatic countries the totals are very similar to last year's, which showed good results. A provisional estimate puts Argentina's probable wheat yield at 6.8 million tons, the highest figure on record, and 31 per cent. above that for 1922. In Australia the area under wheat is similar to last year's, and favourable conditions prevail. European and North African cereal crops for 1923 are nearly equal to those of the pre-war years 1909-1913, though the absence of reliable Russian figures vitiates a true comparison. Extensions in other continents, particularly in America, have resulted, however, in an increase over pre-war production in the case of all countries which supplied information, in the following proportions:—Wheat, 16 per cent.; oats, 7 per cent.; barley, 3 per cent. Rye has declined by 5 per cent. The yield of potatoes, on the other hand, has fallen from 80 million tons last year to 65 millions in 1923, a decrease of 18 per cent. Russian figures are omitted from these calculations. It should be remembered that 1922 was a year of exceptional plenty for potato-growers, the yield being far above the average.

Cotton Trade Production and Export.—Before the war it was estimated that 80 per cent. of the cotton cloth production of Lancashire was exported, and 20 per cent. consumed at home. The present home consumption is very much the same as it was 10 years ago, but production is not more than 65 per cent. of the capacity of the machinery. Of this reduced output, it is estimated that 70 per cent. is for export, and 30 per cent. for home use. The home consumption of cotton yarns before the war was about 85 per cent. of production. The reduction in output is much the same as in the case of cloth, but it is estimated that the proportion consumed at home is much the same as it was before the war.

Dyers' Contract Terms.—Our Manchester correspondent writes:—The dispute between Manchester merchants and dyers has not yet been settled, and a considerable amount of business is being held up in the Manchester market as

a result of merchants not being prepared to agree to the new contract terms of the dyers. It will be remembered that the Piece Dyers' Association about a month ago offered a reduction in charges of 10 per cent. conditional on merchants agreeing to place all their orders with members of the association. The scheme has been definitely rejected by merchants. Private conversations have taken place in Manchester this week between representatives of the two bodies in the hope that a friendly talk might result in some way out of the difficulty. It is understood, however, that no progress has been made, and a complete deadlock exists. The Shipping Merchants Committee of the Manchester Chamber of Commerce has compiled a list of nearly 40 firms that are outside the Piece Dyers' Association. These names have been sent to merchants, and as much business as possible is being given to them. It is also reported that about half a dozen members of the Piece Dyers' Association have notified the committee that they do not agree with the new contract terms, and that if necessary they are prepared to withdraw from the association. On behalf of Manchester merchants, it is stated that an important principle is at stake, and there is determined resistance to the attempt of the dyers to create a monopoly for the members of the association.

Bank of London and South America.—Further details of the proposed fusion of the London and Brazilian Bank with the London and River Plate Bank are given in the circular to shareholders of the former, calling the necessary extraordinary general meeting to be held on the 13th inst. The proposed terms were given in our last issue, and the result of the transaction will be that the issued capital of the London and River Plate Bank will be £3,540,000 in fully paid shares of £5 each, of which the present shareholders in the London and River Plate Bank will hold £2,040,000 and the present shareholders in the London and Brazilian Bank £1,500,000. In order to carry out the transaction, the London and Brazilian Bank will have to go into liquidation. It is proposed that the name of the bank be changed to "Bank of London and South America, Limited."

Dalgety and Co.—The accounts for the year ended June 30th last of Dalgety and Co., the well-known Australasian merchants, show a substantial improvement in profits, which, after providing for bad and doubtful debts and depreciation, amounted to £920,977, as compared with £775,660 for 1921-22. A year ago, however, profits were assisted by the recovery of £158,210 for excess profits duty. Including this amount, the net profit for 1921-22 was £252,790. This year the net profit amounts to £254,162, expenses having increased from £362,475 to £380,190, while taxation has required £31,600 less. A summary of past years' results is set out below:—

Year Ended June 30.	Profits.	Expenses and Taxes.	Debiture Interest.	Prof. Div.	Ord. Div.	Rate.	Reserve, &c.	Carried Forward.
1906	£ 371,591	£ 148,171	£ 114,439	£ ..	£ 70,000	7	£ 40,000	£ 55,381
1910	542,534	198,362	122,364	25,000	80,000	8	110,000	77,579
1914	570,510	245,434	105,593	25,000	80,000	8	10,000	197,015
1915	582,097	258,048	107,377	25,000	80,000	8	100,000	208,687
1916	643,931	322,210	107,864	25,000	100,000	10	100,000	197,544
1917	861,793	484,448	107,119	25,000	130,000	13	210,000	102,771
1918	875,369	510,304	104,065	25,000	140,000	14	85,000	113,770
1919	857,773	494,475	101,141	25,000	140,000	14	90,000	120,928
1920	957,298	566,470	98,251	25,000	150,000	15	110,000	128,506
1921	689,168	445,176	103,386	25,000	100,000	10	60,000	84,112
1922	775,660	408,280	114,591	25,000	150,000	15	60,000	101,901
1923	920,977	552,587	114,228	25,000	150,000	15	65,000	116,063

The directors state that the past financial year, though bringing its own special problems and difficulties, has witnessed some further recovery from the depression of 1920-21. This movement has been specially marked in New Zealand, where the outlook generally is "much more satisfactory." They add that "seasonal conditions, broadly speaking, have not been favourable. Large areas of Australia suffered from drought, which was not relieved until May, and this will be followed in 1923-24 by its natural sequel—namely, a reduced wool clip and a

lambling percentage below the average rate. New Zealand, on the other hand, has had an over-abundance of rain, with heavy falls of snow in the South Island, the pastoral and agricultural interests being prejudiced thereby." The position is now said to have improved considerably. The distribution on the ordinary shares is maintained at 15 per cent., in the form of a dividend of 10 per cent. and a bonus of 5 per cent., both paid free of English income-tax. The cost of premises is written down by £50,000, and £15,000 goes to the staff provident fund, and a surplus of over £14,000 is added to the balance carried forward. The balance-sheet, which is analysed in a later column, shows an increase of £369,400 in creditors and of £101,500 in debtors, but bills payable have been reduced by £283,700, and cash is £439,300 lower at £1,193,400. The reserve fund of £1,000,000 is now equal to the paid-up ordinary capital.

Broken Hill South.—Our mining correspondent writes:—The directors of this important Barrier Range undertaking are able to report the largely increased profit of £322,800 for the year ended June 30th. A somewhat conservative policy has, however, been followed in regard to the distributions, the balance dividend of 1s 6d making a total of no more than 4s 6d per share, as against 4s in respect of 1921-22. From the profits of each of the past two years substantial appropriations have been made for plant and development—£80,000 this time, £62,100 last. The balance now carried forward being considerably larger than that brought in, the surplus liquid assets figure at the increased amount of £648,200. A point to be noted by the shareholders is that the company will be shortly completing the treatment of the dump slimes, which provided nearly two-thirds of last year's profits. It remains to be seen in how far this source of revenue will be replaced by the new factors in the situation. These are three: the full benefit from the coarse zinc flotation process lately introduced; the treatment of de-leaded slime residue dumps for zinc concentrates; and the possibility of dealing with larger quantities of crude ore. The ore reserves still stand at the substantial total of 3,500,000 tons, and the Government geologist reports that something between another million and two million tons may be expected. The proved reserves represent well on the way towards 20 years' work at last year's rate. In view of the current prices of the metals produced, the outlook for the current financial period would appear to be favourable. On the basis of the 1922-23 dividends, the shares yield about 10 per cent. gross.

Guatemala's Finance and Trade.—A correspondent writes:—While funds necessary to meet the service of the Guatemalan 4 per cent. External Debt of 1895 continue to be received with regularity, little evidence can yet be found in the financial policy of the Government of any intention to effect a settlement of the long-overdue arrears of interest. A year and a-half have almost elapsed since practical proposals were made in this direction to the Guatemalan Administration through the medium of an American financial syndicate, which, however, sought, in addition, a concession for an American-controlled bank. Any foreign control of its finances the Government—unlike that of the neighbouring State, Nicaragua—could not see its way to grant. Economic conditions in Guatemala have gradually worsened since, and remain unsatisfactory, notwithstanding the fact that the Government has effected something practical towards the reduction of general expenditure, and increased last year's revenue by an amount of about 50,000,000 pesos. National expenditure, however, still stands higher than the country can afford. For the fiscal year ending June 30th next, the budgetary expenditure in national currency is estimated at 351,705,124 pesos. An unacceptable feature is the large sum of 66,440,557 pesos devoted to war; but, as counter-balance, the sum of 72,933,840 pesos has been allotted to public instruction. Upon the current year's accounts there is still a deficit of 42,000,000 pesos. The balance of the foreign debt at the end of the year stood at 1,908,563 pesos, exclusive of 844,603 pesos in respect of unpaid interest under the agreement entered

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into on May 10, 1913. To political, as well as economic, causes the unsatisfactory financial condition of the country, may be attributed. Revolutionary activities are even now, it would seem, by no means at an end. Currency has been depreciating with very little variation for the past half-century. The low price of silver may be accepted as the principal cause, but the issue of paper-money without a backing of the white metal has also had its effect. Realisation of the hope that the Government would be enabled to re-organise the finances of the country and place them on a gold basis, seems to be yet a long way off, especially as during 1921 (under the presidency of Don Carlos Herréra) there was a further increase of paper currency by 35,517,303 pesos, and during 1922 (under the presidency of General José María Orellana) by approximately 20,000,000 pesos. British trade with Guatemala has declined considerably of late years. Of the total import trade for 1921, amounting to \$13,369,611, the United Kingdom's share came to \$2,289,047, and that of the previous year to \$3,906,779; of the export trade, valued at \$12,140,826, the United Kingdom's share in 1921 was no more than \$133,618, while that of the previous year had been \$460,142. Our present commercial relations with that not-unimportant Central American Republic stand upon anything but a satisfactory basis.

Australian Banks and the Note Issue.—It has been pointed out to us, in reference to the article on Australasian banks in our issue of October 20 (p. 618), that certain portions of the legislation introduced by the Commonwealth Government in 1920 in relation to banks were subsequently dropped, including the compulsion for the banks to hold certain definite percentages of notes against deposits. The Government, however, made arrangements with the banks by which they continued to hold notes without presenting them for gold at the Treasury.

SIR HERBERT HAMBLING, President of the Institute of Bankers, will deliver his inaugural address at a meeting of the Institute at the Hall of the Skinners' Company, on November 7th, at 5.30 p.m.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, W.C.2, on Tuesday, November 13th, at 8.30 p.m., when an address on "The Influence of the Press on the Development of Empire," will be given by the Right Hon. Viscount Burnham, C.H. The Right Hon. Viscount Milner, K.G., G.C.B., G.C.M.G., will preside.

A FREE TRADE Conference will be held in the Council Chamber of Denison House, Vauxhall Bridge road, London, S.W. (near Victoria Station), on Wednesday, November 28th, from 11 to 5 o'clock. Earl Beauchamp, K.G., will preside at the morning session, and Lord Emmott at the afternoon session. The speakers will include Lord Inchcape, Mr H. H. Spencer, M.P., Mr Ben Turner, M.P., Mr W. T. Layton, Mr R. D. Holt, J.P., and Mr Tom Garnett, J.P. A discussion will take place at each session. Application for tickets should be made to the Free Trade Union, London or Manchester.

Obersea Correspondence.

UNITED STATES.—SHIPPING BOARD'S NEW POLICY —RAILROAD WAGES INCREASED—GRAIN AND COAL RATES—GASOLINE PRICE WAR.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 22.

THE United States Shipping Board has adopted a new plan for operating its five services, known as the United States Lines, between American North Atlantic ports and those of the United Kingdom. Under the new arrangement, which is to be made effective immediately, those services will be consolidated into one service, and the operation of the ships, which include the Leviathan and other large vessels, will be in charge of a sub-committee of the Board. This change means that the United States lines will practically become a subsidiary of the Emergency Fleet Corporation (a Government organisation). The new plan is evidently designed to conform to the Attorney-General's recent decision that it would be illegal for the Board to turn over the operation of its vessels to various private corporations, as was proposed a while ago. If the plan of operation now decided upon for the United Kingdom services proves successful, it will probably be used as a model for the consolidation and operation of other trade routes in which the Shipping Board's vessels are at present in charge of managing operators.

A decision just rendered by the United States Railroad Labor Board awards increases in wages ranging from 1 to 2 cents an hour to clerks, station forces, dock, warehouse, and other freight handlers employed by 65 different railroads throughout this country. Upwards of 400,000 men are benefited, and it is estimated that the higher wage scales will increase the carriers' annual pay roll by approximately \$20,000,000. The decision settles long-standing disputes between the roads and the Brotherhood of Railway Clerks, Freight Handlers, Express and Station Employees, the Brotherhood of Station Employees, and the International Longshoremen's Union in regard to rules, working conditions, and adjustment of inequalities in rates of pay of certain employees, besides granting increases to various classes. In order to iron out such inequalities, the board held that the sum of the increases granted in each classification should be distributed by joint action of representatives of the carriers and of the employees, and in the event of a dispute, the distribution should be referred to the board. The new ruling is effective as from October 16, 1923. But the railroads have other problems to solve. Following a recent conference with an official of one of the largest railway systems it was announced, quite unexpectedly, in advices from Washington that President Coolidge had suggested that railroad rates on export wheat be lowered, to help farmers, and that domestic coal rates be reduced to the same level as export rates. By a singular coincidence, about the same time as that announcement was made, the Interstate Commerce Commission rendered its decision in the long-pending western grain rate case, declaring that the general basis of rates on grain and grain products west of the Mississippi had not been shown to be unjust or unreasonable. The Commission, however, ordered this case to be reopened to permit the development of a more comprehensive record, especially concerning developments since the case was first submitted last May. It is evident, therefore, that, in the new hearings which will be held, the Commerce Commission will broaden the scope of its inquiry to include rates on grain and grain products throughout the country. Just what will be the railroads' attitude in the matter is uncertain, although there are indications that they will oppose reductions.

The gasoline price-cutting war is still raging. In fact, the past week witnessed the most drastic and important reduction since the war started. The Gulf Oil Corporation cut prices 3 cents a gallon in Massachusetts, and 2 cents throughout the rest of its territory covering 24 States. This is the first blanket reduction made by that producer in the present period of declining prices, and affects a much larger area than did the 6-cent. cut several

weeks ago by the Standard Oil Company of Indiana. It is generally believed that the sensational reduction by the Gulf Corporation was made in an effort to stabilise the market, but there are no indications thus far that such a purpose has been accomplished. Its cut was promptly met at various points by all other companies, resulting in the widest slashing of prices seen in many months, and the gasoline trade and industry are now more demoralised than at any time since the price-cutting began. Gasoline prices are usually quite uniform in New York City, but even here underselling has become so extensive that it is not uncommon to find prices varying as much as 2 cents a gallon at competing service stations in the same locality. The latest reductions bring the average tank wagon price in 30 representative cities down to a new low level for this year of 14.35 cents a gallon, which compares with 19.08 cents on July 30th, when summer demand was at its height, and represents a total reduction of 6.76 cents a gallon from the highest of 1923. It is nearly 15 cents a gallon, or about 50 per cent. lower than the high average price recorded on January 1, 1921. As previously explained, the demoralisation is due to the enormous over-supply. On September 1st gasoline in storage amounted to 1,053,000,000 gallons, or 50 per cent. greater than at the same date in 1922. Gasoline is still being produced at a record rate, and in view of the seasonal decrease in consumption now being experienced, competent authorities estimate that refiners will be obliged to store an average of about 100,000,000 gallons monthly during the next seven months. At that rate stocks in storage will amount to approximately 1,750,000,000 gallons by next May. According to latest figures from the American Petroleum Institute, crude oil production in the United States during the week ended October 13th averaged 2,125,350 barrels daily, as against 2,157,400 in the preceding week and 1,555,050 barrels in the corresponding week of last year. As compared with the record production of 2,261,800 barrels daily in the last week of August, the daily output since then has decreased 136,000 barrels.

FRANCE.—REPARATION DELIVERIES—RUHR COAL AGREEMENT—NEW SESSION—TREASURY BONDS.

(FROM OUR CORRESPONDENT.)

PARIS, October 31.

EVENTS are now following each other rapidly, and there is every reason to believe that at last there is a well-founded prospect that before many weeks are over the first definite steps will have been taken to render possible the restoration of real peace to Europe. Whatever our individual opinions may be as to the merits of the case, it is now evident, as the result of the developments of the past week, that the Poincaré policy has proved successful in the Ruhr—which is undoubtedly the keystone of European unrest and unsettlement—and that the worst of the crisis that has been a nightmare to Europe since last January has now been passed. Reports received in Paris to-day indicate that Herren Stinnes and Krupp and their fellow-magnates, who spent twelve hours in conference with the French authorities at Dusseldorf yesterday, have at last definitely surrendered, and are willing to carry out Reparation deliveries, under French control, for the future. The release of Herr Krupp von Bohlen from Dusseldorf jail, on parole for a week, to enable him to discuss the situation with his business associates, was the beginning of developments that have now, so far as can be seen, resulted in a decision on their part to admit defeat and for the future to put into force every operation for the resumption of production in the Ruhr and the restoration of normal economic conditions there. Obviously, once that consummation devoutly to be wished has been accomplished, there is at least a probability that any effort that may be made to restore Germany to the economic map of Europe, and put her in a position to carry out her Reparation obligations, will be successful.

The exact details of the agreement come to between the Franco-Belgian authorities in the Ruhr and the German industrial leaders there are as yet unknown, nor has the agreement yet actually been signed. In official French circles, however, it is asserted that the coal and iron magnates have undertaken to resume production (which

implies that they will at once place their workmen once more on wage-earning conditions), to pay the amount of the kohlensteuer or coal tax which was held back at the time of the occupation of the Ruhr last January, and to hand over to the Allies in the future 20 per cent. of their entire output of coal and coke, to be credited against Reparation accounts. As a guarantee, the coal and iron magnates have deposited with the Allied representatives in the occupied area—which includes British representatives—a substantial sum, said to amount to £5,000,000 in British, American, and other sound currency and securities. The parties to the agreement that has been come to include, in addition to the concerns controlled by Herren Stinnes and Krupp and others, the Otto Wolff group and the Rheinische Stahlwerke, who were interested in the agreement come to (although, it is understood, not actually signed) a few weeks ago. Together these firms represent 90 per cent. of the total production of the Ruhr, which is in the hands of private undertakings. The balance is the output of the German State mines, as to which there will probably be no difficulty, particularly as these are already actually in the hands of the occupying Powers. Transport has also been assured. It was announced some days ago that nearly 300,000 of the German railway workers in the Ruhr had undertaken to resume work immediately under Franco-Belgian control, and as many of these men as are required to meet the exigencies of traffic under existing conditions have already been reinstated. The rest will return to work as and when they are required by the Franco-Belgian *régie*, under which system the lines in the Ruhr will continue to be operated in the immediate future. Foodstuffs are steadily going into the Ruhr, and there is now apparently no danger of any labour trouble in immediate future.

The progress that has been made during the past week is regarded here as the happiest possible omen for the future, so far as the other outstanding problems are concerned. The fixation of Germany's capacity to pay reparations remains to be accomplished, and this, in view of what is regarded in England as France's *intransigence*, may appear, on the surface, to be difficult to bring about. As a matter of fact, neither in official French circles nor by the general public is it any longer seriously expected that Germany will ever pay the 132 milliards of reparations already fixed. The fear is that if this sum is again reduced, France may find herself still held liable for her debts to the United States and Great Britain. On the other hand, if the German debt is left nominally fixed at 132 milliards, France will have an ample margin available with which to come to an arrangement by bargaining with her own creditors. There is reason to believe that France now expects to receive, in direct relief of the debt she has contracted in respect of her devastated regions, not more than 26,000,000,000 gold marks. If this be really the case, it is obvious matters are much nearer a rational settlement than has hitherto appeared possible.

The following official figures as to the average amount of combustible that is being drawn from the Ruhr daily by the French and Belgians at present are interesting:—

	Coal. Tons.	Coke. Tons.
From direct exploitation	7,800	1,369
Accumulated stocks	12,500	7,000
Voluntary deliveries	7,000	2,200
Average per day	27,300	10,569

These figures are based on last week's results. In accordance with the agreement between them, France took 17,800 tons of the total amount of coal and 9,000 tons of coke, the remainder going to Belgium and Luxembourg.

The Parliamentary session, it is now decided, will open on November 13th, when the first important business to be taken in hand will be the consideration of the Budget for 1924. On this occasion the Budget should not occupy a very serious portion of the session. It will be remembered that M. Poincaré insisted, last June, that in view of the fact that the financial year was already half over, the Budget for 1924 should be adopted at the same time as that for the current year, and that the taxation imposed and the supplies voted for 1923 should remain unchanged in 1924. This was agreed to after a division in respect of which the Premier posed the question of con-

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fidence. All that the Chamber will have to discuss, therefore, in its Budget debate this year, apart from the Budget of recoverable expenditure (devastated regions and pensions), will be the special credits to be opened in respect of Morocco, Syria, and other outside votes, and the amount of Treasury bonds or other forms of floating debt to be authorised to meet whatever deficit may be found to exist before the Budget for the year can be balanced. The revenue is continuing to come in so satisfactorily, and the general prospects in home and foreign trade are apparently so good that it is not expected any obstacles will arise to prevent this very simple programme from being carried out. We may, therefore, expect that a large portion of the coming special autumn session will be devoted to electioneering, in view of the fact that the annual renewal of one-third of the Senate has been fixed for January next, while it is expected (as the life of the present Parliament automatically comes to an end on May 31st) that the General Elections for the Chamber will take place on the first Sunday in April.

The new issue of Treasury bonds, which opened three weeks ago, and will be closed next week, is reported to be proving satisfactory. In banking circles the total amount already subscribed is reported to be over 5,000,000,000. The issue is unlimited in amount. The maximum issue authorised for the current year, exclusive of the issue made some months ago, is 8,000,000,000.

GERMANY.—POLITICAL CRISIS—CURRENCY—FINANCES.

(FROM OUR CORRESPONDENT.)

BERLIN, October 30.

EXCEPT for the appearance of the first Federal stable currency, all developments in the past week were for the worse. Further Separatist outbreaks are expected in occupied territory, and though fresh evidence comes every day that these outbreaks are engineered by professional, often convicted, criminals, it is very difficult to suppress them in face of French and Belgian support. It was

promised late last week that not more than 150,000 out of 550,000 workmen on the Ruhr would for the present be unemployed as the result of Berlin's stoppage of the subsidies; but reports yesterday spoke of almost complete stoppage of work, and it is certain that yesterday hardly any work was done in the bigger concerns. The Bavarian and Saxon crises are very serious. In expelling the Saxon Cabinet and setting up one more dictatorship in Dresden, as a measure against Saxon Communism and its officially tolerated or protected plots, Dr Stresemann has support of all parties except the Socialists. These, while holding that Communist members in their present mood could not be tolerated by the Republic in a Saxon Cabinet, nevertheless disapprove of some of Herr Stresemann's measures, including the suppression of the Dresden Diet. A crisis in the Federal Cabinet is threatened over this. Dr Stresemann's demand that the Reichswehr division appropriated by Bavaria shall be put back under Federal control has not been conceded, and the prospect of a compromise is lessened by semi-military bands of Bavarian extremists, who, not content with repudiating the Republic's authority within their own frontiers, threaten to march against Berlin, or to proclaim Munich to be the real seat of authority for all Germany. Dr Stresemann has shown considerable energy so far; but if it comes to the worst, there is no constitutional and practical way of asserting Federal authority except to deal with Bavaria as Saxony has been dealt with, even at cost of an armed conflict.

The currency trouble last week got worse and worse. The foreign exchanges continued in the first days upward, and the Reichsbank, as in August, had to admit that it could not produce enough cash. Against 1,000,000 billion marks per day wanted, only about 300,000 billions were being printed. The Reichsbank building was for the second time in vain besieged. This led to the rushing out of stable notes, which, though in small denominations, represent, compared with the sum of depreciated paper marks in circulation, a very considerable buying power; and as these new notes have so far really been stable, it is hoped that the mere cash crisis is checked. Before this was done, Bavaria, Baden, Hamburg, Hanover, and other States and cities, which long ago produced paper mark notes, announced the issue of their own "wertbestaendig" currencies, which are naturally not gold secured, but which in some form or another are guaranteed against loss of buying power. The cover, as in the case of the not yet issued "Rentenmark," is vague; Baden secures her notes on the income of State-owned forests; Hanover simply makes hers convertible into given quantities of rye (like the earlier rye loans). The fact that the currency sovereignty of the Republic is being shaken by these local measures at a time when there are so many other fissiparous tendencies was an additional reason for rushing out the Federal stable notes. Already in circulation in small denominations are notes representing units of gold loan under law of August 14th and gold Treasury bill notes under law of March 2nd. As these may appear in foreign markets, and as, while they are nearly the same in appearance and in part alike in wording, they have very different exchange values, foreigners may save themselves from loss by noting the differences. The first (gold loan notes) bear the inscription "Schatzanweisung des deutschen Reiches," with a statement that they are payable on September 2, 1935. Though popularly called "gold loan" notes, these are not convertible into gold, but are only "wertbestaendig." The second new currency, also bearing "Schatzanweisung des deutschen Reiches," are the gold Treasury bills. These bear a promise to redeem on April 15, 1926, in cheque on New York or in gold; and further, a statement that the Reichsbank guarantees such redemption. They are therefore a gold currency proper. Their paper-mark exchange to-day was 80 milliards, or higher than the dollar exchange of 65 milliards, against 65 milliards, also for the mere "gold loan" notes. The "Rentenmarks," it is expected, will appear this week; and as Berlin city has issued 3,000,000 marks of local "wertbestaendig" currency, the sum total of issue should relieve the cash tension. It will cause, it is feared, considerable confusion owing to the variety of exchange values. For the present, representatives of the retail trades have come to an agreement to quote double (paper

mark and gold loan) prices; and gold Treasury bill notes will be accepted at the official exchange rate until the next official exchange is announced (from midday to midday).

Gold-loan notes will be ultimately convertible at par into "Rentenmarks," which are really better secured. Private credits by the Rentenbank, which are allowed to a maximum of 1,200 million Rentenmarks, will not be made "wertbestaendig," i.e., not accompanied by the condition that the borrower shall compensate the Rentenbank for depreciation before repayment. This decision expresses the official hope that the Rentenmark will really maintain a stable gold value. Official salaries and private wages will be fully paid in the new stable currencies as soon as enough is available; and they will be partly so paid at once. The Vice-President of the Reichsbank states that the bank will devote 300,000,000 Rentenmarks (which it is to get from the Government in repayment of the old Treasury bill debt) to buying up paper marks, and that therefore a certain (paper mark) deflation will take place. As no more paper marks will be printed, this ought to raise the paper mark's value; but in the home and foreign public there is so far no sign of expectation of this. Doubt is also still expressed whether the limited credits which the Rentenbank is to give to the Government will last until the Budget is balanced. The new regulations for the Reichsbank have appeared in the shape of a decree. The bank will issue gold notes secured, to one-third with gold, to two-thirds with gold mark bills or cheques. The notes are convertible in Berlin at will of the bank into gold, dollars or pounds sterling. A gold mark in the sense of the decree is the value of 1.2700 kilogramme of fine gold. This measure will come into force simultaneously with the issue of the first Rentenmarks. From November 1st the State railways will adopt gold mark calculation. Since August the system has been gold mark basic rates, multiplied by a key number based on an index, revised at short intervals. In future the price of tickets and for freight will be the basic gold mark prices, multiplied by the actual day-to-day exchange appreciation of the gold mark, rounded to one milliard. This means gold rates, instead of index rates. For reasons of economy, about 50 trains, mostly express, will cease running from November 12th.

The Cabinet has been forced to this step by continuing heavy railway losses, despite the now rapidly increased fares and rates. The last decade report of the Finance Ministry for October 11-20th, inclusive, shows a daily loss on railways of 10,000 billion marks, and the next report will show a much higher rate of loss. This decade report is in general less favourable than the preceding, which showed about one-hundredth of expenditure to be covered. The yield from taxes was only 2,456 billion marks, against expenditure of 324,117 billion marks. By floating debt operations 317,697 billion marks was raised, and from funded debt (gold loan) 2,962 billion marks. The mere interest on the floating debt, 18,657 billion marks, exceeded revenue from taxes about seven-fold. The loss on railways was 103,151 billions. The floating debt of discounted Treasury bills rose in the ten days from 89,142 billions to 407,839 billions. These totals were on the basis of a dollar exchange of about seven milliard marks; the accumulation of nominal debt at present is very much more rapid. Nominal debt, of course, counts for little; but it is a bad sign that in September, after the passing of the August emergency taxes, the gold value of the revenue fell off. At exchange of October 22nd the whole debt was about \$11,000,000. The old funded (war) debt of 64 milliards, as it stood before the issue of the new funded gold loan, now represents a gold value of \$1. The Cabinet has prepared a measure cutting down the ranks of officialdom, the main point of which is compulsory retirement at the age of 65. Married women as officials will be discouraged, on the ground that owing to their low standard of attendance they cost twice as much as men. The new measure putting taxes on a gold basis will cause great trouble to the taxation officials and the public. It suffers from the usual bureaucratic over-elaboration in regard to the different kinds of multiplication of old taxes at different dates. This will be cured only when taxes are directly assessed in an actual gold currency or at least in the new stable value currency. The September revenue report

shows very remarkably how gold or stable value taxing summarily puts an end to the system under which direct taxes are escaped through the currency depreciation; the mere levy on agricultural land, passed as part of the Rhine-Ruhr levy in August, and imposed in gold marks, yielded 444 billion marks out of a total of 1,124 billions from all direct taxes, while the employers' levy, assessed in paper marks, which ought to have yielded much more, yielded only 213 billions.

The Reichsbank's statement for October 15th shows a new rapid increase of totals. Commercial bills rose by 22,939 billions to 29,541 billions, Treasury bills by 97,548 billions to 167,779 billions, advances by 5,324 billions to 5,616 billions, and circulation by 76,416 billions to 123,349 billions. Outstanding Darlehns loans rose by 875 billions to 5,663 billions. Of late the circulation of Darlehns notes has ceased to appear in the weekly statements, presumably because the total issue, more or less stable around 12 milliards, represents a value of under 1s. The sudden great increase in total of advances is due to the fact that after the Darlehnskassen had lent up to the legal maximum further demands for loans were diverted to the Reichsbank.

It is officially stated that the State railways will, independently of a possible Ruhr solution, continue to need foreign (English) coal. Consumption is about 1,100,000 metric tons per month, of which only a third could be got from Germany and Poland. Before the occupation only 50,000 tons came from the Ruhr, while 250,000 tons came from Upper Silesia and Poland, 25,000 tons from Lower Silesia, and 45,000 tons from Saxony. The quality question here plays a rôle; not all of the available German coal can be used on the railways. It is officially stated that the experiments in the use of brown coal for locomotive firing have not been successful.

CANADA.—GRAIN CROP—PRODIGIOUS YIELD IN ALBERTA—THE ONTARIO LOAN—BUSINESS AND INDUSTRIAL CONDITIONS—THE PREFERENCE PROPOSALS.

(FROM OUR CORRESPONDENT.)

OTTAWA, October 22.

THE latest end of September estimate of the grain crop compiled by the Dominion Bureau of Statistics sets at rest all doubts about the volume of the grain crop. The detailed figures for the crop, with the comparative returns for 1922, are as follows:—Wheat, 469,761,000, against 399,786,400; oats, 531,378,000, against 491,239,000; barley, 80,357,000, against 71,865,300; rye, 26,936,000, against 32,373,400; mixed grains, 29,090,000, against 27,707,700; flax, 6,942,000, against 5,008,500 bushels. But as the subjoined comparative data of the wheat crop by provinces shows, it is due solely to the Alberta crop, which can only be described as prodigious, that all previous records have been surpassed:—Manitoba, 1923, 36,481,000; 1922, 60,051,000 bushels; Saskatchewan, 1923, 252,622,000; 1922, 250,167,000 bushels; Alberta, 1923, 157,467,000; 1922, 64,976,000 bushels. Other provinces, 1923, 23,191,000; 1922, 24,592,400 bushels.

Saskatchewan and the non-prairie provinces are practically stationary in their yield, and the Manitoba crop, which was ruined by rust and other plagues, shows a very serious decline. Alberta, however, has a magnificent compensation for a series of bad years; yields as high as 70 and 80 bushels per acre are recorded, and 50 bushels is not uncommon, with the result that all the plant and labour available in the province will be fully occupied till Christmas in threshing operations. The crop is now pouring down from the prairies through the Winnipeg funnel to the Lake ports at a very rapid rate, and until a few days ago a serious grain blockade seemed imminent. The boycott of the Canadian grain trade organised by American shipowners, who disliked the new regulations imposed by the Canadian Government in regard to freights, succeeded in keeping out of the Canadian ports a large proportion of the American tonnage, which normally handled over 60 per cent. of the grain exported down the Lakes, and as during the past fortnight the ships available have been able to take out from the Thunder Bay ports little more than half the volume of grain that the

railways were pouring in each day, a complete congestion of the elevator accommodation at these ports, which can hold 55 million bushels, was inevitable. The Government maintained a firm front until the crisis was within measurable distance, but now they have capitulated to the American shipowners, and it is announced in so many words that the obnoxious regulations will not be enforced. The full strength of the American grain fleet ought now to come into the Canadian trade, and relieve the situation.

The Ontario Government, encouraged by the great success of the Federal Government's loan, have emulated their enterprise, and placed a few days ago in the hands of a syndicate a block of \$40,000,000 five-year bonds maturing October 15, 1948. They were offered to the public at 98, and will therefore yield 5.14, which is the same yield as the Federal Government's 20-year bonds. The syndicate's managers enlisted the co-operation of a number of bond houses, and on the first day of offering the entire issue was underwritten. The bond market has in general shown surprising strength, and although heavy American subscriptions have helped both the Federal and the Ontario loans, it is plain that there is a lot of money in the country. In the stock markets there has been visible a slow but steady decline of prices since last March, and there is so far no definite sign of an upward turn.

But industrial conditions are still "spotty." The motor-car manufacturers are very busy, and are now doing a huge export trade. Some of the steel plants are rubbing along on timely orders for railway equipment, and firms which make heating apparatus and roofing material are also reasonably busy. But in other lines manufacturers find great difficulty in marketing their products, and many of them are faced with the necessity of curtailing their output for the winter. However, there need be no serious unemployment, for lumbering operations in the bush both for timber and pulpwood will be on a very large scale this winter; in the Gatineau Valley, for instance, north of Ottawa the lumber companies want at least 10,000 more men than can be secured locally. The paper industry is expanding steadily, and exports show no sign of abatement. The mining industry in Northern Ontario still shows great activity, and the machinery and tool companies are profiting by large orders from that region. It is difficult to appraise the exact value of the great discoveries which are chronicled in the Press each week, but most of the mines whose quality is assured are showing better and better returns, and very promising developments on a large scale are in progress. The main bulk of the capital is still American and Canadian, but British investors are becoming more and more interested.

The new preference proposals made by the British Government have excited little interest in Canada. They might if brought into effect promise some expansion of business for the canning companies, but it is difficult to see how they will materially increase Canada's exports to Britain.

ARGENTINA.—AGRICULTURAL POSITION—PUBLIC FINANCE—RAILWAY PLANS.

(FROM OUR CORRESPONDENT.)

BUENOS AYRES, September 24.

GENERAL conditions in Argentina have shown signs of improvement during the past month, prices for cereals keeping steady and cattle quotations being decidedly better in all parts of the Republic. A loss of some 25,000 head of stock occurred in the southern and western areas of the province of Buenos Ayres, owing to an unexpected cold snap; but the latest cattle census shows that Argentina's horned stock is ample to meet all demands. There were 37,064,850 head of cattle in the country on December 31, 1922, and 35,671,000 sheep, the latter figure showing a decrease of 6,600,000 since 1914, while it is less than half the total estimated in 1895, which was 74,379,000. Argentina's main stand-by, the cattle trade, is clearly recovering from the depression that has marked the last two years, and it is doing so without any special Government aid. A liberal policy on the part of the Banco de la Nación, which at present carries some 80 million dollars paper in cattle loans guaranteed by pledges of the stock, though far from profitable to the institution, has un-

doubtedly aided many breeders to tide things over. At the same time, the system has been liable to abuse, and private banking interests have found it to their advantage to leave such business alone. Much of the reduction in the flocks of sheep is comparatively recent, say, during the past two years, and largely due to the fact that ready money was more easily and more profitably obtained by selling sheep than by throwing away cattle for next to nothing. The flocks now existing are, however, reported to be of exceptionally fine quality, viewed from the wool buyer's position, and it is reasonably certain that this year's clip will in the aggregate bring in proportionately high returns, bids for Rivers wool having already been pitched as high as \$25 Argentine paper per 10 kilos. In agriculture everything at the moment promises well for production. Conditions in the dairy industry, the outlook for the local sugar interests, the demand for quebracho, and the favourable prospects for the novel, yet profitable, cotton crop now attracting much attention are all additional reasons for believing that Argentina's 1923-4 season of production will be a good one.

Although the rift between commerce and the official world appears to grow rather than to close as each month passes, it is clear that a climax in the official finances is approaching. The Government do not seem to realise that a brisk trade revival will automatically put a stop to the systematic renewal of short-date indebtedness at 4 per cent., which has been the one fixed point in a maze of visionary projects. The announcement that Dr Herrera Vegas will resign the portfolio of Finance on the departure of Señor Alvarez de Toledo as Minister to Paris may mean a radical change in the Government's financial policy, or rather lack of policy. As Señor Alvarez de Toledo was president of the Banco de la Nación, it is more than probable that the outgoing Minister of Finance will take the vacant seat. To-day the Banco de la Nación holds four times the deposits of any other bank in Argentina, and its advances bear much the same proportion to those of its competitors, while, being almost free from any obligation to do more than cover working expenses, its influence on the market is exceedingly powerful, and, one must add, irregular. Thus during the past month it has carried out an exchange operation based on the withdrawal of gold from the Argentine Legations in London and Rome, which enabled it to utilise \$4,123,157 gold at par as cover for its drawings. Gold from the Banco de la Nación was paid in to the Conversion Office, for whose account the Legation deposits were earmarked, and in principle this act is tantamount to a shipment of gold, inasmuch as it reduces the sum total of Argentina's gold holdings by the amount named. A sum of £250,000 is ceded to the Treasury at par, to be utilised for meeting foreign obligations, but the balance will leave a handsome profit when it is remembered that the United States rate shows 30 per cent. appreciation compared with the Argentine dollar. A further attempt to use the gold of the Conversion Office for settling external debts at par was made in connection with the proposal to modernise part of Argentina's battle fleet abroad. \$9,500,000 gold was sanctioned as the sum to be spent in this connection, and by a snatch vote the Chamber of Deputies, acting on the proposal of a Socialist member, included in the Bill a clause to the effect that the necessary sum should be withdrawn from the Conversion Office against the deposit of the corresponding amount in paper. This was opposed by the Senate, who returned the Bill to the Lower Chamber after deleting the clause. The amendment was accepted, but shows how the wind may blow in the House of Deputies, where there is admittedly a strong feeling in favour of freeing the market for gold and restoring the Conversion Office to the use of its full powers.

Meanwhile discussion of the Budget for 1923 still drags on, and, even at the moment of writing, with but five more working days of the ordinary sessions of Congress available, no one can say what steps the legislature will take towards bringing administrative finances into a comparatively normal course. August salaries are still outstanding, not for lack of funds, but simply owing to the absence of the monthly authorisations that have been the rule throughout the year. The Government has laid before Congress its detailed plans for expansion of the State railways at a total cost of \$365,000,000 Argentine paper. Meanwhile \$20,000,000 paper are sought to com-

plete the programme of work for 1923, and in anticipation of this credit being granted, the Banco de la Nación has given the department \$7,000,000 at 5 per cent. wherewith to meet pressing payments, which are many. Some comment has appeared in the Press relative to the possibility of the Government obtaining a loan in London under the terms of the Trade Facilities Act, though the sum named (£40,000,000) is out of all reason, and the insistence on the money obtained with the British Government's guarantee being spent on material in Great Britain, is likely to prevent business being done as far as the Argentine State railways are concerned. It is, however, on the cards that the Anglo-Argentine lines may find it beneficial to obtain fresh capital funds under the conditions of the Act, and therewith carry out many important extensions giving promise of substantial additions to traffic receipts in the future. By so doing they would temporarily counter the heavy exchange loss that purchases in the ordinary course of trade imply when made in Great Britain, and, by modernising the facilities they offer to their customers, be in a position to meet without undue difficulty the call for a reconsideration of the existing tariffs that is bound to arise sooner or later. Probably sooner, if cereal prices show any marked decline before the next crops are safely marketed.

Exchange moved a little in favour of this country during the third week of September, partly on account of the operation outlined above and partly owing to a bigger offering of bills by exporters, coupled with a withdrawal of remitters. The latter seem to have misjudged the market, thinking, apparently, that when sterling quotations touched 40d nothing prevented them from moving steadily higher. One must repeat that unless some exceptional move is taken by the Government—a foreign loan or gold shipment—sterling exchange will remain more or less where it is to-day.

BELGIUM.—DOLLAR CREDITS—THE FRANC EXCHANGE—BOURSE—PRICES—UNEMPLOYMENT.

(FROM OUR CORRESPONDENT.)

BRUSSELS, October 24.

THE annual report just published by the Belgian metallurgical company, "Forges de la Providence," one of the most important in the country, has once more attracted attention to the very delicate position of the manufacturers who availed themselves of the credits in dollars which the Belgian Government obtained in New York early in 1919. At that time a loan of 50 million dollars, guaranteed by the Belgian Government, was arranged by the Banque Nationale de Belgique, and the dollars were lent to Belgian manufacturers to enable them to obtain necessary raw materials and reconstruct destroyed machinery; but, above all, to avoid unemployment as much as possible. The contracts between the Banque Nationale and the manufacturers expire in 1925, and, unless an extension is arranged, the latter will have to purchase, at the current rate of the day, the dollars which they owe to the bank. In this connection it must not be forgotten that the rate of exchange of the dollar at the time the loans were arranged was, roughly, 6f, whereas the present quotation is between 19f and 20f.

In a number of cases no provision has been made by the manufacturers to counter-balance their losses resulting from the depreciation of the franc, and in the present case, that of the "Société des Forges de la Providence," this loss, according to their latest balance-sheet, amounts to 20 million francs, in respect of which they are only now establishing a sinking fund. This is not vital for such an important undertaking, but there are others less powerful whose position would become very critical indeed were they compelled to repay their dollar loans at the present rate of exchange.

Morally the Government has assumed a very large responsibility in the affair, inasmuch as the object it had in view in supporting the operation was not so much the prosperity of the industry as the fear of a long period of unemployment and the various social disturbances which might have resulted. In Belgian industrial circles the opinion generally is that lengthy delays should be accorded for the liquidation of these loans, so as to diminish the annual charges resulting from the loss in exchange, and

to enable the manufacturers to take advantage of an eventual appreciation of the Belgian franc.

During the past few months the general situation in Belgium has been quite as unstable as previously, and the chaotic state of the foreign exchanges is not one of the least important causes of this position of affairs. One must not lose sight of the fact that during the last few weeks the £ sterling has fallen from 108f to 80f, to rise again to 93f just as quickly, and then fall again and fluctuate violently, often several times during the same day, between 85f and 88f. At the same time the continual demands for increases of wages, the difficulty of obtaining scrap iron at very uncertain prices, and the constant rise in the price of coal indicate the difficulties confronting this very important section of Belgian industry. Thus the situation is not at all as bright as is generally supposed abroad. All industries working for export are suffering more or less to a certain extent except those—e.g., the glass industry—which have a monopoly or suffer very little competition.

The values of industrial shares on the Bourse have naturally reflected the recent fall in the exchange, and at such moments it is not surprising to hear of manufacturers as well as capitalists desiring a reaction in the exchange. The former have a certain interest in a rise in the rate so as to give them a larger margin of profit on their exports, the prices of raw materials and salaries not immediately taking effect with the rise in exchange. As regards the latter, their interest lies in higher values, as expressed in francs, to be obtained on the stock market, as naturally prices must rise with each further depreciation of the franc—for it is surprising how many people cling obstinately to the fascination of the number of francs they possess without sufficiently considering, or even without taking into consideration at all, the gold value of the franc, that is to say the real value of their fortune. It is a curious thing that Belgian Government securities have scarcely risen during the recent fall in industrials as is usual in such cases. Only the "Bons Interprovinciaux 5 per Cent.," issued during the war, have marked any serious increase on the official announcement of the repayment at maturity of the series maturing December 10th-March 10th and June 10th next, totalling, in all, approximately 500 million francs, holders not claiming repayment being entitled in exchange to new five-year bonds at 5 per cent. interest at 95 per cent. of their nominal value. At the same time, rumours which foreshadowed the issue of a new consolidated loan, supposed to be at 7 per cent., have been denied. There will thus be no large loan this year, which is very fortunate, as the money market is at present very tight, day-to-day money fetching easily 4½ and 5 per cent., whereas Treasury bonds at six months are only issued at 5 per cent.

A point worthy of notice, which seems to indicate a change of attitude of the Banque Nationale de Belgique towards foreign banks established in Belgium, is the permission recently given to such foreign banks as are members of the clearing-house (to which they are admitted in Belgium) to obtain small overdrafts at the Banque Nationale against deposit of Belgian Government securities as guarantee.

No new laws of importance have been voted recently. A royal proclamation has been issued forbidding the export of coal unless a licence has been obtained; this is chiefly the result of complaints made by the public, owing to difficulties in securing supplies of coal and to the constant rise in prices. Mention should also be made of a further law forbidding the purchase of foreign currencies, except on production of invoices proving that such foreign currencies are required for the payment of goods bought abroad; Belgians have not even the right to dispose of foreign monies purchased before the issuing of the proclamation without justification of the purposes for which they are required. The law, however, in no way interferes with foreigners living abroad, and imposes no restriction on their exchange dealings, allowing them to buy and sell francs as they please.

The Index number, which serves here as a basis for a large number of agreements between employer and employed for the settlement of wages, has risen considerably since January last for the whole of the country. It has increased from 383 per cent. (based on the prices of 1914) to 453 per cent. in September, and even as high as 468 per

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cent. for Brussels. This has been the cause of numerous increases in wages, which cannot be challenged by the employers, as they have agreed that the official Index number should serve as a basis for their calculations, and besides trade is suffering from a lack of workmen since the application of the eight hours' day law.

The unemployment figures for September are not yet known, but for the month of August the number of involuntary unemployed was 12,368, out of a total of 648,487 members of the unemployment insurance society—i.e., roughly 2 per cent. of the number assured, as against 4.4 per cent. for the corresponding period last year.

BULGARIA.—RECENT DISTURBANCES—FOREIGN EXCHANGE—HARVEST—EXPORT POSITION—CREDIT.

(FROM OUR CORRESPONDENT.)

SOFIA, October 23.

AFTER the recent Communist risings, order was re-established throughout the country quickly and energetically, and things have now returned to normal. The flight of the Communist leaders, who abandoned their followers at the critical moment, has had considerable effect on the morale of the "red" peasants, and the insurgents submitted to the regular forces without serious resistance, and returned quietly to their work. November 18th has been fixed as the date for the new elections, and the Democratic Block (the Government party), the National Liberals, and the Agrarians are all carrying on intensive propaganda throughout the country. The Agrarians and the Communists appear to be acting in close co-operation, but they have to suffer from the general discredit which recent disturbances have brought upon their political doctrines. It is confidently anticipated that the Government will obtain a working majority at the polls.

Recent events have had less effect on the foreign exchange market than was generally expected. This is ascribable in the main to large sales of foreign currency by the tobacco firms and sugar producers, who needed leva for the purchase of raw materials. The rate for sterling moved from 478 leva on September 1st, to 452 on the 18th. The riots began on the following day, and the lev at once fell to 471, and, during the critical days which came towards the end of the month, declined still further to 493 to the £. After the end of the disorders, the rate progressively improved to 474, 469, 460, and 455. Since October 1st, the lev has shown a stability rarely observed after the war; fluctuations on the bourse are of no importance, foreign currencies are very easily obtained, and credits in dollars, francs, and pounds are granted to the best firms more abundantly and on better terms than leva credits.

Despite the fact that harvesting has been retarded somewhat this season, the crop returns are very satisfactory, and mark a considerable advance on those of last year:—

(In Metric Tons.)

	1922.	1923.
Wheat	1,026,143	1,055,000
Rye	189,320	215,400
Barley	259,292	267,400
Oats	132,728	145,900
Maize	393,181	559,000
Rice	3,604	3,700

The improvement in the tobacco crop is, however, even greater, and far exceeds expectations. Calculations of specialists point to a crop of some 46 million kilograms—the official estimate being 50 million kgs—against 22 millions last year.

Export prospects for cereals are not as favourable as might have been desired on account of the general world position. Prices are low, and keen competition is feared from America. The Government has endeavoured to assist exporters by reducing export taxes and by granting credit facilities. At the same time the cost of living has not fallen appreciably, despite the general improvement in the exchange position of the lev of recent months, and internal prices are still too high by comparison with the current world prices level. The outlook is much better in the case of tobacco since the Bulgarian product is much appreciated in certain foreign markets, and demand is assured.

Recent unrest has done much harm to finance and trade. A 21 days' moratorium was officially granted by the Government for all liabilities falling due between September 18th and October 9th, and this has been a blow to the commercial credit which the banks had recently begun to give to their best clients. The discounting of trade bills and the advancing of money against goods has again been stopped for an indefinite period. Scarcity of money and high rates of interest are prevailing once more on the market. Certain of the Government's fiscal regulations (such as stamp duty, foreign exchange restrictions, and taxation) are meeting with growing disapproval in business circles. Criticism is chiefly directed against the often absurd way in which these taxes are collected, and against the complicated texts of fiscal legislation.

Letters to the Editor.

DEFLATION AND INFLATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Two questions occur to me:—(1) What is the meaning of "arbitrary" when applied as a term of abuse to the Cunliffe limit on our currency of paper pounds? If an institution—the Treasury in our case under the Act of 1914—is given power to issue bits of paper which must be accepted as "pounds" by everyone to whom "pounds" are due, I fail to see what kind of limit on this power can escape being as "arbitrary" as the power itself. I cannot help suspecting that those who complain of the "arbitrary limit" really wish to see the Treasury exercising its perfectly arbitrary discretion under the Act by increasing the issue whenever sufficiently clamorous interests desire higher prices. If not, will they explain what limit they would suggest?

(2) Is it much use to ask us to decide whether we wish the pound to purchase a stable amount of gold or a stable amount of commodities in general "under present circumstances"? Present circumstances will not last, and the essence of business is to see and provide for future circumstances. If this country went back to a gold standard, many others would follow, and stability of exchanges between the whole group would be attained, which would be much more valuable than stability between this country and the United States alone. And even if this country does not return to a gold standard, is it not now fairly certain that whether their first experiments succeed or fail, Germany and European countries to the east of her will soon be reckoning all prices in gold units and have a stable exchange among themselves and with the United States? Under those circumstances could London afford to go on asking the world to reckon not in gold, but in Bradburys, the value of which was kept stable by the Treasury, assisted by the Bank, the Federation of British Industries, and the party agents' calculations of votes at the next general election?—Yours, &c.,

EDWIN CANNAN.

October 28th, 1923.

THE TRANSFER OF MONEY WITHIN THE EMPIRE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Sir James Cooper's letter in your issue of 20th ult. raises a point of the utmost importance. He states in effect that, as far as Australasia is concerned, it is open to their bankers—and that they take advantage of the opening—to establish a monopoly for exchange transactions, and to penalise any who seek to go outside their charmed circle. This was confirmed by Mr Bruce in regard to Australia, and by Sir James Allen in regard to New Zealand, in their speeches at the Economic Conference on Friday last.

It would be very interesting, and, I think, probably highly instructive if some of your correspondents could throw further light on the question.

The old world has for centuries effected its international exchanges of goods between nations with all sorts of varying currencies, by the use of bills of exchange freely dealt in by dealers in exchange, while the newest of the new world—the Australasian Dominions—have apparently never adopted the system, but have been contented to allow this vital function of "exchange" dealing, to remain a monopoly in the hands of the banks. The direct connection between export and import of goods has consequently been lost, and an important factor, which operates where it exists as a barometer to indicate the state of trade between different countries, is missing.

The point may appear to be an academic one, but investigation will show that there is far more behind it than appears on the surface.—I am, Sir, yours faithfully,

MARK B. F. MAJOR.

London, E.C. 4, November 1st, 1923.

Books and Publications.

A PAGE OF BANKING HISTORY.*

A DETAILED study of banking history, through a study of the story of particular institutions, throws interesting side-lights on the general problems involved by currency and credit systems, and this book, forming Part 2 of Volume CII. of the studies in Economics, History, and Public Law, edited by the Faculty of Political Science of Columbia University, is full of instructive matter. It is written and planned with austere simplicity, and cannot be recommended as light reading, but anyone who wants to know how American banking won through all the difficulties that faced it to the efficiency that it has now reached, will find in this history of the "Gibraltar of the West" many useful opportunities of generalising from the particular. This particular Gibraltar finally surrendered, being put into the hands of a receiver in June, 1877, the cause of its failure being officially described as "fraudulent management, excessive loans to officers, a depreciation of securities," but it paid its creditors 100 per cent. and interest on their claims; and when one considers the boundless temptations to speculation and bad finance that were provided by the amazing forward rushes of American development, a sympathetic student of her banking history can only marvel that any of her banks stood up as long as this one. This is especially so when we remember that her banks were not only beset by the usual crowd of people wanting more credit than was good for them, and wanting it all the more eagerly because their chances of making profitable use of it were so vast, but were also faced in their early years by a crowd of hostile critics who thought that banking was essentially "unrepublican," and were always on the look out for joints in their harness. And those joints were numerous enough to satisfy the greediest critic. "As early as 1810," says Dr Cable, "Vermont, Delaware, Kentucky, and North Carolina had organised banks wholly or partially owned by the State. In many cases the capital was only partly paid up, and it was no uncommon thing for the shareholders to borrow back all they had put in. The denominations of the circulation often were made small, on the theory that

* "The Bank of the State of Missouri." By John Ray Cable, Ph.D., Associate Professor of Finance and Banking in Washington University. (New York) Longmans, Green; (London) P. S. King, 14s.

demands for redemption would thereby be less frequent. Many of the banks were located in inaccessible places to further hinder presentation. Public opinion seemed to sustain this kind of banking. The debtor classes, as always, wanted cheap money. It was not considered good form to ask for specie, and tar and feathers were sometimes used to dissuade those who persisted. Moreover, as time went on, the State banks loaned more and more heavily on real estate paper. Under the credit system of selling public lands, the purchaser had only to pay down 25 per cent. No lots were sold of less than 160 acres. The result was that men put all their money into the initial payment, and trusted to bank loans for the balance." With such customers and such assets, the capital with which the banks had to work consisted chiefly, we are told, of "the cupidity of the public," because the shareholders apparently borrowed from them the money to pay the instalments on their holdings. Kentucky's record was brilliant. By a single act of her legislature she had chartered 43 independent banks, and by 1819 all had failed. Their charters were accordingly repealed, and the Commonwealth Bank of Kentucky was started with no stockholders, and under official management. Its "only real capital" was an appropriation of \$7,000 to pay for printing notes. The notes were lent to needy citizens on real estate mortgages. The circulation was declared unconstitutional, so the State ousted the judges, who were tactless enough to say so, and went on printing notes, on which a discount of 50 to 75 per cent. was not uncommon.

Amongst conditions such as these, the Bank of the State of Missouri was established, and for many years shone "like a good deed in a naughty world," by conducting its operations with eminent success on sound and prudent lines. In fact, the "conservatism" with which it was managed finally led to its undoing, because the community that it served wanted a more dashing policy, and so its whole status was altered, with the result that it fell a prey to bad business. Our Collectionist friends may make most of the interesting fact that it was admirably managed as long as it was a semi-State institution, and having at last been turned into an ordinary joint stock bank, its subsequent career "left a blot on its record. It was to do a 'plunger' type of business for about 11 years, and then to go down in the depression following the panic of 1873."

CARLYLE AND MILL.*

THESE letters, purchased last year at auction by the trustees of the Carlyle Memorial, and published at their instance, claim notice here inasmuch as three-fifths of them are addressed to the chief architect of Victorian philosophy and economics. They throw some fresh light on Mill's circle and on the history of his minor writings; but their main interest lies in their revelation of a very different Carlyle from that presented by the composite portrait produced conjointly by his own reminiscences, his wife's biographers, and Froude. He stands out as a warm-hearted, genial friend, occasionally explosive, but never bitter or querulous, struggling bravely with all his difficulties, and in one great calamity heroic. In the loss, through Mill's carelessness, of the original first volume of "The French Revolution" (for which Mill had apparently supplied much of the material) Carlyle's chief concern was to console Mill in his remorse. "Your sorrow must be far sharper than mine; yours bound to be a passive one. How true is this of Richter's: 'All evil is like a nightmare: the instant you begin to stir under it, it is gone.'" So Carlyle spends £10 on new material, asks Mill to lend him more books, computes his loss of "wages" (which Mill insisted on making good) at £100, and writes: "How lucky.....that neither of us is wealthy and one of us is poor! It has positively hereby become a case which money can remedy." Mill sent £200, which Carlyle most courteously sends back: "More [than £100] were defrauding the revenue." The letters throw some

* "Letters of Thomas Carlyle to John Stuart Mill, John Sterling, and Robert Browning." Edited by Alexander Carlyle, M.A. (London) T. Fisher Unwin, Limited. 1923. 25s net.

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new light on Mill's life and character, though none on his opinions, and they come appropriately from the Carlyle Trustees as a corrective of the popular view of Carlyle.

A CENTURY OF EAST INDIA TRADE.*

THE student of English commercial policy in the 17th century has something of that satisfaction which comes from dealing in origins. In spite of this, the early history of the East India Company has not received the attention it deserves, and Professor Shafaat Ahmad Khan has done well in producing an undoubtedly able treatise on the political and economic influence of East Indian trade. For the greater part of the century the company was struggling with its Dutch rival. From this conflict against monopoly and from the sheer necessities of the East India trade—not from remote economic philosophy—there arose the mercantilist theories of a commercial state. These theories gave way to a demand for Free-trade only when the company's interests were threatened, no longer by the Dutch, but by those English interests which wished to exclude competing Indian cloths. Another development, of great importance from the political standpoint, was the gradual success of the company's steadfast attempt to gain the active protection of the Crown. The period of early misfortunes, when the whole enterprise was almost abandoned, was followed by more favourable prospects under Cromwell, and finally the company gained the whole-hearted support of Charles II. Trade quarrels now became State quarrels, and these, in turn, led to the commercial wars of the 18th century.

The author avowedly limits his field strictly, and, in fact, imposed on himself a further limitation, in that he makes hardly any reference to the connection between East Indian trade and the general colonial policy of the period, which is obviously of the greatest importance. Moreover, by isolating the Eastern trade itself from the routes by which, and the places in which, it was carried on, he cannot escape a certain intangibility, in spite of his wealth of detailed knowledge. In compensation for this, however, the author is a master of judicious repetition, a gift which renders his work doubly effective.

BOOKS RECEIVED.

Income-tax Made Easy for Everyone. By T. Howard Coath. Revised 1923-1924 edition. (London) Simkin, Marshall, Hamilton, Kent and Co., Limited. 2s net.

Universal Directory of Railway Officials, 1923. (London) 33 Tothill street, Westminster. 20s net.

The 29th annual edition of the Universal Directory of Railway Officials has now been issued. It has been compiled, chiefly from official sources, under the direction of the editor of *The Railway Gazette*, and is published later than usual this year in order to include the numerous changes in personnel consequent on the grouping of the British railways. No other publication contains a complete list of all the chief railway officials all over the world. The directory is divided into eleven sections, arranged as follows:—Official, Great Britain, Ireland, Europe, Asia, Africa, Australasia, North America, Central America, Mexico and West Indies, South America, and Personal Index of Railway Officials.

A Short Course in Interpolation. By E. T. Whittaker and George Robinson. (London) Blackie and Son, Limited. 5s net.

Science and Sanctity. A Study in the Scientific Approach to Unity. By Victor Branford. (London) Leplay House Press. 10s 6d net.

* "The East India Trade in the 17th Century." By Shafaat Ahmad Khan. Oxford. 14s.

STOCK EXCHANGE NEWS.

TICKET. November 14. ACCOUNT. November 15.

THE fact of this being a broken week, owing to the incidence of the Stock Exchange holiday on Thursday, November 1st, has imposed no check upon the expansion of business. Many of the markets are, comparatively speaking, active, and money continues to flow steadily into investment stocks. Concurrently with this, a buoyant tone has developed amongst oil shares, while in other speculative sections more interest has been taken in the leading shares than has recently been apparent. At the same time, certain of the former favourites—e.g., Courtaulds and tobacco shares—have not yet resumed their former place in the speculative running, and the mining markets, while showing a firm tone, fail to attract much public business.

Dealings started on Monday in the new 5 per cent. stock offered by the Union of South Africa at 93½. There was a long string of buying orders waiting for execution upon the commencement of dealings, and the price from ½ premium advanced to 1½ premium. The War Loan is better, and a fair amount of buying caused a recovery of part of the interest deducted from the price last week. Newly-issued scrip stocks are remarkably hard; the Nigeria Fours lag a little behind the rest. One or two new loans are expected next week.

The foreign market refused to be damped by the qualifications voiced by President Poincaré in connection with the Reparations Conference, in which America is expected to join. French bonds, Rio Tintos, and other inter-Bourse descriptions have been good, and Paris, as the House has it, put on its buying boots earlier in the week. Mexican Government bonds stand out with falls that are disappointing to holders of the various securities. The South American groups show no especial change. A feature of strength was provided by the Austrian scrip, which rose abruptly on the closing of the latest Finland loan lists, the argument being that Austrian Sixes are cheaper than the new Finnish bonds, the price of which latter, by the way, opened at 3 discount on the news that underwriters were left with 68 per cent. of their obligations.

Home Railway stocks were little affected by the carry-over on Monday, the contangoes showing the position of the speculative account to be much the same this time as it was a fortnight ago. Undergrounds are still the centre of interest. The early closing of the London electric companies' subscription lists for the 4 per cent. stock, offered at 95½, came as something of a surprise. It showed that the temper and the appetite of the public are still strongly in favour of gilt-edged securities, even in such cases as those where a less yield than 5 per cent. is offered, and premiums of about 100 per cent. have been established on both classes of stock.

Canadian Pacifics and American shares have been better, Canadas going over 160. Argentine Railways moved somewhat erratically, but narrowly, the feature of strength in this market being provided by United of Havana stock. Antofagasta gave way from the recent best.

Rubber shares are inclined to be better. Another period of three months started on Thursday in this week under the Stevenson restriction scheme, whereby the price for the raw stuff throughout that period is governed by the average which obtained in the three months that ended last Wednesday. This is 2.994d per lb, and the existing 60 per cent. output proportion remains in force. The oil market displayed pronounced strength. Various rumours are afloat to account for the buoyancy of Shells and Royal Dutch. One of the favourite reports is that there may be a merger between the Royal Dutch-Shell group and the Standard Oil Company of America, but this may be no more than talk.

Shipping shares are better, with the exception of Indo-China deferred, which fell back after their recent sharp recovery. After being dull and heavy, the insurance market took a turn for the better, and there has also been a little buying in the banking market, although the foreign banks are heavy in price. Sudan Plantations, which dipped to 5½ on the reduction in the dividend, recovered rather more than 10s of the fall. Other Egyptians have come in for quiet attention. The textile, tobacco, hotel, and stores shares are no more than quiet, interest in them having subsided to a noticeable extent. Shares in W. H. Chaplin and Co., the wine and spirit merchants, were introduced into the market on Tuesday on the basis of 20s 6d, and the price went better afterwards.

Vickers, together with a number of allied shares, iron, steel and engineering, assumed better prices on the Government scheme for assistance of unemployment during the winter. Becker notes fell from a nominal 70 to about half that price on the announcement that a receiver and manager had been appointed. Charles Marsden debentures also dropped for similar reasons from about 70 to some 20 points lower. The newspaper market rallied after a turn of being dull.

The Kaffir market has developed few points of interest, although there has been a little professional activity in West Springs, Robinson Deep "B," and a few other of the moderately-priced shares. Rhodesians are uninteresting. A brisk rise in De Beers reflected the better tone from Paris, plus a hope that a dividend may be declared next month, after the three years of absence from the dividend list which De Beers

deferred have undergone. With the price of tin going up fairly regularly, a handful of improvements occurred in Malayan Tin shares, though the Cornishmen and West Africans continue to be neglected. Russo-Asiatics rallied in sympathy with the generally firmer tone. Mexicans, together with shares in the Indian group, are somewhat stagnant.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 238,596,047 ..	£ ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED OCT. 27, 1923.

April 1, 1923, to Oct. 27, 1923, £15,200,000 ..	Dr £200,000	Dr £200,000
To the Public—		
Government of the Republic of Finland, £1,000,000 6% Sterling Bonds (red. at par, 1923-1925), issued at 90% (Oct. 29) 1923, ..	1,000,000 ..	900,000 ..
London Electric Railway, £2,356,000 4½% Red. Second Deb. Stock, 1942-72, issued at 95½% (Oct. 29) ..	2,356,000 ..	2,249,980 ..
City and South London Railway, £3,769,000 4½% Red. Second Deb. Stock, 1942-72, issued at 95½% (Oct. 29) ..	3,769,000 ..	3,599,395 ..
Total offered to the public ..	£ 7,125,000 ..	£ 6,749,375 ..
To Shareholders only—		
Telugoreddi United Plantations, 50,000 £1 Shares, at £2 per Share ..	50,000 ..	100,000 ..
Trinidad Oil Lands, 500,000 Ord. Shares, 1s, at par ..	25,000 ..	25,000 ..
Richard Thomas and Co., 438,666 6½% (tax free up to 5% in 4) Cum. Pref. Shares, £1, at par ..	438,666 ..	438,666 ..
Do 219,333 Ord. Shrs., £1, at par ..	219,333 ..	219,333 ..
Total offered to shareholders only ..	£ 782,999 ..	£ 720,499 ..
Total offered for subscription to date ..	£ 7,908,000 ..	£ 7,469,874 ..
Total offered for subscription for whole year—		
1923 ..	£245,928,421 ..	£573,675,650 ..
1922 ..	543,593,574 ..	388,978,203 ..
1921 ..	253,617,936 ..	367,549,656 ..
1920 ..	325,583,250 ..	1,036,069,951 ..
1919 ..	963,857,123 ..	1,393,381,441 ..
1918 ..	1,173,833,378 ..	1,318,596,010 ..
1917 ..	1,177,386,860 ..	585,436,853 ..

	Price Last Week.	Latest Price.	Rise or Fall.
War Loans ..	96 ..	96 ..	—
4½%, 1925-28 ..	98 ..	98 ..	—
5%, 1929-47 ..	100 ..	100 ..	—
4%, 1929-42 ..	101 ..	101 ..	—
Funding Loan 4% ..	92 ..	92 ..	—
Victory Bonds 4% ..	92 ..	92 ..	—
Consols, London 2½% ..	78 ..	78 ..	—
Consols 2½% ..	78 ..	78 ..	—
Irish Land Stock 2½% ..	60 ..	60 ..	—
Local Loans 3% ..	67 ..	67 ..	—

Government of the Republic of Finland 6 per Cent. Loan of 1923.—This is an offer of £1,000,000 6 per cent. bonds at 90. The present issue is part of an authorised total of £4,000,000, of which the equivalent of about £2,000,000 has already been issued in the U.S.A. The balance will be issued in Sweden. The bonds will be the direct obligation of the Government of Finland, which has undertaken that it will not during the currency of the present loan create a charge on any of its assets without giving to the holders of the present loan the benefit *pari passu* of a like charge. The bonds are to be redeemed during a period of 40 years from November 1, 1923, by means of an accumulative sinking fund, commencing on November 1, 1924, sufficient to repay the whole of the loan by November 1, 1963. On November 1, 1933, or on November 1st in any subsequent year, the Government has the right to redeem the whole of the bonds then outstanding at par, subject to six months' notice. Payment of both principal and interest will be made in London in sterling, exempt from all Finnish taxes. The only loan of the Government of Finland quoted on the Stock Exchange, London, is the 4½ per cent. Government Railway Loan, maturing 1965, of which there is outstanding £1,657,540 of the original issue of £1,800,000. This is now quoted at approximately 70½, which shows a yield of £6 12s per cent. if redemption is reckoned as in 1965. It should be noted, however, that in 1923 this loan has been as low as 55 and as high as 71½. It is perhaps only fair to add that this low price was on account of a difference of opinion between the Finnish Government and various British financial houses over the treatment of certain bondholders. It is stated that the underwriters have to take up 60 per cent. of the new loan. The credit of Finland, judged by its National accounts, on the whole is good, but holders of these bonds must be prepared to face sagging prices until the loan is completely placed with "permanent" investors.

London Electric Railway and City and South London Railway.—These are further issues at 95½ of 4½ per cent. redeemable second debenture stock, 1942-72, the amount in the former case being £2,356,000 (the balance of a total authorised issue of £5,606,000), and in the latter case £3,769,000 (the balance of a total authorised issue of £6,519,000). Both the issues are guaranteed as to principal and interest by the British Government under the provisions of the Trade Facilities Acts, 1921 and 1922. The stocks are repayable at par on June 30, 1972, but they may be redeemed at par at the option of the respective companies on or after July 1, 1942, on three months' notice. The proceeds of the London Electric Railway Co.'s issue will be applied (amongst other objects) to the construction and equipment of an extension of the Hampstead section of the London Electric Railway from its present terminus at Charing Cross to Kennington with an interchange station at that point with the City and South

London Railway; the construction of a new central station at Piccadilly circus, and the alteration and enlargement of the station at Leicester square. The proceeds of the City and South London Railway Co.'s issue will be used mainly in the construction and equipment of a south-westerly extension of that company's railway from Clapham Common to North Morden. The interest on the second debenture stock of each company is a "revenue liability" of that company, and is secured by the balance of its earnings remaining after payment of interest upon its first debenture stock; and the "common fund," established under the London Electric Railway Companies' Facilities Act, 1915. Being issued under the Trade Facilities Act, both stocks automatically take their place among gilt-edged securities.

Mondego Valley Tin Syndicate, Limited.—Authorised capital £12,500, divided into 250,000 ordinary shares of 1s each, of which 120,000 have been issued as fully-paid in part satisfaction of the purchase consideration, and 130,000 have been issued at an average premium of 50 per cent. The company was formed in June, 1923, to acquire mining claims in Portugal. A part of the published statement reads ".....the consideration for the sale being the sum of £7,000, payable as to £1,000 in cash and £6,000 in 120,000 fully-paid shares of the company." Application is to be made to the London Stock Exchange for permission to deal in the shares of the company. We should imagine, however, that the outside investing public will require much more information than that vouchsafed in the published notice before becoming interested in the undertaking.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War Loans ..	96 ..	96 ..	—
4½%, 1925-28 ..	98 ..	98 ..	—
5%, 1929-47 ..	100 ..	100 ..	—
4%, 1929-42 ..	101 ..	101 ..	—
Funding Loan 4% ..	92 ..	92 ..	—
Victory Bonds 4% ..	92 ..	92 ..	—
Consols, London 2½% ..	78 ..	78 ..	—
Consols 2½% ..	78 ..	78 ..	—
Irish Land Stock 2½% ..	60 ..	60 ..	—
Local Loans 3% ..	67 ..	67 ..	—

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays Bk (£1, l.p.d.) ..	214 ..	214 ..	—
Chartered Bk of India ..	194 ..	194 ..	—
Lloyds (£5 with 1% paid) ..	3 ..	3 ..	—
London Joint City & Midland (£12 with 2½% paid) ..	88 ..	88 ..	—
Nat. Bank of Egypt (£10) ..	22½ ..	23 ..	½

	Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons ..	85½ ..	84½ ..	—
B.A. and Pacific ..	77 ..	75½ ..	—
B.A. Gt. Southern ..	82½ ..	82 ..	—
Buenos Ayres (Week) ..	78 ..	72 ..	—
Canadian Pacific ..	160 ..	165 ..	5
Central Argentine ..	71½ ..	68½ ..	—

	Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7 ..	99 ..	99 ..	—
Austrian 6% Guar. ..	68 ..	68 ..	—
Belgian 3% ..	71 ..	70 ..	—
Brazil 5% Fund, 1914 ..	71 ..	70 ..	—
Chilian 4½%, 1895 ..	92 ..	92 ..	—
Do 7½% ..	105½ ..	105 ..	—
Chinese 5%, 1912 ..	66 ..	66 ..	—
Egyptian 4% ..	73 ..	71½ ..	—
French 5% ..	28 ..	27½ ..	—
Do 4% ..	22½ ..	22 ..	—
Greek 4%, 1884 ..	43½ ..	42½ ..	—

	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" ..	23 ..	23½ ..	½
Marconi Wireless ..	2½ ..	2½ ..	—

	Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord. ..	111½ ..	112½ ..	½
Do Def. ..	87 ..	86½ ..	—
London & North-Eastern ..	86 ..	86½ ..	½
Do Def. Ord. ..	32½ ..	32 ..	—
London, Mid., and ..	106½ ..	106 ..	—
Scottish, Ord. ..	78½ ..	78 ..	—
Metropolitan ..	56 ..	56½ ..	½
Metropolitan District ..	56 ..	56½ ..	½

	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1) ..	1½ ..	1½ ..	—
Amal. Cottons (£1) ..	2½ ..	2½ ..	—
Anglo-Persian Oil (£1) ..	2½ ..	2½ ..	—
Armstrong (Sir W.G.) ..	82 ..	82 ..	—
Ass. Plind. Cement (£1) ..	1½ ..	1½ ..	—
Barker, John (£1) ..	2½ ..	2½ ..	—
B'ham Small Arms (£1) ..	2½ ..	2½ ..	—
Brazil Traction (£100) ..	44½ ..	44½ ..	—
British-American Tobacco (£1) ..	5½ ..	5½ ..	—
Burmah Oil (£1) ..	4½ ..	4½ ..	—
Coats (J. and P.) (£1) ..	3½ ..	3½ ..	—
Courtaulds (£1) ..	3½ ..	3½ ..	—
Cunard (£1) ..	8½ ..	8½ ..	—
Dorman, Long (£1) ..	8½ ..	8½ ..	—
Dunlop Rubber (£1) ..	8½ ..	8½ ..	—
Fine Cotton Spinners (£1) ..	2½ ..	2½ ..	—
Forestal Land (£1) ..	1½ ..	1½ ..	—
Furness, Withy (£1) ..	1½ ..	1½ ..	—
Highlands and Lowlands Rubber (£1) ..	1½ ..	1½ ..	—
Hudson's Bay (£1) ..	5½ ..	5½ ..	—

	Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio ..	14½ ..	14½ ..	—
Erie ..	16 ..	16 ..	—
Do 4½ 1st Pref. ..	25 ..	26 ..	1

	Price Last Week.	Latest Price.	Rise or Fall.
Brakpan (£1) ..	3½ ..	3½ ..	—
Chartered Hill P.p. (8) ..	1½ ..	1½ ..	—
Cons. Gold Fields (£1) ..	2½ ..	2½ ..	—
Crown Mines (10) ..	2½ ..	2½ ..	—
De Beers Def. (£2½) ..	12½ ..	12½ ..	—
East Rand Prop. (£1) ..	3½ ..	3½ ..	—
Geduld (£1) ..	3½ ..	3½ ..	—
Gov. Gold Areas (£1) ..	6½ ..	6½ ..	—

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Method of Payment.	Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Final div.		Lat'est.	Pre-vious.
Railways.						
Argentine Great Western	3½%+	Nov. 8	Tax free	6	5	
La Guaira and Caracas	3%+	Jan. 15	Less tax	5	5	
South Behar	2½%+	..	..	..	..	
Banks.						
Bank of Montreal	..	..	..	14	14	
Central of India	14*	..	..	14	13	
Royal Bank of Scotland	12	(bonus 2%)	Less tax	..	..	
Royal of Australia	10	..	..	..	..	
Insurance.						
Life Assoc. of Scotland	11½ p.s.	Nov. 29	Less tax	..	..	
Western Alliance Reinsurance	3%*	..	Less tax	..	..	
Mining.						
North Anantapur Gold, Pref.	..	..	Less tax	22½	25	
Do Ord.	..	..	Less tax	24	5	
Pahang Cons., Pref.	3½%+	..	Less tax 4/8 in £	7	7	
Do Ord.	..	..	Less tax 4/10 in £	7	nil	
Tea and Rubber.						
Amalgamated Tea	5%*	..	..	..	..	
Anglo-American Direct Tea, Pref.	3%+	..	..	20	5	
Anglo-Sumatra Rubber	15%+	..	Less tax	12½	5	
Batak Rabi Rubber	20%*	Oct. 31	Tax free	..	..	
Borbohee Tea	15%*	Nov. 1	Tax free	..	..	
Consolidated Tea and Lands	10%*	Nov. 1	Tax free	..	..	
Dhendi Tea	15%*	Nov. 1	Tax free	..	..	
Kacharigaon Tea	7½%*	Nov. 1	Tax free	..	..	
Kanan Devan Hills	5%*	..	..	5	nil	
K. M. S. (Malay States) Rubber	10%*	Nov. 1	Tax free	..	..	
Koonong Tea	5%*	Nov. 10	Less tax	5	nil	
Maxfield (Dumblai) Tea	20%*	Oct. 31	Tax free	..	..	
Pullangode Rubber	20%*	Nov. 1	Tax free	5	nil	
Rajmari Tea	20%*	Nov. 1	Less tax	5	nil	
Romai Tea	10%*	..	Less tax	..	..	
Singapore United	5%*	..	..	..	..	
Tangoel Rubber	..	..	..	..	..	
United Planters of Ceylon	..	..	..	..	..	
United Siam Betong	..	..	..	..	..	
Other Companies.						
Aberdeen Commercial	..	..	Tax free	10	..	
Aberdeen Trust	..	..	Less tax 4/6 in £	5	4	
Aerated Bread Co.	1 p.s.+	Nov. 30	Less tax	82	12½	
Agua Blanca Nitrate	25%*	..	Less tax	..	..	
Albert Baker and Co.	16 p.s.+	..	Less tax	..	..	
Andrew Knowles and Co.	2%*	..	Less tax	..	..	
Annandale and Sons, Pref.	5%*	Nov. 10	Less tax	..	..	
Bankers' Invest. Trust, Defd.	4%*	Nov. 16	..	..	..	
Bristol Collge Green Hotel	8%*	Oct. 31	Tax free	..	..	
Bristol United Breweries	2 p.s.+	..	..	15	15	
Broomhill Collieries	10%+	..	Less tax	12½	5	
Brunner, Mond	7%*	..	..	..	..	
Calcutta Electric Supply	4%*	Nov. 2	Less tax	8	8	
Castlebellingham Breweries	15%*	..	Less tax	25	15	
Chartered Land & Gen. Exploration	10% p.s.+	Nov. 16	Tax free	15	15	
Dalgity and Co.	10% p.s.+	..	Less tax	5	4	
East of Scotland Trust	..	..	Less tax 4/9½ in £	4	nil	
Erinoid	..	..	..	..	..	
Ever Ready Co.	3½%*	Dec. 1	..	..	..	
Geo. H. Hirst, Defd.	9½ p.s.+	..	..	4	12	
George M. Callender	..	..	..	20	..	
Guest, Keen, and Nettlefolds	5%*	Dec. 19	Tax free	10	..	
Inveresk Paper	..	Nov. 19	Less tax	..	..	
J. B. Brooks	7½%+	..	Less tax	..	..	
J. B. Brooks & Co.	1 p.s.+	..	Tax free	a)15	15	
Joseph Spink and Sons	10%*	..	Tax free	10	10	
Joshua Hoyle and Sons	1/6 p.s.+	..	Less tax	5	24	
La Concordia Estancia	..	..	Less tax	8	12½	
Lancashire Waggon	10	..	Tax free	..	..	
Lascelles, Tickner, and Co.	6%*	..	..	2½	8½	
Leeston Shipping	..	..	Tax free	..	..	
Linkwood - Glenlivet Distillery, Pref.	2/6 p.s.	Nov. 12	Less tax	..	..	
London Maritime Investment	4%*	..	Less tax	8	8	
Malmesbury, &c., Dairies	10%*	Nov. 1	Less tax	..	..	
Mancell, Hilt, and Co.	98 p.s.+	Nov. 8	Less tax (4/756)	14	15	
Manohar Brown and Co.	18+	..	Less tax	..	..	
Meters, Limited	5	Nov. 14	..	..	..	
Montevideo Gas and Dry Docks	2%*	Dec. 1	Tax free	..	..	
Moss Isaacs	..	..	Tax free	7½	7½	
Nantyglo and Blaينا Ironworks, Pref.	25 p.s.	..	Less tax (arrears)	..	..	
Nitrate Producers Steamship	7½	Nov. 1	..	..	..	
P. and O. Steam Navigation, Defd.	6 p.s.	Dec. 13	Tax free	12	12	
Park and Sandy Lane	11%*	Nov. 17	Less tax 4/6 in £	5	5	
Rochdale & Manor Brewery	3%+	..	Less tax	..	..	
S. African and General Trust	4½	..	Less tax	..	..	
Scottish Amer. Mort., "A" Pref.	5	..	Less tax	..	..	
Do "B" Pref.	..	..	..	15	15	
Second Edinburgh Invest., Def.	7%+	..	..	10	10	
Second Inve-tors Mort	3%*	Nov. 9	Less tax	..	..	
Second Scottish Invest., Defd.	..	..	Less tax (arrears, Dec., 1918)	10	10	
Southampton Gas Light	..	..	Less tax	15	15	
South Durham Steel	..	..	..	..	..	
Standard Mortgages	4%*	Dec. 9	Tax free	..	..	
Stanton Ironworks	10%*	Nov. 12	Less tax 4/6 in £	..	..	
Thomas Land and Mortgage	10%*	..	..	..	..	
Thomas Owen and Co.	5	Nov. 20	Tax free	..	..	
Trust and Agency of Australasia	1 p.s.	..	..	..	..	
Wilsons and Clyde Coal	..	..	..	..	..	

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

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

COMPANY MEETINGS, &c.

BENGAL-NAGPUR RAILWAY COMPANY, LIMITED.

RECORD GROSS EARNINGS.

IMPROVED PROSPECTS.

The sixty-fifth ordinary general meeting of the shareholders in the Bengal-Nagpur Railway Company, Limited, was held, on the 1st instant, at 132 Gresham House, Old Broad street, London, E.C., Mr Robert Miller (the chairman) presiding.

The secretary (Mr R. C. F. Volkers, C.I.E.) having read the notice convening the meeting and the auditors' report,

The Chairman said: Gentlemen, the report of the directors on the accounts of the undertaking for the year 1922-23 sets forth in detail the results of the working of the undertaking for the year; but before asking you to approve and adopt the report, together with the accounts and balance-sheet which accompany it, I propose, according to my usual custom, to touch on the more salient points and to add for your information such remarks on the future prospects of the undertaking as may be of interest to you.

REVENUE.

The gross earnings for the year were Rs. 762 lakhs, which gives an average of Rs. 539 per mile per week, and Rs. 6 per train mile. These figures are the highest on record for the undertaking. The corresponding figures last year for gross earnings were Rs. 677 lakhs, and the increase during the year was, therefore, Rs. 93 lakhs, or just Rs. 7 lakhs short of the increase anticipated in my address to you last year. This improvement in gross earnings is largely the result of the extinction as from March 31, 1922, of the Freight Tax Act of 1917, under the operation of which, as I explained to you last year, the Government raised revenue by taxing goods conveyed by railways and river steamers. This revenue, so far as it accrued from railway traffic, was legitimate railway gross earnings, or, to put it accurately, it was revenue which railways could and would have earned had they been permitted to revise their tariffs, which, however, was not possible so long as the Freight Tax Act of 1917 continued in operation.

Passenger traffic shows a slight decrease in numbers, though the total receipts are in excess of the figures of the previous year, being Rs. 208 lakhs, as compared with Rs. 189 lakhs. This is due to a revision of the passenger tariff.

Goods traffic shows an improvement both in tonnage and in freight, the figures for public traffic being in volume 8,246,443 tons and in freight Rs. 462,96,863, as compared with 7,611,308 tons and Rs. 392,90,312, the corresponding figures for the previous year.

The increase in tonnage, which works out to slightly over 8 per cent., results from brisker traffic in general merchandise and coal for the public. The increase in earnings, which works out to 17.83 per cent., results mainly from the introduction of a revised classification of goods for freight on the extinction of the Freight Tax Act of 1917. Trade during the period did not show much signs of revival, and even at the present time trade everywhere continues more or less stagnant. At any rate, the strong revival which we are anxiously looking out for has not yet set in.

EXPENSES.

The working expenses during the year were Rs. 488,51,981, absorbing 64.21 per cent. of gross earnings, as compared with Rs. 484,29,146, absorbing 71.53 per cent. of gross earnings, the corresponding figures of the previous year. Compared with the increase in gross earnings, the increase of Rs. 44 lakhs in working expenses is a negligible figure. It is, however, necessary for me to say that it has cost an effort—a great effort—to keep the figure of working expenses practically stationary during the year. It has not been achieved except by practising the strictest economy in every direction, and though it will be the earnest endeavour of the administration of the railway to continue to practise rigid economy till such time as the heavy capital expenditure that is being incurred in improving the line, so as to enable it to carry more traffic, begins to give a return in the shape of gross earnings,

there is a point which, I fear, has already been reached where the continued repressing of working expenses would impair efficiency.

CURRENT YEAR'S PROSPECTS.

As regards the prospects of the railway during the current year, the returns received to date show some improvement in gross earnings. Up to the end of September our receipts have increased by £50,000 as compared with the receipts for the same period last year. It has to be remembered that the railway began its existence as a pioneer line, and the point I wish to make clear to you is that there was at first no traffic worth the name in the greater part of the vast tract of country through which the railway was carried. The railway has thus had to make its traffic, nursing its first beginnings by low rates and fostering it till it has now reached in freight the very creditable sum of upwards of £5,000,000 sterling per annum.

In the continued upward progress of its traffic it is necessary for the railway to continue its rôle of a pioneer line. The country which it traverses is rich in minerals; in fact, it is no exaggeration to say that it contains more mineral wealth than the rest of India taken together. It abounds in iron ore of excellent quality. It possesses two important coalfields, Jheriah and Ramgarh-Bokharo, which have for some time been in active working; two others, South Karanpura and Talchir, which have been proved, but not yet opened out, and yet another two, Ghordeva and Ib, which still have to be proved to be of practical commercial value, but which are not without some promise. Then it contains an almost inexhaustible supply of limestone of the finest quality, which is in great demand at the iron and steel works, and also vast quantities of manganese.

EXTENSIONS.

A branch is under construction, and is now nearing completion, from Amda to Jamda, with an extension to Gua, to enable the growing demand for iron ore to be met. The Gurumashini branch is being extended with the same object to Onlajori. The Bokharo-Ramgarh branch of the railway is being extended westward to the South Karanpura coalfield.

The Hsela Chandil Chord, which I mentioned last year as being about to be begun, is in process of construction. It will furnish an outlet independent of the Bokharo-Ramgarh branch for that portion of the output of the South Karanpura coalfield to destinations south and west.

The line from Kapilas Road Station, near Cuttack, to the Talchir coalfield has also been begun.

Then we have acquired from the Panposh-Raipura Branch Line Company and incorporated in the undertaking their short line of 14 miles to the extensive limestone hills north of Panposh, and we are proceeding to provide extensions to the vicinity of quarries about to be opened out to enable the limestone to be transported to Bengal, where it is in great demand by iron and steel works and for building purposes.

Further, we look forward to being in a position at no distant date to complete the Raipur-Vizianagram direct route to the sea at Vizagapatam from the Central Provinces as soon as work on the harbour has been actively begun.

IMPROVEMENTS.

At the same time, we are improving the main line at considerable cost, so as to enable it to deal effectually with existing traffic, as well as with the traffic which the new lines under construction will create. During the course of the last three years we have been doubling sections of our single line towards Calcutta and Nagpur. This work will be completed during the current year. We have been improving our station yards, and adding to our rolling stock, and we have introduced a system of train control over the greater part of the railway. The great advantages of train control have already become evident, and with more experience they will continue to increase.

VIZAGAPATAM HARBOUR.

With regard to Vizagapatam Harbour, we have put forward proposals to Government for raising the required capital on the basis of figures which show that the scheme would be remunerative by itself, irrespective of the increased traffic which the railway would secure by the construction of the harbour. We have every hope that the Government of India will see their way to assist in carrying out this most important work at no distant date.

Generally, the railway has been maintained up to its usual good standard, and your board are fully alive to looking well forward to the future, and providing for it.

With these remarks I beg to move: "That the report of the directors, together with the accounts and balance-sheet appended thereto, be approved and adopted."

Sir Charles Stewart-Wilson, K.C.I.E., seconded the motion, which was carried unanimously.

DIVIDEND AND BONUS.

The Chairman, then moved: "That the sanction of the company be and is hereby given to the declaration by the board of a final dividend at the rate of 15s, together with a bonus of 10s per £100 ordinary stock, for the financial year ended March 31, 1923, in addition to the guaranteed interest and interim dividend already paid for such period, such amounts to be paid to the members on the register on December 31, 1923, with the half-year's guaranteed interest at the rate of 3½ per cent. per annum then payable, less English income-tax on the whole amount."

This resolution was seconded by Mr A. Brereton, C.S.I., and unanimously approved.

The retiring directors (Mr Robert Miller and Sir Charles Stewart-Wilson, K.C.I.E.) were unanimously re-elected, and the auditors (Messrs Gérard Van de Linde and Son and Messrs W. B. Peat and Co.) were reappointed.

ANGLO-DUTCH PLANTATIONS OF JAVA, LIMITED.

POSITION REVIEWED—PROPOSED NEW ISSUE.

The thirteenth ordinary general meeting of the Anglo-Dutch Plantations of Java, Limited, was held, on the 30th ultimo, at the Cannon street Hotel, London, the Hon. C. H. Strutt (the chairman) presiding.

Mr. Percy H. Bradford, the representative of the secretaries (Messrs Francis Peek and Co., Limited), read the notice convening the meeting and the auditors' report.

The Chairman, in the course of an exhaustive statement, said: The past year has been one of extraordinary interest to your directors. Questions of considerable magnitude have engaged their attention, and have necessitated a considerable amount of thought in endeavouring to come to a right conclusion as to the best course to adopt.

When we issued the extra shares to you in August, 1920, I told you that we should want the whole of the cash at our disposal properly to develop our Anglo-Dutch property. This has proved to be the case. Before we have completed every outlay desirable to bring the estates to the highest pitch of perfection we shall more than have exhausted the cash at our disposal. The purchases of the tea estates outside our own territory were carried out, not

because we did not perceive that our funds would be required for our original estates, but because a certain position has arisen in Java which gave us an opportunity which we thought, in the interests of the shareholders, we could not refuse to take.

The whole of our new estates have been purchased, at an average, under £26 per acre, and it is thought that they will be brought into first-rate condition at about £30 an acre. We do not think it is possible in Java or elsewhere to plant up and bring a fresh tea estate into bearing under a cost of £70. We have always disliked being looked upon as being mainly a rubber company, and it seemed to us an opportunity not to be missed that we should level up our tea, so that in our company we should have two main and large products which we believe the world will always require.

THE DIVIDEND.

We have been criticised in a few quarters because we have not squeezed out an additional 1 per cent. dividend. To have done this would have suited the directors very well, but we did not consider it sound finance. The year, though better than 1921, was not a favourable year for our products, and so our Eastern balance-sheet only shows small profits, but in our Anglo-Dutch accounts we have made some £80,000 profit on the sale of our investments. It would, obviously, be very unsound finance to divide this windfall among our shareholders in one swoop. We have taken from it a considerable sum, but instead of placing the balance to reserve, as would be done in most companies not so well provided with reserves as our own, we have increased our carry-forward, thereby expressing our opinion that this profit may be used for future dividends without any compunction.

At the end of 1921 we had liquid £1,100,000. We have spent £600,000 on new estates, including three further estates bought this year, and nearly £300,000 on dividends, including taxes, besides the excess development expenditure over revenue, so that it is obvious that more capital is necessary.

RUBBER AND TEA.

The position of the rubber market is very different from what it was when I addressed you last year. We obtained a satisfactory average for our sales in 1922, but that was largely owing to the forward sale at 2s 8d per lb. In September, 1922, we published in the newspapers, for the benefit of our shareholders, the fact that

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

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we had made an arrangement with the General Rubber Company of New York for the sale of our rubber from October, 1922, until the end of 1924. The basis of that contract was a maximum and minimum price—8d being the minimum and 1s 4d the maximum. We are, however, receiving the London market price for rubber we deliver ex factory on the estates. It is sufficiently obvious that, apart from the maximum and minimum, our obtaining the same price ex our own factories in Java as if we sold in London must always be a substantial advantage to us.

To return for a moment to the accounts, we provide a reserve, which this year amounts to £9,000, in order that each area of rubber when it is 30 years old will return us the exhausted capital value, and after that date the rubber trees will stand in our books at nothing. We commence these reserves when the trees are six years old.

TEA, COFFEE, CINCHONA, &c.

I quite admit that the profits from rubber were last year far larger than from tea, but this year, with the purchase of our new estates, tea assumes at any rate equal prominence with rubber. Our aim has always been that our plantations should by 1930 produce 10,000,000 lb of rubber on an unrestricted basis. Now, our representative fairly hopes to reach 10,000,000 lb of tea by 1926—(hear, hear)—and estimates that from 1923 onwards the profit from tea will be larger than from rubber. You must remember that up to the end of 1922 we have taken into our accounts no profits from our new tea estates. We are, therefore, quite as much a tea-producing as a rubber-producing company.

The new tea estates of 13,442 acres, of which 12,830 acres are in bearing, were purchased, as I have already said, a long way below the costs of bringing them into production. Mr Wilde, an Indian and Straits planter of great reputation, whom we asked to visit the estates, has given us a valuable report. It is very satisfactory to find from Mr Wilde's able report that he valued the new estates, which cost £441,691, at £711,333.

There are two unsatisfactory points connected with tea. The first is that the English tax on Java tea is higher than that on colonial tea; the second is the low price which Java is valued at on the world's markets compared with Indian and Ceylon.

Mr Hammond is fairly sanguine about the growth of coffee on our estates. I think this is partially due to the change of climate which seems to be occurring, at any rate temporarily, in that part of the world. Later the climate has been much more satisfactory, rain continuing until the end of July, so that the prospects of coffee seem much better.

The profit on quinine was considerably smaller than the price for the year warrants, but we have every hope that this year we shall make a considerably larger profit.

SUMATRA.

Our intention is to go ahead very slowly with our fine land in Sumatra. We have thousands of acres of good soil at a high altitude which we believe will soon prove to be a fine asset. The labour difficulty, however, at the present moment is a great one.

I told you last year that we had received permits to prospect for oil over some 145,000 acres. We have also lodged applications for some further permits. There have been sufficient indications of oil to make it advisable to have a full geological survey of the area. We shall try to enter into an exploitation arrangement with the Government for working the oil if discovered in sufficient quantities.

NEW ISSUE.

Your directors were of the opinion that they should not stop the development of the old estates on account of the fresh purchases, nor did they think it right, now that the foundations are also firm and secure, to deprive shareholders in the immediate future of the full benefit of dividends which are fairly earned by these estates. We therefore had to consider what was the best mode of raising fresh capital. The choice practically lay between issuing shares at a premium at the present moment or debentures with an option of a future conversion. We certainly think that the old shareholders should have their advantages reduced now as little as possible by the introduction of fresh capital. Some of them may not be able to invest further, and if the money can be raised—as it no doubt can—on a 5 per cent. debenture, with the option we are now suggesting, their dividend will not be prejudiced to the same extent as it would have been had we immediately increased the number of the shares. We directors consider, though we may be biased, that a debenture on all our culture estates is in itself a gilt-edged security.

We shall offer to the shareholders for subscription at par £1 of debenture stock for every four shares held by them. In many instances the quantity of stock to which shareholders will be entitled will be quite small, and we shall, therefore, give them the opportunity of applying on a separate form for an excess quantity which may be available in case some shareholders do not take advantage of the offer. We have little doubt that the rights to

apply for the debentures are of value, and the renunciation forms should have a value for those who wish to sell those rights. The payment for the stock will be called in easy amounts—10 per cent. on application, 10 per cent. on allotment, and the rest in larger sums next year; but payment in full can be made if desired at 3 per cent. discount. The debentures will be repayable by the company at par between January 1, 1929, and January 1, 1934, at which later date they must be definitely redeemed if there be any stock still in existence. The stock can be converted on December 31, 1926, December 31, 1927, or December 31, 1928, at the rate of three new shares for every £5 debenture stock; that is, on the basis of 33s 4d per share—a very favourable price for the shareholders—but why not? Of course, dividends and interest will not both be paid on the shares or debentures converging the same period.

In conclusion, he said: We must remember that we are not dependent upon the fluctuations of one industry, but we shall have tea, rubber, coffee, cinchona, kapok, sisal, with electric power and railways, and two factories besides dealing with rice and tapioca, which we confidently expect will produce satisfactory profits. Notwithstanding the depression that has taken place in Java, largely from want of fresh capital, we have not hesitated to go forward, and we think now we see our reward at hand.

Mr W. H. Dunkes seconded the resolution for the adoption of the report and accounts, and it was unanimously adopted.

PRESENTATION TO CHAIRMAN.

On the proposition of Mr Samuel Gardner, seconded by Sir William Mills, the chairman was presented with his portrait in oils (by Mr Oswald Birley) as a mark of the esteem of the shareholders.

In acknowledging the compliment, the Chairman paid a warm tribute to Mr Hammond for his work on behalf of the company.

RUBBER SECURITIES, LIMITED.

IMPROVED RESULTS.

The fourteenth ordinary general meeting of Rubber Securities, Limited, was held, on the 30th ultimo, at 7 Martin's Lane, London, E.C.

Mr W. Arthur Addinsell (the chairman) presided, and in moving the adoption of the report and accounts, said:—The accounts now presented show improvement upon those submitted last year. This improvement was, in the main, effected by the scheme for the restriction of the output of rubber in Ceylon, Malay States, and the Straits Settlements, which came into force on November 1, 1922. The resultant higher prices for the raw material have enabled rubber-producing companies again to earn profits, and their financial position has accordingly been considerably strengthened. A number of the companies in which this company is interested have resumed the payment of dividends.

The general improvement in conditions has also had the effect of partly eliminating the heavy depreciation of £44,656 shown in our investments last year. The market value based on the latest dealings at June 30, 1923, of the securities appearing in the balance-sheet at £90,599 was £76,898. I have had the investments valued this morning, and they show a further deficit of £235. On the other hand, they have appreciated nearly £31,000 since June 30, 1922.

This present depreciation is mainly in four companies: Holyrood Rubber, Rubber Estates of Krian, Ratanui Rubber Estate, and Tanah Datar Rubber Estate. They are all in a sound financial position, moderately capitalised, and economically worked; so that, with the further improvement which is bound to come sooner

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Deposits and Cheque Accounts
(30/6/23) - Fmk. 1,587,000,000

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or later in the rubber industry, this depreciation should ultimately disappear.

With one exception these remarks apply to all the other rubber companies in which our funds are invested. This one exception is the Kebonso Rubber Estates. This company is now reconstructing its share capital with a view to raising further funds for the cultivation of coffee. Our interest in that concern is under £1,000.

THE RUBBER MARKET.

As regards the rubber market, we have of late years been forced to realise that over the greater period of each year the market price of rubber is dominated, not by the pressure of producers and importers to sell or the stimulant of buying by consumers, but by speculative operations.

There are those who will argue that the speculator is a valuable asset to any market, but I maintain that where rubber is concerned, over a long period, prices would not be subject to such severe fluctuations as we are now accustomed to if the market was governed purely by the factors of supply and demand.

During the last fortnight we have witnessed a fall in the price of spot rubber from round about 1s 3d to 1s 1½d per lb. The excuse is that it is due to heavy liquidation on the part of the outside speculator.

The restriction scheme is, I suggest, operating to the satisfaction of its sponsors, and I think it can be taken for granted that, so long as the scheme is in force, we shall not find rubber sinking to the very low level of prices which prevailed in the early part of last year.

Unless the conditions of the restriction enactment are altered, it would seem that producers must look for an average of something between 1s 3d and 1s 6d per lb for their produce, at any rate for the next year or so. Stocks in London have decreased appreciably, and it would appear that there is no great supply of rubber awaiting shipment in the East.

We are told that the Americans, as purchasers of raw rubber, have for all practical purposes been out of the market for many months past, but, if there is to be continuity of increase in the output of motor cars, then the consumption during the first half of the coming year must be something in advance of what might be expected from the buying operations of the past few months.

Rubber cannot be purchased in its raw state to-day, and put on the road in the form of tyres to-morrow. Therefore, I think that the future holds out something more than the present position of the market indicates, and that we can confidently look for an increase in the demand from the consumer—which demand must, I think, raise prices early in the New Year to a higher level than those ruling to-day.

It goes without saying that Rubber Securities, Limited, will participate in the long overdue revival, and I am not without hope that when we meet next year it will be your pleasure to authorise the payment of a dividend.

Mr Thomas A. Gallie seconded the motion, which was unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Oct. 27, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	15	15	14	14
4½% War Stock	63	63	63	63	63	63	63	63	63
4½% War Stock	16	13	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,095	2,095	2,095
National War Bonds	649	1,509	1,476	1,413	1,201	971	953	924	924
4% Funding Loan	409	409	405	401	401	400	400	400	400
4% Victory Bonds	360	357	348	335	335	325	325	325	325
3½% Conversion Loan	24	24	24	24	24	24	24	24	24
5½% Treasury Bonds	381	166	165	165	165	165	165	165	165
5% Treasury Bonds	40	40	40	40	40	40	40	40	40
Do by tender 5%	8	8	8	8	8	8	8	8	8
Do by tender 4½%	84	110	110	110	110	110	110	110	110
Do 4%, 1913-15	15	961	1,107	1,121	878	719	616	635	635
Treasury Bills	30	323	319	289	185	150	150	150	150
Exchequer Bonds	138	267	274	285	342	350	354	369	369
Nat'l. Savings Certs.	23	23	23	23	23	23	23	23	23
War Expend. Certs.	944	1,306	1,181	1,132	1,087	1,071	1,157	1,150	1,150
Other Debt	51	51	51	51	51	51	51	51	51
American Loan	1	204	243	205	154	147	222	194	175
Temporary Advances	654	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,750
Other Capital Liabilities	57	49	46	47	49	66	67	70	69
Total Liabilities	911	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,819

* Figures adjusted in accordance with Finance Accounts, 1922-23.

POSITION OF THE FLOATING DEBT.

	Oct. 28, '22.	Mar. 31, '23.	Oct. 27, '23.	Week ended Oct. 27, '23.
Temporary Advances Out- standing—				
Advances by Bank of England	179,138,500	193,897,500	174,561,500	5,350,000
Advances by Public Deposits	739,940,000	616,045,000	635,285,000	1,325,000
Treasury Bills outstanding	919,078,500	809,942,500	809,846,500	4,025,000
Total Floating Debt	1,838,157,000	1,620,885,000	1,620,693,000	9,700,000
* Includes £28,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Oct. 27, 1923.	Total Receipts into the Exchequer from Apl. 1, 1923, to Oct. 28, 1922.	Receipts. Week Ended Oct. 27, 1923.	Receipts. Week Ended Oct. 28, 1922.
Balances in Exchequer on 1st April:—					
Bank of England	5,442,665	9,963,424	1,210,106	..	..
Bank of Ireland	1,375,502	1,210,106	..	..	..
REVENUE.					
Customs	116,900,000	72,790,000	73,174,000	2,832,000	2,743,000
Excise	143,850,000	81,542,000	91,523,000	1,534,000	1,719,000
Motor Vehicle Duties ..	13,250,000	4,050,000	3,172,000	122,000	..
Stamp, &c., Duties	52,000,000	30,120,000	35,391,000	1,440,000	1,270,000
Stamp	20,000,000	11,030,000	10,112,000	410,000	640,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	530,000	580,000	..	..
Property & Income Tax	261,000,000	118,236,000	157,997,000	2,326,000	2,806,000
Super-Tax	58,000,000	22,250,000	..	400,000	..
Excess Profits Duties, &c.	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	12,290,000	9,857,000	430,000	410,000
Post Office	28,600,000	28,600,000	28,600,000	1,500,000	1,250,000
Crown Lands	900,000	560,000	480,000	100,000	100,000
Interest on Sundry Loans	12,500,000	8,299,172	6,450,848	..	..
Miscellaneous—					
Ordinary Receipts	12,500,000	8,375,953	17,828,631	330,000	214,172
Special Receipts	40,000,000	21,842,509	29,899,650	..	180,000
Revenue	818,500,000	420,515,634	467,269,129	11,484,000	11,332,172
Total, Inc. Balance ..	..	427,333,801	478,442,659	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	65,000	800,000	..	..	100,000
Under the Unemployment Insurance Act, 1921	4,480,000	2,810,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	3,370,000	3,360,000	..	..	..
Under the Housing Act, 1914 ..	12,000	27,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	..	1,553,300	..	..	..
(b) Under the Unemployment Insurance Act, 1921	270,000	2,510,000	..	..	..
(c) For other Issues:—					
By Treasury Bills	1,423,323,000	1,729,786,000	48,889,000	49,339,000	..
By National Savings Certificates	35,200,000	41,068,000	400,000	900,000	..
By Exchequer and National War Bonds	..	20	..	..	..
By Treasury Bonds—					
5-15 year, 1925-35	..	61,543,782	..	..	..
5½%	..	56,172,510	..	..	2,379,775
4½%	29,202,627	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	11,869	..	..	..
(d) Ways and Means Advances ..	507,705,000	533,414,000	..	3,350,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	50,081	243,012	..	..	..
Repayment of Issues under Land Settlement (Facilities) Act, 1919 and 1921	186,598	183,435	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	162,425	..	..	..
Total	2,431,204,107	2,919,865,972	60,773,000	67,400,947	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Apl. 1, 1923, to Oct. 28, 1922.	Issues. Week Ended Oct. 27, 1923.	Issues. Week Ended Oct. 28, 1922.
EXPENDITURE.				
National Debt Services—				
Interest, &c.	310,000,000	184,333,269	348,403	3,565,647
Sinking Fund	40,000,000	21,524,455	584,000	..
Road Fund	12,650,000	3,327,044	2,444,999	..
Payments to Local Taxation Accounts, &c.	10,348,000	5,658,012	4,153,797	500,000
Payments to Northern Ireland Exchequer	3,000,000	2,207,884	1,096,042	..
Land Settlement	1,500,000	383,318	629,454	..
Other Consolidated Fund Services	2,972,000	1,541,307	1,445,641	250,467
Supply Services	440,565,000	210,168,676	223,272,215	6,370,386
Expenditure	821,035,000	429,140,965	436,629,327	6,307,870
OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921	820,000	3,310,000	550,000	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922	3,620,000	3,360,000	..	..
Under the Housing Act, 1914	12,000	27,000	..	

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1923, to Oct. 27, 1923.	Apr. 1, 1922, to Oct. 28, 1922.	Week Ended Oct. 27, 1923.	Week Ended Oct. 28, 1922.
Ways and Means Advances Repaid	527,041,000	501,577,000	5,350,000	8,934,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.	50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,656	..	..
Balances in Exchequer—	2,428,106,522	2,916,650,851	60,475,810	66,966,194
Bank of England	2,157,626	2,287,035	+ 158,189	+ 273,753
Bank of Ireland	939,959	928,086	+ 139,001	+ 161,000
Total	3,097,585	3,215,121	+ 297,190	+ 434,753

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.
Treasury, October 29, 1923.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.
Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Nov. 5-Nov. 10 were opened on Nov. 2, 1923, and the total amount applied for was £51,350,000. For bills at three months, dated Monday to Friday, at £99 4s 5d, about 64 per cent., above in full; Saturday, at £99 4s 8d, above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price.
Sept. 21, 1923.	45,000,000	60,140,000	2 19 11/2	nil
Sept. 28, 1923.	45,000,000	86,935,000	3 4 5/59	nil
Oct. 5, 1923.	35,000,000	61,920,000	3 1 4/25	nil
Oct. 12, 1923.	35,000,000	61,565,000	3 1 5/61	nil
Oct. 19, 1923.	35,000,000	51,135,000	3 0 7/85	nil
Oct. 26, 1923.	35,000,000	50,275,000	3 1 8/33	nil
Nov. 2, 1923.	35,000,000	51,350,000	3 1 6/63	nil

Tenders will be received on Nov. 2, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)									
Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.					
				Gold and Silver Coin.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Reserve.	Balance of Bank of England.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	15/9	261,479	177	177
June 28, 1922.	295,374	13,338	6,000	28,500	19,450	16/3	254,312	250	250
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16/6	246,456	169	169
Dec. 2, 1922.	301,337	12,872	7,000	27,000	21,150	15/9	258,922	137	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17/3	241,294	190	190
June 27, 1923.	285,503	12,516	7,000	27,000	22,450	17/3	242,446	123	123
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17/5	238,595	140	140
Oct. 18, 1923.	282,145	12,084	7,000	27,000	22,450	17/5	237,643	136	136
Oct. 25, 1923.	280,174	11,972	7,000	27,000	22,450	17/7	235,509	187	187
Nov. 1, 1923.	281,255	11,842	7,000	27,000	22,450	17/6	236,522	125	125

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,600,000, for 1921 at £317,565,200, for 1922 at £309,988,400, and for 1923 at £276,183,800.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.	
ASSETS	£7,663,254
CLAIMS PAID	£30,500,000
Accidents and Illness.	
Employers' Liability.	Fidelity Guarantees.
Surgery, Fire, Motor Cars.	Public Liability.
Insurance of Boilers, Engines, Electrical Plant and Lifts.	Executors and Trusteeships.
Head Office: 36-44, MOORGATE, LONDON, E.C.2.	

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, October 31, 1923.

ISSUE DEPARTMENT.

£	£
Notes issued	145,596,345
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	125,846,345
145,596,345	145,596,345

BANKING DEPARTMENT.

£	£
Proprietors' capital	14,553,000
Reserve	3,116,605
Public deposits	11,443,899
Other deposits	107,836,734
Seven-day & other bills	4,947
136,955,185	136,955,185

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

	Amount, Oct. 31, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£11,605	—	£4,904
Public deposits	11,443,899	+ 2,512,997	+ 3,590,370
Other deposits	107,836,734	+ 2,196,012	+ 1,007,999
Government securities	42,303,506	+ 1,170,000	+ 8,361,047
Other securities	72,020,272	+ 148,227	+ 5,830,581
Reserve	22,631,407	+ 1,681,392	+ 95,075
Note circulation	124,792,730	+ 1,681,392	+ 1,633,890
Gold and bullion	127,674,137	+ 573	+ 238,815
% of reserve to liabilities	19%	18%	8%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
Sept. 26, 1923.	£127,658,268	£124,002,140	£118,079,550	£112,943,856	23,406,128	19 1/2
Oct. 3, 1923.	127,659,536	124,783,450	118,265,975	115,918,999	22,626,086	18 1/2
10, 1923.	127,670,568	123,909,130	118,412,386	112,538,295	23,511,428	19 1/2
17, 1923.	127,670,706	123,362,720	119,761,299	113,339,181	24,057,986	20 1/2
24, 1923.	127,673,564	123,110,835	119,597,618	113,005,561	24,213,729	20 1/2
31, 1923.	127,674,137	124,792,730	119,280,633	114,323,778	22,631,407	15

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to September 26, 1923.	23,673,728	1,142,791	2,080,663	26,897,182
October 3 to 9, 1923.	699,332	30,723	52,192	782,247
10 to 16, 1923.	607,006	30,986	63,623	701,615
17 to 23, 1923.	585,227	30,208	56,295	671,730
24 to 30, 1923.	614,069	30,203	52,346	696,618
31, 1923.	693,638	28,034	50,272	771,944
Total to date 1923.	26,873,000	1,292,945	2,355,391	30,521,336
Do 1922.	27,827,670	1,325,703	2,359,897	31,513,270
Increase or decrease in 1923.	- 954,670	- 32,758	- 4,506	- 991,934
= 3 1/2 %	= 2 1/2 %	= 0 1 %	= 3 1 %	
Total for year 1922.	32,780,635	1,092,303	2,806,165	37,161,199
Total for year 1921.	30,268,214	1,121,720	2,806,165	34,205,559
Increase or decrease in 1922.	+ 2,512,421	+ 196,014	+ 196,014	+ 2,904,502
= 8 1/2 %	= 2 1/2 %	= 6 1/2 %	= 6 1/2 %	

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to October 27.			
BIRMINGHAM	96,262,500	92,883,500	- 3,379,000
BRISTOL	57,943,000	48,885,000	- 9,058,000
DUBLIN	265,441,000	255,472,400	- 9,968,600
LIVERPOOL	46,408,600	45,833,900	- 574,700
LEICESTER	45,485,400	42,929,900	- 2,555,500
LONDON	33,713,500	31,881,500	- 1,832,000
MANCHESTER	356,787,200	368,491,900	+ 11,704,700
NEWCASTLE-ON-TYNE	642,512,300	629,892,000	- 12,620,300
NOTTINGHAM	78,720,300	85,633,200	+ 6,912,900
SHEFFIELD	27,906,800	26,175,000	- 1,731,800
	39,541,600	48,094,600	+ 8,553,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Japan appeared in the Economist of September 29; Denmark in October 8; Roumania and Bulgaria in October 20; Canada, Austria, Egypt, Portugal, Czechoslovakia, Lithuania, Greece, and Italy in October 27.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

RESOURCES.	Oct. 26, 1923.	Oct. 19, 1923.	Oct. 12, 1923.	Oct. 7, 1923.
Total gold reserve	3,136,410	3,125,170	3,122,390	3,085,080
Legal tender notes and silver reserve	72,710	72,850	71,530	126,840
Bills discounted for member banks	836,240	854,520	869,020	469,400
Bills bought in open market	179,750	190,520	182,410	257,690
Government obligations owned	88,190	94,040	91,380	408,640
All other resources	69,390	69,360	68,700	63,930
LIABILITIES.				
Government deposits	28,820	36,850	20,150	21,660
Other deposits	1,894,720	1,938,750	1,885,600	1,818,110
Federal Reserve Notes in actual circulation	2,255,350	2,272,330	2,288,580	2,298,540
F.R.B. Notes in actual circulation	530	470	480	38,000
All other liabilities	23,210	22,450	22,320	25,350
Capital and surplus	338,080	328,060	328,060	321,680
Ratio of total reserves to gross deposits and Federal Reserve note liabilities combined	76.8%	75.3%	76.1%	77.6%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

LIABILITIES.	Oct. 6, 1923.	Sept. 29, 1923.	Sept. 22, 1923.	Sept. 15, 1923.	Oct. 7, 1922.
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	40	40
Notes in circulation	10,582	10,720	10,269	10,348	8,256
Bankers' deposits	5,154	5,123	5,382	5,771	5,075
ASSETS.					
Gold coin and bullion	533	533	533	533	264
Gold certificates	10,102	10,102	10,092	9,982	9,982
Subsidiary coin	125	125	125	125	250
Bills discounted (domestic)	2,774	2,810	2,604	2,546	1,278
Do (foreign)	226	259	213	239	9
Union Govt. Treasury Bills	350	350	..	..	..
British Govt. Treasury Bills	1,500	1,500	1,400	..	..
Loans and advances to the Government	1,250	1,350	1,750	2,250	1,500
Investments	17	17	17	17	..
Ratio of cash reserves to liabilities to public	68.2%	67.8%	68.7%	66.6%	78.7%

BANK OF FRANCE.—In francs (000's omitted).

ASSETS.	Oct. 25, 1923.	Oct. 18, 1923.	Oct. 11, 1923.	Oct. 4, 1923.	Position May 28, 1914.
Gold coin and bullion	5,539,031	5,538,629	5,538,547	5,533,160	3,730,826
Of which held abroad	1,864,321	1,864,321	1,864,321	1,897,967	..
Silver coin and bullion	295,523	295,223	295,073	287,827	..
Discount and advances	5,291,505	5,251,760	5,364,371	4,293,895	1,397,776
Advances to the State	43,400,000	23,500,000	23,700,000	..	..
LIABILITIES.					
Notes	37,670,009	38,086,964	38,489,554	36,693,634	5,811,876
Government deposits	55,414	21,751	21,399	60,889	183,700
Private deposits	1,978,043	1,967,317	1,965,423	2,108,258	945,950

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

ASSETS.	Oct. 5, 1923.	Sept. 28, 1923.	Sept. 21, 1923.	Sept. 14, 1923.	Sept. 7, 1923.	Oct. 6, 1922.
Govt. securities	11,49,31	11,41,47	11,49,65	11,78,68	11,60,49	8,18,24
Other securities	1,28,84	1,28,84	1,30,81	1,30,81	1,30,77	1,28,31
Loans	14,38,23	15,14,79	14,97,80	15,74,90	16,24,05	17,26,48
Cash credits	31,85,75	30,55,23	30,51,99	31,04,91	31,22,05	26,72,62
Inland bills	4,41,69	4,54,57	4,06,36	4,16,12	4,34,82	3,87,86
Foreign bills	21,39	16,05	23,34	29,71	26,54	9,40
Dead stock	2,43,76	2,43,59	2,43,11	2,43,08	2,42,20	2,46,44
Sundries	51,90	46,32	38,00	38,00	38,22	40,27
Bal. with other banks	7,22	23,90	17,50	20,69	51,91	7,95
Cash	37,24,84	39,39,68	37,63,73	36,55,52	37,43,09	36,67,48
LIABILITIES.						
Subscribed capital	11,25,00	11,25,00	11,25,00	11,25,00	11,25,00	11,24,56
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,39
Reserve	4,35,00	4,35,00	4,35,00	4,35,00	4,35,00	4,11,85
Public deposits	11,94,05	15,69,05	16,39,80	20,30,29	22,06,72	9,84,92

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Oct. 27, 1923.	Oct. 20, 1923.	Oct. 13, 1923.	Oct. 6, 1923.	Oct. 28, 1922.	Position May 30, 1914.
Gold	2,527,008	2,526,754	2,525,962	2,525,732	2,523,427	521,775
Silver	650,699	648,923	649,003	653,269	643,005	128,800
Loans and discounts	2,023,800	2,066,502	2,127,354	2,117,308	2,405,342	800,785
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,270,430	4,280,721	4,283,883	4,258,214	4,136,194	901,550
Deposits	997,544	972,092	984,821	984,477	1,064,501	477,500

LONDON RATES.

	Oct. 26, 1923.	Oct. 27, 1923.	Oct. 28, 1923.	Oct. 29, 1923.	Oct. 30, 1923.	Oct. 31, 1923.	Nov. 1, 1923.	Nov. 2, 1923.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—								
60 days' bankers' drafts	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
3 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)—								
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Bank Bills.			Trade Bills.			
		Short Loans.	3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.		%	%	%	%	%	%	%
Sept.	28	2 1/2	3 3/4	3 3/4	3 3/4	4 1/2	4 1/2	4 1/2
Oct.	5	2 1/2	3 3/4	3 3/4	3 3/4	4 1/2	4 1/2	4 1/2
	12	2 1/2	3 3/4	3 3/4	3 3/4	4 1/2	4 1/2	4 1/2
	19	2 1/2	3 3/4	3 3/4	3 3/4	4 1/2	4 1/2	4 1/2
	26	2 1/2	3 3/4	3 3/4	3 3/4	4 1/2	4 1/2	4 1/2
Nov.	2	2 1/2	3 3/4	3 3/4	3 3/4	4 1/2	4 1/2	4 1/2

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	July 18, 1922	4	Madrid	Mar. 23, 1923	5
Athens	Jan. 14, 1923	7 1/2	Paris	Mar. 11, 1922	5
Berlin	Sept. 15, 1923	90	Prague	May 28, 1923	44
Brussels	Jan. 22, 1923	5 1/2	Rome	July 11, 1922	5 1/2
Bucharest	Sept. 4, 1920	6	Sofia	June 14, 1919	6 1/2
Budapest	July 5, 1923	18	Stockholm	July 1, 1922	4 1/2
Calcutta	June 28, 1923	4	Swiss Bank		
Christiansburg	May 1, 1923	6	places	July 14, 1923	4
Copenhagen	May 1, 1923	6	Tokio	Nov. 18, 1919	8
Helsingfors	Oct. 27, 1923	8	Vienna	Sept. 2, 1922	9
Lisbon	Sept. 12, 1923	9	Warsaw	Feb., 1923	12
New York Federal Reserve	Feb. 21, 1923	4 1/2	Irish	July 5, 1923	5

RATES OF EXCHANGE.

London on	Usance	Par.	Nov. 3, 1923.	Oct. 26, 1923.	Nov. 2, 1923.
Paris	francs to £1	T.T.	25-22 1/2	64-73 7/8	76-20 3/4
Berlin	marks to £1	T.T.	90-43	26500-27500	300-350 mids
Vienna	krone to £1	T.T.	34-02	32/350,000	315/318,000
Prague	krone to £1	T.T.	24-08	140-142	152-152 1/2
Warsaw	zlotys to £1	T.T.	20-43	65,000-70,000	75,000,000
Bukarest	lei to £1	T.T.	25-24 1/2	725-750	945-955
Budapest	kr. to £1	T.T.	24-02	10,000-12,000	75,000,000
Constantinople	piastres to £1	T.T.	110	800-820	770-795
Sofia	levas to £1	T.T.	28-22 1/2	600-650	480-490
Belgrade	dinas to £1	T.T.	28-22 1/2	265-275	375-400
Amsterdam	florins to £1	T.T.	12-10 1/2	11-38 3/4	11-55 1/2
Brussels	francs to £1	T.T.	25-22 1/2	69-65 7/8	88-60 7/8
Christiansburg	kroner to £1	T.T.	18-15 1/2	24-45 50	29-28 3/4
Stockholm	kroner to £1	T.T.	18-15 1/2	16-60 62	17-05 08
Copenhagen	kroner to £1	T.T.	18-15 1/2	22-15 18	25-23 88
Helsingfors	fr. marks to £1	T.T.	25-22 1/2	164-165	166 1/2-166 1/2
Greece	drachmas to £1	T.T.	25-22 1/2	235	280-290
Italy	lire to £1	T.T.	25-22 1/2	106-106 1/2	100 1/2-100 1/2
Switzerland	francs to £1	T.T.	25-22 1/2	24-50 53	25-20 23
Madrid	pesetas to £1	T.T.	25-22 1/2	29-25 30	33-57 60
Lisbon	pesos to £1	T.T.	53 1/2	77 1/2	77 1/2
Alexandria	piastres to £1	Sight	63 1/2	77 1/2	77 1/2
New York	dollars to £1	Cable	4-58 1/2	4-46 1/2	4-46 1/2
Montreal	dollars to £1	Cable	4-58 1/2	4-46 1/2	4-52 1/2
Buenos Ayres	pesos to £1	T.T.	47-62 1/2	44 1/2-45 1/2	38 1/2-38 1/2
Rio de Janeiro	pesos to £1	T.T.	15-35	33-20	38-30
Valparaiso	pesos to £1	T.T.	15-35	33-20	38-30
Lima	soles to £1	T.T.	10-10	18 3/4-18 3/4	18 3/4-18 3/4
Calcutta	ster. to rupee	T.T.	10-10	18 3/4-18 3/4	18 3/4-18 3/4
Bombay	ster. to rupee	T.T.	10-10	18 3/4-18 3/4	18 3/4-18 3/4
Madras	ster. to rupee	T.T.	10-10	18 3/4-18 3/4	18 3/4-18 3/4
Hong Kong	ster. to dollar	T.T.	2-50 1/2	2-50 1/2	2-50 1/2
Shanghai	ster. to dollar	T.T.	2-50 1/2	2-50 1/2	2-50 1/2
Singapore	ster. to dollar	T.T.	2-50 1/2	2-50 1/2	2-50 1/2
Yokohama	ster. to dollar	T.T.	2-50 1/2	2-50 1/2	2-50 1/2
Manila	ster. to dollar	T.T.	2-50 1/2	2-50 1/2	2-50 1/2
Mexico	pesos to £1	T.T.	2-50 1/2	2-50 1/2	2-50 1/2

† Rate for previous day. § Sellers.

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for Tchervonetz:—

	Sept. 27, 1923.	Oct. 3, 1923.	Oct. 10, 1923.	Oct. 17, 1923.	Oct. 24, 1923.	Oct. 31, 1923.
Roubles to Tchervonetz	3850	4150	4900	5500	6400	7000
£ sterling	3825	3875	4470	5030	5800	6000
dollar	789	845	980	1100	1280	1450

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Nov. 2, 1923.	Oct. 4, 1923.	Oct. 11, 1923.	Oct. 18, 1923.	Oct. 25, 1923.	Nov. 1, 1923.
Call money	5	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Time money (90 days' mixed call)	5	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Bank acceptances—						
Members—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Ineligible, 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Rates of Exchange.	Par Level.	Nov. 2, 1923.	Oct. 18, 1923.	Oct. 25, 1923.	Nov. 1, 1923.
New York on—					
London—					
60 days	Dollars for £1	4-86 1/2	4-43 1/2	4-45 1/2	4-45
Cable		4-46 1/2	4-43 1/2	4-45 1/2	4-45
Cheques		4-46	4-43 1/2	4-45 1/2	4-45
Paris	Cents for 1 franc	19-30	6-85	5-97 1/2	5-83
Brussels	Cents for 1 franc	19-30	6-42	5-95	5-01
Switzerland	Cents for 1 franc	19-30	18-15	17-95	17-81
Italy	Cents for 1 lire	19-30	4-235	4-255	4-495
Vienna	Cents for 1 krone	20-26	0-0175	0-01412	0-0141
Madrid	Cents for 1 peseta	19-30	15-26	13-52	13-35
Amsterdam	Cents for 1 guilder	40-195	39-19	38-18	38-81
Copenhagen	Cents for 1 kroner	26-80	18-22	17-54	17-17
Christiania	Cents for 1 kroner	26-80	18-22	17-54	17-17
Stockholm	Cents for 1 kroner	26-80	18-22	17-54	17-17
Athens	Cents for 1 drachma	19-30	1-96	1-56	1-59
Montreal	Cents for Can. \$1	100	100-03	135-45	137-5
Yokohama	Cents for 1 yen	49-85	48-18	48-75	48-7
Hong Kong	Cents for H. Kong \$	..	55-15	51-8	51-4
Shanghai	Cents for 1 Sheng. tael	..	73-85	69-75	69-7
Buenos Aires	Cents for 1 peso	103-65	29-08	31-08	31-3
Rio de Janeiro	Cents for 1 milreis	32-42	11-45	9-55	9-9
Valparaiso	Cents for 1 peso	20-60	13-50	12-22	12-12

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires	Soles to £1	10-00	Sight London	Oct. 27 18-18
Venezuela	Bolivares to £1	25-25	"	Oct. 31 23-8
Colombia (Bogota)	Pesos to \$20	100	"	Oct. 30 93-75
Nicaragua	Colonos to £1	4-86 1/2	"	Oct. 23 4-80
San Salvador	Colonos to £1	9-75	"	Oct. 20 9-20
Guatemala	Pesos to £1	90-43	"	Oct. 27 285-5
Costa Rica	Colonos to £1	10-45	"	Oct. 11 20-65
Bolivia	pesos to Boliviano	19-20	"	Oct. 23 15 1/2

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From July 13, 1923.		From July 11, 1923.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
				(a)
T.T.	..	1 1/2% prem.	1 1/2% dis.	8% dis.
Demand ..	par	1 1/2% "	1 1/2% "	8% 1/2% "
30 days ..	1 1/2% dis.	1 1/2% "	2 1/2% "	1 1/2% "
60 days ..	1 1/2% "	1 1/2% "	2 1/2% "	1 1/2% "
90 days ..	2 1/2% "	1 1/2% "	3 1/2% "	1 1/2% "
120 days ..	2 1/2% "	1 1/2% "	4 1/2% "	..

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

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus-tralia.	New Zealand.	Aus-tralia.	New Zealand.	Aus-tralia.	New Zealand.	Aus-tralia.	New Zealand.
T.T.	..	..	..	..	..	..	..	..
Sight	..	..	..	..	..	..	..	..
Cable	..	..	101 1/2	101 1/2	98 1/2	98 1/2	100 1/2	100 1/2
On demand	98 1/2	98 1/2	100 1/2	100 1/2	98 1/2	98 1/2	99 1/2	99 1/2
30 days	98	98	..	..	98	97 1/2	99 1/2	99 1/2
60 days	97 1/2	97 1/2	..	..	97 1/2	97 1/2	99 1/2	99 1/2
90 days	97 1/2	97 1/2	..	..	97 1/2	97 1/2	99 1/2	99 1/2
100 days	..	..	..	..	97 1/2	97 1/2	98 1/2	99 1/2

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, October 30, 1923:—

	Rate.	Applica-tions.	Allot-ments.
	s d	Rs.	Rs.
Bills	4 1/2	50,300	..
Def. T.T.	1 1/2	30,000,000	..
	1 1/2	60,000,000	..
	1 1/2	50,000,000	..
	1 1/2	20,000,000	..
	..	160,50,000	..

Next week 1,00 lacs will be offered.

INDIAN TREASURY BILLS.

	March 31, 1923.	October 27, 1923.
	Rs.	Rs.
Outstanding with public	21,58,90,000	1,83,20,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,23,90,000	51,48,20,000
India Office, October 31, 1923.		

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended October 31, 1923.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
U.S. America	947	Norway	53
British West Africa	24,773	Germany	13,979
British South Africa	801,773	U.S. America	519,759
Other countries	1,207	Netherlands	7
		British India	43,200
		Strait Settlements	10,820
Total declared value of imports	828,700	Total declared value of exports	614,255

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 26, 1923.	(c) Week ended Oct. 27, 1923.	Miles Open.	Passenger, &c.	Goods, &c.	Total for Week.	Passenger, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,745	230,000	354,000	584,000	1,168,000	3,745	230,000	354,000
London & North-Eastern	6,702	373,000	718,000	1,091,000	1,912,000	6,702	373,000	718,000
Do same period 1922	6,857	422,000	808,000	1,230,000	2,120,000	6,857	422,000	808,000
London, Mid., & Scottish	6,963	534,000	908,000	1,442,000	2,769,000	6,963	534,000	908,000
Southern.....	2,127	285,500	129,300	414,800	1,452,100	2,127	285,500	129,300
Metropolitan (c).....	79	32,235	3,903	36,138	1,382,640	79	32,235	3,903
Underground E.R. (c).....	..	..	..	1,607	229,008	..	..	..
London & Sub. Group (c).....	..	..	..	37,933	1,734,892	..	..	..
Belfast & Co. Down (b).....	80	4,540	1,390	233,192	63,111	80	4,540	1,390
Dublin and S. East. (b).....	160	6,000	4,064	10,064	271,531	160	6,000	4,064
Midland Gt. West. (b).....	538	8,814	14,526	23,340	437,497	538	8,814	14,526
Gt. Northern (Ireland) (b).....	563	18,500	28,050	46,550	..	563	18,500	28,050

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
INDIAN.					
Assam Bengal.....	26 weeks	Sept. 29	1,072	Rs. 3,16,000 + 33,636	Rs. 60,79,331 + 1,09,574
Barsi Lt. Ry.	26 weeks	30	118	16,100 - 1,000	8,28,600 - 60,400
Bengal & N. Western	26 weeks	30	2,062	5,07,990 - 1,37,701	1,55,13,579 - 8,97,949
Bengal Nagpur	26 weeks	30	2,738	15,56,000 + 1,94,000	3,68,37,497 + 7,65,716
Bombay, Bar. & C.I.	30 weeks	Oct. 27	2,994	19,98,000 + 1,81,000	6,12,50,000 - 11,16,000
Burma.....	26 weeks	Sept. 30	1,342	8,08,355 + 36,116	1,69,61,695 - 91,008
Delhi, Umballa & Kalika	30 weeks	Oct. 20	239	1,03,000 - 9,552	2,87,715 - 27,442
East Indian.....	30 weeks	27	2,856	32,37,000 + 1,89,000	9,17,75,000 - 5,38,000
G. Indian Peninsula	26 weeks	30	1,644	22,76,000 - 1,62,000	6,97,98,215 - 40,62,320
Madras & S. Mah.	30 weeks	30	3,029	14,00,000 - 1,37,486	3,74,97,855 - 3,20,315
Rohilk'd & Kumaon	26 weeks	30	259	50,870 - 13,805	13,85,301 - 1,88,509
Do Lucknow-Breilly	26 weeks	30	314	40,742 - 7,342	16,26,724 - 1,67,697
South Indian.....	26 weeks	30	1,877	12,75,903 - 13,249	2,59,21,316 + 8,13,700

CANADIAN.

Canadian National.....	42 weeks	Oct. 21	22,680	5,936,715 + 61,594	198,926,885 + 17,445,344
Canadian Pacific.....	42 weeks	21	13,539	5,261,000 - 205,000	145,490,000 + 5,226,000

ARGENTINE (a).

Argentine N.E.	17 weeks	Oct. 27	752	12,300 + 2,500	192,000 + 23,300
Argentine Trans.	17 weeks	27	..	4,213 + 713	63,434 + 28,134
B. A. and Pacific.....	17 weeks	27	3,517	146,000 + 8,000	2,259,000 + 51,000
B. A. & Southern	17 weeks	27	3,948	170,000 - 8,000	2,709,000 - 190,000
B. A. Western.....	17 weeks	27	1,882	56,000 - 7,000	761,000 + 154,000
Central Argentine.....	17 weeks	27	1,882	89,000 + 1,000	1,285,000 - 16,000
Cordoba Central.....	17 weeks	27	3,305	202,000 + 2,000	321,000 - 21,000
Entre Rios.....	17 weeks	27	1,905	53,000 - 2,100	1,053,100 + 26,300
San Carlos.....	17 weeks	27	729	20,600 + 900	307,000 + 22,900

BRAZILIAN (b).

Gt. West. of Brazil.....	43 weeks	Oct. 27	1,400	11,200 - 3,200	397,900 - 137,300
Leopoldina.....	43 weeks	27	1,831	31,313 - 2,528	1,124,388 - 138,380
San Paulo.....	43 weeks	28	153	30,846 + 1,242	1,279,713 + 79,076

CHILEAN.

Antofagasta.....	43 weeks	Oct. 28	838	38,590 - 690	1,499,470 + 525,005
Nitrato (q-monthly)	41 weeks	15	366	19,149 - 7,910	1,98,983 + 286,523

CUBAN.

Havana Central.....	16 weeks	Oct. 20	..	12,050 + 2,188	185,520 + 34,357
United of Havana.....	17 weeks	27	1,210	53,904 + 6,641	982,681 + 178,680

URUGUAYAN.

Central Uruguay.....	17 weeks	Oct. 27	273	26,998 - 155	363,119 - 1,682
O. Urug. (East Bx.).....	17 weeks	27	311	5,207 - 372	70,393 - 376
O. Urug. (North Bx.).....	17 weeks	27	185	3,326 + 521	41,062 + 3,189
O. Urug. (West Bx.).....	17 weeks	27	211	2,451 - 555	33,811 - 1,955

OTHER OVERSEAS.

Alooy and Gandia.....	43 weeks	Oct. 27	33	14,000 - 2,500	866,800 + 55,350
Egyptian Delta.....	27 weeks	10	675	11,228 - 696	137,394 - 23,487
Gt. Southern of Spain	42 weeks	20	104	1,151,923 + 60,874	3,955,684 + 603,422
Mexican Railway.....	16 weeks	21	432	1,877,400 - 54,900	3,746,000 - 416,800
New Cape Central.....	40 weeks	6	805	2,372 + 119	101,595 + 1,643
Paraguay Central.....	17 weeks	27	274	3,260 + 1,710	66,220 - 45,990
Salvador.....	17 weeks	27	100	2,481 + 94	39,729 - 6,130

(a) Converted as par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
Anglo-Argentine.....	43 weeks	Oct. 28	329	£86,830 - 2,835	3,608,670 - 17,995
Burley Corporation.....	1 week	27	12	43,016 - 46	.. + 172,331
Osaka Tramways.....	43 weeks	27	359	1,066,358 - 7,937	.. + 172,331
Osaka & District.....	43 weeks	25	15	21,487 + 6	67,772 - 5,959
Egyptian Market.....	42 weeks	18	..	21,975 - 10	76,685 + 5,521
Glasgow Corporation.....	21 weeks	27	106	£46,601 + 3,484	934,129 + 30,277
Isle of Thanet.....	3 weeks	24	..	4,639 + 44	2,468 - 239
Leeds Corporation.....	43 weeks	23	39	£2,855 - 50	123,235 - 7,464
London Tramways.....	30 weeks	27	194	£24,164 - 2,734	831,449 - 59,709
London & North-Western	30 weeks	31	163	£86,430 - 5,961	2,619,363 - 221,221
London & South-Western	30 weeks	31	..	£53,447 + 6,110	10,02,671 + 74,629
London & Tilbury.....	30 weeks	31	..	£5,500 - 397	166,788 - 644

Reports and Notices.

The London office of the National City Company has received cable advice from its head office in New York that the National City Company and associated bankers have offered \$5,000,000 Canadian Pacific 4 per cent. coupon consolidated debentures at the price of 79½, New York terms. The debentures are secured by a first charge on the entire undertaking, subject to certain priorities. Field-Marshal the Right Hon. Earl Haig, O.M., K.T., has joined the Edinburgh board of directors of the Royal Insurance Company, Limited.

Owing to the increase in his work as assistant manager of the London and Scottish Assurance Corporation, Limited, Mr Louis I. Jarvis has relinquished the title of secretary, and the board have appointed Mr F. S. Goggs to that position.

In future the business of the West End branch of the Liverpool and London and Globe Insurance Company, Limited, will be conducted from their new premises on the site adjoining the present temporary building. The new address is:—Globe Buildings, 57 Charing Cross (Admiralty Arch Approach), London, S.W. 1.

Mr. Douglas Christopherson has been appointed a director of the Consolidated Gold Fields of South Africa, Limited, and New Consolidated Gold Fields, Limited, in place of Sir Leigh Hoskyns, Bart., deceased, and he will act as resident director of the latter company in South Africa.

BANKS.

COMMERCIAL BANK OF SPANISH AMERICA.—The report for the year ended June 30, 1923, shows that the net profit amounted to £38,644, against £55,291 in the preceding year. With the £302 brought in there is £38,946 available. The sum of £3,300 goes to staff pension fund, and £35,000 to contingency account, leaving £466 to be carried forward.

NATIONAL BANK OF AUSTRALASIA, LIMITED.—The directors of the bank offer for tender to all shareholders registered on November 15, 1923, 8,109 fully-paid £10 shares representing fractional shares, and unapplied for shares, in the recent issue on May 16, 1923. The tender price has been fixed at £15, and will be payable £2 on application, and the balance £13 per share, not later than January 15, 1924. The allotment of these shares will be at the discretion of the board of directors, but regard will be paid to the existing holdings of ordinary shares and/or fully-paid shares. All shares allotted will rank for dividend as from October 1, 1923, and all premiums received in respect of this issue will be credited to the bank's reserve fund.

WEINER BANKVEREIN (VIENNA).—The Wiener Bankverein (Vienna) is offering for subscription in Vienna to existing shareholders in the proportion of one new for five old shares, 1,000,000 new shares at Kr.140,000 each, having the right to dividend from January 1, 1924. The Banque Belge pour l'Etranger, Moorgate, E.C. 2, is authorised to receive and transmit subscriptions to Vienna. Applications must be supported by the deposit of old shares, listed in duplicate in numerical order. The subscription closes in Vienna on November 7, and applications should be in the hands of the Banque Belge pour l'Etranger not later than November 6th.

RAILWAYS.

ARGENTINE GREAT WESTERN.—The report for year ended June 30, 1923, states that, under the working agreement, this company has received from the Buenos Ayres and Pacific Railway Company and has distributed the following amounts in respect of the year to June 30, 1923:—

Interest on first debenture stock.....	£68,000
Interest on second debenture stock.....	£68,000
Interest on 5% debenture stock.....	£180,000
Interim dividend of 2½% on preferred and ordinary stocks.....	£106,250

The Buenos Ayres and Pacific Railway Company, having paid 7 per cent. for the year ended June 30 last on its ordinary stock, has, in accordance with the working agreement, paid to this company the sum of £148,750, with which amount the directors propose to pay a balance dividend of 3½ per cent. on the preferred and ordinary stocks, making, with the above-mentioned interim dividend, 6 per cent. for the year on both stocks.

CORDOBA CENTRAL.—The results of working for the year ended June 30, 1923, as compared with those of the previous year, were as under:—

	1921-22.	1922-23.
Gross traffic receipts.....	2,635,390	3,071,699
Working expenses.....	2,245,303	2,274,393
Net receipts.....	390,087	797,306
Percentage of working expenses.....	85.20	74.04

The report points out that expenditure on the maintenance of the permanent way and rolling-stock shows an increase, but there were reductions in the cost of locomotive running, viz., £162,278—principally due to the lower price of fuel—and in traffic expenses, viz., £53,559.

RUBBER, &c.

BATAK RABIT ESTATE.—The report for year ended June 30, 1923, shows that the net profit was £8,400, against £5,268 in preceding year. The ordinary dividend is 12½ per cent., against 5 per cent. The sum of £7,989 is carried forward, against £8,964 brought in. The crop harvested for the year amounted to 350,979 lbs. The standard production allowed to the company under the Export of Rubber (Restriction) Enactment,

1922, is 478,107 lbs. Of this, the amount allowed to be exported at the minimum rate of duty was fixed at 65 per cent. for the month of July, and at 60 per cent. for the three months from August 1st. It is expected that from November 1st the rate will again be raised to 65 per cent., and if that rate should continue, the company's production for the financial year to June 30, 1924, would be 304,793 lbs.

BATU TIGA (SELANGOR).—We are officially informed that the company has entered into an agreement to purchase an estate in Selangor comprising 873 acres of rubber, of which 756 acres will be ready for tapping in 1924. The estate was inspected and valued by an independent valuing agent, who valued it at £44,000, against an agreed purchase price of £36,000. The purchase money has been found by the sale of part of the company's investments at a price substantially higher than they stood in the company's books. On completion of the purchase the planted area of the company's estates will be as follows:—Tapped, 1,923 acres; ready for tapping, 1924, 1,131 acres; immature, 342 acres; total planted with rubber, 3,396 acres. The issued capital of the company being £125,325, the above area stands in the books at £37 per acre.

PULLANGODE RUBBER ESTATE.—Improved results have been achieved by this company for the year ended June 30, 1923. The net profit amounted to £6,932, against a net loss of £1,843 for the year ended June 30, 1922. The ordinary dividend is 5 per cent., against nothing for preceding year, and £1,587 is carried forward, against a debit of £3,095 brought into the accounts. The crop, which was estimated at 200,000 lbs of dry rubber, amounted to 253,991 lbs. Of this quantity 228,440 lbs have been sold at an average net price of 1s 1½d per lb, and the balance 25,551 lbs has been estimated to realise 1s net per lb, on which basis the net proceeds of the crop amount to £14,365, as against a working outlay of £6,470, the estate working account thus showing a credit balance of £7,895 3s 7d carried to profit and loss account.

SINGAPORE UNITED.—The net profit secured for the year ended June 30, 1923, was £12,031, against a net loss of £3,961 for the preceding year. No dividend was paid for 1921-22, but this year a 5 per cent. distribution is being made. The restricted output of dry rubber during the year was 688,144 lbs, as compared with 610,166 lbs in the previous year. Of this output 408,422 lbs has been sold in London at an average gross price of 3s 3½d per lb, and 198,594 lbs in Singapore at an average gross price of 10.08d per lb. The net price realised of 1s 0.97d per lb, compares with 7.60d per lb last year. The report further states that advice has just been received from Singapore that the Colonial Government has expropriated 409 acres of the company's land for the purpose of the new Singapore Naval Base. The Collector of Land Revenue awarded \$225,000, say £26,250, as compensation. As the board did not consider the sum adequate, they appealed to the Court, with the result that the award of the Collector has been upheld.

TANGOEL RUBBER ESTATES.—The report for year ended June 30, 1923, shows that the crop of rubber was 267,463 lbs, as against 225,383 lbs in previous year. The net loss for the year is £1,848, against a net profit of £2,887 in preceding year. After payment of taxes there is a credit balance of £5,959. The dividend is 5 per cent., against nothing in preceding year. The sum of £2,129 is carried forward, against £7,808 brought into the accounts. The report adds that "the estate is reported upon as being in a satisfactory state of upkeep, and the supply of labour for tapping, as well as cultivation, is sufficient. The work of terracing and drainage to prevent wash is being carried out, and diseases as they appear are treated as required. The quality of the manufactured rubber continues to be excellent."

TELOGOREJO UNITED PLANTATIONS.—We are informed that the issue to the householders of 50,000 shares at the price of £2 each has been over-subscribed, and letters of allotment will be posted early next week.

MISCELLANEOUS.

BRITISH NORTH BORNEO COMPANY.—The total receipts for 1922 amounted to £390,900, as compared with £404,348 for 1921. Expenditure amounted to £249,158, against £256,881. The dividend is 3½ per cent. for the year, as compared with 3 per cent. for preceding year. Profit for 1922 is £141,742, as against £147,466. The report points out that trade continued in a depressed state throughout 1922.

CANADIAN GENERAL ELECTRIC.—A scheme is put forward whereby the General Electric Company of New York is to acquire a controlling interest in the common stock of the Canadian General Electric Company. Existing stockholders of the latter company will be afforded an opportunity of transferring their stock on the basis of receiving for each \$100 share \$62.50 in cash (New York terms) and one new 7 per cent. preference share of \$50, par value, in the Canadian Company. Subject to the necessary amount of Canadian stock being so transferred, the General Electric Company will subscribe for \$2,000,000 common stock of the Canadian Company direct from its treasury.

GEORGE H. HIRST AND CO., LIMITED.—The fourth annual report and balance-sheet for year ended August 31, 1923, shows that, after providing amply for depreciation and corporation profits tax, a net profit remains of £35,469, against £47,298 for previous year, to which has to be added the balance brought forward from last year, making £56,493. The fixed dividend on the preference and preferred ordinary shares to August 31, 1923, has been paid, leaving available £36,107, which is recommended to be appropriated as follows:—Final dividends on the preferred shares of 6d per share (making 10½ per cent. for the year), and 9 3½d per share on the deferred ordinary shares (making 4 per cent. for the year, against 12 per cent. in preceding year) are recommended, leaving to be carried forward a balance of £24,107. Freehold

and leasehold land, mills, and motive plant have been written down to £104,310. Plant, machinery, motor wagons, &c., and book debts are slightly lower, whilst stock-in-trade is higher at £65,858. Sundry creditors, including provision for corporation profits tax stands at £47,646. Goodwill, investments, and reserve fund remain as last year.

INVERESK PAPER COMPANY (1922), LIMITED.—The gross profit for the period September 20, 1922, to September 30, 1923, amounted to £67,518, and after providing for depreciation, debenture interest, income-tax, &c., the balance available is £36,315. The directors recommend the payment of a dividend of 10 per cent. on the ordinary shares, and the transfer of £10,000 to the reserve fund, leaving £11,368 to be carried forward. In September, 1922, Messrs G. Haswell, Veitch, and Co. offered £150,000 6½ per cent. first mortgage debenture stock at 95, and £25,000 8 per cent. cumulative preference shares of £1 each at par. The report points out that, after charging the reserve account with the preliminary expenses and discount on the debenture stock issue, the directors have transferred the whole balance in reduction of the value of the heritable property and plant and machinery. The report states that the buildings and plant have been maintained in an efficient state during the year, and the directors are of opinion that the results obtained are satisfactory under the present general trade conditions.

LONDON MARITIME INVESTMENT.—The report of this company just issued for the year ended September 30, 1923, shows that net profits have been well maintained, as they amounted to £57,062, against £60,015, and the ordinary dividend is unchanged at 8 per cent. The reserve fund stands at £192,500, and is invested in British Government securities. The report adds that a valuation of the company's investments as at September 30, 1923, shows that the capital and reserve fund are more than intact.

WORKMAN, CLARK, AND CO., LIMITED.—The scheme authorised by the debenture stockholders has now been carried into effect, and the prior lien debenture stock has been issued to the bank as security for such advances as the company may require up to £300,000. All the former directors, except the technical directors, have retired, and Colonel Sir William Charles Wright, K.B.E., C.B., Mr Peter MacCullum Lang, and Mr J. H. Stephens, of Messrs Lescher, Stephens, and Co., chartered accountants, have been appointed to the board. Negotiations are in progress with other gentlemen—whose services should be of considerable value to the company—which it is hoped to bring to a satisfactory conclusion before long. Contracts for two new ships have been obtained during the past few weeks. The question of whether any action should be taken against any of the late directors is, in accordance with the undertaking given at the debenture holders' meeting, being carefully considered by the new board in co-operation with the trustees for the debenture holders.



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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Pref. Amount.	Ordinary Amount.				
Banks.		£	£	£	£	£	£	£	£	%
Com. Bank of Spanish America ..	June 30	301	38,644	38,945	..	..	38,300	645	55,291	..
Breweries.										
Bristol United	Sept. 30	37,631	56,246	93,877	13,800	41,400	15	38,677	54,154	15
Financial, Land, &c.										
British North Borneo Co.	Dec. 31	226,191	49,038	275,229	..	64,836	34	210,393	82,269	3
Dalgely and Co.	June 30	101,901	254,161	356,062	25,000	150,000	15	65,000	116,062	15
International Financial Society ..	Sept. 30	32,759	8,622	41,381	..	..	..	41,381	8,866	..
London Maritime Investment ..	Sept. 30	5,022	57,062	62,084	19,054	30,486	8	7,472	60,015	8
Realisation and Debenture Corporation of Scotland ..	Aug. 31	..	57,106	57,106	3,193	19,003	25 Ord	13,626	52,368	30 Ord
Second Investors' Mort. Security ..	Sept. 30	5,018	29,004	34,022	11,437	21,294	4 7/8 Df	5,000	18,734	7
Gas.										
Southampton Gaslight	June 30*	348	22,542	22,890	..	18,933	5 1/2	3,609	..	..
Rubber, &c.										
Batak Rabit	June 30	8,964	8,400	17,364	..	9,375	12 1/2	7,989	5,268	5
Pullangode	June 30	Dr 3,095	6,932	3,837	..	2,250	5	1,587	Dr 1,848	..
Singapore United	June 30	15,482	12,031	27,513	..	8,506	5	850	18,157	Dr 3,961
Tangoel	June 30	7,808	Dr 1,850	5,958	..	3,830	5	2,128	2,887	nil
Trusts.										
East of Scotland	Sept. 30	1,687	8,018	9,705	4,652	3,102	5	1,951	6,683	4
Second Edinburgh	Sept. 30	62,271	45,517	107,788	11,977	22,875	15	2,723	70,213	15
Second Scottish	Oct. 1	10,398	32,019	42,417	9,845	14,588	10	3,776	14,208	10
Other Companies.										
Geo. H. Hirst and Co.	Aug. 31	21,024	35,470	56,494	7,587	16,800	10 1/2 PO	24,107	47,298	12 Def.
George M. Callender and Co.	June 30	262	5,064	5,326	2,411	1,000	20	1,500	415	15
Inveresk Paper Co.	Sept. 30	..	36,315	36,315	5,418	9,529	10	10,000	11,368	..
Lancashire Waggon	Sept. 30*	1,458	3,375	4,833	713	1,038	10 1/2	1,500	1,532	10 1/2
S. and W. Beresford	Sept. 30	45,466	27,486	72,952	4,500	22,500	15	45,952	31,727	15

* Half-year.

† Free of tax.

QUEBEC POWER COMPANY.—Messrs Aldred and Co., Limited (Incorporated in Canada), Lombard street, have received cable advice that an issue of 3,540,000 dollars of 6 per cent. bonds of the Quebec Power Company, due 1953, at 95, has just been made by their Montreal house. It is understood that an issue of 2,300,000 of 6 per cent. debenture stock identically secured with the bonds issued in Montreal will shortly be offered in London.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Agricultural operations were hampered by further rains over most parts of the United Kingdom, and a spell of fine dry weather would be welcome. Field work, however, is fairly well advanced, particularly in southern and eastern parts of the country. Offerings of native wheat were somewhat restricted, and many samples come forward in a damp condition. Best milling qualities, however, are in request, and realise from 8s 9d to 9s 3d per 112 lbs, free on rail. Imported grades were in moderate request at generally steady rates, the inquiry being chiefly for North American grades. No. 1 Northern Manitoba ex ship quoted 48s to 47s 3d as to position, Rosafé 62 1/2 lbs 46s 9d, Barusso 62 1/2 lbs 45s, choice white Karachi landed 44s, all per 480 lbs. In the floating and forward cargo section, Manitoba qualities were in fair request at generally steady rates, but other descriptions move off slowly. Steamers of No. 1 Northern Manitoba, small cargoes November sold at 44s 9d to 45s net, and larger steamers shipment from Pacific ports January 42s 7 1/2d, February 43s 1 1/2d, soft white Pacific and white Western ditto combined afloat 44s 3d, all per 480 lbs. Flour quiet, and prices were reduced for London made. London standard straight run now quoted at 37s, patents 39s to 40s, town household 35s per sack, delivered in. All English country straights 30s to 31s per sack, delivered to London stations. Imported quietly steady, and Australian quoted 32s 9d per 280 lbs, ex store. Russian wheat is now offering more freely, and shows fine quality, while realising slightly more money than Canadian. Maize cargoes dull for Plate descriptions, but a cargo of Bessarabian f.a.q. early November sold at 36s per 480 lbs, while steamers of Dan-Bess-Kustendji barley afloat changed hands at 27s 9d c.i.f. per 400 lbs. Millers' offers quiet, and occasionally the turn easier. Broad bran quoted 7s-7s 3d, ordinary ditto 6s 3d-6s 6d, middlings 8s 3d, bags included, ex mill; light oats 5s 9d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 3d, free on rail, all per cwt. Barley: English in fair demand for best samples. Prices fully steady. Malt descriptions range from 9s 6d-13s 6d, and grinding sorts 8s 3d-8s 9d per 112 lbs, free on rail. Imported firm, and Canadian again dearer. Californian quoted 39s-44s, Chilean brewing 38s 6d-43s 6d per 448 lbs ex store. Persian ex ship 26s, Algerian/Tunisian ditto 28s 6d, No. 4 Canadian Western 28s, ditto landed 29s 3d, all per 400 lbs. Maize steady. Plate ex ship 35s 6d, landed 37s, No. 2 white flat African ex ship 37s, No. 6 yellow ditto 35s 9d, all per 480 lbs. Oats: English steady at 8s 3d-10s 2d per 112 lbs, free on rail, as to sample. Imported generally quiet. Plate ex ship f.a.q.

22s, landed 23s 3d, No. 2 Canadian Western ex ship 27s, landed 28s, No. 3 ditto landed 27s, Algerian/Tunisian ditto 23s, New Zealand A grade landed 38s-40s, B grade 36s per 320 lbs. Oat-

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meal steady, with a moderate demand. London made, flaked, also rolled oats 18s, medium and fine cuts 18s, coarse and medium pin-head 17s 6d, ordinary Scottish oatmeal 19s 6d-21s, and American all cuts 17s-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924	1922-1923	1921-1922	1920-1921
Estimated sales of home-grown wheat—				
1 week to October 27	Cwts. 430,038	Cwts. 596,961	Cwts. 344,403	Cwts. 327,752
8 weeks to October 27	3,404,253	3,193,749	3,176,428	3,875,523
Average price of English wheat per cwt.	s d 9 1	s d 9 6 1/2	s d 10 5	s d 21 1

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Oct. 20	Cwts. 416,910	Cwts. 622,613	Cwts. 96,015	s d 9 0	s d 10 6	s d 8 7
27	430,038	626,921	87,628	9 1	10 7	8 8
1919	329,181	604,146	59,013	16 11	25 10	20 2
1920	327,750	569,539	58,082	21 1	25 11	19 6
1921	344,404	5,905	50,234	10 5	13 11	8 9
1922	596,961	483,107	90,934	9 8	11 6	9 6

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report dated November 1st is as follows:—Pig-iron: The pig-iron market is quietly firm, and makers are very comfortably situated with regard to orders. The prospects are that present prices will be retained meanwhile. Scotland is our best customer for Cleveland iron at present. The demand for East Coast hematite pig-iron is not quite so good, but the price is fairly steady. Current quotations are as follows:—No. 3 Cleveland G.M.B., 100s per ton; E.C. Hematite, Mixed Numbers, 100s per ton. Manufactured iron and steel: Steel makers are hoping for an early settlement of the Boilermakers' strike, which still blocks the way. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s net. Iron ore: There is not much buying, as stocks appear still to be fairly heavy. Best Bilbao Rubio ore is quoted 23s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Conditions in the iron and steel trades have been a little more active this week, but there is no appearance as yet of a substantial revival of buying. Prices of common pig-iron have been advanced, and some users would like to place forward contracts. Makers, however, are not prepared to sell very far ahead at prices which barely cover the cost of consumption, and buying for immediate use remains on a meagre scale. Conditions in bar and hoop iron, which have been acutely depressed for a long period, have bucked up considerably of late, owing to the receipt of good orders from the holders of railway rolling stock and from abroad. In the home market things remain stagnant. There is rather more inquiry for crude steel, and the output of the large furnaces tends to increase, but the recovery is tardy, and a good many people have made up their minds that not much improvement is likely to be experienced this year. Prices of billets are somewhat firmer, and certain of the makers are refusing business at the current low quotations, feeling that they will get better rates by waiting. The tonnage of acid steel going into consumption is increasing steadily. The rolling mills are running about half time, except those producing "cold" strip, which are overwhelmed with work. Forges generally are slack. The call for crucible quality steels leaves much to be desired, and the position of engineers' small tools appears to be going from bad to worse. Business in these high-grade materials is extremely patchy, orders being small in value, and no one has work assured for any considerable length of time. The electro-plate branches are fairly busy on orders for the Christmas season trade, and the output of table cutlery is on a large scale. Collieries are working up to the average of the past month. A good tonnage of steam coal is going abroad, and railways are specifying heavily. The house coal department is also fairly busy. Slack fuels, however, are quiet and coke is steady, with not much in stock. Quotations per ton at pits are:—Best hand-picked branch, 31s; Silvestones, 27s; Yorkshire hards, 20s; best Tyne hards, 24s 6d; rough slacks, 11s; smalls, 7s; blast furnace coke, 24s.

Our Glasgow correspondent writes:—The moderate improvement in the steel and iron position which was manifested a few weeks ago continues to be maintained, but the change for the better still leaves a good deal in those relations to be desired. Probably the most satisfactory feature is the increased demand which in the last few days has set in for Scotch pig-iron, and not only for it but also for Cleveland and Midland brands, the direct dealings in which have run into several thousands of tons. Official returns show that during October six vessels of 12,019 tons were launched from yards on the Clyde, making 91 boats of 167,241 tons for the ten months. For the corresponding ten months of 1922, 107 vessels of 343,788 tons were put into the river. The engineering shops are

fairly well employed, and so are bridge builders, and corrugated heavy sheet makers who, at £79 10s, are charging an advance of 12s 6d a ton. Crown bars are called £12; heavy steel rails, £8 15s; light sections (blooms), £10; joists, £9 10s. In tubes, an active business is passing, while a lot of miscellaneous sections are rather poorly off.

Our Cardiff correspondent writes:—There has been a marked contrast this week between the current market and the 1924 contract prices. For spot positions the market has been very weak. A succession of gales extending over several weeks have impeded the movements of shipping, disorganised colliery stems, and considerably diminished the supply of empty wagons. Collieries have consequently lost a great deal of time, and the few exporters in a position to command spot or prompt tonnage have been able to buy best Admiralties at less than 27s per ton, and second Admiralties at less than 26s per ton. The situation, however, improved towards the end of the week, and tonnage promises to be as plentiful during the next few days as it has been scarce during the past week. For next year's contracts the tendency of prices has been slightly towards higher figures. The leading depot firms have hitherto been holding off, but this week two or three of them are reported to have covered themselves for a portion of their next year's requirements in the neighbourhood of 27s for best steam large and 26s for second-class steam coals. Costs during the next few months will be appreciably less than they have been during the past four months. The joint audit for July and August has brought down the general wage rate from 41.47 per cent. on the 1915 standard rates to 28.66 per cent. The general wage rate has thus somewhat unexpectedly been brought back practically to the minimum of 28 per cent. on the 1915 standard rates. This heavy decrease, however, was partly due to the big loss of output in August and partly to a further fall in the average f.o.b. price. The production in August was nearly 600,000 tons less than that of a normal full working month, and the effect of this decrease was a rise of nearly 1s per ton in the cost of production. The coal owners, however, have not allowed the audit results to affect the wages they are paying to the lower-paid men under the subsistence wage allowance. Current market quotations are as follows:—Best Admiralties, 27s to 28s; second Admiralties, 26s to 27s; best drys, 27s to 27s 6d; Black Veins, 26s to 27s; Western Valleys, 25s 6d to 26s; Eastern Valleys, 23s 6d to 25s; best bunker smalls, 17s to 18s; ordinary cargo smalls, 15s to 16s; anthracite big vein large, 40s to 47s 6d; machine-made cobbles, 52s 6d to 55s; French nuts, 57s 6d to 62s 6d; stove nuts, 54s to 56s 6d; rubbly culm, 14s 6d to 15s 6d; inland blast furnace coke at ovens, 30s to 35s; coke for export, 42s 6d to 50s; patent fuel, 20s to 32s; pitwood, ex ship, 28s 9d to 29s 3d. There is no abnormal activity in the tinplate export trade, but demand is steadily improving, and prices are slowly hardening. Employment is better than it has been for some months, and there is a demand for skilled labour.

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THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—October 26, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord	G O L M	Mid	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	G M M F	G O L M	G M M F
Brazilian.....	Mid	M F	Fr.	G F	Gd.	Fne.	M F	Fr.	Gd.	Fne.	M F	Fr.
Pernam, Macao, &c.....	1753	1853	1928	..	..	..	1274	1389	..	1017	1267	..
Parahyba, Rio Grande, &c.....	1753	1853	1928	..	..	..	1274	1389	..	1017	1267	..
Oara, &c.....	1753	1853	1928	..	..	..	1274	1389	..	1017	1267	..
São Paulo.....	1753	1853	1928	..	..	..	1274	1389	..	1017	1267	..
Upper.....	Fr.	G F	per	Gd.	Fne.	..	1274	1389	..	1017	1267	..
Bakelardis.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Brown.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Peruvian.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Rough.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Moderately Rough.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Smooth.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Tangut.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Mitafi.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
West Indian, &c.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Do Sea Island.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
African, East, &c.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Do West.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
East Indian.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Surtee.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Broach.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Shownigger.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Oomra, No. 1.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Oomra, No. 2.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Ehandish.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Comptab.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Bengal.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Machine Ginned Soinde.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Tinnivelly.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Madras, Western.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
Madras, Northern.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
M.G. Coccomada, Red.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..
China, Smyrna, &c.....	1725	1785	1805	1825	1850	1875	1350	1450	1550	1600	1900	..

MANCHESTER, November 1.

The larger inquiry in the market has been well maintained, and in certain quarters a fairly encouraging business has again been done. Towards the close of the week, however, buyers have displayed rather less enterprise, and there has been some disposition to adopt a waiting policy pending the publication of the important report on the American cotton crop. Fair contracts have been put through in light fabrics for India, and there has been further buying of stock lots of grey shirtings, most of the business being for Calcutta. Demand for China continues healthier, but dealers on the other side are rather slow in raising limits, and numerous bids cannot be entertained. Many manufacturers have met with fairly encouraging support from the smaller markets East and West, and quotations have been more firmly held than for a long time back. Here and there idle looms are being restarted, and in certain descriptions there is more difficulty in securing early delivery. American yarns for home use have been distinctly stiffer in quotation, and business tends to improve. Steady buying continues to take place in Egyptian yarns, and full rates have had to be paid for anything wanted. An increased inquiry has been met with in bundle yarns for India, and rather more business has been offering for China.

(I.) Comparative Statement of the Cotton Trade.

Description.	Price, Nov. 1, 1923.	Previous Weeks in 1923.					
		Price, Oct. 25, 1923.	Price, Oct. 18, 1923.	Price, Oct. 11, 1923.	Price, Oct. 4, 1923.	Price, Sept. 27, 1923.	Price, Sept. 20, 1923.
Raw Cotton—Fully Mid. American.....per lb	17.78	17.72	17.45	16.56	16.99	16.95	16.95
—Sakelardis Fully Good Fair.....per lb	18.65	18.60	18.40	18.35	18.90	18.35	18.35
—Egyptian.....per lb	23.25	23.25	23.25	23.25	23.25	23.25	23.25
Yarns—32's twist.....per lb	23.25	23.25	23.25	23.25	23.25	23.25	23.25
—40's twist.....per lb	31	31	31	31	31	31	31
—60's twist (Egyptian).....per lb	31	31	31	31	31	31	31
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	34	34	34	34	34	34	34
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	37	37	37	37	37	37	37
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	20	20	20	20	20	20	20
32-in. ditto, 38 yds, 16 by 16, 10 lbs.....	18	18	18	18	18	18	18

(II.) Compared with Previous Years.

Description.	Price, Nov. 1, 1923.	Corresponding dates in					
		1922.	1921.	1920.	1919.	1918.	1917.
Raw Cotton—Fully Mid. American.....per lb	17.78	14.54	12.77	17.47	26.28	23.56	23.56
—Sakelardis Fully Good Fair.....per lb	18.65	17.75	23.75	43.00	37.50	29.40	29.40
—Egyptian.....per lb	23.25	23.25	23.25	23.25	23.25	23.25	23.25
Yarns—32's twist.....per lb	23.25	23.25	23.25	23.25	23.25	23.25	23.25
—40's twist.....per lb	31	31	31	31	31	31	31
—60's twist (Egyptian).....per lb	31	31	31	31	31	31	31
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	34	34	34	34	34	34	34
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	37	37	37	37	37	37	37
32-in. ditto, 38 yds, 18 by 18, 10 lbs.....	20	20	20	20	20	20	20
32-in. ditto, 38 yds, 16 by 16, 10 lbs.....	18	18	18	18	18	18	18

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Cable advices from the colonies report a good demand for wool, active buying on foreign account being mainly responsible for the firmness of values. Good 64's topmaking wool in Australia is still costing about 52d, clean, Bradford, but selling prices here continue to show a big discrepancy when allowance is made for conversion costs. A general quotation for good 64's tops is about 5s to 5s 1d, but sales are reported at under 5s, and spinners do not appear to be in a position to pay more. The real centre of activity is in crossbreds, and a considerable turnover is being done in practically all descriptions. Topmakers have advanced their quotations about 1d, and the general opinion is that values will continue to harden. Wool is being taken up very freely in London, and the new season in New Zealand will open this month under very favourable conditions from the growers' standpoint. The spinning section of the industry shows a slight improvement, some fair orders having been booked recently. The bulk of the new business is in crossbreds, the price factor being all-important. Botanics are meeting more inquiry, but it is still impossible to make prices fit in with the cost of production. Several firms are now in a position to run full time, though at prices ruling during the last few weeks much of the business is bound to prove unprofitable. Some expansion in demand is noted in the piece goods trade, both home and export markets having taken more interest recently. Botany cloths are slow, but some fair orders have been accepted in crossbreds. Home-grown wools are moving steadily, and at very firm prices. The mohair market is steady, and as regards alpaca, some big weights of inferiors have been sold at Liverpool at prices showing a slight advance on recent sales.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The attendance at the London sales this week has been well maintained, each day's sale passing off satisfactorily. On the whole the catalogues have been good, there being a creditable show of both merinos and crossbreds, though there might have been larger quantities of the former shown. Prices have remained very steady, though it is evident that the somewhat erratic movement of Continental exchanges has had its effect upon the buying on French account. At the same time, a fair amount of wool is being taken for export, and Germany would buy considerable quantities of merinos were it not for the mark being practically worthless.

Up to 31d has again been paid for Queensland new clip grease combing, and very good figures are still being paid for scoured merinos. A line of fatty New Zealand merinos has sold up to 53d for scoured combing, a price which testifies eloquently to the existence of a healthy demand for this class of staple. The price paid was indeed a splendid one, there being no less than 14 lots of the clip—Murchison—which sold at 50d and upwards. Another New Zealand merino clip marked Glenholme realised up to 53d for scoured combing, while Brancott made up to 28d for grease combing.

Large weights of crossbreds have been catalogued every day, and these continue to sell exceedingly well. Home trade competition is still of the best, and if anything prices are a little firmer than on the opening night. It speaks volumes for the healthy state of the Bradford trade when an average quantity of 8,000 bales per day of crossbred wool can be catalogued and absorbed with such freedom. Confidence in the future of this class of raw material is evidently very strong. In addition to home trade support, France is also buying. Medium crossbreds still show the most rise. B.A.W.R.A. wools are being absorbed with just as much freedom as direct offerings, and prices for greasy, scoured, and slipped descriptions could scarcely be improved.

FUR SALES.

The London Fur Trade Association (Incorporated) states that the October raw fur skin sales were well attended, although the number of foreign buyers was rather smaller than usual, there

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being fewer Germans and Italians present than in the preceding sales. The English trade was fully represented, as also French and American interests. The results must be considered as fairly satisfactory, taking into account the greatly increased quantities of goods offered, and, as is usual at this time of the year, the indifferent quality and stale condition of many of the skins. The general state of trade caused by continual political unrest and the chaotic condition of some of the foreign exchanges necessarily led to a reaction from the high prices realised in the May sales. We have, therefore, to record a decline in the values of some of the staple articles, and, on the other hand, slight advances in certain furs.

VEGETABLE OILS AND OILSEEDS.

Linseed, both old and new, has continued a steady market, and values have been sustained at about last week's level, without, however, a great amount of business done. Reports of frost in Argentina have had a steadying effect on the values of new crop, from which a second outturn is predicted should weather conditions be propitious. Some little buying has been done for January-February shipment up to £16 5s. The oil product has been steady at £4 1/2, naked, ex Hull mill, for spot, despite offers of cheap Dutch and Belgian oil. Egyptian cottonseed has taken an easier turn, and blacks can be bought well under £11 for November shipment.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR BERMUNDSEY CORRESPONDENT.)

The hide market remains steady to firm, and prices this week show little alteration. Best ox sold from 63d to 83d at the Bermundsey sales on Thursday, seconds making 63d to 73d. Best cows remained unsold, seconds making 63d to 63d. The demand for calfskins was quiet, the extreme heavies and lights failing to obtain buyers. Medium weights made from 63d to 11d. Wool skins were firmer, selling from 5s 3d to 10s 9d, and hogs from 2s 9d to 13s 6d each. Trade in imported hides is rather quieter, 7d to 7 1/2d having been paid for Argentine ox. Stocks of frigorifics are increasing at origin, and are estimated to be within the region of 75,000 hides. Dry hides are selling freely, both here and on the Continent, prices being slightly in buyers' favour. Cables from the U.S.A. report the Chicago market as steady, with best heavy packers still making 15 cents.

The boot trade is also better, the wet weather having stimulated the demand from retailers. Overseas orders are still coming along, and all round the prospects are better.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, November 2.

SUGAR.—Quiet absorption both on grocery and manufacturing account continue in force, and the market developed a somewhat depressed tone. Cautious buying on the part of the trade coincides with distinct signs of increasing supplies soon becoming available, while the premium on spot and near at hand parcels becomes lessened. Prices, without exception, were marked down, and British descriptions claimed a large share of trade doing. The latest estimate by Mr. F. O. Licht regarding European out-turn of 5,105,000 tons, against last season of 4,500,000, shows some reduction on preliminary estimate with Germany, given as 1,250,000 tons. Of British refined, Messrs Tate and Lyle's white sugars, on spot, reduced 1s per cwt, and yellows 6d, with granulated second half, November delivery, 9d down. Cubes now quoted 58s 6d to 59s 6d; crushed, 56s; granulated-stoved, also fine and coarse grain, 56s 1/2d; No. 1, 55s 10 1/2d; No. 2, also London and T.L., 55s 7 1/2d; second half, November, 55s 6d; first half December, 54s 6d; second ditto, 53s 6d; January, 53s 6d; February-March, 53s; yellow crystals, spot, 50s 7 1/2d. Of imported, Dutch granulated, spot, quoted 55s; white Java, 51s 9d to 52s 4 1/2d, as to quality; May-June, steamer, 22s 9d, c.f. and i., London; white Egyptian, spot, 55s. Of Dutch granulated for shipment, W.S.R., prompt, sellers, 28s; cubes, 30s 9d; H.U.M. granulated, prompt, 28s, f.o.b. Amsterdam and Rotterdam. Czecho granulated, November-December, 24s 4 1/2d, f.o.b. Hamburg. Belgian sugars for shipment largely nominal. The market for raw refining kinds furnishes very little matter for comment, only small quantities being on offer from time to time, and the general position is somewhat nominal. White terminal market proved easier, and business proceeded rather slowly. November delivery sold, 24s 1/2d to 24s; December, 24s 1 1/2d to 23s 6d; March, 23s 9 1/2d to 23s 3d; May, 24s to 23s 7 1/2d; August, 23s 6d. Cuban stock, 132,000 tons. Liquid glucose, spot, 32s per cwt.

COFFEE.—With steady inquiries and only small available supplies on hand, the market continues very firm, with prices in some cases again slightly dearer. Colombian fine bold colour, sold, 112s 6d to 113s 6d; Maragogipe, 118s to 119s; medium sizes of washed San Paulo, 85s to 85s 6d; smalls, 84s.

COCOA.—Only quiet trading ensued in spot parcels on about former terms. Fine Accra, sold, 30s 6d to 31s. Forward market for Accra, after improving, relapsed on increased selling orders, and the market remains disturbed by the uncertainty attaching to defective beans under the new conditions imposed by the U.S.A. Government, while paucity of buying on German account is felt. F/F quality, December-February, sold up to 27s 9d, and lat. r down to 21s 6d, f.o.b. terms. English cocoa butter quiet at 1s 2 1/2d per lb in one ton lots.

TEA.—52,800 packages Indian were offered in auction this week, and good competition prevailed at full prices for most qualities, though a somewhat quieter tone set in later. Pekoe, sold, 1s 5 1/2d to 1s 9d; broken orange, 1s 7d, and up to 3s 4 1/2d for fine-t. Nearly 14,000 packages Ceylon were soon disposed of to a good demand, at prices showing no quotable change. With regard to new season's China, business in low-priced Monings up to 1s per lb is on a liberal scale, while Keemun fannings up to 9d also attracted buyers. Moning siftings are sought after. There is a much better feeling respecting the better Keemuns, and sales resulted at 1s 5d to 1s 9d per lb in b.o. Panyongs are scarce. Lapsang souchongs are not up to last season upon the point of quality, being less "tarry" in liquor. Fair quantities of comm. n Monings, together with leaf Java teas, have been taken on Dutch account recently. 4,000 packages Java and Sumatra offered, met a quiet demand at 3d to 3 1/2d per lb decline. Pekoe, sold, 1s 4 1/2d to 1s 5 1/2d; broken ditto, 1s 5d to 1s 6 1/2d; orange, 1s 6 1/2d; broken orange, 1s 3 1/2d to 1s 6d per lb in bond.

FRUIT (Dried).—The market for currants remained steady, and a moderate demand was experienced. Pyrgos, quarter cases, quoted 42s; ditto, Amalia, 46s; Parais, 50s; new Vostizza, 65s to 69s; finest, 72s. Sultanias engaged more active support, and general steadiness characterised the market. Smyrna, new crop, quoted 56s to 73s; fine, 80s to 85s. Raisins continue a firm market, with fair inquiries. Valencia, half boxes, 60s to 66s; quarters, 75s to 135s; Cape, first grade, 50s; seconds, 47s. Dates steady, at recent level of prices, with a moderate demand. First-tide Hallowee, now cleared, and second ditto, quoted 24s 6d; Khredrowie, first-tide, quoted 20s; -lar, ditto, 16s; ditto, second-tide, 14s 6d, landed terms, London. Genuine natural figs, in bags, quoted 36s to 39s; layers, in boxes, 95s to 105s, with very few boxes now on offer. Evaporated Fruits.—There has been a steady business proceeding at about late rates. Californian apricots, choice, quoted 66s; extra ditto, 72s; fancy, 92s to 100s; Oregon plums, 60/70, quoted 46s; Californian ditto, 30/40, at 82s to 84s; 40/50, 60s per cwt.

CANNED GOODS.—General trade is quiet, and almost without exception there is no new feature to record, and which is usually associated with this period of the year. Of sardines, finer qualities remain scarce, but ample supplies of undergrades are on offer. Portuguese quarters quoted 2s 6d to 3s; ditto, 12 oz, 5s to 5s 6d; 18 oz, 9s 6d to 11s; French nominal, 18 oz, 16s 6d; quarters of good quality, 9s per doz tins. Only a small movement was in force regarding lobster at about late rates. Fancy halves, 150s to 155s; seconds, 145s. Salmon held for previous rates, despite general demand marking some falling off. 1 lb flat reds, labelled, quoted 53s 6d; ditto, tall, 41s to 42s; 1 lb flat pink, 24s 6d; ditto, tall, 23s; and cases of 96 1/2 lbs, 28s to 30s per case. Canned fruits received fair attention, the lower-priced descriptions being largely favoured, and prices ruled quite steady. Singapore pines of fair quality, on spot, quoted 5s 6d; Californian apricots, 7s to 11s; peaches, 8s to 12s; pears, 12s to 14s. Tomatoes in moderate request. Spanish threes quoted 6s 3d; and Italian, ditto, 6s 6

STRINGENCY increased in the early part of the week, owing to the absence of maturing Treasury bills in the hands of the market, and on Wednesday, in spite of extensive purchases of December Treasuries, through which relief was afforded, a small amount had to be borrowed from the Bank of England at $4\frac{1}{2}$ per cent. for a week. On Thursday supply had become adequate again, in spite of the low level to which the Other deposits had been reduced, as

shown by the Bank return, through the transfer of nearly 7 millions to the Public deposits. How the Treasury had been able, in the course of the first three days of the week, to pay off, apparently, about two millions of Ways and Means Advances, make large purchases of early December Treasury bills (as it was believed to have done), and at the same time add 7 millions to its balance, was a puzzle that exercised those who specialise on the mysteries of the Bank return. The recent Austrian loan instalment, however, was believed to have put some money into the Exchequer, and it is possible that Treasury bill payments in excess of maturities may account for most of the movement, which will have been quickly reversed. Discount rates hardened slightly, three months' bank bills being quoted at $3\frac{1}{8}$ - $3\frac{1}{4}$ per cent. There was less pressure for money at the end of the week, but the discount market was apprehensive owing to the continued weakness of the New York exchange.

	Nov. 9, 1923.	Nov. 2, 1923.	Oct. 26, 1923.	Oct. 19, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decrease of £69,000 in the Reserve, owing to a corresponding expansion in the note circulation. Government securities increased by only £585,000, though the Exchequer return had shown the creation of Ways and Means Advances for the Bank to the extent of $2\frac{1}{2}$ millions, and Other declined by £370,000. Public deposits had expanded by nearly 7 millions, and Other deposits were $6\frac{1}{2}$ millions lower at 101 millions. Currency notes outstanding were increased this week by £1,088,100 to £282,343,000, which includes £1,437,300 for notes called in but not yet cancelled. The fiduciary issue is £231,455,700, or £38,728,100 below the maximum.

The monthly statement of average weekly balances of the London Clearing Banks for October, printed in full on a later page, shows an increase of over £20 millions in deposits, but the October figure is still well below the average for July, as may be seen from the appended table, which summarises the totals for the nine English banks:—

	Dec., 1922.	June, 1923.	July, 1923.	August, 1923.	Sept., 1923.	Oct., 1923.
Capital and reserves	1160	1163	1163	1163	1163	1163
Acceptances	728	738	738	727	727	789
Deposits (incl. undivided profits, &c.)	1,684.7	1,637.7	1,638.0	1,611.2	1,609.6	1,629.2
Total liabilities	1,873.5	1,827.8	1,828.1	1,798.2	1,798.6	1,824.4
Coin, notes, balance at bank, and cheques in course of collection	253.0	240.7	236.6	231.0	230.2	236.6
Money at call	106.0	113.3	104.4	92.4	102.5	101.2
Investments	384.5	355.5	322.5	327.7	351.2	359.7
Discounts	298.3	270.8	276.4	264.7	260.4	274.7
Loans and advances	732.7	746.9	747.3	747.7	744.3	745.9
Cover for accept., premises, &c.	99.0	100.6	100.9	97.7	100.0	106.3
Total assets	1,873.5	1,827.8	1,828.1	1,798.2	1,798.6	1,824.4

Acceptances have also risen substantially, and are at the highest point recorded since March of this year. The increase in deposits has been balanced principally by an increase of over £14 millions in discounts, presumably owing to increased holdings of Treasury bills. The cash item has also risen by £6½ millions. Advances have risen slightly, but there were small reductions in money at call and in investments.

At their meeting on Thursday the directors of the Bank of England decided to recommend to the Court of Proprietors in April next that the Rt. Hon. Montagu Collet Norman be re-elected as Governor for the ensuing year, 1924-25, and Mr Cecil Lubbock as Deputy-Governor. When Mr H. A. Trotter resigned from the deputy-governorship two years ago, it was thought likely that Mr Norman would again be invited to retain the governorship for another year, it being customary for the Deputy-Governor to hold office for two years before going to the chair. Next year will be Mr Norman's fifth term of office, but the need for continuity of control is just as obvious at the present as it was during the difficult war period, when the late Lord Cunliffe held office for a similar period, and the City will doubtless

welcome the extension of Mr Norman's governorship—a post which he has held with such conspicuous success.

THE STOCK MARKETS.

The prospect of an early General Election has already depressed the majority of Stock Exchange markets, and substantial falls have occurred in gilt-edged stocks, newly-issued scrip stocks giving way with the rest. The foreign market is weak, and home rails have been flat, both prior charges and ordinary stocks losing ground. Foreign rails have fallen, but Grand Trunk Pacific debentures have been an exception with a rise of several points. The oil share market has been one of the brighter sections under the lead of Royal Dutch and Shells, but industrials as a whole have been irregular. The higher price of gold has helped the Kaffir market, and advances in tin shares have followed the rise in the price of the metal.

THE COMMODITY MARKETS.

The most important features of the commodity markets this week have been the rise in cotton values, and the better outlook in the iron and steel industries. American and Egyptian cotton have advanced over 2d per lb, and quotations for yarn and cloth have experienced corresponding increases. There is a general feeling of confidence over the position of raw wool; spinners report more favourable conditions, and it is stated that machinery is better employed, while some increase in demand on home account in the piece goods trade is welcome news. Jute is in demand and dearer. Copra is firmer, a stimulating factor in the situation being found in the increased interest shown by America owing to shortage of cotton oil. The position in the coal market at Cardiff has been very quiet this week; our correspondent mentions that one of the largest French shipping companies has reduced its requirements of coal owing to increased consumption of fuel oil. Confidence is said to be returning to the pig-iron market; it is pointed out that, although the boiler-makers' strike is still unsettled, there are a good number of inquiries for steel. Our Glasgow correspondent, in describing activity in iron and steel trade circles, states that prospects are more encouraging than any experienced since the beginning of the year, while our Sheffield correspondent reports further progress in the recovery of trade. Tin made a notable improvement, and copper advanced a little.

FOREIGN EXCHANGES.

In the foreign exchange market dealings have again been limited by political uncertainty, and the feeling has been one of still more pronounced depression. In particular the dollar rate has attracted attention by a fall from \$4.46½ at the close of the 2nd to \$4.42 yesterday morning. During the early part of the week quotations were moderately well maintained, but on Wednesday they began to weaken, and on Thursday fell away rapidly. Beyond the extreme uncertainty of the international outlook, the pressure of autumn purchases and the aftermath of the inflation scare, no new factors have appeared to account for this movement. Forward rates have widened slightly to ½ cent over spot, as compared with ¼ cent a week ago. Strangely enough, Amsterdam, instead of as usual following the dollar, moved in our favour, and even after a slight reaction yesterday stood at 11.52½ florins, as compared with 11.52½ a week ago, the reaction probably of events across the frontier in Germany. Stockholm, however, moved down from 16.97½ to 16.82½, Helsingfors from 166½ to 166, Switzerland from 25.11 to 25.02½, and Vienna from 317,500 to 313,500. The Paris rate has fluctuated with reports as to the attitude of M. Poincaré towards the proposed expert inquiry, being above 78 on Saturday last, recovering to 77 in the early part of the week, rising again to 78.25 on the 7th, and then after a new recovery moving up again to 78.35 yesterday morning on the news of the declaration of a dictatorship in Bavaria. The Brussels quotation has as usual followed these movements, and stood yesterday morning at 90.75, as compared with 90.15 on the 2nd, after having been 90.85 at one time on the 7th. Forward quotations which last week were 5 centimes per month above spot in both centres, have widened in Paris to 10 centimes and in Brussels to 6 centimes above. The lira, as usual of late, has been rather more steady, being quoted yesterday morning at 100½, as compared with 100½ a week ago, having varied

during the week between 99½ and 100½. The mark quotation has now, of course, little value as an indication. In many centres it is no longer quoted. In London from 4,000 millions on the 2nd it moved up rapidly to a figure as high as 50,000 millions at one time on the 6th. After that there was a sharp recovery to 6,000 millions at the close of Thursday, but on Friday morning the news of the new revolution brought up the rate again to 15,000 millions. In Germany itself the official rate on the 6th was 1,900 millions! The issue of gold loan currency appears to have been badly mismanaged, and the "renten mark," which was to appear on November 15th, again becomes problematical in view of events in Bavaria. In Dantzig the new transitional gulden pound currency has been successfully introduced, and preparations are actually in hand for the permanent gulden currency to be introduced at the beginning of January. Warsaw remains at 7½ millions, and there would seem to be some probability that the rot in Polish currency has at last been stopped. In Copenhagen, energetic exchange measures would seem to be having some effect, although the rate has again depreciated from 25.95 to 26.27½. In Christiania, however, the kroner continues rapidly to fall in value, and has now reached the exceptional figure of 30.87½, as compared with 29.77½ a week ago. Madrid shows a slight tendency towards improvement, being 33.57½, as compared with 33.61. Prague, at 152, shows an appreciation of ¾ krone, and Bucharest has moved down from 935 to 895. In the East the rupee has appreciated from 1s 4 45-64d to 1s 4 4½d, and Yokohama from 2s 2 2½d to 2s 2 3½d. In the silver market, although the heavy purchases in connection with the recent Bombay "corner" have ceased, a moderate demand from China and small offerings have kept prices steady, and although there is some uncertainty as to the Indian position, preparations for the Chinese New Year are already beginning to influence the forward market. Hong Kong is ½d lower at 2s 3½d, Shanghai ½d lower at 3s 1d. In South America, Rio has depreciated from 4½d to 4 1½d. Buenos Ayres, on the other hand, is rather dearer at 38 1½d, as compared with 38 ¾d, Montevideo, also at 38 1½d, is ½d dearer. Valparaiso has also appreciated from 38.70 to 38.50 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended November 3rd:—

EXPENDITURE.	Min. £	REVENUE.	Min. £
Supply Services	6,358	From Revenue	10,900
Interest, &c., on Debt	8,319	Amount borrowed	4,307
Sinking Fund	500	Taken from Exchequer balances	106
Sundries	136		
	15,313		15,313

Revenue at £10,900,100, compares with £14,046,800 in corresponding period. Customs receipts amounted to £1,959,000, against £2,165,000, and Excise yielded £1,343,000, against £1,481,000. Property and Income-tax produced a revenue of £3,916,000, and Super-tax £360,000, against a combined total of £5,892,000 in the preceding year. The total expenditure amounted to £15,312,800, against £16,171,700 in corresponding period. The week's operations increased the National Debt by £4,306,900, and caused the following changes:—

	Min. £	National Savings Certificates	Min. £
Treasury Bills	+ 1,794		350
Bank of England Advances ..	+ 2,500		187
Public Departments Advances	+ 550		
	+ 4,844		537

The floating debt was increased by £4,855,000 to £814,701,500.

FINANCIAL YEAR, 1923-24 (April 1 to November 3, 1923).

£	£
Total Expenditure .. 444,453,732	Raised by Revenue .. 431,415,776
	Net Borrowings 9,211,621
	Decrease in Balances 3,826,335
Total 444,453,732	Total 444,453,732

ESTIMATES for YEAR 1923-24.

£	£
Ordinary Expenditure 801,013,000	Ordinary Receipts .. 778,500,000
Special Expenditure .. 15,603,000	Special Receipts 40,000,000
Total 816,616,000	Total 818,500,000
	Surplus 1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the meetings of the following companies:—Argentine Great Western Railway, Bahia Blanca and North-Western Railway, British North Borneo Company, London Maritime Investment, Erinoid, Sudan Plantations, Tangoel Rubber Estates, and North Anantapur Gold Mines. At the meeting of the British North Borneo Company Sir West Ridgeway said that while, on the whole, the rubber restriction policy had been satisfactory, "the result had been by no means so successful as anticipated." Lord Kysant, at the London Maritime Investment Company's meeting, complained of the effects of heavy taxation on trade, but endorsed the Premier's pronouncement against currency inflation.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

NEW FEATURES IN THE EUROPEAN CRISIS.

A WEEK during which the European problem appeared in some respects to be growing blacker and blacker ends with at least some signs of better promise. The internal position of Germany, it is true, is moving from bad to worse with alarming rapidity, and Ludendorff's abortive coup in Bavaria is a warning that there is a certain amount of explosive material about among the ruins of Germany's economic life. But the attitude adopted by the United States towards M. Poincaré's proposed restrictions on the scope of the experts' committee has produced visible effect in Paris, and this impression of modification of French policy is confirmed by the reports concerning the second interview of M. Jusserand with Mr Hughes at Washington. It is illustrated also in the trend of Paris discussions of the subject, which is to explain that M. Poincaré's phrase about the committee's discussions being restricted to the possibility of "reparations actuelles" has been interpreted too narrowly. What M. Poincaré meant, we are now told, is that to decide to-day what Germany may be able to pay twenty or thirty years hence is impossible; and that, since the Treaty empowers the Reparation Commission to declare, if it thinks fit, a moratorium up to 1930, an expert investigation as to what and how Germany can pay in this seven years' interval might have useful results. This new and liberal interpretation of the word "actuelle" is highly significant, and changes the whole aspect of the discussion. There is another influence arising across the Atlantic, which, as it grows, can hardly fail to affect French opinion deeply. In fact, a line of thought and action has suddenly developed in the United States which may profoundly modify the whole European situation. It is typically American, and is concerned, not with political, but with humanitarian considerations. It consists of the project of an American organisation, on the lines of the Hoover relief mission in Russia, to save and feed Germans. According to Washington cables these efforts will be planned on a scale no smaller than that involved in the case of the Russian famine. Twenty million dollars is mentioned as an initial sum which President Coolidge contemplates for purchases of food to be administered in relief of the German population by American organisation. Obviously this line of action will commend itself to the American public in two ways. It will appeal strongly to the humanitarian sentiment which is among their most notable characteristics. Whether we can take part in Europe's politics or not, Americans will argue, we can at least show ourselves able to "do something to help." Apart from this support on moral grounds, President Coolidge may be assured of the support of the farmers, whose products, now very low in price, may, as was the case when relief was sent to Russia, rise in market value as the result of large Government purchases for feeding Germany. In Europe the effect of this new

So far as can be estimated, the adverse balance of Hungarian trade in the three years 1920-22 totalled over £35,000,000, converting korona to sterling at the mean rate for each year. Put in another way, the excess of imports amounted in 1920 to 156 per cent., in 1921 to 93 per cent., and in 1922 to 83 per cent. of the total exports. As regards 1923, the adverse balance for the first six months came to roughly 80 millions paper, and although sales on account of the excellent harvest should reduce external indebtedness in the current half-year, it is unsafe to conclude that the future balance of trade is assured, much less that an export surplus for reparation purposes is on the way to being established.

It has to be borne in mind that the Treaty of Trianon left Hungary deficient in many essential commodities. The present level of importation of coal, textiles, timber, paper, chemicals, iron and salt, which together form the bulk of the total, cannot well be curtailed without strangling industry and lowering intolerably the standard of existence. Stability can only be attained by expansion of exports, and such an expansion can only be seriously looked for in the direction of agricultural produce. Lacking labour with natural aptitude for industrial processes, and compelled to rely largely on imported raw materials, Hungary has only succeeded in securing foreign markets for some few factory products, such as agricultural machinery, through the enforced acceptance by the workers of a real wage whose continuance cannot be expected.

Estimates of future agricultural production are notoriously unreliable. The following figures of production of the principal cereals expressed as percentages of the 1913 level for the same territory are at first sight encouraging:—

	Wheat.	Rye.	Barley.	Oats.	Maize
	%	%	%	%	%
1921	72	72	65	71	53
1922	60	67	63	73	55
1923 (estimated) ..	91	100	74	84	75

Against these figures, however, must be set the consideration that climatic conditions this year have been exceptionally favourable. Nature in 1923 has chosen to play gracious lady in a naughty world, but there is no warrant for expecting on like scale a repetition of her performance. Moreover, the fall in the acreage down to these cereals has continued practically without interruption since the war.

To some extent, no doubt, production could be improved by increased machinery and supplies of fertilisers; more scientific methods of cultivation could do much, while sowings could be largely increased. These are mechanical steps to the end. The crux of the matter, however, is the soul of the peasant. If post-war Hungary is to survive, the peasant must work long and hard in order that his brother in the towns may eat. As things stand, it is doubtful if he will accept this burden. Landless, oppressed, enduring in sullen discontent a mediævalism which has taken from him even the hope of self-betterment, he may maintain production on the average at about 80 per cent. of the pre-war level, but this will not save Hungary. That the country can be saved at all without a sweeping measure of land reform, or except by the conscious determination of a nation of peasant proprietors, is an illusion which few but Hungarian landlords could be found to share.

DIARY OF THE IMPERIAL CONFERENCE.

Monday, October 15th.—Lord Salisbury, Chairman of the National and Imperial Defence Committee, addressed the Conference on matters connected with the military, naval, and air defences of the Empire, Lord Derby (Secretary of State for War), Mr Amery (First Lord of the Admiralty), and Sir Samuel Hoare (Secretary of State for Air) being present during the address and the debate which followed. Although it was decided by the Conference that the publication of any detailed report of this sitting would be inadvisable, it may be surmised that the main lines of Lord Salisbury's address would in part follow those of the Imperial Defence Committee's special report on the relations of the Navy and Air Force, which

was published shortly before the adjournment of Parliament. A subsequent and final report of the Committee has been drawn up, but its contents have not been made public up to the present.

Tuesday, October 16th.—The Imperial Economic Conference, after a discussion opened by Mr Bridgeman (Home Secretary), decided that a committee be appointed to explore the possibilities of arriving at a common Empire policy in the matter of workmen's compensation laws as far as these apply to non-resident workmen, to seaman, and to nationals of foreign countries. In making its recommendations the committee will take into account any reciprocity granted in this respect by foreign countries to nationals of Great Britain and the Dominions. Subsequently, a statement was made by Lord Salisbury with regard to the work of the Department of Scientific and Industrial Research. Lord Salisbury outlined the work of the Department in verifying the different commercial and industrial standards of the Empire, and conducting specialised research into problems affecting both the Government and the trading community as a whole, and instanced fruit, power, alcohol, and flax as suitable subjects for co-operation in imperial research. The Conference, while appreciative of the work accomplished by the Imperial Institute, decided that the whole question of co-ordinating and publishing the results of scientific inquiries undertaken in the different parts of the Empire was of such crucial importance as to merit special consideration by an *ad hoc* committee, which was accordingly set up.

At the afternoon session, Sir Laming Worthington-Evans (Postmaster-General) made a statement on the position of the Empire's mail, cable, and wireless services. Its tenour showed that the hard work carried out since the war would shortly bear fruit in a mail and cable service equal, or almost equal, to that of pre-war days, while in certain cases, such as the West Indian Islands, new developments were in contemplation. From the debate which followed it would seem that most of the Dominions desire greater facilities than are at present available, and it was resolved, firstly, that representatives of the Dominions and India should be associated with the Imperial Communication Committee when questions of interest to them were under consideration; secondly, that all possible support should be given to the State-owned Atlantic cable route; and thirdly, that companies within the Empire should be given preference in any development of the Empire's wireless systems.

Wednesday, October 17th.—The Imperial Conference continued its investigations into Imperial Defence, after hearing a statement made by Mr Amery. No details of this sitting have been published beyond the fact that Mr Amery's decision to send certain warships for an extended cruise in Dominion waters was accorded general approval by the various Prime Ministers.

In the afternoon, Sir Halford Mackinder, Chairman of the Imperial Shipping Committee, made a statement to the Imperial Economic Conference regarding the work of that committee since its formation in the autumn of 1920. It was mentioned that the Brussels International Conference on shipping matters had adopted rules in the matter of bills of lading based on the Canadian system. Sir Halford also submitted a series of recommendations connected with the improvement of communications, by sea and air, with Australia and New Zealand. Mr Graham (Canadian Minister of Railways) voiced the difficulties of the Dominions arising from the discrepancy in bulk between their exports and imports.

Thursday, October 18th.—The Economic Conference continued its discussion of the work of the Imperial Shipping Committee, and adopted a resolution thanking that committee for its services to the Empire. The debates throughout this week have revealed the importance attached by all the Dominions to the pressing need for an improved system of Imperial communication. This question has so far proved the most prominent feature of the Economic Conference's deliberations.

The afternoon was devoted to committee work by both the Imperial Conference and the Economic Conference, members of the former meeting at the Admiralty for the elucidation of various technical points arising out of Wednesday's discussion.

as in 1903. In the early years of the 20th century Germany was for the first time challenging our industrial supremacy; articles "made in Germany" were flooding our markets; the German cartels were beginning to feel their strength and to sell more cheaply for export than at home—the later international understanding between the British and German steel industries not having come into force at that date. It was a severe shock to Great Britain to realise that Germany was doing almost as large a trade in manufactured exports as ourselves, and the first inclination was to attribute it to her tariff policy instead of to the true causes—the development of her very substantial resources of coal, ore, potash, &c., the growth of her industrial population, and the improvement in her technique.

It would be foolish to pretend that foreign competition has not been a disturbing element in the recent trade situation. The import of foreign goods has been fitful and often at prices which have caused a sudden break in confidence here, and because of the hesitating and uncertain outlook in the commercial world it has played a part quite disproportionate to its volume. But the great variation of prices which has obtained for short periods when exchanges have been on the move has been a symptom of world disturbance, and would have affected British industries even though the goods had been put on external markets and not in Great Britain at all. Moreover, neither the fixed 33½ per cent. of the Safeguarding of Industries Act nor a standing tariff would have prevented these ups and downs exercising a disturbing influence at home. The most striking illustration of the nervousness in trade circles is that of the woollen trade, the figures of which were quoted by us last week; but the figures are so remarkable that they are worth repeating:—

TRADE IN WORSTED and WOOLLEN TISSUES (in Million Sq. Yds.).

	Imports Retained at Home.	Exports.
1913	76	220
Average of 1920, 1921, and 1922 ..	9.9	189
1923—First quarter	4.5	54
Second quarter	4.3	48
Third quarter	6.3	57
Nine months' total	15.1	159

The trouble with the wool trade is not that French goods are being sold in great volume instead of British goods in this country, but that our purchasing power at home is itself deplorably low.

To-day our import of manufactures of all kinds is smaller than before the war. If we recalculate recent trade at 1913 prices, we find that for the first nine months of the year our imports under this head—which incidentally includes such manufactures as copper, lead and tin—which were £128 millions in the first nine months of 1913, amounted to £95 millions in 1922, and about £112 millions in 1923. If we take only trade with Europe, we cannot give figures of the volume of trade. But, taking values, we find that in spite of depreciated currencies on the Continent, we have done much better in selling our goods to them than they have done in selling to us.

	Imports from Europe.	Exports to Europe.
Jan.-June.	Mln. £	Mln. £
1914	148	88
1921	163	119
1922	142	134
1923	173	139

Thus, imports from Europe have risen by £25 millions, or 17 per cent.; our exports to Europe have risen by 51 millions, or 58 per cent. The figures for Germany and France are even more striking:—

	France.		Germany.	
	Imports from.	Exports to.	Imports from.	Exports to.
Jan.-June.	Mln. £	Mln. £	Mln. £	Mln. £
1914	24	14	39½	19
1921	31	24½	12	7
1922	25½	28½	12	14
1923	30	31	17	21

In both these cases an adverse balance before the war has been converted into a favourable balance. Considering that

prices are up by, say, 70 per cent., the figures mean that France is buying more in quantity than before the war—Germany less. But the progress in sales to Germany is very remarkable when it is considered that a depreciated currency tends to check imports and encourage exports.

The explanation was clearly stated by Sir Herbert Hambling in his address to the Institute of Bankers last Wednesday. "Even in the matter of the temporary competition arising out of depreciated exchanges there is unquestionably much exaggeration. This competition only arises when the exchange of a country is quoted at less than its true internal value, and the mere fact that an exchange is depreciated does not, in itself, have the effect of subsidising the exports of the country concerned. In point of fact, it is quite conceivable that an exchange might be badly depreciated, and yet, for some reason or other, be quoted at more than its internal value. In that event, instead of that country's exports being subsidised, they would be penalised." Sir Herbert might have added that when depreciation reaches a certain point the resulting demoralisation destroys economical production, as shown by the high costs experienced in Russia and latterly in Germany.

If we take a more general view of trade, we also find that though the world's purchasing power is reduced, we have more than maintained our share of exports. Mr McKenna has recently pointed out that, comparing 1922 with 1912, Great Britain claims 17.3 per cent. of the world's exports as compared with 13.8 per cent. before the war, and it is to be remembered that the year of comparison—1912—was a boom year for British exports. It is such facts as these that will make it difficult to persuade the country that foreign competition in the home market is the cause of our industrial depression.

The business world is by no means pleased at the prospect of an early election. The retail trades have already protested against spoiling the Christmas trade by a December election, while the Stock Exchange is experiencing a sag in prices, since a radical change in our fiscal system would ultimately cause a great readjustment of values of all kinds. Speaking generally, shipping and shipbuilding firms would be prejudiced, while some manufactures would benefit. But whether it is producer A who would profit and producer B who would lose no one can foretell while the programme remains vague, and probably would not be settled until the tariff itself is in draft. But the prospect of an election is causing an even greater disadvantage than this, for it means that for the next two or three months one of the great political parties will go about the country crying "Stinking fish" at a time when one of the most essential elements is confidence. With British industry in a state of convalescence a course of faith healing is one of the best means by which the recovery could be achieved. America has repeatedly shown us what can be done by "talking prosperity."

It is, however, as true in 1923 as it was in 1903 that opposition to the policy of trade restriction will fail completely if it is purely negative and attempts to make it appear that all is well with our economic situation. A timely reminder of this truth is contained in Mr Spender's "Life of Sir Henry Campbell-Bannerman."* The student of modern politics will find in the later chapters of this admirable biography much that will clarify current politics, but there is nothing more important than C.-B.'s insistence that Liberalism must have a positive and not a merely negative outlook. "Poverty must be made poorer by the taxation of its food; but to pretend that it was not poverty and to cloak it up in fine words was a dangerous make-believe which was least of all likely to impress the workers who knew the facts from their own lives. If the poor got it into their heads that Free-traders stood for merely 'letting well alone,' then they would very likely turn to Mr Chamberlain." And again, speaking of the 1905-6 winter campaign: "All through these speeches runs the idea that it was necessary not merely to combat Mr Chamberlain's heresies, but to set up against them a constructive policy of social reform, linked to a foreign policy which would enable the world to be at peace. To conjure 'a new spirit out of the abyss of European militarism,' to

* "The Life of the Rt. Hon. Sir Henry Campbell-Bannerman, G.C.B." By J. A. Spender. (London) Hodder and Stoughton. In two volumes. 42s net.

relieve the burden of taxation by economy, to use State action wisely to redress the inequalities of opportunity, to cure intemperance, grapple with the land system, to banish sectarianism and concentrate upon real education, to make the Liberal party the living and active instrument of these reforms was throughout this winter the burden of his appeal." To a very large extent this is still the programme of Liberalism, though the emphasis is changed, and in particular the vague phrase of redressing inequalities of opportunity is steadily taking shape in the formulation of more definite social programmes. But that this programme was not mere empty words is proved by the long catalogue of social legislation passed between 1906 and 1913. This is not the place to comment in general upon that impressive list, which includes such permanent steps forward as the initiation of Trade Boards in sweated industries and the introduction of Old Age Pensions. But it is timely to recall that two of the legislative changes of this period are largely responsible for the fact that three years of unexampled unemployment in a country whose own natural resources are quite inadequate to maintain its great population, have been endured without social disruption, and that actual distress has been less than in pre-war depressions when the percentage of unemployment was much lower than it is to-day. The first of these is unemployment insurance.† In pre-war days this scheme was limited to three major groups of trades; but the machinery of its administration was in existence all over the country, and when in emergency it was extended to practically the whole industrial population, the apparatus of administration was in readiness with ten years' experience behind it. The system has been subjected to much criticism, sometimes petty and sometimes well founded; but if anyone considers for a moment the chaos and confusion that would have been witnessed if we had had to maintain our unemployed through the machinery of the boards of guardians, or alternatively through an improvised system of national relief, he will realise how much we owe to the fortunate circumstances that, on the one hand, the machinery of distribution was in existence, and, on the other, the arrangements were ready for collecting the greater part of the necessary funds with a minimum of friction from employers and those workers who continued in employment. The other principle was the development of our income-tax system by differentiating between earned and unearned incomes, and its graduation up to a very high figure by the addition of super-tax. By these changes, and by three or four years' practice of their operation in peace time, we forged a fiscal instrument which enabled us, and still enables us, to place the burden of taxation where it can best be borne, and to raise an unexampled revenue by this means. The sound position of our public finance, which is the admiration of the world, is largely the reflection of deep-rooted British financial traditions; but it is no exaggeration to say that it is equally due to the fact that we had perfected our Inland Revenue machine before the war, whereas France and Germany and most of the countries of Europe are still struggling to create, or, at all events, to make, the necessary improvements in their fiscal apparatus.

We may add, in conclusion, that it would be a great mistake if the Liberal party attempt to make inflation the *via media* between trade restriction and a Capital Levy, and we hope that Sir Alfred Mond's speech this week does not foreshadow that this is going to be Mr Lloyd George's battlecry. Nor do we think that much political capital is to be gained by raising the Bolshevik menace. What is required is to expound a sane policy of social and industrial improvement centring largely upon the improvement of industrial relations. This policy must aim primarily at the difficulty so clearly stated by Sir Herbert Hambling, who emphasises the point that recovery must depend upon reducing costs and getting rid of the policy of "ca' canny," both among employers and workpeople, and substituting a policy of co-operative effort. Our ability to regain our trade depends on the concrete production which is yielded by every shilling in wages paid and every pound of capital invested.

† In an article on October 27th we called our readers' attention to an official history of this movement since its inception, recently published by the Ministry of Labour.

THE COST OF NATIONAL DEFENCE.

A POINT of great interest in the budgetary position of the various countries is the expenditure incurred for purposes of national defence.* While differences between the accounting systems adopted make it practically impossible to compare the cost of the defence services in the different countries of the world with any approach to accuracy, it is nevertheless possible from the following table to obtain some idea of the variations in this respect in each separate country over the last three years:—

COST OF NATIONAL DEFENCE.
(In Millions.)

Country.	Currency.	1921(1921-22)	1922(1922-23)	1923(1923-24)
Belgium	Francs ..	..	653.7	645.3
British India	Rupees ..	777.3	721.0	650.5
Canada	\$	23.8	20.3	17.6
Czecho-Slovakia ..	Kc	3,366.9	3,361.1	3,000.0
Denmark	Kroner ..	65.7	60.0	47.7
Finland	F. Marks ..	374.4	395.9	402.6
France	Francs ..	..	6,998.4	5,373.4
Italy	Lira	..	2,687.0	3,076.5
Netherlands	Florins ..	119.8	121.7	105.3
Norway	Kroner ..	62.3	54.0	46.9
Poland	P. Marks ..	61,033	152,849	2,554,512
S. Africa	£	1.5	1.3	1.1
Sweden	Kronor ..	230.7	184.2	149.9
Switzerland	Francs ..	130.8	79.7	..
United Kingdom ..	£	202.0	150.4	131.6
United States	\$	789.9	599.7	568.8

The figures represent gross expenditure in all cases save Belgium, Denmark, Sweden, and the United Kingdom.

Currency fluctuations affect the comparative value of these returns to no small extent. The case of Poland is perhaps the most outstanding example of this, and, indeed, the depreciation of the Polish mark continues merrily, thereby rendering all estimates practically valueless. It is particularly difficult to reduce these figures to a stable currency basis, especially in the case of current estimates. In the following table, however, an attempt is made to indicate the price level in the different countries, and to reduce defence expenditure to pre-war price levels. Although the result is at best a mere approximation, the figures do throw some further light on the totals we have given above:—

	Price Level.*			Defence Expenditure Reduced to Pre-War Price Level. (Millions.)
	1922 (1922-23).	1923 (1923-24).	Period 1923.	
Belgium	367	476	Jan.-July	Francs 178.1
British India	180	177	Ap.-June	Rupees 420.5
Canada	165	168	"	\$ 12.3
Czecho-Slovakia ..	1,299	1,012	"	Crowns 258.7
Denmark	184	203	"	Kroner 32.6
Finland	1,140	1,158	Dec., 1922	F. Marks 3.5
France	327	410	Jan.-June	Francs 2,140.2
Italy	581	568	June	Lira 557.2
Netherlands	155	150	Jan.-May	Florins 78.5
Norway	226	235	July	Kroner 23.9
Poland	137,575	1,076,997	Jan.-June	P. Marks 111.1
South Africa	128	126	April	£ 1.0
Sweden	173	164	June	Kronor 106.5
United Kingdom ..	158	160	Ap.-June	£ 95.2
United States	156	151	July	\$ 384.5

* 1913 = 100, save in the case of Belgium, British India, Czecho-Slovakia, Finland, and Poland, where 1914 = 100.

It would appear that the real burden of national defence has on the whole been reduced more in the current year as compared with the preceding year than would at first sight appear from a consideration of the Budget returns given in our first table. At the same time expenditure on armaments in Poland and in Czecho-Slovakia actually seems to have increased in terms of goods and services. Though the latter country is in so many respects a stronghold of economic sanity, its budgetary position is this year far from satisfactory, and it is doubtful whether any real solution will be forthcoming until less is spent upon armaments.

Whatever may be the ultimate consequences of the Washington Conference, the principal maritime Powers

* Cf. "Statistical Inquiry into National Armaments. Part II. Budget Expenditure on National Defence, 1921-23." Geneva: League of Nations.

of Europe and America seem to be spending less on their naval defence, as the following table shows:—

	NET NAVY EXPENDITURE. (Millions.)		
	1921 (1921-22).	1922 (1922-23).	1923 (1923-24).
Great Britain	£ .. 75.98	.. 64.88	.. 58.00
United States	\$.. 476.3	.. 347.6	.. 320.4
France	Francs	1,189.6	1,028.2
Italy	Lira	611.1	770.6
Netherlands	Florins .. 41.94	.. 48.49	.. 40.53

Of course, the satisfactory consequences of a limitation in the number of capital ships may ultimately be counter-balanced, in part at least, by an increase in submarine construction, while a restriction of naval armaments may merely encourage a more intensive competition in the air. Indeed, the decisions of the Washington Conference serve to emphasise still further the need for a general limitation of armaments.

The "Statistical Inquiry into National Armaments" carried out by the League of Nations, helps to bring out the crushing burden of defence which is still borne by most of the European States, though there is on the whole a fairly noticeable improvement in the estimates for the current year when compared with the figures for the two preceding years. Be this as it may, the reduction is most noticeable in the case of the United Kingdom, the British Dominions, the United States, France (at least as far as current estimates go!) and the ex-neutral countries. For the most part, this diminution coincides with an improvement in the general budgetary position and it cannot be too often emphasised that, of all the factors upon which the restoration of sound finance in all countries depends, none is so important as the limitation of armaments.

THE MOTOR CAR INDUSTRY.

(BY A CORRESPONDENT.)

THE casual visitor to Olympia this week would naturally imagine that the motor car industry was in a very flourishing condition. But the vast throngs which have been crowding the Motor Show are no indication of the true state of affairs, because this annual event has come to be regarded as a social function. Sales are the only criterion, and so far as these are concerned the show has to a large extent proved unsatisfactory. In last Saturday's papers there appeared the somewhat amazing statement that one firm of motor car manufacturers—not makers of a cheap car, but one varying between £350 and £500—had booked orders on the opening day of the show to the extent of £500,000. Such a statement must be accepted with great reserve, as this figure would represent the sale of well over a thousand cars, obviously an impossible figure. The only explanation of such a statement is that the whole of the agents' provisional orders for 1924 had been included, but even then the figure seems quite incredible. Most makers are complaining that orders are below last year, and that was a very poor season.

The most striking feature of the motor car industry during the last twelve months has been the almost sensational reduction in prices, and to-day many cars are being sold actually below the pre-war standard. The fact of the matter is that a number of the small cars to-day are being sold at actual cost price, or only very slightly above it. The manager of one of the largest concerns in the country, which recently reduced its prices to an amazingly low figure, told me how this had been done. Last year's actual net production charges were worked out, and to arrive at the selling price 2½ per cent. was added. The idea is to try and squeeze out many of the other makers so as to leave the small car market, greater by far than the large and expensive car market, in the hands of only a few makers. The hope is, too, that by a huge turnover the profits may be brought up to a reasonable standard, as the sale is a quick one and the turnover of capital rapid. At the present moment most of the makers are in for a huge gamble, and only by selling a very large number of cars can they hope to continue in the business. Some of the firms are in a very precarious

condition, and nothing but a miracle can save a good many from closing down within the next few months. That this miracle will happen is extremely doubtful, and next year I think that we shall see a large number of firms which are making small cars—and incidentally cutting prices to a ridiculous extent—in a very serious financial position.

It is quite true that the small car is cheaper than it was before the war, while in addition a good many accessories are included which before were counted as extras. But quality is suffering greatly, and however handsome the modern small car may look it bears little resemblance to its pre-war relation so far as quality and finish are concerned. This was, of course, inevitable. Wages are higher than they were before the war, so is the cost of raw materials. These two together amount to about 40 per cent. increase. A certain saving has been effected by organising the works and eliminating waste, but even so this only amounts to a small fraction of the reduced selling price. The present low prices mean greatly reduced value, and while the present-day car may look when new as good as one made a few years ago, the materials used in its manufacture are inferior. This means that the useful life of the car is probably reduced by 50 per cent. Thus the present-day car, which appears so amazingly cheap, is really not such a bargain as it at first appears. It does represent, of course, extraordinarily good value for money. But it is not to be supposed that when one pays £200 for a car which in 1913 cost £225 that one is actually receiving better value for money, because the 1913 car was made of much better materials and was much better finished.

There has been very little reduction in the price of large cars, and quality has been well maintained. But the market for models costing anything up to £3,000—a Rolls-Royce is shown at Olympia costing £2,925—is a very small one, and there is nothing like the rivalry that exists between the makers of the smaller powered outfits. Besides this, a purchaser who is paying perhaps £2,000 or more for a car does not study price to the same extent as does the man who is paying, possibly with a struggle, £200 or £250. Thus there has been practically no reduction in the price of the larger cars.

In order to induce the man of moderate means to invest in a car, the instalment system of payment is being introduced by many firms. Take, for instance, one well-known make selling at £265. To become the happy—or otherwise—possessor of this car one has only to pay £50 down, followed by 24 monthly instalments of £10 17s. Another car selling at £475 requires a deposit of £75 and 24 monthly instalments of £19 12s. I understand that the scheme is being taken up on a big scale, but from the purchaser's point of view it seems a very risky proceeding, because in addition to the monthly instalments there are all the running costs to be taken into account. This is a plan which may be satisfactory from the maker's point of view, but it is hardly a plan to be advocated for the comparatively poor motorist.

There has been a slight improvement in our export trade during the present year, but the figure is still a very low one. During the nine months ending on September 30th last the value of motor cars, chassis, and parts exported amounted to £2,635,563, an increase of £687,459 on the corresponding period of last year. Imports have also been considerably heavier. For the first nine months of this year imports amounted to £5,007,000, an increase of £507,503 over 1922. The value of re-exported cars amounted to £459,094, compared with £957,046 in 1921 and £170,827 in 1922. The following table shows the imports and exports for the first nine months of 1923:—

Gross imports of foreign cars, &c.....	5,007,000
Foreign cars, &c., re-exported	459,094
Net imports	4,547,906
Exports of British cars	2,635,563
Excess of net imports over exports	1,912,343

The reductions which have been made of late in the price of tyres were really long overdue, especially in view of the fact that rubber was so cheap. Prices are now just about what they were in 1914, but apart from this the present-day tyre is vastly superior to what it was before the war.

Then nearly all tyres were made of canvas and rubber; to-day cord and rubber are employed almost exclusively. This means that the life of an average tyre is 10,000 miles instead of the 4,000 to 5,000 miles which was thought to be excellent with the older form.

The price of petrol has fallen below its pre-war price, being now 1s 6½d a gallon, compared with 1s 8d in July, 1914. Its fluctuations during the past few years are interesting. In July, 1914, it was 1s 8d a gallon; in May, 1915, it advanced to 2s 10d; while in September, 1917, it was 4s. In the following December it dropped 6d a gallon, and remained at this till immediately after the Armistice, when it was reduced to 2s 10½d, but after that rose again till in October, 1920, it was 4s 0½d. Then again the price was gradually reduced to 3s 5½d, 2s 11½d, 2s 5½d, 1s 8½d, and a few weeks ago to 1s 6½d.

THE DUNDEE JUTE TRADE.

CONSIDERING that the Dundee jute trade is a comparative youngster among our textile industries, it has achieved a remarkable position. The first tentative imports of the fibre from India were made by the East India Company in the very early years of last century. But the difficulty of dealing with the substance, which was much more intractable than any of the other textile materials, led to delay in due appreciation of its value.

In 1822, however, a small shipment was landed at Dundee, where a considerable trade was then carried on in spinning and weaving flax and hemp. It was found that the new material would require different machinery and different treatment from the two older ones. That this required time is shown by the fact that seven years later (in 1829) shipments of raw jute from Calcutta only amounted to 18 tons.

Progress afterwards was rapid, for in the five years to 1833 Calcutta exported an average of 2,360 tons per year. Every succeeding lustrum showed great advances, and by the five years ended with 1863 Indian exports of jute had reached an average of 48,486 tons per year. The subsequent development of the trade will best be shown by a statement of United Kingdom imports and re-exports of the raw material:—

U.K. IMPORTS and RE-EXPORTS of RAW JUTE.

5 Year Averages.	Thousand Tons.			Thousand £.			Imports Value £ Per Ton.
	Imports.	Re-Exports.	Net Imports.	Imports.	Re-Exports.	Net Imports.	
1857-62 ..	44.8	2.7	42.1	742	67	675	166
1863-67 ..	85.6	16.1	69.5	1,677	311	1,366	196
1868-72 ..	145.2	25.8	119.4	2,818	504	2,314	194
1873-77 ..	197.9	44.6	153.3	3,097	713	2,384	156
1878-82 ..	245.1	59.6	185.5	3,761	937	2,824	153
1883-87 ..	300.7	85.1	215.6	3,608	1,174	2,434	120
1888-92 ..	333.5	105.1	228.4	4,470	1,461	3,009	134
1893-97 ..	337.4	107.9	229.5	4,153	1,396	2,757	123
1898-02 ..	333.1	113.5	219.6	4,244	1,512	2,732	127
1903-07 ..	322.4	114.3	208.1	5,937	2,175	3,762	183
1908-12 ..	328.3	111.1	217.2	6,900	2,076	3,825	181
1913-17 ..	266.6	83.5	183.1	7,253	2,313	4,940	271
1918-22 ..	183.4	21.1	162.3	8,774	1,051	7,723	471

It will be seen that along with a great growth of imports there went a rapid development of the re-export trade, until in the most active years about one-third of the imports were re-shipped to markets abroad.

In the year 1913 re-exports reached 129,829 tons, valued at nearly 3½ millions sterling. The principal customers for these shipments were France (44,820 tons), Germany (27,226 tons), Belgium (19,026 tons), and Holland (11,857 tons). Clearly this was a very valuable trade, and it is to be regretted that since the beginning of the war re-exports have fallen off seriously. After the Armistice year (1918) they never rose above 37,744 tons, and for 1922 were only 8,106 tons.

The net imports (or amount of jute retained for manufacture in this country) have also greatly fallen off. In the best days of the industry (the late 'eighties and middle 'nineties) they were 228,000 to 229,000 tons per annum. A steady decline then ensued for a decade, and a slight revival just before the war failed to bring net imports up to the high levels previously touched. It is but right, however, to say that the five years' average to 1922 covers very wide fluctuations. In 1921 net imports were only 83,656 tons, while in 1922 they were 140,783 tons.

The general decline in consumption of the raw material since the 'eighties is, of course, due to vigorous competition from manufacturers in our Indian Empire. Perhaps the best way of illustrating this will be to give British exports of bags and sacks (which include bags of other materials than jute prior to the year 1920), contrasting with them the Indian exports of jute bags:—

EXPORTS OF JUTE BAGS.					
From U.K. ("Jute and Other Materials" prior to 1920).			From India.		
1,000 Dozs.	1,000 £		1,000 Dozs.	1,000 £	
1855.....	407	233	.....	.....	.....
1860.....	624	294	.....	.....	.....
1865.....	1,138	696	.....	.....	.....
1870.....	2,477	914	.....	.....	.....
1875.....	3,680	1,264	1,605	.....	.....
1880.....	5,029	1,452	4,365	.....	.....
1885.....	3,569	780	5,313	.....	.....
1890.....	2,678	649	8,229	1,453	.....
1895.....	2,226	443	14,187	2,362	.....
1900.....	2,334	538	16,909	2,958	.....
1905.....	2,863	637	19,444	4,052	.....
1910.....	3,698	784	30,364	5,738	.....
1915.....	4,242	1,331	33,130	8,396	.....
1920.....	3,115	2,709	28,561	18,578	.....
1922.....	2,552	962	.....	.....	.....

In 1875, it will be noted, India exported less than half the quantity that we did, but by 1885 she had overtaken us, and in 1915 shipped about eight times as much as ourselves.

It was the same in piece goods and other jute manufactures. After the 'eighties, India rapidly overhauled us and drew ahead. Our manufacturers, however, have apparently retained the lead in high-grade goods, though whether they will always do so is another matter. For instance, the above table shows that in 1890 our exports of bags were worth about 4s 9d per dozen, and those of India 3s 6d. In 1915, of course, both values were considerably higher because of the rise in value of the raw material. Our exports were worth about 6s 3d per dozen bags, and India's 5s. In both years our goods were 1s 3d per dozen dearer than the Indian. But this meant, by reason of the general increase in values, that while in 1890 India's goods were 27 per cent. cheaper than ours, in 1915 they were only 20 per cent. cheaper. This seems to indicate a gradual, if slight, improvement in the quality of Indian bags.

Whether the same process is at work in other goods is uncertain, but undoubtedly Dundee is at present devoted to the production of articles of distinctly higher type than those in which Indian manufacturers shine.

The next table shows how our foreign trade in jute goods of all classes has fared since the year immediately preceding the war, though the change in methods of calculating quantities makes the figures of volume unreliable:—

OVERSEAS TRADE IN JUTE GOODS.						
	Exports.				Net Imports	
	Piece Goods.	Bags.	Other Goods.	Total.	Exports	Imports
	Min Yds.	1,000 £	1,000 £	1,000 £	1,000 £	1,000 £
1913.....	173.5	3,066	1,225	4,291	1,273	3,018
1914.....	134.7	2,555	1,143	3,698	1,010	2,688
1915.....	109.2	2,050	1,331	3,381	824	2,557
1916.....	119.6	3,132	1,458	4,590	5,034	650
1917.....	126.3	3,711	1,404	5,115	3,849	1,266
1918.....	32.0	1,101	673	1,774	3,034	1,556
1919.....	111.0	4,886	2,888	7,774	4,369	1,031
1920.....	150.0*	6,704	2,709†	9,413	4,989	5,348
1921.....	72.0*	2,226	667†	2,893	2,060	1,161
1922.....	138.0*	3,051	962†	4,013	1,451	2,808

* Square yards in 1920 and after; linear yards in former years. † Of jute only in 1920, and subsequently. Of jute and other materials in earlier years.

War demands enormously swelled our imports, the last year of the struggle making them actually larger than the exports. Since 1918 an excess of exports has again been established, but from the last two years' results it seems likely that in future imports will bear a larger proportion to exports than they did before the world catastrophe.

In the years 1919 and 1920 raw jute imports rose in value to the enormous height of 56s 7d and 60s per cwt respectively. Putting aside abnormal years such as these, let us examine the years 1913 and 1922, when imports of the raw material were worth 26s 4d and 28s 8d per cwt respectively. It will be seen from the table that in 1913 the excess of exports over imports was considerably greater than in 1922, though not so much so as to

cause any serious misgiving about our position in the latter year. Still, comparison of the two years shows that exports had declined and net imports had risen.

In the exports the decline was entirely accounted for by bags, which had gone down more than 25 per cent. in value. We may add that as regards quantities, the drop had been much more severe at 44 per cent.

For the last two years, however, it may be said that the trade has done tolerably well on the whole. In that period the excess of exports over imports has been raised from £1,161,000 to £2,808,000. What are the prospects for the current year? Here are the records for the nine months to September:—

JUTE MANUFACTURES (Nine Months to September).

	1921.	1922.	1923.
	£	£	£
Imports	2,004,959	1,705,327	2,571,087
Re-exports	345,810	493,340	615,275
Net imports	1,659,149	1,211,987	1,955,812
British exports	2,336,887	2,865,491	3,145,926
Excess of exports	677,738	1,653,504	1,190,114

It is clear that the export excess for 1923 is not likely to be so good as in 1922. This is brought about by a recovery of imports after the slump in 1922, British exports being higher than a year ago and very much better than in 1921.

BRITISH PORTS AND ROAD FACILITIES.

ALLEGED delay, congestion, and high costs have formed the ground for recent severe criticism of British ports by various Scandinavian shipping bodies, including the Sviriges Redareforening, the Dansk Dampskibsrederiforening, and the Norges Rederforbund, and is also under consideration by the Baltic and White Sea Conference. Other criticism dealing with the very bad road approaches of the London docks has, moreover, been unanimously voiced at a meeting of the London Chamber of Commerce under the chairmanship of Lord Kylsant, when it was decided to send a strong deputation to the Government. And Liverpool, too, seems now to have become aware of certain defects in her road approaches, for the chairman of the Mersey Docks and Harbour Board, Mr Thomas Rome, pointed out a few days ago that if Liverpool did not get better means of communication by road she would be in as bad a position as London. The great developments in the Dock Estate at the north end of the city would enable Liverpool to maintain her high position, but better road communications to the neighbouring industrial districts were absolutely essential. This outward road traffic last year amounted to over 9,000,000 tons.

Road approaches are, of course, one of the chief links, and often the weakest link, in the chain of port traffic. London in this respect is probably worse off than any other British port. At the meeting on October 23rd of the London Chamber of Commerce, Lord Kylsant said that, notwithstanding the addition of a large new dock, costing £4,000,000, and other considerable improvements effected by the Port of London Authority, and the growth and expansion in the port itself, the approaches to the docks had remained in the same unsatisfactory condition. Owing to congestion, there had been a tendency to build docks further from the city—e.g., at Tilbury, 25 miles from the Bank of England—instead of adopting the wiser course, as it seemed to him, of improving the approaches to the existing docks. Moreover, the P.L.A. already owned sufficient land for another large dock near the King George V. dock. The bottle-neck at Aldgate Pump, in particular, was strongly condemned. Mr E. C. Grenfell, M.P. for the City, made the interesting suggestion that probably not one per cent. of the people in London ever saw the docks or a ship in them. In the other great maritime cities of Britain the docks were often one of the chief features, and congestion like that in London would not be tolerated. The Government should attend to this matter at once, because a scheme was ready, and could be put in hand immediately.

Meantime, the criticism from the Scandinavian ship-owners is sufficiently serious. The following figures are given by the Norwegian Shipping Federation:—

EXPENSES IN DISCHARGING FROZEN MEAT.

	London.	Antwerp.	Rotterdam.
	£ s d	£ s d	£ s d
Tons	430	366	413
Discharging expenses	92 7 5	41 11 11	79 7 2
Per ton	0 4 3½	0 2 3½	0 3 10
Harbour expenses	265 8 10	89 13 1	135 15 9
Per ton	0 12 4.	0 4 10½	0 6 7
Total costs	357 15 5	131 5 0	215 2 11
Per ton	0 16 7½	0 7 1½	0 10 5

The discharging occupied respectively four, one, and three days. The question of the heavy demurrage charges on goods held up has been a fruitful source of dispute and also of litigation for some time past, and it has been emphasised at the Baltic and White Sea Conference and elsewhere that owners' interests are very inadequately protected under the charter parties at present used, particularly in the timber trade at Hull. It would seem that the law, as laid down by the House of Lords in the famous "Lizzie" cases requires some amendment; for that decision made it practically impossible for owners to claim demurrage arising out of congestion or due to merchants being unable to receive cargo when ready to be discharged.

The Swedish Shipping Federation says that conditions at British ports generally have been very unsatisfactory for many years, since owners have had to bear most of the losses incurred. Railway companies, largely responsible for certain docks, are not, it is alleged, free from blame, and scarcity of lighters is another fault, encouraging the lightermen to push their demands. The whole question of dock labour is, indeed, one that needs serious attention. Another weakness is undoubtedly the lack of central and unified control of ports and port approaches. The example of Hull in this respect may be commended. At this port all the various interests concerned are represented in one co-ordinating body the Hull and District Railway and Traders Joint Committee, which is claimed to be in effect a local industrial and commercial parliament. It would seem desirable, however, that labour interests should also be represented. The Swedish shipowners further suggest that increased wharf and quay space, more lighters, better rail and road facilities, an efficient method of dealing with labour questions, and a more effective system of information or intelligence service are urgently needed. It is finally urged that the International Shipping Federation should take up these questions, and do its utmost to bring about the necessary improvements. Similar complaints and suggestions are made by the Danish ship-owners.

BREWERY PROFITS AND SHARE MOVEMENTS.

"We are slowly getting prohibition in this country by the process of heavy taxation" is a complaint commonly heard from many people interested in the brewery trade. What truth there may be in this view may be difficult to determine. But from the profits recorded by representative brewery undertakings this slow process of strangulation cannot be very unpleasant to the sufferers.

According to the estimates of the United Kingdom Alliance—an association in favour of prohibiting "traffic in intoxicating liquors"—the consumption of alcohol in the United Kingdom "and the expenditure on such liquors during 1922 showed a decline of about 12 per cent. on the consumption and expenditure in the year 1921. Spirits showed a reduction of 8.8 per cent., and beer of 14.1 per cent. in standard barrelage, and 15.3 per cent. in the bulk barrelage as actually sold. Wine, on the other hand, showed a rise of 12 per cent." The secretary of this body points out that two factors contributed to this decline. The first was the prevailing unemployment, and the second was the continuance of high prices at which spirits and beer were sold. We learn from the same source that the amount spent on intoxicating liquors in the United Kingdom during 1922 was £354,131,000, as

against £402,726,000 in 1921, and £166,000,000 in 1913. The following table showing the *per capita* estimated consumption of alcoholic liquors in the United Kingdom in 1922 is given:—

	1913.	1921.	1922.
Beer (bulk gallons)	28.7	23.9	20.1
Beer (standard gallons)	27.8	18.5	15.8
Spirits (proof gallons)	7.0	3.9	3.6
Wine (gallons)	2.5	2.4	2.6

Of course, in regarding these figures, it must also be taken into consideration that the brewery industry has a considerable export business, and against the decline in home consumption must be set off possibly larger profits from economies of working, or perhaps increased exports.

The financial years of brewery companies end, and accounts are published on, such varied dates that it is difficult to find a group of undertakings of any size showing accounts for similar periods. Thus while Whitbread and Co. can publish their accounts for the year ended June 30, 1922, on July 23rd, the accounts of the Cannon Brewery Co. for the year ended December 31, 1922, are dated March 9, 1923. On account of these vagaries, we are compelled to omit from our group several of the most important concerns. These, however, are dealt with separately in the *Economist* as the figures are issued.

We have selected the companies comprising the following group, showing net profits and the amounts placed annually to reserve in the last three years. Figures for 1914-15 are appended for comparative purposes:—

Company.	1914-15.		1920-21.		1921-22.		1922-23.	
	Net Profit.	To R's'v. &c.	Net Profit.	To R's'v. &c.	Net Profit.	To R's'v. &c.	Net Profit.	To R's'v. &c.
A. Guinness	£1,511,678	588,000	£1,729,803	519,407	£2,985,755	235,000	£2,730,026	235,000
Barclay, Perkins	81,073	40,000	160,682	50,000	176,964	25,000	160,683	25,000
Bass, Ratcliff	256,789	50,000	403,515	100,000	386,063	100,000	389,223	100,000
Bent's	43,443	16,000	39,058	2,000	38,868	2,000	41,570	2,000
Boddington's	45,381	2,500	71,107	5,000	70,731	5,000	68,339	5,000
Cannon	159,341	22,000	157,439	10,000	157,240	10,000	201,822	10,000
Chester's	53,373	25,000	84,622	22,500	104,219	32,500	111,679	32,500
Huggins and Co.	20,406	5,000	58,924	10,000	32,464	10,000	34,972	10,000
Mitchells & Butlers ..	208,533	57,000	430,089	100,000	412,801	100,000	404,471	75,000
Newcastle	56,067	15,468	113,990	46,566	61,999	31,000	30,793	19,600
Watney, Combe	233,211	..	281,524	..	614,614	100,000	690,718	200,000
Whitbread	75,680	..	161,339	..	177,788	..	175,085	..
William Hancock	37,836	3,000	56,116	10,000	45,137	10,000	42,399	..
Total	2,882,811	820,968	5,748,208	875,473	5,204,643	660,500	5,082,050	689,200

Total profits of these concerns taken over a period of years show that for the year 1914-15 earnings were £2,882,811, out of which reserves obtained £820,968. For the inflationary period, 1919-20, profits climbed to £6,262,208, reserve allocations amounting to £1,795,747. The rest of the story is told in our table given above. It will, however, be observed that Guinness' highest figures were reached in 1920-21. Profits for Bent's Brewery are approximate figures, arrived at by estimating the amount required for debenture interest. Among prominent undertakings which issue accounts difficult for the financial student to read, might be mentioned those of the Cannon Brewery Company. Profits are obscured by the fact that payments for interest on debenture stocks and deposits, income and corporation profits tax, and dividend on preference shares are all shown together as one item. And it is not until we turn to the Stock Exchange Intelligence that we find the rate of interest which is payable on the preference shares. Thus here again we have to show approximate figures of net profits. It is perhaps remarkable to find that two such excellent companies as Mitchells and Butlers, and Whitbread and Co., cannot see their way clear to divulge what sums have been placed to reserves. But perhaps on this point it would be wise to deal with each company separately. Mitchells and Butlers show profits "after making all provision and reserves," and in the balance-sheet we find reserves given as £550,000; Whitbread and Co. make no mention of reserve allocations in their accounts, although a dividend of 10 per cent. is paid on the ordinary capital; neither can we find a clearly reserve item in the balance-sheet. It is true that sundry creditors amounting to £233,317 include reserves for taxation.

The following table shows dividend distribution from 1913. This will probably convey a better picture of the

progress of the brewing industry in this country than the previous table. These are figures which those engaged in many other industries will probably regard with envy:—

Company.	Dividends.											
	1912-3	1914-5	1915-6	1916-7	1917-8	1918-9	1919-20	1920-1	1921-2	1922-3		
Arthur Guinness ..	16½	14	16	16	16½	16	20	25	29	24		
Barclay, Perkins ..	10	10	12	14	15	16	11½	11½	11½	11½		
Bass, Ratcliff	5	5	nil	10	15	40	40	10	10	10		
Bent's Brewery	nil	10	12	14	15	16	11½	11½	11½	11½		
Boddington's	6	6	6	9	10	15	15	15	15	15		
Cannon Brewery	7	16	16	16	11	12	15	15	14	14		
Chester's	8	11	10	11	20	28	36	36	32	32		
Huggins and Co.	..	nil	5	nil	15	15	20	20	20	20		
Mitchells and Butlers ..	15	15	15	15	12½	15	10	10	10	10		
Newcastle Brewries ..	6	8	10	10	15	15	17½	12½	12½	5		
Watney, Combe	nil	nil	nil	8	16	24	24	24	32	16(b)		
Whitbread and Co.	2	2	2	7	7	10	7	10	10	10		
Wm. Hancock	8	6	6	6	12½	15	15	13	10	10		

† Bonus paid tax free. ‡ Free of tax. (a) Also 20% in War Loan. (b) On increased capital. (c) Paid on an ordinary capital of £2,040,000, against an ordinary capital of £1,360,000 in 1918. (d) Paid on an ordinary capital of £2,691,180, against £1,345,599 in previous year. (e) Ordinary capital increased from £200,000 to £400,000. Final dividend of 12½% paid on the £400,000. * Also distribution of fully paid shares through capitalisation of reserves. (f) 5% of this is paid free of income-tax. (g) 7½% of this is paid free of income-tax.

It may be that Barclay, Perkins and Co., Limited, will take steps to revise their capital arrangements, although the ordinary shares are privately held. In 1911 the authorised and paid-up capital was reduced from £2,820,000 to £730,200 by writing off £99 per ordinary and £6 per preference share. On the existing ordinary capital of £10,200 dividends for a total of £102,000 were paid for the year ended March 31, 1923.

In the next table we show the quotations of the most important public issues of these concerns at intervals over a period of years, together with the present yield based on recent dividends:—

Company.	Share.	Price July 27, 1914.	Price Sept. 30, 1921.	Price Sept. 30, 1922.	Price Nov. 8, 1923.	Present Yield.
Arthur Guinness	Stock	380	380	430	370	7 6 0
Bass, Ratcliff	1	1	1	1	1	6 1 3
Barclay, Perkins 10% cm. pf.	100	44	44	44	44	7 15 0
Do 3½% deb.	100	66	48	65	64	5 13 0
Bent's ord.	1	2½	1	1	1	6 17 3
Do 6% cum. pref.	1	61½	61	61	61	6 17 3
Do 4% irred. deb.	Stock	66	53	68	69	5 18 0
Boddington's	1	8½	9½	12½	12	10 18 0
Do 5% cum. pref.	1	8½	6½	7½	7	6 3 0
Do 4% deb.	Stock	83	54	69	71	5 12 9
Cannon 5% cum. pref.	10	7	5	6	6	7 15 0
Do 4% "B" deb.	Stock	75	51	65	66	5 15 0
Chester's	1	14½	14	14	14	6 6 0
Do 6% cum. pref.	1	10½	10	10	10	6 6 0
Do 5% deb.	100	98	90	92	90	6 10 9
Huggins and Co. ord.	1	8	8	8	8	5 10 3
Do 3½% deb.	Stock	58	47	59	60	7 6 0
Mitchells and Butlers ord.	1	32	18	18	18	6 3 0
Newcastle ord.	1	1	1	1	1	7 5 0
Do 6% cum. pref.	10	8	6	8	8	9 0 3
Watney, Combe, Reid def.	Stock	31½	132½	219½	177	7 6 3
Whitbread 4½% cm. pf. ord.	Share	60	49	60	61	9 10 6
William Hancock def. ord.	10	8	9½	9½	10	9 10 6

† £10 shares. ‡ On a capital of £5,000,000. § On a capital of £7,500,000. ¶ On deferred Stock amounting to £798,353. ** On deferred Stock amounting to £1,592,706. †† Paid free of income tax.

Guinness have now an ordinary capital of £7,500,000, against £5,000,000 shown in the previous year; the footnotes to our table show to which capital the prices refer. Messrs. Watney, Combe, Reid have doubled their deferred stock capital. It will be noted that on the deferred capital of £796,353 the price was 31½ on July 27, 1914. The present price on the doubled capital is 18½, which is illustrative of the wonderful prosperity brewery concerns have recently enjoyed. But it is only fair to add that this concern was reconstructed in 1906 and a drastic writing down of capital took place. Boddington's Brewery have split their £10 ordinary and preference shares into £1 shares, which should improve their marketability. There has been a rather pronounced rise in the ordinary shares of Huggins and Co.

Some interesting sidelights are thrown on brewery accounts in the speech made by the chairman of Watney, Combe, Reid, and Co. at the annual meeting held on August 13th last. This gentleman said:—"We mention in our report that during the year we have reduced our prior charges by £72,000. Mr Spyer calls our attention to the fact that the £36,000 of debenture stock purchased does not appear in the balance-sheet or in the profit and loss account. He is perfectly right; the £36,000 of debenture stock was purchased out of the ordinary income. Mr Spyer also asks how our Government securities are valued. They are not valued at all when the amount in

our books is less than the market value. As a matter of fact, if we were to realise our Government securities to-day there would be an appreciation of over £30,000. You will observe also that our sundry creditors stand high, the reason being that we owe the Government for both income-tax and corporation profits tax due on January 1st last. Under an arrangement we have not paid them, pending the settlement of our claim for repayment of excess profits duty." The chairman of Mitchells and Butlers dealt at some length this year with the general policy of the brewery industry in his annual speech. For our particular purpose we should have preferred a survey dealing more closely with past and future financial results.

DIARY OF THE IMPERIAL CONFERENCE.

FRIDAY, NOVEMBER 2ND.—The Imperial Economic Conference adopted the Report of the Committee on Co-operation in Financial Assistance to Imperial Development. A contribution is to be made by the Imperial Government up to 75 per cent. of the interest charges for approved works of public utility undertaken in the Dominions within the next three years, and certified to be in anticipation of normal expenditure. The Conference recommended the resolutions of the Empire Forestry Conference to the respective Governments for their favourable consideration. Approval was given to a resolution for the setting up of a committee to supervise the laboratory work of the Imperial Institute, on which the Department of Overseas Trade, the Scientific and Industrial Research Department, and the Royal Society would be represented. A representative of the Treasury is to be added to the governing body and the new managing committee. The respective Governments will be asked to obtain legislative sanction for specified contributions to the upkeep of the Institute. A resolution urging co-operation in research and the free exchange of scientific information between the different parts of the Empire was also adopted.

MONDAY, NOVEMBER 5TH.—No meetings were held, the Dominion Prime Ministers attending the funeral of Mr Bonar Law.

TUESDAY, NOVEMBER 6TH.—The Economic Conference discussed the advisability of appointing a permanent Imperial Economic Committee. This question is dealt with in another column. The Imperial Conference was engaged upon matters incidental to the concluding business of its sessions.

WEDNESDAY, NOVEMBER 7TH.—The Economic Conference adopted the Report of its Food and Materials Committee, which described as impracticable any system of subsidies, import licences, or price stabilisation as applied to foodstuffs, but recommended the closest co-operation between authorities and producers' organisations, with a view to improving marketing methods. Sir Philip Lloyd-Graeme announced the British Government's decision to extend preferential treatment to tobacco, apples, canned salmon, fruit juices, and honey from the Dominions. Further reference to these proposals will be found among our "Notes of the Week." The Conference approved the Report of the Oversea Settlement Committee, recommending the further development of settlement by nomination, either on the part of persons already in the Dominions, or by churches and other societies in this country. The principle was reaffirmed that in Government contracts preference should be given, whenever possible, to Empire-produced materials. Resolutions were also adopted dealing with the circulation of information regarding aeronautics.

THURSDAY, NOVEMBER 8TH.—The Imperial Conference held its final meeting. An official report of its proceedings is to be issued shortly. The establishment of a permanent Advisory Economic Committee was definitely decided upon by the Economic Conference, Canada dissenting. The Report of the Committee on Imperial Exchanges, also adopted, rejected Mr Darling's Empire Currency Bill scheme as being impracticable, while the Dominions maintained separate fiscal and political systems. Imperial Exchange difficulties will disappear, the

Committee believed, when an effective gold standard is restored, and all Empire currencies are convertible into gold. The present difficulties would be lessened if each note-issuing authority were to accumulate sterling assets to be drawn upon to redress a temporary excess of payments in one direction, and central banks were formed where these do not already exist.

Notes of the Week.

More Preferences.—A new dose of preference has been announced this week. It is not a very potent dose, but is worth recording as a minor addition to the treatment which Mr Baldwin prescribes for our economic ills. The new preference proposals affect six articles of consumption, wines, tobacco, apples, canned salmon, fruit juices, and honey. As regards wine, the proposals are as follows:—(1) To double the existing preference of 2s a gallon on the duty of 6s a gallon on wines of a strength exceeding 30 deg. The rate of duty on such wines coming from the Empire would thus become 2s a gallon against the foreigner's 6s. (2) To increase from 30 to 50 per cent. the preference on the surtax of 12s 6d a gallon on sparkling wine. On tobacco the preference is to be increased from one-sixth to one-fourth of the duty charged on foreign imports. With the wine proposals Australia is the Dominion principally concerned. In the first nine months of the present year the British Board of Trade returns show that we imported from Australia 390,504 gallons of wine in casks and bottles, valued at £102,248, whereas our total imports of wine in that period were 9,105,403 gallons, valued at £4,030,291. Of these, 4,388,358 gallons came from Portugal and 1,984,149 gallons from France. The present seems scarcely the most auspicious moment for a petty attempt to aim a blow at trade which is very important to two Allies. Of unmanufactured tobacco, our nine months' imports have been over 108 million lbs, about three-fifths of which came from America, and no part of the British Empire sent enough to qualify for special entry in the trade returns. The proposals in relation to the other four articles of consumption call for separate consideration, for in each case a duty is to be created, where no duty at present exists, in order to give preference. On foreign apples a duty of 5s per cwt, on foreign canned salmon a duty of 10s per cwt, on foreign fruit juices a duty of 6d per gallon, on foreign honey a duty of 10s per cwt is to be imposed, while imports of these products from the Empire are to come in free. There are several essential points about these proposals. The first is that, since they involve new duties on food, they are clearly outside Mr Bonar Law's pledge. Secondly, in each case the Empire can only provide us with a small proportion of our requirements, and the duty will certainly raise prices. Thirdly, they represent mere futile tinkering with the Preference question. Finally, since the Budget is a long way off, their publication now merely disturbs markets and creates present irritation, whereas the good effects which their sponsors presumably think they will produce are distant. Mr Baldwin's tactics seem to be as weak as his economics.

Agriculture and Protection.—Mr Baldwin has quickly found himself impaled on the horns of the dilemma which confronts each successive champion of Protection in this country. Were he to include in his programme taxes on wheat and meat he would court certain defeat at the hands of the great urban population. Were he to exclude them, he would at once arouse the hostility of agriculture. He has chosen the line of less powerful resistance, and excluded them; and the inevitable consequence of agricultural opposition has followed instantly. On Tuesday, at a meeting of the Central and Associated Chambers of Agriculture, a resolution was passed protesting against the "unequal" treatment of agriculture foreshadowed in the Prime Minister's Manchester speech—the speech in which he threw over taxes on wheat and meat. In moving the resolution, Lord Strachie said that "agricultural interests must not be sacrificed to the interests of the manufacturer, and this, it would seem, would happen if the suggestions of the

Prime Minister were carried out." In supporting the motion, Lord Bledisloe dotted the i's and crossed the t's of this statement, while a subsequent speaker described Mr Baldwin's protection proposals as "the greatest betrayal agriculture had ever had." On the same day a letter in the *Times*, signed by Mr Christopher Turnor and three other agricultural experts, spoke of "this overwhelming catastrophe to our greatest industry," and said: "A tariff for all that the farmer has to buy and unrestricted dumping of all that he has to sell, means a final or mace blow to him, and semi-starvation to the families of three-quarters of a million agricultural workers." This panicky letter posed the question, "Where are the Conservative rural members of Parliament?" If they are in their constituencies, they will bring back to the approaching session plenty of food for thought. We recommend for their consideration Lord Bledisloe's remark that no system of Protection had ever been devised that would benefit both urban industries and British agriculture. It is, of course, an economic fact that the agricultural community is most prosperous when food prices are high and the prices of manufactured goods low, and most depressed when, as at present, the position is reversed. Can Mr Baldwin wonder at the rural consternation caused by a programme which on the one hand contains measures that will raise the prices of manufactured goods, and on the other hand promises that food shall not be dearer? In fully-Protectionist America the bitter complaint of the farmers is that while prices of their products are depressed, the prices of other products that they have to buy are high. Slowly but steadily in the great agricultural areas of the United States is developing a demand for lower tariffs. Further, realisation is growing there, as we trust it will here also, that a tariff system which imposes burdens on the farmer restricts the purchasing power of an important section of the community, or, in other words, curtails the home demand for the goods which other industries produce.

An Imperial Economic Committee.—At Tuesday's sitting of the Imperial Economic Conference discussion took place on the advisability of appointing a permanent Imperial Economic Committee to sit in London. Mr Bruce, Prime Minister of Australia, introduced the proposal that such a committee should be formed, and suggested that it should comprise representatives of the Governments taking part in the Imperial Conference and responsible to those Governments. The function of the Committee, he suggested, would be to consider and advise upon any commercial or economic matters, outside the purview of the Imperial Shipping Committee, which might be referred to it by any of the constituent Governments. "Many suggestions," said Mr Bruce, "were to be put forward as to how to foster Imperial trade, and if there was no committee of this character to give an authoritative opinion upon them they would pass into the ordinary ring of party politics." Sir Philip Lloyd-Greame welcomed the proposal on behalf of the British Government, and laid stress on the advisability of the Committee including unofficial as well as official members. The proposal, however, met with the opposition of Canada, on whose behalf Mr Graham expressed the view that "the organisation already existing was probably sufficient to deal with all the problems which would have to be faced when the Conference was over." In view of the Canadian opposition, the resolution was adjourned, but passed on Thursday—Canada dissenting. Mr Graham's opposition may be taken to reflect the suspicion with which popular opinion in the Dominions views the establishment in London of any permanent Imperial body in *liaison* with a British Government department, and one would not be surprised to find Mr Bruce taken to task by the Australian Press for supporting it. The British Government, it has been known for some time, is strongly in favour of such *liaison* machinery; and its welcome of Mr Bruce's proposal is probably the more cordial because it regards the establishment of machinery for commercial and economic *liaison* as a possible forerunner of the establishment of similar machinery in connection with Imperial foreign policy. It will be remembered that while Mr Bruce was on his way to the present Conference the Australian Press commented with marked disfavour on pro-

posals to establish arrangements of the latter kind. It is an important matter for conjecture whether Mr Bruce's enthusiasm for commercial *liaison* indicates a favourable attitude towards a similar system in connection with foreign policy. If such a system is to be established, the proposal will have to come from the Dominions, for it is unlikely that the British Government, much as they are believed to favour it, would take the first step in view of the strong prejudices known to exist in some quarters of the Empire.

The Stock Exchange and an Election.—A Stock Exchange correspondent writes:—Members of the London Stock Exchange are often taken to task for their apparent indifference to matters of political moment. Some Stock Exchange men are, of course, members of both Houses, that in Westminster and the other in Throgmorton street. In the earliest days of Tariff Reform Stock Exchange men escorted, in their hundreds, Mr Joseph Chamberlain from St Swithin's lane to the Guildhall. But it must be allowed that neither politics nor politicians are very popular. With the ordinary City man the politician has the name of being unpractical, and politics harmonise with business, by venerable Stock Exchange tradition, as amicably as water mixes with oil. The prospect of an early General Election is one that finds no favour in the House to-day. The prevailing note in all the discussions which take place around the subject is one of mild expostulation, reaching at times to an exasperated demand of why an election should be considered necessary to-day. For more than a month, at this time last year, the stock markets were ruffled and handicapped by the General Election restlessness, which was brought officially to a head on November 15th. Lloyds and insurance brokers drove a thriving business in policies of two kinds: one, for insurance against risk of a Labour Government; the other, against the risk of a second election being fought within three months after the first. This time it is already considered certain that the premiums asked to cover the first-named risk—that of a Labour Government coming into power—will be a good deal higher than they were a year ago. The Stock Exchange takes the same view. The chances of the Labour party adding to their successes of last November at the polls are openly admitted to be considerable. Investors are not apprehensive, but uneasy. This can be seen by the Stock Exchange member in the dull tone which has begun to spread throughout the purely investment markets, including those for Home Railway stocks of all kinds. People have not started, in any numbers, to sell their sound stocks, but prospective buyers announce that they prefer to await political developments. Put quite frankly, a Capital Levy is materialising as a figure of fear as well as of speech. This reacts favourably upon speculative stocks. There might be a levy upon gilt-edged investments, but what Government would worry itself with Dunlops, West Springs, tin-mining shares? That is the argument. Besides, amongst industrials, the possibility of a levy is deemed less than the chance of Protection. And Protection, with its known certainty of high prices to consumers and big profits for the producer, would benefit those companies which at present are subject to competition from abroad. Consequently, two broad lines of market movement are already developing: dulness and declining interest as regards investment stocks; increased attention and rising prices in the Kaffir market, in oil shares, and in similar areas. Over all there broods the Stock Exchange sense of quiet exasperation at the choice of the present time for introduction of a General Election fever, when industry and business require tranquillity and peaceableness. Nobody denies the obvious need for doing all that is possible in order to stimulate trade and to reduce unemployment. The questions that surround Free-trade and Protection are acknowledged to be of national moment. But Stock Exchange men maintain that even these questions are not of such paramount importance as to justify the country being plunged into the vortex of uncertainty, acrimony, and business impediment such as swirls around an appeal to the country. Clients are "put off" from buying; an undesirable element of anxiety is introduced. Prices are dull; the tendency is likely to be intensified as the political tide rises, and, despite the adventitious aid which neglect of investment may temporarily lend to

speculation, the advent of a General Election is anticipated with the less enthusiasm, because, to the ordinary man of business, it now appears to be unnecessary.

India in Transition.—British India is slowly passing from British bureaucratic centralisation to native popular and quasi-Federal self-government. The statement of its "Moral and Material Progress for 1922-23," written by Professor Rushbrook Williams, and just published by H.M. Stationery Office (Cmd. 1,961, 2s 6d), describes very ably, among other changes, the rise and subsidence of the "non-co-operation movement," which has delayed and imperilled the transition. Starting from the Tolstoyan doctrine that modern civilisation is fatal to individual freedom, Mr Gandhi, the ascetic Hindu leader, developed the policy of "passive resistance," which he had successfully adopted some 25 years earlier against legislation affecting Indian immigrants in South Africa, into a policy of boycotting the Indian Government, its services, its law courts, and its education, and subsequently of reverting to the products of native labour—especially hand-labour—in substitution for machine-made foreign cloth. He gained the support of the Hindus easily; that of the Muslims he obtained by his endorsement of the "Khilafat movement" against any reduction of the status of Turkey by the treaties of peace. In 1920 he captured the Indian National Congress; but the moderate or National Liberals deserted him, and the Indian Government met the movement by refraining from repression (except of seditious utterances), and by conciliating the moderates through the redress of grievances and the progress of constitutional reforms. Mr Gandhi's power over his followers culminated in the raising of a force of National Volunteers, and in June, 1921, of ten million rupees for their support, and he developed "non-co-operation" into a prospective policy of "civil disobedience," to be carried out without resort to violence. But he could not control the violence of his followers, and the Moplah rising in August, 1921, reopened the breach between Muslims and Hindus, and in March, 1922, the Chauri Chaura riots widened it. Meanwhile, the good work of the Central Legislature, the Duke of Connaught's appeals to the Indian people during his visit, the treatment of the grievances created by General Dyer's action at Amritsar, and other concessions to native aspirations, contrasted strongly with the impotence of the non-co-operators. While the propertied classes became increasingly alienated from them, Mr Gandhi's campaign against caste evils and alcoholism was unsuccessful, his hold on his followers was weakened by his postponement of "civil disobedience" at the Bardoli congress in February, 1922, and, when the danger of an outbreak made it necessary to arrest him, they were left leaderless. Loyalty to the British rule was strengthened by the sympathy of the Prince of Wales with Indian democracy, by the Government's declaration in favour of maintaining Turkey, by the further concessions to native aspirations after State railways and fiscal reform, and by the failure of the militant Sikh religionists to terrorise the Executive Government. The limitations of the non-co-operation movement by its new promoters lost them support: the lawyers returned to the courts, the students to the colleges, the Hindus drew further apart from the Muslims, the extremists from the moderates, and its weakness was not lessened (as might have been expected) either by the doubts as to the Indianisation of the services set up by the O'Donnell Report and Mr Lloyd George's speech in August, 1922, nor by the repression a little later of the Akali movement in the Punjab, nor even by the enactment under the Viceroy's reserved powers of the Princes' Protection Bill and the salt tax, in spite of their rejection in the Assembly. The Gaya Nationalist Congress at the end of 1922 not only emphasised the division between Muslims and Hindus, but made a new rift between "the classes" and "the masses" of India. Mr Gandhi's efforts for moral reform have been nullified by his followers and his own political ineptitude. It remains to be seen whether the enthusiasm he aroused will prove to have initiated a national awakening.

Approved Societies and Panel Doctors.—We have received in the form of a pamphlet the letter which was addressed to the Minister of Health on November 1st by the Emergency Committee of the Approved Societies. It is a strong, even a heated, protest against the offer recently made by the Minister to the British Medical Association of a Royal Commission on the whole panel system, and a capitation fee to panel doctors of 8s 6d per insured person per annum for five years. We cannot go through the details of the Approved Societies' case. What it amounts to is that the Insurance Fund—of which each society holds the portion applicable to its own members—will not stand the payment of 8s 6d for medical benefit without cutting into the provision for sickness, maternity, and other benefits which the societies look after. The sufficiency of the fund is a matter for actuaries, not for outsiders, and can only be examined by means of the machinery offered by the Minister to the doctors. The impression made upon us by this polemical letter of the Approved Societies is that the panel system, with its recurring disputes over capitation fees, needs inquiring into very badly. There can be no peace while the Approved Societies on the one hand, and the doctors on the other, are organised as for war, and the Minister of Health standing with outstretched arms between them is hard put to it to keep them from one another's throats. The Societies fight like wild cats—quite properly, from their point of view, as trustees of the insured persons—for money to meet their sickness, maternity, and other benefits, and for preserving the solvency of their funds. The doctors fight, if not like wild cats, at least like high-bred game-cocks, for a capitation fee which will not degrade the medical service which they are anxious to supply. If any better system could be substituted for the present method of paying doctors so much a head per insured person—well or ill—with the periodical disputes to which it gives rise, the public would be grateful and the Ministry of Health would hold services of thanksgiving. The position of the Ministry at present is clearly impossible. The most hopeful suggestion of an alternative system is that of Sir John Collie, M.D., in the *Times* of Wednesday. Sir John Collie, who has had a wide experience of public medical service, suggests payment according to the actual number of "cases" treated. It would obviously not do at all to pay by visits, for this would tend to multiply the number of unnecessary visits. There is a lot of human nature in man, even when he is a medical practitioner. But if payments were made by average "cases," then it would be to the interest of the doctors to cure their patients in the shortest possible time. Long illnesses, extending into months, could be allowed for as two or three cases. Sir John Collie states that of all the systems tried in Germany before the war—and our National Insurance Act was "made in Germany"—the "case" system worked with the least friction.

Inter-Imperial Remittances.—At Thursday's meeting of the Imperial Economic Conference a resolution, framed by the Committee on Inter-Imperial Exchanges, was adopted by the Conference, as follows:—"(1) The Committee, having considered their terms of reference, have unanimously resolved that, arising as they do from the suspension of an effective gold standard, the difficulties of inter-Imperial exchange will disappear when the currencies of Great Britain and the Dominions affected are again made convertible into gold; (2) that it is neither necessary nor desirable to adopt complicated plans for a new instrument of credit, such as Empire Currency Bills, which involve difficult and disputable constitutional and financial questions; (3) that where difficulties have arisen in regard to the exchanges between certain parts of the Empire and between such parts of the United Kingdom (a) the position can be ameliorated if the note-issuing authorities were to accumulate sterling assets and undertake to exchange their local currencies for sterling and *vice versa*; (b) this measure might be further developed and assisted by the creation of central banks and by mutual co-operation, as recommended by the Genoa Conferences. In some cases the bank charges for buying and selling sterling appear to be unduly high, and should be capable of reduction."

Agricultural Conditions.—The monthly report of the Ministry of Agriculture and Fisheries states that there is still a little barley unharvested in many different parts of the country, but generally harvest is finished except on high farms in the north-west and in Wales. Progress has been slow during the very wet weather of October, and crops harvested during the past month have not been carted in good condition. In the midlands, and the east and south of England, about three-fourths of the potatoes have been lifted, but in the north and in Wales this work is not so forward. The weather has been very unfavourable, and the crop is being stored in dirty condition. On the whole the quality is fairly good, but the tubers are generally small. The yield per acre is estimated at 5.7 tons, or half a ton less than the ten years' average, and nearly 1½ tons less than last year. On this estimate the total production in England and Wales will be about 2,667,000 tons, against 4,012,000 tons in 1922, and 3,160,000 tons the ten years' average. Mangolds are now being pulled, but the conditions have been unfavourable for this work, which is backward. A yield of 12.7 tons per acre is anticipated, as compared with a ten years' average of 12.4 tons, which would give a total crop of 10,960,000 tons, or very slightly more than last year. The wet weather of October has delayed autumn cultivation and sowing, which are not so forward as is usual at the end of October. Light lands have worked well, and good seedbeds have been obtained, but heavy lands have often been too wet for satisfactory tillage. Most of the winter oats have now been sown, but much drilling of wheat remains to be done. Such crops as are showing above ground have germinated well. On the whole the land is fairly free from weeds, though weeds have grown rapidly on stubbles which are still unploughed. There has been plenty of grass in the pastures during the past month, but owing to the wet weather it has been of poor quality, and in many districts cattle have required dry food to keep them in condition. On the whole, however, cattle and sheep have done fairly well, though there are reports of foot-rot amongst sheep, and in Wales and the north-west of England cattle have suffered from the wet. In practically all districts the supplies of winter keep are expected to prove sufficient for the winter, any shortage of roots or straw being made up by the good supplies of hay. With potato and root lifting in progress there is a demand for casual labour, but in several districts there are men not fully employed.

Control of the British Cement Industry.—Through the differences of various interests, the British cement industry attains without cost considerable publicity. If yesterday can be regarded as the iron age, to-morrow may be rightly called the cement decade. A new era in road construction is in front of us, and an arrow points to cement as its principal need. Building of to-day is tending toward iron skeleton structure and larger demands for cement, while harbour developments the world over are mainly based on the use of cement for constructional purposes. An obviously inspired paragraph informs us, amongst other interesting details, that "Although this country has produced for nearly 100 years, perhaps, the best cement in the world, the progress of the industry, as compared with other countries, has been practically stationary. Take the United States; the official returns show that the output of cement in 1892 amounted to 500,000 barrels. In 1902 the output had reached a total of 17,000,000, whilst 20 years later it had reached 115,000,000 barrels. The figures for the current year are not yet available, but it is calculated that the output will exceed 140,000,000 barrels." British progress is certainly not comparable with this. Our exports of cement for the nine months ended September 30, 1913, were 587,353 tons, while our imports were 79,164 tons. For the corresponding nine months of 1921, 1922, and 1923 exports were 231,282, 278,582, and 389,309 tons respectively, and imports were for similar periods in these three years 79,343, 96,849, and 112,386

tons respectively; re-exports were negligible. We presume that the differences between the contending parties are not really very grave. At least, that is what one must read into the official communique issued by the Associated Portland Cement Manufacturers, Limited. The secretary of this undertaking, writing to us, points out that "My directors have for long been aware that considerable purchases of the ordinary shares of the company have been made by a financial group, with whom they have for some time been in friendly communication, but the total holding of such group, which has been disclosed to us, can in no sense be described as affording control of our company, even if such has been the object of the group." The two most prominent companies in the cement industry are the Associated Portland Cement and the British Portland Cement companies. The former has assets to the amount of nearly £10½ millions, and the latter assets to just over £4½ millions. The following table shows how shareholders have fared during the past four years, and also illustrates the fluctuations in share quotations during this period. We have added details of another cement undertaking—the Aberthaw and Bristol Channel:—

Name of Company.	Dividends % Years.				Highest Prices, Years 1918 to 1922.		Lowest Prices, Years 1918 to 1922.		Price, Nov. 7, 1923.	
	1919.	1920.	1921.	1922.	s d	s d	s d	s d	s d	s d
Aberthaw and Bristol Channel, £1 ord. ...	17½	15½	15½	15½	80 0	(1920) 35 6	(1922) 40 0	22 6	40 0	22 6
Do 7½% cum. pref., £1.	7½	7½	7½	7½	24 0	(1919) 18 9	(1921) 22 6	22 6	22 6	22 6
Associated Portland, £1 ord.	4	10	5	5	34 6	(1920) 7 0	(1918) 26 6	26 6	26 6	26 6
Do 5½% cum. pref., £1.	5½	5½	5½	5½	18 9	(1919) 12 11	(1918) 18 3	18 3	18 3	18 3
British Portland, £1 ord.	8	15	10	10	38 10	(1920) 17 9	(1921) 29 3	29 3	29 3	29 3
Do 6% cum. pref., £1.	6	6	6	6	20 7½	(1922) 14 3	(1921) 21 3	21 3	21 3	21 3

† Free of income-tax.

Profits of the Associated Portland Cement for the year ended December 31, 1922, after payment of debenture interest and depreciation, amounted to £463,763, as compared with £456,569 for the previous year. In the company's last report, issued in April of this year, the directors pointed out that the demand for Portland cement in the home markets was disappointing, owing to depression in the building and constructional trades, but it was stated that an increased tonnage was exported notwithstanding difficulties experienced in various overseas markets. It is, therefore, reasonable to assume that with anything like a revival of trade profits will be largely increased. Last year there was available for distribution amongst ordinary shareholders £338,103, after paying preference dividends. Five per cent. was distributed on the ordinary shares, and a balance of £227,440 was carried forward. The ordinary capital consists of 2,257,215 shares of £1 each. As a 5 per cent. dividend on this represents a little over £100,000, prospects of higher dividends are a speculative possibility.

American Cotton Crop.—Our Manchester correspondent writes:—Late last week the Agricultural Bureau of the United States Government published a sensational report on the cotton crop which has resulted in a striking advance in prices. The quotation for the January position of American futures in the Liverpool market at noon on Friday of last week was about 17d, and since then there has been a rise to over 19d. The Government report gave the condition of the crop on October 25th as 47.8 per cent., against 49.5 per cent. a month earlier. A feature of the statement was the decline in the yield per acre on the month from 137.7 lbs to 128.9 lbs. In the circumstances the indicated crop has been reduced from 11,015,000 bales on September 25th to 10,248,000 bales. Last spring the acreage under cotton in the United States amounted to 38,000,000 acres, and was a record. According to the authorities, however, 2,000,000 acres have been abandoned. It is now possible with some degree of accuracy to forecast supplies and consumption this season. With linters the crop for 1923-24 will be rather less than 11,000,000 bales. The carry-over at the end of last July was 2,500,000 bales. Last season the consumption was 12,600,000 bales. Owing to the uncertain industrial conditions throughout the world and the marked rise in prices, it is rather difficult to estimate the

probable requirements of users, but the consumption this season may be put down at 12,000,000 bales. It is, therefore, probable that supplies throughout the world on July 31st next (the end of the season) will not be more than 1,500,000 bales. The position for users is certainly very serious, and many people believe that values will be distinctly higher next year. Spinners are experiencing increasing difficulty in securing adequate deliveries of the higher grades, and a premium has to be paid for the better qualities. There is every likelihood of another large crop of Egyptian cotton. The Alexandria General Produce Association has estimated the output this season at 5,960,000 cantars. This is considered a rather conservative figure, and some private authorities are of opinion that the production will not be far behind last year, when the crop was 6,684,000 cantars.

Shipping Freight Index.—Recovery in the level of shipping freights made further progress during October, our index recording a rise of over 5 points, which brings it to 125.49, the highest figure since last May. It will be seen that the only main group which showed a decline in the month was South America:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913) ..	100	100	100	100	100	100	100
Average, 1913	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December "	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921	160.06	164.07	163.72	144.43	141.25	166.47	156.67
September, 1922	143.00	115.60	122.48	129.48	124.52	135.31	128.40
November "	148.89	124.56	134.22	130.86	130.47	164.69	138.95
January, 1923	132.05	126.47	124.85	120.20	142.14	150.44	132.69
February "	149.60	116.85	123.93	117.83	134.49	144.21	131.15
March "	163.55	124.30	130.43	125.40	125.36	135.31	134.06
April "	142.72	133.38	137.32	133.77	134.06	124.63	134.31
May "	134.91	140.03	143.05	126.99	134.48	120.18	133.27
June "	131.77	111.04	124.56	125.50	133.90	118.84	124.27
July "	132.42	107.20	118.67	122.44	126.10	114.83	120.28
August "	124.79	109.11	114.33	117.70	117.51	115.73	116.53
September "	129.83	112.36	116.28	117.77	118.44	124.63	119.88
October "	133.66	125.46	114.03	119.38	124.40	136.05	125.49

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Inc. or Dec.		Index No.	Inc. or Dec.
Home trade	140.61	+ 4.45	S. America—outwards ..	106.60	+ .34
Bay—outwards	151.37	+ 11.92	" homewards	121.46	— 4.84
homewards	140.33	— .	India—outwards	116.02	— 53
Mediterranean—outwards ..	125.12	+ .87	" homewards	122.75	+ 3.75
homewards	103.97	+ 1.31	Far East, &c.	124.40	+ 5.96
North America	125.46	+ 13.10	Australia	136.05	+ 11.42

A noteworthy feature in October has been heavy chartering from the Black Sea and North Pacific ports, routes not included in our index. The effect, however, has been to stiffen rates on other markets from which tonnage has been diverted. The East has been firm, with a sharp rise in rates from Australia; inquiries for bottoms to carry ore are expanding; and rates from North American ports are more in shipowners' favour. As regards the River Plate, the glut of tonnage for immediate loading continues, the average freight on which our index is based including, however, more remunerative fixtures for January's shipment. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1920.	1921.	1922.	1923.
January	545.42	.. 194.59	.. 131.60	.. 114.05
February	593.90	.. 164.54	.. 135.76	.. 112.73
March	588.24	.. 162.17	.. 135.53	.. 115.23
April	519.40	.. 147.48	.. 129.46	.. 115.45
May	480.60	.. 158.42	.. 125.12	.. 114.55
June	463.16	.. 165.73	.. 117.45	.. 106.82
July	384.43	.. 169.87	.. 114.52	.. 103.39
August	350.96	.. 170.60	.. 113.16	.. 100.16
September	360.27	.. 154.47	.. 110.37	.. 103.04
October	394.80	.. 141.85	.. 114.42	.. 107.86
November	340.33	.. 136.47	.. 119.43	.. ..
December	240.79	.. 134.66	.. 117.39	.. ..
Mean for year	438.52	.. 158.40	.. 122.02	.. ..

ROTTERDAMSCH BANKVEREENIGING.

Rotterdam, The Hague, Amsterdam.

Capital ... fl. 75,000,000
Surplus ... fl. 36,500,000

Collections.
Letters of Credit. Foreign Exchange.
Purchase and Sale of Stocks and Shares.

Including its affiliated institution the Nationale Bankvereeniging, Utrecht, the Rotterdamsche Bankvereeniging is represented in about 100 places in the Netherlands.

The recent course of shipping freights corroborates the general conclusion of the *Economist* that, in spite of political unsettlement in Europe, world trade is showing some signs of recovery.

The Rise in Tin Shares.—For the second time during the current year the shares of tin-producing companies have been in demand at advancing prices on the strength of the condition of the metal market. It is true that the current quotation for tin—about £214—goes against the best of £234 in March, but the former figure compares with under £180 in July. The difference is, of course, all gain. At over £200 per ton there are very few companies which cannot make profits, while in the case of the undertakings occupying a more favoured position the margin is very large. The Far-Eastern concerns were dealt with in a comparatively recent "Note." There are several points of interest at the moment in connection with the Nigerian producers. Several of the more important producers have lately introduced mechanical appliances and effected improvements in working methods, thereby increasing their outputs and reducing expenses. Appended is a schedule of results for the past six months. The figures represent tons of tin concentrates, generally of about 70 per cent. :—

	May.	June.	July.	Aug.	Sept.	Oct.
Bisichi	40	40	53	60	56	70
Ex-Lands	35	30	30	35	40	40
Jantar	26	32	32	32	27½	..
Keff Consolidated	30	30	30	35	40	40
Mongu	30	35	40	40	40	40
Naraguta	40	40	50	50	50	..
Northern Nigeria (Bauchi) ..	61½	70	60	85	75	80
Rayfield	40	42	48	50	50	46
Ropp	98	101	91	128	90	123

Of these companies, only two have declared dividends during the current year—the Ex Lands, 15 per cent. in June; the Ropp, 25 per cent. final for 1922 in April, and 15 per cent. interim early this month. An improved showing in the distribution of profits would doubtless stimulate the expansion of public interest in the share market. Such may be expected in the event of the price of the metal remaining high for the rest of the year.

The Price of Tin.—The forecast made in the *Economist* early in August in regard to tin has turned out to be correct. Three months ago standard cash tin stood at about £185, and early this week the value went over £215. There has thus been an improvement of more than £30 per ton, with prospects still good, which is a very satisfactory development for the tin mining companies, tin at anything over £200 per ton being a paying proposition to all concerns interested in winning the metal. At the end of August last the world's visible supply stood at 16,225 tons, representing a decline of 1,881 tons on the month. The cash price on August 31st rose to £192, during the following month the market went over £200, and last month there was a steady upward movement, cash standard tin finishing at £207 10s, and three months at £204. The return published at the beginning of the present month showed that there had been an increase of 934 tons in the world's visible supply at 18,384 tons, but this had no effect on the upward movement, as it was quickly realised that the apparent increase in the visible supply is really a decrease, paradoxical as this may sound,

because of the transfer of 3,000 tons from the Federated Malay States Government's holdings to the surplus available for market purposes. At the close of June the visible supply of tin amounted to 17,176 tons. It is now 18,834 tons. In the meantime, the State-owned stocks have been considerably reduced, and the actual position of statistical tin is remarkably strong. The East has been selling freely again this week, and the tin offered is being quite easily absorbed. The Federated Malay States Government is entitled to dispose of 500 tons per month; thus by the close of 1923 fully 4,000 tons will have been marketed, and the way this large extra quantity of tin has been digested with values rising all the time affords ample evidence of the splendid position of the consuming industries. In October the total supplies came to 9,279 tons and the Straits shipments were 6,527 tons. The monthly deliveries aggregated 8,345 tons, no fewer than 5,540 tons being for the United States, and the market has had a very firm appearance, with active support from dealers and large sales recorded on American account. The backwardation of close on £3 per ton that was seen in forward tin late in October and early this month not only completely disappeared, but a moderate premium was established on the cash position, which is not at all remarkable, seeing that the total tin stocks in the United Kingdom are down to 2,833 tons, and in very firm hands. The Welsh tinplate mills are well covered as far as orders are concerned, and splendid news is to hand from the United States, where the works are running nearly to their full capacity. The output so far this year has exceeded all previous records, and it is perfectly obvious that the United States tin users must make further purchases in the near future to cover their winter requirements.

The Greek Currant Crop.—Burlumi's annual report on currants states that the crop of 1922-23 was estimated at about 115,000 tons, and was distributed as follows:—

United Kingdom.....	61,000 tons	against 58,000 tons in 1921-2.
United States and Canada..	7,500 "	" 23,000 "
Holland and Germany	11,000 "	" 13,100 "
France and other parts of the world	500 "	" 900 "
	80,000 "	" 95,000 "

The falling off of the export to America was due principally to the large stock carried over in the States at the end of the 1921-2 season, and the competition of Californian raisins, which were much cheaper than currants. The Privileged Company received during the season 1922-3 in their warrant stores about 4,000 tons, all withdrawn before the season. In their retention stores the company received 24,000 tons, making 31,000 tons with the certificates in circulation on August 22, 1922. The land tax in kind at the rate of 35 per cent. on the exported quantities absorbed 27,000 tons, and certificates representing 7,000 tons have been carried over to the season 1923-4. At the beginning of the year growers suggested several measures to be taken by the Government to stimulate the export to America, and relieve the market of the surplus of production. Finally, it was decided that the Government should buy a quantity from 10,000 to 15,000 tons at fixed prices from 2,800 to 3,000 drachmæ per thousand Venetian pounds, according to quality, which would be sold to the home manufacturers of wine and spirits. The loss to the Government was to be met by the surplus of the drachmæ, which the Government secured on the exported currants exchange. In fact, the Government was controlling up to last May the exchange of exported currants, and paid successively 99, 138, and 155 drachmæ for every pound sterling, while on the free market the pound went up from 100 to 400 drachmas. A convention was signed between the Government, the National Bank of Greece, and the Privileged Company, for the execution of this scheme, and when prices dropped down to the Convention's limits, the Privileged Company received for account of the Government in its stores, the quantity of 19,907,972 Venetian pounds (9,355 tons). The clearances for home consumption in the United Kingdom for the year ended August, 1923, amounted to 59,307 tons, against 60,265 tons in 1922, and 58,895 tons in 1921. The stock of currants in the United Kingdom as returned by the Board of Trade at the end of August, 1923, was 6,550 tons, against

5,600 tons in 1922, and 9,980 tons in 1921. Australian currants of about 4,000 tons, imported between May and June, and consumed yearly in the United Kingdom, are included in the Board of Trade returns. The production of Australian currants is increasing yearly in the Murray Valley of the Commonwealth, and will be in future an important competitor to the Greek currants, which have lost their natural monopoly. The privilege of the Chartered Company created in 1905 comes to an end in July, 1925. It is doubtful whether the shareholders of the company will care for a renewal of its privilege, and it is more doubtful whether the growers and the Greek Government will consent to this renewal. Conditions in the currant trade have changed since 1905. The crops have been greatly reduced. From 185,000 tons produced in 1905, and 183,000 tons in 1903, they went down to 95,000 tons in 1923, and practically there is no over-production. When normal conditions prevail in Germany, and this country begins to import its usual supply of currants, the quantity produced will hardly be sufficient to cover the demands of universal consumption. Retention, however, may continue for some time in order to absorb low qualities, and provide the wine and spirits home manufacturers with raw materials at low prices. The crop of 1923 has been estimated by the Privileged Company and the Government at 95,000 tons, and the retention quantum for the season 1923-24 was fixed at 15 per cent. in kind and 20 per cent. cash.

Mersey Docks and Harbour.—The accounts of the Mersey Docks and Harbour Board for the year ended July 1, 1923, show a surplus of revenue over expenditure of £48,672, after allowing £100,000 for sinking fund. In spite of the fact that income was £225,000 lower owing to reductions in rates, dues, rents, &c., total receipts only fell by £120,500. Rates and dues show an increase of £20,500, but the warehouse surplus shows a reduction of £132,700, of which about one-half of this is caused by reduction of rates and charges and about one-half by less goods being warehoused. The estimated weight of goods passing through the port of Liverpool during 1922-23 was 13,200,000, an increase of 1,200,000 tons over the previous year. The tonnage of vessels paying dues in the year ended July 1st last was 18,079,579 tons, and the rates and dues received on vessels and goods amounted to £2,412,600. In the previous year the tonnage was 15,822,684 tons, and the revenue £2,402,900. The largest revenue from rates and dues was in 1919-20, when the tonnage was 16,521,373 tons, and the revenue £2,498,800. This tonnage, however, included approximately 2 million tons for Royal Naval vessels, &c., applicable to previous years. The tonnage paying dues reached its maximum in 1913-14 with a total of 19,086,672 tons. Revenue in that year was £1,569,100. Expenditure on revenue account has increased by 66 per cent. since the year 1914, while income shows an expansion of 58 per cent.

American Tobacco Fusion.—Subject to the approval of the stockholders of both companies, writes our New York correspondent, plans have been completed whereby the American Tobacco Company will take over the manufacturing properties of the Tobacco Products Corporation, including trade marks, supplies, plants and equipment, leased or owned, for a period of 99 years. The deal calls for the payment of approximately \$12,000,000 in cash to the Tobacco Products Corporation, in addition to a guaranteed payment of \$2,500,000 annually to the latter company. Under the terms of the proposed contract, only the manufacturing establishments of the Tobacco Products Corporation will be affected. In other words, that corporation will retain its interest in the United Cigar Stores Company of America, in which it holds 290,000 shares, as well as its interest in the Tobacco Products Export Corporation and Stephano Brothers, so that there will be no affiliation between the American Tobacco Company and the United Cigar Stores Company, or any other subsidiary of the Tobacco Products Corporation. The United Cigar Stores, it is understood, will continue to carry on business as heretofore, and be free to handle the output of any other manufacturer. This transaction, if consummated, as seems likely, is one of the largest under-

taken in the domestic tobacco industry in recent years without public financing. It is figured that the payment of about \$12,000,000 in cash by the American Tobacco Company will permit retirement of the \$4,000,000 7 per cent. notes and \$8,000,000 7 per cent. preferred stock of the Tobacco Products Corporation. In that event there would be left no security issue ahead of the 448,000 7 per cent. class A shares of the latter corporation. The American Tobacco Company's guarantee of \$2,500,000 annually will provide all but \$500,000 of the \$3,000,000 required to meet the 7 per cent. dividend on the Tobacco Products class A shares.

Joshua Hoyle and Sons.—The report of Joshua Hoyle and Sons, Limited, for the year ended September 29th last, which the directors describe as "one of extreme difficulty," shows a substantial recovery in profits, as may be seen from the summary table below:—

Year ended Sept. 30.	1919-20.	1920-21.	1921-22.	1922-23.
Profit.....	£ 289,507	£ 108,837	£ 110,697	£ 193,167
Brought forward	39,249	88,476	48,486	15,652
	328,756	197,313	159,183	208,819
Debtenture interest	..	..	52,531	79,371
Preference dividend	52,315	52,315	52,500	53,375
Ordinary dividend	97,931	96,512	18,499	30,500
	(25%)	(124%)	(24%)	(5%)
Renewals and reserves, &c.	90,034	..	20,000	27,390
Carried forward	88,476	48,486	15,653	18,183
	* Free of tax.			

Although profits have increased by over £82,000, it will be seen that last year's total is well below that of the year 1919-20—a boom year in the cotton trade—on the strength of which the directors thought fit to double the ordinary capital. There is now an authorised capital of £5,000,000, of which £1,800,000 has been issued, £1,000,000 in the form of 7 per cent. preference shares and the balance in ordinary shares. At the end of 1920-21 an issue of £1,500,000 7 per cent. debenture stock was made. After payment of debenture interest, the net profit for 1922-23 is less than £114,000, as compared with £58,000 for the previous year. The dividend is increased from 2½ per cent., free of tax, to 5 per cent., less tax, and £27,400 is transferred to renewals and reserve fund, raising it to £200,000. The first drawing for redemption of debentures was made in November last, and the sum of £17,200 was redeemed. The balance-sheet shows a decrease of £228,300 in creditors, and of £127,097 in debtors and cash. Stock-in-trade has been reduced by £241,700, but still stands at the high figure of £1,222,000. The property item has been increased by £118,300 to £2,160,100. The report mentions that the company's position regarding taxation has not yet been definitely agreed, but full provision for liability to date has been made.

Grindlay and Co. to be Absorbed.—It is announced that an agreement has been concluded, subject to Treasury sanction, for the acquisition by the National Provincial and Union Bank of England, Limited, of the partners' interests in the business of Messrs Grindlay and Co., 54 Parliament street. In order to carry out this arrangement, Messrs Grindlay and Co. will be converted into a private limited liability company under the name of Grindlay and Co., Limited, the shares of which will be held by the National Provincial and Union Bank of England, Limited. Messrs Grindlay and Co. were established in 1828 as East India Army agents and bankers, and it is understood that under the new régime the army agency side of the business will be maintained and developed. It has offices in Bombay, Calcutta, and Simla, and at December 31st last the balance-sheet showed deposits of £1,844,100, while investments stood at £862,400 and discounts and advances at £806,700.

Amalgamated Zinc.—The general body of shareholders in this undertaking will doubtless learn with some surprise that the company is practically at the end of its tether, so far as operations at Broken Hill are concerned. From the cabled summary of the report to June 30th last it appears that while current contracts should provide deliveries of tailings until the end of December, when

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**BANKERS TRUST
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these are exhausted it will probably not be found advisable to continue work at the present centre. In view of this position, search has been made for a fresh field. "Proposals now under consideration," the directors observe, "suggest more favourable possibilities than have propositions examined hitherto." It is significant that the bulk of the half-year's profit of £27,000 was due to excess of realisations over valuations in respect of past periods. The two dividends paid absorbed considerably more than the actual surplus, reducing the carry-forward to £15,800. The liquid assets exceed the liabilities by £184,700, irrespective of shares in other companies standing at £425,300. These items more than cover the present market valuation of the capital.

A Motor Trade Rumour.—A rumour has been in circulation this week at the Motor Show that Mr Ford has bought up the Morris Cowley and Morris Oxford motor enterprise. We are unable to say whether there is any truth in the various stories current, which are supported by the assertion that the sale of Ford pleasure vehicles in Great Britain has dropped heavily in the last eighteen months as the result of the popularity of the Morris cars. But the rumour is of interest as it calls attention to the fact that the British motor industry seems at last to be within sight of making a success of mass production, and of challenging the supremacy in this field of the Ford vehicles. It has yet to be shown whether Mr Morris will succeed in reaching the output figures at which he has been said to be aiming, and his efforts will be of particular interest because his cars are produced by assembling the products of a number of firms, each making its part on mass production lines rather than by the more centralised systems of Mr Ford, or of the other competitor in this line, M. Citroën, of France. On sentimental grounds we should regret to see the control pass to America, but it is quite possible that the assistance of the Ford commercial organisation in this and other countries, and the great resources of capital which the association would bring, might assure success and provide an even greater market for this product of the British motor industry. This would not be the first, nor will it be the last, example of profitable association between British and American enterprise. We may add that in view of the possibilities of the British market the price suggested in the rumours to which we have referred seems to us very inadequate.

Pre-War Debts.—It will be recalled that a breach of relations took place between the French and Belgian Clearing Offices on the one hand, and the German Clearing Office on the other, whose duty it was to settle the question of pre-war debts. This breach proved prejudicial to the interests of British subjects residing in France and Belgium, who settle their debts through the French and Belgian Clearing Offices. The Board of Trade states that meetings of the officials of the three countries interested, presided over by Mr Egerton Grey, the Controller of the British Clearing Office, have just been held in London, in order to procure a resumption of relations between the offices concerned, and the normal operation of the mixed

arbitral tribunals, which had also been suspended. At these meetings France was represented by M. Alphand, the Director of the French Clearing Office, and MM. Jaudon, Labat, and Fliniaux; Belgium by MM. Colard and Challes, and Germany by Dr. Lothholz, Dr. Göppert, Dr. Fuchs, and Dr. von Friedberg. The negotiations have enabled relations to be resumed under conditions which are considered acceptable by all parties.

Italian Bank Deposits.—In an article on foreign banks in our issue of October 20th, we stated that the deposits of the Banca Commerciale Italiana had declined from 790 million lire to 767 millions. These figures do not include current accounts. Total deposit and current accounts amount to over 5,698 millions, as shown on page 666 of the same issue. This compares with 6,005 millions at the end of 1921.

The Governors of Birkbeck College have opened a fund for the provision of a memorial to the late Dr George Armitage-Smith, Principal of the College from 1896 to 1918. Further particulars of the memorial which it is proposed to provide may be obtained from the Clerk to the Governors, Birkbeck College, E.C. 4, to whom subscriptions may be forwarded.

Oversea Correspondence.

UNITED STATES.—IMMIGRATION QUOTAS—JUDGE GARY ON THE TRADE OUTLOOK—COTTON GINNING—STOCKS AND BONDS.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 29.

IMMIGRATION has been so heavy in the past few months that some of the more important quotas are likely to become exhausted next month. Advices already received indicate that an unusually large number of immigrants will reach this country on November 1st, and many others are expected to arrive shortly after that date. It is practically certain that one of the countries whose quotas will have been filled during November will be the United Kingdom—a fact that will be much regretted in official quarters and elsewhere, because most of the immigrants from that country are skilled workmen who are urgently needed in many industries in the United States. As is well known, 20 per cent. of the total quota allowed to any nationality under the present immigration law, which is really only an emergency measure that has been kept in force from year to year since its enactment, may be admitted into this country during any one month. Since July 1st, when the present immigration year began, numerous countries have used up their full 20 per cent. quota each month, and November will be the fifth month. Indications, therefore, are that in the remaining seven months of the fiscal year, after November, comparatively few immigrants will arrive, unless Congress should take steps to increase the quotas, at least temporarily—a development that seems, at present, quite unlikely. The shortage of labour in numerous American industries, or at least the limited supply available, is one of the main factors responsible for abnormally high wages which employers are compelled to pay, and which have contributed in forcing production, construction and other costs to levels that cannot be maintained indefinitely if this country is to enjoy real and general prosperity.

Few men in the United States is better qualified to express an opinion on business and industrial conditions and prospects than is Judge Gary, chairman of the United States Steel Corporation. In addressing the American Iron and Steel Institute, of which he is president, at its meeting here last week, he remarked that there are now, as always, some hindrances to the natural progress and prosperity in the United States. Those patent to every one, at present, he said, are the turbulent conditions in other countries; the "unreasonably high and burdensome taxes, national, State and municipal; the high costs of production, in some lines unconscionable; and the high

costs of living, measurably, though not altogether, brought about by those who complain the most. But there are many reasons for confidence in the economic future of this country," he added, "outside of those which are basic and permanent, including our enormous wealth and immense yearly income which increases as the years go by." Concerning the European situation, Judge Gary declared that the full cost of the war was not yet known. "We know the great seas are not wide enough to separate us from the influences of disaster to Europe. We are affected in our finances, our commerce, our industries, our civic, political, and social life, and our morals. The whole structure of civilisation has been shaken. If the European atmosphere and conditions dominated our affairs," he said, "our business men might be depressed and somewhat doubtful of the future; but fortunately they do not. We are, or at least we may be, independent of all other nations so far as business progress and prosperity are concerned. If we properly conserve and utilise our natural resources and legitimately manage our private and public affairs, availing ourselves of the opportunities that are presented, we may and will continuously and adequately prosper." While there will be temporary interruptions, recessions, and fluctuations, "the current of prosperity in the United States is so strong," he remarked, "that even though it may occasionally be modified by unnatural or unreasonable obstructions, it will result in an accumulation of volume and force which will soon be overwhelming and stronger than ever before." For the current calendar year, the iron and steel industry in this country, he said, will show considerable profit, though not as much as the capital invested should produce. New orders are not up to productive capacity, but, together with those heretofore accumulated, have resulted in large shipments. In some lines, he pointed out, the demand for immediate consumption has been, and still is, in excess of the ability to supply. He described the outlook as good. Inquiries for iron and steel are unusually large, many of them urgent. Purchases for railroad and general building purposes, for oil development and production, for the automobile trade, and many other lines are very heavy in the aggregate, and from appearances may be expected to increase materially in volume during the next six months, unless something unforeseen and unwarranted occurs. "The actual purchasing necessities of our commodities are very great at present," he declared, "and there is plenty of money to pay for whatever is needed."

The latest Census Bureau report shows that up to October 18th 6,400,579 bales of lint cotton had been ginned, as against 6,978,321 at the corresponding date a year ago. The cotton market construed the exhibit as extremely bullish, and as indicating an exceptionally short crop, with the result that prices last week soared to a new high record for this year, spot cotton reaching 31.75 cents a pound. But the October ginning report this year, at least, is not a reliable barometer in estimating the probable size of the yield. Throughout the greater part of the belt the crop was late, unfavourable weather recently has delayed picking, and in many sections muddy roads have doubtless retarded deliveries. On the other hand, the ginning report contains some striking features that do not encourage hopes of even a moderate sized crop. For instance, the census returns show that east of the Mississippi River only 2,633,873 bales had been ginned up to October 18th, representing a decrease of nearly 600,000 bales, or approximately 25 per cent., from a year ago. In Arkansas the ginnings were about one-half what they were at that date last year.

Production of passenger automobiles and motor trucks in this country during September totalled 327,365, as compared with 344,991 in August, and 207,026 in September of 1922, according to figures compiled from reports filed with the Department of Commerce by practically all manufacturers. The decrease, amounting to 5.2 per cent. from August, was seasonal, but the returns for last month represent an increase of 58 per cent. over September of last year. For the first nine months of this year the combined output of automobiles and trucks was 3,029,982 cars, as against 1,880,051 in the like period of 1922, or an increase of 61 per cent.

Although the stock market has been inactive, daily transactions totalling only 600,000 or 700,000 shares, and

price fluctuations have shown great irregularity, the general trend has been downwards. Last week twenty leading industrials, on the average, fell to a new low level for this year, namely, \$85.76 a share, while the average price of an equal number of representative rails dropped to \$77.65 a share, as compared with the record low for 1923 of \$76.78 reached early in August. Persistent bear pressure was largely responsible for the continued weakness, but further heavy liquidation to establish losses for income-tax purposes was an important contributory factor. Developments, both here and in Europe, which ordinarily would govern the course of prices, seemed to have little effect upon the market as a whole. The prospect of an Allied economic conference, with the United States participating, was warmly welcomed in financial circles and elsewhere, but the enthusiasm which early reports created has been chilled somewhat by cabled advices concerning the reservations and conditions attached to the French acceptance of the proposal. Bonds are becoming more active, and show a firmer tendency, reflecting easier money conditions.

FRANCE.—REPARATIONS—IRON AND STEEL OUTPUT.

(FROM OUR CORRESPONDENT.)

PARIS, November 7.

FRENCH opinion is undoubtedly now hardening towards the recognition of the fact that this country can never expect to receive in liquid cash the 52 per cent. of the total debt of 132,000,000,000 gold marks, to which it has been agreed she is entitled. The vast proportion of "C" bonds included in this sum, which may or may not be mobilisable to any practical extent, form one obstacle. Apart from that, the actual value of the 132 milliards must necessarily be recognised as far below that of the nominal figure. No less an authority than M. Bokanowski, the *rapporteur* of the Finance Commission of the Chamber, estimates that the present value of the total German debt must be taken as in the neighbourhood of 50,000,000,000 gold marks. Assuming this to be approximately accurate, and basing the distribution of this amount on the Spa agreement, the proportion of this sum that would come to France would be 26 milliards, to Great Britain 14 milliards, to Italy 5 milliards, and to Belgium 4 milliards. Germany is also at present liable for the repayment of the money which was advanced to Belgium by the various other Allies during the war, namely, 2½ milliards by France, 2 milliards by Great Britain, 700,000,000 gold marks by the United States. Adding these sums to the shares of the present value of the principal debt that would come to each of them, therefore, the total amounts that would have to be paid by Germany would be as follows: to France 28½ milliards gold marks, to Great Britain 13 milliards, to Italy 10 milliards, to Belgium 4 milliards, to the United States 700,000,000. Belgium, it may be mentioned, has already received more than 1,000,000,000 gold marks from Germany, under her priority rights.

In a scheme that has been suggested here for bringing about a settlement, at one and the same time, of both the reparations and the inter-Allied debts problems, it is proposed that, so far as Germany's future payments are concerned, this milliard shall be regarded as available to be added to the sum to be paid to Great Britain, which would thus receive (1) the 11 milliards due to her under the Spa agreement, (2) the two milliards to reimburse the advances she made to Belgium, and (3) an extra milliard, arising from the circumstance referred to above, making in all 14 milliards, which would be equivalent to the total sum claimed by Lord Curzon in Paragraph 46 of his letter to Comte de Saint-Aulaire, and which would represent the British debt to America. As the United States Government has agreed to accept a reduction of nearly one-third in the amount owing to it by Great Britain, it is assumed that that country would also be willing to agree to a similar reduction in the amounts owing by France and Italy. In that case the French debt to the United States would be reduced from about 15 milliards to 10, and that of Italy from about 7½ milliards to 5. Under these arrangements, then, France would receive, as the present

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value of the debt owing to it by Germany, 28½ milliards, and would hand over to the United States 10 milliards, leaving 18½ milliards to meet part of the cost of her pensions and the reconstruction of her devastated area. Great Britain would receive 14 milliards, which, as she has herself suggested, she would hand over to the United States. Italy would receive 5 milliards, and would also utilise it to cancel her debt to the United States, while Belgium would receive and retain 3 milliards. Under such an arrangement the United States would receive 29,700,000,000 gold marks, or more than all the other creditors of Germany put together, therefore it is unlikely any objections would be raised from America, provided she is prepared to make the same proportionate reduction to France and Italy as she has already agreed to make to Great Britain.

Supposing such a settlement were arrived at, what would be the position of France *vis à vis* her own financial situation? She would receive from Germany 18½ milliards of gold marks, or, at the present rate of exchange, 74,000,000,000f, and it is considered by experts here who have gone into the figures that with this sum she would be able to make both ends meet, presuming she is able to balance her budget in the future by the increased yield from existing taxation, and that the franc remains steady (or, if it improves, that this improvement would be compensated for by an equivalent rise in the Rente). France needs money from Germany chiefly for pensions, which represent a capital value at present of just under 33 milliards, and for reconstruction purposes, for the completion of which she still requires to find another 40 milliards. These two sums represent approximately the 18½ milliards of gold marks which she would receive from Germany supposing the plan set forth above is carried out. Experts will doubtless find much to criticise in the plan in question, but it at any rate affords a basis for discussion, while the mere fact that it is put forward here proves that France is far from being as insistent on obtaining the impossible as she is often asserted to be. What and how Germany can pay remains, of course, to be seen, but the remark made by a French commentator, in discussing the suggestions set forth above, appears to be well justified: "It is unthinkable that a country of 60,000,000 inhabitants, like Germany, with its industrial organisation intact and freed from internal debt, cannot support a burden of 55 milliards of gold marks, when France, with a population of 40,000,000, and ten of its greatest industrial departments ravaged by war, is actually carrying on under a burden of nearly 100,000,000,000 gold marks of debt."

According to the latest available report of the Comité des Forges, the number of blast furnaces in operation on October 1st was 111, as compared with 109 on September 1st, 77 on April 1st, and 116 on January 1st. Sixty others were ready to operate on the same date, while 48 others were under repair or construction. The total number shut down through want of coke is now only five, as compared with those in effective operation on January 1st. The output of cast iron in September amounted to 481,874 tons, or a decrease of 4,376 tons as compared with the figure for December last, the last normal month before the occupation of the Ruhr. The output of steel during September, which amounted to a total of 446,480 tons, showed a drop of 5,884 tons, as compared with that for August, but was still 31,883 tons more than in December, 1922. The figures for the libera-

ted portion of Lorraine alone for September show a total output of 173,018 tons of iron (as against 175,000 in August, 155,000 in July, and 219,137 in December), and of 149,568 tons of steel (as against 149,000 tons in August, 133,000 tons in July, and 147,914 tons in December, 1922).

GERMANY.—BUSINESS CRISIS—CURRENCY—FINANCES—BOURSE—PRICES—TRUST LEGISLATION.

(FROM OUR CORRESPONDENT.)

BERLIN, November 6.

CONDITIONS go rapidly worse. They already closely resemble those of Russia on the eve of the Bolshevik revolution, Russia's national questions being here replaced by secessionist movements, and the open war with Germany replaced by the veiled war with France. The sufferings of large classes in the town, including for the first time for years a great part of the industrial working class, have become almost unbearable, and also, for the first time, there is a general tendency to indulge in disorder. Now when the rapid upward price movement is about to be countered by payment of wages in stable currency, as workmen long ago demanded, there is the threat, already partly realised, of no wages at all. Unemployment is increasing at such a breakneck pace that figures compiled a few weeks back are of no use as a guide; but it is probable that over a million persons are at present wholly without work. The contrast from conditions a little over a year ago when there were only 20,000 unemployed is very marked; and as the currency depreciation was even then rapid the change must be ascribed mainly to the Ruhr trouble, and to its effect on business in unoccupied territory. The number of unemployed in the Ruhr, Essen town excluded, on the 2nd was 339,923. Already six weeks ago (on September 29th) 500,000 out of about 5,000,000 trades union members were wholly workless, and 1,790,000 were working short time. Emigration is very rapidly increasing; in the first half of 1923 emigrants numbered 40,000. It is nevertheless characteristic that only 12 bankruptcies were recorded in October—so much did the rapid mark depreciation facilitate the payment of debts.

The situation created by the withdrawal of the three Socialist ministers from the Cabinet has not yet been cleared up. A misfortune is that the Empowering Law of October 13th, creating the economic dictatorship, has lapsed under the clause restricting its operation to a Cabinet of the same party composition as when it was passed. The law enabled Dr Stresemann to put through rapidly some necessary measures which the Reichstag would have taken weeks to pass. As long as the currency continues declining, ordinary legislative procedure is for certain important purposes wholly ineffective. The decrees issued under the dictatorship remain valid law; but they cannot be revoked or amended without Reichstag sanction. No one believes in a resumption of work on the Ruhr under satisfactory conditions. The provisional agreement between the French Commission and Ruhr industry, as reported here in newspapers, gives very little hope. The payment of coal tax up to October 31st of 15,000,000 dollars, less the value of products seized instead of tax by the French, will be a heavy burden; the payment of the later coal tax at the rate of 10 French francs per ton is apparently meant as a protection for the French metallurgical industry. The German Government will not compensate the works for the contracted for Reparation deliveries; it can only acknowledge the debt, but such an acknowledgment will not finance the delivering concerns.

The mark has for a couple of days been stable at around

420 milliards to the dollar, which is about 1-300th of the last-reported value of the Soviet rouble. In April this year the rouble was depreciated 7,000 times more than the mark. The new mark stability is due to the fact that New York quotations, long nominal, have ceased, so that there is no strong foreign influence working against the official exchange rates at which alone business here may be done. The public attitude towards the paper mark is best illustrated by experience with the provisional gold loan currency. At first this currency, which is in dollar denominations, maintained parity, nothing more, with the American dollar. Later, citizens being forbidden to invest their depreciating marks in dollars, rushed to invest them in gold loan currency; so that this wholly unsecured currency, whose only claim to stability lies in an official promise not to inflate it, rose to 300 and even temporarily to 400 milliard marks when the dollar stood at only 65 milliards. Naturally this disparity hung together with the limited supply of gold loan currency. The gold loan soon ceased to circulate, being used for hoarding. The Government countered by forbidding dealings in gold loan at other than the official exchange; and now the loan currency is at its dollar parity again. Up till a week ago the total circulation of gold loan currency was 300,000,000 gold marks; but now the issue of a further 300,000,000 gold marks, also in the form of Treasury bills, at 6 per cent., due 1932 is announced, which will not directly circulate, but against which private holders who have the other necessary qualifications will be allowed to issue their own emergency currency. The Cabinet has authorised the use, until November 30th, of foreign currency in home trade, and has withdrawn the prohibition against quoting gold mark prices in retail trade. A later declaration promises the stabilisation of the paper mark by conversion at a fixed rate into a stable currency. This was the original plan when the Rentenbank project was broached. It is, of course, not possible to fix the conversion rate until the maximum paper mark circulation is known, and this will be known only when inflation has actually ceased owing to the supplying of credit to the State in future by the Rentenbank.

Yet one more Bill reforming taxation is before the Reichswirtschaftsrat. Under this Bill a new property tax assessment will be made on December 31st this year, and if necessary repeated year by year, instead of as now every three years. The assessment will for the first time be in gold marks; the exemption limit 2,000 gold marks. The succession and legacy tax will also be in gold marks. The minimum rate is to be 3, maximum rate 70, per cent. A Reichswirtschaftsrat resolution demands a complete reform of taxation on the gold mark basis. The present system does not in general recognise gold assessments and rates, but only valorises paper mark rates according to the mark's gold exchange. The Reichsbank is stated on one day (November 3rd) to have put into circulation 3,692,000 million marks of new money. Taking the note circulation at 1 at the end of 1913, it was 524,330,557 on October 23rd. The statement for October 23rd shows an increase of commercial bills by 123,284 billions to 152,826 billions; Treasury bills by 510,400 billions to 678,179 billions; circulation by 400,980 billions to 524,330 billions. As a result of the increase in the maximum lending capacity of the Darlehns-Kassen, the advances, which rose enormously in the preceding week, declined by 1,087 billions to 4,528 billions, while the bank's holding of Darlehnskassenscheine rose by 73,957 to 79,620 billions, the total of outstanding Darlehns loans jumping from 5,663 billions to 79,620 billions.

The Bourse boom last week again made a record, the multiplication of prices beating all previous figures. The *Frankfurter Zeitung's* index number for home dividend-payers rose from 11,945,000,000,000 to 158,900,000,000,000. Stocks average 5,811,997,000-fold as much as at the beginning of 1922. Newspapers are quoting stocks in units of a milliard. The question of gold loan payments for stocks is being considered. The Berlin Bourse is in an extraordinary condition. Owing to the brokerage and banking congestion, the paper mark yield of a stock sale is credited only four days later, when as a rule the depre-

ciation has gone much further. As a result of this and of certain other influences there are very few sellers. The meagre supply of sellable stocks is rationed, and often no quotation rates are issued at all. Gold loan was yesterday rationed to \$100 per broker. The closing of the Berlin Bourse is discussed in newspapers, the grounds urged being the fact that the paper mark, which is still the necessary medium of transactions, is entirely useless as a standard for measuring values. The Prussian Trade Ministry is stated to be against this step. Bonds are also hardly being offered at all, and only a fraction of them receive official quotations; the long list of municipal bonds no longer appears in the Press at all. Yesterday the only Federal and State bonds quoted were:—War Loan, 10 milliards; Federal Fours, 60 milliards; Forced Loan, 40 millions; Savings and Premium, 10 milliards; Prussian Fours, 70 milliards; Prussian 3½ per Cents., 8 milliards; Hamburg Staats-Rente 4½ per Cents., 1919, "B," 8 milliards.

The price rise last week was exceptionally rapid, and it continued after the dollar exchange rise came to a standstill. By the 1st instant much the highest gold prices experienced in Germany were recorded, the wholesale index number ("Frankfurter Zeitung's" 1 in 1914) being 49,071,500,000 against a gold (dollar) appreciation of 30,952,400,000. This high gold price level—about 60 per cent. more than in 1914—has probably been exceeded by now. The last American index shows a rise of about 34 per cent. The index number for minerals was (despite the abolished coal tax and a cut in Steel Syndicate rates) 89,978,000,000, or, in gold, nearly three times as much as in 1914; for textiles and leather 43,293,000,000, food 41,028,400,000, miscellaneous goods 33,398,000,000, and industrial finished goods 41,682,300,000. The index for all commodities showed 20 at the beginning of 1920, 42 at the beginning of 1922, 2,054 at the beginning of 1923, 6,425 at the beginning of April, 3,063,358 at the beginning of September, 182,953,500 at the beginning of October, 2,664,100,000 October 18th, and 49,071,500,000 at the beginning of November. The index number for ten home-produced commodities was 38,667,300,000; for ten imported commodities 55,552,400,000. The gold mark railway rates, also the new gold mark fares, are very high; and it seems that Germany (housing omitted) is about the dearest European country at present, though there have been a few cuts in gold prices as the result of the abolition of the coal tax. Makers of hand tools and other small steel and iron articles have reduced their prices by on an average 1 gold mark per kilogramme. The Steel Syndicate's prices, now quoted in gold marks, have also been cut, the new prices, in gold marks per metric ton (for occupied territory) being: Ingots 151.40, blooms 173, billets 184.70, slabs 198.70, structural forms 218.30, bar-iron 219, hoop iron 273, wire rods 232.10, thick sheets (5 mm and over) 246.90, thin do. (under 1 mm) 344.80. The official cost-of-living index number for October 29th (1 in 1914) was 13,671,000,000, having risen 349 per cent. in the preceding week.

The Cabinet's last act under the expiring Empowering Law was to issue a decree regulating industrial combines. This measure is a curiosity, because, though Germany has long had more combines, mostly in the loose cartel form, than other European countries, they aroused very little opposition, and Socialists almost approved of them as possible nuclei of publicly owned industries. Before the war the only complaint was that the heavy raw-material producers overcharged the manufacturing consumer, and this complaint has been heard again of late; but probably the independent negotiations of the big Western combinations with France were an influence with the Government. The new decree enacts that all cartels and similar combinations must be effected by written instruments (so making possible closer inspection of the so-called "Interessengemeinschaften," which are at present mostly verbal), and it creates a Cartels Court, with power to declare void the agreement constituting a cartel, to release individual members from such an agreement, and to release a consumer from an oppressive buying contract with a cartel. The Court consists of a judge and four assessors, one of whom is a judicial officer, one each a representative of the conflicting interests, and the fourth an independent expert.

NORWAY.—SCANDINAVIAN MONETARY UNION—PRICES—LABOUR TROUBLES—OLD AGE INSURANCE.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, November 3.

FOR fifty years a monetary union has existed between the three Scandinavian countries, Sweden, Denmark, and Norway. To the three peoples, geographically and nationally so near related, the union has proved a great convenience; the coins and the paper money have circulated indiscriminately in any one of the three countries. As in so many other arrangements, the war proved more or less destructive to this state of things. Partly as a consequence of different monetary policies in the three countries, and partly from economical forces, very soon after the outbreak of the war there were symptoms of breakdown in the arrangement, and gradually the value of the silver and other currency, as well as of the bank notes, became different as measured by sterling and dollars. To begin with, the Norwegian krone stood highest—i.e., had the greatest sterling and dollar value of the three Scandinavian kroner. Before long this order was reversed, the Swedish krona appreciating, while the Danish and Norwegian kroner depreciated, the Norwegian krone most. The consequence was that the Danish and Norwegian silver coins went to Sweden, where they were exchanged at great profit. Export prohibition followed, but this could not prevent smuggling, which took place on a very large scale. Naturally, while Norway—as well as Denmark—was depleted of silver currency, and had to content itself with paper kroner, Sweden was flooded with silver coins from other countries. To put up with this would, of course, involve the Swedish national bank in a great loss, and that bank therefore—as is its undoubted right—claims that the two other countries shall receive back their money and give it Swedish money at the current rate. Large sums are involved, and Norway alone will lose several millions which have been appropriated, in the main, by the smugglers.

A commission has been appointed to consider the matter, consisting of the directors of the national banks of the three countries and other experts. This commission is sitting at Christiania, and they have already sent out a communiqué stating some results of their deliberations. They are proposing to the Legislatures of each country that the monetary union be altered so as to enable each country to mint fractional currency—possibly perforated—for circulation only in the country of origin, and also to permit the perforation or any other suitable alteration of the currency already in circulation, thereby limiting its circulation to the country concerned.

The Statistical Central Bureau has published its calculations of the cost of living as at October 15th. There has been an insignificant fall; the total is put at 229, which is due to foodstuffs having gone down from 218 points in September to 217 in October. According to *Farmand*, wholesale prices have advanced a little for the same period, viz., from 233 to 234, or 1.2 per cent. The number of unemployed has undergone no material change lately, but there are labour troubles ahead. There has been a strike at the saw mills for about seven weeks, and during the last two weeks the workers of the chocolate mills—a very important industry—and also of some other industries, have struck work. The Official Conciliator has proposed terms of conciliation, which have been generally accepted by the employers but rejected by the workpeople. The Union of Employers, through their board, have decided on a lock-out, the people in several important branches, as the pulp and paper industries, having received notice for the 15th inst. If the lock-out takes effect, it will embrace about 16,000 men, which, added to the 4,000 striking, will raise the number to 20,000 persons.

The Storting has before it a plan for Old Age Insurance for the whole nation. While there is no diversity of opinion as to the desirability of such a plan, the manner in which it should be carried through is the subject of differing views. But at all events, any plan that may be agreed upon will be too expensive to put into operation for the present, and will, therefore, be of a somewhat academic character.

Letters to the Editor.

TRIANGULAR TRADE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your article in last week's *Economist* on "Fiscal Heresies," you refer to the triangular nature of trade. Many convinced Free-traders are, I think, not a little concerned over this difficulty—that in the present chaotic conditions of the exchanges, the purchase of raw material by Germany from India (to take the example given), and the export by Germany of manufactured goods to the English markets, might go on for a considerable time without the triangle being made complete by the third process of English exports to India. The two-sided nature of the trade would not be notified by the barometer of the exchanges, since these fluctuate to a degree not known in pre-war days, owing to speculation and other forces. It is surely possible for credits to be established here in Germany's favour by the said sale of goods, and the proceeds remitted to India in payment of the raw materials without the marked effect on the exchanges that would ordinarily ensue, and in that way the rectification by the English exports is delayed. In the interval an English industry might be permanently damaged. Such a result is rendered more probable if reparations, which are a tribute and not trade, are demanded.—Yours faithfully, J. F. DUNN.

4 Copthall chambers, London, E.C. 2, November 6th, 1923.

Our correspondent is right in recalling that there are more elements in the balance of trade than mere physical imports and exports, which practically never balance for any country. Imports and exports only balance if we include shipping and other services and coupons among our exports and scrip among our imports. If we are foolish enough to do so, we may even include foreign paper currencies among our imports; and, in fact, this is what has been happening in the last few years, for England and America have sent to Germany large quantities of goods against paper marks. If it had not been so, it is difficult to see how Germany could have lived. The figures of our trade balance with Germany, which are quoted in a leading article, show how small is the amount of goods we have taken from Germany in proportion to what we have sent, and how large is the margin that has been filled by speculation in marks or investments in Germany. But if, and when, reparations are paid, the balance would be on the other side, for the payments can only be made to the extent that Germany's exports in the widest sense exceed her imports. The result might be achieved either by increased exports or by diminished purchases. The former would compete severely with Great Britain, but not necessarily through a depreciated exchange. Ordinarily an export tends to increase the value of the currency of the country exporting; but in the case of reparation exports this would not happen, for even if reparation funds were raised by taxation and not by inflation, the mark exchange would not be improved, for the funds so raised would be transferred to foreign holders, and no purchase of marks would be involved.—ED. *Economist*.]

Books and Publications.

BANKING IN AMERICA.

No study could be more stimulating and instructive to bankers and bank officials than that of the methods by which their brethren and rivals in the United States organise and carry on their business, and this investigation* of the subject by Mr Minty, of the London Joint City and Midland Bank's statistical office, seems to be in every way an excellent guide to this fascinating labyrinth. It is written, as the author explains in his preface, "from the point of view of an English bank officer anxious to give a practical description to English bank officers of the way in which the work is put through in an American bank." Sir Drummond Fraser, in the introduction that he contributes, enumerates the long list of distinctions achieved by Mr Minty—among many other things he was the first student to take the degree of B.Com. in two years, while pursuing his daily work at the bank—and adds that "his trained mind has grasped essentials, while his patient research in the past has borne fruit in his microscopic presentation of detail. He has a sense of perspective which enables him to put the high lights on the essence of the whole system. And his outcropping sense of

* "American Banking Methods," by Leonard Le Marchant Minty, B.Sc. Econ., &c., &c. With an Introduction by Sir D. Drummond Fraser, K.B.E., M.Com. P. S. King and Son. 15s.

humour makes him recognise the relative values of the facts he presents." With praise so emphatic already earned from one whose qualifications as a judge of a book on banking can hardly be excelled, this volume begins its career as confident as Carpentier of a quick and easy success, and the mere layman can scarce venture to criticise. We may, however, suggest to Mr Minty that in his description of the capital of American banks and trust companies he has omitted any mention of the important question of the liability of stockholders. In the case of national banks, we believe that the stock is fully paid up, but that there is a reserve liability of \$100 on each \$100 share. This is a detail which does not in any way affect the practical working of the banks, but as a matter of practical interest to students of the British and American systems, it might be given a line or two in later editions. And is Mr Minty quite accurate in saying that, in the pre-Federal Reserve system days, "there were no American banking institutions maintaining branches in foreign countries," and that "this was remedied by the provisions of Section 25, which allows national banks to open foreign branches"? He is right, of course, with regard to national banks, but, as he shows himself on a later page "this disability did not apply to trust companies and banks incorporated under State law"; the Guaranty Trust, which had a branch in London many years before 1913, is surely a "banking institution," to say nothing of the many private banking firms which were so closely affiliated to American firms that they were, in effect, branch-partners. Again, he not only quotes an American delegate at a Bankers' Convention as speaking of "the Baring failure of 1890," but himself writes of "Barings at the time of its failure"; but there never was a Baring failure, and it is not well to use ugly words where they are inappropriate.

Apart from the mass of technical detail which can only be appreciated and understood by the bank officers for whose instruction it is intended, the chief impression left by the book is wonder at the extent to which all kinds of American banking institutions are tied and bound by official regulations, as compared with the complete freedom with which English bankers are left to conduct their business in the light of their own prudence and knowledge. Concerning the limitations on the freedom of the national banks, Mr Minty is not very clear, except with regard to inter-locking directorates and amalgamations. He refers, among the evils remedied by the Federal Reserve system, to the "inability of the national banks to legally make loans upon real estate," and says that it was remedied by the setting up of the Federal Farm Loan system; but in a footnote to a later page it is stated that "a national banking association," which appears to be the same thing as a national bank, may hold real estate "such as shall be mortgaged to it in good faith by way of security for debts previously contracted," which seems to open a very obvious door to those who want to evade the restriction. But in the case of a trust company organised under the banking laws of the State of New York, we learn that "it is prohibited, except by permission of the Superintendent of Banks, from acquiring and holding for more than five years any real estate, except for the purpose of building its own offices. Nor may it lend a sum more than one-tenth of its capital stock and surplus to any single individual or corporation. It may not lend on real estate on which there is a prior mortgage, lien, or encumbrance, if the prior mortgage or encumbrance exceeds one-tenth of the capital stock of the trust company or two-thirds of the appraised value of such real estate. It may not directly or indirectly invest more than 10 per cent. of its stock in any one private concern. On the other hand, the capital of every trust company must be invested in bonds and mortgages on real property within the State of New York, otherwise unencumbered, not exceeding 60 per cent. of the value thereof, as evidenced by an abstract of title, or certificate and opinion of title of counsel thereon. There are many other precise limitations contained in the Banking Law of New York, which limit the general powers.....In every department the manual containing the State Law has to be consulted from time to time."

With control so strict, evasion is inevitably ingenious and vigorous. The Bank Act tries to make it illegal for one national bank to acquire another by amalgamation

and keep its main office open. "This is circumvented by taking premises and removing the main office to them. One account is transferred to the new main office—which, in fact, may not comprise more than a desk, a ledger, and a clerk—and the fact that the main office has been transferred is duly advertised. The new main office is then closed, and the real main office of the amalgamating bank becomes a branch of the consolidated concern." But what a demoralising waste of energy is involved by endeavours to control a business that can only be healthy if left free!

Apart from this most essential difference between the American and English systems, perhaps the most notable are the strong aversion in the United States to the principle of working through branches, and the common use by banks in America of clerks specially trained as bond salesmen. "They are paid a fixed salary and a commission on their sales. In many respects they are a kind of commercial traveller who, instead of selling ties, underwear, or handkerchiefs, sells stocks and bonds." Such a system seems quite impossible, at first sight, to be worked by English bank officials; but perhaps it is better than leaving the uneducated public to the touting share-pusher.

THE LABOUR SITUATION IN THE MINES.*

THERE is no chapter in our industrial history which is more worthy of study than the events of the last six years in the mining industry. The wage agreement of 1921 may one day prove to have the most far-reaching effects upon our whole wage system. But for the two years of its existence it has had to encounter and live down considerable prejudice, from the fact that it came as the result of a great defeat. This agreement, however, will be a central topic of industrial politics for probably years to come, and it is therefore important that the public should have an adequate account of its origin and the events which led up to it. This need is largely met by Mr Cole's book on the labour situation in the mines during and after the war. Mr Cole has played so great a part in Labour thought in recent years that it is not to be expected that he can altogether fill the rôle of impartial historian. For example, in the chapter on the Sankey Commission, he does not show a very sympathetic understanding of the employers' case, and though he has made every effort to be impartial, the brevity with which he states the opposing point of view leaves a one-sided impression. But, in any case, his book is an important contribution, for it is written with a considerable amount of inside knowledge of the movements that occurred on the Labour side in the critical events which he narrates; and he shows that sound sense of proportion which we believe he shares with the great masses of the workpeople of this country, in recognising that the tragedy of 1921 was essentially a consequence of the economic dislocation of the Great War, and not an episode in a desperate class struggle.

* "Labour in the Coal Mining Industry." By G. D. H. Cole. The Clarendon Press, Oxford. 7s 6d net.

A TEXTBOOK OF ECONOMIC HISTORY.*

THE author of this book, besides being a Professor of Political Economy at Williams College, has been a Professor at Tokyo, and United States Minister to Greece from 1914 to 1921. He ought, therefore, to have a fairly cosmopolitan outlook. Yet his book shows a curious lack of any sense of connection between the various events in the various parts of the world which it describes. Beginning with the year 1763, it records (somewhere) pretty well all the important events in the economic history of Great Britain and the United States, and to a less extent also of France and Germany. Professor Droppers seems, however, never to have decided whether his narrative shall start from the big economic changes of the century which affected all of the countries with whose affairs he deals; or whether he will describe the sequence of events country by country. Consequently the reader is plunged in somewhat confusing fashion from accounts of the rise of cotton, woollen and iron industries generally, to a picture of

* "Outlines of Economic History in the Nineteenth Century." By Garrett Droppers, Ph.D. The Ronald Press Company. New York. 1923.

France before the Revolution; while a chapter on France under the Second Empire leads on without any apparent connection to one on the effect of investment in India. Moreover, even within this plan, the arrangement is sometimes rather bewildering. We were surprised, for instance, to find in the chapter on the rise of the cotton industry no mention of so important an invention as Whitney's cotton gin. But having noted this omission, we came upon it rather awkwardly housed among the effects of American Independence.

There are a very great many facts in this book, and so far as we can judge amid such profusion they are accurately stated. But there is not much else, nor is there any apparent unity underlying the facts, which are indeed, as it were, flung in rapid succession at the reader's head. Dogmatism, and economy of discussion accompany the author even on the occasions when he is tempted aside from the path of concrete events. Consequently the book reads like a student's note book. The following is typical:—"In the year 1810 a committee was appointed by Parliament, known as the Bullion Committee, the purpose of which was to examine the causes of the depreciation of bank notes. Their report is very famous, and their conclusion was that the depreciation was caused by an excessive issue of paper money. That, however, was not Tooke's opinion, and it is probable that the opinion of Tooke was more nearly correct." Not ours to reason why!

ALCOHOL.*

No one to-day defends the unchecked consumption of alcohol as a beverage, for within the personal knowledge of everyone of us there are the saddest examples of its evil effects. Investigators into the conditions of the poor in our towns have stated that something like a half of the existing poverty is due to preventable causes, of which the abuse of alcohol is the chief. Its effect upon crime and the close connection between alcoholism and lunacy, and even mortality, is established by masses of evidence. On the other hand, alcohol undoubtedly has its uses. It can be absorbed into the body as a food without impairing the processes of digestion, and the energy derived from its oxidation can be used for the normal processes of the body—circulation, respiration, muscular work, and the preservation of body temperature. At the same time, when muscular work has to be done the human machine consuming alcohol as fuel works more slowly and at greater expense of energy than with other foods. Alcohol can replace sugar in cases of diabetes, and in a number of other cases is of great value as a medicine. Alcohol in moderation may not merely produce a more convivial social relation, but contribute to recuperation, for what is commonly regarded as its stimulating effect is really due to the fact that it moderates a sometimes excessive activity of the higher nerve centres. As the doses increase, this paralysing effect tends to become intoxication, but at the outset it merely produces an absence of worry and a freer flow of conversation by relaxing the inhibitions imposed by the controlling apparatus of the brain.

These and many other questions are discussed and illustrated from numerous experiments described in an extremely interesting book by Professor Starling, who has undertaken the important task of giving an account of the action of alcohol upon man in the light of the most recent scientific knowledge. Professor Starling in his exposition has been very successful in maintaining an unbiased attitude. But he frankly allows his own outlook to escape in a few lines in his preface, where he says:—

"I cannot pretend to foretell what will be the effect on the unbiased reader of the evidence here presented. As regards myself, it has convinced me that in a civilised society such as ours the abolition of all alcoholic beverages from among our midst, even if carried out by universal consent, would be a mistake and contrary to the permanent interest of the race. If it were enforced by legislation against the wishes and convictions of a large proportion of the members of the community, I believe it would be little short of a calamity."

We may, however, doubt whether the decision will

* "The Action of Alcohol on Man" By Ernest H. Starling. Longmans, Green, and Co. 12s 6d net.

drawn upon the balances brought forward to pay dividends, but in no case has a definite reserve fund been debited.

In the next table we show the ratio to total ordinary and preference capital of net profits and of amounts carried to reserves, &c. :—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1922.	£	£	£
Third quarter....	205,481,600	12,120,153	5.9
Fourth quarter... 1923.	268,105,000	24,228,719	9.1
First quarter....	406,793,000	40,276,870	9.9
Second quarter....	396,675,400	38,945,778	9.8
	1,277,055,000	115,571,520	9.1
Third quarter....	195,420,900	17,317,482	8.9

The ratio of profits to capital in the past quarter is a little lower than the average for 1921, but that of amounts reserved shows a considerable improvement.

The average rates paid on debenture, preference and ordinary capital in each quarter since the beginning of 1920 have been as follows :—

AVERAGE RATES PAID.

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.	1920.	1921.	1922.	1923.
1st quarter	4.25	4.43	4.70	4.61	5.1	5.0	5.3	5.7	10.3	10.3	8.5	9.3
2nd quarter	4.40	4.61	5.00	5.08	5.0	5.6	5.0	5.4	13.7	12.6	8.8	9.9
3rd quarter	4.12	4.45	5.21	4.90	4.9	5.0	4.5	4.3	14.2	9.7	7.6	7.8
4th quarter	4.43	4.52	4.83	..	5.3	5.1	5.6	..	11.6	7.6	8.6	..

The average dividend distributed on ordinary capital in the past quarter was at the modest rate of 7.8 per cent., and very little higher than that distributed in the corresponding period of 1922, when profits were so much smaller, the explanation being that very much larger amounts have been retained in the balance-sheets, as the foregoing figures have shown.

The final table gives the average rates paid by each of the groups, together with the average rate of ordinary dividend shown in our article a year ago :—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.
Breweries	10,981,931	3.3	11,810,745	4.9	20,534,691	16.1
Gas	913,709	5.0	145,815	6.4	2,324,233	8.8
Hotels, restaurants, &c.	1,425,156	4.3	735,000	5.7	1,401,079	9.9
Iron, coal, and steel	5,897,625	7.0	4,609,125	4.2	11,603,193	9.7
Land, mortgage, &c.	4,763,371	4.6	3,032,955	3.5	4,750,722	6.6
Rubber, &c.	628,986	6.4	542,335	2.7	7,246,346	5.4
Shipping	48,244	4.5	2,225,000	3.1	7,544,540	6.3
Shops and stores	193,400	6.0	394,975	6.3	1,055,250	14.8
Tea	2,810,420	4.0	60,000	6.0	248,822	24.4
Telegraphs, &c.	5,979,718	4.8	11,910,188	3.2	10,302,796	10.2
Textiles	1,015,080	4.7	1,431,980	9.4	16,933,607	7.3
Trust companies	197,349	4.7	102,984	8.0	4,929,982	6.4
Waterworks	14,778,928	5.4	31,794,966	4.3	35,400,009	4.3
Miscellaneous	49,633,877	4.9	71,306,148	4.3	124,114,774	7.8

Six groups show a reduction in the average rate of ordinary dividend, including the textile group, whose profits increased substantially. The land, mortgage, &c., group, on the other hand, pays a slightly higher rate, though aggregate profits were much lower. In neither year, however, did the company whose figures were responsible for the drop in total profits pay an ordinary dividend.

REVOLT OF THE PANEL DOCTORS.

If the dispute of the "Panel Doctors versus the Approved Societies, the Ministry of Health intervening," be not speedily settled, the country will be required to face the wholesale resignation of most of the 13,000 panel doctors who are charged with the medical service of fourteen million people under the National Insurance Acts. The *British Medical Journal*, the official mouthpiece of the powerful Association which is standing behind the panel doctors, declares war in definite terms: "The profession must now decide once and for all whether it will submit to approved society domina-

tion, or whether it will take this opportunity of making its freedom sure.....The only course now open is for the profession to show that no service can be secured under the Acts, whatever the exact terms, until the professional position has been re-established. This means that every insurance practitioner should at once send to the secretary of his Panel Committee his resignation from the service, to take effect on January 1st next." It is expected that the notices of resignation will be secured by October 30th, and seeing that the panel doctors are now very tightly organised and that the British Medical Association is in control of their side of the controversy, there is at least some danger that these expectations will be realised. The Conference of panel doctors on Thursday unanimously accepted the advice of the Association to proceed with the resignation policy.

It is a lamentable business, though when one comes to examine the details of the dispute and to go through the history of the working of the National Insurance Acts, one cannot help feeling that the stand which the doctors are making should not have surprised either the Ministry of Health or the approved societies. The issue now is almost exactly the same as the issue in 1911-12, when Mr Lloyd George was compelled to give way to doctors incomparably less well organised than they are now. Primarily it was not then, and is not now, a dispute over fees, though an attempt to reduce fees now has occasioned the dispute. Then, as now, it was a refusal by the doctors to be controlled by the approved (friendly) societies. As a result of the settlement in 1912, the control over the medical services under the Act was vested by statute in district Insurance Committees representative of all parties concerned. The friendly societies—which expanded into approved societies—were charged with the organisation and collection of insurance cards and payments, the paying out of cash benefits (sickness, maternity, and so on), and the general financial administration. As time has passed the power and influence of the approved societies have gone up, and those of the district Insurance Committees gone down. The societies, as purse holders, have accumulated large reserves against the Insurance Fund's liabilities under the Acts, and for additional benefits—reserves which the doctors erroneously regard as "surpluses"—and have gained the ear of the Ministry of Health, with which they are intimately associated in the financial administration. It was inevitable that they should do so. The district Insurance Committees, which were supposed to look after the medical service, have fallen so completely out of the picture that they are playing no part at all in the present dispute. The approved societies, taking perhaps a too strictly business view, want to get the medical service placed upon the lowest scale of fees which will attract the necessary number of doctors; the doctors object strongly to this rather narrow and sordid view of their functions, and declare further that the approved societies have nothing to do with the determination of their fees, and that interposition by them is an impertinence; the Ministry of Health has tried to hold the balance and keep the peace between the powerful and pushing approved societies and the suspicious and resentful organisation of doctors. So far the Ministry seems to have made rather a mess of things. At any rate, its assumption of authority to lay down terms to the doctors has precipitated the revolt. The doctors look upon the Ministry as being so much under the thumb of the approved societies as to have lost status as an impartial arbitrator.

The solution of the trouble is fairly obvious. It was brought about by an attempt on the part of the approved societies to have the fees of doctors reduced. The Ministry has fixed a scale of fees which it considers a just compromise between the societies and the doctors. The doctors decline to accept the Ministry's scale of fees, but have offered to accept the award of impartial arbitrators. The Ministry has rejected arbitration because the Minister regards "his position as that of an arbitrator with the added responsibility of his Ministerial duty." The doctors reply by threatening resignation of their appointments on the panel. It is clearly necessary to remove the whole question of fees out of the heated atmosphere of suspicion

Courtaulds, in the textile list, spurted at first upon the idea that Protection would be good for the company, but the rise brought in a good many shares, and the price promptly gave way. Coats fell sharply on disappointment at the dividend and bonus being no more than those of a year ago. A few of the motor prices improved, because of the excellent business which, according to the newspapers, has been done at the Motor Show. Dunlops rose to 9s 3d bid. Lively dealings in *Daily Mail* debenture have taken place between 3½ premium and a point higher. Newspaper shares are lower. There is not much doing in the tobacco group. Aerated Breads gave way on the reduction in the dividend, but the fall tempted bargain-hunters, and there was some recovery. Other catering, hotel, and stores shares are little changed on the week. Illumination stocks and shares remain steady. Hudson's Bays have weakened.

The Kaffir Market keeps good, in consequence of the high price at which gold now stands owing to the movement of the New York rate of exchange. Moreover, the end-December dividends are anticipated with a good deal of optimism, and this is helping the market, though public support is comparatively slender. Rhodesians also are dependent upon their professional and semi-professional supporters for activity. A dramatic rise in the price of tin brought about sympathetic advances in the shares of Malayan tin companies, while a few West Africans also improved, and the Cornish issues, more particularly Geevors, advanced briskly. Indian mines recovered a trifle after their recent weakness. In Mexican and Russian mining shares there is not much business doing.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£	£	£	£
ISSUES OF THE WEEK—				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED NOV. 3, 1923.				
April 1, 1923, to Nov. 3, 1923, £14,850,000 ..	Dr 350,000	Dr 350,000		

To the Public—				
County of Southland (New Zealand) Electric Power Board, £750,000 5% Debts. at 99% (Guar. by N. Zealand Govt.), repayable at par 1936.	750,000	742,500	37,500	705,000
Sept. 15, 1924.				
Peninsular and Oriental Steam Navigation Co., £3,500,000 5% Deb. Stock (red. at par, 1930-1940), issued at 98% (Nov. 5)	3,500,000	3,430,000	175,000	3,255,000
Tata Power Co., Ltd., £1,000,000 4½% (std. under Trade Facilities Act), "A" Mort. Deb. Stock (red. at par 1923-48), issued at 97% (Nov. 5).	1,000,000	970,000	50,000	920,000
Do £750,000 7½% "B" Deb. Stk., issued at 95% Red. 1938-1950 (Nov. 8)	750,000	712,500	37,500	675,000
Hall and Co., Limited, 35,000 6% Cum. Pref. Shares, £1, at par (Nov. 8).	35,000	35,000	4,375	30,625
Total offered to the public....	5,890,000	5,890,000	304,375	5,585,625
To Shareholders only—				
Union Oil T. est., £25,000 8% Debts., £10 (Nov. 5) at 90%	25,000	22,500	3,750	18,750
Total offered for subscription to date	5,915,000	5,912,500	308,125	5,604,375
in—				
1923	2,251,490,921	1922	2,573,675,650	
1922	548,825,208	1921	388,978,203	
1921	284,722,936	1920	367,549,656	
1920	333,952,670	1919	1,036,059,951	
1919	969,538,103	1918	1,393,381,441	
1918	1,232,389,718	1917	1,318,596,010	
1917	1,219,993,903	1916	585,436,853	

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

Peninsular and Oriental Steam Navigation Company.

Incorporated by Royal Charter in 1840. Paid-up capital amounts to £6,632,518, and there is a debenture stock (not including the present issue) of £4,987,560. This is an issue of £3,500,000 5 per cent. debenture stock at 98. At the time of the previous issue in 1922 of a similar amount of 5½ per cent. debenture stock, the right was reserved to issue further stock, but not exceeding £3,500,000, to rank *pari passu*. The whole of the £7,000,000 of stock is secured as a floating charge on the undertaking and assets, ranking next after the 3½ per cent. debenture stocks, of which £1,487,560 is outstanding. On and after October 1, 1930, the company may redeem the whole or part of the stock at par, and any stock not previously redeemed will be repaid at par in 1940. The proceeds of the issue will be applied to the general purposes of the company, and more especially to the construction of new vessels, in replacement of those destroyed by enemy action during the war, and to build others to meet the growing re-

quirements of the business. The interest on the outstanding 5½ per cent. debenture stock and the 5 per cent. debenture stock now issued will amount to £367,500 per annum. The cash dividend distributed in respect of the last ten years, for which the accounts have been completed, on the preferred and deferred stocks, after payment of interest on the then existing debenture stock, has averaged £537,652 per annum. During the same period the accounts show that the reserve, insurance, and contingent funds have been increased by £4,202,192. The existing 5½ per cent. debenture stock is quoted at 103 ex interest, at which price the yield works out at £5 2s 6d per cent. The new issue is evidently based on this quotation. This is an excellent security, and much useful information is given in the prospectus. This issue was well received.

The Tata Power Company, Limited.—Incorporated in 1919 under the Indian Companies Act, 1913. Authorised share capital 90 million Rs., equivalent to £2,000,000, taking the rupee at 15 to the £. The issued share capital is £1,742,320. During the week two separate issues of debenture stock of this undertaking have been brought before the public. It is to be hoped that investors have not confused the issue guaranteed by the British Government with that of the "B" mortgage debenture stock. The first and more important issue is that of an offer of £1,000,000 of 4½ per cent. guaranteed "A" mortgage debenture stock, 1929-48, at 97. Principal and interest is guaranteed by the British Government under the Trade Facilities Acts. The stock will be repayable between 1929 and 1948 by the operation of a cumulative sinking fund, to be applied in purchasing stock at or under par, or in redemption of the stock at par by drawings, each £100 of stock being given a distinctive number for this purpose. The company may also redeem any outstanding stock at par on or after May 15, 1934. The stock will also be secured by a first specific mortgage on the lands and fixed assets of the company, and a first floating charge on other assets, including uncalled capital, and the company may not create any mortgage or charge ranking in priority to, or *pari passu* with, the stock. As this issue is guaranteed by the British Government the merits of the Tata Power Company as a business undertaking are of secondary importance, and obviously this guaranteed stock ranks amongst gilt-edged securities. The second issue has been effected by means of an "offer for sale." This consists of £750,000 7½ per cent. "B" mortgage debenture stock at 96½. The stock forms part of a total authorised issue of £1,000,000, and will be secured by a specific mortgage upon the electric licence, lands, buildings, and fixed plant and machinery of the company and a floating charge upon its other assets, present and future, ranking immediately after similar charges upon the first-mentioned issue have been met. The trust deed will provide for the establishment of an annual cumulative sinking fund, commencing in the year 1929, of 2 per cent. on the amount of stock at any time issued, to be applied annually in redeeming stock by purchase or by drawings at par. The company reserves the right, subject to the previous redemption of the 4½ per cent. first mortgage debenture stock, to redeem all or any of the "B" debenture stock at par on any interest date after November 1, 1938, on giving three months' notice. Stock not previously redeemed is to be paid off at par on November 1, 1950. This enterprise is not yet completed, but its revenue is estimated at £400,000 per annum. Interest and sinking fund on the "A" debentures are estimated to absorb £80,000, leaving £320,000 available for the interest and sinking fund, amounting to £71,250 per annum on the present issue. But investors should realise that estimates of profits and actual profits earned are often two very different things.

Dominion of New Zealand.—County of Southland Electric Power Board 5 per Cent. Debentures.—Issue of £750,000 bonds to bearer, at the price of £99 per cent., principal and interest being unconditionally guaranteed by the Government of New Zealand. The issue represents the balance of £1,500,000 which the board has power to borrow and of which £750,000 was issued in August, 1921. The principal will be repaid at par on September 15, 1954, but the board has the right to redeem the debentures at par on or after September 15, 1936. The loan will provide additional funds for the erection and equipment of the County of Southland Electric Power Station, most of the plant for which, it is stated, has been or will be purchased in this country. A good 5 per cent. security.

Hall and Co., Limited.—Authorised share capital, £400,000, divided into 200,000 6 per cent. cumulative preference and 200,000 ordinary shares, all of £1 each. Of these, 75,000 preference and 110,000 ordinary shares have been already issued. This is an issue of 35,000 6 per cent. cumulative preference shares of £1 each at par. The company carries on a coal and builders' material, &c., business, with head office at Croydon. The foundation of the business dates back to 1835, and it is now represented at most of the principal towns served by the Brighton section of the Southern Railway. For the five years 1919-23, 15 per cent. has been paid on the ordinary shares, and the last three annual reports have shown average net profits of £33,833 per annum. The dividend on the pre-

FOREIGN MANUFACTURERS' POSITION.

The foreign manufacturer is in exactly the opposite position. He has the output in his own country reserved to him. At the

same time, he can enter the English market without let or hindrance, and free also of taxation. On the face of it, his cost of production is bound to be lower, and, in addition, he can job off surplus stocks in this country instead of at home, and so keep his own market clean.

I wish, therefore, to put the following conundrums to the shareholders and employees of the company: Are these conditions fair to producers in this country? Do they not divert production and employment to foreign countries? From our point of view, so long as we manufacture in England we can only sell in England. If we were to transfer the whole of our production to France we could sell both in France and in England, and so reduce the cost of production. Other Continental countries would also be open to us, since France has tariffs with which to bargain. Ours is not an isolated case. The same conditions apply to all our customers, and so intensify the evil.

The stereotyped reply to such conundrums is that it does not matter what the foreigner does, because imports are paid for by exports. Exports of some sort do pay for imports, but is it a healthy sign that our principal export should consist of coal?—an irreplaceable raw material which the foreigner has not got in the same quantity or quality, and has to have in order to compete with us. Under present conditions England is becoming a country in which to sell, not to manufacture, but without production no country can exist except possibly as a holiday centre.

UNFAIR COMPETITION.

At present Erinoid is doing very well because we have a unique material to sell, but unfair competition from abroad is depressing every industry, and that will ultimately react on our trade here.

I am sorry to have detained you so long, but I feel this complex question is not a political issue, but a serious business question of importance to capital and vital to employees of all grades in this country. I think producers ought to state their case whenever possible, and not leave it to those producers who only produce political speeches, on which there is neither a tariff nor a tax.

The Chairman concluded by moving the adoption of the report and accounts and the payment of a dividend at the rate of 4 per cent., less income-tax at 4s 9d.

Mr P. M. Bright, J.P., seconded the resolution, which, after the chairman had replied to a few questions, was passed unanimously.

The election of Mr C. E. Cleeve as a director was confirmed; Mr F. W. Beck, the retiring director, was re-elected, and Messrs Woodhouse and Wilkinson were reappointed auditors.

A hearty vote of thanks to the chairman, the directors, and the managers concluded the proceedings.

ARGENTINE GREAT WESTERN RAILWAY COMPANY, LIMITED.

DIVIDEND POSITION—AN INTERESTING COMPARISON.

The ordinary general meeting of the Argentine Great Western Railway Company, Limited, was held, on the 6th instant, at Winchester House, London, the Rt. Hon. Viscount St Davids (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: You know that the preferred stock ranks for dividend with the first preference stock of the Buenos Ayres and Pacific, which is a cumulative stock, that the ordinary stock ranks for dividend with the second preference stock of the Pacific, which is a non-cumulative stock, that when the Pacific on its ordinary stock pays more than 5 per cent. and up to 6 per cent., both the preferred stock and the ordinary stock rank for dividend with the Pacific ordinary stock up to that extent. Well, the result of this

perhaps rather cumbrous system of dividend has been that over a period of 15 years the average dividend of this company works out at 4.37 per cent., and I venture to say that that, on the whole, is a bigger average dividend than the stockholders would have received if this company had been running on its own. At any rate, we are able to congratulate ourselves to-day that for the first time for 15 years we have got back to a dividend of 6 per cent., and we all hope we shall stay there.

There is one thing we mention in the report about which I think I ought to say a word, and that is the new workshops and running shed. These are practically the same on the Argentine Great Western as they were 25 years ago. At present the workshops are quite inadequate. In 1898 the total number of locomotives in service was 58; to-day it is 199. Much of the movement of materials, lifting of engines, &c., has to be done by manual labour, being a slow, costly and dangerous method. With proper lifting and transporting appliances less labour would be necessary, and there would be less danger of accidents. In the running shed the average number of engines dealt with per day in 1898 was nine. To-day the average number dealt with is from 40 to 50, and, owing to the small size of the shed, three-fourths of the work has to be done outside in the open air, where the men are exposed to all kinds of weather. The total estimated cost is £416,000. It was proposed to spread this over five years, but it may be necessary to accelerate completion.

The new policy which we explained to you last year of our putting in quite small branch lines and sidings has been a very successful one. The longest of those branch lines is only 21 miles, and some of the sidings are less than a mile, but you may take it that, as a whole, those branches and sidings pay from the day they are put in—not in themselves, but in the long haul over the Argentine Great Western and Pacific main lines.

Comparing our position with that of 20 years ago, I may say that at that time we had 329 miles of line; we now have 989 miles, or more than treble. Our capital expenditure then was £4,819,000; now it is £13,374,000. The dividends and interest we distributed were £220,000; now they are £571,000. We carried then 412,000 tons of goods, whereas now we carry 2,094,000 tons—a fivefold increase. Then we carried 482,000 passengers; we now carry over 3,000,000.

The Rt. Hon. Lord Lawrence of Kingsgate seconded the resolution, which was carried unanimously, and a vote of thanks to the chairman and directors terminated the proceedings.

BAHIA BLANCA AND NORTH-WESTERN RAILWAY COMPANY, LIMITED.

QUESTION OF THE TRANSFER OF LINE.

The annual meeting of the Bahia Blanca and North-Western Railway Company, Limited, was held, on the 5th inst., at Winchester House, London, the Viscount St Davids presiding.

The Chairman, in moving the adoption of the report, said: I think there is only one thing in which you are particularly interested, and that is to know how the matter of the transfer of this line from the Pacific Company to the Buenos Ayres Great Southern is progressing. If, after we had approved it, the transfer had been sent straight to the Argentine Congress, the matter might have been disposed of a long time ago, but, unfortunately for the speed of the transfer, there was a great question as to the law on the subject, the question being whether the executive power—that is, the President of the Argentine—had the power of approving the transfer or whether it had to go to Congress. For some time the lawyers had an open mind on the question, and eventually they decided that the transfer had to go to Congress. It was sent to Congress, but it was only sent just at the very end of the session,

when it was impossible for it to be taken. Congress does not meet again until May 24th, and therefore this question of the transfer of the line cannot come before it until some time after that date. That is how the matter stands. For my part, I have always considered that it would be a good thing for the Argentine that this line should be in the hands of the Southern. I have always considered that, and it only remains to be seen whether the Argentine Congress takes that view. I hope it will.

As regards the events of the past year, we had a very good harvest on the Bahia Blanca line, and I am sure you will be interested to hear—although we do not keep the accounts of the Pacific and the Bahia Blanca separately—that, from the tonnage carried on the Bahia Blanca line, one can have very little doubt that the Pacific last year did very well out of it. It was about time the Pacific should do well out of the line, as they had had several very unsuccessful years under the lease.

With regard to the present year, the crop prospects are quite excellent. I have often pointed out that the crops cannot be said to be safe until the middle of December; but at the present time the weekly reports are exceedingly good. That, at any rate, is very gratifying to us. The outlook at the moment as far as crops are concerned could hardly be better than it is. I need not point out to you that if we have two really good harvests on the Bahia Blanca line in succession, after the bad years they have experienced for some time, it ought to lead to the permanent development of the district, which we all of us wish to see.

The report was unanimously adopted.

LONDON MARITIME INVESTMENT COMPANY, LIMITED.

EMINENTLY SOUND POSITION.

CAPITAL AND RESERVE FUND MORE THAN INTACT.

The twenty-sixth annual general meeting of the proprietors of the London Maritime Investment Company, Limited, was held, on the 8th instant, at Winchester House, Old Broad street, London, E.C.

The Right Hon Lord Kysant, G.C.M.G. (chairman of the company) presided.

The secretary (Mr O. A. Hall) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—The report and accounts for the year ended September 30, 1923, have been in your hands for some days. I presume you will, as usual, take them as read. (Agreed.) The accounts set out clearly the financial position of the company, but I will refer briefly to one or two outstanding features.

The result of the year's working shows a net profit of £57,062, which, with the balance brought forward from the preceding year, makes a total available sum of £62,083. The dividend upon the 5 per cent. preference stock absorbs £19,054, and, after adding £7,471 to the reserve fund, the directors recommend the payment of a final dividend on the ordinary stock of 4 per cent., less income-tax, making, with the interim dividend, a total for the year of 8 per cent., less tax.

SUBSTANTIAL RESERVE FUND.

You will notice that the reserve fund now amounts to £192,500, and that this sum is separately invested entirely in British Government securities. We realise that a slightly better revenue return would accrue from this fund if we adopted the policy of placing the money in ordinary investments, but in the case of an investment company such as ours we think that any such advantage is more than compensated for by having—quite apart from the other investments of the company—a substantial reserve fund invested in gilt-edged securities, which, owing to their comparatively non-fluctuating character, are readily realisable. Some, no doubt, would consider our policy in this respect too conservative, but we are convinced that, in the long run, such a reserve fund adds permanent stability and strength to this investment company, and is in the best interests of our stockholders.

The company has no debenture liability. A valuation of the company's investments shows that the capital and reserve fund are more than intact. After 26 years' working this is a satisfactory state of affairs, and indicates that your company is in an eminently sound position.

DETRIMENTAL EFFECTS OF HEAVY TAXATION.

Business men realise the enormous difficulties which confront the Chancellor of the Exchequer in these abnormal times. Experience in recent years, however, has shown, in a more acute form than ever before, the detrimental effects of heavy taxation on trade, commerce and shipping, resulting in the discouragement of energy, enterprise, and initiative, the full play of which qualities is especially needed in the work of reconstituting our commercial life after the upheaval caused by the war.

At the same time, I trust British Governments will always adhere to the safe and sound financial policy they have hitherto pursued. In this connection I welcome the Prime Minister's recent pro-

nouncement that he will have nothing to do with quack panaceas—such as currency inflation.

THE TRADE OUTLOOK.

The inevitable recovery in the shipping industry, in which your company is largely interested, may be delayed. Although the volume of world trade has undoubtedly been expanding, it is still less than it was in 1914, while the number of steamers of all nationalities afloat is very much greater than it was nine years ago.

The general world situation is extremely difficult and complex, and depends for any permanent improvement upon circumstances largely beyond our power to influence. To a great extent, therefore, we are compelled to await events and developments, but whatever effort is within our own sphere we can and should put forward. Especially should we, as business men, prepare by all possible means for improved times, so as to be ready to take advantage of every opportunity that may arise for development and progress.

I now beg to move: "That the report and accounts for the year ended September 30, 1923, as submitted, be received and adopted, and that the dividend as recommended therein be declared and paid."

Mr Arthur A. Baumann seconded the resolution, which was carried unanimously.

On the motion of the Chairman, seconded by Mr George Dodd, Mr Arthur A. Baumann, the retiring director, was re-elected.

The auditors (Messrs Fookes Hickman and Co.) were reappointed, and a vote of thanks was accorded to the chairman and directors, on the motion of Mr Teuson.

The proceedings then terminated.

SUDAN PLANTATIONS SYNDICATE, LIMITED.

CHAIRMAN'S CONFIDENCE IN THE FUTURE.

MR ECKSTEIN ON HIS VISIT TO SUDAN.

The 16th ordinary general meeting of the Sudan Plantations Syndicate, Limited, was held, on the 8th inst., at Winchester House, Old Broad street, London. Mr F. Eckstein (the chairman of the company) presided.

The secretary having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: I would like to say at once that the outstanding feature of our last year's operations was good progress all round.

The erection of buildings for our staff proceeded, large new areas were prepared for cultivation, 40 new gins were added to our factory at Wad Medani, and last, but not least, the new pumping installation at Wad el Nau was completed, and all the work necessary for the doubling this year of our area under cotton in the Gezira was carried through.

On the other hand, our profit and loss account may perhaps not be quite up to your expectations. Gentlemen, this should not disquiet you. After a lengthy stay in the Sudan at the beginning of this year, I have returned with unshaken confidence in the soundness and ultimate success of our undertaking. We are working on right lines in a country whose future is bound up with steady progress in agricultural development. No one, in my opinion, is more convinced of this than that very efficient Government in Khartoum.

BALANCE-SHEET ITEMS.

Following our usual practice, let us first examine the balance-sheet. On the debit side you will find the share capital increased by £150,000, thus making it now £450,000. These new shares, which we offered to you at a moderate premium, were all taken up with the exception of 175 shares, arising mostly through fractions—which we disposed of in the open market at the then ruling price. Our share premium account has consequently risen from £411,211 14s 6d to £636,744 5s 7d. Hosh reserve account is raised by £40,000 to £80,000. The other items do not require any explanation, except the profit and loss account, to which I will refer presently.

On the credit side you will find rather heavy increases all round, owing to our policy of rapid development.

The first item we used to call concession and land account. This year we have done away with the word concession and substituted the heading "Zeidab Station" and land account. The reason for this change is that the Sudan Government, having satisfied themselves that we have complied with all the terms of the concession, have now signed the deeds entitling us to the freehold of the property. This, I am convinced, will please you as it pleases your board.

Zeidab Development is practically unchanged but Zeidab pumping station is increased by £4,333, and will be further increased this year. In explanation I must tell you that the irrigation water

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supply at this station is obtained by two separate but adjoining pumping installations. Each unit consists of two 30-inch centrifugal pumps driven by two steam engines of about 300 horse-power each. In view of the highly satisfactory oil fuel consumption results at Hosh, we felt it advisable to replace one steam pumping set by a Diesel oil engine installation. This will cost us about £20,000 to £25,000—against which outlay we anticipate a considerable saving in our fuel bill.

It is obvious that any saving such as this in costs of production would be of considerable importance, and particularly so in the event of any future decline in cotton prices. Wad el Nau pumping station is now finished, and figures at £177,312 14s 6d. Pumping is in full swing.

Gezira area development, canalisation, buildings and furniture, ginning factories, light railways, all show substantial increases.

The stock of cotton remaining unsold on June 30th has been valued on a conservative basis.

Our total shipments for the past year, inclusive of 241 bales purchased locally, amounted to 12,266 bales, of which 6,890 bales, including the whole Zeidab crop, had been sold by June 30th. To-day I am happy to inform you that the remaining 5,376 bales have all been disposed of at prices exceeding our valuation. A new entry is Sadani Concession, £1,000.

We have taken an option on two estates, comprising about 22,000 acres, situated in the former German East African Colony. A certain amount of cotton was grown by the former owners, and we are having the property examined by an expert. At this stage we are unable to say whether this venture will prove profitable or not; in any case, our risk is very small.

Two further new items refer to the new Kassala Cotton Company. From a circular which was sent to all shareholders in January last you will have seen that in this new company, of which I have more to say later on, your syndicate subscribed 250,000 6 per cent. preference shares of £1 each, now is paid up, and 500,000 ordinary shares of 1s.

Now, you will notice that instead of the 500,000 shares, only 475,000 figure in our balance-sheet. The reason of this is that during my absence in the Sudan and before the shares were dealt in my colleagues passed a resolution placing at my disposal 25,000 shares at par, these shares to be distributed between myself and two of my colleagues who assisted me in the long negotiations with the Sudan Government, which resulted in the formation of this company. In passing this resolution, your board stipulated that you should be fully acquainted with these facts. I am naturally grateful to the board for what they have done, but I also desire to have your approval, which I feel sure you will not withhold.

British Government securities and cash at the end of our financial year amounted to close on £829,000, which is comfortable and satisfactory, but necessary and wanted in the near future. To carry out all the operations necessary to the entire fulfilment of our programme further funds will be required.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss account, you will see that our income from all sources amounted to £203,829, whilst the outgoings, in which we included, as usual, a bonus to our staff and a sum to the staff provident fund, were £118,748, leaving us with a net profit of £85,081.

In connection with our expenditure, I feel bound to point out that heavy outlay is now incurred, and that this outlay will be still greater owing to our having to train a considerable British staff in anticipation of the completion of the Makwar dam and the consequent increased area which we shall have to deal with all at once.

Regarding the Makwar dam, the Sudan Government have notified us that they expect to finish this in July, 1925. A definite notification will not be given to us until July next year, viz., 1924, but we have to be prepared for such a contingency.

In July we paid you an interim dividend of 7½ per cent., and we now propose to pay you a final dividend of 10 per cent., making 17½ per cent. in all, and to add £6,331 11s 8d to our carry forward.

When addressing you last year I said, in connection with the 50 per cent. increase of our capital:—"You will readily understand that it is difficult for your board to maintain the same standard of dividends in the immediately following year."

Gentlemen, this exactly has happened, but to-day I think I can say that, subject to crop results, we shall certainly hope to do better during the current season, as we have a considerably larger area under cotton.

STATIONS' RESULTS.

Let me now tell you what our stations have done.

Zeidab.—I ventured to forecast last year a profitable result of our operations there. This, I am happy to say, has come true. We had a good crop, and realised it at good prices. For the coming year the prospects are likewise promising. We have already picked something like 9,000 kantars, and the first shipment is on the way. Last year we had 4,317 feddans under cotton.

ton. This year, including water tenants, we have a somewhat larger area.

Tayiba has also done well. From 1,680 feddans we gathered 7,457 kantars, or nearly 4½ kantars per feddan.

This year we have 1,765 feddans under cotton, but the crop has suffered somewhat from heavy rains, necessitating a good deal of re-sowing.

Barakat yielded 8,186 kantars from 2,006 feddans, just slightly over four kantars per feddan, which is quite satisfactory.

Hosh.—At the time of our meeting last year the crops at this station promised to be extraordinarily good, but, unfortunately, later on we suffered rather badly from an insect pest called thrips, which reduced the expected yield very considerably. However, we managed to pick 23,392 kantars, equal to 3½ kantars per feddan.

In addition to these stations, we have this year the new areas served by the Wad el Nau pumping station, and extending roughly to 10,000 feddans, which means that our cotton area in the Gezira is doubled. These additions augur well for the future, and speak highly for the activities of our staff in the Sudan.

According to our latest cables, it is too early to express an opinion regarding the new crop, but this much appears certain, we shall have to deal this year with a rather late crop, which in itself is never quite satisfactory.

CHAIRMAN'S VISIT.

As mentioned before, I spent the early part of this year in the Sudan, and you might probably like to hear something of my work there and of the impressions I formed.

I left England towards the end of last year, and arrived towards the middle of January at Port Sudan, where I was met by our managing director, Mr Alexander MacIntyre, and our manager, Mr H. Poyntz-Wright. We stayed two days at Port Sudan inspecting the harbour, its shipping facilities, and a ginning factory belonging to the Government, and we selected some plots of land suitable for warehousing cotton in the future.

We then motored to Suakin, and again from there to Tokar, which I was most anxious to see, it being a large cotton area, producing cotton of very fine quality. But what interested me even more was the fact that the conditions under which cotton is grown in Tokar are similar to those ruling at Kassala. In both places cotton is planted after the annual flood, and thereafter receives no further watering. I think I saw everything I wished to see, and my thanks are due for the great courtesy and assistance I received from all the Government officials there. From Tokar I returned to Suakin, and went by train to Zeidab, our most northerly station. In company with our senior inspector there, I visited the whole estate, and renewed my acquaintance with all our officials.

The crop at Zeidab, consisting of American cotton of an early maturing kind, was nearly gathered, and, as I have already told you, was very satisfactory; so I left in good heart for Khartoum, where I paid my respects to his Excellency the Governor-General and other officials. After two days I left for Barakat, which is the headquarters of our syndicate's operations.

PUMPING STATIONS.

After my arrival there I lost no time in visiting all our stations, where picking was in full swing, and where I heard for the first time no complaints as regards lack of labour. I have already dealt with the results of our various stations, and so I wish to say a word or two about our two latest pumping stations.

First I want to mention Hag Abdulla. Two years ago I saw only a big hole in the ground; now I found a complete pumping installation equipped in the most modern style, throwing out water at the rate of four tons per second, and enabling us to irrigate something like 6,000 acres of cotton on the Hosh area. The plant was working without a hitch, and does not give us an anxious moment.

Next I visited the new Wad el Nau pumping station. Here a year earlier there had not been even a hole in the ground. On my arrival I found very near completion a most perfect installation, and as good as any to be seen in the whole of Africa, and it is certainly a monument of quick work well done. The three pumps are capable of delivering six tons per second, 360 tons per minute, which is equal to 80,000 gallons. The maximum head is 25 metres, and the rising main is 6 feet diameter and 2,170 feet long, and is capable of irrigating 10,000 feddans of cotton land.

Barakat pumping station is an old installation and not satisfactory, but it will not be needed much longer. Tayiba pumping station was working well.

KASSALA COTTON COMPANY.

After a week's stay at Barakat, I left with Mr MacIntyre and Mr Hewison, Director of Agriculture, for Kassala. This trip took nearly a fortnight, half of which was spent at Kassala and the Gash Delta. I am satisfied that you are interested in a very promising concern, but for results you must have patience.

The new company will plant their first crop in 1924, but works such as digging channels have already started.

It may interest you to hear that during the past year something like 13,000 kantars of good cotton was picked in the Kassala Province.

Whilst at Kassala we had the privilege of meeting his Excellency the Governor-General and several members of his Council, and consequently were enabled to have useful and helpful conferences regarding future developments there.

We left Kassala full of confidence in the future, and returned via Khartoum to Barakat, where I spent another most interesting fortnight inspecting chiefly the outlying areas of the 300,000 acres scheme.

We propose to divide these 300,000 acres into 20 stations of about 15,000 acres, and each block will be self-contained. We are now in the midst of carrying out this programme, and have actually completed so far about five blocks.

We have also to build and erect four new ginning factories, two of which we hope to complete during the coming year.

RESEARCH.

Another matter of considerable interest is an agreement come to between the Sudan Government and your syndicate, by which it is intended to reorganise our present research work. Sir John Russell, the famous Principal of Rothamstead, and Mr Leake, Cotton Expert to the Indian Government, are on their way to the Sudan for the purpose of investigation and making recommendations in this respect. We are all greatly looking forward to the report of these gentlemen, which, I have no doubt, will prove to be of the utmost value to us and to the Government.

Lord Lovat, K.T., seconded the resolution, which was carried unanimously.

A further resolution was passed as an extraordinary resolution making certain alterations in the articles of association.

The meeting terminated with a hearty vote of thanks to the chairman and directors.

BRITISH NORTH BORNEO (CHARTERED) COMPANY.

COMPANY'S SOUND POSITION.

The eighty-first half-yearly meeting of the British North Borneo (Chartered) Company was held, on the 6th instant, at River Plate House, Finsbury circus, London, the Right Hon. Sir West Ridgeway, G.C.B., G.C.M.G., K.C.S.I., the president of the company, presiding.

The secretary (Mr A. C. Pearson) read the notice convening the meeting, and a report reviewing the progress made by the various branches of the administration, particularly trade, industries, development, medical, land and education, &c.

The President then addressed the meeting, and, in moving the adoption of the report and accounts, said that the progress report just read showed how seriously the world-wide stagnation of trade had affected the company's industries. With regard to rubber, the restriction policy had been on the whole satisfactory, but the result had been by no means so successful as anticipated. So far as Borneo was concerned, however, the resulting rise in price had been very welcome, and had sufficed to enable the companies in their territory to keep their heads above water, and in some cases to pay a dividend.

The timber industry showed healthy development, the special problem here being that of markets. Tobacco had been handicapped by poor prices, and low prices had also exercised a depressing influence on the coal industry. All the industries of Borneo had, as a fact, suffered from the prevalent world-wide depression, and he thought the shareholders should congratulate themselves that they had stood the storm so well during the last few years.

As to their financial resources, the net revenue of 1922 was only about £5,700 less than in 1921. Owing to the improved prospects, especially in the rubber industry, the board felt that they were entitled to recommend a dividend of 3½ per cent., instead of 3 per cent. Their position to-day was undoubtedly sound. Apart from the value of the territory and the railway, telegraphs and other works and buildings, their fluctuating assets amounted to about a million pounds, and on the other side of the accounts there was a reserve of over £300,000, which was more than sufficient to cover any possible loss which might arise from the sale at any time of any of their investments. That reserve did not exist in cash, but was available for writing down the book value of their assets if at any time it was considered necessary to do so. Owing to the improvement in the rubber industry the various companies to which they had made advances were gradually repaying them, and the company was beginning to feel some slight benefit from the improved position. Advances made to the companies so far in the current year had been more than covered by repayments.

The report was adopted, after some discussion.

TANGOEL RUBBER ESTATES, LIMITED.

ESTATES SATISFACTORY CONDITION—"ALL-IN" COST REDUCED.

The annual general meeting of the shareholders of the Tangoel Rubber Estates, Limited, was held, on the 7th instant, at the registered office, Fenchurch House, 5 Fenchurch street, London, Mr Walter Hilliers (the chairman) presiding.

The representative of the secretaries (Messrs Rowley Davies and Co., Limited) having read the notice convening the meeting and the report of the auditors,

The Chairman said: As you will have seen, the state of upkeep is satisfactory, and, as the same applies to the conditions generally obtaining on the estate, there is nothing more to say on the subject.

The "all-in" cost has been reduced by about 3d a pound as against last year, and this, taking all circumstances into consideration, is satisfactory, especially so as the reduction has not been effected at any sacrifice to the estate itself or to the staff.

We have again agreed to join the restriction scheme, although, as you know, the property being situated in the Dutch East Indies, we are not obliged to do. It should be remembered that our joining the scheme entails a rather heavy sacrifice in crop, which, for an estate of this size, means a severe handicap on its profit-earning capacity and its cost of production.

Taxation in this country, as well as in Java, has again absorbed an altogether too large proportion of the profits, but we have a claim for a refund of a good part of the money paid in Java, and we think we should be successful.

The forward sale of 60 tons of our production, to be delivered in monthly quantities from January to December, 1924, at an equivalent of 1s 7d per lb London (including secondary grades), might be considered, in comparison with present values, as satisfactory. I now beg to move: "That the directors' and auditors' reports and audited balance-sheet and accounts to June 30, 1923, as circulated to the shareholders, be taken as read, and that the same be and are hereby adopted, and that a dividend of 5 per cent. on the share capital of the company be declared and paid forthwith to the shareholders on the books of the company at this date."

Mr G. A. FitzAdam-Ormiston seconded the motion, which was unanimously adopted.

Mr Lucas proposed a cordial vote of thanks to the chairman and directors, and also to the staff in the East, for their services during the past year.

Mr J. E. Beckingham seconded the motion, which was unanimously accorded, and, the chairman having acknowledged the compliment, the proceedings terminated.

NORTH ANANTAPUR GOLD MINES, LIMITED.

PROMISING NEW INTERESTS.

The sixteenth ordinary general meeting of the North Anantapur Gold Mines, Limited, was held, on the 6th instant, at 6 Queen street place, London, Mr V. Herbert Smith (the chairman) presiding.

The secretary (Mr W. L. Bayley, F.C.I.S.), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: The profit for the year amounted to £17,922, out of which dividends were paid amounting to 4s 6d per share on the preference and 6d per share on the ordinary shares, both less income-tax. There remains a credit balance of £3,538 to carry forward, subject to corporation profits tax.

In the last report shareholders were advised of the discovery of ancient workings on gold-bearing quartz reefs in the Gooty Taluk, some 35 miles from the Anantapur goldfields. Prospecting licences have been acquired, and the limited amount of exploratory work already carried out warrants the more extended programme of exploitation which it has been decided to undertake. Inspection of this area by a mining engineer from the Kolar goldfield confirms the opinion that the outlay is amply justified. In the report you are advised that payable copper ore has been encountered at the Sideshur area, Chota Nagpur, North-East India, and subsequent advice from that field intimates that payable ore has been struck at a second section of the property, which still further improves the position and prospects.

In regard to the gold mining property in Sumatra, in which the company is interested through the Continental and General Exploration Company, Limited, ore of high gold value has been met with on one of the main reefs, and the outlook at this area can also be regarded with satisfaction. The exploratory operations are being conducted with vigour, and the further results are looked forward to with keen interest. At the close of the financial year the company held 15,392 shares of £1 each, 10s per share paid, in the Anglo-Canadian Explorers, Limited.

The directors of the Anglo-Canadian Explorers increased the capital so that further properties could be acquired. The nominal capital was increased from £65,000 to £125,000, and your directors decided to subscribe for a further 10,000 shares, of which 5,392 shares had been allotted at June 30th last. The various enterprises in which this company is associated appear to possess great potentialities, and we have good reason to anticipate that before long some of these will prove financial successes.

The Hon. Lionel Holland seconded the resolution, which, after Mr Arthur Taylor had given details of the developments carried out during the year, was carried unanimously.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Nov. 3, 1923.	Total Receipts into the Exchequer from Apr. 1, 1922, to Nov. 4, 1922.	Week Ended Nov. 3, 1923.	Week Ended Nov. 4, 1922.
BALANCES IN EXCHEQUER ON 1st April:—					
Bank of England....	..	5,442,665	9,963,424	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
..	..	6,818,167	11,173,530	..	..
REVENUE.					
Customs.....	116,900,000	74,749,000	75,339,000	1,959,000	2,165,000
Excise.....	143,850,000	82,885,000	93,004,000	1,343,000	1,481,000
Motor Vehicle Duties ..	13,250,000	4,050,000	3,493,000	321,000	321,000
Stamps, &c., Duties.....	52,000,000	31,000,000	37,001,000	880,000	1,610,000
Land Tax, House Duty & Mineral Rights Duty ..	20,000,000	11,220,000	10,262,000	190,000	150,000
Property & Income Tax ..	3,000,000	540,000	600,000	10,000	20,000
Super-Tax.....	261,000,000	122,152,000	163,889,000	3,916,000	5,892,000
Excess Profits Duties, &c.	12,000,000	12,000,000	954,000	..	..
Corporation Profits Tax ..	20,000,000	12,650,000	10,287,000	360,000	430,000
Post Office.....	52,600,000	30,100,000	31,100,000	1,500,000	1,250,000
Crown Lands.....	900,000	560,000	480,000	..	..
Interest on Sundry Loans.....	12,500,000	8,375,650	6,526,523	76,478	75,675
Miscellaneous.....	12,500,000	8,623,776	17,828,631	247,823	..
Ordinary Receipts.....	40,000,000	21,900,350	30,551,765	57,841	652,115
Special Receipts.....	818,500,000	431,415,776	481,315,919	10,900,142	14,046,790
Total, inc. Balance	..	438,233,943	492,489,449	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	65,000	800,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	73,782	169,818	..
Under the Unemployment Insurance Act, 1921.....	4,480,000	2,910,000	..	100,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922.....	3,370,000	3,360,000	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	820,000	2,510,000	550,000	..	..
(c) For other issues:—					
By Treasury Bills.....	1,470,357,000	1,780,302,000	47,034,000	50,516,000	..
By National Savings Certificates.....	35,550,000	41,868,000	350,000	800,000	..
By Exchequer and National War Bonds.....	..	20	..	..	..
By Treasury Bonds—					
5-15 year, 1925-35.....	..	61,543,782	..	..	..
5% 1927.....	..	58,157,035	..	1,984,525	..
4% 1931-33.....	29,202,627	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	25,259	..	13,390	..
(d) Ways and Means Advances.....	519,455,000	534,914,000	11,750,000	1,500,000	..
Anglo-Persian Oil Company—Dividends on Shares acquired.....	50,081	243,012	..	..	..
Repayments:—					
In respect of Issues under Land Settlements (Facilities) Acts, 1919 and 1921.....	195,688	256,746	9,080	73,311	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	6,827,960	..	..	..
Interest received under Section 59 (6) of the Finance Act, 1920.....	..	162,425	..	..	..
Total	2,501,871,121	2,989,069,806	70,667,014	69,203,834	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1923, to Nov. 3, 1923.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Nov. 4, 1922.	Week Ended Nov. 3, 1923.	Week Ended Nov. 4, 1922.
EXPENDITURE.					
National Debt Services—					
Interest, &c.....	310,000,000	192,661,910	206,137,669	8,318,641	8,550,490
Sinking Fund.....	40,000,000	22,024,455	..	500,000	..
Road Fund.....	12,650,000	3,327,044	2,444,999	..	..
Payments to Local Taxation Authorities.....	10,348,000	5,707,205	4,202,990	49,193	49,193
Payments to Northern Ireland Exchequer.....	3,000,000	2,282,884	1,096,042	75,000	..
Land Settlement.....	1,500,000	381,962	642,495	1,644	13,041
Other Miscellaneous Fund ..	2,970,000	1,551,396	1,476,130	10,089	30,489
..	440,666,000	216,526,876	236,820,715	6,358,200	7,528,500
Total	821,036,000	444,453,733	462,801,040	15,312,767	16,171,713

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1923, to Nov. 3, 1923.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Nov. 4, 1922.	Week Ended Nov. 3, 1923.	Week Ended Nov. 4, 1922.
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..
Under the Unemployment Insurance Act, 1921.....	820,000	3,310,000	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922.....	3,970,000	3,360,000	350,000	..
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	4,480,000	2,110,000	470,000	..
Redemption of Debt—				
Treasury Bills.....	1,449,315,000	1,921,659,000	45,240,000	49,745,000
Principal of National Savings Certificates.....	20,700,000	16,100,000	700,000	500,000
Principal of Exchequer Bonds paid off.....	..	19,612,208	..	..
Principal of National War Bonds paid off.....	32,222,296	43,784,182	..	500,000
Other Debt under the War Loan Act, 1914 to 1919.....	6,981,184	12,378,823	..	1,123,475
Ways and Means Advances Repaid.....	535,741,000	502,477,000	8,700,000	900,000
Anglo-Persian Oil Company—Issues to the National Debt Commissioners.....	50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	55,656	..	..
BALANCES IN EXCHEQUER—	2,498,879,289	2,985,591,039	70,772,767	68,940,188
Bank of England.....	Nov. 3, '23. 2,022,117	Nov. 4, '22. 2,484,083	Inc. or Dec. for Week. 135,509	197,048
Bank of Ireland.....	969,715	994,684	+ 29,756	+ 66,596
Total	2,991,832	3,478,767	+ 105,753	+ 263,646

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.
Treasury, November 5, 1923.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Nov. 3, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities.....	30	22	20	19	18	16	15	14	14
4% War Stock.....	..	63	63	63	63	63	63	63	63
4% War Stock.....	..	16	13	13	13	13	13	13	13
4% 5% War Stock.....	2,091	2,047	2,040	1,995	1,953	2,071	2,095	2,095	2,095
National War Bonds.....	649	1,476	1,413	1,201	971	953	924	924	924
4% Victory Bonds.....	..	409	409	408	401	401	400	400	400
3% Conversion Loan.....	..	350	357	348	335	335	325	325	325
5-15 year Treas. Bonds.....	..	..	..	..	26	690	684	683	683
5% Treasury Bonds.....	..	..	..	..	23	24	24	24	24
5% Treasury Bonds.....	..	..	..	..	381	166	165	165	165
Do by tender 5%.....	..	..	..	..	8	69	70	70	70
Do by tender 4%.....	..	..	..	..	84	110	110	110	110
Do 4% 1931-33.....	..	..	..	..	2	31	31	31	31
Treasury Bills.....	15	961	1,107	1,121	878	719	616	637	637
Exchequer Bonds.....	20	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.....	..	138	267	274	285	342	350	354	369
Other Debt.....	..	25	25	25	25	25	25	25	25
American Loan.....	..	54	51	51	51	1,071	1,157	1,150	1,150
Temporary Advances.....	1	204	243	206	154	147	222	194	177
Unfunded Debt	654	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,754
Other Capital Liabilities.....	57	49	46	47	49	67	70	69	69
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,823

POSITION OF THE FLOATING DEBT.

	Nov. 4, '22.	Mar. 31, '23.	Nov. 3, '23.	Movement Week ended Nov. 3, '23.
Temporary Advances Out- standing—	..	..	..	..
Advances by Bank of England	179,738,500	193,897,500	2,500,000	+ 2,500,000
Advances by Public Deposits	740,765,000	616,045,000	637,090,000	+ 550,000
Treasury Bills outstanding ..	..	..	..	+ 1,806,000
Total Floating Debt	920,503,500	809,942,500	814,701,500	+ 4,855,000
* Includes £39,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Nov. 12-Nov. 17 were opened on Nov. 9, 1923, and the total amount applied for was £53,200,000. For bills at three months, dated Monday to Friday, at £99 3s 10d, about 44 per cent., above in full; Saturday, at £99 4s 10d, above in full. The amounts allotted were as follows:—In bills at 3 months, £34,000,000; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Sept. 28, 1923.	£ 45,000,000	£ 86,895,000	3 4 5-9	101 1/2
Oct. 5.....	35,000,000	61,220,000	3 1 4-25	101 1/2
Oct. 12.....	35,000,000	61,565,000	3 1 5-61	101 1/2
Oct. 19.....	35,000,000	51,135,000	3 0 7-85	101 1/2
Oct. 26.....	35,000,000	50,275,000	3 1 8-13	101 1/2
Nov. 2.....	35,000,000	51,350,000	3 1 6-63	101 1/2
Nov. 9.....	35,000,000	53,200,000	3 3 8-13	101 1/2

Tenders will be received on Nov. 16, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securit.	Balance at Bank of England.
1922.								
Mar. 29.....	300,351	14,255	6,000	28,500	19,450	15-9	261,479	177
June 28.....	295,374	13,338	6,000	28,500	19,650	16-3	254,312	250
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16-6	246,566	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15-9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17-3	242,446	123
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17-6	238,595	140
Oct. 25.....	280,194	11,972	7,000	27,000	22,450	17-7	235,509	187
Nov. 1.....	281,255	11,842	7,000	27,000	22,450	17-6	236,592	125
Nov. 8.....	282,343	11,881	7,000	27,000	22,450	17-5	237,645	128

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1824.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MAR

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. October, 1923.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	London Joint City and Midland Bank, Limited.	National Provincial and Union Bank, Engl'nd, Limited.	National Bank, Limited.	West- minster Bank, Limited.	Willm's Deacons Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,959	33,597	1,244	2,395	36,843	51,179	27,869	3,765	26,760	4,211	194,822
Balances with and cheques in course of collection on other banks in the United Kingdom	1,924	7,573	529	1,119	8,618	9,266	7,238	185	8,180	1,110	45,742
Items in transit	4,465	21,131	1,764	5,525	16,363	14,303	14,774	3,695	20,190	2,737	104,947
Money at call and short notice	3,946	42,990	1,007	640	60,963	51,781	41,146	2,828	70,345	1,855	277,501
Bills discounted	9,995	68,618	4,205	8,942	91,070	39,338	51,641	18,170	55,512	6,187	353,678
Investments	38,830	131,947	8,098	6,271	134,205	188,984	124,030	17,024	93,865	19,671	762,925
Advances to customers and other accounts	3,659	6,478	62	1,781	13,541	33,921	8,089	175	10,025	1,350	79,081
Liabilities of customers for acceptances, endorsements, &c.	1,531	5,081	346	445	5,529	5,351	4,314	713	4,055	730	28,095
Bank premises account	..	7,703	..	..	7,675	3,559	2,240	..	2,992	..	24,169
Investments in affiliated banks	71,309	325,118	17,255	27,118	374,807	397,682	281,341	46,555	291,924	37,851	1,870,960
LIABILITIES.	10-90	11-39	7-97	10-15	10-93	14-96	10-93	9-10	10-14	12-57	11-66
Ratio of cash to current, deposit, and other accounts	2,349	15,592	800	1,060	14,372	10,861	9,309	1,500	9,004	1,875	66,722
Reserve fund	1,500	8,250	800	530	10,000	10,861	9,000	1,125	9,004	1,150	52,220
Current, deposit, and other accounts	63,801	294,798	15,593	23,584	336,893	342,039	254,943	41,330	263,880	33,476	1,670,337
Acceptances, endorsements, &c.	3,659	6,478	62	1,781	13,542	33,921	8,089	175	10,024	1,350	79,081
Notes in circulation	..	..	..	..	..	..	..	..	..	..	163
Reduction of bank premises account	..	..	..	..	..	..	..	..	..	..	..
	71,309	325,118	17,255	27,118	374,807	397,682	281,341	46,555	291,924	37,851	1,870,960

NETHERLANDS BANK.—In florins (000's omitted).

Assets.	Nov. 5, 1923.	Oct. 29, 1923.	Oct. 22, 1923.	Oct. 15, 1923.	Nov. 6, 1923.	Position May 30, 1924
Gold	581,773	581,775	581,777	581,774	581,789	581,789
Silver	7,170	9,086	9,778	9,732	9,732	9,732
Depts. & advances	396,896	363,346	341,161	336,501	427,548	427,548
LIABILITIES.						
Notes in circula'n	1,038,101	1,016,254	997,239	1,003,778	1,009,441	1,009,441
Deposits	28,293	30,889	48,737	42,559	30,060	30,060
	1,924,060	1,992,000	1,977,815	1,991,032	2,048,838	2,048,838

IMPERIAL BANK OF GERMANY.—In marks (000,000's omitted).

Assets.	Oct. 23, 1923.	Oct. 15, 1923.	Oct. 6, 1923.	Oct. 23, 1922.	Position May 30, 1924
Gold and bullion	14,317	14,555	18,256	1,005	1,636
Treasury notes	79,620,267,431	5,663,032,780	875,471,805	39,338	943
Bills of exchange and cheques	152,826,015,034	29,541,585,322	6,601,917,206	482,302	61
Discounts and Treasury bills	678,179,773,866	167,779,615,512	70,231,475,137	..	..
LIABILITIES.					
Notes in circula'n	524,330,557,240	123,349,786,704	46,333,001,415	409,973	2,014
Deposits	390,090,729,942	84,342,472,447	27,143,369,308	112,161	842
	1,512,946,096,474	243,032,815,523	124,612,383,758	512,403	2,857

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	Oct. 31, 1923.	Oct. 23, 1923.	Oct. 15, 1923.	Oct. 6, 1923.	Oct. 31, 1922.	Position May 30, 1924
Gold	527,498	527,424	527,284	527,160	520,099	171,176
Silver	94,885	95,727	95,763	96,890	113,947	18,350
Depts. & advances	13,049	12,560	13,449	22,212	11,644	..
LIABILITIES.						
Notes in circula'n	333,238	298,259	303,103	321,513	337,326	103,000
Deposits	927,422	887,579	910,572	903,874	875,925	..
	84,870	85,035	82,904	89,559	143,297	33,750

NATIONAL BANK OF DENMARK.—In kroner (000's omitted).

Assets.	Oct. 31, 1923.	Sept. 29, 1923.	Aug. 31, 1923.	July 30, 1923.	Oct. 31, 1922.	Position May 30, 1924
Coin and bullion	209,631	209,653	209,672	209,682	228,301	76,644
Loans & discounts	397,544	362,896	353,990	360,838	500,693	88,470
Depts. & advances	16,142	18,566	33,404	22,668	9,113	24,102
LIABILITIES.						
Notes in circula'n	471,258	458,861	449,256	447,269	478,134	157,266
Deposits	41,773	46,432	42,583	45,800	181,481	6,936

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	Oct. 31, 1923.	Oct. 22, 1923.	Oct. 15, 1923.	Oct. 31, 1922.	Position May 30, 1924
Coin and bullion—Gold	147,286	147,286	147,286	147,290	44,224
Balance abroad and foreign bills	18,895	18,884	19,757	37,592	28,533
Loans & discounts	9,052	9,052	9,052	9,415	8,816
Depts. & advances	453,570	449,863	444,832	489,473	76,911
LIABILITIES.					
Notes in circula'n	394,078	387,777	391,028	383,393	113,484
Deposits at notice	96,744	100,535	93,447	173,442	7,188

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

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	Nov. 3, 1923.	Oct. 27, 1923.	Oct. 20, 1923.	Oct. 13, 1923.	Nov. 4, 1923.	May 24, 1924.
Gold	272,287	272,333	272,405	272,465	273,939	104,918
Balance abn. and for- eign bills	28,868	33,911	29,412	30,445	81,111	112,172
Loans and disc. and for- eign securities	119,856	120,674	124,855	128,903	73,926	38,486
Depts. & advances	349,964	331,576	316,088	318,335	378,055	112,668
LIABILITIES.						
Notes in circula'n	562,536	520,012	525,320	542,345	566,443	228,556
Deposits at notice	151,864	158,888	161,794	152,824	175,582	399,680

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Sept. 12, 1923.	Sept. 5, 1923.	Aug. 29, 1923.	Aug. 22, 1923.	Sept. 13, 1922.
Coin and bullion	27,139	27,082	27,050	27,066	26,728
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	65,090	75,616	83,069	90,580	9,865
Discounts	196,608	193,184	215,359	212,760	163,716
Government loans	1,049,564	1,072,225	1,072,225	1,057,225	729,097
LIABILITIES.					
Notes in circulation	1,310,867	1,313,421	1,296,843	1,278,213	889,889
Deposits	39,642	35,322	42,054	34,352	39,802

BANK OF ITALY.—In lire (000's omitted).

Assets.	Oct. 10, 1923.	Sept. 30, 1923.	Sept. 20, 1923.	Sept. 10, 1923.	Oct. 10, 1922.	Position May 31, 1924
Total cash	1,470,563	1,510,389	1,491,666	1,457,115	1,296,573	1,221,875
Inland bills	5,300,734	5,436,064	5,193,945	5,190,039	4,366,557	418,400
Foreign bills	13,390	13,711	13,217	13,112	9,588	81,300
Advances to the Treasury	5,839,754	5,839,758	5,839,765	5,839,784	6,110,183	..
Other advances	2,477,583	2,588,918	2,417,466	2,395,905	2,116,274	79,175
Securities	370,075	370,875	370,781	370,774	482,557	805,700
LIABILITIES.						
Note circulation	13,070,111	12,929,537	12,715,612	12,859,960	14,106,642	1,556,925
Deposits & drafts	1,470,137	1,619,597	1,375,621	1,348,026	1,686,805	193,975

LONDON RATES.

	Nov. 2, 1923.	Nov. 9, 1923.	Nov. 2, 1923.	Nov. 9, 1923.	Nov. 2, 1923.	Nov. 9, 1923.	Nov. 2, 1923.	Nov. 9, 1923.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—								
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)—								
3 months'	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks	2	2	2	2	2	2	2	2
Discount houses at call	2	2	2	2	2	2	2	2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1923.		%	%	%	%	%	%	%
Sept. 23	.....	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
Oct. 5	.....	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
12	.....	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
19	.....	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
26	.....	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
Nov. 2	.....	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2
9	.....	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	July 18, 1922	.. 4	Madrid	Mar. 23, 1923	.. 5
Athens	Jan. 14, 1923	7 1/2	Paris	Mar. 11, 1922	.. 5
Berlin	Sept. 15, 1923	90	Prague	May 28, 1923	.. 5
Brussels	Jan. 22, 1923	5 1/2	Rome	July 11, 1922	.. 5
Bucharest	Sept. 4, 1920	6	Sofia	June 14, 1919	.. 6
Budapest	July 5, 1923	18	Stockholm	Nov. 9, 1923	.. 5
Calcutta	June 28, 1933	4	Swiss Bank		
Christiania	May 1, 1923	6	places	July 14, 1923	.. 4
Copenhagen	May 1, 1923	6	Tokio	Nov. 18, 1919	.. 8
Helsingfors	Oct. 27, 1923	8	Vienna	Sept. 2, 1922	.. 9
Lisbon	Sept. 12, 1923	9	Warsaw	Feb., 1923	.. 12
New York Federal Reserve	Feb. 21, 1923	4 1/2	Irish	July 5, 1923	.. 5

RATES OF EXCHANGE.

London on		Usance	Par.	Nov. 10, 1922.	Nov. 2, 1923.	Nov. 9, 1923.
Paris	francs to £1	T.T.	25-22 1/2	69-20-30	76-25-35	78-05-10
Berlin	marks to £1	T.T.	20-43	32,000-33,000	14-24 bills.	5-10 bills
Vienna	krone to £1	T.T.	24-02	320/340,000	515/318,000	308/313,000
Prague	krone to £1	T.T.	24-03	139-141	152 1/2-153	151 1/2-152 1/2
Warsaw	P. marks to £1	T.T.	24-03	100,000-75,000	17 1/2 millions	17 1/2 millions
Bankrest	tal. to £1	T.T.	25-22 1/2	690-710	935-950	880-895
Budapest	kr. to £1	T.T.	24-02	10,500-11,500	770-795	780-800
Constantinople	piastres to £1	T.T.	110	no quotn.	775-795	775-795
Sofia	levas to £1	T.T.	25-22 1/2	625-675	450-500	480-520
Belgrade	dinas to £1	T.T.	25-22 1/2	255-265	370-390	375-390
Amsterdam	dorin to £1	T.T.	12-107	11-38-39	11-52-52 1/2	11-53-54 1/2
Brussels	francs to £1	T.T.	25-22 1/2	74-40-50	90-15-25	90-40-45
Christiania	kroner to £1	T.T.	18-159	24-07-12	29-88-93	31-00-05
Stockholm	kroner to £1	T.T.	18-159	16-62-65	16-96-99	16-72-75
Copenhagen	kroner to £1	T.T.	18-159	22-13-16	25-92-99	26-48-53
Helsingfors	P. marks to £1	T.T.	25-22 1/2	177-179	166 1/2-166 1/2	165 1/2-165 1/2
Greece	drachmas to £1	T.T.	25-22 1/2	290-300	285-295	285-295
Italy	lire to £1	T.T.	25-22 1/2	102 1/2-102 1/2	100 1/2-100 1/2	100 1/2-100 1/2
Switzerland	francs to £1	T.T.	25-22 1/2	24-40-43	25-10-14	24-99-25-05
Madrid	pesetas to £1	T.T.	25-22 1/2	29-33-36	33-57-60	33-54-57
Lisbon	pence to escu.	T.T.	63-24	28-24	2-24	2-24
Alexandria	piastres to £1	Slight	97 1/2	97 1/2-98	97 1/2-98	97 1/2-98
New York	dollars to £1	Cable	4-86 1/2	4-46 1/2-46	4-46 1/2-46	4-40 1/2-41
Montreal	dollars to £1	Cable	4-86 1/2	4-45-46	4-52 1/2-53 1/2	4-47 1/2-48
Buenos Ayres	pence to peso	T.T.	47-62-24	44 1/2-45	38 1/2-39	38 1/2-39
Rio de Janeiro	pence to mills.	90 days	16	6 1/2	14 1/2	8 1/2
Montevideo	pence to peso	T.T.	51	43-44	38 1/2-38 1/2	38 1/2-38 1/2
Valparaiso	pence to £1	30 days	15-33	35-37	38-70	38-50
Lima	Eng. to Per. £1	30 days	10	7 1/2 prem.	10 1/2 prem.	10 1/2 prem.
Calcutta	ster. to rupee	T.T.	1	1s 3 1/2-d	1s 4 1/2-d	1s 4 1/2-d
Bombay	ster. to rupee	T.T.	1	1s 3 1/2-d	1s 4 1/2-d	1s 4 1/2-d
Madras	ster. to rupee	T.T.	1	1s 3 1/2-d	1s 4 1/2-d	1s 4 1/2-d
Hong Kong	ster. to dollar	T.T.	..	2s 5 1/2-d	2s 5 1/2-d	2s 5 1/2-d
Shanghai	ster. to tael	T.T.	..	2s 2 1/2-d	2s 2 1/2-d	2s 2 1/2-d
Singapore	ster. to dollar	T.T.	..	2s 4 1/2-d	2s 4 1/2-d	2s 4 1/2-d
Yokohama	ster. to yen	T.T.	24-58 1/2	2d 2 1/2-d	2s 2 1/2-d	2s 2 1/2-d
Manila	ster. to dollar	T.T.	24-06 1/2	2s 2 1/2-d	2s 2 1/2-d	2s 2 1/2-d
Mexico	pence to dols.	T.T.	..	25d-28d	24d-26d	24d-26d

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, November 6, 1923:—

	Rate.	Applications.	Allotments.		Allotments.	Average Rate.
Bills	1/4	Rs.	Rs.	%	Rs.	
Def. T.T. ...	1/4	5,50,000	25,00,000	...	...	...
Imm. T.T. ...	1/4	150,00,000	100,00,000	66.66	22,00,000	16.75
	1/4	4,00,000	nil	...	55,33,000	16.75
	1/4	43,00,000	nil	...	22,67,000	16.75
	1/4	25,00,000	nil	...	100,00,000	...
	1/4	252,00,000	100,00,000	...	...	...

Next week 1,00 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended November 7, 1923.

Imported into Great Britain and Northern Ireland.	Exported from Great Britain and Northern Ireland.
From—	To—
British South Africa	Norway
Sweden	Germany
	Netherlands
	Belgium
	Switzerland
	U.S. America
	Egypt
	Kenya
	British India
	Other countries
Total declared value of imports	Total declared value of exports

Messrs Samuel Montagu and Co. write on November 7th as follows:—

GOLD.

The Indian and Continental demand not being on a large scale, it is probable that the greater part of the moderate supplies available this week will be sent to the United States of America.

SILVER.

The market has shown a steady tone, in consequence of bear covering and some inquiry from China, not always at a price high enough to lead to business. Supplies from America have been fairly free, but other suppliers have been rather reluctant in view of the speculative position of affairs consequent upon the "corner" in Bombay. At this season of the year, when preparations for the Chinese New Year (February 1924) loom on the horizon, dealers are slow to sell for forward delivery, lest the stock in Bombay should be held tightly and be not available for possible China requirements. The situation, however, by no means begets confidence. We are advised from New York that the undelivered silver against U.S. Government purchases under the Pittman Act for the period ending October 23, 1923, amounted to approximately 5,400,000 ounces.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Oct. 15, 1923.	Oct. 22, 1923.	Oct. 31, 1923.
Notes in circulation	17,927	17,948	18,082
Silver coin and bullion in India	9,747	9,768	9,902
Silver coin and bullion out of India	2,432	2,432	2,432
Gold coin and bullion in India	5,748	5,748	5,748
Gold coin and bullion out of India	5,748	5,748	5,748
Securities (Indian Government)	5,748	5,748	5,748
Securities (British Government)	5,748	5,748	5,748

No silver coinage was reported during the week ending 31st ult. The stock in Shanghai on the 3rd inst. consisted of about 26,000,000 ounces in sycee and 35,000,000 dollars (no advice received regarding number of bars), as compared with about 27,000,000 ounces in sycee, 38,000,000 dollars, and 1,770 silver bars on the 27th ultimo.

GOLD AND SILVER PRICES.

1923.	Gold.	Silver—Per Ounce.	Date.	Silver.
	Per Ounce.	Cash. Forward.		Cash.
Nov. 3.	92 5	32 1/2	Nov. 16, 1917..	43 1/2
5.	92 6	32 1/2	16 1918..	48 1/2
6.	92 5	32 1/2	14, 1919..	66 1/2
7.	92 7	32 1/2	12, 1920..	53 1/2
8.	92 10	32 1/2	11, 1921..	38 1/2
9.	93 4	32 1/2	10, 1922..	33 1/2

NOTICES.

At the extraordinary general meeting of the shareholders of the London Joint City and Midland Bank, Limited, held yesterday, the resolution to change the name to Midland Bank, Limited, was confirmed.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 2, 1923.		Week Ended Nov. 4, 1923.			Aggregate 44 Weeks 1923.		
(c) Week ended Nov. 3, 1923.	Miles Open.	Passenger, &c.	Goods, &c.	Total for Week.	Passenger, &c.	Goods, &c.	Total Receipts.
		£	£	£	£	£	£
Great Western.....	3,745	228,000	351,000	579,000	11848000	15297000	27,145,000
London & North-Eastern	6,702	380,000	743,000	1,123,000	17919000	11836000	51,659,000
Do same period 1922	6,657	415,000	796,000	1,211,000	21692000	12804000	54,4,000
London, Mid., & Scottish	6,963	536,000	905,000	1,440,000	28227000	33417000	67,644,000
Southern	2,127	291,800	131,500	423,300	14873900	5,918,900	20,012,800
Metropolitan (c).....	794	31,955	3,971	35,926	1,414,595	162,075	1,576,670
Underground E.R. (c)	..	..	..	236,577	..	..	10,028,338
Lon. & Sub. Group (c)	..	..	..	+ 12,566	..	..	136,236
Belfast & Co. Down (c)	..	..	..	38,587	..	..	1,773,479
Dublin and S. East. (c)	80	4,173	1,497	5,670	237,365	54,608	29,973
St. Northern (Ireland) (c)	160	7,927	3,335	11,262	239,458	149,418	428,873
Gt. Northern (Ireland) (c)	562	20,100	26,900	47,000	..	..	1,836,350
Midland Gt. West. (b)	538	8,154	14,895	23,049	445,651	636,520	1,082,171

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
INDIAN.					
Assam Bengal	27 weeks	Oct. 6	1,072	2,86,400	Rs. 3,705
Barsi L. Ry.	28 weeks	13	118	26,200	Rs. 63,657,731
Bengal & N. Western	2 weeks	13	2,062	3,55,360	Rs. 9,100
Bombay, Bar. & C.I.	26 weeks	Sept. 30	2,738	15,56,000	Rs. 19,940
Burma	31 weeks	Nov. 3	2,994	20,51,000	Rs. 85,000
Delhi, Umballa & Kalka	4 weeks	Sept. 30	1,342	8,08,355	Rs. 36,116
East Indian	31 weeks	Oct. 27	239	1,23,000	Rs. 373
G. Indian Peninsula	40 weeks	Oct. 27	2,856	34,23,000	Rs. 1,75,000
Madras & S. Mahr.	26 weeks	Sept. 30	3,029	23,76,900	Rs. 61,700
Rohilkhand & Kumaon	26 weeks	Sept. 30	3,029	14,00,000	Rs. 1,37,486
Do Lucknow-Breilly	26 weeks	Sept. 30	3,029	14,00,000	Rs. 1,37,486
South Indian	26 weeks	Sept. 30	3,029	14,00,000	Rs. 1,37,486
					Rs. 1,68,697
					Rs. 1,77,973
					Rs. 428,873
					Rs. 1,836,350
					Rs. 1,082,171

Canadian National	43 weeks	Oct. 31	22,680	18,967,537	+ 11,382,223	20,795,077	+ 18,583,566
Canadian Pacific	42 weeks	Oct. 31	13,539	5,261,000	+ 11,382,223	20,795,077	+ 18,583,566

ARGENTINE (a).								
Argentine N.E. . . .	18 weeks	Nov. 3	758	£	\$	\$	\$	
Argentine Trans. . . .	18 weeks	3	3,324	10,000	-	900	202,000 +	22,400
S. A. and Pacific	18 weeks	3	3,324	4,331	-	601	67,755 +	28,735
S. A. Gt. Southern	18 weeks	3	3,324	241,000	+	7,000	2,399,000 +	51,000
			3,948	180,000	+	7,000	2,389,000 +	197,000
B. A. Western	18 weeks		Nei	66,000	+	7,000	827,000 +	161,000
			1,882	87,000	+	4,100	1,372,000 +	20,000
Central Argentine	18 weeks		Nei	33,000	+	2,000	354,000 -	23,000
Cordoba Central	18 weeks	3	3,505	200,000	+	1,000	3,648,000 +	263,000
Entre Rios	18 weeks	3	1,805	48,000	+	8,000	1,101,100 +	18,300
		3	723	20,800	+	3,100	327,800 +	26,000

BRAZILIAN (b).							
St. West. of Brasil	44 weeks	Nov. 3	1,005	10,900	- 2,700	408,800	- 140,000
Geopoldina	44 weeks	3	1,831	24,940	- 7,201	1,149,328	- 145,581
San Paulo	44 weeks	4	1,539	17,191	- 5,140	1,296,904	+ 73,936

Chilean	44 weeks	Nov. 3	838	37,570 <th>+ 1,795<td>1,537,040</td><td>+ 526,800</td></th>	+ 1,795 <td>1,537,040</td> <td>+ 526,800</td>	1,537,040	+ 526,800
Antofagasta	44 weeks	Nov. 3	366	19,901 <th>- 16,442<td>638,884</td><td>+ 270,081</td></th>	- 16,442 <td>638,884</td> <td>+ 270,081</td>	638,884	+ 270,081

Havana Central	17 weeks	Oct. 27	1,210	11,916 <th>+ 1,813<td>197,436</td><td>+ 36,167</td></th>	+ 1,813 <td>197,436</td> <td>+ 36,167</td>	197,436	+ 36,167
United of Havana	18 weeks	Nov. 3	1,210	53,780 <th>+ 13,490<td>1,036,461</td><td>+ 192,070</td></th>	+ 13,490 <td>1,036,461</td> <td>+ 192,070</td>	1,036,461	+ 192,070

URUGUAYAN.									
Central Uruguay ..	18 weeks	Nov. 3	273	32,679	+	848	395,798	—	834
O. Urug. (East Bx.)	18 weeks	Nov. 3	311	5,901	—	6	762,48	—	382
O. Urug. (North Bx.)	18 weeks	Nov. 3	185	2,994	—	128	44,056	+	3,061
O. Urug. (West Bx.)	18 weeks	Nov. 3	211	2,667	—	246	36,478	—	2,201

OTHER OVERSEAS.							
Alcoy and Gandia ..	44 weeks	Nov. 3	33	10,500—	8,500	877,300 +	46,850
Gylian Delta ..	21 weeks	Oct. 20	675	11,841—	1,407	149,235 +	24,894
Gt. Southern of Spain	43 weeks	Oct. 31	358	P=153,920 +	48,490	4,109,601 +	645,912
Indian Railway ..	17 weeks	Nov. 3	432	\$281,100—	9,480	4,043,700—	495,000
New Cape Central...	41 weeks	Nov. 3	432	2,577 +	254	106,111 +	1,895
Paraguay Central...	18 weeks	Nov. 3	274	3,260 +	1,250	69,490 +	47,240
Salvador ..	18 weeks	Nov. 3	100	2,401 +	511	42,130 +	5,619

(a) Converted as par.

(b) Converted as par.

(a) Converted as par.	(b) Converted as the current rate of exchange.
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Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1923. + or -	1923. + or -
Anglo-Argentine	44 weeks	Nov. 4	329	289,722	+ 3,167
Burnley Corporation	1 week	Nov. 4	12	2,502	+ 107
Calcutta Tramways	43 weeks	Oct. 31	358	153,920	+ 48,490
Chatham & District	41 weeks	Oct. 31	432	281,100	- 9,480
Egyptian Markets	43 weeks	Oct. 31	25	1,983	+ 251
Glasgow Corporation	22 weeks	Nov. 3	106	445,886	+ 3,278
Ile of Thanet	4 weeks	Oct. 31	39	2,642	+ 8
Lancs United Tram.	44 weeks	Nov. 3	39	2,810	+ 4
Do Omnib. receipts	44 weeks	Nov. 3	39	2,810	+ 4
Liverpool Corporation	31 weeks	Nov. 3	124	221,427	- 3,625
L.C.C. Tramways	31 weeks	Nov. 3	163	484,460	- 9,391
Madras Elect. (2 wks)	43 weeks	Oct. 28	..	49,669	+ 5,615
Pernambuco Trams.	43 weeks	Oct. 31	..	23,433	+ 452

ANALYSIS OF BALANCE-SHEETS.

JOSHUA HOYLE AND SONS.

LIABILITIES.	Amount.	Compared with Sept. 30, 1922.	ASSETS.	Amount.	Compared with Sept. 30, 1922.
7% pref. shares	1,000,000	..	Land, buildings, &c. 2,160,083 ..	+118,262	
Ordinary shares	800,000	..	Stock-in-trade and sundry stores	1,222,042	-241,670
7% deb. stock	1,482,827	-17,173	Accounts owing to company and cash	675,598	-127,097
Interest accrued	20,111	+ 423	Investments	30,293	..
Reserve fund	200,000	+ 27,390			
Ordinary loans	153,892	+ 51,760			
Accounts owing by company	370,378	-228,291			
Profit and loss	60,808	+ 18,906			
Total	4,088,016	-250,505	Total	4,088,016	-250,505

MINING OUTPUT STATISTICS FOR OCTOBER, 1923.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Oz.	£	£
Gold.				
Akoko Main Reef	450	476	305	41
Ashanti	6,870	..	..	..
Associated Gold	4,320	..	..	..
Balaghat	3,350	4,050	2,827	206
Boulder Perseverance	16,200	..	..	..
Cam and Motor	9,092	16,663	2,357	931
Consolidated of N.Z.	..	..	..	..
Blackwater	3,446	..	..	..
Great Boulder Prop.	4,020	..	..	..
Ivanhoe	9,041	..	..	..
Menzies Consolidated	1,400	..	..	..
Mining Corp. Canada	15,900	35,795	8,891	1,474
Mysore	..	..	..	..
Nechi (Colombia) (24 days Oct. 25th)	10,652	11,043	4,999	474
Nundydoo	14,500	3,000	8,912	280
Oreogum	..	..	..	..
Oriental Cons.	6,200	798	..	..
Rezene	..	..	..	..
St John del Rey	..	..	..	..
Tomboy	18,000	..	..	..
Transvaal and Rhodesian—Fred	1,600	..	..	..
Waihi	15,624	5,401	(gold) 33,058	(silver) ..

(a) Par. (b) Including premium. (c) 88s per oz.

	Output.	Other Notes in Return.
Copper.		
Frementle (Warra Tarra)	508	Ore, containing 112 tons copper.
Tanganyika	5,183	..
Tin.		
Anglo-Nigerian	11	..
Aramayo	201	Silver, 112,000 ozs. ..
Bisichi	70	..
Chenderiang	214	Est. value, £2,450. ..
Deebook Dredging	29	..
Ex-Lands Nigeria	40	..
Gurum River	9	..
Geveor	30	..
Gopeng	60	Est. value, £7,000; est. costs, £1,780.
Idris	12	Value, £1,400; cost, £694.
Ipoh	584	..
Jos	174	..
Kamunting	86	Est. value, £9,330. ..
Keffi	40	Shipped. ..
Kramat Pulai	334	Profit, including tribute, £1,846.
Lahat	10	Value, £4,008; cost, £2,653.
Lower Bisichi	107	Value, £12,810; cost, £7,957.
Malayan	40	..
Mongu	23	Despatched, 23 tons. ..
Naraguta Ext.	80	..
Northern Nigeria	199	Black tin; 22 tons alluvial.
Pahang	54	Value, £520; cost, £274.
Pari	74	..
Premier Hydraulic	19	Est. value, £2,310; est. costs, £790.
Rambutan	123	..
Ropp	58	Despatched, 2 tons. ..
Rukuba	46	Value, £6,729; arsenic, &c., £3,618.
South Crofty	584	Est. value, £3,367; est. cost, £1,750.
Southern Perak	48	Est. value, £5,768; est. cost, £3,100.
Sungei Besi	34	Est. value, £3,535; est. costs, £1,470.
Tekka	714	Est. value, £8,165; est. costs, £3,030.
Tekka-Taiping	10	Dispatched 14 tons. ..
Tin Fields of Nigeria	27	..
Tongkah Harbour	62	Value, £7,350; cost, £3,857.
Tronoh		

£223,311; leaving a net profit of £470,848, against £345,475. The dividend is raised from 10 to 12½ per cent., free of income-tax. The reserve fund now stands at £1,620,000. A bonus of 10 per cent. is being paid to the staff on their salaries as at June 30, 1923. The sum of £112,600 is carried forward.

RAILWAYS.

ARGENTINE NORTH-EASTERN.—The results for the year ended June 30, 1923, compare with those for the previous financial year as follows:—

Description.	Year Ended June 30, 1922.	Year Ended June 30, 1923.	Difference.	Per Cent.
	£ s d	£ s d	£ s d	
Receipts	561,470 15 3	571,181 9 6	+ 9,710 14 3	+ 1.73
Expenses ..	487,160 1 8	445,880 8 6	- 41,279 13 2	- 8.47
Net profit ..	74,310 13 7	125,301 1 0	+ 50,990 7 5	+ 68.62

The ratio of expenses to receipts was 78.06, as compared with 86.76 last year.

INSURANCE.

CALEDONIAN INSURANCE COMPANY, LIMITED.—The company's new Act of Parliament will come into operation on 13th instant. The Act provides for the conversion as from that date of each of the existing £25 shares, £5 paid, into five £5 shares £1 paid, and shareholders are requested to forward their existing certificates to be exchanged for certificates of the new denomination. The shareholders are also informed that for the purpose of providing additional funds for extension of the company's business the directors will issue on the 30th instant 21,500 new shares of £5 each, having £1 paid up. The issue price will be £7 per share, of which £1 will represent capital and £6 premium. These shares are to be offered to the shareholders on the register as at 13th instant in the proportion of one new share for every existing five £5 shares of the new denomination. The price will be payable on or before December 31st next.

RUBBER, &c.

ANGLO-SUMATRA.—The report and accounts for year ended May 31, 1923, show that this company has had a good year. The ordinary shareholders are to receive 20 per cent., against 5 per cent. in preceding year. The net loss was £10,220 for the year ended May 31, 1922, but for the year 1922-23 a net profit of £9,919 has been secured.

BURIT KAJANG.—For the year ended June 30, 1923, this company has secured a net profit of £12,342, against a net loss of £4,561 for the preceding year. The ordinary shareholders receive 5 per cent., against nothing for preceding year. The sum of £3,000 is transferred to income-tax reserve, £5,000 to general reserve, and £13,819 is carried forward, against £15,727 brought into the accounts. The rubber crop amounted to 645,536 lbs, against 655,540 lbs in preceding year. The average net price secured for all grades was 1s 1.62d per lb, against 7.89d per lb for year 1921-2.

JONG-LANDOR.—The following statement of yield and sale average for the past seven years is presented with the report for year ended June 30, 1923:—1916-17, 665,031 lbs sold, at 2s 8½d per lb (average); 1917-18, 613,197 lbs, at 2s 1½d; 1918-19, 564,325 lbs, at 1s 10d; 1919-20, 663,950 lbs, at 2s 2d; 1920-21, 570,879 lbs at 10½d; 1921-22, 715,920 lbs, at 8½d; 1922-23, 594,147 lbs at 1s 2½d. The net profit has risen from £2,225 for 1921-22 to £12,172 for 1922-23, and the ordinary dividend has been raised from 5 per cent. to 12½ per cent.

TANJONG MALIM RUBBER.—The profit for the year ended June 30, 1923, after providing £6,000 for taxes, amounts to £21,399, as compared with £18,790, to which has to be added the balance brought forward from last year, £52,373, making a total of £73,772. The ordinary dividend is 10 per cent., against nothing in previous year. The sum of £23,784 is carried forward, against £52,373 brought into the accounts. The yield of rubber during the year was 1,325,210 lbs, being 61,690 lbs in excess of the combined amounts exportable free up to October 31, 1922, and exportable under licence for the period subsequent to that date. The company's standard production has been fixed, inclusive of the additional planted area of 60 acres recently purchased, at 1,919,658 lbs. Of the whole crop 951,037 lbs were sold in Singapore, and 374,173 lbs were shipped to Europe. The average gross price of the exportable allowance, taking a small quantity unsold at an estimated figure, was 1s 0.46d per lb.

MISCELLANEOUS.

ARGENTINE IRON AND STEEL.—It is announced that the scheme of reorganisation has had to be abandoned. As a result of this, the trustees for the debenture-holders have taken further steps in the debenture-holders' action, and have obtained an order authorising the receiver and manager to complete existing contracts, and pay any urgent liabilities incurred since April 20th last, but not to enter into new contracts without the leave of the Court.

AUSTRALIAN MERCANTILE, LAND, AND FINANCE.—The net profit for the year ended June 30, 1923, amounted to £202,263 (against £169,855 for the preceding year). A sum of £25,000 has been transferred to equalisation reserve (against £50,000). The total dividend and bonus has been raised from 10 per cent. to 12½ per cent., free of income-tax. The sum of £64,763 is added to £9,859 brought in, increasing the amount to be carried forward to £74,622, which is subject to provisions for taxation (estimated to cost £8,000).

CAPE ELECTRIC TRAMWAYS.—The net profits of this company for the year ended June 30, 1923, have been well maintained, as they amount to £51,855, as compared with £47,933. The ordinary

dividend is 6 per cent., free of income-tax, the same as the previous year. The sum of £20,000 is put to reserve, against £18,000 in previous year, and £14,865 is carried forward, against £12,483 brought into the accounts. During the year 1922-23 the tramways carried 32,094,580 passengers, with gross receipts of £408,753, as against 31,283,916 passengers, with gross receipts of £414,570 in 1921-22.

HOTEL CECIL.—The report for the year ended August 31, 1923, shows an improvement on the preceding year. Net profits at £51,320 compare with £39,780, and the ordinary dividend has been raised from 4 per cent. to 6 per cent. The sum of £26,485 is carried forward, against £24,165 brought into the account.

IMPERIAL AND FOREIGN CORPORATION.—For the ten months to June 30, 1922, during which conditions were affected by the process of reorganisation, the gross revenue amounted to £37,895, which, after deducting establishment charges, £13,815, left a trading profit of £24,080, converted, after charging £71,312 interest on loans, into a net loss of £47,232 for this period. The operations for the following year to June 30, 1923, showed a gross revenue of £84,725, which, after deducting establishment charges, £13,553, left a trading profit of £71,173, reduced, by reason of the continued heavy interest charges on loans, amounting to £67,723, to a net profit of £3,450. The result for the 22 months was, therefore, a balance, being loss, of £43,783 to be carried to the balance-sheet.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Cold but drier weather conditions prevailed during the week, which enabled farmers to push ahead with field work, though in some districts excessive moisture has rendered operations difficult. So far there is little evidence of any large reduction in acreage under cereals. Official returns now place the total yield of wheat in England and Wales at 7,070,000 qrs. Native wheat experienced a fair demand both here and at provincial markets, and prices maintained a firm level, suitable milling samples being a shade better at 9s to 9s 9d per 112 lbs, free on rail, while inferior ranged down to 7s 9d. Imported descriptions remain firm for near at hand parcels, and there was a fair inquiry, especially for Canadian qualities. No. 1 Northern Manitoba quoted 48s 6d ex ship arrived, and 48s further distant, Rosafé 62½ lbs ex ship 47s 3d, Barusso 62½ lbs 46s, choice white Karachi landed 45s, and Persian ditto 42s 9d, all per 496 lbs. The cargo section ruled generally quiet, but with offers sparingly made; late rates were maintained. Steamers of No. 1 Northern Manitoba, November shipment, sold at 44s 3d to 44s 9d net, two cargoes Barusso 62½ lbs January-February at 41s 6d to France, white Western Pacific, also soft white Pacific early January 45s 6d, part cargoes of Australian November 45s 6d, December 45s 4½d, and January 44s 10½d per 480 lbs, all to Ireland. Maize cargoes firmer on reserved sellers and decreasing Argentine stocks, while European descriptions are sparingly offered. A steamer of Gal. Foxanian November-December sold at 35s 9d, and a sailer of No. 6 yellow African afloat 36s 6d per 480 lbs. Barley cargoes firmer, and a steamer of Black Sea November sold 28s 3d per 400 lbs. Flour steady. London standard straight run quoted at 37s, patents 39s-40s, town households 35s per sack delivered in. All-English country straights 30s-31s delivered to London stations. Imported steady. Manitoba patents range from 36s 6d-39s 6d as to sample, Minnesota 38s 6d-40s 6d, Australian 32s 9d, all per 280 lbs ex store. Millers' offals steadier. Broad bran quoted 7s 3d, ordinary ditto 6s 6d, middlings 8s 3d, bags included, ex mill, light oats 5s 9d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 3d, free on rail all per cwt. Barley, English, steady, and malting descriptions range from 9s 6d-13s 9d, with feeding sorts 8s 3d-8s 9d per 112 lbs, free on rail as to sample. Imported tends firmer. Californian 39s-44s, Chilean brewing 38s 6d-43s 6d per 448 lbs ex store. Persian ex ship 36s, Danubian ditto 29s, Algerian-Tunisian 28s 6d, No. 4 Canadian Western 29s ex ship, ditto landed 30s 3d, all per 400 lbs. Maize again dearer. Plate ex ship 36s 9d, landed 38s, No. 2 white flat African ex ship 37s 6d, No. 6 yellow ditto 36s 6d, all per 480 lbs. Oats, English, quietly steady, and prices range from 8s 4d-10s 2d per 112 lbs free on rail as to sample. Imported firm. Plate f.a.q. ex ship 22s 3d, landed 23s 6d, No. 2 Canadian Western ex ship 26s 9d, landed 28s 6d, No. 3 ditto landed, old, 27s 6d, new 27s 3d, Algerian-Tunisian landed 23s 3d, New Zealand "A" grade landed 38s-40s, "B" grade ditto 36s per 320 lbs. Oatmeal in fair demand at easier prices. London made flaked, also rolled, oats 17s 6d, medium and fine cut 17s 6d, coarse and medium pinhead 17s, ordinary Scottish oatmeal 17s, American 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24	1922-23	1921-22	1920-21
Estimated sales of home-grown wheat—				
1 week to November 3.....	Owts. 348,875	Owts. 571,688	Owts. 315,167	Owts. 371,433
9 weeks to November 3.....	3,753,828	3,771,437	3,491,595	4,246,866
Average price of English wheat per cwt.....	s d 9 1	s d 9 7½	s d 10 3	s d 11 1

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

.Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%
Banks.											
English, Scottish, and Australian	June 30	107,094	430,348	537,442	..	178,494	12½	246,348	112,600	345,475	10½
Breweries.											
Ashby's, Staines,	Sept. 30	23,099	29,011	52,110	5,719	18,300	12	3,000	25,091	21,437	10
Bristol Brewery, Georges and Co.	Sept. 30	63,674	125,923	189,597	18,600	64,800	16	30,000	76,197	113,425	16
Dartford Brewery	Sept. 30	22,930	31,369	54,299	7,975	20,500	10	2,500	23,324	28,647	10
Kenward and Court	Sept. 30	1,853	11,451	13,304	..	10,000	10	1,000	2,304	10,268	10
Rochdale and Manor	Sept. 30	39,221	9,413	48,634	2,562	6,445	8	..	39,627	11,005	8
Southdown and East Grinstead ..	Sept. 30	9,905	14,435	24,340	4,750	7,560	9½	..	12,030	12,707	9½
Financial, Land, &c.											
Australian Mercantile Land, &c...	June 30	9,860	202,263	212,123	..	112,500	12½	25,000	74,623	169,855	10½
Scottish Trust and Loan of Ceylon	Aug. 31	3,108	31,461	34,569	..	27,827	40	2,924	3,818	..	..
Hotels, Restaurants, &c.											
Hotel Cecil	Aug. 31	24,165	51,320	75,485	25,000	24,000	6	..	26,485	39,780	4
Iron, Coal, and Steel.											
Kerr, Stuart, and Co.	July 31	13,228	63,995	77,223	8,400	28,750	12½	..	40,073	..	..
Nitrate.											
Santa Catalina	June 30	722	11,212	11,934	..	11,850	15	..	84	Dr 1,069	10
Santiago	June 30	9,504	12,692	22,196	..	12,000	7½	..	10,196	3,162	7½
Rubber, &c.											
Anglo-Sumatra	May 31	14,222	9,919	24,141	..	13,050	20	..	11,091	Dr 10,220	5
Bukit Kajang	June 30	15,727	12,342	28,069	..	6,250	5	8,000	13,819	Dr 4,561	nil
Daijan	Mar. 31	..	87	87	..	..	..	..	87	..	..
Jong-Landor	June 30	12,168	12,172	24,340	..	11,187	12½	..	13,153	2,225	5
Kenny (Selangor)	June 30	3,853	4,422	8,275	..	4,538	2½	1,640	2,097	1,182	nil
Tanjong Malim	June 30	52,373	21,399	73,772	..	49,988	10	..	23,784	18,790	nil
Textiles.											
Joshua Hoyle and Sons	Sept. 29	15,652	113,795	129,447	53,375	30,500	5	27,390	18,182	58,166	2½
Tramways.											
Cape Electric	June 30	12,483	51,855	64,338	..	29,473	6½	20,000	14,865	47,933	6½
Other Companies.											
Metropolitan Industrial Dwellings	Sept. 30	23,983	15,895	39,878	3,000	3,863	5	2,849	30,166	15,227	5

† Tax free.

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1919	331,243	521,896	45,048	16 11	27 4	19 10
1920	371,413	707,725	61,268	21 1	26 0	19 2
1921	315,167	525,150	43,858	10 3	13 9	9 0
1922	571,689	578,057	95,965	9 9	11 10	9 6

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated November 8th, is as follows:—Pig-iron: The feeling seems to prevail that we have touched the bottom of the recent depression and confidence is slowly returning, and, after all, this is always a prelude to buying on any extensive scale. Inquiries are in the market for the first quarter of next year. No. 3 Cleveland G.M.B. is quoted 100s per ton. East Coast hematite makers are receiving more orders, and the current price for mixed numbers is 100s per ton. Manufactured iron and steel: Although the boilermakers' strike is still unsettled, there are a good number of inquiries for steel. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; heavy steel rails, £9 10s. Iron ore: Best Bilbao Rubio has been a shade lower, but most sellers still ask 23s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—Further progress of the recovery of trade can be reported this week, and a reduction of 500 in the number of unemployed is a distinctly favourable sign. The men and women in receipt of out-of-work relief to-day is 10,000 below the figures of November last year. The improvement taken in the aggregate is only slight, and the production at many firms is below the profit-making level. A great amount of plant is idle. The severity of price-cutting has not abated, and a good deal of work is being taken at unremunerative prices, merely to keep the operatives employed. The lighter and finished trades are improving much more than the heavy branches. Local firms do not expect to benefit from the big railway contracts which are given out until the new year, as some time will be occupied in arranging terms. The large steel makers have been making representations to the Government with the object of securing the placing

of contracts for the two new cruisers at the earliest date, and also to bring pressure upon the railway companies to hurry up their renewals and new construction plans. The latest information from the Ruhr is to the effect that our steel makers have little to fear from the disposal of the stocks in that district which are being released. The quantity has been exaggerated, and much of the finished material is unsuitable for the British market. A stock of about a thousand tons of tool and other special steels from surplus war stocks has just been sold for export, and will no longer constitute competition with the makers. The huge quantities of steel and tools left over from the war purchases have been a considerable factor in creating the depression in the trades concerned. Prices are firm, especially in the scrap department, and people are confident of a considerable increase of trade activity before long. The plate and cutlery branches are very busy except on expensive goods. The fuel market is maintaining its strength fairly well, in spite of several adverse circumstances, and there is a disposition to book forward for coke. Gas and railway companies are taking heavy tonnages. House coal is in moderate demand. Prices are firm all round. Quotations per ton at pits are:—Best hand-picked branch, 32s 6d; best Silkstone, 26s 6d; South Yorkshire hards, 20s to 21s 6d; good rough slacks, 11s 6d to 12s; smalls, 7s to 9s; blast furnace coke, 24s.

Our Glasgow correspondent (writing on Thursday) says:—This has been a comparatively active business week in iron and steel trade circles, and the prospects are more encouraging than any experienced since the beginning of the year. The best evidence of improvement is afforded in the fact that on Monday several steel works in mid-Lanark that have been standing idle for months are to get in motion on contracts just booked, mainly on home account and moderately on export order. It is reliably stated that Messrs Beardmore, Limited, have secured lines for a number of thousand tons of steel rails, and other firms have secured substantial engagements in ship and boiler plates, and in thick and thin sheets, which will keep them running full well into 1924. Steel bridge-builders have also added to their commitments, and their outlook is most promising, from the extent of the projects that are emerging in and around the city in connection with non-employment developments, some of which, however, will not be taken in hand for a month or so at least. Rumour has it that Clyde shipbuilders have booked orders for 15,000 tons of new work, which is to be proceeded with at Whiteinch and Clydebank. Rather more animation is observable at Fairfield and at Messrs Scott and Co.'s engineering and shipbuilding works at Greenock. There is also more passing in Scotch pig-iron. Foreign shipments this week include close upon 7,000 tons of named brands for the Pacific Coast of the United States, and it is said that a fair number of inquiries are on circuit. Scotch foundry No. 1 is unchanged at £5 5s a ton and No. 3 at £5 f.o.t. makers' works. Bar iron in rather better request at fully late rates. Messrs Yarrow's yard at Scotstoun, which have been closed since 1921, is about to be reopened, having acquired an order for a shallow craft steamer for Chinese waters.

Our Cardiff correspondent writes:—On the Cardiff coal market this week conditions have been stagnant and reactionary. Current business has been extremely slight, and with stemming arrangements still disorganised in consequence of bad weather, collieries have, in a large number of cases, found it extremely difficult to prevent stoppages. The number of lost days is increasing, and the output is consequently declining. Shippers have been able to obtain substantial concessions for spot tonnage, and even for contracts the position is not so strong as it was two or three weeks ago. The Cie. Generale Transatlantique of France has turned down all the tenders it has received for the supply of between 300,000 and 400,000 tons over next year. The requirements of this big shipping company, now owning about 100 vessels, have been reduced, owing to the increased consumption of fuel oil for bunkering purposes. Its consumption of South Wales steam coals during the past two years has averaged nearly half-a-million tons per annum, but the amount required for next year is at least 20 per cent. less. The prices tendered approximated those at which quite a large number of contracts had already been placed, but they were above those at which supplies could be obtained for prompt shipment, and the Transatlantique directorate in Paris has decided to hold off in the belief that it will be able to buy at lower figures. Its policy so far seems to be justified by the fact that coals have been sold to South America during the past few days at prices at least from 3d to 6d per ton less than those obtained for the bulk of the contracts already concluded. The current approximate quotations are as follows:—Best Admiralties, 27s to 28s; second Admiralties, 26s to 27s; best drys, 26s 6d to 27s; black veins, 26s to 27s; Western Valleys, 25s 6d to 26s; Eastern Valleys, 23s 6d to 25s; best bunker smalls, 17s to 18s; ordinary cargo smalls, 15s to 16s; anthracite big vein large, 40s to 45s 6d; machine-made cobbles, 52s 6d to 55s; French nuts, 57s 6d to 62s 6d; stove nuts, 54s to 56s 6d; rubble culm, 14s 6d to 15s 6d; inland blast-furnace coke at ovens, 30s to 35s; coke for export, 42s 6d to 50s; patent fuel, 29s to 32s; pitwood, ex ship, 28s 6d to 29s. In the iron and steel industry the position is slightly improved, and the stabilisation agreement, under which minimum prices are fixed for tinplates and steel bars, has been renewed for another year. Prices are firm, and the volume of the export trade increasing.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The course of trade at the London sales and the strong demand for merino wool in the colonies reflect the general feeling of confidence in the raw material position. In this centre, however, it is impossible to do anything with merinos as world values are much too high for users. Quotations for merino tops are practically unchanged, average 64's still being quoted at about 5s, with warp 64's at 5s 1d or a little more. At these prices it is impossible to replace stocks, for good 64's topmaking wool continues to sell freely in Australia on a basis of 52d, clean, delivered Bradford. Interest is almost entirely centred on crossbreds, and the heavy buying of wool in recent months seems to have left the trade still unsatisfied. A good steady business is passing in practically all descriptions, and although quotations do not show much change as compared with those ruling a week ago, the market is certainly against the buyer, and prices show a hardening tendency. Surplus stock of South America low crossbreds are being shipped from the United States to this country, and to the Continent, but these are having little effect on the Bradford market. Cables from Buenos Ayres, however, report a very firm market, with prices on a high level. The new selling season opens in New Zealand next week, and it is expected that a general demand will place values on a very firm basis. Spinners report rather more favourable conditions, and some moderate business has been booked in both botanics and crossbreds, though the prices obtainable leave much to be desired in many cases. Machinery is better employed, and the outlook generally appears to be somewhat brighter. Some increase in demand on home account is reported in the piece goods trade, wholesale fabric buyers still giving a decided preference to the cheaper cloths.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

The wool auctions in London are being continued under very satisfactory conditions. Perhaps the prices paid for scoured merinos, chiefly medium and faulty wools, have not been quite so extreme recently as during the opening week, and a few more withdrawals have taken place. This is largely the result of excessive limits being put on the offerings, but, all the same, the auctions have gone well, competition being well sustained throughout the week. We do not think French buyers are quite so keen as they were, and it is quite probable that the economic conditions on the Continent are exerting some influence upon their attitude. We understand that manufacturing conditions in France are not so brisk as they were, which is by no means surprising. Sooner or later what is happening on the Continent will tell to the disadvantage of France, and in many important business circles the attitude of France towards Germany is regarded as being very unfavourable for the development of business throughout Europe. Crossbreds are figuring prominently in the offerings every day, and full justice is being done to them, particularly by the home trade, while French representatives continue to absorb fair weights of the shorter stapled medium and fine classes. The British Australian Wool Realisation Association is offering some very acceptable fine crossbreds and comebacks, and these are making prices fully on a parity with what the combed article is

worth in Bradford. Several firms hitherto well known as makers of merino tops in a large way of business are now purchasing crossbreds, which surely indicates the trend of trade. A remarkable feature is the attention paid to New Zealand shipland half-bred lambs, and 28d has been paid several times during the series for this description.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS November 2, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	nm	nm	nm	nm	nm	d	d	nm	nm	nm	
Florida do.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Georgia do.....	d	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
American.....	Ord	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	G O L M	
Brazilian.....	1499	1549	1649	1744	1794	1844	1351	1421	1476	911	1081	1291
Pernam, Macelo, &c.....	Mid	M F	F	G F	G F	G F	M F	F	G F	M F	F	G F
Parahyba, Rio Grande, &c.....	1734	1809	1884	1884	1884	1884	1306	1421	1421	976	1226	1226
Ceara, do.....	1734	1809	1884	1884	1884	1884	1306	1421	1421	976	1226	1226
São Paulo.....	1734	1809	1884	1884	1884	1884	1306	1421	1421	976	1226	1226
Egyptian.....	1709	1784	1834	1834	1834	1834	1356	1416	1416	..	..	..
Upper.....	Fr.	G F	G F	G F	G F	G F	Fr.	G F	G F	Fr.	G F	G F
Sakellariadis.....	1725	1785	1805	1825	1850	1350	1450	1550	1550	1600	1900	1900
Brown.....	1725	1785	1805	1825	1850	1350	1450	1550	1550	1600	1900	1900
Peruvian.....	1725	1785	1805	1825	1850	1350	1450	1550	1550	1600	1900	1900
Rough.....	M F	F	G F	G F	G F	G F	M F	F	G F	M F	F	G F
Moderately Rough.....	1725	1785	1805	1825	1850	1350	1450	1550	1550	1600	1900	1900
Smooth.....	1725	1785	1805	1825	1850	1350	1450	1550	1550	1600	1900	1900
Tangia.....	1759	1809	1834	1884	1959	1456	1571	1706	1706	1496	1601	1601
Mitah.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
West Indian, &c.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Do Sea Island.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
African, East, &c.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Do.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Do West.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
East Indian.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Surtee.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Broach.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Bhowangar.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Oomra. No. 1.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Oomra. No. 2.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Khandesh.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Comptah.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Bengal.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Machine Ginned Soinde.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Timnivally.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Madras, Western.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
Madras, Northern.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
M. G. Cocoonada, Red.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..
China, Smyrna, &c.....	1700	1775	1850	1900	1900	1225	1474	1474	1474	..	..	..

MANCHESTER, November 8.

The event of importance in the market this week has been the rise in values. American and Egyptian cotton have advanced over 2d per lb, and quotations in yarn and cloth have been put up to a corresponding extent. It has been exceedingly difficult for spinners and manufacturers to secure adequate advances, but the tone of the market continues healthier, and a considerable business has been done in stock lots. Cloth for China has been in increased request, and more lines have been booked in shirtings and sheetings. Operations for India have been rather irregular, but buying has not yet been at a standstill. Shippers to the Near Eastern and South American outlets have wanted goods, and moderate contracts have been arranged. Numerous manufacturers are more favourably situated than a month ago, and the recent appreciation in values has been a blessing for holders of stocks. American yarns have been stiff at the higher figures, and a very fair business has been done. Egyptian spinners have been in active demand at dearer prices.

(I.) Comparative Statement of the Cotton Trade.

	Price, Nov. 8, 1923.	Previous Weeks in 1923.				
		Price, Nov. 1, 1923.	Price, Oct. 25, 1923.	Price, Oct. 18, 1923.	Price, Oct. 11, 1923.	Price, Oct. 4, 1923.
Raw Cotton—Fully Mid. American.....per lb	19.60	17.78	17.72	17.45	16.56	16.99
—Sakellariadis Fully Fair.....per lb	21.10	18.65	18.60	18.40	18.35	18.90
Yarns—32's twist.....per lb	25.4	23.4	23.4	23.4	22.4	23
—40's twist.....per lb	25.4	23.4	23.4	23.4	22.4	23
—60's twist (Egyptian).....per lb	33	31	31	31	31	31
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	36	34	33	33	32	33
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	39	37	37	36	36	36
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	21	20	19	19	19	19
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	19	18	18	17	17	17

(II.) Compared with Previous Years.

	Price, Nov. 8, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American.....per lb	19.60	15.36	11.23	16.43	24.72	22.13
—Sakellariadis Fully Fair.....per lb	21.10	18.65	21.00	41.00	39.00	27.56
Yarns—32's twist.....per lb	25.4	21	19	38	49	52
—40's twist.....per lb	25.4	21	19	36	46	52
—60's twist (Egyptian).....per lb	33	29	35	56	75	68
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	36	32	32	63	70	69
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	39	33	32	66	67	66
38-in. ditto, 38 yds, 18 by 16, 10 lbs.....	21	18	19	34	40	38
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	19	17	18	28	34	33

VEGETABLE OILS AND OILSEEDS.

The feature of the market is the continued firmness of linseed, both in near positions and for forward shipment. A good trade has been done in old Plate crop by crushers, who are also interesting themselves again in the new seed, which will commence shipment late in December. The abnormally high official estimates of the yield of the new Plate linseed are discounted at the moment, but there is no disposition on the part of buyers to commit themselves far ahead. Linseed oil has been in good demand on consumptive account, and prices are rather firmer at £41 10s per ton, naked, ex Hull mill. Egyptian cottonseed has firmed up smartly.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The hide market has fallen quiet again, and nearly all hides offered at the Bermondsey auctions on Thursday failed to find buyers, as only one class of best ox sold at 73½d per lb. Cows were unaltered at 67½d to 7d, seconds making 6d to 6½d per lb. Best calf sold from 7½d to 12½d, alterations being unimportant. Wool skins sold from 5s 3d to 11s each, and hogs from 2s 9d to 14s per lb. Hides are getting in bad condition, and tanners insist that they must get their raw material at less money if they are to make a profit on their leather. The demand for imported hides has fallen away somewhat, and few frigorifics are being sold either to this country or the Continent, Germany having dropped out of the market. Dry hides are selling in the cheaper grades at firm prices. Cables from the U.S.A. report the Chicago position as very weak, with best native steers now selling at 14½c, and native cows at 10½c—a drop of a cent. on the latter.

OVERSEAS PRODUCE MARKETS.

SUGAR.—There is a generally better tone about the market, with more disposition shown to purchase both on grocery and manufacturing account at the lower level of prices ruling recently for refined descriptions. British makes continue to be favoured owing to the absence of foreign in competing quantities. Supplies of the useful white Javas have become very much reduced, and in a sense may be termed as practically cleared. Parcels of continental are arriving, but only in small quantities so far, and which is partially accounted for by lack of sufficient freightage from Hamburg owing

to political trouble there, and thus consignments from Czechoslovakia are held up. The statistical barometer shows a tendency to favour the seller at the moment, as reliable report from Holland speak of a substantial reduction in their crop as from previous estimates, and nearer 200,000 tons final output is indicated than the 300,000 tons forecasted. It would seem that the world's product on will be easily absorbed, providing prices are not unduly driven up and check consumptive requirements. Russia is still calculated to figure as an importer instead of an exporter, as in pre-war days, and will look to Poland also the Baltic regions for certain supplies. Invaluable stocks are small with regard to the U.K. Of British refined, Messrs Tate and Lyle's cubes quoted 58s 6d to 59s 6d; crushed, 56s; granulated, fine and coarse gr in, also stoved, 56s 1½d. No. 1, 55s 10½d; No. 2, also London and T.L., 55s 7½d; ditto second half November, 55s 6d; second half December, 55s; January, 54s 6d; February-March, 54s 6d; yellow crystals, spot, 50s 7½d. Glebe K, granulate, 55s 1½d; London and Greenock, 54s 9d. English produced granulated, 54s 9d, ex works, Norfolk. White Java, spot, 52s 6d. Dutch sugars for shipment largely nominal in absence of definite offers. Czechoslovak granulated, November-December, 25s 9d, f.o.b., Hamburg. Belgian more or less nominal. Raw refining knds steady, and sparingly offered. Mauritius cryst ls to arrive, sellers, 28s, c.f. and i., U.K. White terminal market dealer, with moderate transactions. December, sold, 24s 6d to 25s 3d; March, 24s 3d to 25s 1½d; May, 24s 6d to 24s 4½d, 25s 4½d, and 25s 1½d cwt. Cuban receipts last week 7,522 tons, against 6,327 last year; exports, 53,459, against 57,455, and stocks 86,266 tons, against 172,269 last year. Java exports for last month will probably amount to 193,000 tons to all parts. Liquid glucose, spot, 32s cwt.

COFFEE.—Spot market firm, and there is a good demand, especially for all mild sorts, and which are in limited supply. Futures, December, quoted 59s 3d; March, 57s per cwt.

COCOA dull, unaltered on spot. Accra, F/F quality, December-February, 2 s 6d per cwt, f.o.b.

TEA.—14,000 packages Ceylon offered in auction met a fair demand, and all really fine teas realised about steady rates but inferior were easy. Pekoe, sold, 1s 5d to 1s 11d; broken ditto, 1s 5d to 2s 1d; orange, 1s 6½d to 1s 11d; broken orange, 1s 7½d to 2s 1½d per lb in bond. The larger quantity of 65,000 packages Indian offered in auction met a generally quieter demand at easier rates. Really fine teas, however, fairly steady. Pekoe, sold, 1s 4½d to 1s 8d; broken ditto, 1s 4½d to 1s 11d; orange, 1s 6d to 2s 1d; broken orange, 1s 5½d to 2s 6½d; finest, 3s 1d per lb in bond. 14,000 packages Ceylon offered in auction met a fair demand, and all really fine teas realised about steady rates, but inferior were easy. Pekoe, sold, 1s 5d to 1s 11d; broken ditto, 1s 5d to 2s 1d; orange, 1s 6½d to 1s 11d; broken orange, 1s 7½d to 2s 1½d per lb in bond. 2,500 packages Java and Sumatra offered met a good demand at easier rates, though generally above valuations. Pekoe sold, 1s 3½d to 1s 5½d; broken ditto, 1s 1d to 1s 5½d; Pekoe souchong, 1s 2½d to 1s 3½d; orange, 1s 4½d to 1s 6½d; broken orange Pekoe, 1s 2½d to 1s 6½d per lb in bond.

RICE.—All Eastern grain dull of sale, and rates nominally un-

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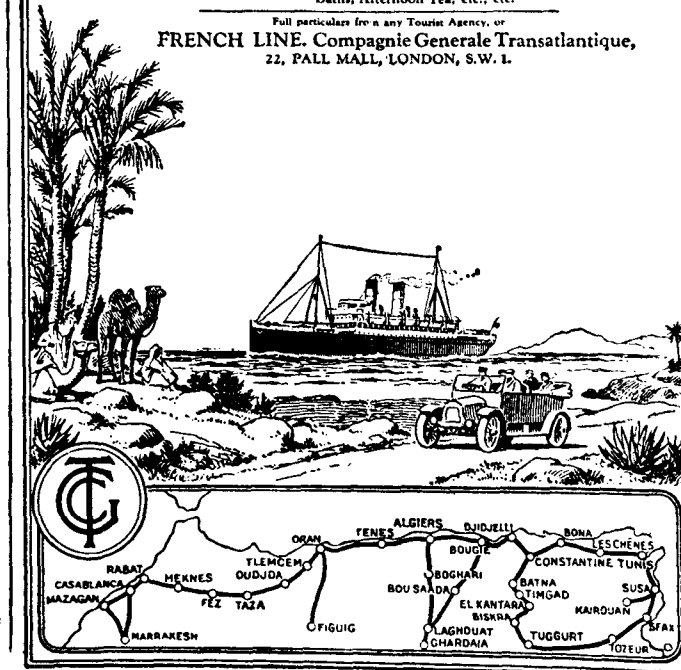
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NOTICE is hereby given that the TWENTY-SEVENTH ORDINARY GENERAL MEETING of THE CAPE ELECTRIC TRAMWAYS, LIMITED, will be held at the Company's Offices, No. 1 London Wall Buildings, London Wall, in the City of London, on WEDNESDAY, the 21st day of November, 1923, at 12 o'clock noon, to receive and consider the Report of the Directors, and the Statement of Accounts to be then presented; to elect Directors and Auditors and to fix their Remuneration; to declare a Dividend; and to transact the other ordinary general business of the Company.

The Transfer Books of the Company will be closed from the 15th to the 21st November, 1923, both days inclusive.

Dated this 31st day of October, 1923.—
By Order, F. HAINES, Secretary.

1 London Wall Buildings,
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N.B.—Holders of Share Warrants wishing to vote at the above Meeting should deposit the Share Warrants at the Registered Office of the Company on or before Saturday, the 17th day of November, 1923.

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Vol. XCVII.

SATURDAY, NOVEMBER 17, 1923.

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THE MONEY MARKET.

MONEY has again been uncomfortably scarce, with
borrowers paying up to 3 per cent. for loans over the
night, but the market succeeded in repaying, on Wednes-
day, the small amount due to the Bank of England. A
small dividend payment on that day doubtless helped this
liquidation, but no apparent effect was produced on the
state of market supplies. Discount rates have been very
firm, owing to scarce money, the seasonal expansion in

the supply of bank bills, and the continued weakness of sterling in New York. Fine three months' paper was quoted at $3\frac{1}{16}$ - $3\frac{3}{16}$ per cent. Yesterday money was much more plentiful, but discount rates were kept steady by the Treasury bill allotment.

	Nov. 16, 1923.	Nov. 9, 1923.	Nov. 2, 1923.	Oct. 26, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses' Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{1}{16}$ $\frac{1}{8}$	$3\frac{1}{16}$ $\frac{1}{8}$	$3\frac{1}{16}$ $\frac{1}{8}$	$3\frac{1}{16}$ $\frac{1}{8}$	..

The Bank return showed an increase in the Reserve, due to the return of notes from circulation, of £669,000. Government securities expanded by £830,000, while Other shrank to the extent of £180,000. Official disbursement reduced the Public deposits by $3\frac{1}{2}$ millions, and Other were thus $4\frac{1}{2}$ millions higher. Currency notes outstanding were increased this week by £652,000 to £282,995,100, which includes £1,436,100 for notes called in but not yet cancelled. The fiduciary issue is £232,109,000, or £38,074,800 below the maximum.

THE STOCK MARKETS.

The General Election is overshadowing the Stock Exchange, and there is, with one or two exceptions, a general depression. Gilt-edged and Home railway stocks have been sold on fears of the Labour Party being returned to power and imposing a capital levy, and the selling of Government stocks by nervous foreign holders has also helped the depreciation of prices. A slight recovery followed the news that the election was to be held at the earliest possible date, but quotations are still susceptible to sharp movements. The fall in the American exchange, and the consequent improvement in the price of gold, has imparted a good tone to the Kaffir market. Tin shares have also been good, and other mining shares fairly steady. Elsewhere, however, depression and uncertainty have been the keynote, and business is expected to be quiet for the next three weeks.

THE COMMODITY MARKETS.

Markets generally appear to remain fairly steady, in spite of the snap election announcement. In the Manchester cotton trade the firmer tone of the market reported last week has been well maintained, although the turnover in yarn and cloth is not quite so large. There is no indication of cheaper wool values, and our trade correspondent reports that manufacturers are beginning to face the future with more confidence; keen foreign competition continues to dominate the position. There was some inquiry for jute. Copra markets were firm on account of American demand. Rubber has been steady, although trade is quiet. Canned goods showed no change in price. Pig-iron prices are unchanged, and markets remain firm, while steel prices are distinctly firmer. Tin moved yet higher, while copper, though firm, failed to follow. The weakness in the American exchange has caused higher wheat prices. The sugar market has developed some activity—an exceptional thing at this period of the year. A better demand for tea is noticeable, and the market was firm. Linseed is in good demand, but the hide market is weaker, the reason for the latter given by our correspondent being “in sympathy with foreign conditions.”

FOREIGN EXCHANGES.

In the foreign exchange market the week has been one of great excitement, with more business than for some time past. Interest, of course, has centred on the violent movements in the dollar rate. From a closing quotation of \$4.40 $\frac{1}{2}$ on the 9th the rate moved rapidly downward, with occasional short recoveries, to as low as \$4.32 $\frac{1}{2}$ at one time on the 15th. In the afternoon of that day it recovered to a closing price of \$4.34 $\frac{3}{16}$, but at \$4.33 $\frac{1}{2}$ yesterday morning its direction was uncertain. A number of factors already well known would seem to have combined to produce this heavy depreciation. Just recently cotton and grain purchases have been exceptionally heavy even for this time of the year. In addition, the unfortunate inflationist scare, groundless as it was, continues to disturb the minds of foreign holders of London

Funds, while Election prospects, with the dangers of a Capital Levy and of Tariff Reform, are equally disturbing, although here, too, it can be confidently hoped that fears are equally groundless. On the top of these is the increasing seriousness of the European situation, and the growing desire to move funds to a place of safety, which to foreigners disturbed by inflationist and Election scares would appear to be New York rather than London. It should also not be forgotten that, for the time being, New York provides the additional attraction of higher money rates, although from American reports this may be changed in the near future. To see how rates may move is extremely difficult. It is reported from New York that the pressure of cotton bills is already less, but this relief and a reduction in American money rates may easily be counterbalanced by general uneasiness due to the more general causes referred to above. Forward rates have again widened $\frac{1}{2}$ cent to $\frac{3}{4}$ cent per month above spot. In sympathy with the dollar, Switzerland has moved down from 25 to 24.83 $\frac{1}{2}$, Vienna from 314,000 kr to 305,000 kr, Stockholm from 16.72 $\frac{1}{2}$ to 16.50, Helsingfors from 165 $\frac{3}{4}$ to 163, Copenhagen from 26.55 $\frac{1}{2}$ to 25.62 $\frac{1}{2}$, while even Christiania, where the Bank rate has this week been raised one point, has improved from 31.02 $\frac{1}{2}$ to 30.25 $\frac{1}{2}$, and Spain from 33.55 to 33.50 $\frac{1}{2}$; while Prague has moved against us from 152 to 150 $\frac{1}{2}$, and Bucharest has continued its recent rapid recovery from 900 to 820. Among neutral States the only one that has moved in our favour is Holland, where the rate, apparently in connection with the heavy movement of funds to New York, has risen from 11.54 to 11.63. Rapid as has been the depreciation of sterling, the fall in value of the franc, under the threat of the Ruhr problem and the present strain upon the Entente, has been even worse. The Paris rate, which on the 9th closed at 78.05 $\frac{1}{2}$, has, with the exception of some improvement on the 13th, continued to rise until 80.60 was reached on the 15th, while shortly after yesterday's opening it had moved up to 81.20. Brussels has risen even more rapidly, from 90.25 to 95.20, while Italy has followed more slowly, from 100.30 to 102 $\frac{1}{2}$. In Paris the forward rate remains the same at about 10 centimes per month over spot; in Brussels it has narrowed 2 centimes to 4 centimes above. The German mark, after a sharp recovery at the end of last week, rose again to 19,000 milliards, but yesterday morning, at the news of the official inauguration of the Rentenmark, steadied at 17,000 milliards. For the time being it is impossible to see what will be the fate of this new currency, which depends almost entirely on the balancing of the Budget on a gold basis, an ideal possible in any case only by cutting off all subsidies to the Ruhr, and by ignoring all reparation obligations. Warsaw, after being slightly higher, has steadied again at last week's figure of 8 millions, and there is some hope, if political troubles can be overcome, that financial stability may be obtained through Mr Hilton Young's advice and assistance. In the East, the rupee is slightly more expensive at 1s 4 $\frac{1}{2}$ d, and the yen has moved sharply, from 2s 2 13-32d to 2s 2 $\frac{3}{4}$ d. The silver market has been very firm, partly through the depreciation of sterling, partly from the concentration of supplies in India, and from preparation for the approaching Chinese New Year. Future movements would seem to depend on the American exchange and on the strength of the Bombay holders. Hong Kong having moved against us from 2s 3 $\frac{1}{2}$ d to 2s 4d, was back again yesterday at 2s 3 $\frac{1}{2}$ d, but Shanghai has risen from 3s 1 $\frac{1}{2}$ d to 3s 2d. In South America, Rio has appreciated slightly, from 4 $\frac{1}{2}$ d to 4 25-32d, while Buenos Ayres has risen sharply, from 38 $\frac{1}{2}$ d to 39 $\frac{1}{2}$ d, and Monte Video from 39d to 40 $\frac{1}{2}$ d. Valparaiso, on the other hand, has depreciated again, from 38.50 to 38.90 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended November 10th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	5479	From Revenue	10788
Interest, &c., on Debt	901		
Sinking Fund	250		
Burdies	933		
Added to Exchequer balances ..	237		
Reduction of debt	3888		
	10788		10788

Revenue amounted to £10,788,000, against £12,964,000 in the corresponding period. The chief cause of the decline in revenue was the lower receipts from Property and Income-tax, which amounted to £1,740,000, and from Super-tax at £440,000, against a combined total of £4,331,000 in the corresponding period. Motor vehicle duties brought in £305,000, against nothing a year ago. Customs receipts at £255,700 and Excise at £1,546,000 show little change. Expenditure at £6,663,600 is about £2,000,000 lower, mainly due to reduction in Supply Services. The week's operations reduced the National Debt by £3,888,000, and caused the following changes:—

Treasury Bills	Min. £ + 1112	Bank of England Advances ..	Min. £ — 2500
		Public Departments Advances ..	— 2050
		National Savings Certificates ..	— 250
		Sundries	— 200
	+ 1112		— 5000

The floating debt was reduced by £3,430,000 to £811,271,500.

FINANCIAL YEAR, 1923-24 (April 1 to November 10, 1923).

Total Expenditure ..	£ 451,117,315	Raised by Revenue ..	£ 442,203,790
		Net Borrowings	5,323,621
		Decrease in Balances ..	3,589,904
Total	451,117,315	Total	451,117,315

ESTIMATES FOR YEAR 1923-24.

Ordinary Expenditure ..	£ 801,013,000	Ordinary Receipts ..	£ 778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—English, Scottish and Australian Bank; London and Brazilian Bank; Dalgety and Co.; Kerr, Stuart and Co.; and Joshua Hoyle and Co. Mr Andrew Williamson, at the meeting of the English, Scottish and Australian Bank, gave an exhaustive review of the trade and industrial position in Australia, while the Hon. Edmund W. Parker, at the meeting of Dalgety and Co., reported a substantial increase in the company's earnings for the year. The chairman of the London and Brazilian Bank explained the fusion with the London and River Plate Bank.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE CASE FOR FREE TRADE.

A brief statement of the Free Trade case is presented in a Supplement to this week's issue.

THE DISSOLUTION AND THE PARTIES.

THE circumstances attending the complete transformation of the political scene are without parallel in recent history. When Parliament rose late in August for the autumn recess the Government were apparently sailing in calm waters. Their majority over all parties was stable and sufficient. Right up to the last week of October everything pointed, if not to an easy life, at least to a prolonged tenure of office. Now, three weeks later, the political storm has arisen which plunges the country into an immediate electoral campaign. The distinctive feature about the crisis is that the storm did not arise out of any public events, but was deliberately created by the Prime Minister himself. A year ago Mr Bonar Law's victory was clearly attributable to the fact that a promise of a long period of peace and quiet appealed to an electorate that was weary of legislation and experiment. In that

promise the most conspicuous feature was the pledge that no fundamental fiscal change should be undertaken. Up to August Mr Baldwin seemed to be satisfied with that pledge, for in his references to unemployment, its causes and remedies, we find up to that date no mention of the fiscal revolution which he now believes to be the only cure. The suddenness of the change is bewildering. That it arises from sincere conviction we cannot doubt; for nothing less would cause a new Prime Minister suddenly and unexpectedly to sacrifice a stable majority and the reasonable certainty of several years' tenure of office and to enter into what can only be described as a desperate gamble with the political fortunes both of himself and of his party. It may be contact with the Dominion Premiers that has pushed Mr Baldwin over the tariff brink; it may be the concentrated pressure of the “die-hard” element in the Conservative party. It may, on the other hand, be true, as some are inclined to believe, that when Mr Baldwin made his famous plunge at Plymouth he had no clear vision of the rapidity with which the inevitable political consequences would develop. But such speculations are fruitless. The die is cast, and on December 6th the country has once again to say whether it will permit the complete revolution of the fiscal system under which this country has achieved and holds its great industrial, commercial, and financial position in the world.

The Government's opponents attribute the fixation of the earliest possible election date to discreditable party tactics, and to the desire to snatch a verdict before the Free-trade parties could have time to organise and educate. With the party managers such considerations must always weigh. But, so far as Mr Baldwin is concerned, we prefer to believe that his chief motive for extreme haste was to shorten as far as possible the period of national uncertainty and disturbance. Nevertheless, we cannot but deplore and set down as reckless statesmanship the imposition on an electorate, which must have mainly forgotten the fiscal education of 1903-10, of the duty of deciding, in the space of three weeks of election turmoil, the most fundamental and intricate of national issues. Such a space of time is grotesquely inadequate to the full and calm consideration by the country even of the main facts bearing upon fiscal expediency, which we present this week in a special supplement. But we would earnestly request all those whom this issue of the *Economist* may reach to study the grounds, which are there set forth and elaborated, for our profound belief that the true interests of this country demand more insistently now than at any time in our history the maintenance of the greatest possible degree of freedom in commercial exchange.

Anyone who contemplates the international scene must admit that Mr Baldwin could hardly have chosen a less propitious moment for diverting the whole attention of the country and its rulers from foreign policy to electoral strife. While the fiscal battle rages, fundamental issues of international law and justice, which clamour for decision, move into the background, and share oblivion with such vital questions as the chances of the priceless gain of American participation in European problems, and the rapid drift of Germany into chaos. These are problems which not only brook of no delay, not only require the undivided attention of the Government, but also demand handling by a Government possessing authority and stability, not one that is testing the precarious fortunes of one of the most dubious elections of our times. All these considerations add immensely to the gravity of Mr Baldwin's decision. We can only hope that even amid the election turmoil our statesmen will at least strive to prevent themselves or the country from entirely losing sight of the great international questions which, to take a material view, bear far more directly upon the unemployment problem than Mr Baldwin's fiscal propositions.

Upon the alignment of political parties at home Mr Baldwin's tariff programme has produced effects of first-rate importance. Liberal unity, which certain followers of Mr Asquith and Mr Lloyd George had long striven in vain to promote, Mr Baldwin has instantaneously achieved. All differences between the two Liberal sections have been buried in spontaneous and unanimous support of Free Trade.

Unity has come, in the only way in which it could come, through complete and sincere agreement on the main issue which the country has to decide, and once again the Liberal Party puts itself before the electors as an alternative Government. This reunion means, for all practical purposes, the re-establishment of the three-party system. For although the differences within the Conservative Party have not been entirely healed, the dissident members will have the Conservative, and no other, label, and the only complications of the three-party system will arise in the case of a few Unionist Free-traders, and a handful of Socialists, Communists, independents and "freak" candidates. But, in the main, three clear-cut programmes will be before the country, and the electorate will not suffer anything like the confusion of group labels which bewildered so many constituencies a year ago. The correspondence between the Prime Minister and Mr Austen Chamberlain and Lord Birkenhead confirms the rumour that two ex-Ministers are not to join the Government before the election. This is a decision, the grounds for which, on the whole, reflect considerable credit on the Government, for the decision appears to be due to the determination of certain Ministers and Under-Secretaries to leave Mr Baldwin's Government if Lord Birkenhead had been included. The admission of this brilliant free-lance into the Cabinet would, perhaps, have made it easier for many of the electorate to make up their minds between the conflicting parties, for his recent speech would have stamped any Party to which he was officially admitted as one in which the motive of self-interest was regarded as more important than idealism. The country will welcome the decision as a proof that idealism and high principle are weighty influences in the Conservative Party no less than in the other two parties of the State.

BRITAIN'S ATTITUDE TOWARDS FRANCE.

IF a Frenchman who only knew England during the war were to arrive in London to-day, and were able to see beneath the surface of British public opinion, he would be profoundly shocked at the change of sentiment towards his country which has occurred. We had an opportunity the other day of overhearing the casual conversation of a group of school children, aged 10 to 13 years, who had no real memory of the war. Their remarks took for granted that France was the disturber who was causing international trouble, while towards Germany there was a sort of pity for people who were being harshly treated. Again in a recent deputation to the Prime Minister, which included men of all parties and occupations, the spokesman of organised labour observed that the leaders of the Trade Unions, who recognised gratefully that British diplomacy had been tending in the right direction, had experienced great difficulties in restraining among their followers a tendency towards violent expressions of feeling and bitterness towards France, which would have done no good, would have hampered negotiations and stimulated a corresponding feeling of resentment in France. We will only mention one other symptom. Mr Punch has through his long life shown an almost unrivalled aptitude for expressing the general trend of British middle-class opinion. Those who remember the five years' comradeship in arms between England and France and the deep-rooted feelings which grow from a common sacrifice will appreciate the significance of the following lines addressed to General Smuts which appeared last month over the initials of the Editor of *Punch* :—

Taught by a generous English foe,
You hold that wars are won in vain
If those who took the knock-out blow
Are not allowed to breathe again;
Careless of being called "pro-Hun,"
You broadly hint that decent races
Who have the enemy down and done
Do not proceed to kick their faces.

The change of opinion that these instances symbolise is so important that it is worth while to comment upon its meaning. In the first place, it does not arise in any sense from jealousy, from resentment of any of France's political achievements or any clash of material interests.

We cannot think of any important sense in which the people of this country think of the French as rivals. There have undoubtedly been matters over which French and British diplomatists have wrangled, such as oil agreements or the position in the Near East, but British opinion is too much concerned with problems nearer home to be much influenced by such considerations as these. Indeed, in the main it remains profoundly indifferent, and not to say ignorant of such issues. In as much, however, as it is often suggested that British opinion is influenced by our economic interests, we may distinguish a number of trends of thought. Proceeding from the particular to the general, it may be said first that the iron and steel trade does not consider that its trade would be vitally affected by the future of the Ruhr. If the Ruhr be united to France, and Germany breaks up, British iron masters will have to meet the competition of the united Rhineland industries. On the other hand, if the unity of Germany is maintained, it is equally certain that sooner or later the working arrangement of marrying the coal of Westphalia and the ore of Lorraine will come about. In either case the combination will restore substantially the conditions that prevailed before the war, when nearly the whole of this ore was within the German Customs Union. The severity of competition will not be substantially different either for better or for worse than that of ten years ago. For the rest there are many industries which will benefit from the restored buying power of Germany, while there are other important ones which will have to fight against its competition. It would be difficult to strike a balance between direct advantages and direct disadvantages in this respect, and in practice opinion is not formed by any nice calculation of this kind. British opinion on the economic issue is based on a much more general idea, that the condition of Germany, which is one of the three largest trading countries in the world, is holding back economic development in neighbouring countries, is throwing out the balance between production and demand in the world markets for food products and raw materials, and is thus a cause of depression in five continents, and is keeping down below the normal the volume of the world's trade. So long as this is the case the nation, which has the largest share of international commerce, and is the world's chief carrier, merchant, and banker cannot hope to have her people fully employed.

But it would be a mistake to suppose that the change in British opinion is mainly based upon economic consideration. The ideas which are blotting out the memory of the war are of a non-material kind. Among them two main thoughts may be distinguished. In the first place, the action of France outrages our sense of decency. The whole Ruhr adventure is, we think, not justified by the letter of the Treaty of Versailles; it is certainly contrary to its spirit. Popular instinct, however, is not really much influenced by—being itself largely ignorant of—diplomatic documents. It rather follows its own innate sense of what is fair and right. English people have long resisted any inclination to take what may be called a pro-German attitude, for there is only too much reason to remember the barbarities of the war in almost every English home; but two wrongs do not make a right, and we revolt against the idea, just as we did in 1914, of using force to crush the soul of a people. The other prevalent idea is that the use of force to break up Germany is bound to fail, and so far from producing a state of security in Europe, is sowing the seeds of inevitable future war. As a nation sows, so shall it also reap. The break-up of the Austro-Hungarian Empire was to a large extent a natural process, but even that was carried too far. A few years was sufficient to restore the power of Prussia when crushed by the heel of Napoleon; a divided Germany is certain to re-unite at a not distant date. The great units of the future in the continent of Europe are the Germanic peoples of central Europe and the Slavs of the east, and if crude and unregulated force is to be the governing influence in Europe, the position of France is an unenviable one. In the long run, France's existence must depend upon the support of the non-material strains of world opinion, which saved her in the Great War. True, it was the armed battalions of France which first stood in the way of the onrush of German militarism, but France would have inevitably been crushed if these other

influences had not rallied to her support. It is equally true that in the future she cannot hope for permanent security without them. To all friends of France their estrangement is the most sinister feature of the last twelve months.

THE NUMERICAL IMPORTANCE OF OUR FOREIGN TRADE.

IN view of the great importance in the coming controversy of a right understanding of the importance of Britain's foreign trade, we invited Dr A. L. Bowley to make an estimate of the proportion of the national production which was directly or indirectly exported, and of the proportion of the expenditure of the average working-class household which is spent upon imported food. He writes as follows :—

Though it is not possible to make a direct measurement of the relative importance of our home and of our foreign trade at the present date, since we are obliged to work approximately from pre-war figures, and even these are not free from ambiguity, yet it is practicable to make a rough estimate which may be sufficiently accurate for many purposes.

It would be misleading to take the gross value of exports of home-produced goods as a test, since these contain a considerable quantity of imported materials; in cases such as manufactured tobacco and refined sugar the main part of the value is due to the imports. Hence the investigation must be based on the Census of Production of 1907, the only general inquiry which distinguishes net from gross output. There the product of industry and agriculture in the United Kingdom was valued at £1,370 millions. In obtaining this total, the values of home-produced material used in manufacture and semi-finished products were only included at their first stages, and their value as materials subtracted before the product of finished goods was computed; but imported materials and semi-manufactured goods to the value of £380 millions have to be subtracted to obtain the net output (the amount divisible among workmen, employers, and others), which was therefore approximately £990 millions, the imports accounting for 28 per cent. of the greater total. At the same date the value of exported home produce was £464 millions; on the very rough assumption that these contained the same proportion of imported materials as did goods consumed at home, 28 per cent. is to be subtracted, leaving £335 millions as the value due to operations in the United Kingdom, or rather less, since the exports are valued f.o.b. and the total at the place of production, and we must also subtract about 10 per cent. for depreciation or maintenance of plant, &c. Exports increased 22 per cent. from 1907 to 1913, and in the end we may take £350 millions as an estimate of the net income accruing to persons in this country directly from production for exportation. In producing these goods, more than three million wage-earners and about 200,000 salaried persons obtained their living, and a sum in the neighbourhood of £100 millions went to employers and owners. The whole home-produced income in 1913 was approximately £2,000 millions*, of which some £1,400 millions came from industry and commerce. The total number of wage-earners was about 16 millions. The direct export trade, therefore, produced about 17 per cent. of the national income of home origin, and employed nearly 20 per cent. of the wage-earners.

To these numbers must be added the earnings of shipping, docks, some part of inland transport, and the earnings and profits of merchants, underwriters, financiers, and others. Here it is not possible to separate receipts due to exports from those due to imports, or completely external shipping trade. Since, however, the bulk of imports (80 per cent. or more) were in payment for exports and shipping services, we should credit a very large share of these earnings to the existence of exports. The earnings of shipping were estimated at £110

* To obtain the total national income, at least £200 millions from abroad should be added.

millions in 1912 by Mr C. K. Hobson. From the Census of Production we may estimate that over £100 millions was received (apart from Customs) for handling and dealing in goods from the ports to the consumer. The information available suggests that in 1913 £600 millions income (30 per cent. of the aggregate of home-produced income) depended directly or indirectly on foreign trade. The proportion can hardly be put at less than one-quarter or more than one-third.

It is not to be assumed that if this trade had been destroyed the whole of this income would have been lost and more than three million persons been permanently out of work. Given time and stability, a considerable part of production for export, with resulting exchange for imports, could be replaced by direct production for home consumption, with greater or less loss according to the home facilities for growing or manufacturing the kind of commodities formerly imported. In an estimate of the income depending in fact on foreign trade, however, this consideration is not relevant.

If it is difficult to make an estimate for 1913, it is much more difficult for 1923. The factors are as follows :—Population has increased about 5 per cent., but with the reduction of working hours (partly balanced by improved machinery), and the reduction in effective strength per 1,000 persons owing to war losses and injuries, it is probable that total production would have changed little except for unemployment. With the present unemployment, the output of industry is reduced some 10 per cent., but there has not been a similar reduction in agriculture, transport, and services. The real national income may be guessed at about 5 per cent. less than in 1913, and average real incomes as 10 per cent. less. Owing to the rise of prices the national and average money incomes are, of course, much greater. The recent monthly average of exports of home produce has been £63 millions, which would have been worth about £33 millions at pre-war prices according to the Board of Trade's reckoning; in 1913 the monthly average was £44 millions. After certain adjustments are made, we get the result that from 550,000 to 750,000 wage-earners are unemployed (including a proportion of part-time workers) owing to the diminution of exports. There has been some transference from production for export to production of goods for the home market of a kind formerly imported (e.g., woollen goods, glass, dyes), but since the quantity of imported manufactures is only 10 per cent. lower than before the war, this change cannot be of much importance. Nearly half the existing unemployment† may be attributed directly to failure of exports.

The general result of the analysis is to suggest that the part of this year's national income that arises directly or indirectly from foreign trade is little more than 25 per cent., as compared with 30 per cent. in 1913. One-twentieth of our income is lost through the failure to market goods abroad. The fact that the cost of manufacturing and handling has more than doubled, while the prices of materials and imported manufactures have increased only from 50 to 70 per cent., may be as potent in producing this result as is the actual political disorganisation of Europe.

The importance of foreign trade comes home most closely and generally to the working-class in expenditure rather than in employment; the expenditure of the richer classes is, of course, also affected, but since a considerable portion is allotted to personal services and enjoyment of amenities far removed from raw materials, and since they have a margin after necessities are provided, the price of ordinary food and clothing is not of the same importance to them. It is therefore of interest to enquire what proportion of working-class expenditure is on imported goods.

For this purpose, in which only rough results are possible, it is sufficient to take the budget used by the Ministry of Labour, which, though it dates from 1904, has been shown by investigations made during and after the war, to be still approximately typical. In allotting the expenditure between home and foreign produce, we ought to take the latter at wholesale import prices, since the handling and preparing of the goods uses home labour and capital.

† More accurately half the excess of unemployment over that in 1913.

The following table shows the result of a very rough computation :—

WORKING-CLASS BUDGET.				
Per 1,000 Units of Expenditure in 1913,				
	Imports.	Home		
	Cost.	and Duties.	Produce.	Total.
Meat	72	36	108	216
Bacon	38	12	7	57
Fish	5	2	20	27
Bread and flour	88	80	42	210
Tea	40	26	..	66
Sugar	36	21	..	57
Milk, new	..	..	75	75
Butter	44	8	70	122
Cheese	15	3	12	30
Margarine	..	..	30½	30
Eggs	21	7	28	56
Potatoes	..	..	54	54
	359	195	446	1,000

There is much that is mere guesswork in this allocation. The high cost of handling, &c., is attributable as regards 25 points to tea and sugar duties, and a large proportion of the remainder comes from millers', bakers', and butchers' charges. To these entries should be added among home produce beer, vegetables, tobacco (duty and manufacture) and fruit, and on the import side raw tobacco, and some fruit and groceries, amounting to little in the aggregate. On this computation rather more than half of food expenditure was on imported goods, but little more than a third is accountable to imports as received at the ports. The changes since 1913 have been in the direction of diminishing the proportion of imports in respect of dairy produce, and increasing duties. (Margarine having not risen in price, the increased purchases of it can hardly affect proportionate expenditure.) Further, the price of imported food has risen less than that of home produce, and less than the cost of handling. It is probable that now only 30 per cent. of expenditure on food, drink, and tobacco is ultimately due to imports valued on arrival.

Without going into further details, we may offer the following estimate for the allocation of the expenditure of a working-class family at the present date :—

	Imports,	Home		
	Prime	Produce,		
	Cost.	Duties,		
		and Handling.		Total.
Food, &c.	19	42	..	61
Clothing	3	12	..	15
Rent	0	13	..	13
Fuel, oil, &c.	½	6½	..	7
Sundries	½	3½	..	4
	23	77	..	100

If average weekly working-class family expenditure is taken as £3, then 14s is attributable to imported goods, valued on arrival. We may put it that roughly one-quarter of working-class expenditure is on imports, and that no adjustment of the figures could raise the estimate to more than 30 per cent. It may be added that imports of all kinds have considerable influence, and many reactions in keeping down the prices of home products, and that consequently the interest of the working-class consumer in foreign trade is greater than that suggested by the figures.

EGYPTIAN CURRENCY SINCE 1914.

(BY A CORRESPONDENT.)

BEFORE the outbreak of war the Egyptian currency, as reformed in 1885, was based nominally on a gold Egyptian pound, which was subdivided into one thousand milliemmes. The pound sterling, the Napoleon and the Turkish pound enjoyed the privilege of legal tender at the respective rates of 97½, 771.5 and 877.5 milliemmes. But, as the gold values of these coins were respectively 4.5, 6.7, and 8.4 per mille higher than those legalised values, the relatively stronger Napoleon and Turkish pound disappeared—usually into the melting-pot of the bazaar goldsmith. The Egyptian pound existed only as a rare curiosity, and the sovereign was left as the virtual

gold base of the currency and gold medium of exchange. The banks changed sovereigns for milliemmes and contrariwise at par.

Each year, as the cotton crop began to come forward in autumn, a tide of gold—sovereigns in general—surged into the country, reached its high point towards the change of the year, and then ebbed slowly out, frequently in the direction of India. The demand for Egyptian currency gave it a small premium (round ¼ per cent.) during the cotton season, and the ebb of the tide brought it to a similar discount in the off season.

Before 1898 there was no Egyptian paper money, but in that year the National Bank of Egypt was founded, and given the privilege of issuing notes, the cover for which was fixed, as to half, in gold deposited in Egypt, and as to the other half, in securities approved by the Egyptian Government. These notes came slowly into general circulation, but by 1914 seemed to have reached saturation level, at 2½ million Egyptian pounds. Owing to the mistrust with which they were regarded by the fellahin, they were but sparingly utilised for moving the cotton crop.

If we add that Egyptian currency was adopted from the first in the Sudan, the chief facts relating to it will have been mentioned. The only disturbance in its placid course was that due to an occasional shortage of silver, which would send subsidiary coins to a premium.

The outbreak of war led to a modification of all this. Faced with the fact that gold would not be forthcoming from London to move the cotton, the Egyptian Government released the National Bank from its obligation of paying gold against its notes, which thus became inconvertible. The notes were made legal tender, a privilege which they had not hitherto enjoyed, and further, though the moiety of gold cover was still insisted on, the important concession was made that some of this gold might be held in London. At the same time, the National Bank undertook to buy or sell exchange on London at rates based on the parity of the pound sterling with 975 milliemmes.

The effect of these measures was to set up a virtual gold exchange standard between Egypt and Great Britain, which would have been effective, if the bank had been in a position to pay out gold in London.

In 1916 the bank found itself unable to obtain more gold in London; indeed, it is doubtful to what extent the gold which figured as cover was actually so available in 1914-16, or was only "ear-marked" at the Bank of England. By 1919 the gold shown as cover had shrunk to 3.3 millions. However that may be, the bank was authorised in October, 1916, to substitute British Treasury bills for the gold cover. At the same time, the British Treasury note was made legal tender in Egypt at the par rate.

These measures coincided with the promulgation of a new decree necessitated by the changed status of Egypt. They had the effect of divorcing the Egyptian currency from gold, and of tying it to sterling. Moreover, the facts of the situation were thus recognised. It should, however, be noted that the adoption of Treasury bills as cover is not an essential of this policy. Any other securities would do as well, provided only they were quickly realisable at stable values. It is also worthy of note that the will and the power to buy and sell exchange in either direction are necessary conditions of the success of this policy. To anticipate, it will be seen that the success of the plan in the present instance depended on the fact that it was instituted at the commencement of the cotton season, when there was a heavy demand in London for Egyptian currency. Had war broken out in January, when the reverse state of affairs obtained, the event might have been far otherwise, since the bank would not have been in a position to sell sterling in London to an extensive amount.

We proceed now to examine some of the consequences of this policy. In the first place, gold (which had been prohibited from export) began to flow into the coffers of the National Bank in Egypt, where the holding of the metal rose from 2 millions in July, 1914, to 4.1 millions in November, 1915. Thereafter it fell, owing it is believed, to the necessities of the Arab campaign against

the Turks, to 2.8 millions in the end of 1916, and then rose slowly to 3.3 millions in 1918, round which figure it has since remained.

The further discussion requires an examination of the principal trade movements in Egypt during the next eight years. These are given in Table A. From the early days of the war there was a steady influx of troops into the country, up to the spring of 1916 at which time the estimated strength of the forces was between 300,000 and 400,000 of all ranks. At this period there were in the country more generals than there had been subalterns in the pre-war years. The numbers gradually diminished, but rose again in 1918 to close on 300,000 on the prosecution of the campaign in Palestine. Thereafter there was a rapid fall as demobilisation commenced. These troops made heavy demands on the country for both commodities and services, payment for which caused an ever increasing remittance of funds from this country. It is not possible to do more than estimate the amount remitted on account of these military sojourners. The recently published "Statistics of the Military Effort of the British Empire" shed only the dimmest of light on the matter. Still, with the help of the figures there given, an estimate (it cannot pretend to be more) has been formed of the amount spent in Egypt on this account :—

TABLE A.—FOREIGN TRADE OF EGYPT.

	Trade	Army	
	Balance.	Expenditure.	Total.
	(a)		
1914	+ 7.0	0.6	+ 7.6
1915	+ 7.4	10.0	+ 17.4
1916	+ 5.7	17.5	+ 23.2
1917	+ 7.1	18.0*	+ 25.0*
1918	+ 6.3	25.0*	+ 19.0*
1919	+ 28.4	12.0*	+ 40.0*
1920	+ 16.3	8.0*	+ 8.0*
1921	+ 19.1	5.0*	+ 14.0*
1922	+ 5.5	4.0*	+ 9.0*

Unit, one million pounds. (a) Exports—imports (metal coinage included). * Rounded off.

Egypt being a debtor country, there was normally a favourable balance of trade, which was equivalent to the excess of invisible imports, in the form of receipts for the interest on public and private debt, and the benefits received by inhabitants who spent the summer abroad, over the invisible exports, represented by services and goods supplied to shipping. The further item of invisible exports in the form of benefits received by civil and military sojourners has been referred to. Owing to its importance during the war, it has been indicated separately. Various considerations show that the excess amounted in 1914 to about 7.6 million pounds, and that imports of all kinds balanced exports, as they ought.

In 1918, it will be noticed, there was an unfavourable balance. This was due to a retention of much of the cotton in the country. The stock in magazine at Alexandria, at the end of that season, exceeded by some 800,000 kantars that at the end of 1916-7, which weight, at L.E.7.7, the average price of the season, represented a sum of over six million pounds.

We are now in a position to estimate the amount by which the debit foreign balance of Egypt was lessened, year by year, to 1922, and to observe its effect on the volume of paper money in circulation and on the current and deposit balances at the banks. Since, however, the total amount of the deposits is not known, we shall take those in the National Bank as being typical of all.

Owing entirely to expenditure on military account (a point Egypt would do well to bear in mind), foreign credit balances totalling some 54, swollen by interest to 60, millions had accumulated by the end of 1918. In 1919 a heavy favourable balance preceded two years when realisation of one-third of the accumulation caused adverse balances, and now in 1922 the annual balance is once more nearly attained. Army expenditure over the nine years under review comes to almost exactly 100 millions. But for this, Egyptian finance would have shown a heavy deficit.

The credit balance accumulated abroad manifested itself in investments, chiefly war loans of the Allies. These assets in London had counterbalancing liabilities in the shape of the increased issue of notes in Egypt and the increases in public and private current and deposit accounts. From the dates, it is clear that the rise in the

output of notes each year was due to the movement of crops. The lowest value in each year may be taken as representing the sum of the country's needs for currency, and—a very important point—the hoarded savings of the non-banking portion of the population.

Further details of the economic position are given in the subjoined table :—

TABLE B.—SOME DETAILS OF THE ECONOMIC SITUATION OF EGYPT.

Year.	Balance (a).	Foreign Charges (b).	Reduced Balance.	Accumulated Balance.	Note Circulation.		Bank Accounts.	Index Nos.
					Highest.	Lowest.		
1914	8	8	0	0	7.46 D.	1.84 Jy.	5.7 c)	100 (a) 100 (e)
1915	17	7	10	10	10.58 D.	5.74 Jy.	8.9	103
1916	23	7-1	17	27	20.81 N.	9.68 Jy.	14.3	126
1917	25	7-1	19	46	29.5 D.	16.17 A.	19.6	179
1918	19	7-2	14	60	44.49 D.	27.79 A.	24.4	209
1919	40	7-3	36	95	64.28 N.	36.72 A.	51.0	229
1920	8	7-5	86	86	61.60 Ja.	37.25 D.	11.3	316
1921	14	8-4	18	68	35.87 O.	29.25 A.	11.9	176
1922	9	8-3	4	64	33.90 Ja.	25.36 A.	19.1	145

The unit in cols. 2 to 8 is one million Egyptian pounds. (a) From Table A. (b) Including allowance for interest from 1916. (c) Current and deposit, public and private, accounts, December. (d) Egypt. (e) United Kingdom, Economist. Ja=January. Jy=July. A=August. O=October. N=November. D=December.

This is not the place to attempt an elaborate analysis of these figures. Suffice it to point out that so far as the bankers and foreign traders were concerned, the exchange system worked admirably, and in most of the official publications on the subject it is evident that the interests of this part of the community were predominant. Securities were bought or sold (if necessary) in London, as money was paid in there for remittance to Egypt, or vice versa. The foreign trade was, however, but one part of the story. Behind the exporters and importers lay the great mass of the people, thousands of times more numerous than the banking and external trading community, and doing a domestic trade which may be estimated at from three to five times that of the foreign trade. These people were not in the least interested in the number of milliemmes that could be obtained for a Bradbury, which none of them had seen in 1914. They were, however, vitally interested in the price of the services and commodities in which they dealt, and in seeing that they obtained adequate real wages as the reward of their exertions. It is, therefore, far from irrelevant to examine how they fared.

Had not the exchange been "pegged" at 975 in 1914, the steady outflow of goods in excess of imports would have sent Egyptian currency to a premium. As it was, this currency was tied to sterling. In consequence, the amount paid in milliemmes for these exports was greater than it would have been on a free exchange by the difference between the level of the free exchange and the pegged. In other words, since more money was manufactured to do the work than would have been necessary had a free exchange existed, there was inflation of the currency to that extent. A rise of prices necessarily took place. Economists accept the theory that, sentimental prognostics of the future apart, the rate of exchange between two countries is determined by the relation between their respective price-levels. On that theory the exchange in Egypt would have fallen to some 790 milliemmes to the pound in 1916. Had it been allowed so to fall freely, prices would not have risen nearly so high as they did later in Egypt; "profiteering," which was rampant in every direction, would have been avoided; the poor and the earners of more or less fixed salaries would not have suffered, as it is indisputable that they did suffer; the foreign balance at the credit of Egypt would not have been lessened, but the increase of national wealth would have been less unequally distributed. In actual fact, all these various evils occurred. Not till May or June of 1917, when the Index Number of prices had risen to 75 per cent. above its 1914 value, did the employees of the State receive any war bonus, and then that so tardily given was quite inadequate to meet the case. Much the same thing happened in the ranks of the industrial workers who are mostly congregated in the towns. As a result there was continual and ever-increasing discontent amongst the Government employees and in the towns generally, that went far to foster the spirit of revolution which broke out in 1919.

Other objections might be raised against the policy of fixing the exchange, which was discovered to be a mistake when it had become too late to remedy it, as is

† Some part of this should be transferred to imports, since a considerable part of the material is imported.

virtually admitted in Lord Allenby's Report on Egypt [Cmd. 957], p. 7.

These facts are worthy of consideration by the advocates of an Empire currency, who very frequently quote the "success" of the policy in the case of Egypt in support of their contentions. The lessons of Egypt (which may be reinforced by what happened in India and other countries) show that in normal circumstances, when prices are stable, no great harm can result from the adoption of the policy, but when prices are upset in the one country, the policy will bring about a similar disarrangement in a second. But in normal circumstances the ordinary means of settling foreign accounts are adequate, and the policy becomes unnecessary. So the policy may be dangerous in times of stress, while it is unnecessary in times of calm.

OVERSEAS TRADE IMPROVING.

WHEN doctors have pronounced that a patient is *in extremis*, and that life depends upon a drastic operation, the patient often disconcerts them by sudden improvement. The same is true of trade. An unexpected trade recovery disconcerted Mr Joseph Chamberlain, and now again we have, in the Trade Returns for October, signs of improvement that are hardly in keeping with Surgeon Baldwin's diagnosis and prescription. We do not propose to labour the point, because it is notoriously dangerous to attach great weight to the statistics of a single month. Nevertheless, the October returns should be recognised for what they are, namely, more satisfactory than those of recent months. Total exports in October were £16½ millions better than in August, £10½ millions better than in September, and only very slightly less in value than those recorded in May, which was the month when the last trade recovery reached its highest point. This export increase was accompanied by a large rise in imports, which, at a little less than £100 millions, were £16½ millions more than in September and £11 millions more than in August.

A summary comparison of the value figures for October and the ten months of this year and last reads as follows:—

MONTH OF OCTOBER.

	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	84,927,053	99,914,731	+14,987,678	+ 17.6
British exports	60,398,843	71,322,931	+10,924,088	+ 18.0
Re-exports	8,277,151	11,146,961	+ 2,869,810	+ 34.7
Total exports	68,675,994	82,469,892	+13,793,898	+ 20.0
Excess of imports over total exports	16,251,059	17,444,839	+ 1,193,780	+ 7.3

TEN MONTHS ENDED OCTOBER 31st.

	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	813,140,007	887,459,651	+ 74,319,644	+ 9.1
British exports	595,122,610	637,445,312	+ 42,322,702	+ 7.1
Re-exports	86,150,677	98,004,852	+ 11,854,175	+ 13.7
Total exports	681,273,287	735,450,164	+ 54,176,877	+ 8.0
Excess of imports over total exports	131,866,720	152,009,487	+ 20,142,767	+ 15.3

These comparisons with last year, as we have often explained, are vitiated by the separation of Irish Free State figures last April, and only lend themselves to cautious deductions. More useful for immediate purposes is to trace the course of trade for the past three months. Appended is an analysis of the values of imports and exports for the past three months under the main classifications:—

(In Millions of £.)

	Imports.			British Exports.		
	Aug.	Sept.	Oct.	Aug.	Sept.	Oct.
Food, drink, and tobacco ..	44.0	38.1	44.8	3.4	4.0	4.8
Raw materials and articles mainly manufactured....	22.3	23.6	30.9	10.2	9.8	11.6
Articles wholly or mainly manufactured	21.7	20.9	23.7	45.4	48.9	53.9

The most conspicuous point about the table is the rise in the exports of British manufactures and the simultaneous increase in imports of the raw material class. Details of the increase of certain staple exports in recent months will be found in the supplement to this issue.

From the October trade returns we have extracted the tables which follow, the first of which shows imports from and exports to Continental countries in the first nine months of each of the past three years, and of 1914:—

JANUARY to SEPTEMBER (000's omitted).

	IMPORTS FROM.				EXPORTS TO.			
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.
France	32,999	44,735	38,697	47,653	20,330	35,610	42,287	43,537
Italy	6,005	7,632	8,014	10,289	10,103	12,970	15,298	15,104
Switzerland	7,539	14,632	16,304	14,571	2,586	3,534	7,446	5,252
Spain	11,065	19,441	16,518	16,761	6,292	12,174	10,988	10,092
Portugal	2,805	4,464	4,538	4,085	3,888	5,302	5,706	6,702
Belgium	15,085	26,317	17,368	20,859	8,171	14,300	18,870	18,891
Germany	47,238	15,585	18,701	25,454	24,456	12,268	24,384	33,014
Austria	4,393	467	1,129	1,498	1,407	830	780	115
Hungary	41	221	490	2,668	221	159	115	115
Greece	1,200	1,899	1,979	2,726	2,404	4,247	2,995	2,602
Roumania	3,134	2,576	1,004	1,127	1,937	4,713	1,990	2,034
Turkey (Europe)	812	475	901	921	2,186	3,352	3,087	2,449
Russia	22,947	421	3,190	4,818	11,843	802	2,766	1,713
Finland	4,863	7,182	9,141	7,182	1,572	1,939	2,786	2,786
Sweden	9,143	15,810	12,813	14,982	5,538	6,582	8,738	9,905
Norway	5,524	7,889	8,050	8,792	4,962	10,287	9,047	6,332
Denmark	18,557	31,718	29,214	33,737	4,189	6,683	8,848	9,316
Netherlands	21,287	38,778	32,202	38,628	10,525	30,853	31,813	28,596
Total	209,833	236,773	218,214	256,492	122,078	156,877	197,181	199,220

The largest increase in imports as compared with last year is shown by France and Germany. But in the case of the latter the expansion in exports is considerably larger than the increase in imports. Our exports to Germany in the past nine months show an increase of 35 per cent., as compared with the same period of 1914, while our imports from Germany show a decline of 46 per cent. Trade with Switzerland shows a decrease both in imports and exports, and Holland has taken less and sent us more than last year.

The next table shows trade with foreign countries outside Europe:—

JANUARY to SEPTEMBER (000's omitted).

	IMPORTS FROM.				EXPORTS TO.			
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.
United States ..	95,789	214,449	158,849	142,985	27,253	33,236	40,735	45,027
Cuba	3,744	5,248	9,951	8,061	1,281	1,764	969	2,208
Mexico	1,422	7,923	7,185	4,777	484	3,874	1,544	1,969
Argentina	25,895	55,250	44,188	49,893	12,322	21,506	16,425	21,723
Brazil	6,230	4,355	6,028	4,828	5,281	8,169	7,578	8,255
Chile	4,370	4,961	3,641	4,581	3,385	4,314	4,052	5,158
Peru	2,141	3,642	4,516	5,101	921	1,883	1,185	1,919
Uruguay	2,170	5,525	3,654	3,941	1,439	2,479	1,971	2,473
Japan	3,172	6,508	6,363	5,217	7,066	14,349	18,411	18,692
China	3,581	8,314	6,867	9,134	11,237	19,581	18,818	13,590
Turkey (Asia) ..	2,171	251	201	733	3,620	102	176	607
Egypt	13,472	17,022	20,455	19,884	5,458	12,479	11,492	10,932
Other countries ..	7,718	22,096	23,847	31,844	11,261	19,384	15,678	16,226
Total	171,875	355,544	295,745	290,979	91,008	143,120	139,028	148,579

While there has been a substantial decline in imports from the United States, that country has taken over £4 millions more British goods than in the same period of last year. If allowance is made for re-exports, given in the final table, it is found that our adverse trade balance with the United States for the past nine months is £77 millions, as compared with £103½ millions in the first nine months of 1922 and £44 millions in January to September, 1914. In comparison with 1914, net imports from the United States have increased by 71 per cent., exports by 66 per cent., and the import excess by 75 per cent. Of the other figures of the table the most conspicuous are those for Argentina, which show substantial growth on each side. There has been a further increase in excess of exports

to Japan, but exports to China show a sharp fall. Trade with the Dominions is shown in the next table:—

JANUARY to SEPTEMBER (000's omitted).

	IMPORTS FROM.				EXPORTS TO.			
	1914.	1921.	1922.	1923.	1914.	1921.	1922.	1923.
Irish Free State ..	£	£	£	£	£	£	£	£
Canada	20,844	44,079	36,606	37,057	13,981	14,440	18,276	20,487
Australia	28,945	55,187	51,970	40,966	26,252	33,624	45,051	42,596
New Zealand	20,252	42,321	40,750	36,641	7,332	11,102	11,116	11,069
India & Ceylon	36,715	39,850	39,914	56,690	52,933	83,903	69,199	67,302
South Africa	8,889	13,368	12,518	10,265	14,684	23,702	18,924	19,920
West Africa	4,811	8,101	7,672	8,854	4,458	8,801	8,611	8,527
Mauritius	376	4,915	5,673	7,131	3,691	1,817	715	856
Straits Settlements ..	10,093	5,717	5,673	7,131	3,691	1,817	715	856
Malay States	1,893	2,317	1,971	1,698	1,765	2,919	702	619
West Indies	1,880	5,167	3,672	4,788	1,765	2,919	702	619
Other Possessions ..	6,106	14,339	11,841	13,590	10,477	19,978	18,423	23,871
Total	140,810	235,361	214,584	239,993	137,663	208,665	198,515	218,323

The figures for the Irish Free State are now shown separately, those in the table referring to the six months April to September. Both imports and exports from the other countries in the table have increased by similar amounts. Imports from Australasia show a pronounced falling off, but there is a striking increase in imports from India and Ceylon.

The final table gives re-exports:—

RE-EXPORTS—NINE MONTHS.

(000's omitted.)

To	1914.	1918.	1919.	1920.	1921.	1922.	1923.
France	7,859	10,715	23,489	34,261	8,050	13,728	13,933
Belgium	4,888	10	9,927	15,713	6,832	8,352	6,857
Germany	13,347	...	4,135	20,174	17,352	13,643	14,308
Russia	5,419	9	2,488	3,782	821	623	1,373
Norway	631	61	3,646	3,951	1,341	1,158	1,259
Denmark	408	120	1,449	1,528	572	534	554
Netherlands	474	90	4,916	3,389	1,084	906	1,371
United States	24,525	3,119	17,408	10,411	6,676	4,744	3,682
Japan	146	770	1,147	48,501	14,919	14,650	20,966
Other countries	4,864	552	5,435	12,370	8,731	6,477	6,669
Total for foreign countries	67,096	18,821	93,000	160,267	68,042	66,336	72,596
British Possessions	9,700	3,986	5,253	20,192	9,598	11,538	14,262
Total	76,796	22,807	98,253	180,459	77,640	77,874	86,858

Here the most conspicuous figure is that for the United States, which shows an increase of over £6 millions. This year's figure, however, is below that for 1914, whereas in most other cases this year's figure is above the pre-war level.

PREFERENCE POSSIBILITIES AND DANGERS.

(BY OUR OTTAWA CORRESPONDENT.)

THE possibilities of the Preference system are worth examining in the light of trade figures recently published by the Canadian Government. The Budget of 1923, by way of increasing the British preference, granted a special discount of 10 per cent. on duties levied on British imports provided those duties exceeded 15 per cent., and provided the goods were imported direct through Canadian ports. The discount became effective on May 12th, so that it had been in operation nearly five months on September 30th. The Customs Department has published a statement showing that in these five months (May-September) the total imports under the British preference were valued at \$58,539,798, as compared with \$49,352,705 for the parallel period of 1922. Of the total imports under the preferential tariff, it is calculated that \$30,513,018 were affected by the extended preference, and that of these \$26,135,973 were actually entered under that schedule. By far the largest increase was in textile goods, which form a very big proportion of the British imports; in the five-month period they were valued at \$27,138,567, as compared with \$23,600,924 in the same period of 1922, some 20 million dollars' worth of the total being eligible for the new discount. The suggestion was conveyed in the official statement embodying these figures that the increase in the total imports made under the preferential schedules could be attributed to the extra preference given by the new discount.

But a wider study of the trade figures creates doubt about the propriety of these conclusions. It is true that there was an increase of \$9,187,093 in the value of the imports under the British preferential tariff during the months May-September, but during this period there was a total increase of imports under all tariff schedules of \$79,928,282, which means that imports not affected by the discount increased by \$70,741,624.

The increase in preferential imports for May was \$651,000, and it is probable that the discount did not seriously affect the import shipments for that month, as the orders would have been placed some time previously. In June the increase was \$3,434,055, and in July \$3,555,143. But in August the increase declined to \$738,191, and in September it was \$808,190. Normally both of the latter are months of heavy imports for the autumn and winter trade, and the inference is that while the new preferential discount gave a temporary filip to British imports, its effect has not been sustained, and the increase in British preferential imports during September and October was not materially heavier than during a month when the effects of the discount could scarcely have been operative, and can easily be attributed to the general improvement in trade which has taken place.

Indeed, the trade returns show that imports from other countries which do not enjoy any preferential privileges were increasing at a more rapid rate. During the May-September period, imports from the United States increased by no less than \$59,594,000 over the figures for the parallel period of 1922. From Germany the imports were nearly trebled, rising from \$753,195 to \$2,112,645; from China, also, they were almost trebled, from the Argentine more than trebled, and from the Dutch East Indies more than quadrupled. With this general increase in imports taking place, it was only natural that there should be a substantial increase in British imports, but the figures far from justify any sweeping deductions that the course of trade can be markedly altered by preferences of the character which can be contemplated in the present state of Canadian politics, when the two major parties are both firmly committed to the protectionist principle. With the close of the St. Lawrence navigation season, which is near at hand, the value of the new preferential discount will practically disappear, for British goods which are to gain the benefit of it must be shipped through Halifax and St. John, and this will involve for them higher railway freights to many interior points, and many importers will still find it more profitable to ship via Portland and other American ports, and waive the chance of the discount to secure lower railway freight rates.

There is also the possibility that preferential juggling and wrangling over adjustments may be provocative of very serious quarrels. Officials of the Trade and Commerce Department and the motor manufacturers of Canada have viewed with considerable alarm the proposal of the Australian Industries Protection League, to which apparently Premier Bruce has given a sympathetic reception in London, and which has been backed up by letters from well-known British advocates of Imperial preference, that goods which are to enjoy the British preference should be forced to contain at least 75 per cent. of labour or materials of British origin instead of 25 per cent., as at present. This agitation if carried to fruition would seriously impair, if it would not completely destroy, the very important export trade in motor-cars which Canada has built up since the war not only with Australia, but with other portions of the British Commonwealth. This trade has been promoted largely by the branch factories of the great American corporations like the Ford Co. and General Motors, Limited. During the last fiscal year Canada exported to Australia alone 17,000 cars of various kinds, and during the first half of the present year the number exported has already exceeded 11,000. If it reaches 22,000 by the end of the fiscal year, the number will have been quintupled in three years. It is true that most of these branch motor factories do import a large portion of their raw materials from the United States, and some of them are not much more than assembling plants, but they do use large quantities of Canadian material, which would not otherwise be utilised, and they employ mainly Canadian labour. Their activity has very materially helped places like Toronto, the Border

Cities, and Hamilton, to tide over a very bad industrial depression, and its impairment would have unfortunate reactions upon the general business conditions in these centres. The advent of these branch factories to Canadian soil has always been welcomed by governments, municipal authorities, and the public generally, and to many of them special inducements have been offered.

These Canadian-American firms have been able through their superior efficiency and organisation to invade the Australian market very successfully, and reduce the business of the domestic Australian manufacturers of motor-cars to narrow limits. It happens that most of the latter are allied to British firms, and the suspicion is strongly aroused that British interests are mainly behind this move to ruin a valuable Canadian trade with Australia. If this surmise is proven to be correct, it cannot promote what is currently termed Imperial goodwill. Canada has always been content to give the preferential privilege to British goods containing 25 per cent. of British labour and material, but if British motor manufacturers and publicists of the ultra-Imperialist brand foment an agitation in Australia and elsewhere to secure stiffer restrictions, which would hurt an important Canadian industry, they need not be surprised if reprisals are set on foot. If Mr Bruce, for instance, countenances any such measure, he need not expect any preference in Canada for Australian dried fruits, and a sharp tariff war might easily develop.

THE STOCK EXCHANGE AND THE GENERAL ELECTION.

(BY A STOCK EXCHANGE CORRESPONDENT.)

Stock Exchange markets plunged into the depths of depression upon the news that a General Election was at hand, and partially recovered when it became known that the appeal to the country was to be made within three weeks' time. For the previous flatness, the reason ascribed was that there might be a chance of the Labour Party coming into power and introducing its two planks of capital levy and nationalisation into the national platform. For the subsequent rally, the explanation was advanced that the shortness of time between now and the election must prove a bull point for the party at present in power, and that this went a good way towards removing the fear of Labour being successful. At the same time, dealings in Majorities sprang up in the Stock Exchange, the first price quoted being in the neighbourhood of 40. This infers the estimate that the Conservative Party will have a clear majority over all other parties of at least 40, although, of course, it is equally possible to sell a bear, on the basis of 35-45, as it is to buy the probabilities of a greater majority than the price indicates. To what extent the temporary slump in gilt-edged stocks has been due to actual selling or to apprehensions of such sales it is difficult to say. The Stock Exchange has been told that huge blocks of British Government stocks were turned out by foreign holders who had bought the securities when the Swiss Referendum seriously disturbed the confidence of Continental capitalists in their own securities. These capitalists, it is claimed, diverted their funds into British Government stocks, on the assumption that this country, having just announced that its full war debt to America would be discharged, thereby confirmed British Government credit as the most stable in the world. Realisations of such foreign-held stock are declared to have followed the unexpected announcement of a General Election, and the money, according to this gossip, has fled across the Atlantic for safer keeping in dollar securities. That there has been a good deal of selling in the Consol market no one can doubt, but, on the other hand, if the capital realised by these sales has really gone to America, the business must have been conducted through outside houses; the Stock Exchange market for American railway and other dollar bonds has found scarcely any increase upon its usual meagre volume of trade.

The fall in gilt-edged issues has alarmed a good many

people. First-class British Corporation stocks which have not been seen in the market for a long time past began to come in, though the quantities were comparatively small—£800 of this, £1,000 of the other, £1,500 of something else. Dealers in the Home Railway prior-charge stocks suddenly found themselves called upon to take what they had been accustomed to regard as extremely tightly-held. The two recently issued Tube 4½ per cent. debenture stocks, for which there was a rush less than a month ago, fell to 1½ discount, and the Tata Power 4½ per cent. debenture stock, also guaranteed by the British Government, fell to 2½ discount. India Government and railway stocks gave way in the general depression, but out of this welter of weakness it is impossible for anyone to say to what extent the lowering of prices came about through real selling on the one hand, and of mere apprehension on the other. At the lower prices for War Loan, Conversion and similar liquid securities, there was a good deal of support. The argument has been frequently heard this week that if there should be a capital levy, it matters little whether a man has money in gilt-edged stocks or lying at his bank, and as the slant in prices of the former led quotations to a more reasonable level than they have recently attained, the average investor was not slow to take advantage of the cheaper prices at which the stocks became available. It may be said that the immediate fear which surrounded the possible result of the General Election has now passed away. Markets will be, of course, erratic and sensitive for the next three weeks, but the Stock Exchange mind, always looking ahead, maintains that with the General Election out of the way there will be plenty of scope for an accession of business during the last few weeks of the year. With the political atmosphere rendered clearer by the Election, greater confidence can be counted upon, with a concomitant readiness on the part of the public to return to the Stock Exchange markets, unless, of course, Labour secures a majority in the polls. The more thoughtful-minded will not miss the lesson which this latest flurry in stocks has occasioned, because it is fairly obvious that, unless the Labour Party shall receive an unexpected setback, there must lurk in the background for some time to come a fear similar to that which brought about the slump last week.

It is open to debate whether or not the question of capital levy is as terrifying as people seem to think, and it may be recalled that Mr Bonar Law himself coquetted with the idea some years ago, though his opinion did not go beyond a very cautious hint that there might be something to be said for the scheme in certain conditions. Prices of industrial shares, as well as those of gilt-edged stocks, gave way sharply, though the oil market and some of the other speculative departments were held to be likely to benefit from any thrust at the purely investment stocks. Proprietors of shares in such companies as the Imperial Tobacco, British American, Coats, and others, which make huge profits through the maintenance of combination, have begun to look a little uneasily at the prospect of their companies being attacked on the score of making too much money at the expense of the customer. Although the shares in such concerns have not been specially singled out for flatness, at the same time the shareholders have felt qualms about the desirability of making further investments, in spite of the falls which occurred, in shares of companies whose enormous profits would seem to invite particular attention from the Labour Party. The flatness of Home Railway preferred and deferred ordinary stocks caused by the fear of Nationalisation was followed by a bout of bargain-hunting on the part of those who recognise that the prices carry several months of dividends, and who are prepared to risk political developments for the sake of the comparatively high yields which the stocks offer. The House is looking for a return of the Conservative Party next month, and hoping, of course, that the majority will be sufficiently substantial to obviate the risk of another appeal to the country within so short a space of time as that which has occurred since last November's election and to-day. On the point of Protection v. Free Trade, opinion is a good deal divided, and the advocates of Protection appear to be rather less vocal than usual, though this may be merely a personal impression. It is acknowledged that, were Protection to be introduced on a wider scale than

prevails at present, this would have a favourable effect upon the profits of companies able to take advantage of the opportunity for raising prices still further against their purchasers.

Notes of the Week.

The Situation in Germany.—The inglorious ending of the extreme royalist *Putsch* in Bavaria, with which General Ludendorff was unwise enough to be associated, has at least cleared the air. There seem to be signs that disunion among the royalists has directed the minds of the German people more than ever before to the very real dangers of any movement likely to help forward the disintegration of the Reich. This emphasis coincides with a subtle change in what appears to be the French official policy in the Rhineland. The Separatist experiment led, as it is, by men of very dubious respectability, has been tried, and has failed signally. A new attempt may now be made to achieve the desired result by advocating Rhenish autonomy within the Reich. This plan has certain obvious advantages from the French point of view. There has always been strong local feeling in the Rhineland, while the Berlin Government could still be made in part responsible for the sufferings of the local population, which are inevitable so long as French troops remain in the land. Moreover, the institution of home rule in the Rhineland would not necessitate a revision of German reparations, and could be brought about without any flagrant breach of the Treaty of Versailles in the sense in which it is interpreted by France. Be this at it may, however, the problem is now very much to the fore in Germany, for no stable currency is possible so long as unemployment relief has to be made to the Ruhr workers. The appointment of Herr Jarres as Minister of the Interior opens up new possibilities in this connection. He is said to be a firm believer in the "financial evacuation of the Rhineland and the Ruhr by the Reich," and when the unemployment payments from Berlin cease, as now seems more than probable, the French will be faced with a most embarrassing situation, for some two million men in the occupied territories are now out of work. The possible reaction of this new factor on the separatist or autonomist movements in the Rhineland are incalculable. The claim of Berlin is that France has in effect annexed the Ruhr, and is thus responsible for its support. Negotiations are carried on with the individual industries (and, in this connection, the provisional release of Herr Krupp von Bohlen and some of his fellow-prisoners is not without significance), and the central Government is entirely disregarded. Local currencies are being introduced, and the railways are exploited by the Franco-Belgian *régie*. The Berlin correspondent of the *Times* states that representatives of the occupied areas have refused to shoulder the burden of unemployment relief unless they are given the sovereign right of control, and this the Berlin Government has refused, as being tantamount to complete separation. The whole question is becoming increasingly serious, and the return of the ex-Crown Prince does not exactly simplify matters. For the moment it appears that Bavarian separatism is rather at a discount, while the outlook for the Hohenzollern family is probably brighter than it has been at any time since the Armistice. The Ludendorff *Putsch* has at least discredited von Kahr, though from the Hohenzollern point of view, it was not exactly well timed. The Government of the Reich, meantime, is pursuing a policy all its own. Dr. Stresemann's action on the question of allowing the ex-Crown Prince to return is likely to win a very large measure of popular support, and in any case his explanation—given in the *Times* of Thursday last—is not calculated to reassure friends of the democratic experiment in Germany. The ex-Kaiser has received 12 passports, and he, too, seems to be preparing to fish in the troubled waters. Amidst all the complications and uncertainties of the present situation, however, French action in the Ruhr seems to have begun to lead to a recrudescence of nationalism in Germany, the results of which it is at present impossible

to foresee. Meanwhile, the economic situation in Germany, which is described by our Berlin correspondent in a later column, is deteriorating with great rapidity.

Bounties for Agriculture.—The storm of protest which Mr Baldwin's Protection proposals raised in agricultural circles has driven the Government, with almost indecent haste, to offer to the farmers a *quid pro quo* in the shape of a bounty of £1 per acre on arable land, and to agricultural labourers the guarantee of a 30s wage as a condition of the farmers' subsidy. Until the full details of the plan are disclosed detailed criticism is impossible, nor can the electoral influence be foreseen of a proposal which the Leader of the Opposition in the House of Commons on Thursday described as "an insult rather than a boon." Apparently the grass-land farmer is left out in the cold. It is worth noting that in this matter of bounties for agriculture, just as in the case of the need for Protection, Mr Baldwin's conversion has been rather sudden. A year ago (October 29, 1922), in a speech at Worcester, he said: "Neither agriculture nor any other industry in this country can look to this or any other Government, whatever promises they may make, for a direct or indirect subsidy of public money." We prefer the Mr Baldwin of 1922 to the Mr Baldwin of 1923. But whether this particular bounty is open to any special objections over and above the serious general ones that attach to every proposal of this sort, we shall not know until the details are forthcoming. But one fears that its defects are likely to bear relation to the haste with which it has been conceived.

Strength of Parties.—The dissolution of Parliament having taken place yesterday, the nomination of candidates is fixed for November 26th, and polling day is December 6th. It is anticipated that at least 1,400 candidates will take the field, divided roughly as follows:—Conservatives, 500; Liberals, 450; Labour, 450. The relative strength of parties at the dissolution was as follows:—Conservatives, 346; Labour, 144; Liberals, 117; other parties, 8. In other words, the Government had a clear majority of 67 over a combination of all other parties. In view of the fact that Protection and Free-trade will be the main issue in the next Parliament, that the opposition parties will be solid in favour of the latter, and that the Conservative members will almost certainly include some Free-traders, it would appear that a net loss of so few as 25 or 30 seats at the forthcoming election would place Mr Baldwin and his colleagues in an actual minority on the main question.

Ireland and the Election.—Our Dublin correspondent writes:—The General Election in Great Britain will not be without its effects in the Free State, although it is too early yet to speculate on the manner in which Imperial Preference or Tariff Reform would touch Irish exports to the British market. But at the moment there is more concern as to the effect of the General Election on the North-East Ulster problem. A conference has been arranged between the British Government and representatives of the Irish Free State and of North-East Ulster to discuss matters arising in connection with the Boundary Commission prescribed by the Anglo-Irish Treaty. The correspondence relating to this conference contains a full admission of Ireland's rights under the Treaty in such a manner that her participation therein cannot be suggested to be, in a way, a *de facto* waiver of those rights. Now, owing to the election, this conference is suspended. In the event of a change of Government, there may be searchings of heart in North-East Ulster as to how far a Liberal, a Labour, or a Liberal-Labour Government would consider the Conservative policy of lavish subsidies to North-East Ulster while the claims of the unemployed at home are so pressing. The stubborn refusal to submit to the holding of the Boundary Commission and to the honouring by Great Britain of its Treaty obligations in the matter might yield something of its rigour if the British Exchequer proved less indulgent and accommodat- ing. And hence might be drawn the elements of a larger and more lasting settlement. There is no definite, official

news of the pending loan as yet. With a view to providing a suitable atmosphere, the Government has announced a series of "cuts" in its expenditure list. Emergency forces for the maintenance of order have been disbanded, the army reduced from some 50,000 to about 35,000, with further reductions in view, soldiers' dependents' allowances drastically curtailed, National school teachers' pay reduced by 10 per cent., and the 10s payable to Old Age Pensioners in the same proportion. In addition, all administrative expenditure and army methods of accountancy are being closely scrutinised and revised. After separating non-recurrent and emergency items from the account, the Government will probably be able to balance its next Budget. It seems probable that the prospectus for the loan will appear this month, and that the issue will be restricted to £10,000,000—which it is expected will be easily provided by the banks, Government balances, approved health societies, and charitable and ecclesiastical trustees. In this connection it should be remembered that it is only by special arrangement, terminable on March 31st next, that Irish trustees holding charitable funds invested in British securities are freed from British income-tax. It is obvious that practically all of them must seek a continuance of that immunity by reinvesting in Ireland. The loan will give them their opportunity without loss of revenue. The further capital requirements of the Government will be met later on as they arise by further issues, probably of a character more attractive to the small investor. There is a strong push being made in support of premium bonds for this very purpose, and it will not improbably succeed for the next loan. There has been some confusion in the practice of the revenue authorities in their dealings with dividends reaching Ireland in respect of Irish-held British investments on which income-tax has been deducted at the source. It has now largely ceased, but the confusion has to some extent survived in the public mind. The Minister of Finance states that it is only in a small proportion of cases that the full Irish income-tax has been deducted from such dividends—thereby putting the owner to the trouble of obtaining a refund. Such dividends are only taxable to the amount of 6d in the £, i.e., the difference between the British and the Irish rates. The necessary forms to avoid the double deduction can be obtained from Irish bankers or from the British Inspector of Foreign Dividends. It should be noted that though arrangements have been made between Great Britain and the Free State for the avoidance of double taxation there are no such arrangements between the Free State and the other Dominions as yet.

Output of Iron, Steel, and Coal in October.—After showing a decline in production for four successive months, the figures of production of pig-iron just issued by the National Federation of Iron and Steel Manufacturers show a rise in October from 558,600 tons to 592,600 tons. Since our correspondents all report a healthier tone in iron and steel centres, it is to be hoped that the reaction has now been definitely stemmed, and that the next few months will show a steady expansion in output. The production of steel ingots and castings also rose slightly from 695,100 tons in September to 702,200 tons in October. With the production for ten months now available it is possible to forecast with approximate accuracy the totals for the year. These figures compared with 1913, and each of the previous post-war years are as follows:—

	Production.—		Exports.
	Pig Iron.	Steel Ingots and Castings.	
	Tons.	Tons.	Tons.
1923 (estimated)	7,400,000	8,450,000	4,300,000
1922.....	4,902,300	5,880,600	3,397,200
1921.....	2,616,300	3,703,400	1,700,400
1920.....	8,034,700	9,067,300	3,251,200
1919.....	7,398,000	7,894,000	2,232,800
1913.....	10,260,300	7,663,900	4,969,200

Production is thus better than in any post-war year except 1920, but, unfortunately, to obtain this production, orders have in many cases had to be accepted at unremunerative prices, and the financial results are by no means as good as the production figures might indicate. Exports of iron and steel in October amounted to 388,600 tons, a figure

which has only once been surpassed since the end of the war (viz., in May 424,500 tons). Exports for the whole year may be expected to amount to about 4,300,000 tons, or 30 per cent. more than in 1920 and about 85 per cent. of the tonnage exported in 1913. In comparing figures of production and export with pre-war periods, however, it must always be remembered that the war was responsible for increasing our steel capacity by at least 50 per cent. The coal output for October averaged 5,627,000 tons per week, or, say, 24,381,000 tons for the calendar month. Exports of coal amounted to 7,433,000 tons, of which 1,708,100 tons went to France, 1,236,790 tons to Germany, and 759,900 tons to Italy. The total output for the year may be expected to amount to 275,000,000 tons, or within 12,000,000 tons of the record total of 287,412,000 tons in 1913. The export of metallurgical coke amounted to 381,400 tons, or 55,000 tons more than the previous "record" of August last.

The Government's Anglo-Persian Oil Shares.—The announcement in the House of Commons on Thursday, in reply to questions put, that the Government has received a proposal for the purchase of its holding in the Anglo-Persian Oil Company, but that it had not yet arrived at any decision, appropriately and finally quashes the "authoritative" but unauthorised statements constantly appearing in the London Press that the Government has "sold out" to the Shell Transport and Trading Company. A bid for these shares was, in fact, made by the Shell group some time ago, and is believed by some to be at the rate of £4 a share, by others to be £3 a share. It was, at any rate, a bid of an alluring nature to the Chancellor of the Exchequer, seeing that the market quotation of the shares is not much over £2½, and apparently still falling. But a decision on this question is not so simple politically as it appears financially. The oil policy of the Admiralty is, reasonably or unreasonably, laid upon the rock of Government ownership at the source of a proportion at least of the Navy's oil requirements. If Government ownership is to be given up, the Admiralty will require some guarantee that control of this important source of oil supply shall remain British. But how can such a guarantee be given by the Shell Transport and Trading Company? It cannot pledge itself for ever to remain British owned, especially as its senior partner in the combination is Dutch. The Chancellor stated that the Government will do nothing to jeopardise security of oil supply for the British Navy or merchant marine. That rather implies that the Government would not sell to the Shell group without conditions or sanctions. Moreover, the British-owned Burmah Oil Company holds 2,374,660 shares in the Anglo-Persian Oil Company, and would naturally have a preferential right to acquire the Government holding of 5,000,000 ordinary shares, 1,000 preference shares, and £199,000 debentures if the policy of selling is decided upon. It has been suggested that the Burmah Oil Company may acquire the whole of the Government's holding, and then sell half of it to the Shell group, retaining thereby control in its own hands. This course would no doubt meet with more popular approval, especially as the public has not forgiven the Royal Dutch-Shell group for its handling of the Mexican Eagle Oil Company, but whether it would appeal to the Shell group, with its ambitions centred on a monopoly of the oil fields of the East, is questionable. In view of the election, it seems likely that no decision will be taken on this important question before the new Parliament meets.

Australian Rates of Exchange.—At the annual meeting of the English, Scottish, and Australian Bank, the chairman, Mr Andrew Williamson, referred at length to the position taken up by Australian banks in the matter of the rates of exchange between Australia and this country. He pointed out that in the 1920-21 period, when, owing to abnormal conditions, exports from this side were greatly in excess of imports, "it was a necessary consequence that the cost of negotiating bills should be abnormally high," and proceeded to emphasise his point by stating that "when excessive exports take place, and make excessive calls upon those institutions which regularly finance

the moving of goods outward, thus threatening to absorb a great deal more cash than is at all convenient, or, perhaps, even safe for these institutions to provide, those calling for such exceptional accommodation cannot reasonably complain if the charges rise accordingly." Mr Williamson contended that the action of the Australian banks in refusing to negotiate bills "which was so much resented at the time by the disappointed applicants, was not only the means of preventing a disastrous slump in prices from an over-glutted market, but later, and by many of those who at the time most bitterly condemned it, was handsomely acknowledged as having saved the situation."

Betting Tax Dropped.—One of the minor effects of the sudden dissolution of Parliament is that the idea of a tax on betting transactions has been indefinitely postponed. The Committee which went out of existence with the dissolution held their last meeting on Thursday. It appears that their draft report had not gone beyond the stage of historical summary, and the net result of resolutions and amendments which this last meeting had before them was to state that a tax was practicable, although the suggestion to add the word "desirable" was defeated by a majority of four. It will be remembered that Mr Baldwin, in his Budget speech this year, laid great stress on the desirability of finding new sources of revenue. The only new source that he was able to suggest was a tax on betting, by which he professed himself to be greatly attracted. "If this hope," he added, "proves illusory, it will then be necessary to consider very seriously other alternatives." In the light of recent events one wonders whether these "other alternatives" which he then had in mind were revenue from the duties on manufactured imports, which he now wishes to shut out.

Poverty and Progress in India.—The report (Cmd. 1961) by Professor Rushbrook Williams, of which the political portion was noticed in our last week's issue, disposes of the doctrine that the poverty of the Indian masses is due to the extravagant demands of the Government. The taxation per head is small, the burden on land notably so; the administration is probably the cheapest in any civilised country; but India is not organised for wealth production, and the peasantry, who form 90 per cent. of the population, are kept poor by their thriftlessness and inefficiency, by the hindrances set up by tradition and religious prejudice—which keep women from working—and by the ease with which, in many districts, a bare living can be obtained from the soil. Population multiplies up to the means of subsistence; extravagant expenditure on family ceremonies leads to debt; the joint family system obviates the natural penalties of idleness; and there are no subsidiary industries such as sericulture or poultry farming. Yet famine, even in the poorest districts, now implies inability to purchase food rather than actual shortage; and the peasants are awakening so far as to attempt combination for collective bargaining. In the industrial centres, though labour is inefficient, the position is better; the cost of living fell last year, aided by a favourable monsoon, to 67 points above pre-war level, while wages in the cotton industry were 90 per cent. above it; indirect evidence of improvement is afforded by the increase of third-class railway travel and of the purchase of silver for ornaments and the absorption of rupees, while India takes nearly one-third of the British export of gold. The town labourers, too, are able to remit money to their villages, and efforts are being made to improve their condition. Housing is being promoted by State and private enterprise; women and children working in factories have been further protected by statute; a Workmen's Compensation Act was passed last year clear enough to be applied without litigation; and it should provide trade unions with a legitimate function other than that of promoting strikes. At present they are often organised only to deal with a particular labour dispute, and cease to exist when it is over. For lack of efficient labour leaders, they are usually directed by politicians, but are not yet exploited for political ends. Both in the cities and in the country the co-operative movement is doing excellent work—mainly in the form of

STATE EXPRESS

VIRGINIA **555** CIGARETTES

MADE BY HAND, ONE AT A TIME.

associations for the joint sale of produce, and the purchase of implements and fertilisers; but in Bengal it has turned to production, and is reviving craftsmanship, and in Madras the classes depressed through the caste system are forming their own societies; in Central India the associations settle disputes, and promote the consolidation of the scattered agricultural holdings. Sanitation is kept back by indifference and prejudice, and by the lack of funds for research, but British and native efforts are exerted to reduce the heavy infant mortality. Social reform is blocked by caste, which Mr Gandhi, though combating its worst evils, has always upheld, but the missionaries are doing good work in raising the "depressed" classes, and the Salvation Army is reclaiming the criminal tribes. Alcoholism, condemned by public opinion, has been encouraged by Mr Gandhi's campaign against taxed liquor; the drug habit, not thus reprobated, may be mitigated by the measures recently taken by the Government. Adult education, in which the co-operative societies are aiding, is helping to fit the natives for citizenship.

Motor Vehicle Statistics.—The total number of motor vehicles of all kinds licensed on August 31st last was 1,117,590 as compared with 962,305 on August 31, 1922, an increase of 155,285, while the total revenue was £12,184,686 against £10,379,385. Private cars have increased from 314,769 to 385,525, the former representing licence duties of £4,686,267 and the latter £5,805,428. Motor-cycles, of which there are more in use in this country than any other class of motor vehicle, have increased during this period from 377,943 to 430,138. Licence duties amounted to £908,069 and £1,019,547 respectively. Commercial goods carriers have shown a comparatively small increase, from 150,995 to 173,365, while the revenue has increased from £3,048,643 to £3,446,777. Motor hackneys numbered on August 31st last 85,965, with a revenue of £1,756,082, as compared with 77,614 and a revenue of £1,586,282 twelve months previously. Horse-drawn vehicles continue their rapid decline, as on August 31, 1922, there were 232,865 with a revenue of £181,905, whereas on the corresponding date of this year there were only 207,313 with a revenue of £160,913.

Improved Italian Trade.—An examination of the Board of Trade's returns tends to confirm the impression given by bankers and others closely connected with Italian markets that recent months have witnessed a marked advance in Italy's economic condition. Our exports of coal to that country in the first nine months of 1921 amounted to 1.9 million tons, rose to 4.6 millions in the corresponding period of 1922, and this year reached 5.8 millions. The totals for cotton piece goods in the same periods were 10.0 million square yards in 1921, 12.6 millions in 1922, and 14.8 millions in 1923. Our total trade with Italy for the first nine months of each year since 1921 has attained the following proportions:—

	1921.	1922.	1923.
	Million £.	Million £.	Million £.
Imports	6.6	8.0	10.3
Exports	13.0	15.3	15.1
Re-exports	1.1	1.3	1.5
Total trade	18.5	22.0	23.9

Whatever opinion may be held of certain aspects of Signor Mussolini's policy, it is undeniable that his administration has infused into commercial affairs an element of stability sadly lacking under previous régimes. The large harvests of the summer provided work for the greater part of the unemployed who had not already been absorbed by industry as a result of the marked improvement dating from the beginning of 1923. With the cessation of this seasonal demand there may be a tendency for the figures to rise slightly during the next two or three months, but the expansion in manufacturing continues, and ultimately, it is hoped, only a very small proportion of the population will remain without employment of some sort. This feature is the more remarkable as the stream of emigration has been sharply retarded by the United States' restrictive measures. The Ruhr invasion is a discouraging factor, partly because Germany is normally one of Italy's best customers, and partly owing to the interruption, since March or April, of coal supplies, which formerly came direct from the Ruhr to Italian factories without the necessity of unloading and reloading attaching to supplies from the United Kingdom. The possibility of Great Britain's adopting a system of import duties is causing a certain amount of anxiety in Italy, not so much among the large engineering concerns as the small fruit growers of the South, who, after a long period of depression, have begun to build up a profitable market for their wares in this country. The recent development of Southern Italy, the Cinderella of the kingdom, is given as another instance of the beneficial results following upon the establishment of a strong Government at Rome.

Wall Paper Manufacturers.—Under date of November 10, 1923, the directors of the Wall Paper Manufacturers, Limited, issue their second report this year. In March last accounts were issued for the year ended August 31, 1922. These showed profits of £701,958. In the accounts now issued figures for the year ended August 31, 1923, are given, profits showing a slight falling off at £635,681. Assets have slightly increased, rising from £6,395,767 to £6,683,743. Capital expenditure, including goodwill, now figures at £3,459,719, as against £3,428,464 a year ago. Investments are up, being now placed at £1,359,413, as compared with £1,192,781. This is an item which requires some supplementary information. We are simply told that they include "shares in subsidiary companies." Surely we might be told the method used to value these securities. Very often the auditors give us a little sidelight on this matter, but in this case we seek in vain in this direction. Stock-in-trade is down from £956,236 to £866,327. To what extent cash in hand at £292,235, as against £65,087 a year ago, may be regarded as satisfactory it is difficult to say.

De Beers Diamond.—The payment by this important consolidation of the balance of arrears on its preference shares, together with the amount due for the past half-year—referred to in a recent "Note"—gave evidence of a distinct improvement in the business. Not a few people, indeed, were inclined to hope for the declaration of a dividend at the end of this year on the deferred shares, which have received nothing since the interim distribution of 10s per share paid in December, 1920. The accounts for the year to June 30th show, however, that the total disbursed on the preference capital absorbed practically all the net profit, the carry forward of £422,600 being barely £100,000 up. Diamond sales amounted to £2,818,000, as against only £402,000 in 1921-22, when the nadir of the depression was reached. In 1919-20—a period covering the post-war boom—the sales reached the record figure of £6,750,000, but such results are not likely to be seen again. At 7,706,200 loads the stocks of blue ground and lumps on the floors indicate a substantial reduction, due, of course, to the circumstance that mining has not yet been resumed. It may be inferred that development will be undertaken again in the not very distant future. With regard to the outlook, the directors adopt a somewhat conservative attitude, observing that

while the diamond market last year showed a decided improvement, trade is still much below normal, and the present unsettled political situation in Europe renders it difficult to make any forecast as to the future." At current price of 11½, the yield on the preference shares is about 9 per cent. They may be regarded as reasonably secure.

Mount Lyell.—Our mining correspondent writes:—Once again the accounts of this well-known Tasmanian enterprise score a recovery, the net profit amounting to £151,000, as against £127,500 in the year ended September 30th, 1922, and £51,800 for 1920-21, when there was no dividend. The distribution of 1s per share recently announced is at the same rate as that of twelve months ago. The improvement in results is due to the alterations and additions to the treatment plant, albeit an increase of 5s per week in the basic wage had to be faced as from the beginning of November last year. The average price of copper was £73 12s. At £63, the directors point out, there would be no profit on the present basis of operations. The surplus of liquid assets over liabilities has increased to £737,100. In view of the fact that the output is now restricted to the higher-grade ores, it is satisfactory to find that these, at 1,000,000 tons, score an expansion, if only a small one. The chemical works continue to do well, and a ten years' agreement has been made for the sale of power to the Tasmanian Government.

Simmer and Jack.—A study of the report to June 30th last produces a somewhat unfavourable impression of the position. Although costs were reduced nearly 5s per ton to 18s 5d, the profit only rose a few thousands to £42,500, the saving being practically counterbalanced by the decline in the gold premium. Adding sundry revenue and deducting sundry expenses—in which exchange on advances figures prominently—the net surplus came out at £31,400, or not sufficient to cover the outlay on property and equipment. To permit the extraction of the scattered bodies of ore in the original mine, and the extension of operations to the claims once held by the Simmer Deep, a vigorous development policy was initiated. Nevertheless, the ore reserves have diminished nearly a quarter of a million tons to 982,000 tons, the value being also lower at 5.2 dwts. The quantity does not represent much more than a year's supply. Much depends upon the ability of the company to effect further economies in working costs. Some progress in this direction has been made since the close of the financial year—June 30th.

Labour Banks in the U.S.A.—According to the *Iron Age* Labour has definitely entered the field of finance and of the practical ownership of industries. In its annual report to the Portland convention of the American Federation of Labour, the executive council of the federation stated that there are now "practically 23 Labour banks either doing business or about ready for business. In addition, about 20 more such banks are now in process of organisation." The actual number of Labour banks in operation at the present time is 15. The fifteenth was opened at Cincinnati on October 6th, by the Brotherhood of Railway Clerks. Twenty banks probably will be in operation before the end of the present year, and 50 by the end of 1924. The present resources of these banks exceed 50,000,000 dollars. This is not a movement that has developed out of theory and on the basis of propaganda, but it is a development out of the conditions that have confronted the workers, and it brings with it the promise of complete revolution in trade union methods. Through its new banks and the investment and insurance companies by which they are backed, organised Labour is for the first time inviting real co-operation—financial co-operation—with it by the general public. The trend is looked upon as being especially significant, as it concerns the status of Labour and Capital, and, in fact, is making the words almost synonymous.

Indian Currency Reserve.—The following announcement has been issued in India by the Government of India:—The transfer has been made of £2,000,000 gold from the paper currency reserve against a corresponding transfer to the reserve of sterling securities, and will appear in the accounts of the Paper Currency Department, to be published on Saturday next. This transfer had been made in connection with the proposed sale of this quantity of gold. The gold will not be shipped abroad, but will be sold in London, against sterling payment for delivery in India from the mints at Calcutta and Bombay, the amounts offered for sale weekly being regulated according to the market conditions. The percentage of metal holding in the paper currency reserve on October 31st was 68.21, the amount of silver holding alone being Rs. 99 crores. This strong position, combined with the existing premium of gold, renders it advantageous to convert a small portion of the surplus metal holding into interest-bearing securities. The gold can be replaced at a profit as sterling approaches parity with gold, and a convenient opportunity for reversing the transaction arises.

Traders and Tariffs.—The Executive Committee of the National Association of Merchants and Manufacturers, at a meeting held on Tuesday (Sir Hugh Bell in the chair), unanimously adopted a resolution expressing its determination to initiate and support a strenuous campaign "in favour of maintaining the system of Free Trade, on which the supremacy of British trade has grown up, which has financed the late war, which provides for the payment of the National Debt, both internal and external, and which supplies commerce with necessary raw materials at the lowest possible price. The resolution further expressed belief that the imposition of tariffs on imports will restrict that exchange of commodities which constitutes trade, and that any restriction of trade must produce unemployment and not relieve it."

Transvaal Gold Output.—A notable improvement is shown in the figures of gold output in the Transvaal just issued by the Chamber of Mines. The output during October amounted to 793,842 ozs of fine gold, as compared with 739,504 ozs in September, 1923, and 778,159 ozs in October, 1922. The figures are the best recorded since March, 1916, and the total output for the ten months is over 500,000 ozs in excess of the preceding year's entire output. The following table shows the outputs for the first ten months of each year since 1917, together with the totals for each completed year:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January..	782,634	714,182	676,059	670,503	651,593	639,728	764,469
February..	781,321	659,759	636,728	625,330	558,137	511,338	704,970
March ..	787,094	696,281	712,379	707,036	671,123	623,786	761,586
April	742,778	717,000	694,944	686,979	681,382	623,786	743,651
May	779,385	741,317	724,955	699,041	687,776	623,786	786,564
June	759,724	727,696	702,379	715,357	678,490	675,697	755,509
July	757,839	736,199	725,497	736,099	699,555	730,635	754,306
August ..	756,658	740,210	706,669	702,083	711,526	752,490	769,371
September	738,731	708,206	698,558	682,173	691,026	747,089	739,504
October..	751,290	679,764	723,722	662,472	707,825	778,159	793,842
Total (10 months)	7,636,954	7,120,614	7,001,930	6,887,673	6,728,433	5,464,922	7,571,572
November	722,839	658,701	677,970	633,737	704,236	764,476	..
December	722,419	641,245	650,191	632,215	681,847	790,712	..
Total (12 months)	9,082,212	8,420,560	8,330,091	8,153,625	8,114,516	7,020,110	..

The following table shows the number of natives employed at the end of last month by members of the Witwatersrand Native Labour Association and Contractors:—

	Mar., 1923.	April, 1923.	May, 1923.	June, 1923.	July, 1923.	Aug., 1923.	Sept., 1923.	Oct., 1923.
Gold mines	181,473	178,337	175,591	170,865	166,443	167,600	174,406	177,047
Coal mines	14,710	15,040	15,176	15,538	16,020	16,156	16,225	16,216
Diamond	1,273	1,860	2,668	3,063	2,893	3,107	3,134	2,911
	197,456	195,237	193,435	189,526	185,356	186,863	193,765	196,174

The October total is the largest since January, the whole of the month's increase being due to natives employed at the gold mines.

Oversea Correspondence.

UNITED STATES.—STEEL CORPORATION'S EXTRA DIVIDEND—SEPTEMBER FOREIGN TRADE—GOVERNMENT COTTON REPORT—BIG BOND OFFERING—STOCK MARKET.

(FROM OUR CORRESPONDENT.)

NEW YORK, November 5.

THE declaration, last week, of an extra dividend of ¼ of 1 per cent. on United States Steel common stock was wholly unexpected. Nevertheless, in the opinion of many observers, the really surprising fact is that a corporation which probably holds more cash in its treasury than any other industrial corporation, whose common stock has a book value of \$260 a share, and has earned, after perferred dividends, at the rate of 15 per cent. this year, should make such a meagre extra payment (25 cents a share for the past quarter), although it is spending many millions for further plant additions and betterments, despite its present enormous productive capacity and that of other steel manufacturers in this country. The extra dividend—the first declared since 1919—calls for the expenditure of only \$1,270,756 on the \$508,302,500 common stock outstanding, whereas a reserve of \$10,000,000 was set aside from last quarter's earnings for improvements and additions, making a total of \$20,000,000 thus appropriated in the last six months. But whatever criticism may be made of the United States Steel Corporation for not being more liberal with its common stockholders, the action taken further testifies to the conservative policy of its management—a policy which has been followed consistently since its inception, and which accounts largely for the exceptionally strong financial position it now occupies. It is that policy which in lean years heretofore has enabled the Steel Corporation to maintain its regular dividend rate, when many other large corporations were compelled to reduce or pass their dividends. Net earnings for the quarter ended September 30th furnished another big surprise. They totalled \$47,053,680, as against \$47,858,181 for the June quarter and \$27,468,339 for the third quarter of 1922. According to a statement issued by Judge Gary, chairman of the board, new bookings are only about one-half of the corporation's productive capacity, but inquiries, he says, are very large, and the directors "feel very confident in regard to the near future," barring unforeseen and unfavourable developments.

Total exports from the United States in September, according to Department of Commerce returns, were valued at \$380,712,000, in round figures, while imports had a value of \$253,645,000, showing an excess of exports of \$127,067,000. Grain exports amounted to only \$31,926,318, as compared with \$59,650,651 in September, 1922. Raw cotton was the main item in September export trade, shipments totalling in value \$99,415,151, or three times those of August, and more than double those of September a year ago. The value of all exports showed a gain of about \$68,000,000 over September, 1922, raw cotton accounting for 83 per cent. of the entire increase. Of all September exports, crude materials furnished 35 per cent., manufactured articles ready for consumption 33 per cent., partially manufactured goods 12 per cent., and foodstuffs of all kinds 20 per cent. Of the total imports in that month, wholly or partially manufactured goods comprised 44 per cent. in value, crude materials 31 per cent., and foodstuffs 23 per cent. Crude materials were the only group showing a decrease in imports, as compared with September of last year. The total value of all exports for the first nine months of this year amounted to \$2,939,809,000, approximately, as against \$2,904,196,000 for the like period of 1922, indicating an excess of exports to the value of \$35,613,000.

The Department of Agriculture's special cotton crop report as at October 25th, estimating this year's production at only 10,248,000 bales, or about 767,000 bales below its September forecast, was much worse than the majority of the trade had expected. That predicted yield compares with 9,761,817 bales actually harvested last year, 7,953,641 bales in 1921, an average production of

11,481,084 bales in the five years 1915 to 1919, and 14,259,231 bales for the period 1910 to 1914. Last Friday, when the report was published, prices on the New York Cotton Exchange soared \$9 to \$10 a bale in less than three hours after the forecast was announced. Options rose about 2 cents a pound, carrying December above 32½ cents, and all active months to new high levels for this season, the close on that day showing net gains ranging from 162 to 184 points. Spot cotton here touched 32.80 cents for middling upland. With last season's estimated carry-over of 2,573,000 bales, the total supply indicated for the current cotton year is 12,821,000 bales. World consumption in 1922, according to Secretary Hester, of the New Orleans Cotton Exchange, was 12,631,000 bales. On the basis of the Government's latest forecast, and including the estimate of 650,000 bales linters, the present indication is that the carry-over on July 31, 1924, will be less than 1,500,000 bales, assuming that consumption this cotton year reaches 12,000,000 bales. It is quite evident, therefore, that the cotton trade faces a crisis with respect to supplies of merchantable staple, not only because of the short crop, but because grade and quality have been damaged to an alarming degree.

Railway executives, after numerous conferences, rejected President Coolidge's suggestion that they voluntarily reduce freight rates on wheat for export. Among the main reasons given for their refusal were that the proposed reduction was impracticable and wholly unlikely to assist farmers, in whose behalf the suggestion was made. Furthermore, the carriers pointed out that Canadian and Argentine railroads would probably meet any cut that might be made by American roads, and Western railroads, it was claimed, were not in a financial position to make any downward revision. In this connection it is noteworthy, also, that Eugene Meyer, junior, managing director of the War Finance Corporation, and Frank W. Mondell, a director of that organisation, after a tour of agricultural sections in this country, have just submitted to President Coolidge a report in which they flatly reject proposals advanced by radical elements—namely, Government price-fixing for wheat, Government purchase of "surplus" wheat with a view to shipping it to foreign markets, and other nostrums prescribed by various interested parties in recent months as a panacea for the wheat situation and to relieve farmers. As a solution of the wheat problem, the report suggests that production be adjusted to American needs, if the world-market is over-supplied and American farmers cannot compete with other producing countries. Development of an improved co-operative marketing system by American farmers, aided by American bankers and business men, is recommended in the report, which also urges the adoption of either of two methods to ease the burden of taxation—namely, the abolition by constitutional amendment of the tax-exemption privilege in order to curtail the over-stimulated market for State, county, and municipal tax-exempt bond issues; or "the reduction of income surtaxes to a figure which the actuaries of the Treasury Department may determine to be the figure that would induce capital to turn from tax-exempt securities into taxable investments."

Convincing evidence of the decided change that has taken place recently in the demand for high-grade bonds at attractive prices is found in the remarkable success which attended to-day's offering of \$100,000,000 American Telephone and Telegraph Company 20-year sinking fund 5½ per cent. gold debenture bonds by a banking syndicate headed by J. P. Morgan and Co. The debentures were priced to investors for subscription at 98½ per cent., and interest to yield 5½ per cent. They are dated November 1, 1923, and are redeemable in whole or in part at the option of the company at 110 per cent. and accrued interest on any interest date on or prior to May 1, 1941, and thereafter at 100 and accrued interest. A sinking fund of \$1,000,000 annually is to be set aside in semi-annual instalments, beginning May 1, 1924. The offering, which was the largest single issue floated this year, was heavily over-subscribed.

Last week the stock market, after a prolonged period of dull trading and declining prices, suddenly became very active and buoyant. On one day transactions closely approximated 1,400,000 shares, the biggest turnover in

a full day's session since last February. Prices soared until gains ranging from \$3 to \$8 or more were recorded throughout the active list, the greatest advances occurring among industrial stocks, which had figured most prominently in speculative operations in recent months, and which had been subjected to the heaviest selling pressure in that period. The immediate cause of the market's spectacular upturn was the announcement of the extra dividend on steel common, which caught bearish operators unawares. A contributory factor was the decidedly bullish statement made by a well-known market operator who was formerly committed to the bear side, and whose prediction several months ago that prices would decline proved correct. The marked activity at rising prices was due almost entirely to a stampede of short interests whose selling for the decline in recent weeks had evidently reached extensive proportions. Trading was chiefly for the account of professional operators, comparatively little outside or public participation being in evidence. To-day, transactions fell well below the million share mark, and price movements were irregular and narrower, although the market as a whole continued firm. With the unwieldy short interest eliminated, the future course of the stock market is uncertain, especially since the violent upturn cannot be ascribed to any new developments in the economic or financial situation that would warrant a pronounced and sustained bull movement.

FRANCE.—AUTUMN SESSION—FINANCING RECONSTRUCTION—TAXATION RETURNS—PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, November 14.

WITH the assembly of the French Chambers yesterday, when the Special Autumn Session was begun, for the purpose of clearing the ground for the General Elections that are to take place in the spring, the national finances once more assumed a place of first importance in the public mind. M. Poincaré made it clear at the opening sitting that he does not intend to allow the Chamber to drag on the Government's financial programme till the end of the session, as has been too often the case in the past, but that this subject must be disposed of before any other question is dealt with. He told the House flatly that he will not tolerate the frittering away of precious time in the discussion of endless interpellations, and that for this session, at any rate, parliamentarians must adopt some regular method in their work. The discussion of the Budget of Extraordinary Expenditure, and that of Recoverable Expenditure, must be taken in hand first (the Ordinary Budget for 1924, it will be remembered, was adopted simultaneously with that for 1923, so that there will be no possibility of modifying the present taxes), and after that the new electoral law. So far as interpellations are concerned, the Premier promised to allot every Friday's sitting for the purpose of allowing deputies to let off steam for electoral or any other purposes that may seem good to them. The Premier made this programme a question of confidence in the Government, and, as might have been expected, in present circumstances, he obtained the approval of the House for his proposal.

The Government's proposals for the Budget of Recoverable Expenditure for 1924 are all concerned with the raising of money required to continue the work of reconstituting the devastated area. It is proposed to fix the amount of Credit National Bonds that may be issued during 1924 at 5,000,000,000, to issue 2,000,000,000 in Obligations de la Defense Nationale, and to provide a further milliard for the purpose of enabling *sinistrés* to issue loans against the guarantee of the State. To these sums must be added the amount necessary to enable settlements to be made in certain cases with 6 per cent. Rente, and certain Budget credits, which will bring to a total of rather over 9,000,000,000 the amount of compensation that may be paid to *sinistrés* during the coming year. This amount, although smaller than that set aside for the present year, will enable the reconstruction of buildings to be carried on at the same rate as during the present year. The proposals set forth above, the Government announce, will render accomplishable one-third of

the reconstruction work yet to be done, so that by the end of 1926 it is hoped that the damage done will be entirely repaired. Special proposals are contained in the proposals to give minor *sinistrés* priority in obtaining a settlement of their claims to compensation. In future, if the new plan is approved, these sufferers, instead of receiving settlement in ten-year bonds, will be paid off in cash so far as the money necessary for the rebuilding of dwelling-houses is concerned, provided their claims do not exceed 80,000f. They will also be given the right to receive payment in cash to the extent of another 20,000f in respect of other damages to real estate.

The Supplementary Finance Bill is to be laid before the House for the purpose of providing credits not included in the Budget for 1924, principally for the maintenance of troops, &c., in Syria and Morocco. These credits, it will be remembered, were specially reserved, when the Budget proper was passed earlier in the year, for consideration during the present session. In this connection the Government asks for credits amounting to a total of 1,445,500,000f, or 74,000,000f less than those voted in 1923 for the same services. The Finance Commission of the Chamber recommends that this total shall be reduced to 1,420,000,000f, or 96,000,000f less than those voted for the same purposes for 1923. The credits asked for in respect of military operations abroad amount to 584,000,000f, including 342,000,000f for Morocco, 218,000,000f for Syria and the Levant, and 24,000,000f for the Saar area.

The special credits, properly so called, amounting to 846 millions, are required in connection with various civil services, some of which are destined to be suppressed in the near future, while others have arisen out of the war, and will in future be incorporated in the ordinary Budget Estimates (such as the expenditure required for the Port of Strasburg). Others of these credits have been rendered necessary to facilitate the application of certain new laws. These include 119,000,000f required by the Minister of Hygiene to apply the new law in regard to assisting aged and infirm persons and for making grants to people with large families. It is understood that the Government propose to authorise the issue of loans of various kinds during the coming year to a total of 13,000,000,000f. This sum will include the nine milliards required to meet the requirements of the devastated area during the next twelve months. The balance of four milliards will be required to meet various needs of the Treasury, but whether it will take the form of further issues of Treasury bonds is not yet clear.

Taxation returns for October show that the total yield from all categories of revenue during the month was 2,469,332,800f, of which 2,331,687,400f was from normal and permanent taxation, the balance being from "exceptional resources" (including 86,153,700f from the gradually expiring special tax on war profits). The revenue from ordinary resources was 514,739,400f in excess of that for the corresponding month of last year. The effect of the Finance Minister's efforts to bring about stricter methods in the collection of taxation, as compared with those formerly in vogue, is seen in the fact that during October this year the total yield from income-tax was 469,412,200f, as compared with 231,869,400f in the corresponding month of last year, or an increase of over 100 per cent. The total yield from indirect taxation and State monopolies during October was the highest that has ever been registered in any one month, and amounted to 1,761,430,000f, or 287,806,000f more than in October, 1922. The weak spot in the whole list was the yield from Customs duties, which showed a falling off of 27,533,000f, as compared with October last year, largely owing to the high exchange rate against this country. As against this must be placed the remarkable continued growth in the yield from the tax on turnover, which is now more than justifying the rosy predictions made in regard to it by its inventor, M. Klotz, when he initiated this form of taxation. During October this tax produced over 293½ million francs, as against 208 millions in the corresponding month of October, an increase of well over 85 millions. The total yield from this tax during the first ten months of the present year has amounted to 2,447,980,000f against 1,858,019,000f during the corresponding period of last year, the only larger figures in the whole return being those for income-tax (2,752 millions) and for stamp

duties on registrations (2,832 millions). The total yield from all normal and permanent resources during the first ten months of the year has amounted to 17,430,630,800f, or 2,541,429,000f more than for the corresponding period of 1922. So far as the year has gone the yield from taxation has amply justified the optimistic views expressed by the Finance Minister at the beginning of the present financial year. To some extent, it should be stated, this result has been achieved by the manner in which the revenue authorities have speeded up collection during the current year, but the greater part of the increased yield is undoubtedly due to the substantial improvement in the economic situation of the country.

The index figure of wholesale prices in France, which has just been issued by the Statistique Générale, is returned for the month of October (on the basis of 100 for the period 1901-10) as 486, as compared with 489.7 at the end of September. The figure, as usual, comprises data drawn from the prices of 45 distinct commodities, but on this occasion, for the first time for some years, I have been unable to obtain the detailed figures that have usually appeared in this connection. The slight fall is due principally to the fact that the figure for the group of foodstuffs has fallen from 471.1 to 456.8, the decrease in prices being most marked in the sub-group comprising sugar, coffee, cocoa, &c. The figure for cereals and other vegetable foods, on the contrary, has risen from 409.7 to 416.7. The figure for the raw material group has risen slightly, from 503.7 to 509.5. The figure representing retail foodstuff prices in Paris (base 100 in 1914) rose appreciably in October, from 339 to 349, and this movement, as observation shows, is still tending upwards.

GERMANY.—POLITICS—CURRENCY—FINANCE—BOURSE—CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, November 13.

SINCE the resignation of the three Socialist Ministers, the Stresemann Cabinet has shifted in the opposite direction—to the Right. Herr Jarres, the expelled Oberbürgermeister of Duisburg, has been appointed as Minister of the Interior. He has hitherto been strongly Nationalistic, opposing the policy of agreement with France with which Dr Stresemann began, and holding that it would be better for the present to leave the Rhineland to its fate, and to maintain resistance in the rest of the Republic. The collapse of the Hitler-Ludendorff adventure has in no way bettered the situation, but has only emphasised the fissiparous tendencies prevailing everywhere, showing that while Berlin is not strong enough to act decisively against Munich, there is nowhere an opposition revolutionary party strong and united enough to upset the Berlin Government and to pursue a definite alternative policy. The ambiguous policy of Herr von Kahr fore-shadows further trouble from the direction of Munich.

General conditions go rapidly worse. The number of unemployed, which on October 1st was 1,111,560, is now unofficially put as high as 4,500,000. In the cities, for all but a small class, living conditions are becoming unbearable; hours are spent every day in obtaining food, and between prices and earnings there is now no calculable relation at all. Owing to the stopping of central heating in flat-houses, hundreds of thousands of families heat only one room, and that insufficiently. The lack of fats and meat aggravates the situation. While it is hard to see anything like a sudden political collapse approaching—this on the ground that no party of strength worth mentioning considers that a collapse would better things—there is a prospect of rapid disintegration, which is likely to place before the Allied countries a very much harder problem than that of dealing with an organised and prosperous, even if defiant, Germany.

The "Rentenmark" is to be out on the 15th. A Government communiqué repeats the promise that from that date, the paper mark inflation will cease, which means that the Rentenbank, instead of the Reichsbank, will supply state credit. The paper mark will be converted into gold loan, the conversion rate being fixed as soon as the inflation ceases. As gold loan was recently proclaimed convertible into rentenmarks, this means that

the paper mark may ultimately be represented by Rentenmarks. Copper 1 and 2 Rentenpfennigs and aluminium-bronze 5, 10, and 50 Rentenpfennigs are being coined. Views as to the stability of the new currency are not so optimistic as at first. It is feared that the Ruhr and Bavarian complications, taken together with the industrial stagnation, and possibly with further "Putschs," and possibly minor civil wars, will make it impossible to balance the Budget before the Rentenbank's credit of a mere £60,000,000 is exhausted, and that inflation, if not of the Rentenmark, then of some other currency will be inevitable.

The exchange question has become very serious. The Government proposes to repeat the so-called "Devisenabgabe," or "exchange levy," compelling delivery of an amount of foreign currency based on the assessments for the Forced Loan of last winter, and, further, to permit export of a limited quantity of sugar. Reports from London state that the foreign receipts of the Potash Syndicate are pledged as security for English coal credits. Sugar production this business year (1923-24) has fallen by 6 or 7 per cent.; the estimated figure is 1,189,000 metric tons, against 1,455,766 tons in 1922-23. The Cabinet plans the appointment of a Currency Commissioner, under whom would be concentrated all currency and exchange questions. In connection with the official exchange policy, gold prices are rising in an extraordinary but entirely fictitious way. With the aim of checking the rise in paper mark prices the Government has of late kept down the foreign exchanges to a fraction of the foreign parities. It has justified this with the plea that the foreign mark quotations are more or less nominal. Instead of quoting something near the foreign parity, drawing foreign notes and cheques from the public hands, and satisfying the business demand for exchange, the authorities hold to their own rates, get no exchange from the public, and can therefore meet only a small fraction of the demand. When London last week quoted 20 to 50 billion marks to sterling, the official rate here was under 2 billion marks. According to the price regulations the "key numbers" are only to be increased when the official exchange quotations rise, while the gold-mark basic prices are not to be raised at all. In theory this meant that paper mark prices would not rise more rapidly than the exchanges. In practice this has failed. The official exchange rate is almost wholly ignored. Persons with exchange to realise realise it on the "black bourses," getting two to five times the official rates, and sellers of all kinds of goods ignore the official rates and adapt their prices to the "black bourse" rates or even to the still higher foreign rates. Hence at the official rate meat here has cost up to 8s a pound, and newspapers which before the war cost ½d cost 5d. It follows that gold prices shown by any index based on the official exchange rates are meaningless. The official system has increased the difficulties to import of food, because while foreign money changed on the Bourse goes to the Reichsbank and ultimately to the legitimate importer, foreign money bought on the black bourses is hoarded. Probably 19-20ths of all exchange dealings are done on the black bourses. The black bourses are, of course, forbidden, and all parties using them can be punished, but the Government puts too great a strain on human nature, and after a few showy raids the recently-appointed Exchange Dictator has proved helpless. Even at the black bourse rates living here is very expensive. This is only one more proof that exchange regulation by mere decree is impracticable.

The Cabinet, having lost the constitutionally granted powers of the "Empowering Law," is resorting ever more to the 48th Article of the Constitution in order to put through its measures speedily. The Reichstag has lost practically all control over finance. Under the Empowering Law the Cabinet enacted that Federal credits should be "valorised." Formerly the Reichstag granted a paper-mark credit estimated as sufficient for a certain number of weeks or months, but owing to the price rise the credit was often exhausted in a fraction of the time intended. When "valorised" such a credit is calculated at its gold-mark value at the date of granting, and the Government has power to raise by way of credit (Treasury bills) a paper-mark sum of the same gold value. The new decree under Article 48 extends the earlier

"valorisation" decree to credits sanctioned before the old decree. The effect is that the Cabinet will not have to ask for new credits for a very long time, and a further effect is to counteract the compulsion to reform, because a new currency collapse will not compel the Cabinet to apply again to the Reichstag. The new decree is, of course, unconstitutional; Article 48 does not under any circumstances affect the matter of credits, but the last two Cabinets used Article 48 without any scruple, and against only rare newspaper protests.

Money again became plentiful at the beginning of this week, and stocks yesterday about doubled their quotations. A detailed securities index published by the *Boersen-Courier* shows that stock quotations multiplied about a thousand-fold in October. Taking the December, 1922, quotations as 100, the end of June quotations were 4,175, July 19,707, August 218,271, September 4,933,905, and October 4,907,756,100. In the last weeks the biggest rises have been in western coal and iron, electrical and chemical works.

All leading winter crops in Prussia are reported to be in better condition than at the same time in 1922. Prussian crops this year and in 1922 were (in metric tons):—

	1922.	1923.
Winter wheat	893,362	1,455,906
Spring wheat.....	168,439	250,249
Winter rye.....	3,843,836	5,487,597
Spring rye	34,551	60,815
Winter barley	89,570	149,668
Spring barley	786,278	1,125,148
Oats	2,735,270	4,202,942
Potatoes	27,155,012	22,270,705
Sugar beet	8,270,611	6,639,422

The bread-grains crop exceeded that of 1922 by 2,322,121 tons, or 46.9 per cent.

Hamburg shipping in October was: arrivals 1,002 vessels of 1,187,055 net tons, departures 1,206 vessels of 1,101,985 tons. Arrivals in the first ten months of 1923 were 11,264 vessels of 12,831,120 tons, against 12,675 vessels of 11,891,076 tons in the same months of 1913; departures 13,675 vessels of 12,978,507 tons, against 14,130 vessels of 12,123,629 tons.

AUSTRALIA.—PUBLIC FINANCE—EXPORTS AND THE CURRENCY QUESTION—WOOL PRODUCTION.

(FROM OUR CORRESPONDENT.)

MELBOURNE, September 29.

SINCE the Commonwealth 5 per cent. War Loan of £38,723,950 was redeemed, the money market in Australia has shown a hardening tendency. Conversions on account of the loan amounted to £22,578,000, and new cash was subscribed for about 8½ millions, leaving over 7 millions, which was paid out of Treasury balances, the replenishment of which by subsequent borrowings is now under consideration. Many holders of the maturing loan required this money at maturity to meet their own indebtedness or for active trading or productive employment, whilst as regards fresh subscriptions from the public, the Commonwealth Government has had to face the competition of State Governments for available supplies. Various inquiries, involving public display of some of the unsatisfactory methods of Government expenditure during the last few years, have not tended to attract support. So far as it is necessary for the Commonwealth Government to lean upon banking resources to complete the adjustment of its finances after redeeming the loan on September 15th it comes into competition with private borrowers, from whom the banks have experienced an active demand for accommodation for some time past. Since September 15th the three principal State Governments have raised their rates of interest for sales of their securities at the Treasuries by ¼ per cent., and Victoria is now offering 5 to 5½ per cent., according to currency, New South Wales 5½ per cent., and Queensland 5½ per cent., these rates being free of both Federal and State income-taxes.

With the opening of the export season the question of currency arrangements is again under discussion. Gold production at the mines is exportable at a premium, and is therefore not available for enlarging Australian stocks in the pre-war fashion. The Australian Government note issue, which at one time exceeded 59 millions sterling,

has been reduced to about 52 millions, of which at the end of August the public held a little over 22 millions, and the banks a little under 30 millions. As banking liabilities within Australia are now on a larger scale than a few years ago, the ratio of Government notes and coin has declined, while the amount is inelastic. This situation is thus calculated to produce some stiffness in the financing of the wool and wheat export season, especially as wool transactions run into substantial figures at the prices ruling at the Australian auction sales.

Messrs Dalgety and Co.'s annual wool statistical returns for Australia and New Zealand show an estimated net production of 2,501,442 bales (or 815,637,076 lbs) for 1922-23, against 2,574,136 bales (or 850,067,796 lbs) for 1921-22, and 2,155,086 bales (or 718,021,757 lbs) for 1920-21. Oversea shipments, which include Bawra wool, amounted to 2,967,872 bales during 1922-23, against 3,484,076 bales during 1921-22, but these figures include wool from preceding season's clips in each case. The total quantity sold in Australia and New Zealand during 1922-23 was 2,409,281 bales, at an average of £22 9s 8d per bale, against £15 8s 1d for 1921-22, and £15 12s 7d for 1920-21. These figures compare with an average of £13 4s 11d in 1913-14.

NEW ZEALAND.—PUBLIC FINANCE—AGRICULTURE AND INDUSTRY—BANKING AND CURRENCY.

(FROM OUR CORRESPONDENT.)

AUCKLAND, N.Z., October 8.

THE latest revenue returns, made up to August 31st, are satisfactory. The revenue for the five months ending August 31st showed a net increase of £874,574, compared with the corresponding period of last year, the principal increases being in customs, income-tax, and railways. This is accompanied by a slight decrease in expenditure for the same period. The Finance Minister announces that the revenue is still increasing, while the policy of economy is still producing results in reduced expenditure. That this is not merely propaganda, intended to help Mr Massey, the Premier, during his trip to Europe and America (with the possible floating of new loans), is shown by the fact that the Government has already made a considerable reduction in taxation. The income-tax, which acted in such a crushing manner on large industrial companies, has been reduced, and will probably be reduced further next year; even the postage rate, which a few months ago was 2d, has now been reduced to 1d—this, though apparently a trifling matter, is a most hopeful sign, and indicative of the confidence in the future which animates the Government. The Finance Minister asserts that New Zealand is one of the few countries which lately has been able to balance its budget.

The farming industry, the mainstay of New Zealand, shows a tendency to improve, but the last few years have been trying ones for industrial concerns, though the Government reduction of company taxation gives a more hopeful outlook. In fact, some of the best judges consider the general financial and commercial outlook better today than at any time since the signing of the armistice. Increased values of live stock (both sheep and cattle) have greatly benefited external trade. Nevertheless, the bad effects of former years still continue to make themselves felt, as is shown by the financial collapse of several farmers' co-operative trading companies, though this was to some extent due to unsound business methods.

The moratorium on mortgages will be lifted at the close of the present year, unless further extended, which is believed to be very unlikely. The tax on debentures has lately been raised from 3s to 4s 6d in the £. The reduction in the rate of income-tax payable by companies has already resulted in lowering of the rate of interest on mortgages from 6½ per cent. to 6 per cent.; it is considered extremely unlikely that it will fall further.

Banking returns for the quarter ending September 30, 1923, show, for the first time since 1920, an excess of deposits over advances, the exact excess being £1,112,108. The note circulation, which had attained a maximum of £7,617,298 in 1920, has now been reduced to £6,354,510, while the amount of coin and bullion in the same three-years' period has been increased by nearly £200,000. This

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may explain to some extent the present superior gold parity of the New Zealand exchange on the London market.

Books and Publications.

ENGLISH FINANCE THROUGH FRENCH EYES.*

If intelligent foreign opinion can be relied as a forecast of the verdict of posterity, the historian of the future will have very little fault to find with England's after-war monetary policy, at least up to the end of 1922. Monsieur Bonnet, general secretary of the Suez Canal Company, has written its history with that lucid simplicity that seems so natural to French prose, and has decided that our efforts to restore health to our finances, our currency and our general economic conditions, have been well and successfully planned and carried out, and set an example that is worthy of imitation by France. He has made a careful study of our banking figures, our Budgets, our trade returns, and the columns of the *Economist*, and the result is a review of the subject that will be highly instructive to the vast majority of those Englishmen who have the good sense to peruse it. To anybody who is familiar with the traps and pitfalls of banking and official figures, and the difficulty of drawing conclusions from their variations, the success with which M. Bonnet has steered his course through all these "chiffres—un peu barbafrats peut-être"—as he calls them, cannot fail to secure a remarkable achievement. In the view of this disinterested foreign observer, the report of the Cunliffe Committee, though in some respects a disappointing document, gave this country the right lead by laying stress on the need for balancing the Budget at the earliest possible moment, for an active policy of debt redemption, for gradual reduction of paper currency, and for determined effort for the maintenance of the gold standard by the use

* "La Politique Monétaire Anglaise d'Après-Guerre. Les Principes—Les Applications—Les Effets." Par George-Edgar Bonnet. (Paris) Société du Recueil Sirey, 22 Rue Soufflot.

of the Bank rate weapon. For the series of economic achievements by which we balanced our Budget, redeemed large masses of debt, and lowered our cost of production to a point at which we could compete once more in the markets of the world, he gives us all the credit that we deserve, and perhaps rather more; for these measures were merely dictated by the most obvious common sense, and have only appeared remarkable because common sense has been far from common in this distracted period. With regard to the dear money policy which put Bank rate up to 7 per cent., M. Bonnet examines the criticisms that it aroused, but thinks that they were misplaced, because the high Bank rate in his view definitely contributed to the change of atmosphere which checked expansion of credit. That it did not actually reduce purchasing power as measured by bank deposits he shows from the banking figures, and he explains this by observing that the joint stock banks were pulled in two ways—between the counsels of the Government, and the demands of the merchants and producers, and "it was not easy for them suddenly to reverse the engines after being—perhaps imprudently, but often at the instance of public authority itself—committed to the policy of almost unlimited advances." On the question whether the deflation policy produced, as is now so often urged, the acute depression from which British trade has suffered since 1920, M. Bonnet argues with a good deal of force that deflation was the effect rather than the cause of depression. He shows that the total purchasing power at the disposal of the community was not very different in the middle of 1922 from its total in the middle of 1919. In 1922 there was definite deflation, and, as he points out, this diminution took place during a time of successive reductions in Bank rate, while the rises of 1920 coincided with a development of inflation. He therefore has to look for some cause other than money rates for the trade crisis, and the deflation that accompanied it. He records that the crisis began in the Far East. "It was in Japan, and then in all the Far East, that the collapse began.....Asia not only stopped the numerous orders that she was placing in England, but cancelled the bargains already made. It was war between the buyers who wanted to repudiate their contracts, and the British industrials, who till then worked without regard for cost of production because they believed that they could always sell at a profit. At the same time, Continental Europe, ruined but, nevertheless, beginning to produce again, checked her demands for food, copper, iron, leather, rubber. Accumulated stocks were thrown on the market.Almost in a day the majority of industrials, merchants, farmers, found themselves plunged, from a prosperity which seemed boundless, in the poverty in which they had been preceded by rentiers, pensioners, officials, victims of inflation." And then the public, seeing a pause in the rise of prices, which it had ended by believing to be eternal, suddenly stopped buying. "Deflation, therefore, was not the initial cause of the economic collapse which would have happened, apart from any monetary considerations." Deflation was in great measure the consequence of the commercial crisis. "Deflationist action was only one manifestation of the general effort accomplished by England to restore her economic position. This effort, realised in the domain of industry, as in that of public finance, should be maintained. Let us recognise that it has been carried out with rare courage and tenacity." M. Bonnet's appreciation is pleasant. Would he still speak so favourably now, when he saw us threatened by one party with a tariff and by another with a levy on capital, by way of cure for our economic ills?

WAGES OF STATE EMPLOYEES.*

It is not generally realised that, even though the war factories have been dismantled, the State is still the employer of nearly half a million workpeople; and it is evident that the methods adopted for fixing the remuneration of so large a body of workers must play an important part in influencing wage remuneration generally. At one period before the war there was a tendency to regard State employment as being to some extent on a different

plane to ordinary industrial remuneration, and attention was directed to the fact of regularity and permanence as the leading features of employment even in the case of State servants engaged in engineering or other purely industrial tasks. But under the stress of war and post-war conditions, the conditions of Government employment have become steadily commercialised, and the most interesting conclusion from an exhaustive study of this subject by Mr Colston Shepherd is the persistent influence of demand and supply in fixing Government wages and the gradual approximation to commercial standards. To some extent the dilution of Government work by unskilled labour during the war, and the enormous numbers of temporary workpeople taken on, together with the insistent demand for economy since the war, has produced these results. But the truth is, of course, that there is no alternative ethical standard for fixing wages of State servants other than that which determines the standard of living in general. This level of wage may best be obtained by collective bargaining, and the last three years have witnessed the rapid development of this principle in the relation of the Government to its employees. The necessity of observing the supremacy of Parliament and the problem of finding some arbitrary authority between the two sides when the employers are themselves high Government officials is a problem of particularly interesting constitutional practice. It is interesting to note Mr Shepherd's conclusion on these points. "The separation of governmental functions has taken place without any real detracting from the authority or even the dignity of the Government and its Departments. Ministerial responsibility and Treasury control remain, the latter without its offensive autocracy and aloofness. The reins are still held ultimately by Parliament, and the removal of wage questions from the political to the industrial sphere renders less formidable the danger of political pressure of the type exerted in the early years of this century by postal officials." The Government has at all events faithfully followed the principles of the Whitley Report in dealing with its own employees.

HOUSE PROPERTY MANAGEMENT FOR WOMEN.

In a little pamphlet of 36 pages, Miss Upcott describes the progress of the movement initiated by the late Miss Octavia Hill many years ago, for training women to manage house property. This is an excellent ground for women to cover, and Miss Upcott is well fitted by experience to show the way. In 1916 the Association of Women House Property Managers was formed. Its members now have the management of over 6,000 tenements in London alone. In Edinburgh the work is carried on by the Housing Department of the Edinburgh Social Union, and in Manchester by the Manchester Housing Company. The association provides trained women who undertake the collection of rents, the ordering and supervision of all repairs, both inside and out, the keeping of all accounts, including payment of rates and taxes, and generally to deal with all matters relating to house property management. We see no reason why Miss Octavia Hill's mantle should not be borne along to witness yet greater developments.

BOOKS RECEIVED.

- A Tract on Monetary Reform.* By J. M. Keynes, C.B. (London) Macmillan and Co. 7s 6d net.
- Money and Banking.* By John Thom Holdsworth, Ph.D. Fourth Edition. (London) D. Appleton and Co. 15s net.
- Debentures: the Purposes they Serve and How they are Issued.* By Herbert W. Jordan. Eleventh Edition. (London) Jordan and Sons, Limited.
- The Mineral Industry of the British Empire and Foreign Countries.* Statistics, 1919-1921. Aluminium, 1s 6d net; Zinc, 2s net; Coal, Coke, and By-products, 4s 6d net; Lead, 2s net; Tin, 1s 6d net; Silver, 1s 6d net; Gold, 1s 6d net. (London) H.M. Stationery Office.

* "Women House Property Managers." By J. M. Upcott, with Forewords by Lady Astor, M.P., and Mrs. Wintringham, M.P. (London) Building News. 1s.

Housing—The Facts and the Future. By Harry Barnes. (London) Ernest Benn, Limited.

Women House Property Managers. By J. M. Upcott. With Forewords by Lady Astor, M.P., and Mrs. Wintringham, M.P. (London) Building News. 1s net.

Anuario Financiero y de Sociedades Anónimas de España, 1923. (Madrid) Plaza de Oriente, 3.

Daily Mail Year-Book, 1924. (London) Associated Newspapers, Limited. 1s net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
November 28.

ACCOUNT.
November 29.

The General Election is the all-prevailing influence in the Stock Exchange markets. It caused, through fears of the Labour Party being returned to power, heavy falls in gilt-edged and Home Railway stocks. The weakness was communicated to many other departments round the House. The selling of War Loan and similar stocks by foreign holders, who reinvested in dollar securities, assisted in the drop in the value of the pound sterling, and led to a rise in the price of gold, the metal, which, in its turn, reacted favourably upon shares in the South African and Indian gold-producing companies. Recovery followed the flatness, but markets remain in a highly sensitive condition, and business is expected to be quiet during the next three weeks.

After a drop to an eighth below par, the War Loan rallied a trifle, and set the pace for other issues in the Consol market. Quotations are, however, susceptible to sharp movements, owing, in part, to the increased narrowness of the market by reason of public business having fallen off to a marked extent. New issue prices gave way with those for existing stocks. The new Nigeria scrip, for instance, fell to 3½ discount, the new Electric Railway debenture stocks to 1½ discount, the Tata Power Government-guaranteed debentures to 3 discount. The P. and O. 5 per cent. debenture, offered at 98, and substantially over-subscribed, opened at 5s discount. No doubt a good deal of the fall is due to the uncertainty which surrounds the issue of the General Election, and the slump went out of proportion to the actual volume of stock sold.

Dealings in "Majorities" have started in the Stock Exchange. The price began at 35, and rose 5 points before falling to the neighbourhood of 20 and getting back to 30. The quotation represents the net majority which the Conservative Party may have above all other parties in the new House of Commons.

Fresh flatness in the franc caused French issues to be put down, and the tendency amongst foreigners is heavy, as a whole. The new Finland scrip fell to 4 discount, while Austrian Sixes, after a slant to 8½, regained a point or two. South American bonds are irregular, with Brazilians a firmer market. There has been a little buying, said to come from New York, of Brazilian loans. Greeks are mostly down.

Home Railway stocks are lower on the week, though the worst prices offered an opportunity, that was not neglected, to bears of the stocks and to a few buyers attracted by the dividend outlook. Undergrounds maintained a firm front, though the early part of the week saw abrupt falls in Metropolitan and Districts. American Rails are better, and Canadian Pacifics have improved, in company with nearly everything else that has any relation to the American dollar. Leopoldinas are a strong feature amongst Brazilians. Argentine railways gave way, because the recent traffics are considered disappointing. Grank Trunk Pacific 4 per cent. debenture, after a rise to 42, fell back several points.

Dormant is the only appropriate description to apply to rubber shares. The commodity is higher, but this is owing to the American rate of exchange, and the improvement is therefore considered to carry no particular significance. There is vague talk about the possibility of Dutch rubber-growing

interests joining in the restriction scheme undertaken voluntarily by so many of the British rubber companies, but it may be that the wish is father to the thought. Oil shares displayed robust strength in the face of the general welter of weakness, though when the bears had satisfied their books, and a little Continental selling started, the list gave way and the market became listless and lower.

Textiles were weakened by the slight disappointment felt at Coats not increasing their final dividend and bonus. Tobacco shares are dull, on political considerations. The hope that monopoly companies may benefit from Protection is offset by the consideration that the Labour Party might regard the huge profits made by combinations of any kind with an unflattering eye. Iron and steel shares move narrowly, and, on balance, towards lower levels. Guest Keens have been supported, on the scheme just formulated for the absorption of D. Davis and Son and the Consolidated Cambrian Collieries; both the latter companies' shares benefited by the proposals.

Banking shares show heaviness, in consequence of the drop in gilt-edged stocks, and there has been more inclination to sell than to buy the leading insurance issues. London and Brazilian banks are better. Low temperatures have had a substantial advance on the anticipation of news as to developments said to be pending. Cements went back after their spurt. Newspaper shares are generally easier. The new Daily Mail Trust debentures fell to 2½ premium before recovering half a point. Electric lighting shares, for once in a way, have drooped. Bournemouth and Poole, however, amongst the provincial shares, are better on the new capital proposals. Motor shares have fallen into neglect, and Egyptians, together with various land shares, failing to attract fresh buyers, have tended to sag. Egyptian banks, nevertheless, are better on the week.

The Kafir market is one of the few good markets round the Stock Exchange. The Central Mining Corporation, with a bonus of 2s per share in addition to its 6s per share dividend, both free of tax, makes a good start to the winter dividend season, and, with the price of gold rising, the Cape has been buying its favourites, thus encouraging a modest amount of support on this side. So far, the home public are keeping wisely to the best-class shares. Rhodesians failed to participate in the strength of Kafirs, but diamonds and copper shares threw off some of their recent weakness, and exhibit a stronger tone. The rise in tin has caused modest improvements in shares of the companies which operate in Malaya and Nigeria, the Cornish group being uncertain in tendency. Indian mining shares, as already mentioned, benefited by the rise in the price of gold. A few Mexicans came into favour, while Russians remain without noticeable movement.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£	£	£	£
ISSUES OF THE WEEK—	251,490,921	..	..	..

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED NOV. 10, 1923.				
April 1, 1923, to Nov. 10, 1923, £14,600,000 ..Dr 250,000 ..Dr 250,000				

To the Public—				
City of Auckland, £250,000, 5 %				
Debs. at 99, red. at par Jan. 1, 1915 (Nov. 16)	250,000	..	247,500	.. 12,500 .. 235,000
Quebec Power Company, £300,000 Series "A" 30-year 6% First Mort. Sinking Fund Deb. Stock (red. at a premium 1928-53) issued at 95 % (Nov. 13)	300,000	..	285,000	.. 30,000 .. 255,000
Total offered to the public....	..	..	532,500	.. 42,500 .. 490,000
To Shareholders only—				
Kerr, Stuart, and Co., 70,000 Ord. Shares, £1, at 21s	70,000	..	73,500	.. 8,750 .. 64,750
Meadow Dairy, 250,000 Ord. Shares, 1s, at 6s per share ..	12,500	..	75,000	.. 75,000 ..
Total offered to shareholders only..	..	..	148,500	.. 83,750 .. 64,750
Total offered for subscription to date in—				
1923	£251,921,921			£573,675,650
1922	550,161,508			388,978,203
1921	304,445,486			367,549,656
1920	341,254,043			1,036,069,951
1919	973,486,531			1,393,381,441
1918	1,232,389,718			1,518,596,010
1917	1,219,993,903			585,436,853

City of Auckland 5 per cent. 1945 Loan.—Issue of £250,000 in debentures of £100 each at £99 per cent. The principal will be repaid at par on January 1, 1945, in London. The proceeds of this loan will be devoted to providing further funds for existing tramways, for street improvements, and other purposes. Subject to existing loan, this issue is a direct obligation of the City of Auckland, and is secured on property with an annual rateable value of £1,659,066 and revenues of £1,239,211—these figures referring to the year ended March 31, 1923. The total debt of the city is £4,972,930, "covered by an annual charge for interest of £246,651." The price of issue is evidently based on current yields from existing City of Auckland debentures. A good security.

Quebec Power Company.—Incorporated under the laws of the Province of Quebec, Canada. Authorised capital \$10 million, of which \$5,946,000 has been issued. This is a very complicated document, and certainly is not suitable for the busy man who usually wishes to have the figures and facts of a public issue placed before him succinctly. The Quebec Power Company is an undertaking formed in 1915 for the purpose of co-ordinating hydro-electric production and distribution in Quebec City and district. By the process of exchange, it has acquired a controlling interest in the Quebec Railway, Light, Heat, and Power Company. This latter company has bonds outstanding to the amount of \$13,307,200, and possesses common shares to the amount of \$10,000,000. The majority of the Quebec Power Company's combined preference and common shares are, in turn, owned by the Shawinigan Water and Power Company. This is an offer for sale of £300,000 series "A" 30-year 6 per cent. first mortgage sinking fund debenture stock of the Quebec Power Company at 95 per cent. It is stated that applications on the terms of the prospectus have already been received for £150,000, and these will be accepted in full. This stock represents the equivalent at the rate of exchange of \$4.86½ to the pound of \$1,460,000, and is part of an issue of \$5,000,000, of which \$3,540,000 in the form of series "A" 30-year 6 per cent. first mortgage sinking fund gold bonds has already been placed in Canada and the United States. The principal is due October 1, 1953, but the company reserves the right to redeem the whole or any part of the stock (series "A") on any interest date at a premium of 10 per cent. up to and including October 1, 1928, thereafter at a premium of 7½ per cent. up to and including October 1, 1939, thereafter at a premium of 5 per cent. up to and including October 1, 1943, thereafter at a premium of 2½ per cent. up to and including October 1, 1948, and thereafter at a premium of 1 per cent. before the due date of the debenture stock. The security behind these bonds should be carefully studied. They are a first specific charge upon "the lands, buildings, and fixed plant and securities in other companies.....and as a floating charge upon the remainder of the property and assets of Quebec Power Company." It should be understood that the controlled company has already pledged its assets by issues of bonds for \$13,307,200. This is possibly an excellent investment, but the intricate financial dealings mentioned make it difficult for the ordinary investor to determine how he would stand in various circumstances which might arise. We are informed that the issue was over-subscribed.

The Danube Navigation Company, Limited.—Authorised capital £1,200,000, of which £824,300 has been issued. There are also 5½ per cent. 10-year first mortgage debentures for £300,000. The company was formed in 1920 for the purpose of acquiring interests in the principal navigation companies operating on the Danube. A statement advertised in public Press to comply with Stock Exchange regulation informs us, among other details, that "the company has agreed to lend the sum of £300,000 to the Erste Donau Dampfschiffahrts Gesellschaft of Vienna, and the specific security which has been received by the Danube Navigation Company, Limited, for this loan is a first charge upon the Austrian Company's colliery situated at Pecs, the value of which has been estimated by the Austrian Company at the equivalent of £3,000,000, in addition to which the Austrian Company guarantees the redemption of the loan with all its other assets, and has undertaken that so long as the loan is outstanding it will not mortgage either its property as a whole or any of the more important items of such property." The service of the more important items of such property.—(1) By an assignment to the trustees of the security received from the Erste Donau Dampfschiffahrts Gesellschaft above referred to; (2) a floating charge upon the remainder of the Danube Navigation Company's assets; (3) an unconditional guarantee of Messrs Furness, Withy, and Co., Limited, both as to capital and interest. This debenture issue has been purchased from the company at 99 per cent., and is apparently a well-secured investment.

The York Town and Blackwater Gas Company.—Authorised share capital £100,000, of which £54,937 has been issued. The loan capital is £50,000, of which £23,750 has been issued. This is an offer for sale by tender of £20,000 5 per cent. preference stock, the minimum price of issue being £83 per £100, at which price the yield would be £6 os. 6d. per cent. The net revenue of the company for the year ended December 31, 1922, was £7,192. Interest on existing debenture stock amounts to £1,322, and as the dividends on preference stock issued and now being issued will require only £1,075, it will be seen that a substantial margin remains as security. A good investment, but regard must be paid to the narrow market for such a small issue.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest
War 3½%, 1925-28...	95½	95½	95½	War 4½%, 1925-28...	97½	97½
Loans 5%, 1929-47...	100½	100½	100½	Loans 4%, 1929-42...	101	101
Funding Loan 4%...	87½	87½	87½	Victory Bonds 4%...	91½	91½
Conversion Loan 3½%...	76½	76½	76½	Consols 2½%...	57	57
Irish Land Stock 2½%...	59	59	59	Local Loans 3%...	65	65

Banks.

Barclays B (£1, f.p.d.)	24½	24½	24½	Nat. Bank of S. Africa	58	58
Chartered Bk of India	19	18½	18½	Nat. Prov. & Union of	11	11
Lloyds (£5 with £1	24½	24½	24½	Standard of S. Africa	11	10½
London Joint City &	84	84	84	Westminster Bank	17½	17½
Midland (£12 with	24	24	24			
Nat. Bank of Egypt	24	24	24			

Colonial and Foreign Railways.

Antofagasta Cons...	83½	84	84	Leopoldina	19	20½
B.A. and Pacific	70½	70½	70½	Mexican Railway	28	28
B.A. & Southern	80½	80½	80½	Do 1st Pref.	29	28
Buenos Ayres West.	71½	71½	71½	Do 2nd Pref.	18	17
Canadian Pacific	165	167	167	San Paulo	134	135
Central Argentine	66½	66½	66½	United Havana	76½	78

Foreign Government Securities.

Argentina 5%, 1886-7...	99	99	99	Japanese 4½%	107	108
Austrian 6% Guar.	83	83½	83½	Do 4½% 1910	61	68
Belgian 3%	68	68	68	Mexican Cons.	1899	51
Brazil 5% Fund.	1914	69	68	Peruvian Corp. Pref.	29	29
Chilian 4½%, 1896	86	86	86	P.L.M. 6%	85	85½
Do 7%	105½	105½	105½	Portuguese (New)	318	318
Chinese 5%, 1912	67	67	67	Russian 5%	1908	10
Egyptian 4%	71½	72	72	Spanish 4%	654	654
French 5%	21½	20	20	Sinese (Dept.) 7%	100	100
Do 4%	43½	42½	42½	Sinese 7%	100	105½
Greek 4%, 1894	43½	42½	42½			

Telegraphs.

Anglo-American "A"	23½	23½	23½	Marconi Canada	18½	18½
Marconi Wireless	23½	23½	23½	Marconi Marine	18½	18½

British Railways.

Great Western, Ord.	110½	109½	109½	Southern, Ord. "A"	35½	35½
Do Def.	86½	86	86	Do Ord. "B"	12½	12½
London & North-Eastern	85½	84½	84½	Do Pref. Ord.	86	85½
6% Pref. Ord.	31½	31½	31½	Do Def. Ord.	39	39
Do Def. Ord.	31½	31½	31½	Underground Electric	34½	34½
London, Mid.	103½	103½	103½	Do "A" (1/)	99½	100½
Metropolitan	75½	75	75	Do Inc. Bds. (£100)	99½	100½
Metropolitan District	54½	53½	53½			

American Railroads.

Chesapeake & Ohio	81	83	83	Southern	39	42
Erie	16½	21	21	Do Non-cum Pref.	75	76
Do 4% 1st Pref.	27	31½	31½			

Miscellaneous.

Aerated Bread (£1)	1½	1½	1½	Imperial Tobacco (£1)	3½	3½
Amal. Cointons (£1)	1½	1½	1½	Linggi Plantins (£1)	18	18
Anglo Persian Oil (£1)	2½	2½	2½	Lipton (£1)	1½	1½
Armstrong (Sir W.G.)	24½	24½	24½	Lever Bros. 7% Cum Pref (£1)	1½	1½
Ass. Flind. Cement (£1)	1½	1½	1½	Do 8% Cum A Pref (£1)	1½	1½
Barker, John (£1)	24½	24½	24½	Do 8% Cum Pref (£1)	1½	1½
B'ham Small Arms (£1)	41½	42½	42½	Lister (£1)	1½	1½
Brazil Traction (£100)	41½	42½	42½	Lobitos Oilfields (£1)	6½	6½
British-American	5½	5½	5½	Lyons (J. & Co. (£1)	4½	4½
Tobacco (£1)	5½	5½	5½	Magadi Soda (£100)	1½	1½
Burmah Oil (£1)	4½	4½	4½	Mexican Eagle (£10)	1½	1½
Coats (J. and P.) (£1)	3½	3½	3½	Pekin (2)	1½	1½
Courtauld (£1)	3½	3½	3½	Rubber Plantations	1½	1½
Cunard (£1)	1	1	1	Investment (£1)	1½	1½
Dorman Long (£1)	1½	1½	1½	Shell Transport (£1)	3½	3½
Dunlop Rubber (£1)	1½	1½	1½	Smithfield Argentine	1½	1½
Fine Cotton Spinners	2½	2½	2½	Meat (£1)	1½	1½
(£1)	2½	2½	2½	United Dairies (£1)	1½	1½
Forestral Land (£1)	1	1	1	United Serbang (2)	1½	1½
Furness, Withy (£1)	1½	1½	1½	United Tobacco (£1)	3½	3½
Highlands and Low-	1½	1½	1½	Vallambrosa (2)	1½	1½
lands Rubber (£1)	1½	1½	1½	Vickers (£1)	1½	1½
Hudson's Bay (£1)	5½	5½	5½	Watney Def. Sks.	17½	17½

Mines.

Brakpan (£1)	3½	3½	3½	Knights	4½	4½
Broken Hill Prop. (8/)	1½	1½	1½	Modderfontein (10/)	4½	4½
Chartered (£1)	1½	1½	1½	Modderfont. "B" (5/)	1½	1½
Crown Gold Fields (£1)	1	1	1	Modderfont. Deep (5/)	2½	2½
Crown Mines (10/)	3	3	3	Premier Def. (2/6)	6	6
De Beers Def. (£24)	12½	12½	12½	Rand Mines (5/)	2½	3
East Rand Prop. (£1)	1½	1½	1½	Selukwe	3½	3½
Geduld (£1)	3½	3½	3½	Rio Tinto (£5)	31½	31
Gov. Gold Areas	6½	6½	6½	Spring Mines (£1)	2½	2½

ANALYSIS OF BALANCE-SHEETS.

WALL PAPER MANUFACTURERS, LIMITED.

August 31, 1923.

LIABILITIES.	Amount.	Compared with Aug. 31, 1922.	ASSETS.	Amount.	Compared with Aug. 31, 1922.
Pref. shares	1,154,369	..	Capital expendi-		
Ord. shares	1,282,071	..	ture on land,		
Deferred shares	1,923,013	..	buildings, plant,		
4% deb. stock	1,027,945	..	machinery, and		
Creditors	562,536	..	goodwill	3,459,719	.. + 31,255
Rents	3,771	..	Investments	1,359,413	.. + 166,833
Profit on purchase and cancellation of deb. stock	7,864	.. + 93	Stock-in-trade	86,327	.. + 89,909
Reserve fund	100,000	.. + 100,000	Debtors	603,067	.. + 53,373
Profit and loss	621,174	.. + 153,260	Insurance	15,429	.. + 2,763
			Bills receivable	86,553	.. + 7,986
			Cash	292,236	.. + 227,149
Total	6,682,743	.. + 286,977	Total	6,682,743	.. + 286,977

COMPANY MEETINGS, &c.

ENGLISH, SCOTTISH, AND AUSTRALIAN BANK LIMITED.

MR ANDREW WILLIAMSON ON AUSTRALIA'S TRADE AND INDUSTRIES. VERY SATISFACTORY RESULTS—INCREASED DIVIDEND.

The annual general meeting of the English, Scottish and Australian Bank, Limited, was held, on the 14th instant, at the head office, 5 Gracechurch street, London. Mr Andrew Williamson (the chairman) presided.

The London manager and secretary (Mr E. M. Janion) having read the notice convening the meeting and the auditors' report.

The Chairman said: Gentlemen, before I proceed to the ordinary business of our meeting I desire to express our deep regret at the loss we have sustained through the death of Mr John Annan Bryce, which took place in June of this year, after a very brief illness. Mr Bryce had been a director of the bank for over 14 years. His wide business experience, his strong, clear mind, and his high personal character made him a very valuable director, and his kindly courteous disposition made co-operation with him as a colleague a real pleasure. We all deeply deplore his death. I would also take this opportunity of expressing, on behalf of the board and of the shareholders of this bank, how sincerely we regret another death which took place about the same time—namely, that of Sir Denison Miller, the Governor of the Commonwealth Bank. Sir Denison filled that important post from the formation of the bank down to the time of his death. He had our confidence and respect, and we deplore his death, which will be a loss not only to his own bank but to Australia.

CHANGE IN CAPITAL ACCOUNT.

At the extraordinary general meeting which immediately followed our last annual general meeting, a resolution, you will remember, was carried, and duly confirmed at a subsequent general meeting, by which each of the shares of the authorised capital of the bank was divided into five shares of £5 each, with £2 10s paid up. In January of this year the unissued balance of the authorised capital was offered to the shareholders in shares of £5 each, £2 10s called up, for subscription at par, in the proportion of one new share to every eight held. This favourable offer was generally taken advantage of by the shareholders, and after the balance of the shares unallotted, and the shares representing the fractions arising from the allotments, had been sold in the market, the paid-up capital amounted to £1,500,000, at which it now stands. The premium of £18,150 is 9d realised by the sale of the unallotted shares has, as mentioned in the report, been carried to the reserve fund.

It is provided in the articles of association that so long as more than one half of the original issue of £982,296 of the deferred inscribed deposit stock is outstanding, the holders of that stock shall have the right to be represented on the board by two directors. The amount of this stock as shown by the present balance-sheet is £467,500, and is thus less than one-half of the original issue of £982,296, and the holders accordingly cease to have the right to be represented on the board, and the two deferred inscribed deposit stockholders' directors, Lord Knutsford and Sir Frederick Young, go out of office at the close of this meeting. To fill the two vacancies thus caused the board have appointed Lord Knutsford and Sir Frederick Young, subject to the approval of this meeting, and a resolution to that effect will in due course be submitted to you. In addition to their general personal qualifications as able men of the highest character and wide experience, their special knowledge of the affairs of the bank, acquired during their period of office now closing, makes their appointment the more desirable. Sir Frederick Young much regrets his absence from our meeting to-day owing to his being called away from England on important private affairs.

IMPORTS AND EXPORTS.

On the occasion of our last meeting, when briefly reviewing the trade conditions of 1921-22, I pointed out that the good yield of Australian primary products, chiefly wool, wheat, and butter, and the prices they commanded, had increased the buying power of Australia, and enabled importers to proceed with the realisation of their stocks, which had been brought down to nearer a normal level, and that prices then indicated a hardening tendency. During the year 1922-23, embraced in our accounts, imports have again been on a large scale, and, owing to less favourable weather conditions during part of the year, satisfactory realisation has been more difficult, and the sale of textiles has rather hung fire, with the result that large stocks have again been accumulated in first hands.

Fortunately, good rains fell at a most opportune time, and the very satisfactory prices ruling, especially for wool, encourage the belief that the buying power of the community will be well maintained and will in due time result in the satisfactory disposal of accumulated stocks, as well as of the current exports to Australia, which have for some months been on a substantial scale.

The official statistics of the Commonwealth show for the year to June 30, 1923:—

Imports to the value of	£131,808,673
Exports to the value of	117,913,083

Or excess of imports over exports of £13,895,590

whereas in the previous year there was an excess of exports of £24,780,000, a difference of nearly £30,000,000. On the other hand, Australian funds in London were increased during the year by the payment through the banks here of £5,331,618, being a distribution (by way of return of capital) of 10s per share to the shareholders of the British Australasian Wool Realisation Association. The heavy disproportion of the funds of the Australian banks in London, as compared with the funds in Australia, to which I referred at our last meeting, was gradually adjusted by the movement of trade between the two countries, and the heavy exports to Australia, which are still proceeding, have prevented any undue accumulation of money here—indeed, the position at the present time is rather the other way, but that will be rectified in due course through the wool-selling season in Australia, now begun with the resulting flow of a steady stream of bills to London.

BALANCE-SHEET ITEMS.

I will now briefly review the accounts for the past year. The accounts submitted at last meeting for the year to June 30, 1922, were the first to cover a full year of the working of the three banks as one institution, and thus the accounts now submitted, viz., those to June 30, 1923, being on exactly the same basis, afford a fair comparison of the figures.

I will first take the balance-sheet, and will be glad if you will look at the figures on the printed statement of accounts which you have in your hands. You will thus be better able to follow my remarks. The authorised capital is unchanged at £3,000,000, but now in the form of 600,000 shares of £5 each. The paid-up capital of £1,500,000 is greater by £180,112 10s.

The reserve fund, which stood in last year's balance-sheet at £1,315,000, has increased to £1,450,000, by the allocation made at our last annual meeting. To this has been added the premium on the new issue of shares, amounting to £18,150 9d, and the further sum of £15,000, out of the profits of last year, as required by our articles of association, bringing this fund up to £1,483,150 9d. Out of the profits of last year we recommend that the further sum of £136,840 18s 3d be added, bringing the fund up to the round figure of £1,620,000 (or £120,000 more than our paid-up capital of £1,500,000). The vital importance of steadily building up this fund is, I know, fully realised by you. It is a self-denying ordinance which brings its own certain reward. It is a sure measure of the stability of the bank and guarantee of the confidence of its customers.

The only change in our perpetual stocks is a decrease of £50,000 in our deferred inscribed deposit stock, as explained in the report. Our deposits at interest show an increase of £761,226, and stand at £13,382,621, notwithstanding that there has been a considerable decrease in Government deposits during the year, and our current accounts have increased by £668,133, spread over the various branches, and appear in the balance-sheet at £11,820,150. The deposit and current accounts together show an increase of £1,420,359, and a combined total this year of £25,202,780.

Notes in circulation at the merely nominal figure of £1,287 are £41 down.

Bills payable, rebate on bills, and other liabilities amounted to £1,755,055, or an increase of £18,011, and do not call for any special comment.

ASSETS.

On the assets side we have cash and bullion at £4,972,780, or an increase of £261,978. Cash at bankers and at short notice, £1,771,690, an increase of £371,190, or together £6,744,470, showing an increase over last year of £633,169, and exhibiting a strong cash position, being 11s 4½d in the £ of our current accounts, and

5s 4d in the £ against our current accounts and our deposits at interest.

Our investments, consisting of British and Colonial Government securities at or below market value on June 30, 1923, stand at £1,329,147, or an increase of £98,323. Our cash and investments together amount to no less than 13s 7½d in the £ of our current accounts.

Bills receivable at £3,596,466 show a decrease of £203,040, accounted for by the ordinary fluctuation of trade. Advances and other assets, after making provision for bad and doubtful debts and contingencies, show an increase of £1,362,622, and stand at £20,313,043, arising from a healthy expansion of our business. Our advances are made with great care and are widely spread.

The last item, bank premises and furniture, has been reduced since last balance-sheet by £14,719, and stands at £792,932, and this will be further reduced by the allocation now proposed of £59,498 out of the profits of the past year for the purchase and cancellation of deferred inscribed deposit stock. On the other hand, we have been singularly fortunate in securing the ground and building adjoining our chief office in Melbourne, which places us now in possession of a compact block with extensive frontages to both Collins street and Queen street, and providing all the necessary space for extension of our banking premises there sufficient to meet our needs for many years to come. This will entail an expenditure of fully £60,000, which, however, will be spread over the next two years.

PROFIT AND LOSS ACCOUNT.

Turning now to the profit and loss account, you will be able to follow the figures better if you will look at the first page of the report.

The profits for the year, after making full provision for bad and doubtful debts and contingencies, amount to £1,251,197, against £1,094,685 in the previous year, or an increase of £156,511.

Expenses of management in London and Australia, including directors' and auditors' fees, &c., £557,038, are less than in the previous year by £9,286, while income and other taxes at £223,311 are £40,425 higher. Deducting these, which together amount to £780,349, the net profits amount to £470,847, or an increase in net profits of £125,373. Of the expenses of management, salaries and wages account for £420,000. Our branches during the year have increased by 23, and now number 355, extending over all the States of the Commonwealth. Taxation, as you see, is a burden that presses very heavily upon us.

ALLOCATIONS.

Coming now to the appropriation of the net profits of £470,847, an interim dividend was paid in May last of 5 per cent., free of income-tax, absorbing £65,994; there has been added to reserve, as required by our articles, £15,000, leaving for further appropriation £389,853. Of this, we now propose to carry to reserve fund £136,849 18s 3d, making, with the £15,000 just referred to, and with £18,150 9d, the premium on issue of new shares, £170,000 for the year, and bringing this fund up to £1,620,000; to the English, Scottish, and Australian Bank officers' guarantee and provident fund, £35,000; to the payment of a final dividend of 7½ cent., making 12½ per cent. for the year free of British income-tax, £112,500; to the purchase and cancellation of deferred inscribed deposit stock in accordance with our articles of association, £59,498; and finally to the payment of a special bonus of 10 per cent. to the staff in the service at June 30th last, in view of their good and efficient work, especially in carrying out all the detail work of the amalgamation of the three banks, absorbing £40,500. An unappropriated balance is left of £5,505 7s 2d, which, with the accumulated balance brought forward from last year, leaves at credit of profit and loss account at June 30, 1923, an accumulated balance of £112,599 to be carried forward.

The result of the operations of the combined banks for the past year, as this brief review of the accounts shows, has been very satisfactory, the more so when we remember that the year was not free from anxiety and difficulty, and this fully demonstrates the wisdom of the amalgamation of the three banks.

The increase of the dividend from a 10 per cent. to a 12½ per cent. level will, I am sure, be gratifying to the shareholders. Our increased dividend of 12½ per cent. tax free, is only equal to 6 per cent. tax free on our combined paid-up capital and reserve fund, and correctly to ascertain the return on the shareholders' total capital employed in earning the profits you must take these two together.

AUSTRALIAN BANKS' FUNCTIONS.

An important function of the Australian banks is to facilitate the free exchange of commodities between Australia and the United Kingdom, as well as other parts of the world. At times we have heavy demands upon us to provide cash in Australia required to pay producers there for wool, wheat, butter, fruit, metals, and other primary products for shipment to this side. At other times

we have equally heavy calls upon us to provide cash here to pay the exporter in this country for the large range of manufactured articles that have to be shipped from here to meet the requirements of the Australian population. The problem that is ever exercising the minds of the management of the banks both in Australia and here is how best to ensure that there shall always be adequate cash in each place at the time that such is wanted fully to meet the legitimate demands of sound trade as they arise. Of the many services which the banks render to the community, this is one of the most essential, and one which calls for skill and experience on the part of the managers.

The rates charged by the banks are regulated on the basis of a fair remuneration for the employment of their capital, and to a large extent by the fundamental law of supply and demand, or, in other words, by the balance of trade for the time being between here and Australia, though it has always been our endeavour to keep rates as steady as possible, because nothing so hampers traders in their dealings as unstable exchange rates, as such tend to upset the most careful calculations, and possibly to turn an estimated profit on a contract into an actual loss.

EFFECT OF ABNORMAL CONDITIONS.

During the 1920-21 period, when, in consequence of abnormal conditions arising from the war, exports from this side were greatly in excess of imports, and were rushed out in unexpected volume, it was a necessary consequence that the cost of negotiating bills should be abnormally high. When excessive exports take place, and make excessive calls upon those institutions which regularly finance the moving of goods outward, thus threatening to absorb a great deal more cash than is at all convenient, or, perhaps, even safe for these institutions to provide, those calling for such exceptional accommodation cannot reasonably complain if the charges rise accordingly. It is interesting and pertinent for me to state, in connection with the stringency of 1920-21, that while in no single instance did we refuse to negotiate bills drawn under our credits, the action of our ourselves and other banks in doing so in the case of other applications, which was so much resented at the time by the disappointed applicants, was not only the means of preventing a disastrous slump in prices from an over-glutted market, but later, and by many of those who at the time most bitterly condemned it, was handsomely acknowledged as having saved the situation. The movements in exchange constitute generally a useful index as to the course of trade, and are, at times, a check on over-trading.

The comparison sometimes made between the Bank rates and the outside rates given by merchants leads nowhere. The banks are there as the permanent institutions on which the trade permanently leans. The outside sources, whose lower rates are sometimes compared, to the disadvantage of the banks, are only occasionally available, and cannot be relied upon as a regular channel. To suggest that the institutions that provide the large amount of capital thus made available for the regular conduct and smooth working of the trade between the two countries should reduce their rates to the level of these occasional outside channels is obviously unreasonable.

SUGGESTION FOR CONTROL OF CREDIT.

As you may remember, when addressing you last year I advocated a plan for Australia as a temporary expedient to meet a temporary deadlock. I then said: "In such circumstances the alternative which presents the most natural and sound method to relieve a situation which is most prejudicial to the best interests of Australia seems to be for the Commonwealth Notes Board (the issuing authority) to issue notes to the banks in Australia against deposit by them in London of cash or its equivalent. There would be no inflation in this, as such issue of notes would be secured by cash found for pound on this side. This would greatly assist the free flow of the export trade of Australia."

That is a method that I think might wisely be had recourse to in times of exceptional stringency, when the balance of trade may be exceptionally disturbed.

It should never be forgotten that control of credit is quite as essential as control of currency. Scheme after scheme may be ingeniously devised for controlling currency, but until you can devise a scheme that will also control credit, the present methods of sound banking, supplemented in times of exceptional stringency by some such facilities as I have already suggested, will, I believe, be found to work more smoothly, more effectively, and more fairly than any of the schemes yet suggested.

Since these observations were written the findings of the Imperial Economic Conference on the question of inter-Imperial exchanges have been announced, and in the main confirm what I have said, though they cover a wider range.

WOOL INDUSTRY.

Of all the industries of Australia, the most important is, at the present time, and probably for a long time to come, will continue to be, wool, and it is a matter of solid satisfaction that the position

of that industry at the present time is an exceedingly strong one.

The official statistics which have recently been received show the value of the 1922-23 shipments of wool, including tops, to have reached the record value of £57,141,611, testifying to the vast importance to Australia of the wool industry. It must be noted that a portion of this record total represents Bawra wool, which will not appear again. Exact figures are not available, but this item probably represents about £5,000,000.

At the time of our last meeting the price of merino was on a high level, being quite 50 per cent. above the price ruling the year previously, though even then a great improvement had taken place.

The very satisfactory level of prices, from the point of view of the grower, reached in November of last year has, with more or less slight fluctuations, been fully maintained in the case of merino wool, and in the case of crossbred wool shows a further rise of about 20 per cent., with a continuing upward tendency.

STRONG STATISTICAL POSITION.

The statistical position of wool of all kinds at the present time is a very strong one. The world consumption has outrun the total world production. The consumption last year has been estimated by Sir Arthur Goldfinch as 3,300,000,000 lb, and the total production of the wool at 2,800,000,000 lb, or an excess of consumption over production of 500,000,000 lb, equal to 1,500,000 Colonial bales. To meet that deficiency, at the end of last year there were only 913,000 bales of unsold Bawra wool, of which only 76,235 were merino. The total Australian production for the year ended June 30, 1923, was 1,918,002 bales, but during the present year there is certain to be a heavy shortage in the Australian clip (about three-quarters of which is merino), a shortage estimated at fully 250,000 bales. On the basis of last year's estimate of world supply and world demand, this would make an apparent shortage of 1,750,000 Colonial bales. To make sure that the shortage is not over-stated, cut this figure down and call it only 1,500,000 bales, and let us see what that means. The only extra supply available to be drawn on to meet the deficiency is what remains of the stocks of wool held by Bawra. The figures published by the association show that the total stocks of wool held by them on the 1st of last month amounted to only 433,000 bales, of which only 1,900 bales were merino. Since then 74,000 bales have been sold in Liverpool and Hull, and during the London sales now current 60,000 bales are listed for sale, bringing the remaining stocks of Bawra down to 299,000 bales. It is probable that by the end of March, or very shortly thereafter, the whole of the stocks of Bawra will have been disposed of.

We will then have to face the position that with the world production of wool over 1,000,000 bales short of the world consumption, the increase in the demand is still growing more rapidly than is the supply—in fact, for some years the world production of wool has been diminishing. It is computed that there are 84,000,000 sheep less in the world to-day than there were in 1913.

This shortage of supply is most marked in the case of merino wool, in which Australia is chiefly concerned. What this means to Australia needs no emphasis. When I tell you that within the last generation the number of sheep in Australia has gone down from 105,000,000 to a little over 80,000,000, it will be realised that there is room for very substantial further extension of the industry in the Commonwealth.

I have, as usual, dealt at some length with the wool position, the finance in connection with which closely concerns all Australian banks, and the strong present position and the bright outlook as regards the market for wool are matters for congratulation.

WHEAT.

The export of wheat and flour from Australia comes next in importance to that of wool. The estimate of the 1922-23 crop of 100,000,000 bushels, which I mentioned at our last annual meeting, very closely approximated the actual figures, which were 109,446,549 bushels. The exports during the last three years, in quantity and value, have been as follows:—

To June 30, 1921, 84,500,000 bushels, value £39,400,000; to June 30, 1922, 112,000,000 bushels, value £34,100,000; to June 30, 1923, 44,700,000 bushels, value £12,991,550; and for these years the average price of wheat was respectively 8s 11½d., 5s 8½d., and 5s 4½d per bushel. The preliminary estimate for the wheat crop for the current year is about 114,000,000 bushels.

BUTTER.

The export of butter from Australia for the last three years has been:—

For year to June 30, 1921, 92,421,000 lbs, value £11,067,104; for year to June 30, 1922, 127,579,800 lbs, value £7,987,558; for year to June 30, 1923, 78,975,387 lbs, value £6,133,864; and the average price for the respective years was about 2s 4½d, 1s 3d, and 1s 6½d per lb.

HARRISONS & CROSFIELD, Ltd.,
1-4, GREAT TOWER STREET, LONDON, E.C.3.
MANAGING AGENTS OF RUBBER, TEA, AND
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BRANCHES:
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CALCUTTA BATAVIA SOURABAYA MONTREAL

FROZEN MEAT.

The cattle industry of Australia is still suffering severely from the depression in the frozen meat trade (especially frozen beef), and seems likely to continue more or less in this deplorable state so long as subjected to the unrestricted competition of the foreign beef trusts and the continued practical closure of the markets of the Continent of Europe through the political and economic chaos at present prevailing. Hopes are entertained that, by a process called the Linley Process, chilled beef can be shipped from Australia to this country, and if it is found that this can be done successfully, on a large scale it should prove of great benefit to this important industry, the maintenance of which is of serious concern to the whole Empire.

METALS.

As regards metals, while the situation is by no means one of unrelieved gloom, the position, as a whole, is not encouraging. For the 12 months just ended the output of copper was approximately 14,000 tons, against 45,000 tons in 1913, and the present price of copper leaves little or no margin of profit.

The production of lead for the year ended September 30th was approximately 115,000 tons, and the present price of £29 to £30 a ton should leave a good profit.

The production of zinc is increasing, and that industry is flourishing. The output of the Electrolytic Zinc Company in Tasmania for the year to September 30th last was just over 33,000 tons, and has since risen, and is now at the rate of 43,000 tons a year.

COTTON.

As to cotton, I need add little to what I said on this subject last year. This industry is still in an early stage of development. There is no doubt, however, that good cotton can be grown over extensive areas in Australia, and if, as we sincerely hope will be the case, the higher cost of labour, compared with other cotton-producing countries, is so counterbalanced by superior efficiency as to enable Australian cotton to compete successfully in the world's markets, then a great additional industry will be established in the Commonwealth.

IMMIGRATION.

The question of immigration, so vital to the true welfare, and even ultimate safety, of Australia, has been receiving the consideration it deserves from the Imperial Conference recently in session here. As Mr Bruce, the Prime Minister of Australia, effectively stated, the great needs of Australia are summed up in three words—"men, money, markets." Given the men and the capital necessary for development, and assured of markets for the produce, it would be difficult to set a limit to the wealth that Australia would produce.

Taking Australia as a whole, the outlook for primary products is encouraging, and the prospects for the internal trade of the country are good.

EXCHANGE OF VISITS.

During the past year we arranged that the assistant general manager in Australia, Mr Ernest O'Sullivan, should pay a visit to this country. Mr O'Sullivan was with us for several months, and we found his visit of great benefit. Such visits of the principal executive officers are most advantageous. Not only are we thus able to go into important matters in detail in a way we could not do equally satisfactorily by correspondence, but a personal relationship and mutual understanding is established which is of the greatest value in the conduct of the business and correspondence. It was a pleasure to the board and the management here to have this opportunity of close personal intercourse with Mr O'Sullivan, whose ability and devotion to the best interests of the bank are fully appreciated. Arrangements have been made for our manager in London, Mr Janion, to visit Australia in 1924; he hopes to sail about the end of December, and will probably be away about six months. In his presence I will not say all I would wish about him, but I will content myself with observing that he has the whole-hearted esteem and confidence of his board.

Mr Joseph Grieve retired in September of this year, after being in the service of the bank in London for over 30 years. The whole time he has been with us Mr Grieve has given unqualified satisfaction to the board and management. He has been second in command of the London office for many years previous to his retirement. Throughout he has served the bank faithfully and well. A man of the highest character, of great ability, and of a charming disposition, we part from him with sincere regret, and

we hope he will long be spared thoroughly to enjoy his well-earned leisure.

He is succeeded in his post of assistant manager in London by Mr A. A. Shipston. Mr Shipston was in the service of the London Bank for 31 years, and at the time of the amalgamation was second in command of the London office of that bank. After the amalgamation he was appointed sub-manager here of this bank, and he has more than justified the appointment. He deservedly possesses the full confidence of board, management, and staff.

TRIBUTE TO MANAGEMENT AND STAFF.

I am glad to have this opportunity of cordially acknowledging how much we all owe to the energy, capacity, and devotion of our management and staff here and in Australia during the past year. Mr Wren, in Australia, not only exhibits to his whole staff the ideal of what a general manager should be, but also possesses the still rarer quality of inspiring them all with his own enthusiasm, and obtains from the whole of his staff willing service of the best quality.

To one and all in London and in Australia I wish in your name, and that of the board, to express our appreciation, and our thanks for their excellent work during the past year. On this occasion, owing to the very special work entailed in carrying out the details of the amalgamation, we have decided to mark our appreciation in tangible form by the bonus to which I have already referred.

I will now move the following resolution, which I will ask Mr Paterson, the deputy chairman, to second:—

"That the report and statement of accounts now submitted be and are hereby adopted; and that the amount available for distribution be applied as therein recommended."

Mr John Paterson, deputy chairman, seconded the resolution.

The Chairman then said that before putting the resolution to the meeting he would give any shareholder who wished to ask a question or to make any comments an opportunity of doing so.

SHAREHOLDERS' VIEWS AND QUESTIONS.

Sir Frederick Dutton said that he would be glad if the chairman would tell him the reason for the substantial increase in income-tax. The income-tax in this country being at a lower rate than in the previous year, he presumed that the increase arose in regard to Australia.

Mr F. Tomkinson, after congratulating the chairman on his address, said: With regard to the position of the bank, he was very glad that the chairman had emphasised a point which he himself had raised on a previous occasion, long before it had been brought to notice. That point was that their dividend of 12½ per cent. was really equal to only 6 per cent., because they must take into account the reserve. They had a reserve equal to the capital, and he considered that to be an important point in view of the present tendency of legislation. A certain section of the people, who did not understand, or did not wish to understand, might otherwise say, "Here is an institution paying a huge dividend." The chairman, in his desire to make himself quite clear, had pointed that out, and he (the speaker) desired to emphasise it.

With regard to immigration, he thought it would be rather interesting if the chairman could tell them whether the authorities in Australia were more willing at the present time to receive immigrants than they had been.

CHAIRMAN'S REPLY.

The Chairman, in reply, said that the increase in the item of income-tax was explained by the fact that they had increased profits on which to pay, and, further, the average of three years had to be taken into account. With regard to the question of immigration, which Mr Tomkinson had referred to, he thought that undoubtedly there was very much more disposition on the part of the authorities on the other side. One difficulty with regard to the matter had been expressed forcibly by Mr Bruce, when he said that they must be careful not to overdo immigration with a rush; otherwise they might get men on to farms and engaged in cultivation of fruit before they were quite sure that their products would find a market. A market was quite as important an element as anything else in the question of immigration.

The resolution was then put to the meeting and carried unanimously.

THE DIRECTORATE.

The Chairman next proposed: "That the Hon. Sir Arthur Lawley, G.C.S.I., be re-elected a director of the bank."

The Right Hon. Viscount Knutsford seconded the resolution, and it was unanimously approved.

On the motion of the Chairman, seconded by Mr S. M. Ward, it was also unanimously agreed "That the Hon. Sir John A. Cockburn, K.C.M.G., be re-elected a director of the bank."

The Chairman then moved: "That the appointment of the Right Hon. Viscount Knutsford and Sir Frederick W. Young as ordinary directors by way of addition to the board on their vacation of office as representatives of the holders of deferred inscribed deposit

stock—such right of representation now having lapsed—be, and the same is hereby approved and confirmed."

This resolution was seconded by the Hon. Sir John A. Cockburn, K.C.M.G., and unanimously adopted, and was responded to by Lord Knutsford.

On the proposition of Mr J. M. Laine, seconded by Captain Slack, Messrs Turquand, Youngs, and Co., and Messrs Price, Waterhouse, and Co. were reappointed auditors.

VOTE OF THANKS TO THE BOARD.

Mr Robert Ward, in moving "That a hearty vote of thanks be accorded to the chairman, the deputy-chairman, and the directors for their conduct of the affairs of the bank, and that they all be warmly congratulated on the result of the year's working," said: A year ago we had a very interesting and satisfactory meeting. The profits were larger than they had ever been before, and I ventured to suggest that the shareholders, pleased as they were, would be like the fat boy and would be looking for more. The board have evidently borne that suggestion in mind, and we have to-day a dividend of 12½ per cent., which is highly satisfactory. It is gratifying to know, and to see by the figures, that we have had an extremely good year, and that our staff has behaved with skill and experience, all tending to the success which we have met to-day to celebrate. I think the board is to be commended upon recommending this very important addition to our reserve fund. We live in perilous times, and it is a very satisfactory thing to know that we have something up our sleeve.

Then I think the board deserve to be congratulated upon recognising the value of our staff. The labourer is worthy of his hire, and I am personally very pleased indeed to see that our board have recognised the efficiency of our staff, and given them this generous bonus of 10 per cent.

Mr W. P. Waddell seconded the vote, and it was unanimously accorded.

The Chairman briefly acknowledged the compliment, and assured the meeting that they gave great care and attention to the affairs of the bank. It was a pleasure to do so, and all the greater pleasure when they had the hearty support of the shareholders, which they always did have.

VOTE OF THANKS TO MANAGER AND STAFFS.

Mr F. Tomkinson: The important duty has been entrusted to me of proposing, "That the thanks of the shareholders are due to Mr Wren, the general manager in Australia; Mr Janion, the manager in London; Mr O'Sullivan, the assistant general manager in Australia; Mr Shipston, the assistant manager in London, and to the executive officers and the staff at home and in Australia for the valuable services they have rendered to the bank during the past year." With the report in your hands, and after the speech which you have heard, no word from me is required to emphasise this resolution. Without the work—the able work—of the gentlemen whose names I have just read you would not get the 12½ per cent. dividend which you are going to receive.

Our London manager, Mr Janion, is present, and therefore one does not like to say anything about him, but I know a good deal about banking in this City, and can assure you that geniality and courtesy count for a great deal, and those qualities are found in no one more than in Mr Janion. The same remark applies, I am sure, to Mr Wren, the general manager in Australia. Mr O'Sullivan I had the pleasure of meeting the day before he sailed, and I could not but think what an asset it was to our bank to have such a man travelling about to the various branches.

Mr Edward Ambrose seconded this vote of thanks, and it was cordially approved.

MR JANION'S RESPONSE.

Mr E. M. Janion (London manager and secretary), in acknowledging the compliment, said: I do not wish to make a speech, gentlemen, but I should like to thank you very much, both the chairman for the remarks which he made, in the first place, about the staff, and Mr Tomkinson and Mr Ambrose for the kind resolution which they proposed and seconded, and which you so cordially passed. We are only doing our duty here, but I should like to say that we could not do it in more pleasant circumstances. The feeling of goodwill and team-work on the part of every one, from the chairman down to the junior clerk, I think is very fully exemplified in our service, and it all tends to enthusiasm and good work. You have spoken too kindly about me, but I appreciate it very much, and, in thanking you, I do so, not only for myself, but also for the whole of the staff in Australia and here.

VOTE OF THANKS TO THE CHAIRMAN.

Mr Andrew Cunningham: Gentlemen,—Will you allow me in a few words to express a sincere and grateful vote of thanks to Mr Williamson for his conduct in the chair to-day and for his very able, interesting, and comprehensive speech, to which, I am sure, we have all listened with great pleasure and satisfaction? I will tell you a fact which, perhaps, is not known to you or not realised by you, and it is that the price of our shares to-day,

£6 2s 6d for the £2 10s share, represents a premium of nearly 150 per cent., and, as a matter of fact, the shares stand very much higher to-day than ever before in the whole history of the bank. I most heartily congratulate Mr Williamson on the very handsome contribution he has made to that splendid result.

Mr F. W. Turner, in seconding the vote, said that the speech which the chairman had made that day was of a most valuable character: it might almost be called a compendium of the whole of the trade between this country and Australia. He very much appreciated all that the chairman had done and said, and heartily seconded the resolution.

The vote of thanks was passed with acclamation, and, the chairman having briefly acknowledged the compliment, the proceedings terminated.

DALGETY AND CO., LIMITED.

GOOD RESULTS—INCREASED EARNINGS.

COMPANY'S SOUND FINANCIAL POSITION.

The thirty-ninth annual general meeting of Dalgety and Co., Limited, was held, on the 15th instant, at the offices, 65-68 Leadenhall street, London, E.C.

The Hon. Edmund W. Parker (the chairman) presided.

The secretary (Mr H. E. Davison) having read the notice convening the meeting and the auditors' report,

The Chairman said that the results of the year's operations might be regarded as satisfactory, marking, as they did, a substantial increase in the earnings of the company as compared with the preceding year. Both Australia and New Zealand had combined to bring this about, their New Zealand branches having made a gratifying contribution to their revenues. The various activities of the company had been well maintained throughout the year, and they had enjoyed their fair proportion of the available business associated in one way or another with the primary products of Australia and New Zealand.

WOOL INDUSTRY.

Their largest and best-known staple product—namely, wool—showed the moderate increase of about 27,000 bales in the production of Australia and New Zealand during the past season as compared with that for 1921-22. Actual exports, however, showed a falling off of over 500,000 bales, due to the fact that shipments

included a very large quantity of the "Bawra" stocks, as well as unsold "free" wool brought over from the previous season. The market had displayed various fluctuations from sale to sale, but, taking the year's movements as a whole, values showed a very satisfactory appreciation over those current during the preceding year. The result had been that, although the total sales in the Colonial markets during the past season were reduced by no less than 284,858 bales, the actual money return showed an increase of more than £12,500,000 over 1921-22. That this fine result had been achieved in spite of unsatisfactory—not to say adverse—trade conditions, especially in Central and Eastern Europe, was a striking confirmation of his statement last year that the world's demand for wool to-day was appreciably in excess of the present production, and that all qualities and descriptions would be required and would realise remunerative prices for some time to come. An important development which confirmed this view had taken place recently in the shape of a much improved demand at higher prices for medium and low crossbreds—and if maintained and extended, as seemed probable, this would mean a substantial addition to the proceeds of the New Zealand clip—the sale of which was now beginning. Adverse seasonal conditions had seriously prejudiced the current season's production, and it was estimated that the 1923-24 clip from Australia and New Zealand would show a falling off of about 200,000 bales—a very serious matter in view of the fact that supplies were even now barely sufficient for requirements. The liquidation of the old stocks of Australian and New Zealand wool held by "Bawra" was proceeding steadily and satisfactorily, and its completion might be expected early in the new year, and the question arose as to what was likely to be the effect on the market when these supplies had disappeared and buyers were compelled to satisfy their requirements from the reduced production of the present season.

WHEAT AND DAIRY PRODUCE.

The Australian wheat harvest was one of the disappointments of the past year, both as to quantity and price. The surplus available for export was reduced by the dry season to about 1,500,000 tons, as compared with 2,500,000 tons in the preceding year, and unfortunately prices were materially lower. The outlook for the ensuing harvest was for a time distinctly gloomy, but widespread rains in the agricultural areas had since vastly improved the prospects, and if the weather continued favourable a much larger quantity of wheat and other cereals would be garnered this season.



THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

GREAT BRITAIN
BRADFORD
MANCHESTER
LONDON
PARIS
FRANCE
VIGO
BILBAO
MADRID
SPAIN
BARCELONA
SEVILLE
VALENCIA

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

The level of values, so far as could be judged at present, looked like being only a moderate one.

The dry season naturally checked the production of dairy produce in Australia, but, thanks to a much higher range of prices, the value of the exports from the Commonwealth reached about £7,500,000. In New Zealand, on the other hand, there was a substantial increase in the output, and with the help of the favourable market conditions the value of butter and cheese exported from the Dominion during the year reached a sum of £18,000,000. Thus New Zealand had now developed into the greatest dairy produce exporting country in the world, and it might safely be said that it was far from having reached the limit of its possibilities in this important industry.

Frozen meat filled a prominent position in the exports from Australia and New Zealand, but it could not be said that the period under review had fulfilled the expectations generally entertained with regard to it. Certainly, mutton and lamb had, on the average, realised satisfactory prices, despite sundry fluctuations and periods of dulness, but beef showed no recovery from the depression to which he referred a year ago, and current prices on this side were still unremunerative so far as the Australian and New Zealand export cattle breeders were concerned.

COTTON.

Cotton production in Australia had come into prominence during the last two years, and very sanguine expectations had been entertained with regard to it. Up to the present, practically the whole of the production was confined to Queensland, and, unfortunately, the last crop was seriously prejudiced by the dry season. A total of some 30,000 bales was expected—as compared with 5,000 bales in 1922—but from latest advices the impression was that this year's output would not reach anything like the quantity named. If labour conditions in Australia were less difficult it would be reasonable to expect a large expansion in the growth of this article, for the potentialities in that respect were very great.

The banking position so far as it affected the transfer of funds between this country and Australia and New Zealand had not been altogether satisfactory, but imports into Australia and New Zealand, taken together, continued to be appreciably in excess of exports, and this was bringing about a better adjustment of the finances of the Australasian banking institutions, and would, it was hoped, lead to easier conditions for the exporters from those countries.

Referring to the Queensland Land Act Amendment Act of 1920, the chairman said that the London Chamber of Commerce had passed a resolution drawing attention to the breach of contract between the Crown and the pastoral lessees. Unless steps were taken to do justice to the parties affected, the credit of the State of Queensland must be impaired and the flow of capital thither for development purposes would inevitably be checked. A great wrong had been done, and the time had come when it should be righted.

BUILDING PROGRAMME.

Dealing with the balance-sheet, he specially mentioned the large increase under the head of premises, remarking that in a sound and progressive business such as theirs the demand for new and better accommodation would probably be continuous, and it was a healthy sign that such should be the case. The period under review had had to bear the cost of their new London premises, and they now had to provide for the expenditure of considerable sums upon building requirements at various branches. This important building programme implied the absorption of a considerable amount of working capital, which, in order to carry on their business properly, must be replaced, and it was for this reason that the directors were recommending that £50,000 be appropriated out of profits to writing down cost of premises. The reserve fund now stood at £1,000,000, being equal to the paid-up ordinary share capital, and it was invested in gilt-edged securities, which showed at to-day's market rates a satisfactory margin over their book values.

The latest cable advices indicated that at the moment the general position in Australia was only fair to middling, and, although in New Zealand the prospects were better, it was obvious that there was nothing to justify a departure from their normal policy of caution and judicious conservatism.

The report and accounts were unanimously adopted, and a final dividend was declared on the ordinary shares, making 10 per cent. for the year, together with a bonus of 5 per cent., both free of English income-tax.

COMPANY'S STRONG POSITION.

Mr W. Wiseman, in returning thanks for the re-election of his firm as auditors, said that the accounts of the company were in admirable order. It must be a matter of great satisfaction to the shareholders to know the strong financial position of the company, because if they took the creditors on the balance-sheet as £2,750,000, and then added the terminable debentures of £357,000, the total outside liabilities amounted to about £3,100,000. Against that

they had cash £1,200,000, investments £600,000, and an investment reserve of £1,000,000. Almost, therefore, they had cash immediately in hand or available to pay off the whole outside liabilities. That, he thought, would be agreed, from the financial standpoint, was an admirable position.

On the motion of Mr G. H. Gladman, seconded by Mr H. G. Jellard, it was resolved: "That the best thanks of the meeting be given to the chairman, the board of directors, the local boards of advice, and the staff for the services rendered to the company during the year."

The Chairman, in reply, said that the directors and the staff would continue to do their very best to promote the interests of the company.

The proceedings then terminated.

THE LONDON AND BRAZILIAN BANK, LIMITED. FUSION WITH LONDON AND RIVER PLATE BANK APPROVED.

An extraordinary general meeting of this company was held, on the 13th inst., in London for the purpose of considering resolutions providing for its fusion with the London and River Plate Bank, Limited.

Mr W. Douro Hoare, C.B.E., who presided, said that the consent of the committee appointed by H.M. Treasury on bank amalgamations had been received. The shares of both banks would now become fully-paid £5 shares in a combined bank to be called "Bank of London and South America, Limited," and it was hoped that in the River Plate and Brazil, as well as in other Republics, it would be known, as the two old banks were at present, as the "Banco de Londres," thus maintaining the old and valued traditions of both banks. The total issued capital of the combined bank would be £3,540,000 in 708,000 shares of £5 each fully paid, of which the London and Brazilian Bank shareholders would receive for the transfer of their business and assets 300,000 fully-paid £5 shares, or £1,500,000, leaving 408,000 fully-paid £5 shares, or £2,040,000, in the hands of the existing River Plate Bank shareholders. The reserves of the two banks added together—namely, £3,600,000, would become the reserve of the combined bank. Shareholders would derive great benefit by having their shares fully paid, as they would become a much more marketable security. It was intended at once to apply for a Stock Exchange quotation for the 300,000 shares allotted to the London and Brazilian Bank shareholders, while the 408,000 shares in the combined bank allotted to the London and River Plate Bank shareholders would not have a quotation at present on the Stock Exchange.

In these days of large operations and large figures the advantage of a close connection with powerful friends was inestimable, and he was hopeful that the public would appreciate the advantage of dealing with a concern like the combined bank, which would be able to handle large operations for them in the best possible way to the advantage of their customers and the South American trade generally. Every one of the bank's customers would receive every reasonable and proper facility, while the extended ramifications over South America would be of great advantage to them. The continuance of the board and management ensured their old traditions being fully maintained in every way. With branches operating at 40 places in America and Europe, they would be able to use their resources in one place or another to meet the seasonal demands of each place, thus fostering trade and helping British trade, which was so important just now. The board had made it a condition of the fusion that no member of the staff should suffer by it. The whole of the directors had been invited to join the board of the combined bank, and had expressed their willingness to accept the invitation. The 6 per cent. interim dividend which was paid on October 30th was for the period February 1st to July 31st. To bring the accounts up to September 30th, when the fusion took effect, a further dividend for the two months at the rate of 6 per cent. per annum would be declared, payable shortly after the confirmatory meeting, always, of course, assuming that the resolutions were passed by the shareholders.

The resolutions submitted were passed by a large majority.

KERR STUART, AND CO., LIMITED. GOOD YEAR—ISSUE TO SHAREHOLDERS.

The thirteenth annual general meeting of this company was held, on the 12th inst., in London, Mr H. Langham Reed (chairman and managing director) presiding.

The Chairman said that in their last report the directors referred to the outlook as fair, and they were glad now to point out that anticipations had been somewhat more than fulfilled. At the time of the grouping of the British railways into four large systems it looked as if the firms manufacturing locomotives and rolling stock were going to lose their best customers in the home market, as the smaller companies which had not their own manufacturing

facilities ordered their requirements from these firms. The directors of the grouped railway companies had taken a very broad and generous view of the situation, and had decided to place large orders in the near future with private firms. Kerr Stuart, and Co. were manufacturing wagons for the home market to their full capacity, and their output was booked ahead for some time. In other departments they had a considerable amount of work in hand, including orders for smokeless fuel retorts, a business which showed every sign of increasing very rapidly in the near future.

They held a controlling interest in the Peninsular Locomotive Company, Limited, an Indian company of which they had been appointed managing agents for a period of thirty years. The Government of India, in pursuance of their expressed policy of making India as far as possible independent of outside sources in the supply of railway materials, had decided to give a general undertaking that tenders would be invited annually in India for all locomotives and boilers required by the Government. The Government estimated that their average annual requirements would be 160 locomotives and 160 additional boilers in 1923 and 1924, and thereafter 400 locomotives and 400 boilers per annum. In anticipation of the situation which might be created by the receipt of large orders for the Peninsular Locomotive Company, it was desirable that Kerr, Stuart and Co. should be possessed of ample cash resources. The board had received offers for the whole of the £70,000 unissued share capital, but had decided that the shareholders should first be given the opportunity of taking up these shares at 21s per share. Generally speaking, each shareholder would have the right to apply for three new shares for each completed ten shares of his present holding.

The report and accounts were unanimously adopted, and a final dividend, making 12½ for the year, less income-tax, on the ordinary shares was declared.

JOSHUA HOYLE AND SONS, LIMITED. INCREASED PROFITS DESPITE DIFFICULTIES.

The ordinary general meeting of Joshua Hoyle and Sons, Limited, was held, on the 15th inst., at India Mill, Bacup, L.-Col. J. Craven Hoyle, T.D., D.L. (the chairman of the company), presiding.

The Chairman, in moving the adoption of the report and accounts, said that during his experience of 39 years, and from what knowledge he had gained of the earlier history of the firm, the past twelve months had been a period of the greatest anxiety since the establishment of the firm. The effect of the political unrest in Europe, the Near and Far East, had meant that certain markets had been closed, and with the remainder competition had been of a serious nature. They were also still suffering from severe taxation, both national and local, and that fact was having a serious effect on trade and employment, inasmuch as the directors had been compelled to temporarily close two mills and transfer the goods made at those mills to other mills of the company, in order to reduce the overhead charges and enable the rest of the mills to run full time.

The experience of the past twelve months had demonstrated to the board, and he felt certain, with the knowledge of the result of the year's working, to the shareholders also, the soundness of the policy adopted by the board in building up the firm of Joshua Hoyle and Sons into its present position. Through their now varied productions they had been in the happy position that where certain branches of the trade had been quiet other branches had been profitably employed.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors),
FINLAND.

Capital and Reserves - Fmk. 252,000,000
Deposits and Cheque Accounts
(30/6/23) - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

The work of centralisation had been continued with very satisfactory results both in working and economy.

Sir Wm. E. Berry, Bart. (deputy-chairman), in seconding the motion, said he thought they were all entitled to congratulate themselves upon the showing they had made during the year. To have increased the profits of the company from £110,000 last year to £193,000 this year showed that the management of the business must be sound.

Mr Walter Pilling (managing director), in supporting the resolution, said they had heard a great deal about the control of cotton. He did not want it, as he was satisfied that Joshua Hoyle and Sons could weather the storm successfully. Whether it was a question of wages, taxation, or whatever else, he thought every help should be given to the cotton trade, in order to put it in the position it originally held, namely, the cheapest producer in the world.

The report was adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Nov. 19-Nov. 24 were opened on Nov. 16, 1923, and the total amount applied for was £46,275,000. For bills at three months, dated Monday to Friday, at £99 3s 4d, about 65 per cent., above in full; Saturday, at £99 3s 7d, above in full. The amounts allotted were as follows:—In bills at 3 months, £3 5s 9 3/4; in bonds nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
Oct. 5.....	35,000,000	61,220,000	£ s d 3 1 4 25	nil
Oct. 12.....	35,000,000	61,565,000	3 1 5 61	nil
Oct. 19.....	35,000,000	51,135,000	3 0 7 85	nil
Oct. 26.....	35,000,000	50,275,000	3 1 8 33	nil
Nov. 2.....	35,000,000	51,350,000	3 1 6 63	nil
Nov. 9.....	35,000,000	53,200,000	3 3 8 13	nil
Nov. 16.....	35,000,000	46,275,000	3 5 9 32	nil

Tenders will be received on Nov. 23, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.				
				Gold and Coin Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance Bank of England.
1922.								
Mar. 23.....	300,351	14,255	5,000	28,500	19,450	15-9	261,479	177
June 28.....	295,374	13,338	5,000	28,500	19,650	16-3	254,312	250
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16-6	246,546	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15-9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17-3	242,446	123
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17-5	238,595	140
Nov. 1.....	281,255	11,842	7,000	27,000	22,450	17-6	236,522	128
Nov. 8.....	282,343	11,881	7,000	27,000	22,450	17-5	237,654	125
Nov. 15.....	282,935	11,939	7,000	27,000	22,450	17-5	238,344	140

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £276,185,800.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1923, to Nov. 10, 1923.	Apr. 1, 1922, to Nov. 11, 1922.	Week Ended Nov. 10, 1923.	Week Ended Nov. 11, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	..	5,442,665	9,963,494	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
REVENUE.		6,818,167	11,173,530	..	..
Customs.....	116,900,000	77,306,000	77,903,000	2,557,000	2,564,000
Excise.....	143,850,000	84,431,000	94,723,000	1,546,000	1,719,000
Motor Vehicle Duties ..	13,250,000	4,355,000	3,493,000	305,000	..
Stamps, &c., Duties.....	52,000,000	31,900,000	37,781,000	900,000	780,000
Land Tax, House Duty & Mineral Rights Duty	20,000,000	11,350,000	10,932,000	130,000	670,000
Property & Income Tax	3,000,000	540,000	610,000	..	10,000
Super-Tax.....	261,000,000	123,892,000	168,220,000	1,740,000	4,331,000
Excess Profits Duties, &c.	58,000,000	23,050,000	954,000	..	..
Corporation Profits Tax	12,000,000	13,200,000	10,877,000	550,000	590,000
Post Office.....	20,000,000	31,550,000	32,550,000	1,250,000	1,250,000
Crown Lands.....	52,600,000	560,000	480,000	..	..
Interest on Sundry Loans.....	900,000	..	..	..	..
Miscellaneous—	12,500,000	8,375,652	6,526,523	..	..
Ordinary Receipts..	12,500,000	8,623,789	17,878,631	13	50,000
Special Receipts....	40,000,000	23,270,351	31,551,765	1,370,001	1,000,000
Revenue.....	818,500,000	442,203,790	494,279,919	10,788,014	12,964,000
Total, Inc. Balance ..	..	419,021,957	505,453,449	..	..

	Total Receipts into the Exchequer from		RECEIPTS.	
	Apl. 1, 1923, to Nov. 10, 1923.	Apl. 1, 1922, to Nov. 11, 1922.	Week Ended Nov. 10, 1923.	Week Ended Nov. 11, 1922.
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Bullion	65,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..
Under the Unemployment Insurance Acts, 1921	4,530,000	2,910,000	50,000	..
Money Raised by Creation of Debt—				
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1921 and 1922	3,370,000	3,360,000	..	..
Under the Housing Act, 1914	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	1,553,300	..	..
(b) Under the Unemployment Insurance Acts, 1921	820,000	2,510,000	..	..
(c) For other issues: By Treasury Bills	1,524,879,000	1,831,915,000	54,522,000	51,613,000
By National Savings Certificates	35,950,000	42,768,000	400,000	900,000
By Exchequer and National War Bonds	..	20	..	..
By Treasury Bonds—				
5-15 year, 1925-35	..	61,543,782	..	..
5%, 1927	..	59,794,435	..	1,637,400
4%, 1931-33	29,202,627	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919	..	25,259	..	..
(d) Ways and Means Advances	527,655,000	536,514,000	8,200,000	1,600,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired	50,081	243,012	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	195,688	256,746	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	..
Interest received under Section 59 (6) of the Finance Act, 1920	..	162,425	..	..
Total	2,575,831,135	3,067,784,206	73,960,014	68,714,400

EXPENDITURE AND OTHER ISSUES.

	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
	Apl. 1, 1923, to Nov. 10, 1923.	Apl. 1, 1922, to Nov. 11, 1922.	Week Ended Nov. 10, 1923.	Week Ended Nov. 11, 1922.
EXPENDITURE.				
National Debt Services—				
Interest, &c.	310,000,000	193,552,503	900,593	576,123
Sinking Fund	40,000,000	22,274,455	250,000	..
Road Fund	12,650,000	3,327,044	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	5,707,205	..	150,000
Payments to Northern Ireland Exchequer	3,000,000	2,290,884	8,000	..
Land Settlement	1,500,000	387,542	6,580	67,541
Other Consolidated Fund Services	2,972,000	1,571,264	19,868	..
Supply Services	440,565,000	222,006,418	5,479,542	7,811,433
Expenditure	821,035,000	451,117,515	6,663,583	8,605,997
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	5,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..
Under the Unemployment Insurance Acts, 1921	820,000	3,510,000	..	200,000
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922	4,220,000	3,360,000	250,000	..
Under the Housing Act, 1914	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904	..	1,553,300	..	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed	4,480,000	2,110,000	..	..
Redemption of Debt—				
Treasury Bills	1,502,725,000	1,972,134,000	53,410,000	50,475,000
Principal of National Savings Certificates	21,350,000	16,550,000	650,000	450,000
Principal of Exchequer Bonds paid off	..	19,612,208	..	..
Principal of National War Bonds paid off	32,222,296	44,034,182	..	250,000
Other Debt under the War Loan Acts, 1914 to 1919	6,981,184	12,378,823	..	..
Ways and Means Advances Repaid	548,491,000	511,527,000	12,750,000	9,050,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	55,556	..	..
Balances in Exchequer—				
Bank of England	2,572,602,872	3,054,621,136	73,723,583	69,630,097
Bank of Ireland	2,087,548	1,997,386	65,431	486,697
Total	2,574,690,420	3,056,618,522	73,789,014	70,116,794

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, November 12, 1923.

NATIONAL DEBT.—(Million £.)											
	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1918.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Nov. 10, 1923.		
Funded Debt	588	318	315	315	315	314	314	314	314		
Term Annuities	30	22	20	20	20	16	15	14	14		
4% War Stock	..	63	63	63	63	63	63	63	63		
4% War Stock	..	16	13	13	13	13	13	13	13		
4% War Stock	..	2,091	2,047	2,040	1,953	2,071	2,095	2,095	2,095		
National War Bonds	..	649	1,509	1,476	1,413	1,201	971	953	924		
4% Victory Loan	..	..	409	409	405	401	401	400	400		
4% Conversion Loan	..	..	360	357	348	335	335	325	325		
5-15 year Treas. Bonds	..	..	..	..	..	266	690	684	683		
5% Treasury Bonds	..	..	..	..	..	23	24	24	24		
5% Treasury Bonds	..	..	..	..	..	381	166	165	165		
Do by tender 5%	..	..	..	..	..	40	40	40	40		
Do by tender 4%	..	..	..	..	..	8	69	70	70		
Do 4%, 1931-33	..	..	..	..	..	84	110	110	110		
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	531		
Exchequer Bonds	80	392	323	319	289	185	150	150	150		
Natnl. Savings Certs.	..	138	267	274	285	342	350	354	358		
War Expend. Certs.	..	23	..	..	..	..	..	..	..		
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,157	1,150		
American Loan	..	51	51	51	51	..	..	..	..		
Temporary Advances	1	204	243	205	154	147	223	194	173		
Other Capital Liabilities	654	5,872	8,033	7,876	7,623	7,721	7,835	7,813	7,819		
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,819		

POSITION OF THE FLOATING DEBT.					Movement	
	Nov. 11, '22.	Mar. 31, '23.	Nov. 10, '23.	Nov. 10, '23.	Nov. 11, '22.	Nov. 10, '23.
Temporary Advances Outstanding	172,248,500	193,897,500	173,061,500	..	2,500,000	..
Advances by Bank of England	741,885,000	616,045,000	638,210,000	..	2,050,000	..
Advances by Public Deposits	..	..	..	..	..	..
Treasury Bills outstanding	..	..	..	..	..	..
Total Floating Debt	914,133,500	809,942,500	811,271,500	..	3,430,000	..

* Includes £47,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

HEAD OFFICES: LIVERPOOL AND LONDON

ROYAL

INSURANCE COMPANY, LIMITED

ALL CLASSES OF INSURANCE EFFECTED

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, November 14, 1923.

ISSUE DEPARTMENT.		£	
Notes issued	145,608,740	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	125,858,740
		Total	145,608,740

BANKING DEPARTMENT.

£		£	
Proprietors' capital	14,553,000	Government securities	43,718,506
Reserve	3,172,498	Other securities	71,469,488
Public deposits	14,885,309	Notes	21,404,585
Other deposits	105,804,208	Gold and silver coin	1,827,286
Seven-day & other bills	4,850		
Total	138,419,865	Total	138,419,865

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

	Amount, Nov. 14, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest			
Public deposits	3,172,498	+ 30,073	+ 3,876
Other deposits	105,804,208	+ 3,464,688	+ 2,030,470
Government securities	43,718,506	+ 4,753,436	+ 3,701,780
Other securities	71,469,488	+ 830,000	+ 6,249,013
Reserve	23,231,871	+ 180,385	+ 5,326,212
Note circulation	124,204,155	+ 669,062	+ 757,185
Coin and bullion	127,686,026	+ 657,800	+ 2,352,215
% of reserve to liabilities	19%	+ 8%	+ 245,010

Date.	Coin and Bullion.	Circulation (including Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1923.						
Oct. 3	127,659,536	124,783,450	120,265,975	115,918,999	22,626,086	18 1/4
10	127,670,558	123,909,130	118,412,386	112,538,295	23,511,428	19 1/4
17	127,670,706	123,362,720	119,751,229	113,339,181	24,067,986	20
24	127,673,564	123,110,835	119,597,618	113,006,551	24,312,729	20 1/4
31	127,674,137	124,792,730	119,280,635	114,323,778	22,631,407	19 1/4
Nov. 7	127,674,764	124,861,955	119,400,769	114,538,379	22,662,809	18 1/4
14	127,686,026	124,204,155	120,689,517	115,187,594	23,331,871	19 1/4

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to October 10	24,980,066	1,204,500	2,196,478	28,381,044
October 17	585,227	30,208	56,295	671,730
24	614,069	30,203	52,346	696,618
31	693,638	28,034	50,272	771,944
November 7	603,362	31,958	60,545	695,865
14	615,036	28,119	50,846	694,000
Total to date 1923.	28,091,377	1,353,023	2,466,782	31,911,201
Do 1922	23,025,145	1,388,149	2,474,601	32,887,895
Increase or decrease in 1923	= 3.3 %	= 2.6 %	= 0.3 %	= 2.9 %
Total for year 1922	32,780,635	1,092,303	2,806,165	37,161,199
Total for year 1921	30,268,214	1,121,720	3,002,179	34,392,113
Increase or decrease in 1922	= 8.3 %	= 2.6 %	= 6.5 %	= 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to November 10.			
BIRMINGHAM	97,653,000	101,307,900	+ 3,654,900
BRISTOL	60,278,000	50,214,000	- 10,064,000
DUBLIN	276,435,600	266,691,800	- 9,743,800
HULL	48,419,600	48,000,400	- 419,200
LEEDS	47,259,600	44,766,700	- 2,492,900
LIVERPOOL	35,254,000	33,255,100	- 1,998,900
MANCHESTER	374,577,200	386,683,400	+ 12,106,200
NEWCASTLE-ON-TYNE	674,514,200	653,664,800	- 20,849,400
NOTTINGHAM	82,023,900	89,611,400	+ 7,587,500
SHEFFIELD	29,278,700	27,439,400	- 1,839,300
	41,699,500	50,551,800	+ 8,852,300

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Bulgaria appeared in the Economist of Oct. 20; Esthonia and Russia in November 3; Canada, Japan, Germany,

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Oct. 31, 1923.	Oct. 20, 1923.	Oct. 10, 1923.	Sept. 30, 1923.	Oct. 31, 1922.
Gold.....	54,179	54,141	53,221	53,180	53,519
Silver.....	18,933	18,951	19,753	20,706	44,175
Foreign coin.....	(a) 2,558	(a) 1,760	(a) 1,882	(a) 1,508	266,034
Foreign bills.....	(a) 2,816	(a) 2,021	(a) 2,381	(a) 2,716	902,853
Advances to the Govt.....	19,080,000	14,446,000	12,189,500	10,265,500	453,500,000
Private loans & discounts.....	5,777,137,052	5,356,786,016	3,109,253,001	2,747,148,215	106,358,332
LIABILITIES.					
Notes in circulation.....	23,080,402,211	15,764,064,006	13,002,295,738	11,197,737,897	579,972,769
Deposits.....	4,666,944,349	4,109,695,807	2,901,538,388	2,277,200,903	83,156,808

(a) Gold marks.

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	Oct. 31, 1923.	Oct. 23, 1923.	Oct. 15, 1923.	Oct. 7, 1923.	Oct. 7, 1922.
Gold.....	62,116,639	61,993,211	70,083,657	73,390,999	73,390,999
Foreign bills.....	3,356,231,874	3,345,950,090	3,286,371,494	3,163,061,776	3,163,061,776
Bills discounted.....	1,068,175,610	966,792,688	969,402,033	950,972,975	950,972,975
Treasury bills.....	2,536,603,779	2,536,603,779	2,536,603,779	2,536,603,779	2,536,603,779
LIABILITIES.					
Notes in circulation.....	6,607,839,105	6,136,785,956	6,155,706,741	6,220,119,314	6,220,119,314
Deposits.....	414,811,615	773,736,080	704,929,548	502,681,517	502,681,517

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	Nov. 7, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Oct. 15, 1923.	Nov. 7, 1922.
Gold coin and bullion, bill.....	23,131	22,547	22,402	22,334	14,145
Silver coin, &c.....	596	594	594	594	596
Bills, warrants, drafts, &c.....	500,568,714	494,500,884	465,731,284	444,718,517	51,445,575
Loans.....	1,661,057	1,663,244	1,707,923	3,286,970	1,849,680
LIABILITIES.					
Notes in circulation.....	754,232,390	774,925,533	667,269,120	650,832,840	67,934,531
Deposits.....	76,495,280	60,175,595	68,267,072	56,551,069	8,066,355

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Nov. 8, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Oct. 15, 1923.	Nov. 8, 1922.
Gold.....	68,755	68,739	68,675	68,672	63,748
Other coin and notes.....	19,466	19,763	18,873	17,952	17,120
Foreign credits.....	357,086	356,360	369,846	365,685	315,463
Bills.....	1,405,436	1,420,619	1,421,146	1,431,483	1,466,139
Govt. advances.....	4,570,944	4,570,944	4,570,877	4,570,877	4,565,317
LIABILITIES.					
Notes in circulation.....	5,917,217	5,880,772	5,874,715	5,925,817	5,146,949
State credits.....	373,245	373,245	373,178	373,178	332,903
Deposits.....	492,561	552,333	614,921	548,770	972,866

NATIONAL BANK OF ROUMANIA.—In lei (000's omitted).

Assets.	Oct. 20, 1923.	Oct. 13, 1923.	Oct. 6, 1923.	Sept. 29, 1923.	Oct. 21, 1922.
Gold.....	547,567	547,567	547,584	547,384	532,995
Silver, &c.....	682	572	550	559	716
Government loan.....	4,899,444	11,942,516	11,946,495	11,911,607	12,570,231
Other advances.....	6,274,417	6,273,414	6,063,471	5,968,813	4,113,472
LIABILITIES.					
Notes in circulation.....	17,653,535	17,681,992	17,577,520	17,426,421	15,402,940
Deposits.....	6,474,503	6,461,500	6,332,861	6,312,094	6,437,236

NATIONAL BANK OF GREECE.—In drachmas (000's omitted).

Assets.	Aug. 31, 1923.	Aug. 15, 1923.	July 31, 1923.	July 15, 1923.	Aug. 31, 1922.
Gold and balances abroad.....	1,576,064	1,490,008	1,502,553	1,520,781	1,356,068
Government loans and securities.....	4,080,158	4,080,955	4,081,623	4,082,407	2,738,271
Discounts and loans.....	1,610,450	1,678,373	1,760,250	1,846,192	981,671
LIABILITIES.					
Notes in circulation.....	4,243,666	4,176,707	4,211,112	4,278,310	1,908,856
Government deposits.....	319,009	273,260	275,305	241,359	507,137
Private sight deposits.....	1,387,646	1,438,325	1,459,119	1,445,788	995,346
Private deposits at fixed dates.....	1,002,877	1,000,999	997,892	994,512	1,013,605

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Nov. 10, 1923.	Nov. 3, 1923.	Oct. 27, 1923.	Oct. 20, 1923.	Nov. 11, 1922.	Position May 30, 1914
Gold.....	2,427,446	2,527,251	2,527,008	2,526,754	2,523,533	511,775
Silver.....	644,260	646,312	650,699	648,923	639,513	728,600
Loans and bills.....	3,226,601	2,034,100	2,023,800	2,066,502	2,353,968	800,725
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,318,116	4,313,335	4,270,430	4,280,721	4,174,825	901,550
Deposits.....	914,589	995,722	997,544	972,092	1,064,758	477,500

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Sept. 19, 1923.	Sept. 12, 1923.	Sept. 5, 1923.	Aug. 29, 1923.	Sept. 20, 1922.
Coin and bullion.....	27,229	27,139	27,082	27,050	26,720
Of which gold.....	6,577	6,577	6,577	6,577	6,577
Balances abroad.....	65,380	65,090	75,616	83,069	8,591
Discounts.....	189,216	196,608	199,184	215,359	160,972
Government loans.....	1,044,393	1,049,562	1,072,225	1,072,225	780,097
LIABILITIES.					
Notes in circulation.....	1,314,306	1,310,867	1,313,421	1,296,843	896,652
Deposits.....	36,908	39,642	35,322	42,054	42,920

BANK OF ITALY.—In lire (000's omitted).

Assets.	Oct. 20, 1923.	Oct. 10, 1923.	Sept. 30, 1923.	Sept. 20, 1923.	Oct. 20, 1922.	Position May 31, 1914
Total cash.....	1,553,690	1,470,563	1,510,389	1,491,666	1,319,820	1,221,775
Inland bills.....	5,305,014	5,300,734	5,436,064	5,193,945	4,365,254	418,400
Foreign bills.....	13,360	13,390	13,711	13,717	9,490	81,300
Advances to the Treasury.....	5,839,754	5,839,754	5,839,754	5,839,754	6,110,371	—
Other advances.....	2,528,072	2,477,583	2,588,918	2,417,466	2,086,014	79,175
Securities.....	370,876	370,075	370,875	370,781	478,445	805,700
LIABILITIES.						
Notes in circulation.....	12,807,359	13,070,111	12,999,537	12,715,612	13,874,499	1,556,925
Deposits & drafts.....	1,545,244	1,470,137	1,619,507	1,375,621	1,874,436	193,975

NATIONAL BANK OF EGYPT.—In £ (000's omitted).

Assets.	Sept. 30, 1923.	Aug. 31, 1923.	July 31, 1923.	Sept. 30, 1922.	Position May 31, 1914
Gold.....	3,363	3,363	3,360	3,358	1,571
Government securities.....	39,165	36,880	37,411	36,068	2,084
LIABILITIES.					
Notes in circulation.....	27,100	23,377	24,211	27,615	2,400
Government deposits.....	8,890	8,663	8,767	4,218	2,315
Other deposits.....	12,365	12,382	12,259	11,064	2,660

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

LONDON RATES.

	Nov. 9, 1923.	Nov. 10, 1923.	Nov. 12, 1923.	Nov. 13, 1923.	Nov. 14, 1923.	Nov. 15, 1923.	Nov. 16, 1923.
Bank rate (changed from 3% July 5, 1923).....	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—							
60 days' bankers' drafts.....	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
3 months' do.....	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 months' do.....	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4	3 3/4
6 months' do.....	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)—							
3 months'.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans—Day to day.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Deposit allowances: Banks.....	2	2	2	2	2	2	2
Discount houses at call.....	2	2	2	2	2	2	2
At notice.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Sept. 28, 1923.....	2 1/2	%	%	%	%	%	%
Oct. 5.....	2 1/2	3 1/4	3 1/4	3 1/4	4 1/2	4 1/2	4 1/2
12.....	2 1/2	3 1/4	3 1/4	3 1/4	4 1/2	4 1/2	4 1/2
19.....	2 1/2	3 1/4	3 1/4	3 1/4	4 1/2	4 1/2	4 1/2
26.....	2 1/2	3 1/4	3 1/4	3 1/4	4 1/2	4 1/2	4 1/2
Nov. 2.....	2 1/2	3 1/4	3 1/4	3 1/4	4 1/2	4 1/2	4 1/2
9.....	2 1/2	3 1/4	3 1/4	3 1/4	4 1/2	4 1/2	4 1/2
16.....	2 1/2	3 1/4	3 1/4	3 1/4	4 1/2	4 1/2	4 1/2

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam.....	July 18, 1922	.. 4	Madrid.....	Mar. 23, 1923	.. 5
Athens.....	Jan. 14, 1923	.. 7 1/2	Paris.....	Mar. 11, 1922	.. 5
Berlin.....	Sept. 25, 1923	.. 50	Prague.....	May 28, 1923	.. 4 1/2
Brussels.....	Jan. 22, 1923	.. 90	Rome.....	July 11, 1922	.. 5 1/2
Bucharest.....	Sept. 4, 1920	.. 6	Sofia.....	June 14, 1919	.. 6 1/2
Budapest.....	July 5, 1923	.. 18	Stockholm.....	Nov. 9, 1923	.. 5 1/2
Calcutta.....	Nov. 15, 1923	.. 5	Swiss Bank.....	..	..
Christiania.....	Nov. 10, 1923	.. 7	places.....	July 14, 1923	.. 4
Copenhagen.....	May 1, 1923	.. 6	Tokio.....	Nov. 18, 1919	.. 8
Helsingfors.....	Oct. 27, 1923	.. 8	Vienna.....	Sept. 2, 1922	.. 9
Lisbon.....	Sept. 12, 1923	.. 9	Warsaw.....	Feb., 1923	.. 12
New York Federal Reserve.....	Feb. 21, 1923	.. 4 1/2	Irish.....	July 5, 1923	.. 5

RATES OF EXCHANGE.

London on		Usance	Par.	Nov. 17, 1922.	Nov. 9, 1923.	Nov. 16, 1923.
Paris	francs to £1	T.T.	25 2/24	64 65	78-05 10	82-45-55
Berlin	marks to £1	T.T.	20 43	28,000	5-10 billns.	30-23 billn.
Vienna	krone to £1	T.T.	34 02	320,000	308/313,000	100/110,000
Prague	krone to £1	T.T.	24 02	1404	151 1/2—152 1/2	150—150 1/2
Warsaw	P. marks to £1	T.T.	20 43	7000	7 1/2 millions	88 millions
Bukarest	lei to £1	T.T.	25 2/24	700	890—895	815—835
Budapest	kr. to £1	T.T.	24 02	11,000	75/90,000	75/90,000
Constantinople	piastres to £1	T.T.	110	905	775—795	785—805
Sofia	levas to £1	T.T.	25 2/24	625	800—820	560—540
Belgrade	dynas to £1	T.T.	25 2/24	275	375—390	370—385
Amsterdam	gldrn to £1	T.T.	13 107	11 39 1/2	11 53 54 1/2	11 63 64 1/2
Brussels	francs to £1	T.T.	25 2/24	68 1/2	90 40 45	96 90 97 1/2
Christiania	kroner to £1	T.T.	18 1/2	24 38	31 00 05	29 92 97
Stockholm	kroner to £1	T.T.	18 1/2	16 68	16 72 75	16 47 50 1/2
Copenhagen	kroner to £1	T.T.	18 1/2	22 16	26 48 53	25 55 60
Helsingfors	F. marks to £1	T.T.	25 2/24	180	165 1/2—165 3/4	163 1/2—163 3/4
Greece	drachmetes to £1	T.T.	25 2/24	310	285—295	208—205
Italy	lire to £1	T.T.	25 2/24	95 1/2	100 1/2—100 3/4	103 1/2—103 3/4
Switzerland	francs to £1	T.T.	25 2/24	24 27	24 99 25 02	24 87 93
Madrid	pesetas to £1	T.T.	25 2/24	29 28	33 54 57	33 50 50 1/2
Lisbon	pence to escu.	T.T.	53 1/2	2	2 1/2—2 1/2	2 1/2—2 1/2
Alexandria	piastres to £1	T.T.	25 2/24	97 1/2	97 1/2—98 1/2	97 1/2—98 1/2
New York	dollars to £1	Cable	4 85 1/2	4 38 1/2	4 41 1/2	4 41 1/2
Montreal	dollars to £1	Cable	4 85 1/2	4 47 1/2	4 47 1/2—4 48	4 47 1/2—4 48
Buenos Ayres	pence to peso	T.T.	47 62	44 1/2	38 1/2—48	39 1/2—48
Rio de Janeiro	pence to milis.	30 days	16	6 1/2	44 1/2	44 1/2
Montevideo	pence to peso	T.T.	61	43 75	38 1/2—48	40 1/2—40 1/2
Val. Arcaico	pence to £1	30 days	13 33	35 80	38 50	38 90
Lima	Ing. to Per. £1	30 days	par	74 1/2 prem.	10% prem.	8% prem.
Calcutta	ster. to rupee	T.T.	10	1s 4 1/2d	1s 4 1/2d—4 1/2d	1s 4 1/2d—4 1/2d
Bombay	ster. to rupee	T.T.	Gold	1s 4 1/2d	1s 4 1/2d—4 1/2d	1s 4 1/2d—4 1/2d
Madras	ster. to rupee	T.T.	80vn.	1s 4 1/2d	1s 4 1/2d—4 1/2d	1s 4 1/2d—4 1/2d
Hong Kong	ster. to dollar	T.T.	..	2s 4 1/2d	2s 3 1/2d—4 1/2d	2s 3 1/2d—4 1/2d
Shanghai	ster. to taol	T.T.	..	2s 2 1/2d	2s 1 1/2d—2 1/2d	2s 2 1/2d—3 1/2d
Singapore	ster. to dollar	T.T.	..	2s 1 1/2d	2s 1 1/2d—2 1/2d	2s 4 1/2d—4 1/2d
Yokohama	ster. to yen	T.T.	24 58 1/2	2s 1 1/2d	2s 1 1/2d—2 1/2d	2s 2 1/2d—2 1/2d
Manila	ster. to dollar	T.T.	24 06 1/2	2s 2 1/2d	2s 2 1/2d—2 1/2d	2s 2 1/2d—2 1/2d
Mexico	pence to dols.	T.T.	25 1/2—25 1/2	24 1/2d	24 1/2d	24 1/2d

York from London. The United Kingdom imports and exports of gold during the month of October, 1923, were as follows:—Imports, £3,419,951; exports, £6,151,627.

SILVER.

The market has shown unusual strength this week. It is rather difficult to account for this, for factors which in this market may be regarded light and transitory have possibly had considerable weight in the Far East. Such a factor has been the dollar exchange, which, though discomfiting, has been known here to be owing to causes which may be but passing. Though its recent movement has been only about 1 per cent., without doubt the suggestion of an apparent falling off in the future demand for sterling has influenced Indian prices to a much larger percentage. The locking up of so large a proportion of the world's visible stock in Bombay has also been a factor. The degree of firmness with which this is being held is possibly better known there than here. The liquidation of such a stock in a reasonable time is rather doubted in this market, as rising rates for money in India might make carrying difficult. Another factor just now is the approaching Chinese New Year. Stocks have been running down at Shanghai, but very large reinforcements are on the way to China from different quarters, amounting to over 5,000,000 ounces. There are also 3,000,000 ounces on the way to India. In fact, nearly all the world's supplies are going Eastward, and that for a very good reason—there is nowhere else where the surplus over trade requirements can go. Yesterday's prices—33½d for cash and 32½d for two months' delivery—were peak prices, the former since November 9, 1922, and the latter since April 30, 1923. To-day a natural reaction took place to 32½d and 32½d respectively. The level of prices for the present may be rather higher than earlier in the year so long as China stocks decrease.

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Oct. 22, 1923.	Oct. 31, 1923.	Nov. 7, 1923.
Notes in circulation	17,948	18,082	17,996
Silver coin and bullion in India	9,768	9,902	9,816
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,432	2,432
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,748	5,748	5,748
Securities (British Government)	..	..	..

No silver coinage was reported during the week ending 7th instant. The stock in Shanghai on the 10th instant consisted of about 22,300,000 ounces in sycee, 33,000,000 dollars, and 1,100 silver bars, as compared with about 26,100,000 ounces in sycee and 35,000,000 dollars on the 3rd instant (no advice was received on the latter date as to the number of bars).

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce. Cash. Forward.	Date.	Silver. Cash.
Nov. 10..	93 4	32 ½	Nov. 23, 1917..	42 ½
12..	94 6	32 ½	23, 1918..	48 ½
13..	94 1	32 ½	21, 1919..	73 ½
14..	94 7	32 ½	19, 1920..	49 ½
15..	95 2	32 ½	18, 1921..	39 ½
16..	95 3	32 ½	17, 1922..	32 ½

NOTICES.

The Union Bank of Australia, Limited, advise that they have opened a branch at Kingston, South Australia.

The Canadian Bank of Commerce, 2 Lombard street, E.C. 3, announces that Sir John Aird, general manager of the bank, was elected president of the Canadian Bankers' Association at the annual meeting held in Montreal on November 8th.

The Rt. Hon. Lord Inverforth, P.C., has joined the board of advice in London of the National Bank of Australasia, Limited.

Lloyds Bank, Limited, announce that a branch of the bank is now open at 447 London road, Westcliff-on-Sea, under the management of Mr A. F. Bennie.

It is announced that Sir S. Hardman Lever, Bart., K.C.B., has joined the London committee of the Bank of Montreal, the other members of which are Sir Thomas Skinner, Bart., chairman, and Mr F. R. S. Balfour.

The London Joint City and Midland Bank announces the opening of a new branch in High street, Shepton Mallet, Somerset, under the management of Mr R. M. Stewart. An additional office has also been opened at 7 Church street, Modbury, Devon.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1922.	1923.	1923.	Increase or Decrease.	1923.	Increase or Decrease.
Mar.	234,986	235,424	533,553,199	+ 59,806,190	117,117,122	+ 3,419,324
Apr.	235,839	234,970	521,387,412	+ 105,578,442	118,627,158	+ 38,240,343
May	235,472	235,186	545,503,898	+ 97,510,054	126,173,540	+ 32,573,715
June	236,683	236,739	540,054,165	+ 66,903,501	124,046,578	+ 14,427,896
July	235,813	235,477	534,634,552	+ 91,678,679	121,044,775	+ 18,392,282
Aug.	235,696	235,357	563,292,106	+ 90,181,967	136,519,553	+ 49,897,384

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1922-23. + or -	1922-23. + or -

INDIAN.

Southern Punjab	4 mths	July 31	717	Rs. 10,61,194	Rs. 45,79,561	Rs. 11,50,436
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CANADIAN.

Canadian National	9 mths	Sept. 30	Gross \$21,808,415	Net 1,845,370	66,183,181	171,588,585
Canadian Pacific	9 mths	Sept. 30	Gross \$17,746,000	Net 4,498,000	404,000	130,686,000
Temiscamunga	1 mth	Sept. 30	Gross 44,321	Net 88,000	19,251,000	87,000

BRAZILIAN.

Brazil Gt. Strhn.	9 mths	Sept. 30	Ms. 54,750	Ms. 6,813	551,650	104,150
State of Bahia	6 mths	Oct. 31	Ms. 6,813	Ms. 2,753	23,709	7,362

CHILE AND PERU.

Peruvian Corp.	4 mths	Oct. 31	1,056	\$ 1,217,600	146,600	5,256,100
Taital	4 mths	Oct. 31	172	\$ 214,730	3,038	73,581

URUGUAYAN.

Midland Uruguay	4 mths	Oct. 31	319	\$ 18,085	\$ 3,361	\$ 56,201
N.-W. Uruguay	4 mths	Oct. 31	113	\$ 7,872	\$ 479	\$ 21,925
Uruguay North.	4 mths	Oct. 31	74	\$ 3,085	\$ 700	\$ 8,701

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay	1 mth	July 31	Gross \$257,251	Net 65,239	..	..
Belra and Mashonaland	1 mth	Aug. 31	153,230	23,952	..	..
Bilbao	10 mths	Oct. 31	15	1,786	93	19,763
Bolivar	10 mths	Oct. 31	136	7,800	544	106,247
Costa Rica	3 mths	Sept. 30	189	21,730	4,136	17,539
Dorado Extension	9 mths	Sept. 30	70	18,500	4,000	152,500
Corrado Rope Ex.	9 mths	Sept. 30	45	6,250	500	78,700
International of Central America	9 mths	Sept. 30	Not	51,061	1,664	663,753
La Guaira & Car.	10 mths	Oct. 31	232	11,060	2,050	288,779
Mexican Railway	3 mths	Sept. 30	Gross \$108,700	Net 70,700	3,117,500	257,400
Mid. of W. Aust.	3 mths	Sept. 30	277	\$ 11,362	2,655	434,200
Nasajo Ocarab.	8 mths	Aug. 31	..	11,490	613	32,479
Puerto Cabello & Rhoedia Rail'ys.	11 mths	Oct. 31	35	3,750	250	97,637
Samana & Santiago	1 mth	Aug. 31	..	152,579	4,871	45,500
Santa Fe Prov.	1 mth	Sept. 30	..	4,120	1,162	67,010
Zafra and Hueve	9 mths	Sept. 30	112	137,280	6,260	101,854

TRAMWAY & OTHER RECEIPTS.

Argentine Light and Power (a).	6 mths	Sept. 30	39,017	3,484	234,617	21,301
Barcelona Trac. (a).	9 mths	Sept. 30	Gross \$3,984,372	Net 173,587	37,091,354	3,457,673
Brasilia Trac. (a).	9 mths	Sept. 30	Gross \$2,325,127	Net 72,797	20,822,765	558,888
Brasilia Trac. (a).	9 mths	Sept. 30	Gross \$2,168,000	Net 45,900	181,880,000	3,797,000
Brit. Columbia Electric, &c.	2 mths	Aug. 31	Gross \$855,551	Net 13,277	1,707,394	30,348
Burnham Electric Trams & Light.	1 mth	Sept. 30	Gross \$226,734	Net 2,767	480,996	32,603
Cape Elec. Trams	1 mth	Sept. 30	Gross \$66,082	Net 4,253	..	8,283
Cartagena and Herreras Trms.	10 mths	Oct. 31	Gross \$46,054	Net 46,553	637,298	44,794
Cities Service Co.	24 weeks	Sept. 9	Gross \$1,025,587	Net 18,914	16,657,793	2,240,233
El Paso Elec. Rl.	9 mths	Sept. 30	Gross \$4,105	Net 307	25,381	1,247
Light & Power International	3 mths	Sept. 30	Gross \$1,111,305	Net 82,501	9,999,698	366,470
Light & Power International	3 mths	Sept. 30	Gross \$577,582	Net 52,200	5,171,360	298,729
Light & Power International	3 mths	Sept. 30	Gross \$21,636	Net 1,229	65,325	3,985
Light & Power International	3 mths	Sept. 30	Gross \$5,716	Net 463	18,201	1,489
Light & Power International	3 mths	Sept. 30	Gross \$2,616	Net ..	18,392	..
Keystone Tele.	9 mths	Sept. 30	Gross \$152,159	Net 9,741	1,333,497	83,746
La Guaira Harbr.	1 mth	Oct. 31	Gross \$71,623	Net 7,330	597,523	90,725
La Plata Electric	10 mths	Oct. 31	Gross \$7,222	Net ..	..	..
Lima Light, Pwr. and Tramwys.	7 mths	July 31	Gross \$76,644	Net 6,830	497,066	16,736
Manila Electric Railroad, &c.	9 mths	Sept. 30	Gross \$305,075	Net 8,233	2,639,887	1,439
Para Electric	11 mths	Oct. 31	Gross \$132,353	Net 21,240	1,107,319	9,406
Puebla Tram. &c.	1 mth	Sept. 30	Gross \$50,207	Net 3,598	283,462	20,999
Rangoon Electric	1 mth	Sept. 30	Gross \$14,935	Net 2,402	125,994	12,676
Shanghai Electric	8 mths	Aug. 31	Gross \$3,261,100	Net 12,650	26,72,050	1,15,559
Shanghai Electric	10 mths	Oct. 31	Gross \$1,58,000	Net 4,561	1,42,175	19,209
Union Electric Co. of Montevideo	12 mths	Sept. 30	Gross \$53,069	Net 1,244	634,067	66,944
Vera Cruz	9 mths	Sept. 30	Gross \$235,338	Net ..	..	..
Victoria Falls & Transvaal Pwr.	Quarter	Sept. 30	Gross \$386,757	Net 12,741	3,515,600	13,458
Winnipeg Electric	8 mths	Aug. 31	Gross \$106,938	Net 1,690	1,043,961	473

(a) Formerly Cordoba Light, Power and Traction.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

b) Week ended Nov. 9, 1923.	Miles Open.	Week Ended Nov. 11, 1923.			Aggregate 45 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,745	230,000	351,000	581,000	1,207,800	1,564,800	2,772,600
London & North-Eastern	5,702	359,000	709,000	1,068,000	2,016,000	3,257,000	5,273,000
Do same period 1922	5,657	408,000	796,000	1,204,000	2,210,000	3,360,000	5,570,000
London, Mid., & Scottish	5,963	539,000	902,000	1,441,000	2,876,000	4,031,000	6,907,000
Southern	2,127	275,700	118,500	394,200	1,514,900	2,527,400	4,042,300
Metropolitan (e)	79	32,426	4,064	36,490	1,447,021	166,131	1,613,150
Underground E.R. (e)	..	..	..	..	..	..	10,262,400
Lon. & Sub. Group (e)	..	..	..	..	..	..	136,339
Belfast & Co. Down (b)	80	4,156	1,336	5,492	241,521	55,944	297,465
Dublin and S.-East. (b)	160	6,297	3,546	9,843	285,755	152,961	438,716
Gt. Northern (Ireland) (b)	562	16,800	22,400	39,200	..	..	1,875,550
Midland Gt. West. (b)	538	8,287	15,114	23,401	453,938	651,634	1,105,572

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -

INDIAN.

Assam Bengal	28 weeks	Oct. 13	1,072	Rs. 3,35,000	Rs. 49,662	Rs. 60,82,961	Rs. 1,45,171
Barsi L. Ry.	28 weeks	Oct. 13	118	18,000	2,300	8,72,800	71,800
Bengal & N. Western	3 weeks	Oct. 13	20	4,41,500	13,311	12,16,360	1,14,858
Bengal Nagpur	26 weeks	Sept. 30	2,738	15,56,000	1,98,000	3,68,37,497	7,65,716
Bombay Bar. & C.I.	32 weeks	Nov. 10	2,994	20,31,000	1,37,000	6,53,32,000	11,68,000
Burma	26 weeks	Sept. 30	1,342	8,08,355	36,116	1,69,61,695	91,008
Delhi, Umballa & Kalka	5 weeks	Nov. 3	239	1,41,000	1,124	5,51,715	28,193
East Indian	32 weeks	Nov. 10	2,856	32,59,000	1,19,000	9,84,57,000	2,44,000
G. Indian Peninsula	32 weeks	Nov. 10	3,164	22,12,800	458,500	7,61,72,440	51,28,602
Madras & S. Mahr.	28 weeks	Oct. 13	3,029	24,15,000	27,043	3,99,12,855	3,47,358
Rohilk'd & Kumaon	2 weeks	Oct. 13	13	259	1,10,096	20,284	3,99,12,855
Do Lucknow-Breilly	2 weeks	Oct. 13	314	74,332	20,167	..	..
South Indian	28 weeks	Oct. 13	1,877	17,56,326	38,246	42,76,77,642	7,75,454

CANADIAN.

Canadian National	44 weeks	Nov. 7	22,680	\$ 4,12,328	\$ 236,759	\$ 213,362,549	\$ 18,346,807
Canadian Pacific	44 weeks	Nov. 7	13,539	\$ 5,397,000	\$ 51,100	\$ 159,626,000	\$ 6,392,900

ARGENTINE (a).

				£	\$	£	\$
Argentina N.E.	19weeks	Nov. 10	718	9,200 +	900	211,200	23,300
Argentina Trams.	19weeks	10		4,759	511	72,514	28,224
S. A. and Pacific	19weeks	10	3,324	143,000 +	2,000	2,542,000	49,000
S. A. & Gt. Southern ..	19weeks	10	3,948	182,000 +	23,000	3,071,000	120,000
			Net	68,000 +	24,000	895,000	185,000
B. A. Western	19weeks	10	1,888	81,000	8,000	1,453,000	28,000
			Net	28,000	6,000	382,000	28,000
Central Argentine ..	19weeks	10	1,888	192,000 +	2,000	3,847,000 +	265,000
Corrientes Central ..	19weeks	10	1,206	49,500 +	9,700	1,150,600 +	8,600
Entre Rios	19weeks	10	729	20,900 +	2,500	348,700 +	28,500

DIVIDEND ANNOUNCEMENTS.—Continued.

Triumph Cycle	7½%	Dec. 1	Tax free	10	10
Trustees' Corporation, Pref.	4½	Dec. 1	Less tax	5	5
Victoria Motor and Cycle	4½	Dec. 1	Less tax	5	5
Wall Paper Manufs., Ord.	10	Dec. 1	Less tax	10	10
Do Deft.	10	Dec. 1	Less tax	10	10
Wearside Lead	16 p.s.t.	Dec. 1	Less tax	10	10
Wearside Steel, Pref.	4½	Dec. 1	Less tax	10	10
Do Deft.	8½	Dec. 1	Less tax	14½	6
Whiteaway, Laidlaw, and Co.	10*	Dec. 1	Tax free	10	10
Wm. Cory and Son	5%*	Dec. 1	Less tax	10	10

(a) Increased capital.

CROSSES AND WINKWORTH CONSOLIDATED MILLS, LIMITED, intimate that, owing to trade conditions, and with a view of conserving the company's resources, payment of the dividend on the preference shares, due on January 1st next, will be postponed, and that there is no immediate prospect of discharging the arrears.

MINING OUTPUT STATISTICS FOR OCTOBER, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Crude Works.	Mill.	Crude Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Abbotiakoona	6,670	..	..	..	(a) 12,032	..
Associated Northern	435	..	..	..	1,750	177
Colombian	4,790	..	..	..	8,503	..
El Oro	36,900	..	..	..	\$159,096	\$8,051
Golden Horseshoe	6,804	..	..	..	(a) 15,837	1,690
Globe and Phoenix	6,447	..	..	..	5,508	10,450
Hampton Properties	1,213	..	..	..	2,103	409
Lake View and Star	4,030	..	..	..	10,188	..
Lonely Reef	5,370	..	..	..	(b) 8,542	..
New North-West	..	..	..	..	\$76,500	..
Oriental Cons. (Sept.)	19,822	..	..	..	\$95,850	\$24,633
Oroville Dredging	..	..	..	..	..	..
Nechi (11 days, Nov. 5th)	1,591	..	..	..	\$15,113	..
Oroya Links	3,270	..	..	..	(a) 10,297	..
Planet-Areturus	6,510	3,900	..	..	(c) 6,112	934
Prentiss, Block A	7,399	..	..	..	(a) 12,764	..
Santa Gertrudis	58,250	..	..	..	..	\$14,005
Shamva	5,160	..	..	..	(c) 36,197	10,280
Sheba	..	..	..	..	1,321	..

(a) Par value. (b) Net realisation, 92s per oz. (c) £4 12s per fine oz.

	Output.	Other Notes in Return.	
		Tons.	
Copper.	Tons.		
Falcon	250½	Blister copper; 2,436 ozs gold; 4,916 ozs silver.	
Namaqua	242	Blister copper.	
Poderosa	400	Metric tons, assaying 22% copper.	
Tin.			
Berenguela	23	Black tin, average 67% fine tin.	
Boro	54	Black tin.	
Briseis	35	Black tin.	
Filiani (Nigeria)	3	Black tin, value, £3,668.	
Geeyor	30½	Value £3,383; gross profit, £2,216.	
Kaduna Prosp.	15½	Est. value, £5,250.	
Kaduna Synd.	21	Gross profit, £269.	
Kinta	28½	Shipped 52 tons.	
Monguna	4	Shipped 6 tons.	
Nigerian Consolidated	8½		
Pengkalen	4½		
Pusing	46		
Rayfield	51½		
Renong	90		
Siamese	6		
South Bukuru	2		
Yarde Kerri	..		
Coal.			
Chinese Engineering	82,761	Week ended Oct. 27th.	
Clydesdale	19,043	Coalbrook, 24,657 tons Blackhill.	
East Kent	4,368	Week ended Nov. 10th.	
Tweelfontein	75,242		
Miscellaneous.			
Akim	..	Diamonds, 1,008 carats; gold, 145 ozs.	
Burma Ruby	..	Rubies valued at Rs.96,000; royalties, Rs.14,000; sluices, Rs.6,400.	

SAN FRANCISCO.—Oct.—Ore treated, 9,553 tons; lead concentrates produced, 2,150 tons; zinc concentrates produced, 2,525 tons. Estimated net smelter return on lead, \$117,400; United States currency, on zinc, \$38,810. Total net smelter return, \$156,210; operating expenses, \$46,715; estimated operating profit, \$109,495; capital expenditure, \$11,750.

SOUTH AMERICAN COPPER.—During Oct. 3,982 tons of ore were produced for smelting; 3,546 tons of ore, with about 1,100 tons of flux added, were smelted, producing 518 tons of matte, assaying 24 per cent. copper.

ZINC CORPORATION.—Oct.—Lead concentrator treated 15,758 tons of ore, producing 3,355 tons of lead concentrates, assaying 66½ per cent. lead and 5,275 tons of zinc middlings.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of October was 61,833 barrels, equal to approximately 8,800 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 9,600 tons.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—A cablegram has been received from Burma reporting that the production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of October amounted to 61,467 barrels.

GENERAL PETROLEUM COMPANY OF TRINIDAD.—Estimated gross production of crude oil for the week ending October 31st was 5,470 barrels, equal to approximately 781 tons.

STEAUA ROMANA (BRITISH), LIMITED.—The approximate fields' gross production for the month of October was 18,320 tons.

THE KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during October amounted to 106,376 barrels, or approximately 15,196 tons, including:—St Heleas Petroleum

Company, Limited, 48,473 barrels (6,925 approx. tons); Kern Trinidad Oilfields, Limited, 5,096 barrels (728 approx. tons); Kern Romana, Limited, 3,892 barrels (556 approx. tons).

The London financial agents of the Mexican Eagle Oil Company, Limited, are advised that the production for the week ended October 27, 1923, was 164,000 barrels.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, November 7, 1923, amounted to 888 tons.

Reports and Notices.

Mr Lionel N. de Rothschild, O.B.E., M.P., has joined the board of the Alliance Assurance Company, Limited.

Mr A. de V. Leigh, M.B.E., M.A., has been appointed secretary of the London Chamber of Commerce in succession to the late Mr Charles E. Musgrave.

William L. Sleight, Esq., D.L., J.P., chairman of the Edinburgh board of the General Accident Fire and Life Assurance Corporation, Limited, has been elected Lord Provost of the City of Edinburgh.

We are informed that the total new business transacted by the National Mutual Life Association of Australasia, Limited, for the year ending September 30, 1923, amounted to £5,883,000. This is an increase of £575,000 over the previous year's figures.

Mr George Ernest Clark (son of Sir George S. Clark, the former chairman of the company) has joined the board of Workman, Clark and Co., Limited.

The Eastern Company of Transport and Insurance, Limited, announce that they have opened an insurance department at 25 Budge row, E.C. 4.

We are informed that a controlling interest in the Denaby and Cadeby Main Collieries, Limited, of Yorkshire, has recently been jointly acquired by Wm. France Fenwick and Co., Limited, and the Constructive Finance Company, Limited, of London.

Mr A. F. Harrison, of the City of London Electric Lighting Company, Limited, has been elected president of the Chartered Institute of Secretaries. Mr J. W. Slack, of Radiation, Limited, and Mr Henry Clark, of the Union Corporation, Limited, have been elected vice-presidents, and Mr R. B. Pilcher, of the Institute of Chemistry, has been elected treasurer for the ensuing year. Mr Alderman F. J. Barthorpe has been appointed the institute representative on the council of the London Chamber of Commerce for the ensuing year.

RAILWAYS.

NORTH-WESTERN OF URUGUAY.—The results of the working of the railway as compared with the corresponding period in 1921-22 are as follows:—

	1921-22.	1922-23.	Difference.	
	£	£	£	Per Cent.
Gross earnings	75,075	75,926	+ 851	1.13
Working expenses	61,939	57,522	- 4,417	7.13
Net profit	13,136	18,404	+ 5,268	40.11

INSURANCE.

LANCASHIRE AND CHESHIRE INSURANCE.—The accounts for January 1, 1922, to June 30, 1923, show in the general section a considerable reduction of business, the net premium income for the period being £325,260, as compared with £767,639 for 1921. The net marine premium income for 18 months amounted to £50,917, as compared with £49,591 for the previous twelve months. The claim figures shown in the accounts not only include claims paid, but all claims of which the company had received definite advice. The marine underwriting balance carried forward, namely £39,445, is approximately 80 per cent. of the premium income for the whole 18 months period. Miscellaneous securities, which appeared in the last balance-sheet "at cost," have been written down to the extent of £58,457, and all the company's investments are now taken at market value.

UNITED INSURANCE (AUSTRALIA).—We are informed that the balance of the profit and loss account for the year ending September 30, 1923, is £74,839. A dividend of 10 per cent. has been declared, and 5,000 unallotted shares are being issued at £5 each, appropriating £25,000, from profit and loss for payment of same. To the reserves £15,000 has been added and the balance of £2,339 carried to contingent account. The capital of the company is £1,000,000 of which £350,000 will be paid up. The total assets amount to £809,818.

RUBBER, &c.

KELANTAN ESTATES.—The report for year ended June 30, 1923, shows that this company has had a better year. Net profits amount to £8,485, against a net loss of £6,776 in preceding year. No dividend is being paid on the ordinary shares, and £2,959 is carried forward. Production of rubber increased from 364,023 lbs to 502,147 lbs. Cost of production was 7.925d per lb, delivered at Singapore, against 11.448d per lb for preceding year.

MORIS PLANTATIONS.—For the year ended June 30, 1922, this company had a net loss of £2,124, and paid no dividend on its ordinary shares. The year ended June 30, 1923, was a better one, as a net profit of £1,943 was secured, and the ordinary shareholders are to receive a dividend of 3 per cent. The sum of £65 goes forward, against £222 brought into the accounts.

SUNGEI SIPUT PLANTATIONS.—The report for the year ended June 30, 1923, reveals a net profit of £1,534, against a net loss of £2,464 in the preceding year. No dividend is being paid on the ordinary shares, but the debit balance has been reduced from £2,521 to £987. The output of dry rubber during the year was 173,481 lbs. Of the rubber produced, 35,000 lbs were sold in London at an average gross price of 1s 2.29d per lb, and 126,695 lbs were sold locally in the East at an average gross price of 9.05d per lb. The expenditure upon development during the year amounted to £1,590 7s 6d. There was no expenditure upon buildings and machinery.

TANDJONG RUBBER.—Some interesting particulars of the working results of this company are contained in the report just issued for the financial year ended June 30, 1923. The average net sale price, including the estimated value of the unsold portion of the crop, was 1s 2.63d per lb, as compared with 8.37d for the previous year. The cost of production, free on board at port of shipment, including depreciation, commission to staff and London administration, was 8.23d per lb, as compared with 8.86d for the previous year. The financial results secured show a notable improvement, the net profit having increased from £1,443 for year 1921-22 to £27,922 for 1922-23, and the ordinary dividend at 10 per cent. compares with nothing for preceding year, and £25,370 is carried forward, against £22,448 brought in.

MISCELLANEOUS.

BRITISH AUTOMATIC CO.—The accounts for the year to September 3, 1923, show a net profit of £65,820, after making provision for corporation profits tax, as compared with £59,158 in the previous year. To this has been added £9,471, brought forward last year, making £75,291 to be dealt with. The cost of machines and fittings purchased during the year, amounting to £23,628, has been written off. The ordinary dividend is maintained at 10 per cent., less tax. A balance of £11,662 is carried forward.

BURBERRY'S, LIMITED.—The net profit for the year ended March 31, 1923, amounted to £91,708, against £67,194 in preceding year. Adding £29,694 brought in, there is £121,402 available. Of this sum £26,180 is utilised to put to reserve, against investments, and £95,221 is carried forward. The report states that, owing to the large amount still due to the company's bankers, it is not proposed at present to pay a dividend on the preference shares, but it is hoped, at a comparatively early date, to reduce this amount to a figure which will admit of a payment being made. It will be noted with satisfaction that the large sum due to the company's creditors in connection with commitments incurred in 1920, which amounted to £541,000, has now been entirely discharged. The figures disclosed in the balance-sheet also show a substantial reduction in the ordinary liabilities of the company, which, in spite of lost markets, is maintaining its trade both at home and abroad. Having regard to the estimated present values of the freehold and leasehold premises and fixed plant, the directors has not considered it necessary to charge any depreciation in arriving at the profits for the year.

HORDEN COLLIERIES.—Improved results have been secured by this company for year ended September 30, 1923, the net profit amounting to £330,903, against £171,782 for preceding year. The ordinary dividend has been raised from 8 per cent., free of income-tax, to 15 per cent., free of income-tax. The sum of £100,000 has been put to reserve account, and £52,346 is carried forward. The report contains some interesting particulars, as follows:—The acute depression in the shipbuilding industry, emphasised by the continued boiler makers' dispute, has seriously affected the consumption of steel, with a consequent reduced local demand for fuel by the steel and engineering trades. On the other hand, the unusually large demand for export has continued during the year. The quantity of coal drawn during the year is again the largest in the history of the company. Under the national agreement the men's wages have increased materially during the period under review. It is satisfactory to report that all questions relating to special taxation have been agreed and settled. Adequate provision has been made for ordinary taxation.

NEW ZEALAND AND AUSTRALIAN LAND.—This company has enjoyed greater prosperity during the year ended March 31, 1923. The net profit at £246,198 compares with £59,962. The dividend is 6 per cent., free of income-tax, as against 5 per cent., free of income-tax, in the preceding year. The sum of £67,000 has been transferred to contingency fund. The sum of £23,373 is to be carried forward, subject to corporation profits tax.

ROVER CO.—The results for the year ended August 31, 1923, show that, including £25,000 paid as compensation to the late managing director, and after writing down stocks by £59,105, there was a loss for the year of £36,752, against a net profit in the preceding year of £146,754. The directors propose to bring back to the profit and loss account £50,000 placed to reserve for equalisation of dividends in 1919, which, with the balance brought in, gives a total of £100,252. From this the past year's loss is written off, leaving £63,500, out of which the board recommend the payment of a dividend of 5 per cent., as against 10 per cent. in preceding year, and carry forward £23,687, against £50,252 brought into the accounts.

SLATERS, LIMITED.—The report and accounts just issued for year ended September 30, 1923, show an improvement on the preceding year. The ordinary shareholders are to receive 6 per cent., against 5 per cent. The net profits amount to £22,263, against £9,777, and

£9,621 is carried forward, against £3,791 brought in. The directors express the hope that the operations of the company in the financial year 1923-1924 may show even better results.

SOUTH WALES COLLIERY AMALGAMATION.—The directors of Guest, Keen, and Nettlefolds, Limited, announce that they have made an offer on behalf of that company to the ordinary shareholders of Consolidated Cambrian, Limited, and D. Davis and Sons, Limited, the well-known South Wales colliery proprietors. The offer of Guest, Keen, and Nettlefolds, Limited, is, in the one case, to allot two Guest, Keen ordinary shares for every five Consolidated Cambrian ordinary shares of £1 each, and in the other to allot one Guest, Keen ordinary share for every five ordinary shares (5s each) in D. Davis and Sons, Limited. The new shares so allotted will rank for Guest, Keen dividend as from January 1, 1924.

TRINIDAD LEASEHOLDS.—The net profit of this company for year ended June 30, 1923, amounted to £127,993, against £54,244 in preceding year. The ordinary shareholders are to receive 10 per cent., against nothing in preceding year, while £41,749 goes forward, against £18,681 brought in to the accounts. The report states that working costs per ton of oil show a marked reduction on the previous year. Receipts from fuel oil sales increased considerably, and production of oil at 144,045 tons shows an increase of 12,629 tons on preceding year. Purchases of oil from other companies at 123,797 tons was 56,042 tons in excess of previous year.

TRIUMPH CYCLE.—The net profit secured for year ended August 31, 1923, is £41,546, against £36,482 in preceding year. The ordinary shareholders again receive 10 per cent., free of income-tax. The sum of £10,000 is put to reserve fund, and £2,500 goes to pension fund. The sum of £20,076 goes forward, against £17,501 brought into accounts.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Unsettled and stormy weather has prevailed during the week, with heavy rainfalls in some parts of the country. A fairly extensive area, however, has been seeded, and early sown winter wheat and oats above ground appear healthy. English wheat was in moderate demand, but prices ruled steady, best milling samples ruling at 8s 9d to 9s 6d, with inferior down to 8s per 112 lbs, free on rail. Imported generally quiet, but Canadian descriptions maintain a steady level. No. 1 Northern Manitoba quoted 48s to 48s 6d, Barusso 62½ lbs 46s, and choice white Karachi landed 45s 6d, all per 496 lbs. A quiet tone prevailed in the floating and forward section, but holders were reserved, and required full to firmer rates respecting North American grades. This resulted in rather more inquiry for white descriptions. Steamers of No. 2 Northern Manitoba, January shipment, sold at 43s 3d, and part cargoes of Australian December at 45s 9d, ditto January 45s 3d per 480 lbs. Maize cargoes dearer, while reservedly offered. Sailer of No. 6 yellow African loading sold at 37s, Plate steamers arrived sold 36s, afloat 36s 1½d to 36s 3d, loading 36s 6d, per 480 lbs. Barley cargoes firm and sparingly offered, and a part cargo of Dan.-Bess.-Kustendji afloat sold 28s 6d, per 400 lbs. Flour firmer, with a better demand. London standard straight was advanced to 37s 6d, patents 39s 6d to 40s 6d, town house-holds 35s 6d per sack delivered in. All-English country straights 30s 6d to 32s per sack delivered at London stations. Imported steady. Manitoba patents range from 36s 6d to 39s 6d, Minnesota 38s 6d to 40s 6d, and Australian 32s 9d to 33s 6d, all per 280 lbs, ex store. Millers' offals tend firmer. Broad bran quoted at 7s 6d, ordinary 6s 9d-7s, middlings 8s 3d, bags included, ex mill, light oats 5s 9d, powdered oat husks 5s 9d, feed oatmeal 9s 3d, ground oats 13s 1d, free on rail, all per cwt. Barley, English fully steady malting descriptions, quoted at 9s 6d-13s 9d, with feeding kinds 8s 3d-8s 9d, as to sample per 112 lbs, free on rail. Imported very firm. Californian 39s-44s 6d, Chilean brewing 38s 6d-44s per 448 lbs, ex store. Persian ex ship 26s 9d, Danubian 29s 6d, Algerian-Tunisian 28s 6d, No. 4 Canadian Western 29s, all ex ship per 400 lbs. Maize firm. Plate ex ship 37s 3d, landed 38s 9d, No. 6 yellow African ex ship 37s 3d, all per 480 lbs. Oats, English, quiet at 8s 4d-10s 2d per 112 lbs, free on rail as to sample. Imported maintained for spot and near at hand parcels. Plate, ex ship, f.a.q., 22s 3d, landed 23s 6d, No. 2 Canadian feed landed 26s, No. 2 Canadian Western ex ship 26s 9d, landed 28s 6d,

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefes.	Ordinary.	Rate.				
		£	£	£	£	£	%	£	£	£	%
Breweries.											
Archibald Campbell, Hope, & King	Sept. 30	7,018	13,560	20,578	3,850	4,500	7½	5,000	7,228	14,681	7½
Backus and Johnston's	June 30	Dr 3,349	6,529	3,180					3,180		
Brickwood and Co.	Sept. 30	26,662	61,406	88,068	7,905	37,898	9	20,000	22,265	69,351	15
Hall's, Oxford	Sept. 30	39,580	31,578	71,158	10,000	10,000	10½	8,000	43,158	32,929	10½
Financial, Land, &c.											
British Central Africa Co.	Dec. 31	Dr 25,414	Dr 44,031	Dr 69,445					Dr 69,445		
London and Colonial Investment	Sept. 30	1,740	12,705	14,445	4,636	6,954	7½		1,000	1,855	12,453
New Zealand & Australian Land	Mar. 31	4,175	246,198	250,373	40,000	120,000	6½	67,000	23,373	59,962	5½
Queen's Club Gardens Estates	Sept. 30	18,253	9,946	28,199		6,300	6		21,899	6,903	5
Hotels, Restaurants, &c.											
Palace and Derby Castle	Oct. 31	4,511	18,571	23,082	3,000	11,000	10	5,000	4,082	25,160	10
Slater's	Sept. 30	3,791	22,263	26,054	4,575	11,858	6		9,621	9,777	5
Iron, Coal, and Steel.											
Horden Collieries	Sept. 30	46,443	330,903	377,346		225,000	15½	100,000	52,346	171,782	8½
Motor and Cycle.											
J. B. Brooks and Co.	Aug. 31	9,657	49,139	58,796	3,854	18,885	15(f)	22,000	14,057	(v) 5,680	15
Rover Co.	Aug. 3	50,252	Dr 39,759	13,500		39,813	5	Dr 50,000	23,687	146,754	10
Triumph Cycle	Aug. 31	17,501	41,547	59,048	3,971	22,500	10½	12,500	20,077	36,482	10½
Nitrate.											
Lagunas Syndicate	June 30		22,496	22,496				22,496		21,689	
Liverpool	June 30	17,221	41,009	58,230		32,880	15	6,454	18,896	Dr 7,650	nil
Oil.											
Trinidad Leaseholds	June 30	18,681	127,993	146,674		104,925	10		41,749	54,244	nil
Rubber, &c.											
Ceylon Land and Produce	June 30	8,596	32,083	40,679	3,000	22,500	45	5,000	10,179	14,874	30
Kelantan	June 30	5,526	8,485	2,959					2,959	Dr 6,776	
Morib Plantations	June 30	222	1,943	2,165		2,100	3		65	Dr 2,184	nil
Sungei Siput	June 30	Dr 3,521	1,534	Dr 987					987	Dr 2,464	nil
Tandjong	June 30	22,448	27,922	50,370		25,000	10		25,370	1,443	nil
Telegraphs, &c.											
Amazon Telegraph	June 30	173	Dr 6,370	Dr 6,197				Dr 6,509	303	Dr 11,617	
Other Companies.											
African Lakes Corporation	Dec. 31	3,352	25,456	28,808		12,500	5½	5,500	10,808	Dr 407	5½
Blackpool Pier	Oct. 31	9,587	7,972	17,559	669	6,500	13½		10,390	7,013	13½
British Automatic	Sept. 30	9,471	65,820	75,291		40,000	10	23,629	11,662	59,158	10
Burberry's	Mar. 31	29,694	91,708	121,402				26,180	95,222	67,194	
Hugh Baird and Sons	Aug. 31		21,753	21,753	4,000	7,100	10		10,853	25,098	10
Irish Times	Sept. 30	9,068	22,464	31,532	16,462	7,875	5		6,195	18,241	6
Lawes' Chemical Manure	June 30		Dr 22,294	Dr 22,294				Dr 19,518	27,904	Dr 18,650	
Liverpool Warehousing	Sept. 30	16,500	99,377	115,877	13,853	74,120	15			147,582	15
Wall Paper Manufacturers	Aug. 31	114,696	586,619	701,315	57,718	128,207	10 Ord	100,000	223,089	604,074	10 O

† Tax free.

(f) 5% of this paid free of income-tax.

(v) Net profit for two years.

No. 3 ditto landed old 27s 6d, new 27s 3d, Algerian-Tunisian landed 23s, New Zealand "A" grade landed 38s-40s, "B" grade ditto 36s to 37s, all per 320 lbs. Oatmeal moves off steadily at late rates. London made flaked also rolled oats quoted 17s 6d, medium and fine cuts 17s 6d, coarse and medium pinhead 17s, ordinary Scottish oatmeal 17s, American 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-1924	1922-1923	1921-1922	1920-1921
Estimated sales of home-grown wheat—				
1 week to November 10	Owts. 324,761	Owts. 579,063	Owts. 243,505	Owts. 333,090
10 weeks to November 10	4,076,589	4,350,500	3,735,000	4,579,946
Average price of English wheat per cwt.	s d 9 1	s d 9 11	s d 10 3½	s d 21 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Nov. 3	Owts. 248,875	Owts. 702,498	Owts. 75,504	s d 9 1	s d 10 8	s d 8 8
Nov. 10	322,761	736,110	75,623	9 1	10 8	8 8
1919	325,367	568,646	54,592	16 11	28 2	19 11
1920	333,090	678,300	57,642	21 0	25 8	18 9
1921	243,506	510,546	57,709	10 3	13 8	9 3
1922	579,064	516,807	91,878	9 11	11 10	9 9

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent writes on November 15th as follows:—Pig-iron: The coming General Election is rather disturbing the course of business. This will, however, only be of short duration, and the undertone remains quite firm and hopeful. Pig-iron prices are unchanged at 100s per ton for No. 3 Cleveland

G.B.B. and 100s per ton for East Coast hematite mixed numbers. Manufactured iron and steel: Prices of steel are distinctly firmer, with more inquiry about. Steel ship plates, £9 15s; steel ship angles, £9 5s; iron bars, £12; steel rails, £9 10s. Iron ore: The inquiry for ore is still quiet. Other two blast furnaces, it is hoped, will shortly be restarted. Some business has been done over the first half of next year, and the tendency is toward higher prices. Iron ore freights have advanced.

Our Sheffield correspondent writes:—Business in the steel trade continues to expand, and each week sees some increase in the amount of plant occupied. Several idle furnaces producing basic steel have been lighted, and preparations are in hand to deal with the large railway contracts which are now under consideration. The outlook is certainly improving, and manufacturers are regaining confidence. There is still, however, much slackness and unemployment, and the absence of work from the shipbuilding industry is being felt. The Board of Trade returns for October record increases in the export of pig-iron, galvanised and tinned sheets, but the statistics reveal a very unsatisfactory state of affairs in various engineering branches, rails and railway material. The motor industry, too, is doing very little abroad. A considerable tonnage of crude mild steel was imported during the month, chiefly from Belgium, France and Luxembourg. The coal trade maintains its strength on the whole, although the consumption of slacks has fallen off, and the house coal demand has been below the average. Stocks of fuel at collieries is light. The export demand keeps up fairly well, and prices are firm. Current quotations at pits are:—Best hand-picked branch, 31s 6d; best silkstone, 27s 6d; Yorkshire steams, 21s; Tyne do., 24s; rough slacks, 11s 6d; smalls, 5s to 8s.

Our Glasgow correspondent, writing on Thursday, says:—The marked improvement in the positions of the steel and iron trades noticed last week has made further progress. The shipbuilding situation is the turn better, and gives sign of development. Rumour has it that several colonial shipping undertakings are arranging for Clyde yards laying down at once keels for from three to four

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended October 31.		Ten Months Ended October 31.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,488,398	7,804,741	84,120,362	79,775,047
B. Feeding stuffs for animals	506,249	418,703	4,235,486	4,703,579
C. Meat	7,750,944	8,039,649	85,579,389	93,972,968
D. Animals living, for food	28,348	2,992,061	1,559,401	9,901,624
E. Other food and drink, non-dutiable	10,690,769	13,297,489	113,280,384	122,339,256
F. Other food and drink, dutiable	10,199,300	10,705,070	80,373,571	93,665,837
G. Tobacco	1,865,573	1,911,722	14,390,624	12,569,764
Total, Class I.	38,529,581	44,828,435	384,569,737	416,928,075
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	15	2,940	53	10,733
B. Other non-metallic mining and quarry products and the like	411,128	447,680	4,287,756	4,680,497
C. Iron ore and scrap	429,371	502,790	3,855,592	6,411,209
D. Non-ferrous metalliferous ores and scrap	864,805	1,206,695	6,254,419	10,345,338
E. Wood and timber	4,839,428	5,677,714	30,617,738	39,125,203
F. Raw cotton and cotton waste	7,715,857	12,359,205	61,918,322	59,968,340
G. Wool, raw and waste, and woollen rags	3,600,378	1,878,969	53,912,570	43,263,297
H. Silk, raw, knubs and noils	272,076	223,293	1,858,232	1,358,400
I. Other textile materials	1,500,570	334,504	8,519,262	7,948,614
J. Oil seeds, nuts, oils, fats, & gums	2,971,614	2,207,299	31,370,113	37,405,717
K. Hides and skins, undressed	1,296,492	1,493,289	12,209,491	14,158,249
L. Paper-making materials	984,114	1,066,986	7,670,149	9,644,007
M. Rubber	623,739	1,399,277	5,687,976	9,818,845
N. Miscellaneous raw materials and articles mainly unmanufactured	1,059,357	1,023,027	7,927,627	8,709,301
Total, Class II.	26,408,842	30,878,668	235,519,300	252,877,750
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	187	3,761	23,207	14,699
B. Earthenware, glass, abrasives, &c.	638,495	720,214	5,746,290	6,167,695
C. Iron and steel and manufactures thereof	954,296	1,171,270	8,426,250	11,468,342
D. Non-ferrous metals and manufactures thereof	1,662,243	2,310,120	14,948,453	20,434,310
E. Cutlery, hardware, implements, and instruments	546,719	662,749	5,118,998	5,748,221
F. Electrical goods and apparatus	172,554	256,413	1,171,017	1,896,521
G. Machinery	683,517	775,394	6,723,002	7,748,372
H. Manufactures of wood and timber	281,275	434,852	3,170,575	3,812,089
I. Cotton yarns and manufactures	568,412	798,410	5,624,282	7,251,595
J. Woollen and worsted yarns and manufactures	838,710	1,053,152	7,605,296	9,630,620
K. Silk and silk manufactures	1,815,538	2,300,213	17,835,610	18,665,037
L. Manufactures of other textile materials	954,599	1,488,976	8,939,247	11,818,054
M. Apparel	1,312,369	1,600,475	11,984,369	14,214,809
N. Chemicals, drugs, dyes, & colours	966,212	1,245,916	9,309,856	11,244,795
O. Oils, fats, and resins, manufactured	2,876,117	2,859,320	34,511,578	29,725,223
P. Leather and manufactures thereof	894,404	988,713	9,027,101	9,822,144
Q. Paper and cardboard	1,116,780	1,474,549	10,079,343	11,061,870
R. Vehicles (including locomotives, ships, and aircraft)	491,310	599,233	5,541,631	6,209,607
S. Rubber manufactures	368,685	289,151	4,744,870	4,178,297
T. Miscellaneous articles, mainly or wholly manufactured	2,583,955	2,640,711	20,013,359	22,064,171
Total, Class III.	19,726,175	23,673,592	190,494,334	213,176,471
IV.—Animals, not for food	30,485	186,943	302,146	1,252,066
V.—Parcel post, non-dutiable articles	231,970	347,093	2,254,490	3,225,289
Total	84,927,053	99,914,731	813,140,007	887,459,691

large oil tankers. Some new work has been secured for first-class vessels at Dalmeir (Beardmore's) and Dumbartonshire, Whiteinch, and Renfrew yards speak of more vigorous times being ahead. Amongst other large and remunerative lines just given out is one for a big number for the home Government, of motor lorries, which will entail several months' constructive operations. The Canadian Pacific coastal service is about to be substantially strengthened. Locomotive engines are more numerous in placement, and engineers are pleased with the outlook in that department. There is also more doing in Diesel and general equipment oil engines, for which the West of Scotland is acquiring an expanding renown. Bridge (steel) builders are very busy, as are tube makers, pipe fitters, most descriptions of machinery builders, &c. Scotch pig-iron keeps steady to strong at for No. 1 foundry, £5 5s. and for No. 3 £5 per ton. Scotch hematite ranks for £5 5s. f.o.t. steel works. The larger size of black sheets are in constant request, and it is announced that some Glasgow firms, including Messrs. Braby, Petershill road, are laying down plant for the increasing of their sheet-making capacity. Coals are a trifle easier, owing to falling off of German demand.

CUMBERLAND IRON.

A considerable change has come over the iron and steel trades during the past few days. The demand for hematite pig-iron has increased substantially, consumers having apparently determined that, whether or not they have obtained contracts in their own industries, prospects of work is such as to compel them to make provision for likely needs. And the consequence is that for the first time this year, smelters have now at command quite a fair volume of forward business. The immediate result, of course, has been an appreciation of values. Bessemer mixed numbers have this month risen by 5s per ton to £5 15s per ton, delivered at

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM

(Value F.O.B.).

	Month Ended October 31.		Ten Months Ended October 31.	
	1922.	1923.	1922.	1923.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	171,166	548,787	2,397,251	3,627,30
B. Feeding stuffs for animals	215,668	111,469	1,530,986	1,452,54
C. Meat	111,292	171,156	836,829	1,087,31

wanted in some parts." Total Java shipments last month reached 154,817 tons, against 122,333 tons at corresponding period last year, including 19,064 tons against 1,032 tons to U.K.-Continent. Port Said for orders, 2,428 tons against 6,673 tons; British India, 36,792 tons against 29,932 tons; Japan, 43,714 tons against 37,128 tons; Singapore, &c., 15,664 tons against 47,478 tons; Hong Kong, 31,935 tons against nil; New Zealand, 4,735 tons against nil. U.K. consumption last month totalled 109,711 tons against 148,683 tons at same time last year. A cargo of Mauritius crystals, afloat, sold, 29s c.f. and i., U.K.; 2,000 tons, Madras cane-jaggery, sold, November-December, 19s; new crop, 18s to 18s 3d, c.f. and i., London.

COFFEE.—The market maintained a firm tone, as supplies on offer remain small, and a steady demand prevailed, mostly on home-trade account. Fair to fine bold coloury Colombian, sold, 95s 6d to 108s, and fine peas, 109s. Futures firmer, but trade was conducted slowly.

COCOA steady, with a moderate spot demand, and good to fine Accra, on spot, sold, 30s to 31s; Accra, F/F quality, January-March, quoted 26s 9d, f.o.b. terms.

TEA.—Indian auctions embraced some 53,125 packages, and apart from medium qualities meeting a rather quiet market, there was a better demand, and general tone ruled firm. Fine and finest broken orange Pekoe, sold, 2s 5d to 3s 2d per lb in bond. 13,170 packages Ceylon catalogued met a good demand with regard to the finer qualities at steady rates, but inferior proved a quiet market, and trend of values favoured the buyer. Pekoe, sold, 1s 4d to 1s 10d; broken orange, 1s 6d to 2s 0d. New season's China steady, but general trade quiet. Fine Keemun, however, were inquired for in the region of 2s, while Moning sittings met a fair scale at 5d to 5 1/2d per lb. 4,800 packages Java and Sumatra were brought to auction, and aroused strong competition, especially all leaf teas, and prices were dearer, being 1/4 to 1/2 lb higher in the case of common grades. Pekoe, sold, 1s 3 1/2d to 1s 6 1/2d; broken ditto, 1s 3 1/2d to 1s 5 1/2d; Pekoe souchong, 1s 2d to 1s 5 1/2d; orange Pekoe, 1s 4d to 1s 7 1/2d; broken ditto, 1s 2 1/2d to 1s 7d per lb.

RICE generally firm, but quiet. Two stars, November-December, 14s 4 1/2d; No. 3 ditto, to Levant, 14s 6d; No. 1 garden Siam, to Continent, 15s 6d. Japanese peas, spot, 23s; afloat, 20s; February-March, 20s 9d per cwt. Rangoon beans quiet, steady.

SPICE.—Pepper quietly steady. Fair black Singapore L.S., December-February, quoted 4 1/2d; Lampung ditto, 4 1/2d; Muntok, January-March, 6 1/2d. Zanzibar cloves, November-January, 1s 4d value; January-March, 1s 4 1/2d per lb. Tapioca slow, at late rates. Sago flour, December-February, Liverpool, sold, 15s per cwt. Dedicated coconut quiet at previous rates.

JUTE reservedly offered and firm, with fair inquiries. First grade, October-November, continent, sold, 23 1/2s; November-December, 23 1/2s to 23 1/2s; December-January, 23 1/2s to 24 1/2s; January-February, 24 1/2s to 24 1/2s per ton. Hessians, 10-oz, spot, 28s; November-December, 27s 6d; 8-oz, spot, 24s; November-December, 21s 6d 100 yds. A twills, November-December, 81s; B ditto, 73s; sugar, 83s per 100 bags.

HEMP.—Manila steady, but at the same time slow. J grade, January-March, quoted 31 1/2s; K, 25 1/2s; L, 25 1/2s; M, 23 1/2s per ton. African sisal unaltered.

SHELLAC steady. T.N., spot, 31s; December, 31s; March, 30s 6d to 31s paid.

COPRA.—All Eastern markets cabled very firm on sustained American inquiry, and with prominent Continental crushers operating, the market again ruled dearer. F.M.S., Straits, August-October, Rotterdam, quoted 28 1/2s 6d; October-November, sold, 28 1/2s; October-December at 28 1/2s 3d to 28 1/2s 9d. Ceylon, October-November quoted 30. Dutch E.I., October-December, 28 6s 3d. Cebu, October-November, 27 1/2s. South Sea, October-December, 27 1/2s. Palm kernels firm. December-February, Liverpool, quoted 19 10s ton.

RUBBER steady as a rule, but general trade proceeded quietly. Standard plantation, crepe and sheet spot, also November delivery, sold, 1s 2 1/2d to 1s 2 3/4d; December, 1s 2 1/2d to 1s 2 3/4d; January-March, 1s 3d to 1s 2 1/2d and 1s 3 1/4d; April-June, 1s 3 1/2d to 1s 3 3/4d. To New York, standard estate sheet, December-January, quoted 1s 2 1/2d lb, c.f. and i. Wild slow unaltered.

FRUIT (Dried).—The market for currants remained steady, with moderate inquiries in force. Pyrgos, 1-cases, quoted, 41s; 2-bags, 39s; Amalia, 46s; Patras, 50s; new Vostizza, 65s to 69s; finest, 72s. Sultan came in for fair patronage, and new Smyrna, quoted, 53s to 56s; good, 62s to 66s; fine, 78s to 85s; Valencia raisins very firm, and there is a good general inquiry at 70s to 125s. Cape, first grade, 50s to 55s. Dates steady, at recent rates. Hallowee, second-tide, quoted, 24s 6d; Khredrowie, 18s 6d; Siam, 14s 6d, landed terms, London. Figs remained steady. Genuine natural, in bags, 37s to 39s; layers, in boxes, 95s to 105s. Evaporated fruits formed a steady, quiet market. Californian choice apricots, quoted, 66s; extra ditto, 72s; fancy, 92s to 100s; Californian plums, 30/40, quoted, 82s to 84s; 40/50, 65s; French plums, quarter-cases, 32s 6d to 60s per cwt.

CANNED GOODS.—In the majority of cases there was very little alteration, and the market can only be described as just steady. Of sardines, Portuguese quarters quoted 2s 6d to 3s; ditto, 12-oz, 5s to 5s 6d; 18-oz, 9s 6d to 11s per dozen tins. Lobster quoted 150s to 155s for fancy halves. Salmon, 8-lb flat reds, quoted, labelled, 53s 6d; ditto, tall, 41s to 42s; 8-lb flat pink, 24s 6d; ditto, tall, 24s; cases of 96 1/2-lbs, 27s to 29s per case.

CANNED FRUITS.—Singapore pines, fair quality, spot, 5s 6d; Californian apricots, 7s to 11s; ditto, peaches, 8s to 12s; pears, 12s 6d to 14s. Tomatoes continued in request, regarding new arrivals, and Spanish threes quoted 6s 6d; Italian ditto, 6s 6d per dozen tins. Meats steady, but with only a moderate trade doing.

OLSEEDS.—Linseed irregular, but firmer on balance, with a good business. Indian: Bold Bombay, November, sold, 23 1/2s; small Bombay, ditto, 22 1/2s; Calcutta, afloat, 22 1/2s 6d; October-November, 22 1/2s. Plate, afloat, 21 10s; December-January, sold, 17 1/2s; January-February, 17 1/2s; April-May

quoted 17 7s 6d. Rapeseed firmer. Toria, November-December, 17 1/2s 6d; real bold Ferozepore, ditto, 17 1/2s; Jamba, 13 1/2s. Cottonseed firmer, with a good demand for Egyptian. Egyptian black, November, 11 1/2s 6d. Sakellaris, 11 10s to 11 8s 9d, Hull. Bombay, November-December, sellers, 19 1/2s; December-January, 19 10s. Gingly seed firm. East African, October-November, 24s 2d 6d. Chinese, October-November, 25 10s. Groundnuts steady. Coromandel, machine-dried, December-January, 23 1/2s; Chinese decorticated, f.a.q., December-January, 22 1/2s 6d; East African, afloat, 23 1/2s. Soya beans dearer. Manchurian, November-December, 12 1/2s. Castor-seed firmer. Bombay, October-November, 23 1/2s; Hull, 23 1/2s, Continent, per ton.

OILS.—Linseed firmer, but irregular. Spot, net, naked, 42s 3d; November-December, 41s 3d; January-April, 38s 6d; May-August, 35s 6d. Rape firm. Crude, spot, 39s; refined 42s. Cotton dearer. Crude Egyptian, spot, 39s; Bombay, 38s; common edible, 44s; deodorised (in barrels), 48s. China-wood quiet. Hankow, spot (barrils), 92s 6d; November-December, 92s. Cocanut firm. Ceylon, spot, 46s; November-December, 45s 6d; Cochin, ditto, quoted 50s. Soya steady. Oriental, barrels, November-December, 37s 6d. Cod firm. English, spot, 37s. Groundnuts firm. English, crushed, naked, spot, 49s; deodorised, barrels, 56s. Turpentine irregular. American, spot, 73s 3d; December, 73s 6d; January-April, 75s 3d. Rosin quiet. American, grade B, 13s 3d; F, 13s 3d; G, 16s 3d; H to I, 13s 6d; WG, 15s; WW, 10s per cwt. French nominal. Petroleum steady. American standard, white, spot, 1rd; and water white, 1s per gallon. Castor-oil firmer. First pressure, spot, quoted 54s; second pressure, 53s; and pharmaceutical, 59s per cwt, Hull, with London, 2s cwt extra.

METALS.—Tin: Market opened the week with a firmer tone, due to good buying orders, though some irregularity was noticeable at times. Standard, cash, sold at 215 1/2s to 217 1/2s to 217 1/2s, and three months 215 1/2s to 217 1/2s to 216 1/2s 6d. Eastern cables reported sales in the East, on the basis of 216 1/2s, c.i.f. Rates further hardened, though the upward movement was arrested by the middle of the week, due to selling pressure. Offers, however, were well absorbed, and a good business resulted, including standard, cash, at 222 to 220 7s 6d, and three months 221 to 222 to 220 5s, while finally at 220 10s. Further sales occurred in the East at 222 1/2s, c.i.f. Values subsequently eased, and a good business transpired in standard, cash, at 217 to 217 1/2s to 216 1/2s to 217 1/2s 6d. At the final meeting the tendency was in seller's favour, while some irregularity was noticeable. Standard, cash, sold at 217 7s 6d to 218 5s, and three months 219 to 217 to 218 12 1/2d. English ingots quoted at 218 5s to 218 1/2s. Copper: Disclosed firmer features at the commencement, with a good demand for all positions. Later, however, prices were subject to slight fluctuations, and with buyers less in evidence, values gave way, though fairly steady on balance. On Wednesday, Standard cash sold at 66 1/2s to 66 3/4s, and three months 66 1/2s to 66 3/4s. At Thursday's market the tendency ruled in favour of buyers, and a good business occurred. Standard cash sold at 62 1/2s to 62 1/2s 6d, and three months 63 1/2s to 62 1/2s 9d. Values further gave way on the following day, while a large business transpired at the lower range of prices. Standard, cash, sold at 61 1/2s to 61 5s to 61 6s 3d, and three months at 62 1/2s to 61 1/2s 3d. Electro, 67 1/2s to 68 1/2s; best selected, 66 1/2s to 66 5s; strong sheets, 69s; wire bars, 68 1/2s per ton. Lead easier, at 30 5s to 27 5s, as to position. Spelter easier, at 32 7s 6d to 32 1/2s 6d, according to position. Aluminium, home trade, 115s; export, 120s. Antimony firm. English regulus, special brands, 42 to 42 1/2s.

TALLOW.—Messrs Colchesters and Woolner write on November 14th as follows:—The tallow market was steady during the week, and prices are mostly 6d dearer to-day. Prices quoted for shipment from South America as well as from Australia are above those current here, consequently spot goods are in request. Shipments of tallow from Australasia during October amounted to 1,300 tons, against 5,700 tons during the same month last year. At auction to-day 1,129 casks tallow were offered, and 706 were sold. Quotations are:—Australian mutton: Fine, 46s; good to fair, 44s 6d to 43s; dull to dark, 39s to 36s 6d; hard, 44s. Australian beef: Fine, 43s; good to fair, 41s 6d to 39s 6d; dull to dark, 37s to 36s; sweet, 43s 6d. Present shipment from Australasia: good mixed, 41s 3d. Present shipment from South America, 41s to 39s. The market letter is unchanged. Town tallow, 36s 6d per cwt. Rough fat, per 8 lbs, 2d; melted stuff, 27s 6d per cwt. Quotations are:—Town, 36s, net cash, naked, ex works. Country: Frail casks, 36s; home melted, shipping casks, net, f.o.b., good coloured, 39s; fair to dull, 37s

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed : : : Y60,000,000
Capital Paid Up : : : Y52,500,000
Reserve : : : Y12,980,000

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

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

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

to 36s. Bone fat: White, none; pale, none; benzine, 33s 6d; melted stuff, 33s 6d, f.o.b.

LONDON POTATO MARKETS.—NOVEMBER 15.

English (new) Arran	Per Cwt.	British Queens	Per Cwt.
Chief	6 0 to 6 6	Majestic	6 0
King Edwards	6 0 7 6	Blackland	4 6 5 6

METROPOLITAN CATTLE.—NOVEMBER 15.

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

Beasts—Herefords	s d s d	Beasts—Heavy Bulls	s d s d
Shortbourns	0 0 to 0 0	Canadian	0 0 nominal
Devons	0 0 to 0 0	Shrop—Downs	0 0 0 0
Norfolk	0 0 to 0 0	Swamp	0 0 0 0
Scottish	0 0 to 0 0	Crossbred	0 0 0 0
Irish	0 0 to 0 0	Scottish	0 0 nominal
Fat Cows	0 0 to 0 0	Lamb—Downs	0 0 0 0

Market closed owing to the outbreak of foot and mouth disease.

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			DRUGS—			INDIA RUBBER—			PROVISIONS—			SPICES—		
00000—Duty, British grown	s	d	Alone, fine E.I., p.cwt	108	1/2	Alone, fine hard spot	1	0 1/2	Butter—per cwt.	s	d	Singapore, fair White	s	d
2nd, 4d, foreign 2nd, cwt	4	0	Cape, good to fine	40	4 1/2	Para, fine hard spot	1	0 1/2	Do factory	188	0	Black Singapore	0	4 1/2
Trinidad, per cwt	37	0	Balsam Peru . . . lb	2	0 7	Plantation crepe	1	2 1/2	Argentine	182	0	White Siam	0	4 1/2
Grenada	37	0	Capivi	4	1 1/2	INDIGO—per lb—			Dutch	186	0	Pimento	0	8 1/2
Ceylon, plantation	65	0	Campor—			Bengal, good red vio-			New Zealand	186	0	Cinnamon—1st sort	0	8 1/2
Guayaquil	53	0	Japan, refined	3	10 3 11	let to fine	6	0 7 0	Danish	186	0	Do 2nd	0	8 1/2
Bahia, finest	42	0	Cardamoms, Ceylon	2	6 6 6	Mid. ord. vio. to good	5	0 6 0	Beacon	186	0	Do 3rd	0	10 9
COFFEE—British grown			Cambo, China prib	4	8 4 3	Low to good ord.	4	0 5 0	Beacon, aged—Irish	186	0	Cassia Lignea	47	6 8 8
2nd, 4d, foreign 2nd, cwt	85	1/2	Castor-oil	85	0 95 8	Madras, dry leaf, good	3	0 4 0	Danish	186	0	Clove—Zanzibar	1	3 1/2 0 0
India fine good, 85	116	0	Gum Benjmn. Sum. cwt	6	0 6 10 9 8	Do low to ord.	1	8 3 0	Canadian	84	8 4 0	Penang	2	8 2 11
Do good to fine	110	0	Oilbanum, drops			Kurpah, gd. mid. to gd.	4	0 5 0	American	68	8 8 0	Madagascar	1	5 8 0
Costa Rica, ord. to mid	81	0	Do fair to good	60	0 109 8	Low to mid	3	8 4 0	Hams—Irish	115	0	Ginger—per cwt—		
Good to fine	108	0	Ipecacuanha	2	0 7 3	HEMP—per ton—			Canadian	115	0	Cochin, small rough	62	6 85 0
Central American, gd.	78	0	Jalap.	2	0 8 0	Italian P.C.	58	0	American	114	0	Do wormy	0	8 8 0
ord. to mid	78	0	Musk pod, China	0	85 8	Manila, Nov. / Jan.			Lord—Irish bladders	83	0 85 0	Japan	0	8 8 0
Mid. to fine	90	0	Oil, Cassia	11	0 11 6	N.Z., high point, fair,	32	0	American boxes, 50lb	84	0 85 0	Jamaica, ord. to good	0	180 0
Colombian, ordinary	62	0	Aniseed	10	0 11 0	November-January	33	5	For 1st 5 lb	2	6 4 2	Mace	2	4 2 6
Do gd. ord. to low mid	68	0	Peppermint, G.H.H.	22	6 25 8	JUTE—			Beef—Frozen per 5 lb	2	6 4 2	Nutmeg, good to fine	1	3 1 8 1/2
Do mid. to fine	85	0	Rhbarb, China, fr to fa	3	6 4 0	Nov. Dec.	23 5/3	0 0/0	Small to medium	1	2 1 1/2	Small to medium	1	2 1 1/2
CHEMICALS—			DYE STUFFS, &c.			Native first marks			Cheese—curd—Canadian			Chillies—per cwt		
Acid, chloride	1	3 1/2 1 4	Galls, China, per cwt	61	0 62 0	Nov. Dec.	23 5/3	0 0/0	New Zealand	102	0 108 0	Good mutton	41	6 0 0
Nitric	0	24 0 8	Madras, finger	85	0 0 0	Nov. Dec.	23 5/3	0 0/0	Cheddar	115	0 145 0	Beef	41	6 0 0
Oxalic, net	0	8 4 0 7	Cutch, ord. to fair	40	0 45 0	Nov. Dec.	23 5/3	0 0/0	Dutch	115	0 145 0	TAPIOCA—per lb—		
Tartaric, English	1	1 1/2 0 0	DIYEWOODS—			Nov. Dec.	23 5/3	0 0/0	Eggs, pr 123—English	33	0 35 0	E. I. Flake, fair, spot	0	3 1/2 8
Foreign	1	0 1 1/2 0 0	Brass	18	0	Nov. Dec.	23 5/3	0 0/0	Seeds	23	6 38 0	Medium per cwt	8	3 1/2 8
Alum lump, per ton	13	10 13 10	Do do 12 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Do ground	21 1/2	21 1/2	Do do 14 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Ammonia, carb., ton	27 1/2	29 1/2	Do do 16 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Muriate, White, ton	25 1/2	31 1/2	Do do 17 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sulphate	21 1/2	18 1/2	Do do 18 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Arsenic, lump, per ton	80	85 85	Do do 19 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Powder	65	0 70 8	Do do 20 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Alum, pot., per cwt	70	80 80	Do do 21 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Pearl do	70	80 80	Do do 22 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Bleaching pwr., p. ton	9	0 0 8 0 8	Do do 23 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Borax, gran.	24	10 10	Do do 24 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Do crystals	25	0 8 0	Do do 25 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Do powder	26	0 8 0	Do do 26 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Orassam Tartar	83	8 84 0	Do do 27 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
32% powder	83	8 84 0	Do do 28 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Calomel	19	8 41 0	Do do 29 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Iodine, dry	1	1 1/2 0 0	Do do 30 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Nitrate of Soda, p. ton	13	10 14 0	Do do 31 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Potash	8	4 1 1/2 0 0	Do do 32 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Chlorate, net	8	4 1 1/2 0 0	Do do 33 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Fluoride	1	0 1 1/2 0 0	Do do 34 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Do Foreign	8	11 1 1/2 0 0	Do do 35 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sulphate	19	8 18 0	Do do 36 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sal-Acetic	1	18 2 0	Do do 37 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sal-Ammoniac, per cwt	57	8 60 8	Do do 38 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Soda Bicarb., per ton	48	0 16 10 0	Do do 39 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Crystals, per ton	50	0 5 0 5 0	Do do 40 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Alkali	71	0 9 0 9 0	Do do 41 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Caustic	71	0 9 0 9 0	Do do 42 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sugar of lead white ton	0	0 0 0 0 0	Do do 43 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Foreign white	40	0 41 8	Do do 44 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sulphate Quinine	2	3 0 0	Do do 45 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
English Brands	2	3 0 0	Do do 46 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Caustic	2	3 0 0	Do do 47 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sulphate Copper, per cwt	36	0 26 10 0	Do do 48 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Zinc, cut	nom		Do do 49 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Sulphur Flour	10	0 9 11 0	Do do 50 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Do Do	10	0 9 11 0	Do do 51 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Vermilion, Chinese, p. lb	1	4 4 4	Do do 52 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
English	1	4 4 4	Do do 53 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Oil Pepper's, H.G.H.	32	0 33 6	Do do 54 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
COPIA—per ton, c.l.f.	s	d	Do do 55 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Malabar, Oct./Dec.	nom		Do do 56 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
Ceylon	30	0 30	Do do 57 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
FM Strate	23	12 6	Do do 58 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
FM Strate	27	15 0	Do do 59 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0
COCHINEAL per lb	2	0 3 6	Do do 60 1/4	1	3 2 6	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0	Nov. Dec.	23 5/3	0 0/0

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

To be submitted to Shareholders at the Thirty-Fifth Ordinary General Meeting to be held on the 30th November, 1923.

Kimberley, 26th September, 1923.

A further conference of Representatives of the four large Producers of diamond and of the Diamond Syndicate was held in Kimberley in December last, when

£8,174,288 19

48,174,983 19

O. MORGAN OWEN, General Manager

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purchases of bills by one of the big banks, and a

AN unexpected spasm of stringency disturbed the equilibrium of the money market in the middle of the week. Funds had been scarce on Monday and Tuesday, but on Wednesday, in spite of a helpful demand for Treasury bills maturing in the neighbourhood of February 1st, a small amount had to be borrowed from the Bank of England at $4\frac{1}{2}$ per cent. Stringency continued on Thursday morning, but in the afternoon relief came through purchases of bills by one of the big banks, and cynics

bill brokers observed that there was sure to be ease and plenty on Friday, so that the Treasury bills might be comfortably placed. Discount rates were very little affected by the monetary spasm, and though the volume of Bank bills still showed a seasonal expansion, $3\frac{3}{8}$ per cent. was the best rate that could be secured for three months' paper.

	Nov. 23, 1923.	Nov. 16, 1923.	Nov. 9, 1923.	Nov. 2, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	$3\frac{3}{8}$	..

The Bank return showed an increase of £415,000 in the Reserve, owing to the return of £335,000 in notes from circulation, and an increase of £80,000 in the stock of gold. Other securities rose by £2,674,000, while Government securities declined by £380,000. There was thus an increase of $2\frac{1}{2}$ millions in the deposits, of which over $2\frac{1}{2}$ millions went to Public and the balance to Other. There was a reduction this week of £1,793,200 to £281,201,900 in currency notes outstanding, which includes £1,434,800 for notes called in but not yet cancelled. The fiduciary issue is £230,317,100, or £39,866,700 below the maximum.

THE STOCK MARKETS.

The tempting prices to which many gilt-edged and other high-class investment securities fell last week have brought in buyers, and a greater part of last week's decline has been made good. Home Railway debentures and preferences have improved, and in the Foreign market quite a number of rises have been recorded, though business has been on a small scale. Home Railway deferred stocks have come into a little speculative favour on dividend prospects. Rubber shares have been quiet, but the Oil market has been animated by a sharp rise in Mexican Eagles. Industrials generally are quiet, but Kaffirs have been better on hopes of good dividends for the current half-year, and the advance in the price of tin has kept tin-mining shares firm.

THE COMMODITY MARKETS.

The signs on the industrial horizon are distinctly better this week, as viewed through the commodity markets. An improvement in the volume of trade and in the level of prices is recorded at Cardiff. There is a better demand for pig-iron, and it is expected that more furnaces will be working shortly. Prices of manufactured iron and steel are firm, in anticipation of the resumption of work by the boilermakers next week. Tin again improved, and copper kept firm. The raw cotton situation remains strong. In the Manchester cotton trade, prices continue to go against buyers, and inquiry has been on a considerable scale. The demand for wool is being well maintained, and with strong foreign competition, values are very firm. Wheat prices reflect the fluctuation in exchange. The sugar market continues to harden, while considerable competition is manifested for Indian tea on arrival. Rubber received support, and a firm tone ensued. Continued strength is recorded in cotton seed and cotton oils. The hide market is weak, but the boot trade is improving, both home and export trade being better.

FOREIGN EXCHANGES.

The movements of the dollar rate have again formed the centre of interest in an exciting and busy week on the foreign exchange market. From a closing rate of \$4.32 on the 16th, quotations continued to move down to as low as \$4.25 $\frac{1}{2}$ at one time on the 19th, the lowest sterling rate since the end of January, 1922. From that point there was a sharp recovery by the end of the day to \$4.31 $\frac{1}{2}$, after which with considerable fluctuations the rate moved up to \$4.40 $\frac{1}{2}$ on the 22nd. This was not maintained, the closing rate for the day being \$4.37 $\frac{1}{2}$, and the quotation early yesterday morning \$4.37 $\frac{1}{2}$. The pressure of cotton bills is now said to be much less, and left to itself, the rate might be expected to show a rapid recovery. Unfortu-

nately, election influences and continued trouble on the Continent are likely to continue to exert their depressing influence. Forward quotations on the week have again widened $\frac{1}{4}$ to $\frac{1}{2}$ cent per month above spot. Another puzzling feature this week is that the Dutch guilder, after having last week moved unexpectedly in our favour, has reacted again with exceptional sharpness down to as low as 11.48 on the 22nd, and even yesterday morning stood only at 11.50 $\frac{1}{2}$. It is possible that the purchase of dollars from Holland on German account may now have died down again, but certainly the rate has also been influenced by certain special transactions, the nature of which is at present undisclosed. Among other currencies that usually move with the dollar, the Swiss rate has risen from 24.92 $\frac{1}{2}$ to 25.07 $\frac{1}{2}$, and Stockholm from 16.49 $\frac{1}{2}$ to 16.60 $\frac{1}{2}$. Vienna, however, is 305,000, as compared with 307,500 a week ago. Among the Entente countries, Paris, after being as high as 82.40 on the 17th, shared the recovery of sterling, and was down as low as 79 at one time on the 22nd. Since then it has reacted on reports of Germany's unfavourable attitude towards the last note on the subject of military control, and yesterday morning was quoted at 80.90. Brussels has had a similar movement, being down to 91 on the 22nd, and yesterday morning up again to 94.45. Forward rates in Paris have widened one centime to 11 centimes per month above spot, and in Brussels 4 centimes to 6 centimes above. Italy has, as usual, recently moved in narrower limits, and at 101 $\frac{1}{2}$ is better than last week's figure of 102 $\frac{3}{4}$, although well above the figure of 99 quoted at one time on the 19th. The Berlin rate has continued to mount rapidly to 40,000 milliards, as compared with 20,500 milliards a week ago. The rentenmark has now been formally issued, but at rates based on the purely artificial Berlin exchange quotations, and the opportunities for illegitimate profits which were given by this foolish policy has caused the further issue of rentenmark notes to be suspended for the time being. The whole currency situation remains chaotic, with proposals for independent issues on a stable basis from all parts of the country. Salvation from this disorder remains, of course, dependent on a settlement with France, as even the large foreign loan which is now being discussed can do little against the active hostility of France. Among other exchanges, Madrid, after some improvement, has depreciated again to 33.61 $\frac{1}{2}$, as compared with 33.52 $\frac{1}{2}$ a week ago. Christiania for the first time for some weeks past shows some improvement from 29.82 $\frac{1}{2}$ to 29.65 $\frac{1}{2}$, Copenhagen, after the definite announcement of its exchange regulation proposals, and the suggestion of a loan abroad, has moved down sharply from 25.62 $\frac{1}{2}$ to 25.21. In Warsaw, depreciation has again started after its recent comparative steadiness, the rate having moved up to 10 $\frac{1}{2}$ millions, as compared with 8 $\frac{1}{2}$ millions a week ago. Prague, after some fluctuations, is at 150, the same as a week ago, while Bucharest, after its recovery to 820 last week, is back again at 905. In the East the rupee, after rising to over 15 5d, has reacted again slightly, and stood yesterday at 15 4 31-32d, as compared with 15 4 59-64d a week ago. The yen also moved against us earlier in the week, but reacted with the dollar to 2s 2 $\frac{3}{4}$ d yesterday as compared with 2s 2 $\frac{1}{4}$ d on the 16th. Silver has been firm, with a slight hardening of price on buying from India and China, but not much business has been done. Shanghai at 3s 3d is unchanged, as also is Hong Kong at 2s 3 $\frac{3}{4}$ d. In South America, Rio, after an improvement, weakened again somewhat, and stood yesterday at 4 27-32d, as compared with 4 26-32d a week ago. Buenos Ayres, on the other hand, has moved down from 39 $\frac{1}{2}$ d to 39d, and Monte Video less rapidly, from 40 $\frac{3}{4}$ d to 40 $\frac{1}{4}$ d. Valparaiso has again depreciated from 38.90 to 39.70.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended November 17th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	7610	From Revenue	14,982
Interest, &c., on Debt	4119		
Sinking Fund	777		
Sundries	677		
Added to Exchequer balances ..	171		
Reduction of debt	1568		
	14,982		14,982

Revenue is about £3 millions lower than in corresponding period a year ago at about £15 millions. Excise receipts

at £6,749,000 compare with £9,934,000. Estate, &c., duties at £1,880,000 compare with £620,000. Property and Income-tax yielded £2,204,000, and Super Tax £260,000, against a combined total of £3,025,000 in the corresponding period. Nothing came in from Special Receipts, against £1,040,900 a year ago. The week's operations reduced the National Debt by £1,568,000, and caused the following changes:—

	Min. £		Min. £
Treasury Bills	+ 3712	Public Departments Advances ..	5450
Unemployment Insurance	+ 220	National Savings Certificates ..	050
	+ 3932		5500

The floating debt was reduced by £1,755,000 to £809,516,500.

FINANCIAL YEAR, 1923-24 (April 1 to November 17, 1923).

	£		£
Total Expenditure ..	464,360,429	Raised by Revenue ..	457,185,540
		Net Borrowings	3,755,621
		Decrease in Balances ..	3,419,268
Total	464,360,429	Total	464,360,429

ESTIMATES FOR YEAR 1923-24.

	£		£
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Wall Paper Manufacturers, Australian Mercantile Land and Finance Company, Lancashire and Cheshire Insurance Corporation, and the Hotel Cecil. At the Wall Paper Manufacturers meeting, Mr Edgar Smith advocated a programme of capital expenditure on factories and plants for all industries as a means of decreasing unemployment, and Mr R. H. Caird, at the Australian Mercantile Land and Finance meeting severely criticised the Queensland financial policy.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include an analysis of British imports of manufactured goods, with special reference to tariff possibilities.

THE CASE FOR FREE TRADE.

A brief statement of the Free Trade case was presented in a supplement to last week's issue. This supplement is now available in pamphlet form, price 3d. per copy. Terms for quantities by arrangement.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

PROSPERITY AND PROTECTION.

AN argument that is being very freely used by the supporters of Mr Baldwin's Protectionist policy runs something like this: "In America, in France, and in Italy, all Protectionist countries, business and employment are active. In Great Britain, under Free Trade, we have 1,300,000 unemployed." From this more or less accurate statement our Protectionist friends jump to the conclusion that the lack of unemployment in, say, the United States is the result of the tariff system, while the existence of grave unemployment here is caused by the freedom accorded to imports of foreign products. To the illogical mind this conclusion may look sound or even obvious; but it is, in fact, wholly fallacious, and could hardly fail to be otherwise, because it tacitly pre-supposes a similarity of fundamental economic circumstances in the position of the two countries which does not exist. As a matter of fact, the contrast between lack of unemployment in the

United States and the serious unemployment here has about as much to do with the question of Protection and Free Trade as the man in the moon.

Let us examine first the main features of the economic position of the United States; and in doing so let us remember that if it were fair for Protectionists to draw arguments from the present position in that country, it would be equally fair for Free Traders to draw arguments on their side from the existence only 18 months ago of over six millions of unemployed in the United States. The area of its territories is 25 times that of the British Isles; its population 118 millions, against our 47. The bearing of these figures upon productive and consumptive capacity is vital. Within its three million square miles of territory are produced the vast bulk of the food and raw materials required by its people. The immense consuming power of a home population $2\frac{1}{2}$ times as large as ours makes the home market of a vast importance, beside which the importance of foreign trade is a comparatively slight matter. It has been estimated that something like 90 per cent. of the total trade of the United States is in the home market, and this trade, let it be remembered, is carried on between a large number of constituent States under conditions of free and unhampered exchange. The United States is the finest example that history has yet provided of a great Free Trade unit, nearly self-dependent. If Protectionist theories are sound, why should not the Northern cotton mills of New England have Protection against the goods made by cheap negro labour in the Southern mills? And why has no one attempted to cut up the United States into 20 tariff zones?

The contrast with the position of Great Britain could hardly be sharper. The fundamental occupation of Great Britain, as we showed in our Supplement last week, consists of exporting manufactured goods to pay for the food and raw materials which we, unlike the United States, cannot produce at home, and therefore must purchase abroad. Tariffs or no tariffs, exports always must be the life-blood of this country's economic life; with the United States they are of secondary importance. Tariffs or no tariffs, we, with the necessity for huge exports to pay for the food and raw materials that we cannot produce, must feel acutely every change in the purchasing power of foreign markets. It was just these unique and fundamental features of Great Britain's position which led Cobden and every generation of his disciples up to the present day to realise clearly that, while universal Free Trade might be an unattainable ideal, Great Britain in any case could not afford to abandon it, whatever other nations could afford to do. The United States, on the other hand, with almost all her food and raw materials within her own borders, may regard, and is regarding now, the depression in external markets with comparative equanimity. Add to all these considerations two more main facts. First, that the United States gained an enormous accretion of wealth through the war, and secondly, that her present labour supply is far below what it would normally have been now had not immigration practically ceased during the war, and since then been controlled under a severe quota system. When all these various facts are taken into consideration, the idea that American lack of unemployment is the magic result of Protection, or that similar lack of unemployment will therefore follow here if we adopt Protection, will at once be banished by all fair commentators from their political stock-in-trade. For Protectionists to attribute America's present prosperity and good standard of living to the Fordney Tariff is about as reasonable as for a Free Trader to claim that the collapse of the German mark is caused by Protection. The cognate argument that because Protection "seems to suit" the United States, therefore it would suit Great Britain, is on a par with the argument that because a particular drug may be good for tuberculosis, it will therefore cure a broken leg.

There is another argument relating to the United States—a dual one—that is, we regret to hear, being employed by advocates of Protection. It is that the Fordney Tariff is shutting out British goods from United States markets, and that we must have tariffs here in order to bargain with America. With regard to that, there are three main things to be said. In the first place, British exports to America, and our balance of trade with America, have been far better in the first nine months of this year than in the

corresponding period of 1922, as the following official figures show:—

FIRST NINE MONTHS.					
	1921.		1922.		1923.
	Min. £.		Min. £.		Min. £.
Imports	213.4	....	157.7	....	141.2
Re-exports	14.8	....	14.6	....	20.9
Net imports	198.6	....	143.1	....	120.3
Exports	32.6	....	40.2	....	44.3
Balance	166.0	....	102.9	....	76.0

This satisfactory increase in both exports and re-exports is naturally not the result of the Fordney tariff, but of the American trade boom. Secondly, as we pointed out last week, even if we adopted a tariff, it would not be an effective weapon to beat down the American tariff wall; for how many cases are there in history where a tariff war has not finally left duties on a higher level than when it began? And lastly, in these dark days, when the common desire of all thinkers of all parties is to obtain America's friendly co-operation in solving Europe's grave problems, the institution of a tariff war between London and Washington is a horror that sane people would refuse to tolerate. So much for "American prosperity" and its relation to the British fiscal question.

Let us turn next to France and Italy. Both these countries have shared, as Great Britain has shared, in the improvement of world trade since the depth of the 1921 depression. In the former, the unemployment statistics are inadequate; in the latter, the latest available estimate figures, whether reliable or not, show very substantial unemployment. In France, however, it is probably true that unemployment is negligible in comparison with the British figures. In Great Britain to-day the number of workers in employment is not far short of those in employment before the war, the major part of the present total of unemployed being accounted for by increase in population. In France, on the contrary, as may be seen from an article in the Trade Supplement which is contained in this issue, there has been a decline in the working population, which, together with the large number of men still under arms, goes far towards accounting for the existence of few idle hands. Three other main factors have tended towards the same end, namely, the special demand for labour and materials for the reconstruction of the devastated areas; secondly, inflationary finance, which both in France and in Italy, has written down the war debt at the cost of reducing the standard of living of the wage earners and plunging the middle classes into poverty, and has momentarily relieved the French public from facing the taxation that they must sooner or later bear; thirdly, the course of currency depreciation, which while it lasts (and it is still lasting) confers trade and industrial advantage, but which, when it either ceases or goes out of hand, as in Germany, brings crisis in its train. The French, and the Italians in lesser degree, are still living in a financial fools' paradise, but the standard of living of the wage earner, as we showed last week, is far below that of the wage earner here. Neither country has as yet balanced its budget, though Italy is now taking strong steps to secure equilibrium; neither has met its debts, or attempted to pay for the war. We in Great Britain have made great sacrifices for a sound financial policy, but, in spite of the sacrifice, the standard of living of the British wage earner remains the highest in Europe and, while nemesis is in store for the French and Italian worker, the British worker may anticipate, in proportion to the success achieved in settling Europe, a sustained trade recovery based on sound foundations—unless, of course, the imposition of a tariff here comes to upset this calculation. It must also be remembered that France approaches far more nearly to America's independence of foreign trade than Great Britain.

We have said enough to show that the "prosperity" argument based on the present position of the United States, France, and Italy is wholly irrelevant to the present fiscal controversy in Great Britain. If they were relevant, the Protectionist would have to be prepared to argue equally on the position in Protectionist countries in general, not merely the three that are dinned into our ears. Protectionists cannot pick and choose. The pages of our series of Trade Supplements over recent months have testified to the fluctuating fortunes of Protectionist countries in general. Many of the facts and figures there set out are worthy of study. It is worth noticing, for instance, that Spain, with a new and heightened tariff, is stagnant and depressed. Hungary, again, although she has paid no reparations, is in a desperate state, mainly because she has tried to surround herself with a tariff wall, create unsuitable industries, and keep her food at home, instead of living by exchanging the goods which she is best able to produce for those goods which other countries are more fitted to supply. After studying the main facts which we have put forward, the honest enquirer into fiscal truth must admit that an argument of "protection and misery" would be hardly less absurd than that of "protection and prosperity." Both are fallacious, and both are entirely irrelevant to the discussion of the fiscal needs of a country in the unique economic position occupied by Great Britain.

THE PARTY PROGRAMMES.

THE leaders of the three great political parties put out their manifestoes on Monday and Tuesday of this week. Their issue was prompt, but even so the country was left with only sixteen or seventeen days in which to decide between their merits. The minimum amount of time allowed by the law between dissolution and polling-day is usually just sufficient to give the country an opportunity of making up its mind, when the issues at stake are those of general policy. But in this case, when a new issue—or an antique one revived—has suddenly been produced without preparatory discussion, that time is clearly inadequate, and recognising though we do the domestic and international reasons which lie behind Mr Baldwin's policy of haste, we consider that, if this great fundamental issue of fiscal policy had to be raised now, it would have been the course of sounder statesmanship to afford the country a longer time for consideration. As it is, with only twelve days to go, the heavy artillery of all parties has only just begun its full barrage, while in hosts of constituencies this week-end will see the first real beginnings of the task of electoral education. The party programmes may be roughly summarised as follows, the parties being given in order of their strength in the House of Commons at the dissolution:—

CONSERVATIVE.

1. To seek European settlement through the League of Nations.
2. Unemployment the vital question, to be tackled by tariffs to protect home industries suffering from foreign imports; tariffs to be used in order to negotiate for a reduction of foreign tariffs.
3. Limited Imperial Preference. No duties on wheat, flour, oats, meat (including bacon and ham), cheese, butter, or eggs.
4. Agriculture. A bounty of £1 per acre on all holdings of arable land exceeding one acre.
5. Out of revenue from the tariff, tea and sugar duties to be reduced.
6. Reorganisation of old-age, health, and unemployment insurance.

LABOUR.

1. Tariffs no remedy for unemployment.
2. Government unemployment schemes inadequate. Labour demands "work or maintenance."
3. Agriculture. Regulating minimum wages, credit and insurance facilities for farmers and smallholders, and encouragement of co-operative methods of production and marketing.
4. "Re-equipping the Land Valuation Department, securing to the community the economic rent of land, and facilitating the acquisition of land for public use."
5. A strengthened League of Nations; immediate calling of an International Conference (including Germany on equal terms) to deal with reparations and debts, and the resumption of free economic and diplomatic relations with Russia.
6. Capital levy on fortunes above £5,000, the proceeds to be earmarked for debt redemption.
7. Nationalisation of railways and public services.
8. Equality of education; control of drink traffic; "generous provision" for the aged people, widowed mothers, the sick and disabled. Slums to be abolished.

LIBERAL.

1. Earnest endeavour to co-operate with America in restoration of economic health in Europe. Strong support of the

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League of Nations with a view to enlarging its scope and power.

2. Maintenance of Free-trade.
3. Unemployment. Capital levy would be disastrous. Tariffs are no cure for unemployment. The Liberal policy is a bold use of national credit for promoting enterprises of permanent value.
4. Retrenchment in public expenditure.
5. To remodel the Insurance Acts.
6. Co-operation between employers and employed, based on partnership.
7. Political, legal and economic equality between men and women.
8. Old-age pensions. Thrift disqualification to be removed.
9. Agriculture. Cultivators should have opportunity of becoming owners of their own land by reasonable system of land purchase. Small holdings and allotments to be developed. Better housing.
10. Social. Housing to be taken in hand as a national problem. Local option.
11. Rating and land reform.

The first impression of many foreign observers would probably be surprise that the programmes of all the parties are confined well within the bounds of constitutionalism. That is a point which we are too apt to overlook, because we have learnt to take it for granted; but it is obviously a matter of supreme national importance. The next impression gained by a reader unacquainted with our politics might well be that, if the two questions of fiscal policy and the capital levy be set aside, the gulf between the remaining portions of the respective programmes is not so wide as other countries are accustomed to see. On the two points mentioned—namely, fiscal policy and the capital levy—the policies reveal deep cleavage, Conservatives having both the other parties in vigorous opposition to tariffs, and Labour having the other two strongly opposed to the capital levy. The tariff issue, of course, dwarfs all others. Mr Baldwin's sudden raising of it is the sole cause of the Election. Having set out in a Supplement to the *Economist* last week the main grounds for our profound belief in the vital necessity for maintaining the greatest possible degree of freedom in our markets, we do not propose to re-argue the main question here. As regards the proposal which ranks next in the public notice, we, for our part, have never said that it is impossible to carry out some carefully considered measure of levy on capital. It is also not beyond the bounds of possibility that some years hence some such measure might be seriously considered by the wealthy sections of this country as an alternative to a long period of very high taxation, provided the proceeds were earmarked for debt, and consequently tax, reduction. But under present conditions it is impossible to regard it otherwise than as a dangerous proposal, which, instead of curing, might very seriously aggravate our present difficulties. The other plank in the Labour platform most strenuously opposed by the other two parties is, of course, nationalisation of railways and other industries in connection with public services. The Liberals, on their part, sketch a policy of co-operation between Capital and Labour. Coming to the other branches of the party proposals, we find that all pledge their support, with varying emphasis, to the League of Nations, the Liberals making it most

unequivocally the key to foreign policy and European settlement. In home affairs all wish to assist agriculture, the Conservatives by bounties on arable land, the other parties by other measures. All, it should be noticed, accept the Health and Unemployment Insurance and Old-age Pensions schemes, and all profess the desire to re-organise them. All, again, adumbrate measures for immediate relief work for unemployed, while Labour demands the right to "work or maintenance." In their different ways Liberal and Labour both aim at Land Reform and attempts to solve the housing problem.

The choice before the electors is certainly less confusing than a year ago, when, owing to party splits, the number of programmes and manifestoes was considerably greater. The great majority of intelligent electors will presumably give their votes in accordance with their fiscal views. Free Traders, who fear the capital levy and dislike "nationalisation" of important industries, and object to a party whose existence is based on class distinction, may vote this time in substantial numbers for the Liberal party, whose programme contains nothing to frighten the moderate Conservative, and whose reunion places it in a position to offer to the country a strongly manned alternative Government. One omission common to all the party programmes is, in our view, decidedly unfortunate. It is the failure to insert any proposals for securing, whether by proportional representation or by the alternative vote or by any other device, that the Government returned to power at a General Election shall really represent, as far as it can be ascertained, the views and wishes of the majority of the electorate. The late Government held a majority in the House of Commons, but received a minority of votes at the polls. Should this anomaly between the popular vote and Parliamentary representation be made more glaring at the coming Election—as seems possible in view of the large number of three-cornered contests—a very dangerous and telling argument will be presented to those sections—at present weak and ineffective—who wish to discredit and upset the system of Parliamentary government.

THE ALLIES AND GERMANY.

CONCENTRATION upon the General Election at home has unfortunately diverted from the critical developments both in Germany and at Paris, the public attention which would in calmer times have been bestowed upon them. In Germany, as any one who reads the article from our Berlin correspondent on a later page will realise, economic chaos is deepening with rapidity, unemployment is moving by leaps and bounds to enormous proportions, and it may be feared that the country may be nearing the critical point where organised production will cease, as it ceased in Russia. Moreover, the danger of a political break-up is by no means over. It is true that Ludendorff's attempt to seize power in Bavaria and dominate Germany from there failed ignominiously; but the significant point about its failure was that his defeat was brought about by the

Catholics, whose aim may be taken to be a separate Bavaria, or probably in the long run unity with Austria as a German Catholic State—aims in which the influence of the Vatican cannot be left out of account. Meanwhile in Paris the *Entente* has been very near to breaking point, and has been saved by an eleventh hour concession by M. Poincaré to a strong stand by the British Government, supported effectively by the firm attitude adopted by the Italian Government. The Allied dissensions which have now been surmounted concerned the terms of the note to be dispatched to Berlin in reference to the Allied military missions, and Herr Stresemann's refusal to vouch for their safety. The story may be briefly recapitulated.

One of the most important sections of the Treaty of Versailles was that which dealt with the permanent control of Germany's armaments. At the time of the Armistice, it was a comparatively easy matter to insist that so much German war material should be handed over to the Allies, and that the German army should be demobilised until it had been reduced to a certain maximum figure. It was much harder to ascertain what margin of war material remained in Germany's possession, or to what extent persons nominally outside the German military organisation were being kept in, or put into, training. The notable success with which the Prussian Government and people had circumvented Napoleon's attempts at restriction a century ago suggested the necessity of taking this time more effective measures, and accordingly, under the Versailles Treaty, two standing inter-Allied Commissions were set up—one to control Germany's land forces and the other her forces in the air. The vital point in regard to these Commissions was that their power to act depended (and will again depend, if they are to be once more effective) upon the psychological ascendancy of the Allies over Germany, and upon the German nation's continued conscious acceptance of the fact of defeat, and not upon the possession of material force upon the spot. Even after the separation from Germany of Alsace-Lorraine, the Polish Provinces, the Saar Basin, and Upper Silesia, and the military occupation of the Rhineland, and the Trans-Rhenane bridge-heads, the vastly greater part of the area of Germany remained (and remains) under the physical control of German civil and military authorities; and in this great area, which was the province of the inter-Allied Commissions of control, the latter operated in virtue of their countries' prestige and not in virtue of their own force and numbers. Consequently, when German feeling was aroused to fever-heat by the French occupation of the Ruhr, the task of this handful of inter-Allied officers (or, at any rate, of the French and Belgian members) became impossible. The German Government declined any longer to guarantee their security, and the Allied Governments accepted the situation by allowing the work of the Commissions to fall into abeyance. Presumably, France imagined that the occupation of Germany's "arsenal" in the Ruhr was a substitute of a (from her point of view) more effective kind. Meanwhile, Germany has become full of arms (at any rate, of small-arms) and of armed men, and the recent *Hittler Putsch* has revealed the dangerous possibilities of the situation, both for Europe and for Germany herself. The danger, from the French point of view, was underlined by the return of the Crown Prince to his estate in Silesia. The French Government accordingly demanded the reimposition of military control, and, failing satisfaction, it was evidently M. Poincaré's plan to take drastic material sanctions by the seizure of further points in German territory. Here, however, he was confronted by a diplomatic difficulty. It was not open to him to obtain a nominal inter-Allied mandate for this purpose by the simple process of out-voting Great Britain with the aid of Belgium. The arrangement regarding control was not on all fours with that regarding Reparations. After a predecessor of M. Poincaré's had taken separate sanctions, beyond the bridge-heads, by the temporary occupation of Frankfurt, the British Government had persuaded France (at the Conference of San Remo) to agree that, in future, sanctions for the disarmament clauses of the Treaty should only be taken by the Allies acting in unanimity. The existence of this pledge appears to have had a decisive influence upon the Franco-British negotiations of the past week, and to have resulted in

the draft finally adopted for the inter-Allied Note to Germany representing substantially the British rather than the French point of view. In its final form the Note reiterates and reserves the paper rights of the Allies to exercise control, without announcing a date at which control will be resumed or the practical steps that will be taken if it be obstructed. The two Commissions preserve "full latitude in deciding what are the operations whose execution appears to them for the time being realisable and necessary.....The Allied Governments have decided that the operations of control must be resumed without delay on the conditions which will be communicated to the German Government.....The Allies reserve the right to take the measures which may appear proper to them to secure the execution of the Treaty." These clauses must be interpreted in the light of the two facts that no date is mentioned, and that Allied unanimity is requisite. The Note regarding the return of the Crown Prince is equally innocuous. The Allies point out to the Berlin Government how dangerous this personage's presence in Germany is, and they take note of his formal renunciation of the Prussian and Imperial Crowns, as well as of the Berlin Government's declared decision not to permit the repatriation of the ex-Kaiser. But the ex-Crown Prince is not told to go. Such was the language which the Allies (acting under pressure from France and Italy of a kind very similar to that which in the present case is being exercised by Great Britain) held towards Mustafa Kemal Pasha in the initial stages of his career!

Lord Crewe has scored a very important success in securing the deletion from the Allied Note of the "sanctions" which M. Poincaré sought to insert. It is true that abandonment of allied military and munition control increases the danger of civil war, and, possibly, a year or so hence, of armed resistance. Armament control is, in fact, a much more serious matter than the question of the ex-Crown Prince. But the right of control has not been abandoned, and it was quite impossible for our Government to be a party to the restoration of control on M. Poincaré's original terms, which would have meant British agreement to leave Germany at the mercy of unlimited French occupation. Had Lord Crewe failed to persuade France into the path of accommodation, a definite rupture of the *Entente* could hardly have been avoided. It is too early yet to gauge the degree of significance attaching to the first example that we have seen for a very long time of any concession by the French Government to British policy and opinion. M. Poincaré has drawn back before the menace of isolation, and the signs of a new grouping of European forces. Another influence that weighed with him was probably the desire to arrange a joint note before a new Government could be installed in Great Britain. His first concession may create certain embarrassments for M. Poincaré at home. It has eased, but by no means removed, the delicacy of the position of Mr Baldwin and Lord Curzon. The joint Allied Note has not committed this country, as far as can be judged at present, to any new departure of policy. On this our Government is to be congratulated. But events move quickly, and further grave decisions may be called for during the next fortnight. Mr Baldwin's position in the face of a possible renewal of crisis is weakened by the diversion of public opinion in Great Britain to other matters, and his own uncertainty of continuance in office. With an election proceeding here, the main duty of the Government in the next fortnight is clear, namely, to mark time as far as possible, and in any case not to take any irrevocable decision on matters of first importance, until it is known whether they or others are the people upon whom the responsibility for foreign policy will rest after the electors' verdict has been given.

THE WORKMEN'S COMPENSATION ACT, 1923.

Two arduous days out of the four days of the Autumn Session, before Parliament was dissolved, were given by the Prime Minister to the Workmen's Compensation (No. 2) Bill which had been introduced in the summer by the Home Secretary. The Labour Party had put forward a Bill of their own based on the report of the Holman Gregory Committee of some three years ago. But Mr.

Bridgeman rightly held that wages and prices had changed so much since 1920 that the report of the Committee could not now be safely adopted as a basis for legislation. Hence the Government's No. 2 Bill, which now, after considerable amendment, has become an Act; it is an adaptation of the principal Act of 1906 to the circumstances of the present day. It comes into force on January 1st as an amending supplement to the Act of 1906. It is a piece of legislation by reference which has to be read in conjunction with the principal Act, and also with the agreement as regards premiums and claims which was recently arrived at between the Home Secretary and the Accident Offices' Association. We will endeavour to make clear the chief effects of the Amending Act upon the liability of employers, and upon the compensation payable to workmen for accidents.

There is a considerable extension in the liability of employers. It is true that the War Addition Acts, which raised the maximum weekly benefits for incapacitated workmen from 20 shillings to 35 shillings, are repealed as from the end of this year, and a maximum weekly benefit of 30 shillings substituted for the 35 shillings fixed in 1919. But, on the other hand, the maximum of £300, allowed to a widow and dependants upon the accidental death of a workman in the course of his employment, has been raised to £600 by applying a sliding scale to children. The maximum for a widow without children is still £300, but the children get an additional maximum compensation of £300. The minimum compensation to a widow of £150 has been raised to £200, so that in place of a possible compensation to a widow and children of £150 to £300, the new Act allows a possible compensation from £200 to £600.

It is also provided that a workman, who has suffered death or total disablement by an act which was contrary to regulations or orders, but was, nevertheless, "for the purpose and in connection with his employer's trade or business," shall not be debarred from compensation for himself or his surviving dependants. It has been found in ordinary everyday working that men have broken regulations or orders in perfect good faith, and with the best intentions—because a grave emergency had arisen which demanded action—and having suffered accidents were denied compensation as by law established. They will still be denied compensation unless the result of their unauthorised action is death or total disablement. There must be some check upon disobedience to regulations and orders, however well intentioned.

Considerable numbers of men and women who were excluded from the principal Act will come under the new Act. The principal Act, with certain exceptions, included all manual workers and non-manual workers up to a wage limit of £250 a year. That wage limit has been raised to £350 a year, so that many clerks, shop assistants, and others who are paid something between £250 and £350 will become eligible for workmen's compensation. There have also been additions to those styled "workmen." Shore fishermen have been included, provided that they are not remunerated "wholly or mainly" by shares in the working of fishing vessels. The Act also includes persons engaged in plying for hire with any vehicle or vessel for which they pay a fixed sum and share in the earnings; persons who are casually employed other than for the employer's trade or business, "if employed for the purposes of any game or recreation, and engaged or paid through a club"; and persons employed in ships who are not seamen or apprentices, but who come within the definition of workmen. Here in these provisions we get workmen's compensation for certain shore fishermen, golf caddies, taxi-drivers, and purser's clerks on board ship.

The Act makes no reference to insurance, because the insurance of their liabilities by employers is voluntary. Still, it is widely taken advantage of, and is very necessary in the interests of workmen who might, if uninsured, lose the compensation legally due to them by the bankruptcy of an employer. The Home Office, therefore, officially recognises insurance as highly desirable, and in order that a system might be entered upon under which premiums might be regularly adjusted to risks, and expenses kept down, the Home Secretary made an agreement in the summer with the Accident Offices' Association.

That agreement provides that the compensation paid to insured workmen, together with reasonable medical and legal expenses, shall amount to not less than 60 per cent. of the premiums paid by employers during each of the next three years. The claims basis after those three years is to be 61½ per cent. of the premiums, or such percentage between 60 and 62½ as may be agreed upon. The adjustment of premiums to achieve these results is to be made by rebates or by additional charges at renewals. This agreement is a pleasing example of our practical English methods of administration. Logically, insurance should be made compulsory, and be under strict State supervision; we who have learned that strict logic makes a sorry mess of human affairs leave insurance voluntary, but, by an agreement with the insurance offices, make it so attractive that employers have little excuse for carrying their liabilities uninsured.

THE COMMERCIAL CLAUSES OF THE TURKISH PEACE TREATY.

(FROM A LEGAL CORRESPONDENT.)

We think it possible that the section of the mercantile community which before the war had interests in Turkey may not have fully grasped the significance of some of the commercial clauses contained in the Treaty of Peace signed at Lausanne in July last, and may have been apt to assume that they were substantially the same as those contained in the Treaty of Versailles with Germany. It was to be expected that a negotiated Peace would differ in its terms from a dictated one, but the difference in the case of the Turkish Treaty extends far beyond political questions of territory, disarmament, and so forth, and is manifest even in the arrangements for the resumption of commercial intercourse and the liquidation of pre-war engagements.

In particular we wish to draw attention to one clause (Article 75) permitting the reintegration of certain contracts. Article 73 enumerates certain contracts which may be summarised as contracts relating to the sale and leasing of land, mortgages, pledges, and liens, constitution of companies, and family status, and contracts with organs of central or local government. Article 74 refers to insurance contracts, for which special provision is made in an annex. Article 75 reads as follows:—

Contracts other than those specified in Articles 73 and 74 and other than concessionary contracts, which were entered into between persons who subsequently became enemies, shall be considered as having been annulled as from the date on which the parties became enemies.

Nevertheless, either of the parties to the contract shall have power, within three months from the coming into force of the present Treaty, to require the execution of the contract, on condition of paying, where the circumstances demand it, to the other party compensation calculated according to the difference between the conditions prevailing at the time when the contract was concluded, and those prevailing at the time when its maintenance is required. In default of agreement between the parties, this compensation shall be fixed by the mixed Arbitral Tribunal. (The italics are ours.)

The seat of the mixed Arbitral Tribunal is to be at Constantinople (Article 93).

The effect of Article 75 would appear to be that in the case of the majority of commercial contracts, e.g., sale of goods, agency, charter-parties, guarantees, employment (Insurance contracts are the subject of special provisions contained in an annex), which had not been completely fulfilled upon the outbreak of war with Turkey, either party can, within three months of the ratification of the Treaty, demand the restoration and fulfilment of the contract on conditions of paying such compensation as may be adjudged by the Tribunal to represent the difference in the conditions prevailing in 1914 and 1923 respectively. Thus the rule of the common law to the effect that all such contracts are dissolved by the outbreak of war is abrogated, and many persons may shortly find themselves called upon to resume the performance of contracts which they had consigned to oblivion, and in place of which they may have made fresh arrangements. It is true that a claim for compensation can be made before the mixed Arbitral Tribunal, but—for an Englishman—it's a long, long way to Constanti-

nople, which is the seat of the new Tribunal, and, however excellent it may be, the prospect of litigation upon the far off, unremembered things of 1914 is not pleasing to the average business man.

Contrast the Treaty of Peace with Germany. Article 299 (a) declares dissolved contracts between enemies as from the date of the outbreak of war, except as to debts or other pecuniary obligations arising thereunder, and excluding insurance contracts (for which special provisions are made) and a group of contracts substantially the same as those enumerated above in Article 73 of the Turkish Treaty. Then follows the clause dealing with reintegration, Article 299 (b) :—

Any contract of which the execution shall be required in the general interest, within six months from the date of the coming into force of the present Treaty, by the Allied or Associated Governments, of which one of the parties is a national, shall be excepted from dissolution under this article (299).

When the execution of the contract thus kept alive would, owing to the alteration of trade conditions, cause one of the parties substantial prejudice, the mixed Arbitral Tribunal provided for by Section VI. shall be empowered to grant to the prejudiced party equitable compensation.

In this case, the demand for reintegration must be made by a Government, that Government must be one of the Allied Governments, and the reintegration must be "in the general interest," presumably, of the Allies as a whole, or, at any rate, of the one whose national is concerned, and not merely in the private interest of the party concerned. Moreover, the mixed Arbitral Tribunal sits in London.

Legal advice and interpretations given *in vacuo*, and without reference to particular sets of facts, are of little use, and it is not suggested that these remarks can be of any greater value than to warn persons who had pre-war contractual relations with Turkey that it behoves them to examine their legal position under the Treaty very carefully, if they have not already done so. The Treaty has not yet been ratified by Great Britain.

THE INDUSTRIAL SHARE MARKET.

ALTHOUGH the market for industrial shares on the Stock Exchange has recently shown signs of marking out a course for itself, it has not been able to withstand the general depression of the last few weeks, despite arguments put forward to explain how the various party programmes, if carried out, would benefit or penalise particular industries or groups of companies. A week or two ago, for example, a small buying movement set in for shares in such companies as were thought to be likely to benefit directly from the imposition of protective tariffs. The number of securities so affected, however, was small, and the movement rapidly dwindled. Then, again, a certain nervousness has been exhibited by holders of shares in some of the large combines, on the ground that, in the event of success at the polls by the Labour party, particular attention would be devoted to companies thought to be making excessive profits at the expense of the consumer. The volume of selling caused by alarms of this nature has, however, been small, and in the past few weeks the general trend of the industrial share market has been gently in a downward direction, in sympathy with the investment department, which has been disgruntled by the approach of a General Election.

A glance back over the past year, however, shows that prices during the first few months were moving steadily upward, the highest point being reached in the early summer. The spurt given to certain branches of British trade by the French occupation of the Ruhr favourably affected several classes of industrial shares, and it was not until it became clear that the sudden prosperity of the iron, coal, and steel and other industries was only temporary that prices began to react. From the table below, which we have compiled from the monthly figures of security values published by the *Bankers' Magazine*, it will be seen that the highest point was reached by general commercial and industrial shares

in June, by the iron, coal, and steel group in April, and by shipping shares in January, the last-named having fallen continuously from that month until August :—

	38 Commercial and Industrial.	14 Iron, Coal, and Steel.	5 Shipping.	10 British and Indian Funds.
Par value	100	100	100	100
December, 1921	170	94	138	81
October, 1922	225	107	153	94
November, "	227	112	150	91
December, "	229	120	162	91
January, 1923	236	124	166	92
February, "	238	125	165	92
March, "	244	123	164	93
April, "	260	126	163	95
May, "	262	119	163	94
June, "	264	114	160	94
July, "	245	110	151	91
August, "	244	107	148	92
September, "	248	111	151	93
October, "	243	108	151	93

The movements in industrial shares, it will be seen, have been much wider than the variations of Government stocks, which reached their highest point in April. In the series of tables which follow we show the highest and lowest prices of the past two years, together with the latest prices of five groups of industrial concerns. The first gives 12 representative securities in the iron, coal, and steel group :—

IRON, COAL, and STEEL.

	Amount Quoted.	Latest Full Year's Dividend.	Prices.					
			Year 1922.		Year 1923 to end of October.		Present	
			Hgst.	Lwst.	Hgst.	Lwst.		
	£	%						
Armstrong, Whitworth (£1)	5,512,500	20 a)	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Babcock and Wilcox (£1)	4,297,656	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Baldwins (£1)	4,150,736	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Boiclow, Vaughan (£1)	2,639,100	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Dorman, Long, and Co. (£1) ..	6,000,000	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Ebbw Vale Steel (£1)	2,500,000	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Guest, Keen (£1)	5,378,153	10 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Howard and Bullough (£1)	1,250,000	17 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Pease and Partners (£1)	2,203,85	6 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Stewart and Lloyds, def. (£1)	2,638,100	12 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
United Steel (£1)	8,006,599	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Vickers (£1)	12,315,633	5	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2

† Free of income-tax. a On old capital.

In very few cases is the latest price much better than the lowest level reached this year, nor has the general level of prices this year been much better than it was in 1922. Five of the companies have paid no dividend in their last financial year.

The next table shows the movements of six shipping stocks :—

SHIPPING.

	Amount Quoted.	Latest Full Year's Dividend.	Prices.					
			Year 1922.		Year 1923 to End of October.		Present.	
			Hght.	Lwst.	Hght.	Lwst.		
	£	%						
Cunard Steamship (£1)	4,456,189	7 1/2	1 1/2	7/8	1 1/2	1 1/8	1 1/2	1 1/2
Elder Dempster, 6% cum.prf (£1)	3,000,000	6	1 1/2	1 1/4	1 1/2	1 1/8	1 1/2	1 1/2
Furness, Withy, and Co. (£1) ..	4,000,000	17 1/2	1 1/2	1 1/4	1 1/2	1 1/8	1 1/2	1 1/2
Lampert and Holt, 6% cum.pr. (£1)	1,000,000	6	1 1/2	1 1/4	1 1/2	1 1/8	1 1/2	1 1/2
P. and O., deferred stock	3,592,465	+12	340	292	350	300	300	300
Royal Mail, ord. stock	5,000,000	6	101	82 1/2	99 1/2	85	87 1/2	87 1/2

† Free of income-tax.

Here, again, present prices are practically at the lowest level of the year, but this is considerably better than the bottom point of last year.

The next table gives similar figures for textile shares :—

TEXTILE.

	Amount Quoted.	Latest Full Year's Dividend.	Prices.				Present.
			Year, 1922.		Year 1923 to End of October.		
			Hgst.	Lwst.	Hgst.	Lwst.	
Amalgamated Cotton Mills Trust (£1)	£ 4,650,000	% nil	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2
Blanchers (£1)	2,371,086	20	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2
Bradford Dyers (£1)	1,356,477	35	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2
British Cotton & Wool Dyers (5s)	774,165	15	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2
Calico Printers (£1)	2,010,736	12 1/2	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2
Coats, J. and P. (£1)	14,750,000	17 1/2	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2
English Sewing Cotton (£1) ..	2,000,000	20	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2
Fine Cotton Spinners (£1) ..	3,675,000	12 1/2	2 1/2	2 1/4	2 1/2	2 1/4	2 1/2

In most cases present prices of the shares in this table are higher than the lowest touched this year. An

exception is J. and P. Coats, the repetition of whose dividend of 17 1/2 per cent. was apparently not quite up to market expectations.

The motor manufacturing group makes a dismal showing :—

MOTOR MANUFACTURING.

	Amount Quoted	Last Full Year's Dividend.	Prices.				Present.	
			Year 1922.		Year 1923 to End of October.			
			Hgst.	Lwst.	Hgst.	Lwst.		
	£	%						
Austin Motor, 6% cum. B pref. (£1)	1,000,000	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Birmingham Small Arms (£1)	2,815,172	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Cossie's Motors (£1)	1,101,960	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Dennis Brothers (1913) (£1)	50,825	13	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Humber, Limited (£1)	292,884	10	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Napier, D. (£1)	546,000	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
R H Royce (£1)	787,176	10	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Rover Co. (£1)	1,050,000	8	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
S.T.D. Motors (£1)	1,390,177	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2
Vauxhall Motors (10s)	300,000	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2	1 1/2

Six of the ten companies have made no dividend distribution in their last financial year. The motor industry, as a whole, has by no means emerged from the depths of depression into which it was plunged in the early post-war years, partly by unsound finance and partly by adverse economic conditions. Some of the companies are beginning to show less unfavourable results, but with one or two exceptions the list has no attractions for the investor.

Our next table gives a miscellaneous list of industrial securities not coming within any of the previous categories, and includes some of the most popular stocks in the industrial market :—

MISCELLANEOUS

	Amount Quoted.	Latest Full Year's Dividend.	Prices.				
			Year 1922.		Year 1923 to End of October.		Present.
			Hgst.	Lwst.	Hgst.	Lwst.	
	£	%					
Associated Portland Cement (£1).	2,377,110	15	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Borax, Def. (£1).	1,151,000	12 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
British Oil and Cake Mills (£1) .	2,582,801	10	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Brunner, Mond (£1) .	9,647,041	11	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Bryant and May (£1) .	800,000	12 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Callender's Cable (£1) .	600,000	15	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Courtaulds (£1) .	12,000,000	15 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Dunlop Rubber (£1) .	14,892,660	nil	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
General Electric (£1) .	21,1975	5	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Imperial Tobacco (£1) .	22,303,992	22 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Lever 20% cum. prf. ord. (5s) .	3,676,259	20	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Lyons J. and Co. (£1) .	400,000	25	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Maypole Dairy def. (2s) .	215,333	25	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Nobel Industries, ord. (£1) .	8,011,82	7	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
United Dairies (£1) .	2,034,943	12 1/2	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2
Wall Paper Manufacturers, def. (£1) .	1,923,013	10	1 1/2	1 1/4	1 1/2	1 1/4	1 1/2

† Free of income-tax.

This year's movements show a wider fluctuation than those of last year, and in the majority of cases on a slightly higher level.

The final table gives yields at the end of October of each of the past three years on ten of the principal stocks enumerated in the foregoing tables :—

	Yields per Cent.								
	End of October, 1921.			End of October, 1922.			End of October, 1923.		
	£	s	d	£	s	d	£	s	d
Armstrong, Whitworth ..	6	3	0	6	3	0	5	18	6
British Oil and Cake Mills ..	9	7	0	8	0	0	7	12	6
Coats, J. and P. ..	7	15	6	5	5	9	5	1	0
Cunard Steamship ..	8	18	0	7	10	0	8	5	9
Fine Cotton Spinners ..	6	8	0	4	2	9	5	1	3
Guest, Keen ..	7	8	9 1/2	5	14	3 1/2	4	17	0 1/2
Imperial Tobacco ..	7	6	6 1/2	5	15	3 1/2	5	19	9 1/2
P. and O. Deferred ..	6	8	6	5	3	9	5	4	6
Rolls Royce ..	10	13	3	6	8	0	5	6	9
Rover Company ..	14	11	0	9	8	3	5	14	3

† Free of income-tax.

The range of yields at the end of last month cannot be described as high. There is, of course, a very substantial reduction in comparison with October, 1921, and in many cases with this time last year. The yields on the two shipping securities, however, are now a little higher than they were a year ago. An increase in yield is also shown by Fine Cotton Spinners and Imperial Tobacco shares.

THE RUBBER TRADE IN AMERICA.

(BY A NEW YORK CORRESPONDENT.)

In an article in the *Economist* in August commenting on the results of nine months' experience of restriction it was pointed out that the demand for motor tyres had been over-estimated by American manufacturers, and that consequently there had been an excess production, which was not being absorbed by the public. Stress was also laid on the fact that restriction had placed the market in the power of speculators to far too great an extent, and that a premature bull movement had been encouraged in London, which did not appear to be justified by conditions here.

At that time spot rubber was worth 1s 3 1/4d per lb, and a premium of about 1d was readily paid for future deliveries. It has recently fallen to 1s 1 1/4d, and is now slightly higher, but it is not considered here that the decline has yet sufficiently discounted the outlook.

The bull movement was undertaken in the belief that American manufacturers would be forced to buy heavily at an early date, largely because of the increase in motor-car and truck construction. The argument appeared plausible, seeing that America uses about 70 to 75 per cent. of the world's consumption, and rather more than 80 per cent. of this is required for tyres. The output of cars and trucks in 1922 was 2,577,300, while for the seven months, January to July, this year, 2,354,000 were manufactured, and it is now estimated that the total for the current year may amount to about 4,000,000. Quite a number of the market operators here were also misled by similar reasoning, for once again it has been shown that such statistics are an unreliable guide. What the speculators did not realise is that, in spite of such a large increase in output, the number of cars in actual use has not increased in anything like the same proportion, mainly because most of the new ones can only be sold provided the manufacturer or his dealer will accept the buyer's old car in part payment. For these there is little demand, and their accumulation in the manufacturers' and dealers' hands is now proving a serious inconvenience. That, in addition to normal annual obsolescence, the number of old cars thus laid up is exceptionally heavy is clearly shown by the fact that licence registrations on July 1st had only increased by some 700,000 over December 31, 1922.

Again, the wearing quality of tyres is always being improved, with a consequent increased mileage life, assisted by excellent roads, so that the factors on which it was argued that a substantial increase in rubber consumption would take place have proved illusory. Recent detailed investigations by the Rubber Association of America show that sales of tyres may almost be said to be confined to equipment for new cars, and that the older ones require unexpectedly small replacements.

Undoubtedly there is a substantial increase in motor transport, but it is dangerous to permit oneself to be guided too far by any branch of statistics connected with rubber without an understanding of the underlying facts. For instance, about 60 per cent. of the motor output is accounted for by Fords, the tyres for which contain only a small quantity of rubber, and the most popular of the remainder are of the light types, only comparatively few heavy cars being manufactured nowadays.

It may frankly be admitted now that this market allowed itself to be misled over the effect to be expected from restriction. It was, of course, apparent from the first that such an immense Governmental interference between sellers and buyers would afford tempting opportunities for speculators, but it was hoped that these activities would be kept within more reasonable bounds than has been the case. Here we were faced with what appeared to be a large increase in consumption, and, apparently, a 40 per cent. reduction in the British production, which led many to believe that within a short period the existing heavy accumulation of stocks would be exhausted, and, temporarily at all events, there might even be a shortage of supply. All these anticipations have been falsified: there has, in the circumstances mentioned, been very little, if any, increased consumption, while production, as measured by total shipments from the East, appears to be even

larger than before restriction! No satisfactory explanation of the latter fact has yet been forthcoming, and we are left to guess that it is to be accounted for partly by smuggling and partly by stocks concealed in the East, but principally by a great increase in production from the Netherlands Indies, which the Growers' Association had not apparently expected.

The fact is that the trade is disappointed with the present and the outlook for the future, finding its principal occupation in arguing over statistics of shipments and stocks, production, and consumption, from which a surprising variety of conclusions can be drawn—all more or less reliable or unreliable. It appears sufficient to say that there is probably about the same visible supply to-day as existed at the commencement of restriction, though its ownership and situation have changed, and that the world's consumption has only, at the best, slightly increased this year as compared with 1922. If this view is even approximately correct, there seems no logical reason why prices should not revert to those of the immediate pre-restriction period of about 7d to 10d per lb. But any such argument can perhaps best be met by pointing out that those levels were equally illogical with 1s 6d in January and present levels. Of course, the explanation is that prices are mainly influenced by current sentiment, and the "long" or "short" position of market operators.

After all the discussions, *pro* and *con.*, over restriction which excited so much interest here some months ago, the subject seems now to be forgotten, and consumers are quite content to believe that there will always be plenty of rubber available for their requirements; they certainly cannot be scared again. Undoubtedly, restriction helped to save the growers from a critical situation, and assisted the larger manufacturers here by appearing to establish a kind of "datum line" of 1s 3d, below which prices were hardly expected to decline more than a few pence per lb. For it should always be borne in mind that manufacturers are not so much concerned to secure their requirements at low prices as they are in hoping that the markets will not afterwards decline materially below their average purchase cost.

Unfortunately, that is the situation they are now facing. With a few unimportant exceptions, consumers unexpectedly find themselves saddled with stocks sufficient for about three to five months' requirements at prices materially higher than present quotations, and, to add to their difficulties, their sales of manufactured goods are unusually slow, and drastic price-cuts have had to be met, so that profits are at or close to the vanishing point, and substantial inventory depreciation must be provided for. This situation has become apparent at the most difficult period of the year, when the all-important question of financing 1924 will depend on the results of 1923.

It must be confessed that the outlook for the future is not too bright. Quite apart from the European economic difficulties, 1924 is a Presidential Election year, and political conditions exercise a much more direct influence on business here than anything to which the British are accustomed. No country is so quick as America to respond to favourable or unfavourable factors and sentiment, and each movement is carried to extremes, sometimes to bewildering degrees. At present the watchword is "Caution," and bankers, with the bitter lessons of 1920 and 1921 fresh in their memories, are putting on the brakes on industrial financing, notwithstanding the abundance and comparative easiness of money. The tyre manufacturing industry is probably looked on with a more doubtful eye than any other business of similar importance, and a glance at Stock Exchange valuations of their stocks shows pretty clearly how the public regards their prospects, for even the largest and most important corporations' issues are now selling at about, or even below, 1921 records. These companies are now more than ever under the direct or indirect control of Wall Street, and it is known that their operations, including particularly their buying of rubber and other raw materials, are closely watched and limited to the requirements for such goods as they can dispose of to the public.

In short, the rubber manufacturer, like all other business men, is being quietly warned to put his house in order, if he is likely to require financial facilities in the coming

months: a small inventory and a respectable cash balance will have to be shown before he has any chance of securing a loan.

These conditions are likely to have a marked effect on rubber prices, for, instead of substantial seasonal buying, the manufacturer will only be interested on a hand-to-mouth basis. This may prevent such wide fluctuations as rubber has been accustomed to, and to that extent may work for stability, but it can hardly be construed into a bull point when coupled with the other conditions mentioned.

Notes of the Week.

Protection and the Iron and Steel Trade.—Of all the points brought forward by Lord Birkenhead in his speech on Tuesday, his singularly incomplete statement about the iron and steel industry was one of the most misleading. He stated, and repeated as though it were an argument, that whereas in the days of Cobden Great Britain produced two-thirds of the iron and steel production of the world, by 1914 Great Britain had been far surpassed both by the United States and by Germany. As an appeal to ignorance the argument employed in such a statement would be hard to beat. In the "hungry forties" the iron age was only just beginning. The population of the United States was 17 millions, against 118 millions to-day, and had only begun to open up the great territories of America. The industrialisation of Germany also belongs to a much later date. Indeed, the invention (made in this country) which made it possible to use in steelmaking the great ore resources of Lorraine, on which Germany's metallurgical industry has been built up, was not perfected until 1880. Revolution in the means of transport and the progress of science, which fortunately is an international possession, have produced an unexampled increase in the world's white population, and to pretend that the slow increase in Britain's production is due to Free Trade, while the discovery and rapid development of some of the world's chief natural resources is due to Protection, is childish. As a matter of fact, the situation of the iron and steel trade is one of the strongest cases for Free Trade. In America the overwhelming proportion of iron and steel production is consumed at home; in Germany before the war much the greater part of her production was consumed in the home market also. But in the case of Great Britain at least one-half of our output is exported, while one-half of the remainder is used in machinery, ships, &c., which are also sent abroad, while a further amount is used in our own ships, whose activity depends upon foreign trade. In spite of our lower production, nearly half of which is produced from imported ores, we have held the lead in the direct export of iron and steel products, except for the years immediately before the war. To-day we have regained the lead. In 1922 the foreign trade in iron and steel products of the chief iron and steel producing nations was as follows:—

AVERAGE MONTHLY FIGURES in THOUSAND TONS.			
	Imports.	Exports.	Net
Great Britain.....	73.5	283.4	209.9
United States.....	46.6	161.5	114.9
Germany.....	155.1	209.7	54.6
France.....	64.3	164.0	99.7

The figures for the current year to date are complicated by the Ruhr occupation, and are not representative or, in the case of Germany, reliable. But as far as they go they show that Germany has a slight surplus of imports. France has a net export of 108,000 tons, the United States 97,000 tons, and Great Britain 230,000 tons. Britain can only maintain her steel industry by cheap production. The home market alone is totally inadequate to occupy the trade and permit full and economical production. The industry is doomed unless it can sell at the world's prices. Freedom to import cheap semi-finished goods is an important means of securing cheap production here, not merely on account of the material actually used, but also because it ensures that the prices of our goods at all stages of production are on a competitive level.

The Fallacy of Making the Foreigner Pay.—Tariff supporters frequently state that if goods come into a country over a tariff wall, the tax on them will be borne by the foreign exporter. Now, if the price of the goods remains the same after the imposition of the tax, as it was before (or is no higher than it would have been if the tariff did not exist) then it can fairly be said that any duty received by the Government has come out of the foreigner's pocket. But it is precisely such a price that the home manufacturer claims has been unprofitable to him; it is such a price that he demands protection against; it is such a price that he says has produced unemployment and bad trade. So if the price does remain the same as it would have been in any circumstance he does not appear to have gained any advantage, and Protection, from his point of view, has failed, and he has only the satisfaction that the revenue has gained, and the foreigner has "borne the duty." Analysis has shown that there are certain sets of circumstances in which theoretically the whole burden may be thrown upon the foreigner. In such a case the foreigner may "swallow" the tax and continue to supply at the old price. But it is a case which is hard to find in actual past experience, and which is equally hard to pick out as probable in future. Experience almost universally shows that protective duties do succeed in giving some measure of protection at least—that is, that they raise prices by the amount, or a substantial part of the amount of the duty. By the enjoyment of this higher price, the home industry, on the two inconsistent assumptions that none of its expenses are raised by the effect of protective duties on its machinery, materials, or wages, and that the volume of demand for goods at the higher price will not be diminished, will gain business and "relieve" unemployment. The home consumer will pay this higher price, and the foreigner receives the higher price, less the duty going to the Government. If the price is higher by the whole amount of the duty, the foreigner then bears nothing. But experience shows that the price frequently may not rise by the whole difference, so that the foreigner will "bear" something. In what sense? Assume a million articles, half imported, have been sold at £1 each, giving 1s profit to the home manufacturer, and that a 5s tax is put on, and the price rises to only 23s, at which price the public will take 900,000. Assume 700,000 are made at home now at a net cost of 18s 6d, instead of 19s. The home manufacturer formerly had as profit 500,000 at 1s = £25,000. He has now 700,000 at 4s 6d (i.e., 23s price, 18s 6d cost), or £157,500 profit, and also claims the satisfaction of "relieving" unemployment. The foreigner has received a net price of 23s minus 5s = 18s, and has, therefore, "borne" a tax of 2s on 200,000 articles, or £20,000. The Government receives 5s on 200,000 articles = £50,000, the foreigner bears £20,000 of it, but the consumer pays an additional 3s on the whole 900,000 articles, £135,000 in all.

The protected manufacturers make an extra.....	£	132,500
The Government get	£	50,000
		182,500
Paid by the consumer.....	£	135,000
Borne by the foreigner	£	20,000
Saving on overhead charges, 6d on 500,000, equals ..	£	12,500
And 1s 6d on 200,000, equals	£	15,000
		182,500

This is the ordinary sense in which the foreigner "pays the duty." It may be said that the foreigner's burden is the loss of export of 300,000 articles, but at any rate these are balanced by exports from this country, so that exporting industries here may suffer as much new unemployment as the relief in the protected trade, and may also lose in overhead charges upon their smaller trade all that the protected trade has gained. If it be said that the increased profit shown to the employer will allow of increased wages being paid to those already in employment, there is no evidence that there are increased real wages if prices of articles the worker buys are to rise by 15 per cent. as in this case. No one denies the possibility of diverting employment into particular channels by Protection. What has to be proved is that the total volume of employment is increased.

Tariff Change and Unemployment.—A correspondent writes:—What is needed to cure unemployment is a remedy which will work quickly; would Customs duties on foreign goods meet this need even if in the long run they were effective? Here German tariff history is instructive and discouraging. The tariff of 1879, which brought Germany back to Protection—though its primary aim was to increase the revenue of the central Government—was introduced into the Reichstag on December 15, 1878, and passed on April 3, 1879. It evoked protests from Oldenburg, the Hanse Towns, the chambers of commerce throughout Germany—which speak with greater authority than their British counterparts—and a meeting of representatives of 72 German cities condemned it by 68 votes to four. Had the great towns and industrial districts possessed their fair share of Parliamentary representation, it would certainly have been thrown out, but it was carried by a coalition of the great ironmasters and the representatives of the agricultural regions. It came into operation on January 1, 1880. Some time later the reports of 85 chambers of commerce on its effects were collated by a German Free Trade Association. These were summarised by our own Board of Trade in a Blue Book (1882, Vol. LXII. c. 3,111.). With few and unimportant exceptions they announced "an obstinate stagnation in all branches of trade." Most of them attributed this to the new tariff. The markets were glutted with foreign goods imported before the new duties shut them out; these goods were not cleared off till six months after it became operative; wages had not risen, or had gone down, while the cost of living had gone up. The ports and frontier districts were the greatest sufferers, but the depression was specially marked in great manufacturing districts—Silesia (with two minor exceptions), Westphalia, and the Rhineland. Nor is the history of the next tariff reform more encouraging. On November 20, 1901, when the commercial treaties based on the tariff of 1879 were expiring, an amended and more Protective tariff was introduced. It was strongly opposed in the Reichstag and the country; but it was referred to a Committee which reported in October, 1902. The tariff was then debated—and obstructed—for nearly two months in the Reichstag; and, as it contained 946 items, its opponents found plenty to say. At last it was passed through, after a 19 hours' sitting, by an unprecedented application of the closure. The treaties based on it had a very unfavourable reception in the German Press, and their apologists were unconvincing and occasionally ludicrous. No doubt both these tariffs were overweighted by duties on food, but their progress was not clogged by these alone. These facts should be pondered by Mr Baldwin and his supporters who are preaching Protection as a quick remedy for unemployment.

Investments and Our Trade Balance.—Certain readers have written to us inquiring why the item "Interest on Investments" appears on both sides of the National Trade Balance-Sheet, printed on page 3 of the *Economist's* Free Trade Supplement last week. The balance-sheet in question ran as follows:—

THE NATIONAL TRADE BALANCE-SHEET, 1922.			
	Imports.	Exports.	
	Million £.	Million £.	
Bullion	44	58	
Merchandise	1,008	824	
Interest on investments	25	200	
Shipping payments	30	140	
Commissions†	..	30	
Balance of miscellaneous services ..	..	10	
Available for investment abroad	155	..	
	1,262	1,262	

* Interest payments on debt to U.S.A.

† Earned abroad by bankers, brokers, insurance companies, &c.

It was explained last week that, "in the third line, 'interest on investments,' the £25 millions entered on the import side represent interest payments on the British debt to the United States, while the £200 millions entered under exports is the official estimate of the income derived from British investments in overseas countries." The reason why receipts from abroad paid to holders of foreign securities residing in Great Britain are included with exports of merchandise and bullion, shipping earnings, &c., on the credit side of the balance-sheet is

that, in all these cases, an obligation is set up on the part of people *outside* in favour of others *inside* Great Britain. When we ship cotton goods to the value of £100,000 to Buenos Ayres, the buyer in Argentina becomes indebted to us to the tune of £100,000. If, on the other hand, our investors some years ago subscribed £1,250,000 to an issue by the Argentine Railway of bonds carrying annual interest at 8 per cent., the railway in question will be liable to remit £100,000 in interest (8 per cent. of £1,250,000) to this country every year. The effect is the same in both cases—an addition of £100,000 to the credit side of our trade balance. Similarly, shipping payments, bankers' commissions, and all other items included on the "export" side represent amounts due to us from abroad, and are all parts of the national income. The payment of £25 millions interest on our debt to the United States operates in the opposite way, and affects our trade balance exactly as would a payment of £25 millions for goods imported into Great Britain.

The Irish Loan.—Our Dublin correspondent writes:—On Saturday the prospectus of the first Irish Free State loan will be in the hands of the public. There is a general expectation that the issue will be fully subscribed, if not oversubscribed, at once; and it is probable that every necessary step has been taken to make the issue an immediate success. The actual yield on the issue price is a small fraction above 5½ per cent., so that holders of British Government securities can re-invest at a slight increase of annual income. The realisable capital value of the new stock will be sustained by, *inter alia*, the heavy sinking fund. Rumour, in responsible quarters, alleges that the Irish banks will take at least half of the new issue, and, as was pointed out last week, the "approved societies," Government departmental balances, and Irish Free State charitable trust funds, apart from the general public, will easily absorb the balance. As to the subsequent buoyancy or otherwise of the new stock in the stock market, it is well to note that suitable Irish trustee securities are not very numerous—at least this is the explanation given for Dublin Corporation 3½ per Cent. standing a few months back as high as 72 (it is now about 67-68). If Dublin Corporation 3½ stock only yields approximately 4½ per cent. (or at the higher quotation about 4½ per cent.) the Irish Free State Government stock should clearly go to a premium. Ireland has abundant resources, and no prior debt, in which respect she compares favourably as a borrower with her sister Dominions. The Government sees its way to carry on with a loan of these restricted dimensions, and before any further issue is forthcoming the results of the pacification of the country and of the Government economy campaign will have made themselves felt. The zeal of the new *régime* for economy and efficiency has just been signalled by an order issued by the Local Government Department dissolving the Dublin Board of Guardians, and appointing a single official in their place. This decision is almost as much based upon the inefficiency of the existing system as of the guardians themselves who worked it. It is understood that the Department expects, while rendering improved service all round, to save something like £30,000 per annum of the rate-payers' money. This stringent action of the administration is something of a portent, and it indicates a tendency most interesting and significant to students of political science.

Russia's Monetary Experiment.—More than a year has now passed since Soviet Russia introduced the experiment of a double paper currency, and in view of the inevitable search for currency remedies in other countries, it is of special importance to examine the results of the Russian innovation. In October, 1922, a Soviet decree established a new currency, called "tchervonetz," which did not supplant, but went into circulation together with the Soviet rouble. The new tchervonetz is equal to 10 gold roubles, or to about one English pound. This new currency, however, writes our Warsaw correspondent, is a paper money, and the difference between the Soviet rouble and this unit consists in the fact that the issue of tchervonetz is strictly limited, and that it is based not on State, but on commercial credit. According to Article 3 of

the Decree of October 11th, the notes must be covered as to 25 per cent. of their value by gold, precious metals, or foreign stable currencies (pounds, dollars, Swiss francs, &c.), and the remaining 75 per cent. must consist of commercial bills and merchandise, which may be easily sold. The tchervonetz are to a certain extent legal tender in relations with the Treasury; they are receivable for taxes and public dues fixed in gold, but there is no compulsion to receive them in payment of private debts. Legally, a debt contracted in tchervonetz is repayable in roubles, according to the exchange, quoted on the bourse. Only credits granted by the Gosbank (the former Imperial State Bank) in tchervonetz must be repaid in the same currency. According to Article 8, loans may be granted to the Government by the issue department of the Gosbank, which has the exclusive control of the circulation of the tchervonetz, but these credits must have a cover of at least 50 per cent. in precious metals. The remaining 50 per cent. must consist of securities bearing interest. Various safeguards were devised to prevent the total replacement of the Soviet rouble by the tchervonetz. The smallest note which is issued has a value of 10 gold roubles, so that the public in its daily transactions with the retail traders can only make use of the Soviet rouble. The tchervonetz is reserved for more important dealings. It has been created with the purpose of supplying the wholesale trade and the industry with the necessary currency. The sale of tchervonetz by the Gosbank to private persons is restricted, and by this measure the displacement of the Soviet rouble is also prevented. The fact that Soviet Russia has succeeded in creating a stable paper standard must be considered as an achievement of the greatest importance. During the whole year the exchange value of the tchervonetz has fluctuated no more than the best currencies. This stability of the tchervonetz had a very favourable influence on the extension of its circulation. The wholesale trade is making more and more use of these new notes, and in all transactions the tchervonetz has become the standard in which all prices are expressed and contracts fixed. The extension of the circulation of the tchervonetz had a detrimental influence on the Soviet rouble, whose depreciation has been certainly hastened by the introduction of the new notes. Though the financial situation of Russia is to-day much better than a year ago, and though the process of inflation is subject to some check, the fall of the Soviet rouble is becoming more rapid. During the second half of 1922 the depreciation was smaller than during the first six months of this year. In July and August the pace of the decline was again quickened. Without energetic measures for bringing the Budget towards equilibrium, the monetary reform must have failed, because it deprives the Government of a great part of revenues which it is able to obtain by the use of the printing press. The Commissariat of Finances has succeeded in making itself partly independent of this source. In January, 1922, the issue of paper roubles covered 90 per cent. of the expenditure; in July, 1922, 62 per cent.; in January of this year, 38 per cent. Since August the issue of Soviet roubles has been fixed at 15 million gold roubles monthly, and half of the monthly amount printed during the first six months of this year. Under such conditions the more rapid depreciation of the Soviet rouble can be supported by the social organism. The advantages of a stable standard, which has been created by the introduction of the tchervonetz, are so great that they outweigh completely the inconvenience which has been caused by the hastened fall of the Soviet rouble. The monetary experiment undertaken by Russia a year ago must be considered as a great step forwards in the direction of a return to normal and stable conditions.

Chinese Finance and Trade.—Civil war and the consequent exactions of the soldiery, and of brigands, river and coast pirates, and local authorities, have not overcome the business ability of the Chinese merchant, though the situation is growing worse. This was the position as described by Commercial Secretary to the British Legation, writing from Shanghai last June, in the report just issued by the Department for Overseas Trade; and it seems no better to-day. Yet the crops have been good in many districts, money is fairly plentiful, and markets bare of

stocks, so that any approach towards peace would bring a rapid revival of trade. But all official salaries are greatly in arrear, the Central Government's railways are heavily indebted to foreign creditors, and only loans from the native banks have kept it going. The unsecured debt and the foreign loans receiving preferential treatment amount to about \$800 millions; the Customs and Salt surpluses and the yield of the increased import duties are estimated at \$82 millions. But the Salt surplus of \$48 millions has been absorbed by current Government expenditure and debts, and the proposed Customs surtax will at most provide \$25 millions annually—too little for the service of a funding loan. Yet the Maritime Customs have produced a revenue which, if the famine relief tax is left out, exceeds the record total of 1921 by more than \$4 millions Haikwan taels. Of the net Salt revenue, the illicit seizures by local authorities and the sum released to the Central Government have left only \$6,728,000 to meet secured obligations and other claims. Currency reform has made no progress, and the copper coinage is depreciated, chiefly through over-issue, while the cost of living goes up. Railway construction, except on the Lung-Hai line, is suspended; the Government lines are deteriorating and working inefficiently and at a loss; a contrast is afforded by the Shanghai-Nanking railway, which is under foreign control. Harbour improvements are contemplated at Shanghai, and have been effected at other Treaty Ports, and preliminary steps have been taken to prepare for the conservation of the Yang-tse. The few roads built are ill-kept, and on the Chefoo-Weihsien road a monopoly of motor transport checks traffic. Shipping has experienced a very difficult year, owing to political disturbances and intermittent trade. Native industries with modern methods, which of late years have developed largely, suffer from relatively inefficient management and from labour difficulties, set up chiefly by the rise in the cost of living; the cotton trade, which had developed rapidly, has suffered severely. Silk spinning has done better, and shipbuilding, when it recovers, will hold its own against foreign competition. Coal mining has been specially hampered by the civil warfare and interruption of transport, but coal exports show a notable increase. Foreign trade has reached a record value, though last year was bad for the traders. Probably much of the goods entered had been in bond since their arrival in 1921. Imports direct from Great Britain and the United States fell off; Japan and Germany substantially increased their totals. Germany was not far behind her pre-war figure, but her recent troubles have checked her recovery. Very full particulars are given of imports and exports, and it is noted that the development of trade and industry wherever foreign settlements offer some security presages a more general revival when order is restored elsewhere. British manufacturers are recommended to sell their goods through British rather than Chinese firms, and to study the market by sending out personal representatives rather than through correspondence.

Employment in October.—The monthly review of the labour market conducted by the *Ministry of Labour Gazette*, shows that on the whole there was little change in the unemployment position during October. The Trade Union unemployment percentage declined, the percentage of insured workers unemployed remained stationary, and there was a slight rise in the total number of registered unemployed, namely from 1,285,000 at October 1st to 1,296,000 at October 29th. Recent movements in the Trade Union percentage are shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.								
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	11.1
August	2.0	0.5	0.5	2.2	1.6	1.3	14.4	11.4
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	11.3
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	10.9
November ..	2.0	1.1	0.5	2.9	3.7	15.9	14.2	..
December ..	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

Here, it will be seen, we had reached at the end of October the lowest percentage recorded in any month since March, 1921. Of all workers coming under the Unemployment Insurance Act the unemployed percentage at the end of October was unchanged at 11.7. October saw improvement in the coal-mining industry, tinplate and steel sheet manufacture, and in the pottery trade, but a slight decline in iron and steel manufacture, which is curious in view of the increase in the output both of pig-iron and steel ingots and castings in October, to which we drew attention in our last issue.

Cost of Living.—According to the retail price index number published by the Ministry of Labour, the cost of living for an average working class family remained stationary during October at 75 per cent. above the level of July, 1914. Movements month by month in recent years are shown below:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914. (Food, Rent, Clothing, Fuel, and Light, &c.)							
	1918.	1919.	1920.	1921.	1922.	1923.	
January 1st..	85.90	120	125	165	92	78	%
February ..	90	120	130	151	88	77	%
March ..	90	115	130	141	86	76	%
April ..	90.95	110	132	133	82	74	%
May ..	95.100	105	141	128	81	70	%
June ..	100	105	150	119	80	69	%
July ..	100-105	105-110	152	119	84	69	%
August ..	110	115	155	122	81	71	%
September ..	110	115	161	120	79	73	%
October ..	115-120	120	164	110	78	75	%
November ..	120-125	125	176	103	80	75	%
December ..	120	125	169	99	80	..	%

The index number for retail food prices alone moved up one point in October from 72 per cent. to 73 per cent. above the pre-war level. As regards individual October movements in retail food prices, October saw a further rise in the price of eggs, while fish and milk were on the average slightly dearer at November 1st than at October 1st. On the other hand, there was a fall in the average price of bread of about ¼d per 4 lbs, and of nearly 1d per lb in bacon, while potatoes, meat and flour also became slightly cheaper.

Emergency Banking in Hamburg.—According to the Department of Overseas Trade, an organisation has been established in Hamburg, under the name of the "Hamburgische Bank von 1923," for the purpose of providing means of payment in money of fixed value. It is a purely emergency measure which the Hamburg merchants, banks, insurance offices, &c., have taken in order to deal with the present difficulties. It was constituted on the 24th ult., and the capital of 12 million gold marks (£600,000) was guaranteed by the following day, 25 per cent. being paid up immediately. The bank will issue notes on the strength of actual cash credit balances in New York. Bills in respect of such balances will only be accepted from first-class houses. The wording of the notes is:—

This note is issued for gold marks, against gold credits which have passed into the possession of the bank and remain at the bank as cover. The face value of the note may be disposed of by transfer. By a gold mark is to be understood one 4-20th part of the U.S.A. dollar.

The notes are being employed for the payment of wages at the port. A charge of 1½ per cent. is being made by the bank, and is explained by the fact that the issue is of an emergency character, and may be withdrawn at an early date. Authority has been received from Berlin to issue notes and coins. It is thought that this authority is liable to be withdrawn should the Hamburg mark be found to interfere with the Rentenmark, but doubt has been expressed as to whether Hamburg would, in this event, submit to Berlin. As regards the clauses in the statutes which authorise the bank to engage in commercial transactions, it is stated that for the present the bank's activity is confined to the exchange of gold mark notes against deposits and credits in sound foreign currency. It may eventually discount bills, and possibly advance money against good commercial securities up to one-third of the capital.

Japanese Trade and Finance.—Cabled advices from Tokyo state that as time goes on confidence is steadily gaining ground in financial circles there. Considerable business activity is caused by immediate replacement needs, and the Stock Exchange has resumed business with a cheerful tone. No large scale reconstruction plans have as yet been set on foot, so that at the moment there is no abnormal demand for financial accommodation, and with the banks still maintaining their cautious attitude, floating credit is abundant. The second Government estimate of the rice crop is 58 million koku, showing a decrease of 2 million koku as compared with the first estimate, and this poor prospect is said to be responsible for a hard undertone in forward transactions. The raw silk market is reported to be rather weak. On November 15th the note issue of the Bank of Japan was 1,269 million yen, as compared with 1,063 million yen a year ago, discounts and advances being 477 million yen, against 189 millions. Japanese exports in October were 136 million yen, and imports 142 millions. Thus there was a small import excess as compared with a large export balance in October, 1922, when imports were 105 million yen and exports 161 millions.

Tin and Tinplate.—Mr Stanley Baldwin has stated that French, Belgian, and German steelmakers, because of their resources and equipment, can undersell British steel by £2 per ton. This conveys the impression that trade is languishing; but actual facts put quite another complexion on matters. The official figures show that the British imports of iron and steel are about 40 per cent. under those for 1913, while exports are only 15 per cent. less, and this week the price of tinplate bars has been reduced to £8 18s 9d per ton, less the usual rebate of 7s 6d. The iron and steel trades generally are well engaged, and the state of the tinplate trade, which consumes large quantities of steel, can be gauged by the fact that the minimum selling price has been raised to 23s 6d per base box, with contracts actually fixed for the first quarter of 1924 at a little over this figure. All the works are well booked up ahead, and with stocks down to about 275,000 boxes the outlook is very favourable. The activity in the tinplate industry has led to renewed buying of tin, and during the last few days the market has ruled strong and active, with the Welsh tinplate makers prominent among purchasers. Prices, both for cash and three months' standard tin, have been over £225, which compares with £207 cash and £204 three months at the end of last month, and £199 for both positions at the close of September. The East has been selling freely, with further sales of the Government-owned tin; but all the metal offered has been easily absorbed, and the outlook for the commodity is very healthy, sentiment both here and in the United States being decidedly bullish, thus confirming previous forecasts that the metal would work to a higher level in the closing months of the year. The recent break in the exchange attracted American buying, and this week Straits tin afloat to New York has been sold at £226 10s, c.i.f., with Eastern sales recorded late in the week at £228. The brisk demand from consumers in a rising market confirms the theory that users everywhere are only lightly covered, and although the Straits shipments for November will probably turn out on a full scale, there will be no difficulty about absorbing all the tin that is offered right up to the close of the year. Statistically, the commodity is remarkably sound, and with the home stocks round about 3,000 tons, or less than half the usual pre-war average, when tin was very steady about £230, well-informed opinion considers the position as good. Quite recently there was a setback to a little below £215, but the market quickly recovered from this temporary depression, and this week there has been a very steady upward movement, with a moderate premium established on the forward position, with actual sales of standard three months over £225. The movement is not based on speculative support, although some influential buying has been witnessed from time to time; but consumers are beginning to realise that there may be some shortage over the next few months if the activity in the tinplate trade continues, and obviously with any reasonable prospects of a change for the better in the Continental position, there is ample room for an

expansion in the European takings. The American buying on a good scale at this time of the year is a very promising sign, and there is bound to be competition for supplies, thus helping the market to maintain a hard undertone for the rest of the year.

Cotton Trade Control.—Our Manchester correspondent writes:—During the past fortnight several meetings have been held in Manchester of the Joint Committee of Cotton Employers and trade union officials which was formed early last month for the purpose of discussing whether any practical steps could be formulated for the betterment of the industry. The Committee is understood to have centred its attention upon proposals for controlling production in the spinning branch of the trade according to the state of demand. The idea has seemed to be that mills should be recommended to curtail output to a certain extent. Those firms that have orders to execute and want to run machinery to a larger extent than the amount stipulated would be compelled to pay levies. The fund created would be used to compensate the workpeople for loss of wages. A system of this kind was in force during the war, when it was necessary to restrict the consumption of raw cotton owing to the smaller imports from abroad. The new scheme, however, has not by any means met with general support. At the end of last week there was a special meeting in Manchester of spinners engaged on Egyptian cotton, when it was decided to oppose any form of control and the payment of levies by that section. This decision has blocked all progress for the time being, and at the meeting of the Joint Committee last Monday it was officially announced that it had been found impossible to formulate any system of control which would cover the whole trade. Further suggestions are being made, and the Conference adjourned in order that the representatives of the employers might consult their respective associations especially as to whether it would be possible to proceed on the lines of sectional control. The general opinion in Lancashire trade circles, however, is that no tangible scheme will result from the discussions which are now taking place. It is realised that the opposition is of considerable weight, and without unanimity a proposal of this kind cannot be carried through successfully. In the meantime the trade position is improving, and drastic action such as suggested is not likely to be necessary.

The Mexican Eagle Incident.—One of those unpleasant incidents which occur every now and then in the Stock Exchange marked the opening of the week in the oil market. It arose in connection with Mexican Eagles. The price started on Monday morning in the neighbourhood of 20s 3d. It is well known that a good many shares were picked up on that basis. Buyers paid 20s 6d or thereabouts for quite a number of Mexican Eagles as soon as the market opened. Shortly afterwards a statement was exhibited in the market from the London agents of the Mexican Eagle Company, giving particulars of an important find of oil, and with details showing that it had been made upon one of the newer fields belonging to the company. The immediate result was a violent rise in the price of the shares. It jumped to 23s, and, on the following day to 24s. Jobbers who had sold Mexican Eagles early on Monday morning at about 20s 6d were caught out, for they had no chance of getting the shares back before the advance occurred. They were faced with the necessity for cutting heavy losses, and it was no doubt due to the fact that some of them elected to do so which led to Mexican Eagles going up in the manner that they did. Stock Exchange jobbers are too well accustomed to take the rough with the smooth for them to complain about making a loss where they anticipate a profit, but, in this particular case, a strong suspicion arose that leakage had occurred in the transmission of the news, and that the information was utilised for the benefit of people who acted before the notice was posted in the Stock Exchange and the news became generally known. The sore feeling which prevailed would probably have gone no farther than expressions of opinion had not some people desired to pursue the matter further. Precedents can be quoted to show what has happened in the past when false news was deliberately spread, and it may be that there are cases

when authentic information, as in this particular instance, has leaked out in advance of official notification, and the Stock Exchange Committee's action has been sought. To trace such leakage to its source is not an easy matter, as anyone may see. Stockbrokers and bankers would need considerable proof of justification for such a serious matter as disclosure of principals' names would be. That the oil market should have lost much money through the use, by outsiders, of a leakage of news is the harder when it is considered that the loss has benefited an unsportsmanlike gamble, but the Stock Exchange spirit is against any admission of its members not being sporting enough to accept the loss without making any fuss about it. The onlooker would fain see the affair threshed out, and have the guilty parties, if there are any, brought to book, their profits attached, and their names published. But at the same time the difficulties of securing these desirable ends are clearly considerable, and the whole business will require the exercise of a good deal of tact on the part of those who deal with it.

India Rubber, Gutta Percha's Year.—A year ago the directors of the India Rubber, Gutta Percha and Telegraph Works Company, Limited, had to present accounts showing a loss of £94,406 on the twelve months' working. The two main causes of this loss were stated then to be (1) further depreciation in stock value and (2) intense foreign competition. The report for the year ended August 31st last shows a marked improvement in affairs, and it would be interesting to know if the intense foreign competition has been overcome or if other markets have been found where foreign competition cannot penetrate. It is perhaps of interest to recall that the foreign competition was mainly over the tyre section of the business. The gross profit of the company amounted to £311,150, which compares favourably with £176,855 in 1913. It is perhaps only fair to add that these profits include refunds of payments made for Excess Profits Duty. But it is unfortunate that the amount derived from this source is not given. The following table shows results over a number of years:—

September 30.	1913.	1915.	1918.	1919.	1920.	1921.*	1922.*	1923.*
Gross profit ..	176,855	207,117	388,127	357,768	359,349	Dr 149,640	166,490	311,150
General exps. ..	82,435	82,001	134,773	147,666	204,790	205,907	193,075	154,193
Inc.-tax directors' fees, &c.	3,008	4,503	44,956	72,257	32,370	40,632	10,150	4,239
Depreciation ..	23,861	24,199	44,807	44,931	28,889	30,949	37,671	36,374
Deb. interest ..	16,000	16,000	20,000	20,000	20,000	18,333	20,000	20,000
Net profit	50,551	80,406	143,589	71,913	73,300	Dr 145,461	Dr 9,406	96,344
Balance fwd. ..	5,904	1,032	59,865	90,965	100,368	142,418	35,498	3,592
From reserve ..	..	..	..	..	..	350,000	75,000	..
Available for dividends ..	57,455	81,438	203,455	162,868	173,668	46,957	119,498	99,936
Reserve	..	..	50,000	..	..	..	..	39,278
Staff fund	..	..	..	..	..	..	..	..
Prof. dividend ..	12,500	12,500	12,500	12,500	12,500	11,459	12,500	12,500
Ord. dividend ..	37,500	50,000	50,000	50,000	50,000	..	..	37,500
(7½%)	(10%)	(10%)	(10%)	(10%)	(2½%)	..	..	(5%)
Applied to loss	..	..	..	..	..	..	94,406	..
Carry forward	7,455	18,938	90,965	100,368	142,418	35,498	3,592	10,658

* To August 31.

It is proposed to pay a dividend of 5 per cent., free of tax, which will absorb £37,500. Incidentally the ordinary capital is now £750,000, as against £500,000 in 1919. Reserves are now £180,000, including £39,278 shown in our table above. It is good to see this well-managed undertaking once again on the path to prosperity, and we congratulate the directors on the results achieved in a period of trade depression.

Consolidated Gold Fields.—Our mining correspondent writes:—The expectation that this Kaffir finance undertaking would be able to declare a dividend in respect of the year to June 30th proved well founded; but the amount of the distribution—6 per cent., less tax—was not such as to arouse enthusiasm. The accounts indicate that while a slightly higher percentage could have been provided at a pinch, the pinch would have been a tight one. After disbursement of the £90,750 required to cover the 6 per cent., the carry-forward will stand at the increased figure of £41,750. For each of the two preceding years there was no dividend on the ordinary shares; in respect of 1918, 1919, and 1920 the shareholders received 7½ per cent., tax free. The foregoing remarks have reference to the Old—the holding—company. The “New”—the operating

company—last year secured a substantially larger revenue than in either of the two preceding periods, but depreciation once again required a large appropriation. The balance-sheet shows a further expansion in the portfolio, and some noteworthy changes in the cash items. Appended is a summary of the accounts for each of the past three years:—

	Year Ended June 30—		
	1921.	1922.	1923.
	£	£	£
Receipts and profits	429,980	379,380	460,230
Depreciation	492,399	147,010	182,030
Taxes, &c.	10,910	3,640	9,610
Net profit	*131,740	185,850	138,450
Dividends	..	67,500	202,500
Brought forward	20,530	*111,210	7,140
Carried forward	*111,210	7,140	3,450
Investments	3,680,230	3,841,380	4,058,750
Loans at short call	..	90,000	279,700
Sundry debtors and dividends	117,780	210,270	138,540
Cash advances and mortgages	295,300	272,730	169,160
Real estate and buildings	51,520	47,790	35,560
Cash	239,510	246,200	119,320
Creditors	259,910	137,650	166,200
		* Deficit.	

The company has, of course, in recent years considerably expanded its field of operations—this being, indeed, the reason for the formation of the “New” concern. In regard to the South African interests, the outstanding feature consists in the almost dramatic change which has come over the position of the Robinson Deep, whose “B” shares have lately been the medium of an active speculation. The prospects of the Sub Nigel have also improved. An interest has been acquired in the Cam and Motor. As regards America, important measures have been taken by the Trona Corporation for the disposal of its output. Good progress is being made by the South American Gold and Platinum Company in the erection of its hydro-electric plant. As indicated a year ago, a large interest has been acquired in an important group of claims on the Comstock lode, California. Following upon its participation in the Trinidad Leaseholds, the Gold Fields has gone into the Roumanian oil industry.

Castner-Kellner Alkali.—Again we have to chronicle further advance in profits for the year ended September 30th last of the Castner-Kellner Alkali Company. The report vouchsafes no information as to the year's trading, or as to the reason for the improvement, but from the table below it will be seen that in the past few years there have been considerable fluctuations in earnings:—

	Profit.	Debtenture Interest.	Renewal and Depreciation.	Reserve Carry Forward.	Dividend.
	£	£	£	£	%
1905	52,358	10,153	23,205	1,000	18,000 .. 4
1909	134,154	9,313	35,000	26,841	63,000 .. 14
1910	164,554	8,986	32,500	44,318	78,750 .. 17½
1911	178,853	8,789	32,500	47,564	90,000 .. 20
1912	177,063	8,682	32,500	45,880	90,000 .. 20
1913	172,348	8,372	32,500	29,382	106,094 .. 22
1914	174,150	8,275	32,500	21,917	116,458 .. 15½
1915	260,805	8,056	50,000	52,749	150,000 .. 22
1916	262,208	7,706	50,000	23,252	181,250 .. 20
1917	263,322	7,648	50,000	45,078	200,000 .. 20
1918	261,339	7,598	50,000	48,819	200,000 .. 20
1919	190,655	7,598	50,000	51,876	130,000 .. 13
1920	283,854	7,598	60,000	48,132	220,000 .. 22
1921	153,086	7,512	50,000	13,706	130,000 .. 13
1922	249,225	7,436	nil	55,494	200,000 .. 20
1923	272,990	7,351	nil	101,331	200,000 .. 20

No addition is made to the depreciation reserve account, which at £737,500 is considered to be ample by the directors. Our figures of “Reserve and Carry Forward” include a sum of £75,000 “to be carried to a suspense account.” A year ago we drew attention to the fact that the balance-sheet might have shown a more liquid position. This is again noticeable this year. Debtors and debit accounts are £169,272, while creditors and credit accounts are £678,782. Cash at bankers and in hand amount to £49,224. A detailed analysis of the balance-sheet is given on another page.

Malayan Tin Results.—The annual statements of several of the British Malayan tin mining companies have been issued this week. As the period covered embraces the early

part of the current year, when the price of tin ruled high, the financial outcome of operations naturally shows a great advance upon that of the two preceding sessions. Thus the Malayan Tin Dredging—which also benefited from the starting up of a new dredger—secured a profit of £36,500, as against no more than £3,100 for 1921-22 and £20,700 in 1920-21. Last year's dividends—2s per share—represent only £18,000, or the same as paid for 1920-21, £25,400 being written off and £20,000 placed to reserve. The reason for the conservatism of the directors in the distribution of profits is to be found in the financial position; indeed, it is intimated that the completion of the No. 6 dredger will entail "financial arrangements." The second undertaking—the Southern Perak—is a subsidiary of the first. It did not commence tin-mining operations until September, 1922; and, as usual in such cases, various difficulties had to be overcome. Still, the company secured a profit of £14,700, out of which the shareholders received two distributions of 1s each. Costs absorbed rather less than half the revenue, the profit being 17 cents per cubic yard. Both undertakings have secured additions to their ground. The third concern is the Pahang Consolidated, which differs from the others in that its yield is principally derived from lode mining. During the war period, and the post-war boom, the shareholders received substantial dividends, the rate on the participating preference shares ranging from 12 to the maximum of 15 per cent., and on the ordinary from 15 to 20 per cent. For both 1920-21 and 1921-22 only the fixed preference dividend was paid, but in respect of the year ended July 31st last 7 per cent. has been declared. The profit figures at £45,100, as against very small amounts in each of the two preceding financial sessions, the improvement being due to the recovery in the price of tin, supplemented by a reduction in working costs. Said two factors, as regards 1923 compared with 1922, more than offset a decline in both the tonnage of ore treated and the percentage of tin won. These results are the more satisfactory in view of the fact that during the first four months of the past year operations were curtailed. As usual, development in the various properties has been attended with mixed results, but in the principal mine the upper levels have furnished good supplies of ore, while the indications at depth are favourable. An increased yield has been secured from alluvial deposits. Although the Chen-deriang secured nearly 400 tons of black tin, its net profit did not reach £1,000. Of course, there is no dividend.

Scotch Whisky Trade.—An Edinburgh correspondent writes:—Although, judging from the profits declared by the distillers and bigger distributing houses in the Scotch whisky trade, a very fair degree of prosperity is being enjoyed, there is too good reason to fear that the industry is hastening towards one of its periodical crises. The consumption at home under the influence of the paralysing spirit duty of 72s 6d per proof gallon is steadily dwindling, and is now down to, approximately, 11,000,000 proof gallons per annum, as compared with well over twice that quantity before the war. The exports in the same period have declined from over 10,000,000 gallons to 6,500,000 gallons per annum. Some idea of the change that has taken place in the statistical position may be gleaned from an examination of the figures of the last eight years. If those eight years be divided into two equal periods it will be seen that, whereas in the period 1916-19, which included one year in which spirits were being produced both for munitions and potable purposes, two during which spirits were being produced almost solely for munitions, and one when the output was for potable and commercial purposes only, the production amounted to 82,889,000 proof gallons, which had increased in the next period, viz., 1920-1923, by 20,631,000 gallons to 103,521,000 proof gallons, practically the whole of which was for potable purposes. The removals from bond in the same periods showed a movement in the diametrically opposite direction with fluctuations of an even more violent nature, the total for the second period being only 75,373,000 proof gallons, as against 115,072,550 proof gallons in the first period, showing a decline of no less than 39,698,550 proof gallons. The net result was that in the first period of four years the production was 32,182,000 proof gallons less than the removals, but in the second period it has ex-

ceeded the removals by 28,147,460 gallons, raising the stock in bond in Scotland to 110,261,000 proof gallons, a quantity practically the same as that held in bond in 1913. Despite those figures, the distilling season 1923-24, which runs from October to June, opened with quite a rush by bonders to place filling orders, the North of Scotland Malt Distillers' Association having recommended its members to adhere to last year's flat opening price of 5s 6d per proof gallon, less allowances. The first impression was that there would be another bumper year's output of somewhere between 27,000,000 and 29,000,000 proof gallons, but subsequent experience has shown that bonders were not so keen to place orders for the second or third-rate whiskies even at a price substantially lower than that recommended by the association. The result is that the producers of those second and third-rate whiskies are still anxiously looking for orders, knowing that those already booked will only take up a proportion of their output. The above remarks apply more particularly to the Highland distillers. The producers of the other three categories of malt whisky have had widely varying experiences. The Islay distillers are well booked up for the season, the Lowland malt distillers fully up to, if not in excess of, last season, and the Campbeltown distillers very indifferently indeed. The outlook for the malt whisky distilling industry beyond the current season is not too good. Everything points to the conclusion that the stocks in bond are now as large as is consistent with safety, and with the market prices of matured and maturing malt whiskies now definitely on the downgrade, it is doubtful if bonders will be so ready in the latter part of the current season to place filling orders unless there is a substantial improvement in the consumption.

THE Free Trade Union announces that, owing to the General Election, the Free Trade Conference proposed to be held on November 28th has been cancelled.

THE Universities Committee of the Imperial War Relief Fund for combating disease and distress in the war-stricken areas of Europe and Asia appeals for simple gifts of necessities, which should be addressed to the committee at 71 Southwark Bridge road, London, S.E. 1.

VISCOUNT BURNHAM, C.H., will deliver an address on "The West Indies" before the Royal Society of Arts (Dominions and Colonies Section), on Tuesday, November 27th. The chair will be taken at half-past four o'clock by Lord Askwith, chairman of the council of the society.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, W.C. 2, on Tuesday, November 27th, at 4 p.m., at which a paper on "The Gambia, Our Oldest West African Colony" (with lantern illustrations), will be read by Captain C. H. Armitage, C.M.G., D.S.O., Governor of the Colony. The Right Hon. Sir Frederick Lugard, G.C.M.G., C.B., D.S.O., will preside.

Oversea Correspondence.

UNITED STATES.—FEDERAL RESERVE BOARD RESTRICTS BRANCH BANKING—COMMODITY PRICES—COTTON GINNING—SEPTEMBER RAILROAD EARNINGS—BUILDING ACTIVITIES.

(FROM OUR CORRESPONDENT.)

NEW YORK, November 12.

DURING October commodity prices, on the average, showed another small increase. Bradstreet's Index Number for November 1st was \$13.1378, representing an advance of only three-tenths of 1 per cent. over October 1st, and of 2.4 per cent. over August 1st, but a decline of 1.5 per cent. from November 1st of last year. As compared with the low point of June 1, 1921, the net gain in the general price-level is 23 per cent., while the increase over August 1, 1914, is 50 per cent. The present index number, however, is still 37 per cent. below the peak of February, 1920. The irregular price movement last

month is shown by the fact that eight of 13 groups of commodities declined, and the remaining five advanced. Twenty-seven individual staples worked out higher, while 36 went lower. The slight net gain indicated by the November 1st index number was caused largely by seasonal advances in some foodstuffs, notably provisions, and a rise in textiles, chiefly cotton and cotton goods. Breadstuffs, live-stock, and oils made small gains. Among commodities showing declines were hides and leather, metals, fruits, chemicals, naval stores, coal and coke, and building materials.

October witnessed a substantial increase in building activities throughout this country. Preliminary returns received by Bradstreet's from 156 cities reveal a heavy gain in building permits and values, as compared with the preceding month and with October a year ago. The total value of new buildings for which permits were granted in those cities last month amounted to \$243,768,024, as against \$207,523,357 at the same cities in September, and \$195,571,468 in October, 1922.

Railroad earnings for the month of September made another excellent showing, although not so good as in August. Net operating income of the 194 Class I. carriers totalled \$92,238,400, representing an annual return at the rate of 4.46 per cent. on their tentative property valuation as fixed by the Interstate Commerce Commission for rate-making purposes, including additions and betterments up to January 1, 1923. In August the same roads earned \$98,343,200, or 4.94 per cent., and in September of last year only \$58,677,600, or 2.90 per cent. In making comparison with September a year ago account should be taken of the fact that the shopmen's and coal-miners' strikes, then in progress, adversely affected earnings. Statistics compiled by the Bureau of Railway Economics show that carriers in the Eastern district had a net operating income in September equivalent to 3.93 per cent. annually on their valuation, those in Southern territory 5.20 per cent., and in the Western district 4.86 per cent. Twenty-two railroads were operated at a loss, as against 16 which reported operating deficits in August. Gross earnings of all the Class I. railroads in September totalled \$545,502,700, an increase of \$44,620,000, or 9 per cent., over the same month of last year, while operating expenses of \$415,983,000 were \$7,070,600, or about 2 per cent. greater. For the first nine months of this year net operating income of the roads aggregated \$718,949,000, or an annual return at the rate of 5.27 per cent. on their valuation, as compared with \$529,470,000, or about 3.96 per cent., for the like period of 1922. In the Eastern district the total was \$377,353,000, or 5.84 per cent.; in the Southern district \$96,049,700, or 6.21 per cent., and in the Western \$245,545,000, or 4.35 per cent.

At a meeting of the American Railway Association, held here last week, and attended by executives of 94 railroads whose mileage comprises about 95 per cent. of that of all Class I. carriers, it was decided to continue in 1924 the programme of intensive development which was planned for this year, and which has been carried out with such remarkable success. Figures made public by the association show that record-breaking expenditures for equipment and supplies were made this year. The total reached \$1,059,440,000. In addition there will be carried over into 1924 appropriations, made this year for capital expenditures, amounting to \$243,804,000, or a grand total of \$1,732,516,836 expended or authorised for capital improvements during 1922 and 1923. Such expenditures this year for increased facilities, plus those for fuel, materials, and supplies used in current operation and maintenance, totalled more than \$3,100,000,000. That sum did not include direct outlays by the carriers for labour, but went to the country's industries. As the railway association correctly points out, such an enormous expenditure was into 1924 appropriations, made this year for capital expansion of business in the United States, and to the greater employment of industrial labour, which, in turn, was a primary factor in increasing domestic demand for all kinds of products.

The latest report of the Census Bureau, showing that only 7,554,578 bales of lint cotton were ginned to November 1st, fully confirms statements heretofore made that the cotton

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situation is most acute; it is even more critical than the Department of Agriculture's last estimate of a total crop of 10,248,000 bales indicated. If that forecast by the Government is to prove correct, Texas, Arkansas, Oklahoma and Missouri, according to a competent authority, must actually produce 5,866,000 bales. In view of all the circumstances, it is extremely doubtful that the actual harvest will reach the Government's forecast of 10,248,000 bales.

Under a new ruling made by the Federal Reserve Board in Washington, and effective February 1, 1924, branch banking activities of State banks which are now members of the Federal Reserve system, as well as of those which become members after that date, will be greatly restricted. State banks already in the system will not be permitted to establish additional branches or offices thereafter outside of the corporate limits of the city or town in which the parent bank is located, or territory contiguous thereto, and similar restrictions will be imposed on all banks applying for membership. The ruling does not affect national banks, whose operation of branches is already limited by Federal law. After an exhaustive study of this problem, the board concluded, in substance, that the unlimited operation of branches gives to banks organised under liberal State charters such competitive advantages over "unit banks" which are members of the Federal Reserve system as to impair considerably the latter banks' usefulness, if not ultimately result in their extinction. "The good of the system cannot be observed," the board remarks, "by the operation within it of a group whose activities must essentially endanger the very existence of another group. A house divided against itself cannot stand." The action of several large banks in withdrawing from the Federal Reserve system and reorganising as State institutions, to secure advantages resulting from the establishment of branches, has caused some concern lately, and probably impressed upon the board the necessity of adopting the policy indicated. The new ruling is considered by the board to offer "as fair and reasonable a basis of compromise as is practicable under the present laws, both State and national." It does not give national banks facilities equal to those of the member banks operating under the laws of certain States, the board explains; but it does relieve national banks from the competition of State banks operating from headquarters in remote localities. The ruling, in the board's opinion, goes as far as the present national and State banking laws permit in producing a condition of equitable adjustment. "Complete equity" in the matter, the Federal Reserve Board says, "can be established only by the modification of either State or national laws, or perhaps both." The board, it may be observed, has always urged amendments to the National Banking Act, and to the Federal Reserve Act, with a view to broadening the powers of national banks.

Among the new securities placed on the investment market here for subscription during the past few days was a block of the capital stock of the Mercubank of Vienna, Austria, consisting of 100,000 shares recently acquired by two New York banking houses.

FRANCE.—FINANCIAL POSITION—FOREIGN TRADE
—RENTS.

(FROM OUR CORRESPONDENT.)

PARIS, November 21.

THE Minister of Finance, M. de Lasteyrie, was optimistic when he appeared before the Finance Commission of the Chamber last Thursday. He was able to announce that the ordinary Budget for the current year has been balanced by the yield from taxation, and that, so far as present indications go, there is good reason to believe that an equally satisfactory result will be achieved in regard to the Budget for the coming year. In spite of the diminution in the yield from some of the "exceptional resources," which was naturally to be expected, in view of the coming expiration of the special tax on war profits and the revenue from the long drawn liquidation of war stocks, the revenue for the first ten months of the present year (plus the recovery of overdue assessments for 1922) has been over 2½ milliards more than that for the corresponding period of last year. Of this total increase, no less than 933,000,000 is in respect of revenue from income-tax. The yield from taxation, the Minister announced, will amount this year to 21 milliards, plus about two milliards from exceptional resources.

Another source of satisfaction was the fact that the recent issue of Treasury bonds was taken up to the extent of 6,040 millions. This, added to the 4,440 millions of fresh money obtained by the previous issue last spring, has given the Treasury a total of 10,480 millions of francs of available cash, in addition to the sum received from taxation. Referring to the advances made to the Treasury by the Bank of France, the Minister explained that these have been reduced from 26,600 millions in 1920 to 23,200 millions, while the total amount of notes in circulation has been reduced from 39,645 millions in 1920 to 37,848 millions at the present date. This latter figure is an advance on the total of 36,847 millions, to which the note circulation had been reduced in 1922, but this "slight increase," the Minister explained, would be speedily got rid of in view of the money now available.

French critics of M. de Lasteyrie do not take quite the optimistic view expressed by the Minister himself, and are questioning whether the Treasury will not again find itself unable this year to reduce the advances made to it by the Bank of France by the two milliards per annum by which it was stipulated they must be diminished under the law of December 29, 1920, until the 27 milliards at which they then stood have been completely paid off. In 1921 the two milliards was duly reimbursed, but last year the Treasury found it impossible to reduce the total by more than half the legal amount. It was then announced that this partial compliance with the law must be regarded as purely exceptional. The question has been raised as to whether even a single milliard can this year be paid off, in view of the suspicion that always prevails, owing to the curious manner in which the French national accounts are kept, that a good deal of the money now available on paper may possibly have been already absorbed by other claims. Last year, when the Treasury had to make a fresh arrangement with the Bank of France, under which it arranged to pay off one milliard, instead of two, the total advances on November 23rd stood at 22,600 millions, the legal limit at that date being 25 milliards. On November 15th this year, when the legal limit stood at 24 milliards, the total advances stood at 22,900 millions, or within 1,100 millions of the limit, as compared with 2,400 millions last year, so that at present the Treasury would appear to be in a less satisfactory position than 12 months ago on this particular account.

The French foreign trade returns for the first ten months of 1923 have been issued this week. The figures for the month of October, which are included in these returns, are the highest both for imports and exports for several years past, but leave the trade balance against this country at practically the same negligible figure as for many months past. The increase in imports in October was principally in raw materials, which rose from 1,651,500,000 in September to nearly two milliards, and in foodstuffs (604,000,000 in September, against 721,000,000 in October). Exports of manufactured goods rose on the

month from 1,380 millions to 1,518 millions, of raw materials from 683 to 826 millions, and of foodstuffs from 222 to nearly 300 millions, the balance of the increase in exports being in postal parcels.

The detailed figures for the ten months, as compared with those for the corresponding period of 1922 and 1913, both in value and in tonnage, are as follows:—

IMPORTS.	First Ten Months of					
	1913.		1922.		1923.	
	Value in 1,000's frs.	1,000 Metric Tons.	Value in 1,000's frs.	1,000 Metric Tons.	Value in 1,000's frs.	1,000 Metric Tons.
Foodstuffs.....	1,439,169	4,376	4,632,561	4,098	5,949,862	4,556
Raw materials.....	4,032,801	30,778	10,641,560	36,333	16,163,223	38,983
Manufactured goods.....	1,360,334	1,272	3,294,593	1,384	3,507,589	1,242
Totals.....	6,832,304	36,426	18,568,714	41,815	25,620,674	44,781
*Coal.....	482,850	18,893	1,504,509	23,480	2,980,053	25,084
EXPORTS.						
Foodstuffs.....	667,095	1,157	1,450,303	734	2,533,857	1,058
Raw materials.....	1,522,691	14,777	4,652,738	15,378	7,378,496	16,280
Manufactured goods.....	3,002,026	1,884	10,197,207	2,080	13,140,696	2,454
Postal parcels.....	447,138	28	1,076,236	21	1,323,201	25
Totals.....	5,638,950	17,846	17,376,484	18,213	24,376,250	19,817

From these data it will be seen that the adverse trade balance against this country, which was equivalent in 1913 to a deficit of 21.2 per cent. in the exports, has been reduced to a deficit of 5.1 per cent., and this in spite of the fact that a large proportion of the imports have had to be paid for during the past ten months in francs at between 70 and 80 to the £, whereas in 1913 the franc was at par. The other side of the exchange factor is, of course, that France has been able during the past two or three years largely to increase her exports by reason of the depreciation of the franc in which her export prices are quoted. Striking features of the latest returns are (1) that whereas raw materials formed over 16 milliards of the imports out of a total of 25½ milliards, this category of merchandise figures in the exports for the same period for 7,378 millions only, out of a total of 24,376 millions, the rest being made up of manufactured goods (13 milliards), foodstuffs (2½ milliards), and postal parcels (1,323 millions); and (2) that, whereas the value of imported manufactured products has risen only from 1,360 millions in 1913 to 3,507 millions in 1923, the value of exported manufactured goods has risen during the same period from 3,002 millions to 13,140 millions. Further, whereas the tonnage of imported coal has increased since 1913 by only about 33 per cent., the French have had during the first ten months of this year to pay over 500 per cent. more for the coal they have imported. The tables given above do not, of course, include the value of the French "invisible" exports comprised in the money spent by foreign tourists here, which, it is held, would more than wipe out the "visible" deficit rendered apparent from the trade returns.

The new rent law which is now being discussed by the Senate is designed to put an end to the anarchy that has prevailed between landlords and tenants since the beginning of the war. During the war there was in this country what was for all practical purposes a complete moratorium in regard to the payment of rent. This was inevitable, in view of the fact that practically every male householder was mobilised, and that business was largely at a standstill. It was subsequently laid down as a principle that, so far as pre-war leases were concerned, the war years should not be calculated as part of the term of the lease. With the Armistice, a series of temporary laws came into force progressively, all designed to protect the tenant, by prolonging temporarily his lease, or giving him fixity of tenure for the time being, and to safeguard the interests of the landlord by giving him powers to increase within certain limits the rent payable, in view of his increased taxation and other liabilities. This series of laws was passed to tide over the interval until matters had settled down to such an extent that a new general law affecting rents could safely be drafted. This law, it is considered, may now be regarded as practically possible. Proposals were approved by the Chamber last session, and are now being considered by the Upper House. In a report on the Bill that has just been presented to the Senate, it is recommended that in future, so far as the Department of the Seine is concerned, rents shall not exceed their pre-war figure by more than 70 per cent. in the case of holdings

then below 3,000f per annum, or 80 per cent. in the case of holdings rented before the war above 3,000f. For the rest of France the base figure, it is proposed, shall be fixed at 1,500f a year, and that property owners shall be allowed similar percentages of increase. In the event of owners having expended money in improvements, they should be allowed, it is proposed, to add a proportionate amount to the limits set forth above, while tenants whose rents have been increased above the limits suggested should have legal right to reduction to those limits.

GERMANY.—POLITICS—NEW CURRENCY AND
PRICES—REICHSBANK—FINANCES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, November 20.

CONDITIONS and prospects get worse every day. The Stresemann Cabinet is being angrily attacked by the Socialists, ostensibly on the old ground that it upholds military rule in Socialist Saxony and Thuringia, while tolerating the Bavarian secession, but in reality because the Cabinet is considered to have moved to the right, in anti-Labour direction. A Cabinet resignation may come any hour. The provisional Rentenmark currency reform has not slackened the social strain, and unemployment is still increasing. The last detailed figures (for October 31st and therefore far below the present truth) show 11.51 per cent. of fully unemployed in the textiles branch, 38.56 in the tobacco, 21.26 in the wood branches, 19.02 among printers, and 18.9 among the metal workers (including heavy iron and steel). In the textiles branch over 62 per cent. of the employed are working short time, metal branch 51 per cent., printers 52 per cent., wood workers 33 per cent. The cause of this is not the currency collapse. In some measure it is the enormous price rise associated with the gold calculation system and the currency reform. The main cause is the persistent wreckage operations of the French. French policy in occupied territory seems now to be directed exclusively to wreckage; its aim is no longer merely to compel surrender to demands by starving the local population, but the actual extermination of this population. The negotiations for resumption of work have broken down only because the French insisted on terms which by their very nature make resumption impossible. The best way to characterise the situation on the Ruhr is to report that the French commander, General Degoutte, announces in a proclamation his intention to prevent unemployment by putting employers who discharge men into gaol for five years. The Stresemann Cabinet is reported to be considering a scheme for giving occupied territory a measure of self-government in regulation of economic questions; but this, if put through, will only shift the nominal burden. As long as the French continue their policy of destruction, the Ruhr will not work, and neither a local government nor the Republic will be able to support the workless. The position as regards foreign credits is not yet fully clear. Although such credits may relieve the immediate strain, the adoption of a policy of international support with the mere aim of preventing starvation is not politically advisable; it will only have the effect of postponing the ultimate radical settlement of Peace Treaty questions, which is inevitable if general disorder and starvation in Central Europe are not to be the rule.

The provisional currency reform, the issue of the Rentenmark, was realised on the 15th by payment of a part of official salaries—for the first week 30 per cent.—in the new currency. Rentenmarks have also been sold to certain classes of traders, mainly food dealers, to enable them to get supplies from farmers, who have practically repudiated the paper mark. Although nearly a week has passed, the general public has hardly seen the Rentenmark; but whether this is due to hoarding, as was the case with the gold loan currency, is not yet clear. An official rate of conversion into Rentenmarks for paper marks has not yet been declared; in theory the Rentenmark is held to be equal in value to a gold mark, and it is so accepted by all State institutions. Its paper mark exchange is therefore to-day (the dollar being 4,200 milliards paper marks) 1,000,000,000,000 paper marks, which is also the multiplication rate for "valorised" taxes, for railway and other gold mark charges. It is not yet known whether the

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Rentenmark will be excluded from occupied territory. The big banks are accepting Rentenmark accounts, and allowing interest at 4 per cent. a year at one day's notice of withdrawal, 6 per cent. for deposit accounts at one month's notice. The post-cheque system conducted by the post offices will be converted from a paper mark to a Rentenmark basis. The Rentenmark notes so far issued are in denominations of 1, 5, 10, 50, 100, 500, and 1,000 Rentenmarks. Reichsbank Rentenmark bank credits will henceforth be granted to private individuals accompanied with the so-called "stable value clause," or "gold clause," compelling the borrower to pay back an equivalent gold value—in other words, admitting the possibility of a drop in the Rentenmark's gold value. This was insisted on by the Rentenbank as the ultimate creditor, while the Reichsbank was content to set Rentenmark and gold mark on the same basis.

The prospects of the maintenance of the Rentenmark's stability are difficult to judge. The Rentenbank expresses its intention to check any assault from the credit-taking Government's side, and Herr Stresemann says truly that (at least for the moment) the Republic is under a sort of financial control by the Rentenbank. The Rentenbank has issued a statement confirming this; the bank will do everything possible to maintain stability; it demands from the Government estimates in gold with justification of every item, but it admits that it has granted credit of an additional 100,000,000 Rentenmarks (for Ruhr support, the Government having postponed the date at which support is to cease) for partly "political" and "patriotic" reasons. In fact, it seems harder to abandon the Ruhr to complete starvation and anarchy than it is to resume inflation. The Rentenbank, however, adds that this is the last time. The Cabinet has appointed Dr Hjalmar Schacht, a prominent private banking man, as "Currency Commissary," with an advisory voice in the Cabinet. A decree subjects the Rentenmark and the earlier "stable" provisional currencies to the existing exchange regulations. The buying of foreign currency with any of these is subjected to the same limitations as is buying with paper marks. Lending any of the stable monies on security of foreign currencies is forbidden; stable money credits to persons outside Germany may be given only with sanction of the Reichsbank, and stable money exceeding a value of £10 sterling may not be sold to persons abroad.

To decide what precisely is meant by stability of the Rentenmark is rather a puzzle. Stability of this currency as against any foreign currency of stable gold value can at present neither be affirmed nor denied. No direct dealing is done; if the Rentenmark is assumed, according to official doctrine, to be a full gold mark, the gold mark itself has a wholly arbitrary value in paper marks, and the latter alone have any kind of foreign exchange. Until to-day the Government held the dollar at around 2,500 milliards, on the basis of which the paper mark was officially held to be depreciated to the 1-600,000,000th; but this rate has to-day been changed, the dollar being, without any reason, put up, as stated, to 4,200 milliards. The qualification "without any reason" raises the whole questions of the new currency's stability. The Berlin official valuations of the paper mark are neither based on supply and demand on the Bourse, nor on any real paper mark exchange abroad, nor on the buying power of the paper mark at home. In fact, all recent Berlin paper mark valuations have been far above buying power parity, about 400 to 500 per cent. above it. Even at the "boot-

legger" or "black Bourse" rate (at which practically all dealing is done) the cost of necessities is 100 to 200 per cent. over the cost in England. Thus, while the Rentenmark has no foreign exchange, it is, through Government action, already depreciated to at most half of its value at home, and if quoted abroad on the basis of its buying power in Germany, it would have a depreciated quotation. What will be the solution of this anomaly no one can see. The cause of the anomaly is not merely the fact that the Government fixes an arbitrary rate, but that it does this at a time when it is creating buying power more rapidly than ever; turning out, that is, Rentenmarks each with (officially) a billion times the buying power of a paper mark, and acting as if inflation had ceased, and as if, therefore, the foreign exchanges should not be put up, or only put up slowly. The operation of this is visible in the fact that in the last few days Germans have apparently been able to pay easily the amazing paper-mark prices demanded in the shops, while foreigners with good money have been frightened off by demands for the equivalent (at official rate) of 12s a lb for inferior tea. This condition resembles, but goes far beyond, that prevailing in Soviet Russia, where, with the cessation of any regular exchange for the rouble, the gold cost of living at the actual practised exchange rose extremely high. The right exchange of sterling to-day on a price parity basis is probably at least 60 billion marks.

The Reichsbank has opened dollar deposit accounts, which are to replace the "account mark" (*Kontomark*) accounts recently instituted. Payments in in good currencies are "valorised" in dollars, and payments out are made either in dollars or in paper marks. The limit for Darlehns loans has been raised to three trillion marks. The Reichsbank's weekly statement for October 31st came out late (only yesterday), and therefore gives no idea of totals to-day. Circulation on the 31st was 2,496,822,909,038,875,000 marks; commercial bills discounted, 1,058,129,855,323,196,000 marks; Treasury bills, 6,578,650,938,818,348,000 marks; advances, 41,787,531,788,485,000 marks. Outstanding Darlehns advances totalled 14,874 million marks. The finances are still heavily burdened by cost of support of the Ruhr. Whether the Government, assuming no resumption of work, will have the nerve really to cease further payments after the new 100 million Rentenmark is exhausted is doubtful; if not, the Rentenmark must be considered in danger. The repayment of the 26 per cent. to exporters under the English Reparations Recovery Act has finally ceased. Apart from that, it is impossible to see how Germany can export, as long as currencies received for exports must be delivered to the Reichsbank in exchange for a fraction in paper marks of their value. A provisional stable-currency Budget for the 4½ months between the introduction of the Rentenmark and the end of the financial year (March 31st next) is being drawn up. Postal rates are to be put on a gold mark basis, the internal letter rate being 10 gold pfennigs, as before the war. Taxes on consumption have also been put on a gold basis, being payable in paper marks according to the multiplier day by day fixed according to the dollar exchange. This system is far superior to the earlier system of merely multiplying the paper mark rates at long intervals; but through artificially holding down the foreign exchanges, and therewith the multiplier, the State loses, all the more so because its expenditure does not follow the official, but the "bootlegger" rate, and something more. Henceforth the sugar tax is 35 per cent. of the producer's price, or, at 42 gold marks per 200 metric lb, 14.70 gold marks, against 14 marks tax on a price of 24.73 marks before the war; salt tax, 45 per cent. of the wholesale price, or at a gold price of 1.64 gold marks, 0.74 gold mark tax (before the war 12 marks); matches, 60 per cent. of producer's price, or 1 gold pfennig per box, against 1.5 pfennig before the war. The floating debt on October 31st was 7,019,640,169,000,000,000 marks, against 46,844,781,000,000,000 marks at the close of September. The October third decade financial report established yet one more record, revenue from taxes being less than one-thousandth of expenditure. Taxes yielded 5,908,178,601 million marks, funded debt (increase gold loan) yielded 47,947,298,782 millions, floating debt

borrowings 6,499,671,137,673 millions, expenditure 6,553,521,615,256 millions, of which 2,036,704,787,983 millions loss on railways and 245,348,814,945 millions loss on posts. These astronomical figures have no absolute meanings; the fact of moment is the ever lower ratio of revenue to expenditure.

AUSTRIA.—POLITICAL SITUATION—STATE FINANCE —INDUSTRY—BANKS—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

VIENNA, November 1.

THE General Elections, anticipated with so much anxiety, have taken place without bringing any essential change in the structure of the two leading political parties—the Christian Socialists and the Social Democrats. The Pan-Germanist party, on the other hand, has suffered heavy losses as the Nationalist ideas propagated by them do not meet with approval in Austria at present, and they had to give up a number of their constituencies to the two above-mentioned parties. The candidates of some smaller parties (Democratic party, Jewish party, &c.) had practically no electors. Thus the bourgeois parties will continue to have the majority in Parliament, whilst in the Vienna Municipal Council the Social Democrats will remain in power. For many people the result of the elections was a disillusion because one had expected a greater reduction in the Social Democrat votes, owing to this party's hostile attitude towards the Geneva Reconstruction programme and its policy of heavy taxation. The Social Democrats, however, were able to increase the number of their followers by cleverly taking advantage of the argument that the Christian Socialists, when in power, would abolish the "Tenants' Protection Act," which would cause an enormous increase in rents. At any rate, there is no necessity for the Chancellor, Dr Seipel, to resign, although his Cabinet might undergo some slight alteration.

The reconstruction of the State finances is making good headway, inasmuch as new sources of revenues have been created by repeated increases in taxes, tariffs, and fares. The various State monopolies and enterprises have finally succeeded in understanding the commercial principle that at least the cost of the upkeep must be covered. Telephone fees will soon be increased 100 per cent., postages 60-70 per cent., and great increases in goods tariffs and fares are at present under consideration; also the reduction in the number of superfluous officials has made good progress. The improvement obtained in the Budget is shown by the fact that the deficit for July, which was anticipated to be 299.8 milliard kronen, amounted in reality to only 85.9 milliard kronen.

Industries in general are fully occupied owing to the lack of German competition on the home market and abroad. The number of unemployed has again diminished from 79,956 to 77,923 in the whole of Austria. Only some branches of industries have difficulties in the supply of dyes, chemicals, and other German products which they require as raw materials. Also Austrian trade generally has become brisker, although the deficit of the balance of trade has not been reduced, imports having increased more than exports. During the first eight months of this year goods were imported to a value of 956.5 million gold kronen, whilst the exports amounted only to a value of 593 million gold kronen, so that the import excess amounts to 363.5 million gold kronen. A

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thorough change of these conditions cannot be expected until Austria's import of coal can be reduced by the development of water-power generated electricity. In this respect it is interesting to note that negotiations are in course at present with a strong Italian group with a view to expedite the carrying through of the Styrian water-power scheme.

Although money became much cheaper on the Stock Exchange recently, and week-to-week money was offered at $\frac{3}{8}$ per cent. (at the beginning of October the rate was 2-2½ per cent.), industries and trades suffer under the high rates of interest charged by banks for overdrafts and credits. The blame for this is mainly on account of the policy of the National Bank, which observes too great a severity in discounting drafts, as is proved by the following figures: in the year 1912 the former Austro-Hungarian Bank held in its portefeuille, for Vienna alone, bills up to an amount of 115 million gold kronen; on October 7, 1923, the National Bank's holding of bills for the whole of Austria (not only for Vienna) amounted to only 950 milliard paper kronen = 66 million gold kronen. The banks, however, are treated much more indulgently by the National Bank, which by this policy forces industries and trades to apply in most cases to the banks instead of obtaining credits direct from the National Bank. The banknote circulation on October 23rd amounted to 6,136 milliard paper kronen.

Since the middle of August a gradual decline in all quotations on the Vienna Stock Exchange has set in, which became more accentuated during the last fortnight; the depreciation in some securities amounted to 40-50 per cent. The reason for this slump is to be found partly in a certain over-speculation, partly in the critical situation of Germany, and partly in the fact that the Vienna market has been over-burdened with new issues; the depreciation of the Polish mark and the limited absorbing capability of the Budapest market have had the effect that many companies of the neighbouring Succession States have tried to place their issues on the Vienna market; a part of these issues has been offered to the public at too high prices, and remained, therefore, unsold in the market.

In the middle of this month sterling began to fall because the repeated rumours about the possibility of an inflation policy on the part of the British Government has caused many people to sell their English money or bills or to convert them into dollars. Besides, the complete breakdown of the German mark and the progressive depreciation of the Polish mark have influenced the money market; Polish capital continually tries to purchase large amounts of high-valued currencies on the Vienna market.

On October 1st the rate of exchange was 322,000 kronen to the £, and on the 30th 318,500 kronen to the £.

CANADA.—GENERAL CONDITIONS—PLENITUDE OF MONEY—BETTER TRADE PROSPECTS—THE SOUTHWARD EXODUS—GOVERNMENT AND AMERICAN SHIPOWNERS—GRAIN PRICES—SIX ROYAL COMMISSIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, November 5.

THE *Financial Post* of Toronto in its issue of November 2nd indulges in a very optimistic survey of the financial and economic condition of Canada. It puts the value of the 1923 field crops at \$1,000,000,000, which is \$40,000,000 more than in 1922, and the yield of the produce of factories, forests, mines, and fisheries at \$2,100,000,000, an increase of \$215 millions. In addition, there has been an increment of 85 million dollars in the value of livestock and poultry. It also calculates that during the month of November there will be available for distribution dividends totalling at least 50 million dollars, and the balance of the principal of the maturing Federal loan, which was not converted. The Ontario Government, encouraged by Mr Fielding's success with his domestic loan, has just come to the Canadian public for another 40 million dollars, and apparently is having no difficulty in raising it. But the *Financial Post* estimates that, apart from these public loans, there will be, without taking any account of the gains of the year's industry, at least 140 million dollars available for investing and spending. As a substantial

proportion of this, as well as the crop money, will pass to the retail trade, and into commercial circulation, it forecasts a stimulus to business during the closing months of the year.

But it is difficult to reconcile the evidence of prosperity put forward by the *Financial Post* with the further evidence of the continuance of the southward exodus to the United States. The *Mail and Empire* of Toronto quotes figures from the U.S. Immigration Department, showing that from January 1st to September 30th no fewer than 110,000 Canadians paid the headtax necessary to enter the United States. But it is a notorious fact that thousands enter the U.S. as transients, and never return, and many more slip through the wide gaps in the long frontier which the immigration officials cannot close. The total volume of emigration to the United States from Canada in the first nine months of 1923 cannot be far short of 150,000, and as the rate of exodus for September, when outdoor work is plentiful, was double that for January, the prospects are that before the year closes Canada will have lost 200,000 people to her neighbour. The rate of immigration has been increasing, but the total number of immigrants for the year will not exceed 120,000, and the outflow is not therefore made good. There are subsidiary evidences of stagnation or decline in population.

Faced with the imminence of a serious grain blockade at the head of the Great Lakes, and deluged with a rain of protests from the Winnipeg Grain Exchange and the Western farmers, the Federal Government have virtually capitulated to the American shipowners, and agreed for all practical purposes that the regulations to which the latter objected will not be enforced. Indeed, the American shipowners have actually managed to secure from the Board of Grain Commissioners a guarantee that they will be indemnified against any proceedings which might be taken against their boats for violation of the law. The balance of the American vessels has now come into the trade, and shipments down the Lakes are very heavy. One result of the new agreement is that rates from Fort William to Buffalo, which, through scarcity of bottoms, had been forced up to 6½ cents per bushel, have swiftly dropped down to 3½; but it is calculated that the policy of the Government which conferred for the time being a monopoly on the Canadian shipowners must have cost the Western farmers several million dollars. The weather has been extremely favourable for threshing operations, and on Friday, October 26th, a total of 183 million bushels had been delivered by the farmers at country elevators, which is 19 million bushels more than at the corresponding date last year.

Although the buying demand from Europe is still weak, wheat prices have been kept up by unexpectedly heavy purchases on American account. American millers have found that consumers in Europe prefer Canadian to American flour on account of the former's sharper quality; indeed, they have lost to Canadian mills their hold upon the German and Polish markets. Their natural course is to improve the quality of their flour by importing a certain proportion of hard Canadian wheat. But agrarian representatives in Congress have begun to press for the utilisation of the powers of tariff alteration conferred upon the President in order that the duty on wheat may be increased, and the millers, fearful that political exigencies might force President Coolidge to such a course, have been anticipating their future needs by heavy purchases before the duty is raised.

There have been this summer no fewer than five Royal Commissions peregrinating the country to investigate different problems which demanded solution, and now a sixth has been added in the shape of a Commission on Agricultural Credits, which will have a solitary member, President Tory of Alberta University. The King Government, if it is to survive the next general election, must strengthen itself in the prairie provinces, and as it has exasperated them by its failure to give adequate tariff reductions and a workable wheat board, the surmise is that it has made up its mind to father a comprehensive scheme of agricultural credits for the placation of the Western farmers. The Grain Commission has wandered far and wide and spent some time in the United States investigating marketing conditions and methods of shipment. It has lately been sitting at Montreal and other

points in Eastern Canada, and complaints have been freely made to it that British steamers were continuing their discriminatory rates in favour of American as against Canadian flour, and it was also charged that in the course of transit through American ports inferior American wheat was not infrequently substituted for high-grade Canadian wheat. The personnel of this Commission has not aroused much confidence, and there is little expectation that any drastic changes will be recommended by it. It will probably not publish any report until some estimate of the results of the Alberta wheat pool, which began receiving grain on October 29th, are available. Its operations should help to disclose whether the grievances of the farmers about the handling of grain are serious. The Pulpwood Commission has been sitting in the Maritime Provinces, and so far from discovering any demand for an embargo upon the export of pulpwood, it has uncovered an almost unanimous opposition to it.

Letters to the Editor.

DO TARIFFS RESTRICT TRADE?

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read with some care the Free-trade supplement to your issue last week.

The underlying argument running through the whole is a suggestion that those who advocate a tariff advocate the restriction of imports.

As I understand it, the case for a tariff is founded upon the conviction that it is possible to control the quality of imports without reducing the quantity; indeed, it is even claimed that the experience of other countries supports the belief that the direct result of control of quality actually tends to increase the quantity of imports.

If a piece of machinery is made in this country with the assistance of a protective tariff, instead of being imported from abroad, wages are paid at every stage of its production, and material acquired. Instead of the finished machine, the importation would take the form of food for the workers, cotton wool or hides for their clothes, which, *ex hypothesi*, in the absence of the wages they could not purchase, and, therefore, would not be imported; ore and other raw materials for the manufacture of the machine; and, if sufficiently fortunate, possibly some article of luxury, such as furs, out of the profits.

The purchase of the commodities required by the wage-earners, and of the steel or other parts of the machine, would again provide employment in other industries, with an aggregate increase in purchasing power and increase in velocity of circulation of currency, which might greatly exceed in advantage to the community the value of the machine itself, while the volume of imports might, under the conditions stated, remain unaltered.

Those in favour of a tariff believe that any increase in home production resulting from Protection would encourage mass production and result in reduced costs. This view seems to be borne out by the experience in other countries, and, indeed, in this country also by the experience of the development of mass production in the manufacture of motor-cars under the cover of a protective tariff.

The unlimited capacity for expansion of instruments of production, assisted by the present lamentable abundance of unemployed workers, and with ample capital available for any industry offering reasonable security, will always create home competition, which will drive profits down to the lowest acceptable level, a phenomenon upon which J. Stuart Mill lays particular stress. It is argued, therefore, that increased production to meet an increased home demand would actually reduce the cost and price of those commodities, and where they are at present the subject of export, by reducing the price the volume of their export would tend to increase. This, in turn, would be followed by an increase in the volume of imports of food and the almost unlimited range of raw materials and other commodities which the country could import with advantage.

Speaking as a manufacturer, were I able to increase production by 25 per cent., I could certainly reduce the selling price to a substantial extent, and so secure orders for export which under present conditions are out of reach.

There may be other over-riding arguments against the adoption of a tariff, but the above, at all events, appears to be supported by much actual evidence, and are in no way met by a bare assertion, unsupported by actual experience, that tariffs necessarily imply a reduction in imports, and so in the total of the country's foreign trade.—Yours faithfully,

W. PETER RYLANDS.

Warrington, November 19th, 1923.

[The argument that a tariff can be used to make other countries send us raw materials instead of manufactures is one which Sir Peter Rylands suggests can be supported by him, but until such evidence is forthcoming the fact that Great Britain's foreign trade per head is much higher than that of any Protectionist country holds the field. Moreover, it is clear that every tariff cannot have this effect. Otherwise, since the Protectionists' ideal seems to be only to buy raw materials, there would be a very small market for manufactures anywhere in the world, and we should only have the home market for finished goods. We venture to suggest, however, that the effect of tariffs would be precisely the opposite to that which Sir Peter Rylands suggests. In our issue of last week we pointed out that the basis of the Free Trade argument is that international exchange of goods is a mutual benefit, and if Germany is able to supply this country with wire rods more cheaply than our own producers can do, it will improve our ability to sell wire goods in the world market, the total volume of foreign trade will be increased, and Germany's demand increased more than if she made some less effective contribution to the total of the world's volume of production. Or, again, if we prevented the import of copper bars, and only allowed copper ore into this country, and so raised the real cost in labour of the production of copper commodities, the world's trade would be reduced and not increased. An interference with the form which international exchange would naturally take must reduce its profitability to both sides and reduce it in volume. We may add that there is a substantial amount of import of manufactures, which would not merely change its form, but would disappear altogether if it were restricted by a sufficiently high tariff. For example, French silk goods are imported because of the skill and taste of the French manufacturer, and we should not be likely to replace such goods, if prohibited from coming in, by buying a corresponding value of silk yarns. The study of our imported manufactures shows that they largely consist of goods of this kind, and to stop them coming in means that we forgo these particular advantages of foreign trade. Finally, we would refer Sir Peter Rylands to two practical considerations, first, that the chief causes of the world depression of trade is the reduced buying power of Germany and Central Europe. This cannot be revived merely by the revival of export of raw products of these regions, but can only come when European industries are once more normal. Secondly, that an analysis of our imports of manufactures, which we give in our Trade Supplement this week, shows that, even if the argument was sound, the margin for a change of quality of our imports is very small indeed.—ED., *Economist*.]

PROTECTION AND TRADE CYCLES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The reference, in your issue of November 3rd, to the "periodical revivals" of the "Protectionist movement," reminded me of the fact that many years ago, when studying some back numbers of your journal (beginning with the year 1878), I had come to the conclusion that the Protectionist movement had a periodicity with a wave length coincident with that of the "trade cycle."

The years 1877-79 were probably the worst ever known to British trade, the percentage of unemployment rising to 11.7 per cent. (Return Cd. 1954, dated 1909, page 223.) Your commercial summaries for the years 1877 and 1878 contain references to the "incessant discussions" of the proposals to reduce the "commercial dis-

stress" by "a revised Protection under the guise of Reciprocity."

Trade improved, and in 1882 the unemployment percentage was only 2.3 per cent. The commercial summaries for the years 1879-81 contain references to the dying out of the heresy (or panacea).

Trade became bad again in the middle of the Eighties, the unemployment percentage rising to 10.5 per cent. in 1886. The summary for the year 1885 contains the sentence: "The badness of trade has afforded the Protectionists among us a fresh opportunity for urging their peculiar remedies, and they have taken full advantage of it."

From 1886, however, the unemployment percentage fell, reaching 2.0 per cent. in 1889, to be followed by a fresh rise to 8.2 per cent. in 1894. The commercial summaries of this period contain no reference to a Protectionist revival (largely because the popular mind was occupied with the remedy of bimetallism), but in your issue of July 28, 1894, the following sentence occurs, "The *Spectator*, when, last week, it spoke of the eclipse of Free-trade, was, we cannot help thinking, too pessimistic..... The grasshoppers of Protection are noisy enough, but they must not make us ignore the thousands of self-possessed and convinced Free-traders....."

The unemployment percentage fell to 2.1 per cent. in 1899, and rose again to 7.4 per cent. in 1904, a suitable stage being thus provided for the "Tariff Reform" movement of comparatively modern times. The unemployment index fell, and rose again to 10.9 per cent. in 1908. This was a kind of adventitious fall in trade, but a resuscitation of Protection might have been expected, had not the need for it been so recently shown unnecessary.

And what is a poor Conservative who knows the above facts to do in December, 1923? E. G. PEAKE.

Dublin, November 13th, 1923.

IMPERIAL PREFERENCE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Without quibbling unduly about definitions, it seems to me that our particular brand of Free Trade is widely different from that of Adam Smith. The difficulty is that Great Britain stands almost alone in her allegiance to the principles of Free Trade, and even we ourselves do not consistently follow those principles. The practical result is that no trade is less free than ours, opposed, as it is, by high tariffs all over the world, and by unfair competition and dumping; and we, too, have high duties on many important foodstuffs, tea, sugar, coffee, &c., to say nothing of tobacco, bringing in a revenue of, I believe, over £50,000,000 per annum. It must be admitted that Free-traders in the past have not been particularly happy in their predictions and objections. For precisely the same reasons for which they now oppose Imperial preference—or partly on the same grounds—they vigorously opposed the introduction of factory legislation, with all that this implies for the workers. They predicted utter ruin for the U.S.A. as a result of the McKinley tariff, and we are indebted to them for the income-tax! Moreover, Free Trade has been discredited in practically all civilised countries except Britain. Does not practical experience constitute a better and more reliable guide in this great fiscal controversy than vague theory and worn-out shibboleths? Is it not possible to clearly ascertain whether or no conditions are better in protectionist countries than in Free-trade Britain, and if so, whether or no this superiority is partly attributable to protection of the home market? It is, of course, most difficult in all economic and social phenomena to precisely analyse the profound and complex causes at work, and nicely to apportion effects to their appropriate causes, with due regard to long periods and short periods; but it should not be insuperably difficult.

There are several further points I would like to raise, but your valuable space is limited and I must be brief.

Assuming a rise in prices following the adoption of Imperial preference, it would be grossly unfair and unscientific to attribute the rise entirely to a tariff. Probably a great part of it would be due to profiteering and exploitation by dealers and middlemen. You, yourself, have instanced a glaring example of this in the case of

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West Indian sugar. In any case a rise in prices need not be wholly bad, and one would infer from your recent article on inflation and deflation that it might be beneficial. Besides, is cheap food the only thing that matters? Have the Free Traders no other appeal but that of the stomach? Surely no appeal to the electorate could be based on more grossly material grounds. And what is the use of cheap food if one has not the means to buy it at any price, owing to chronic unemployment?

With regard to your remarks on a wheat tariff (p. 547), in view of the great amount of good wheat land which has gone out of cultivation, and of the possibilities of agricultural science, it would surely be a long time before really poor land had to be used. And would the landlords, even then, get all the benefit in the form of rent? Presumably this latter assumption is based on Ricardo's (or Anderson's) rent theory, which I venture to think is a very different thing from "economic law well understood" that you speak of. It is still more difficult to see how the workers in the towns would suffer a fall in the standard of living. There is not space to argue the matter at length, but such a conclusion is contrary to the teaching not only of Sismondi and others, but also of Adam Smith. A wheat tariff would be of inestimable benefit to agriculture, and ultimately also to the towns, home and Imperial supplies being free.

It seems hardly wise to belittle and decry the comparatively small proportion of our food and raw material obtained from the Empire. This would rapidly increase under preference, and is it not rather rash to assume that foreign countries will always be able and willing to supply Britain with cheap food and raw material? The example of American cotton is not encouraging, and the general trend of world economics and politics is still less encouraging.

A more statesmanlike and far-sighted policy is to develop Imperial resources under the stimulating influence of preference, and thus draw nearer to real Free Trade, to Adam Smith's great ideal (quoted on the title page of the *Economist*). Home and Imperial trade is the only real Free Trade possible for Britain. Imperial preference aims at developing this, and reducing the false and one-sided kind. The great issue is not Free Trade or Protection, but true Free Trade or false Free Trade.—Yours faithfully,

November 13th, 1923.

W. G. CASS.

[Our correspondent will find light thrown on the points that he raises in the pages of our Supplement.—ED. *Econ.*]

EGYPTIAN CURRENCY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—It is impossible to leave unchallenged the article in your last week's number on "Egyptian Currency Since 1914." Passing by the inadequacy of the historical exposition, the main purpose of the article reveals itself in the concluding two paragraphs. It is an attempt to discredit the Egyptian exchange mechanism (which has been a model to the world as well as a boon to Egypt), on the ground that a fixed par exchange has prevented such an appreciation of the Egyptian £ as would have counteracted (the real word should have been concealed) the rise in prices.

The argument is purely casuistry. If it were true, it would be much more applicable to the case of the United

States. The States had an even greater balance of trade in her favour than had Egypt, and she had par exchange. Her currency ought, therefore, to have appreciated (as, of course, it did), and that appreciation ought to have counteracted, or concealed, the rise of prices in the States.

The following figures show that it did nothing of the sort. The course of prices in the U.S.A. and in Great Britain were absolutely parallel, although the one country had the appreciated currency and the other had not.

COURSE OF PRICES.

	Egypt.	America. U.S.A.	Great Britain.
1914.....	100	98	85
1915.....	103	101	108
1916.....	128	127	135
1917.....	176	177	175
1918.....	211	194	192
1919.....	231	206	205
1920.....	316	226	251
1921.....	173	147	155
1922.....	145	149	151

The real point to note in connection with the figures for Egypt is that they turn mainly on one factor, cotton (not on many, as in the case of U.S.A. or Great Britain), and that during 1919 and 1920 the fluctuations in cotton prices were phenomenal and unprecedented.

With regard to the remainder of the argument ("Since more money was manufactured to do the work," &c.), your correspondent would do well to turn to the speeches of the chairman of the National Bank of Egypt. These annual speeches reiterate with particular emphasis the statement that the bank had no control over the currency, that the demand for it was automatic, as much so in Egypt as it was, and is, in Great Britain to-day. Now, the chief attribute of an automatic currency—one which rises and falls with the volume of interchange or with the community's needs for currency—is that it is of necessity neutral in its effect on prices. It is neither redundant nor deficient, and therefore neither appreciates nor deflates prices. The whole of your correspondent's arguments fall to the ground as pure casuistry, simply because he does not grasp this simple cardinal principle of currency history.—I am, &c., WM. A. SHAW, Litt.D.

Books and Publications.

CURRENTS OF AMERICAN OPINION.*

THOSE who never look deeper than the actions of Governments are never safe political prophets, for it is only by gauging the strength and direction of currents of opinion opposed to those supporting the action of the day that we can foresee the trend of future policy. But such an assessment of unofficial thought is peculiarly difficult in the case of the United States, which is a group of varied centres of opinion rather than a single unit, and this difficulty perhaps explains why the attempt is rarely made in this country. A little brochure by Mr R. R. Bowker serves, however, to remind us there are those in the United States who boldly stand four-square against the prevailing international outlook, or rather absence of outlook. The brochure contains two essays. The first expounds shortly and concisely the familiar theme that economic peace is the one safe and sane foundation for any association of nations which is to last. Economic peace can be based only on economic freedom, and America has a mission to undo the mischief that she did when her writers of the early nineteenth century propounded protectionism, and not only saddled it upon the United States, but also sent back to Germany an apostle of the same doctrine in the person of Friedrich List.

The second of Mr Bowker's essays is even more interesting. It contains an attempt to reconstruct the Covenant of the League of Nations in a form acceptable to and in accordance with the susceptibilities of the American people. The proposed Covenant restricts its membership to sovereign nations and self-governing dominions, "whose law-making power is vested in the

people, or in their representatives." The Assembly of the League is not based upon equal representation, but provides that every member State shall have one representative, plus additional representatives up to a maximum of five in proportion to population. Voting would be by representatives except in the case of modifying the terms to the Covenant itself, or of altering the mutual obligations of different nations, and in these exceptional cases voting would be by nations, *self-governing dominions voting as part of the sovereign nation of which they are a constituent*. This device for meeting the "six votes to one" agitation in the United States is instructive and worthy of consideration. It is arguable whether the occasions mentioned are those in which the voting strength of the British Empire should be reduced. But it is clearly a subject for study to consider in what cases, if any, it is appropriate that the British Empire should act as a unit, as it did at Washington in December, 1921, rather than as half a dozen distinct and independent nations, as it does at Geneva. The draft Covenant suggests, but does not dictate, that these representatives should be elected either by the national Parliament or by popular vote. The Council is more definitely a second chamber rather than an executive body, and its constitution meets the objections of those who dislike the present Council on the grounds that it is a slightly modified form of the Supreme Council of the Allies, by giving a right to representation on the Council to all nations of given population, and by providing that the minor nations shall be grouped, either voluntarily or by the Assembly itself, into units of the given population, each of which would elect a member of Council. This plan, which would prevent the danger of Europe over-riding the wishes of other continents, is clearly a more lasting and sound basis for the constitution of the Council than the present one. The draft Covenant provides that all mandates shall be received, not as at present from the hands of the Treaty-making powers, but from the League itself, and lays down much stricter regulations for assuring freedom of trade in these regions than the present Covenant. The mandate is made terminable, and the Assembly will consider at stated intervals whether the beneficiary should or should not receive full self-government. The draft Covenant is in accordance with American opinion in laying down that conscription is a threat to the peace of the world, and that disarmament proposals, if approved by two-thirds of the Assembly, should become compulsory. In Article 10 the draft limits itself to saying that the nations will respect the territorial integrity of other nations—omitting the word "preserve," but the author explains that there remains the mutual obligation to intervene if any nation commits a breach of the Covenant by failing to respect the integrity of another member. The author clearly anticipates that force may need to be used to support the Covenant, for in the clause relating to sanctions he suggests that "the Covenant nations agree, subject to any authorisation under their representative constitution, to support each other in the financial and economic and other measures which may be taken under this Article. This is much stronger than the present Covenant with regard to military measures, for the Council can now only recommend to the respective Governments what steps should be taken. The draft includes a clause for American consumption or the freedom of the seas, and the protection of private property on land and sea in time of war. But as the clause naturally excepts contraband, which is not defined, the proposal does not solve the real issue in this question.

Mr Bowker makes the interesting suggestion that the present Covenant may ultimately stand in relation to the final Covenant in the same relation as the articles of federation stand in relation to the constitution of the United States. Mr Bowker modestly disclaims any importance for this essay, and is anxious to clear himself of any charge of presumption in tackling so large and important a task as putting into actual form the opinion of the United States. But in any case his essay is interesting to Europe because discussion of the Covenant on this side of the Atlantic has centred round particular applications, and no one has had time or detachment to outline or draft a new Covenant in final form. The critics of the League have no interest in the matter; its supporters, who are constantly

on the defensive against attacks from all quarters, for the moment find their only safety in holding fast to its every word and comma.

INTERNATIONAL LABOUR OFFICE INQUIRY INTO PRODUCTION.*

At their session in Genoa in June, 1920, the Governing Body of the International Labour Office decided that a special inquiry should be made over a wide area into the state of production. It was hoped apparently that a comprehensive inquiry would yield information which might be useful in solving the main economic problem which then seemed to require solution, namely, that of removing obstacles in the way of an intensification of production, with a view to increasing the supply of goods for which there was an unsatisfied demand. By June, 1920, the level of prices had already passed its highest point, and it soon came to be realised that the intensification of production was no longer the chief question. The change in the economic situation was not, however, considered to call for the abandonment of the projected inquiry, since "it is, for example, still a matter of importance to ascertain to what extent the reduction of the working day affects output, but the problem is not merely one of yield or quantities; it is now bound up in view of the crisis of the marketing as also of the crisis of the exchanges, with the new problem of the breach of equilibrium between wages costs in the various countries."

The International Labour Office cast its net very wide. In a questionnaire addressed to Governments it asked for statistics of production, consumption, stocks, strikes and lock-outs, unemployment, and other matters; and requested to be furnished with documents and other information bearing on various aspects of the economic depression, on the loss of efficiency among those engaged in the war, the effect upon output of the reduction in hours of labour, and other problems. It is stated that 27 Governments replied, some at considerable length, and about 1,000 volumes of annexes accompanied the replies. A second questionnaire was despatched to organisations of employers and workers, asking for statistical and other information bearing upon changes in production since the war; output per worker, output per hour and per week, &c.; wages, the health, housing, and nutrition of workers; strikes and lock-outs, &c. A third questionnaire was sent to co-operative organisations.

It is evident that the replies should constitute a mine of information upon conditions of production in many countries. The results are to be summarised in four volumes, of which this is the first. Apart from some introductory statistical chapters dealing generally with the relation between price movements, production, and employment in a number of countries during and since the war, this volume is devoted to setting out the method of the inquiry, the text of the questionnaires, and the list of Governments and unofficial organisations to which they were sent, together with the replies (covering about 200 pages) to certain of the questions which made inquiry as to sources of information. Among these 200 pages the statistician who has to deal with international comparisons may find much useful information as to the particulars that are available relating to output, stocks, consumption, index numbers, unemployment, strikes and lock-outs, &c. The section dealing with index numbers is especially valuable, since it includes information as to the basis on which index numbers in different countries are compiled.

It is to be hoped that an English edition will be published of this and of the three succeeding volumes, which will deal respectively with "total production and average production per worker; the explanation of the crisis in production; and remedies, proposals, and achievements." If an English edition is published it would be desirable that the price should not be fixed to the disadvantage of the English purchaser, as it is at present to the disadvantage of the Swiss purchaser.

* Enquête sur la Production. Vol. I. (Paris) Berger-Levrault 1923. 12f 50c Swiss or 25f French or Belgian.

BOOKS RECEIVED.

- Work, Trade, and Wages.* By E. G. Brunner. (London) Free Trade Union. 2d.
- The Free Trader (Election Number).* (London) Free Trade Union. 3d.
- Protection: What it Has Meant and What it Would Mean for the People of Great Britain.* By F. W. Hirst. (London) Ernest Benn, Limited. 2d.
- The Battle for Free Trade.* By the Rt. Hon. J. M. Robertson. Price 6d. (London) The Cobden Club, Broadway Court, Westminster.
- The Foreign Policy of the Labour Party.* By J. Ramsay Macdonald. (London) Cecil Palmer. 1s net.
- Henry Ford: The Man and His Motives.* By William L. Stidger. (London) Hodder and Stoughton. 2s 6d net.
- The Annals of the American Academy of Political and Social Science. Psychology in Business.* (London) P. S. King and Son, Limited. \$1.
- Generating Economic Cycles.* By Henry Ludwell Moore. (New York) Macmillan and Co., Limited. 12s net.
- Lloyd's Calendar, 1924.* (London) Lloyd's, Royal Exchange. 3s 6d net.
- British Colonial Stocks, Trustee securities.* By Michael Grieve. Price 2s. (London) Effingham Wilson, 16 Cophall avenue, E.C. 2.
- (This is a useful little book intended to be supplementary to one recently published under the title of "British Government Stocks.") For the guidance of investors, extracts are appended from the Trustee Act, the Colonial Stock Act, the Married Women's Property Act, and a cumulative sinking fund table.
- Tea Facts and Figures.* November, 1923. 2s, by post 2s 2d. (London) Fredc. C. Mathieson and Sons, 16, Cophall avenue, E.C. 2. Trade supplied by Effingham Wilson, 16 Cophall avenue, E.C. 2.

This is a very useful pocket-sized handbook to all who are interested in tea companies, giving as it does the following details of tea-planting, &c., companies:—Year formed, shares authorised, and number of shares issued, and amount paid. Secretaries and head offices of companies. Number of acres planted and reserve acres. Tea output in lbs for four financial years (estimated for current year). Profit (or loss), carry forward, &c., for recent years. Dividends paid during, and highest and lowest prices for, 1920, 1921, 1922, and 1923 to date. Costs f.o.b. and "all in." Selling prices.

The 100 Best Investments. November Supplement to Thirtieth Annual Volume. Price 1s net. (London) British, Foreign, and Colonial Corporation, B.F.C. House, Gresham street.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London, E.C.3.

The Bank has close working arrangements with Agents and Correspondents in all the principal towns throughout the world, and is in a position to offer complete banking facilities to merchants and others for the transaction of

EVERY DESCRIPTION OF OVERSEAS BUSINESS.

Foreign Exchange transactions arranged.

Chief Foreign Branch	168, Fenchurch Street, London, E.C.3
West End Foreign Branch	1, Pall Mall East, S.W.1.
Liverpool Foreign Branch	45, Castle Street, Liverpool.
Manchester Foreign Branch	94, Portland Street, Manchester.
Bradford Foreign Branch	13, Market Street, Bradford.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
November 28.

ACCOUNT.
November 29.

It will be necessary for the next two or three weeks to refer to politics as the principal factor in Stock Exchange markets. A touch of relief can be found in the statement that the Christmas feeling is already beginning to pervade some of the markets. Song and play alternate with periods of more serious business. Of the latter, there is still a fair amount going on. The excitement in the oil market this week, more especially in connection with Mexican Eagles, threw an air of animation over one of the principal sections of the industrial market. The investor continues to buy the War Loan, Conversion stock and Victory bonds. Some of the recently issued stocks, the prices of which fell to tempting discounts on fears of a Labour party success at the polls, have been picked up, and at rising

* "Economic Peace and Covenant of Sovereign Peoples." By R. R. Bowker. G. P. Putnam's Sons, New York and London, Knickerbocker Press. 1923.

prices, by investors who decline to be scared by the political outlook.

At the end of next week, the usual half-yearly interest payment on the War Loan will be forthcoming, and a little speculative buying in advance of this has served to rally the price from 99½, the lowest it had touched, to about 108 higher. The new electric railway 4½ per cent. debenture stocks, issued at 95½, after being down to nearly 2 discount, are both 1½ better. Nigeria Fours, which came out at the high price of 88, dropped to 3½ discount, and have rallied to 86 for the fully-paid scrip.

Home Railway debentures and preferences are on the mend, and the purely investment markets, with Conversion leading, present a noticeably bolder front than they did a week ago. Strings of rises in Brazilian, Mexican, and Chinese Government bonds stand out amongst the features of the foreign market, though the business which caused the improvements has been of modest dimensions. Prices were marked up automatically in many cases. French issues have been moving in accordance with the rate of exchange; dispersion of the clouds which hung over continuance of the Entente led to bear repurchases of the bonds, with the natural effect. The discount on the new Finland loan is becoming less, and Austrian Sixes, from their recent low level of 81½, rose sharply to 84½.

Nationalisation is still talked of as a possibility by the Home Railway market, but its immediate fear is overpast, and most prices stand substantially better than they were a week ago. The deferred stocks are coming into a little speculative favour on dividend prospects, and the preferred issues gained ground in sympathy with the rises in prior-charge stocks. Grand Trunk Pacific debenture dipped to 35, and recovered to 41. Antofagasta and United of Havana stocks have appreciated on excellent traffics, and the Argentine Railway list, after showing acute weakness, recovered without much difficulty, upon a slender amount of support from the speculative investor.

Anglo-Dutch rights and debentures aroused a good deal of interest in the rubber market, but apart from these the rubber share list as a whole is quiescent, waiting for that winter American demand of which so much has been heard, but which has not yet arisen, in the market for the commodity. Tea shares are again higher. The oil market sensation was a rise from 20s 6d in Mexican Eagles on Monday morning to 23s on the same day, and to 24s on Tuesday, the inspiration for which was provided by a notification to the effect that a new well had been brought in on one of the properties. The oil market, however, is largely professional, and the public are apparently afraid to do much in this section at present. Guest Keens propose to take over D. Davis and Son and the Consolidated Cambrian companies, and the shares in all three concerns went better as a consequence.

Coats have partially recovered from the fall which occurred in connection with the dividend disappointment; textiles as a whole are moving narrowly and irregularly, fluctuations being confined to a few pence in most cases. Tobacco shares came into renewed favour after a spasm of nervousness had put down prices, and part of the drop has been regained. City of London Real Properties, with City and Westminster Properties, are good, on the announcement that the former company proposes to buy the latter, and, moreover, in celebration of its sixtieth year of jubilee, to distribute new shares amongst its own proprietors.

Insurance and banking shares show no particular feature, jobbers lamenting that the public seem to be neglecting their market for the time being. Shipping is in somewhat similar case. The new P. and O. debenture is better at par. Keen attention is being levelled at the prospects which lie ahead of industrial companies likely to be affected by possible Protection legislation, but in no case has any material alteration occurred in prices as a result of this. Newspaper shares have been dull, but hardened again to some extent, and amongst hotels, stores and similar issues, public interest has dwindled to a minimum. Cements, after their recent flush of excitement, went back on profit-taking. Continental Union Gas preference put on 12 points, Hudson's Bays show a good recovery, and Egyptian Land shares have moved up.

South Africans continue to be regarded with a certain amount of distrust by the public owing to the apprehension lest the substantial rise in the price of gold, due to the American exchange, shall not prove constant. Kaffirs are better, however, there being a little Cape support to reinforce the modest amount of local buying that is taking place. Dividends on the principal shares are expected to be handsome in respect of the current six months. Diamonds are better, De Beers throwing off the effect of the announcement that there will be no dividend on the deferred shares this time. Rio Tintos are also higher. Rhodesians are still ignored by the public. Indian gold-mining shares have hardened a shade because of the rise in the price of gold. The advance in tin serves to keep tin mining shares firm, but it has not proved sufficient to bring in the public as buyers of Cornish, Malayan or West African descriptions.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ .. 251,921,921 ..	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED NOV. 17, 1923.				
April 1, 1923, to Nov. 17, 1923, £14,550,000 ..	Dr 50,000	Dr 50,000		

To the Public—				
Buchanan-Dewar, Lim., 1,250,000 6% First Cum. Pref. Shares, £1, at £1 0s 3d ..	1,250,000	1,265,625	312,500	955,125
Denaby and Cadeby Main Collieries, 2800,000 6% First Mort. Deb. Stock (red. at 102½, 1926 44), issued at 98½% (ov. 23) ..	800,000	788,000	80,000	708,000
Irish Free State National Loan, £10,000,000 5% Reg. and Inscribed Stock (rep. at par 1935 45), iss. at 95% (Nov. 24) 10,000,000 ..	10,000,000	950,000	100,000	850,000
Total offered to the public ..	11,050,000	3,003,625	492,500	2,511,125

To Shareholders only—				
Anglo-Dutch Plantations of Java, £500,000 5% First Mort. Conv. Deb. Ssk (red. at par 1928-34), issued at par ..	500,000	500,000	50,000	450,000
Hohonu Gold Sluicing, 10,000 shares, 10s, at par ..	5,000	5,000	5,000	..
Liverpool Nitrate, 57,725 shares, £1, at 50s ..	57,725	144,312	72,156	72,156
New Guinea Copper Mines, 50,000 Pgr. Pref. £1, at par ..	50,000	50,000	50,000	..
Second Investors' Mortgage Security, 2,500 £10 shares, issued at £11 per share ..	125,000	137,500	25,000	112,500
Second Scottish Northern Investment Trust, 2,500 Shares, £25, at £29 per share ..	62,500	72,500	37,500	35,000
Total offered to shareholders only ..	1,200,225	909,312	239,656	669,656

Total offered for subscription to date in—	Total offered for subscription for whole year—
1923 .. £255,784,858	1922 .. £573,675,650
1922 .. 556,557,324	1921 .. 388,978,203
1921 .. 318,931,861	1920 .. 367,549,656
1920 .. 352,436,977	1919 .. 1,036,069,961
1919 .. 986,595,777	1918 .. 1,393,381,441
1918 .. 1,238,113,594	1917 .. 1,318,596,010
1917 .. 1,233,669,326	1916 .. 586,436,853

Irish Free State National Loan (5 per Cent. Registered and Inscribed Stock, 1935-1945).—This is an issue of £10,000,000 at £95 per cent. Principal is repayable at par on December 1, 1945, the Government of the Irish Free State having the option to redeem the stock in whole or in part at par on or after December 1, 1935, on giving three months' notice. Several points are worthy of note. Firstly, this is an internal loan. Secondly, it is pointed out that the stock is a "trustee investment in Saorstát Éireann, authorised by the Trustee Act, 1893." Thus we infer that the loan is of interest to Irish trustees only. The familiar paragraph appearing in the prospectuses of most Dominion Governments to the effect that they have complied with the requirements of the Colonial Stock Act, 1900, and that trustees may invest in the stock, is lacking. Of course, it may be contended (and quite rightly so) that as the loan is an internal one there is no need for such provision. At the same time, it is no doubt wished to attract the British investor. And, thirdly, we are not told how the proceeds of this borrowing are to be used. It is to be noticed that dividends will be paid without deduction of Free State income-tax, and that external holders will be exempt from Free State taxation. Both principal and interest "will be a charge on the Central Fund of the Irish Free State." A sinking fund will be formed, and "on June 1st and December 1st of each year a sum equal to 3½ per cent. on the nominal amount of the loan originally created" will be set aside. The stock now offered will be officially quoted on the Dublin and Cork Stock Exchanges. We hope in the not far distant future to see it quoted in the London Stock Exchange. Or, better still, perhaps the Irish Free State authorities, when again making an issue of stock, will provide the British public with a Free State loan with capital and interest payable and quoted in London.

Buchanan-Dewar, Limited.—Authorised share capital £7,500,000, of which £6,767,038 has been issued. This is an offer for sale of 1,250,000 6 per cent. cumulative preference shares of £1 each at £1 0s. 3d per share. The additional 3d per share, we are told, is for "stamping and procuring the registration of transfers." This is an unusual extra charge. These 6 per cent. shares form part of a total issue of 2,267,038, and rank before 2,500,000 7½ per cent. cumulative preference shares of £1 each and 2,000,000 ordinary shares of £1 each. The directors will not borrow or create debentures without the consent of preference holders. The offer for sale informs us that it has been thought desirable that the "public should be afforded an opportunity of taking a wider interest in the capital of the company." The undertaking is famous for its distilled products. Profits are given for the last four years, and it is obvious that trade depression does not affect the con-

The List of Applications will close on or before Monday, 10th December, 1923.

IRISH FREE STATE. NATIONAL LOAN

(5% Registered and Inscribed Stock, 1935-1945).

ISSUE OF £10,000,000

Price of Issue £95 per cent.

INTEREST PAYABLE 1st JUNE and 1st DECEMBER.

Two per cent. Interest payable on 1st June, 1924.

Principal repayable at par on 1st December, 1945, the Government of the Irish Free State having the option to redeem the stock in whole or in part, at par, on or after the 1st December, 1935, on giving three calendar months' notice in the *Irish Oifigiúil*.

The Governor and Company of the Bank of Ireland are authorised by the Government of the Irish Free State to offer for subscription the above amount of Stock authorised to be issued under Act of the Oireachtas, entitled the Appropriation Act, 1923 (No 23 of 1923).

Payment will be required as follows, viz.:—

£10 per cent. on application.
£20 " " allotment.
£30 " " 18th January, 1924.
£35 " " 22nd February, 1924.

Payment in full may be made after allotment, and discount at the rate of two per cent. per annum will be allowed. Where payment is made in full between two instalment dates, discount will be calculated as from the instalment date next succeeding the date of such full payment.

In case of default in the payment of any instalment at its due date, the amount previously paid will be liable to forfeiture.

In case of partial allotment the balance of the amount lodged with the application will be appropriated towards payment of the instalment due on allotment.

Applications must be for sums of £10 or multiples thereof.

The Stock is a Trustee Investment in Saorstát Éireann authorised by the Trustee Act, 1893, and trustees may invest therein even though the price at the time of investment exceeds the redemption value of £100 per cent.

The Books of the issue will be kept as separate Registers at the Head Office of the Bank of Ireland, Dublin, and at the principal Office of the same Bank at Cork, and transfer between the Registers in Dublin and the Registers in Cork will be free of charge.

Stock may be inscribed as transferable in the Stock Transfer Books, or may be registered as transferable by Deed.

Inscribed Stock will be exchangeable for Registered Stock, or vice versa, without payment of any fee.

Stock will be transferable in any sums which are multiples of a penny.

Powers of Attorney for the transfer of inscribed Stock and Deeds for the transfer of registered Stock will be free of Stamp Duty.

Dividends on Stock will be paid by warrant, which will be sent by post.

Dividends on Stock of this issue will be paid without deduction of Free State income tax, but the income derived

from such dividends will be assessable to Free State income tax in the hands of the recipients at the rates of tax appropriate to their respective incomes.

Stock of the present issue and the dividends payable from time to time in respect thereof will be exempt from all taxation of the Irish Free State, present or future, if it is shown in the manner directed by the Minister of Finance that the Stock is in the beneficial ownership of a person who is neither domiciled nor ordinarily resident in the Irish Free State.

Scrip Certificates will be issued in exchange for the Allotment letters. Fully-paid Scrip Certificates may be "Inscribed," transferable in the Stock Transfer Books, or "Registered," transferable by Deed.

A Commission of five shillings per cent. will be allowed to Bankers, Stockbrokers, and Financial Houses on allotments made in respect of applications bearing their stamp.

The Stock now offered will be officially quoted in the Dublin and Cork Stock Exchanges.

Both the Principal and Interest of this issue will be a charge on the Central Fund of the Irish Free State.

The Government of the Irish Free State undertake to set aside on 1st June and 1st December of each year a sum equal to 3½ per cent. on the nominal amount of the loan originally created. After deducting therefrom the amount required for payment of interest, the balance of the sum so set aside will be carried to a Sinking Fund which will be applied during the succeeding half-year to the purchase of the loan for cancellation if the price is at or under par; when the price is above par, it will be either so applied or otherwise invested for the benefit of the Sinking Fund under the control of the Minister for Finance.

Application Forms may be obtained from any Bank or Post Office, or from any Stockbroker in the Irish Free State, also from the Ministry of Finance, Dublin, and the High Commissioner for the Irish Free State, 15 Regent Street, London.

Instalments may be paid without additional charges through any of the Offices of the undermentioned Banks:—

BANK OF IRELAND.
BELFAST BANKING CO.
HIBERNIAN BANK.
MUNSTER AND LEINSTER BANK.
NATIONAL BANK (INCLUDING OFFICES IN GREAT BRITAIN).
NATIONAL LAND BANK.
NORTHERN BANKING COMPANY.
PROVINCIAL BANK OF IRELAND.
ROYAL BANK OF IRELAND.
ULSTER BANK.

Bank of Ireland, Dublin, 24th November, 1923.

APPLICATION FOR "INSTALMENT ALLOTMENT."

No.....

IRISH FREE STATE 5% NATIONAL LOAN, 1935-1945.

PRICE OF ISSUE £95 PER CENT.

TO THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND.

In terms of the Prospectus dated the 24th November, 1923, I/we hereby apply for an Instalment Allotment of

(a) £....., say.....pounds of the above-mentioned issue.

And I/we hereby engage to pay the instalments as they shall become due on any allotment that may be made in respect of this application, as provided by the said Prospectus.

The sum of £....., being the amount of the required deposit (b) (at the rate of £10 for every £100 applied for), is enclosed herewith.

Signature

Name of Applicant, in full.....

Communications to { Name

be addressed to { Address

Date.....1923.

(a) Applications must be for not less than £10, and must be for multiples of £10.

(b) Where applications on behalf of several persons are made through one Agent at the same time, one cheque only, for the total of the deposits, is necessary. Cheques should be made payable to "bearer," not to order, and should be crossed " & Co., a/c National Loan."

Please
Write
Distinctly.

sumption of whisky. It must be remembered, however, that it is an important export industry, and America may have been buying heavily in the last few years. The statement of assets and liabilities is terse but informative. The future of the industry is difficult to foresee, and investors must seriously consider this aspect.

The Denaby and Cadeby Main Collieries, Limited.
—Share capital £1,400,000, all of which has been issued. This is an offer for sale of £800,000 6 per cent. first mortgage debenture stock at £98½. Applications for £250,000 of the stock have already been made. These will be accepted in full on the terms of the offer. Principal is redeemable in 1944, by means of a cumulative sinking fund of 3 per cent. per annum, to be applied annually by purchase if the stock is obtainable at or under 102 ex interest, or by drawings for redemption at 102. The first redemption will take place in 1926. Power is reserved to the company to redeem all or any of the debenture stock outstanding, at any interest date at £110 per cent., subject to six months' notice. The debenture stock is secured by a first mortgage on the present freehold property of the company and by a floating charge on the undertaking and all the property and assets of the company present and future. Although an "offer for sale," the document gives much useful information. Profits are shown from 1911, and the figures given are quite sufficient to show that interest and other services on this debenture stock are well covered. Assets and liabilities are well set out, and here good security is found for repayment of capital, total surplus assets of the company and its subsidiary, the Washington Coal Company, Limited, amounting to £1,913,030, and fixed assets representing a sum well in advance of the debenture issue. The output for the year ended June 30, 1923, amounted to 1,486,244 tons. It is stated that the tonnage available from seams being worked is estimated at 68,000,000. The proceeds of the present issue will be applied to repaying the £206,500 existing debenture stock of the company (which carries no charge on the company's assets); to liquidating sundry outstanding loans amounting to £119,892; to the payment of £300,000, being the price of the shares of the Washington Coal Company; and to the provision of further working capital. A good industrial issue.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Price	Week	Price	Week	Price	Week
	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24
War 3½, 1925-28	95½	96	95½	96	95½	96	95½	96
Loans 5½, 1925-47	97	97½	97	97½	97	97½	97	97½
4½, 1929-47	100½	100½	100½	100½	100½	100½	100½	100½
4½, 1929-42	100½	101	100½	101	100½	101	100½	101
Funding Loan 4½	87½	88½	87½	88½	87½	88½	87½	88½
Victory Bonds 4½	90½	91½	90½	91½	90½	91½	90½	91½
Conversion Loan 3½	76½	77	76½	77	76½	77	76½	77
Consols 2½	56½	57	56½	57	56½	57	56½	57
Irish Land Stock 2½	58½	59	58½	59	58½	59	58½	59
Local Loans 3½	66½	66½	66½	66½	66½	66½	66½	66½

Banks.

	Price	Week	Price	Week	Price	Week	Price	Week
	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24
Barclays B (£1, l.p.d.)	2½	2½	2½	2½	2½	2½	2½	2½
Chartered Bk of India	18½	18½	18½	18½	18½	18½	18½	18½
Lloyds (£5 with £1 paid)	2½	2½	2½	2½	2½	2½	2½	2½
London Joint City & Midland (£12 with £2 paid)	8½	8½	8½	8½	8½	8½	8½	8½
Nat. Bank of Egypt (£10)	24	24	24	24	24	24	24	24

Colonial and Foreign Railways.

	Price	Week	Price	Week	Price	Week	Price	Week
	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24
Antofagasta Cons.	84	84½	84	84½	84	84½	84	84½
B.A. and Pacific	70½	70½	70½	70½	70½	70½	70½	70½
B.A. & Southern	80½	80½	80½	80½	80½	80½	80½	80½
Buenos Ayres West.	71½	72	71½	72	71½	72	71½	72
Canadian Pacific	167	166	167	166	167	166	167	166
Central Argentine	66½	67	66½	67	66½	67	66½	67

Foreign Government Securities.

	Price	Week	Price	Week	Price	Week	Price	Week
	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24
Argentine 5%, 1886-7	99	100	99	100	99	100	99	100
Austrian 6% Guar.	84½	84½	84½	84½	84½	84½	84½	84½
Belgian 3%	68	68	68	68	68	68	68	68
Brazil 5% Fund., 1914	68	69	68	69	68	69	68	69
Chilian 4½, 1895	86	86	86	86	86	86	86	86
Do 7½, 1905	105½	105½	105½	105½	105½	105½	105½	105½
Chinese 5%, 1912	67	68	67	68	67	68	67	68
Egyptian 4%	72	72	72	72	72	72	72	72
French 5%	24½	24½	24½	24½	24½	24½	24½	24½
Do 4%	20	20	20	20	20	20	20	20
Greek 4%, 1884	42½	41½	42½	41½	42½	41½	42½	41½

Telegraphs.

	Price	Week	Price	Week	Price	Week	Price	Week
	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24
Anglo-American "A"	2½	2½	2½	2½	2½	2½	2½	2½
Marconi Wireless	2½	2½	2½	2½	2½	2½	2½	2½

British Railways.

	Price	Week	Price	Week	Price	Week	Price	Week
	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24
Great Western, Ord.	109½	110½	109½	110½	109½	110½	109½	110½
Do Def.	85	85	85	85	85	85	85	85
London & North-Eastern	84½	85	84½	85	84½	85	84½	85
5% Pref. Ord.	84½	85	84½	85	84½	85	84½	85
Do Def. Ord.	31½	32½	31½	32½	31½	32½	31½	32½
London, Mid., and	103½	104½	103½	104½	103½	104½	103½	104½
Scottish, Ord.	75	75	75	75	75	75	75	75
Metropolitan	54½	54½	54½	54½	54½	54½	54½	54½

American Railroads.

	Price	Week	Price	Week	Price	Week	Price	Week
	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24	1923-24
Chesapeake & Ohio	81	83	81	83	81	83	81	83
Do 4% 1st Pref.	31½	31	31½	31	31½	31	31½	31

Miscellaneous.				Price				Price			
	Week	Price	Week		Week	Price	Week		Week	Price	Week
	1923-24	1923-24	1923-24		1923-24	1923-24	1923-24		1923-24	1923-24	1923-24
Aerated Bread (£1)	1½	1½	1½	Imperial Tobacco (£1)	3½	3½	3½	Imperial Tobacco (£1)	3½	3½	3½
Amal. Cottons (£1)	1½	1½	1½	Linggi Plantina (£1)	1½	1½	1½	Linggi Plantina (£1)	1½	1½	1½
Anglo Persian Oil (£1)	2½	2½	2½	Lipton (£1)	1½	1½	1½	Lipton (£1)	1½	1½	1½
Armstrong (Sir W.G.)	1½	1½	1½	Liver Brs 7% Cmp (£1)	1½	1½	1½	Liver Brs 7% Cmp (£1)	1½	1½	1½
and Co. (£1)	1½	1½	1½	Do 8% Cmp A Prf (£1)	1½	1½	1½	Do 8% Cmp A Prf (£1)	1½	1½	1½
Ass. Plind. Cement (£1)	1½	1½	1½	Do 20% Cmp Prf Ord (5)	1½	1½	1½	Do 20% Cmp Prf Ord (5)	1½	1½	1½
Barker, John (£1)	1½	1½	1½	Lister (£1)	1½	1½	1½	Lister (£1)	1½	1½	1½
Bham Small Arms (£1)	1½	1½	1½	Lobitos Oilfields (£1)	6½	6½	6½	Lobitos Oilfields (£1)	6½	6½	6½
Brazil Traction (£100)	42½	43	42½	Lyons (J.) & Co. (£1)	4½	4½	4½	Lyons (J.) & Co. (£1)	4½	4½	4½
British-American	5½	5½	5½	Mexico Eagle (£10)	1½	1½	1½	Mexico Eagle (£10)	1½	1½	1½
Tobacco (£1)	5½	5½	5½	Pekin (2)	1½	1½	1½	Pekin (2)	1½	1½	1½
Burmah Oil (£1)	42½	43	42½	Rubber Plantations	1½	1½	1½	Rubber Plantations	1½	1½	1½
Coats (J. and P.) (£1)	3½	3½	3½	Investment (£1)	1½	1½	1½	Investment (£1)	1½	1½	1½
Courtauld (£1)	5	5	5	Shell Transport (£1)	3½	3½	3½	Shell Transport (£1)	3½	3½	3½
Cunard (£1)	1	1	1	Smithfield & Argentine	1½	1½	1½	Smithfield & Argentine	1½	1½	1½
Dorman, Long (£1)	3½	3½	3½	Meat (£1)	1½	1½	1½	Meat (£1)	1½	1½	1½
Dunlop Rubber (£1)	7½	7½	7½	United Dairies (£1)	1½	1½	1½	United Dairies (£1)	1½	1½	1½
Fine Cotton Spinners	2½	2½	2½	United Berdang (2)	3½	3½	3½	United Berdang (2)	3½	3½	3½
(£1)	2½	2½	2½	United Tobacco (£1)	3½	3½	3½	United Tobacco (£1)	3½	3½	3½
Forestal Land (£1)	1½	1½	1½	Vallambrosa (2)	1½	1½	1½	Vallambrosa (2)	1½	1½	1½
Furness, Withy (£1)	1½	1½	1½	Vickers (£1)	1½	1½	1½	Vickers (£1)	1½	1½	1½
Highlands and Low-	1½	1½	1½	Watney Def. Sdk.	170½	170½	170½	Watney Def. Sdk.	170½	170½	170½
lands Rubber (£1)	1½	1½	1½								
Hudson's Bay (£1)	5½	5½	5½								

ANALYSIS OF BALANCE-SHEETS.

INDIA RUBBER, GUTTA PERCHA, AND TELEGRAPH WORKS.

August 31, 1923.		August 31, 1922.	
LIABILITIES.	Amount.	LIABILITIES.	Amount.
Ord. shares	750,000	Ord. shares	750,000
Prof. shares	250,000	Prof. shares	250,000
Debentures	400,000	Debentures	400,000
Reserve	180,000	Reserve	180,000
Debits and loan	493,603	Debits and loan	493,603
from bank	59,787	from bank	59,787
Unclaimed divs.	35	Unclaimed divs.	35
Profit and loss	48,157	Profit and loss	48,157
Total	2,121,796	Total	2,121,796

CASSTNER-KELLNER ALKALI.

September 30, 1923.		September 30, 1922.	
LIABILITIES.	Amount.	LIABILITIES.	Amount.
Share capital	1,000,000	Share capital	1,000,000
Debentures	163,569	Debentures	163,569
Creditors	678,782	Creditors	678,782
Unclaimed divs.	188	Unclaimed divs.	188
Deprec. reserve	737,500	Deprec. reserve	737,500
General reserve	79,364	General reserve	79,364
Profit and loss	231,531	Profit and loss	231,531
Total	2,890,734	Total	2,890,734

MINING OUTPUT STATISTICS FOR OCTOBER, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.						
Jumbo-Tip-Top	1,400					
Mexican Corporation	108,594					
Mexico of El Oro	13,922					
Oriental Cons. (Sept.)	19,822					
Ouro Preto	7,400					
Wahli Grand Junction	5,440					
Copper.						
Kafue	75½					
Jantar	22					
Naraguta	40					
Nigerian Base Metals	10					
Renong	23					
Coal.						
Chinese Engineering	79,070					
Witbank	78,070					

MOUNT LYELL.—Four-weekly period ended November 14th.—Smelted Mount Lyell ore, 647 tons; North Lyell ore (direct to smelters), 255 tons; concentrates, 2,135 tons. The converter produced 343 tons of blister copper, containing 310 tons of copper, 7,432 ozs silver, 108 ozs gold. The mill treated 7,117 tons of ore, and produced 2,128 tons of concentrate. Furnace ran 13 days.

MOUNT MORGAN.—Four weeks ended November 13th.—Treated, 5,808 tons secondary prod. cts. Produced 426 tons blister copper, containing 422 tons copper and 7,074 ozs gold, including 6 tons copper and 4 ozs gold from purchased ore and secondary products. Concentrator treated 15,035 tons ore for a production of 5,332 tons of concentrate containing 284 tons copper and 3,484 ozs gold. In addition to above production have matte on hand containing 80 tons copper and 958 ozs gold.

COMPANY MEETINGS, &c.

THE WALL PAPER MANUFACTURERS, LIMITED.

SOUND AND SATISFACTORY BALANCE-SHEET.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The ordinary general meeting of the Wall Paper Manufacturers, Limited, was held on the 22nd instant, in the Connaught Rooms, 61 Great Queen street, London, Mr Edgar Smith (chairman of the company) presiding.

The secretary (Mr John T. Chasney) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen,—You have all received copies of the directors' report and of the accounts to August 31, 1923. May I assume that it is your wish that they should be taken as read.

PROFIT AND LOSS ACCOUNT.

You will see from the profit and loss account that £114,697 was brought forward from the year 1922, and that the profit for this year, after making all the usual provisions for doubtful debts, &c., and including dividends and interest on our investments, amounts to £634,868. To these two figures is added £813 received for transfer fees, making a total of £750,378.

On the other side of the account are the debenture interest for the year, an interim dividend of 2½ per cent. on the preference shares, and an interim dividend of 4 per cent. on the ordinary shares, which have been paid during the year; also a charge for income-tax. These items deducted from the £750,378 above-mentioned leave a sum of £621,173, which is the amount available for further appropriation, and which your directors propose to deal with in the manner set out in their report.

BALANCE-SHEET ITEMS.

If you will kindly turn to the balance-sheet which we present to-day, you will see that our share capital is the same as last year. The creditors stand at £562,536 against £527,360 last year, and the reserve fund at £100,000. On the other side there is a slight increase in the amount at which our land, buildings, plant, &c., stand, namely, £3,459,719, against £3,428,464 last year, an increase of £31,000. This is mainly accounted for by the reconstruction of the premises and plant destroyed by fire in previous years, and is really a reinstatement of the amount credited in reduction of this account two years ago in respect of the proceeds of the fire claims. The investments total £1,350,413, an increase of £166,000. Of this sum one million and a quarter is invested in British Government securities. Debtors are rather lower than last year at £603,067, and the bills receivable rather higher at £86,552. Cash at bankers and in hand, £202,235, shows an increase of £227,149 over last year. I think you will agree with me that this is a satisfactory balance-sheet, and your directors can assure you that it is a sound one.

THE FUTURE.

As to the future, although the profit for the past year has fallen slightly below that of the previous one, I can safely say the outlook is promising.

LANCASHIRE AND CHESHIRE INSURANCE CORPORATION, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The ordinary general meeting of the Lancashire and Cheshire Insurance Corporation, Limited, was held, on the 23rd instant, at the head office, 57 Old Broad street, London, Sir A. Trevor Dawson, Bart., R.N., chairman of the company, presiding.

The secretary (Mr C. B. Maxwell) having read the notice convening the meeting and the report of the auditors, The Chairman, in the course of his speech, said:

The general section shows that the policy of the board has resulted in a considerable reduction in net premium income, which amounted to £325,260 for the period under review, against £767,639 for 1921, and this is mainly due to the reduction in the company's commitments in casualty business, namely, employers' liability, accident, &c., transacted abroad.

You will observe that in this section we have reserved for unexpired risks £211,100, which is approximately 65 per cent. of the net premium income for the whole period of 18 months, and this in the opinion of our technical staff should be more than adequate to meet all requirements.

NEW OFFICES.

As regards the home business in the general section, you will notice on the second page of the report and accounts that in addition to the branch offices we have opened during the past 12 months 10 district offices in important centres.

It will no doubt be of interest to you to know that we have now about 1,800 agents in Great Britain and Northern Ireland.

Our motor insurance business has grown very considerably, and as it has been part of our policy to only retain small fire risks, the motor department, by its rapid growth, has become a very important and satisfactory factor in the home general section.

About 80 per cent. of the motor insurance is in respect of commercial vehicles, in which we specialise, and we attribute the satisfactory results to the agency organisation which we have built up for dealing efficiently with all new business, as is proved by the continued expansion of this department.

Arrangements have been made to take up engineering insurance, and we have secured the services of a manager for this department who has had many years successful experience in this class of business, and under his able management a substantial and profitable business will be developed.

MARINE ACCOUNT.

Turning to the marine account, you will observe that the net premiums have fallen from £49,591 in 1921 to £50,917 for the 18 months covered by the present accounts, a drop of 33½ per cent. This diminution in marine premiums is largely due to the fact that, owing to the lower purchasing power of most trading countries, the amount of shipping in commission and goods in transport is greatly reduced, and the amount of premium for marine insurance is less than the demand of the insurance market, with the result that rates are forced down to a level which is below what is necessary to provide a reasonable margin of profit.

The cost of maintaining an efficient marine department is such that the directors, on the advice of their marine underwriter, have decided to close down this department and cease transacting direct marine underwriting at our offices in the Royal Exchange.

Although the company had the advantage of war risk premium for only a limited period, our marine results on the whole have been favourable, notwithstanding that marine underwriting since the war has generally proved unprofitable. However, as a result of the policy we adopted on the cessation of hostilities, the company has to a very large extent escaped the unfortunate results

which have proved disastrous to so many concerns which endeavoured to maintain, in post-war years, a marine income commensurate with that which they obtained during the war.

Dealing with the balance-sheet, you will see that since our last meeting we have called up the balance of the uncalled capital, namely, 15s per share on 98,000 shares, namely £73,500, which has all been paid up with the exception of £8,150, which in these times may be regarded as a satisfactory response to the call.

Your directors are of opinion that the reserves set aside at the end of 1921 have been justified by results which, with a considerably smaller premium income, have enabled us again to set aside practically 100 per cent. of one year's premiums to reserve for unexpired risks, claims, &c., write down investments by over £58,000, write off office furniture £2,523, provide a new fund of £5,000 for bad debts, put the marine fund in credit to the extent of £39,445, purchase and cancel £80,000 of debentures whilst writing off £3,708 of the expenses of the issue, and still be able to carry forward a credit balance of £49,131, in addition to our capital being intact.

In conclusion, I may say that since the accounts were made up, we have disposed of a substantial interest in our American company on favourable terms, and this transaction will relieve us from any further financial obligation with regard to the American business.

Mr Charles W. Small (deputy-chairman) seconded the resolution, and it was carried unanimously.

AUSTRALIAN MERCANTILE LAND AND FINANCE COMPANY, LIMITED.

SATISFACTORY RESULTS IN A DIFFICULT YEAR.

The fifty-ninth annual general meeting of the Australian Mercantile Land and Finance Company, Limited, was held, on the 22nd instant, in London, Mr R. H. Caird (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said he thought they might congratulate themselves on the very satisfactory balance-sheet which had been submitted on the conclusion of a year which had not been free from difficulty. A dividend of 10 per cent. and a bonus of 2½ per cent. was a very good return on the increased capital. They were also able to recommend the addition of £25,000 to the equalisation reserve, bringing it up to £125,000. Shareholders might thus feel confidence in the maintenance of a steady return on their money, and if the board continued the policy of adding to the reserve whenever the company had an exceptionally good year, he thought it would have the effect of preventing undue fluctuation in the market price of the shares. The result to those who took up their proportion of the new capital must be very satisfactory, as the shares which they got at £5 now stood at well over £10 in the market, and they had meantime had a very handsome return annually on the money they invested.

CONDITIONS IN AUSTRALIA.

The company's financial year ended on June 30th, and it was only in June that rain fell in useful quantities, so that during the greater part of the year a very dry time was experienced, and even now in some parts of New South Wales and Queensland the rainfall had not been sufficient. On the other hand, the course of the wool market had been very favourable, and prices had kept on a good level. The enormous accumulation of wool in the hands of Bawra had been rapidly absorbed, and in a very few months that incubus would be a thing of the past, and instead of there being danger of too much wool, it was very likely that supplies would be deficient, especially of merino.

BUT DOES IT PAY?

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Head Office:— 1 Dale St., Liverpool. Chief Office:— 1 Cornhill, London, E.C.3.

Branches and Agencies throughout the World. General Manager and Secretary:—HUGH LEWIS.

Dealing with the balance-sheet, he said that, though in recent years the company had acquired the goodwill of two very prosperous business houses in Australia, each of which added largely to their turnover and profits, they had been able to write off the whole cost and avoid showing goodwill as an asset. In acquiring the business of Messrs Hill, Clark, and Co. in Sydney, and Messrs J. M. Peck and Son in Melbourne, they had not only considerably increased the company's business, but also secured the assistance of the working partners and directors. The company's sales of wool, as brokers in Australia, continued to be very satisfactory. For the year to June 30th last they had sold an aggregate of 193,240 bales, and they ranked third in the list of sellers in Australia.

In connection with their pastoral properties, they became possessed of a large interest in Bawra. They held 44,653 shares of originally £1 each; 10s of that had been paid, and would be included in next year's profit, and a further 9s. per share would be paid next February. There would ultimately be a further distribution on the final winding up of Bawra, which was apparently estimated at another 6s 6d per share, as the present market quotation was about 15s 6d.

In a recent newspaper article the aid of pastoral companies was invoked to assist the Government in the laudable effort to promote immigration and land settlement in Australia. This company had already done something in that direction, for in recent years they had cut up and disposed of, in small areas, no less than five distinct freehold properties, aggregating 191,368 acres. Great areas of Australia were peculiarly suitable for the production of fine wool, and though he admitted the necessity of increasing the rural population, he would rather see experiments in closer settlement made in districts where perhaps the best use was not being made of the land than in areas eminently suitable for the production of Australia's premier product, fine merino wool, for which there was a world-wide market.

QUEENSLAND LAND ACT.

Referring to the Queensland Land Act (Amendment Act), 1920, the Chairman said that when, under an Act of Parliament, a pastoralist took a lease from the Government, the terms of which contract were defined by the Act, he had a right to expect that these terms would not be varied during the currency of the lease by a subsequent Act. For a Government to introduce legislation to vary such terms could only be defined as breach of contract. The Queensland Premier had stated that it would be tremendously difficult if, as the result of an agitation in London, the Government were forced to pay 1 per cent. more on loans falling due, as this would mean a heavy burden on the State. He (the speaker) quite agreed with Mr Theodore that the position was difficult, but the remedy was in his hands. All he had to do was to right the wrong, and to make it plain to the world that Queensland recognised the sanctity of a contract. It was a pity to see a new country making slow progress simply for want of capital, which would be available in plenty if investors could be assured that contracts once made with the Government could be relied on, and would not be broken by fresh legislation during their currency. The report and accounts were unanimously adopted.

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

HOTEL CECIL, LIMITED.

THE STAFF AND CHARING CROSS HOSPITAL.

The twenty-seventh ordinary general meeting of the Hotel Cecil, Limited, was held, on the 20th instant, at the Hotel Cecil, Strand, London.

Mr J. Douglas Broad, the chairman, who presided, said that the profit from trading amounted to £76,674, an increase on that of last year of £1,465. The general business during the year had been satisfactory. If the proposals of the board as to the appropriation of the profits were approved, the amount carried forward would be more than a full year's interest on the preference shares. The directors felt that the time had now arrived when they should pay the preference interest half-yearly, and that they proposed to do. Since the close of the financial year the business continued good, and showed a satisfactory increase over the previous year. In conclusion, he paid a tribute to the staff, who, he said, had, as usual, given them wholehearted support. As an instance of the right spirit displayed by the staff, he read an extract from the report issued by Mr George Verity, J.P., chairman of the Charing Cross Hospital. "I have had," Mr Verity wrote, "a striking instance of what can be done to help hospitals this current year. The staff of the Hotel Cecil, by weekly collections amongst themselves, football matches, and entertainments, have collected a sum aggregating £300, which is more than sufficient to provide the annual cost of a bed. Further than that, they have told us we can rely on these efforts being continued in future years; therefore, as a token of our thanks we have endowed a bed in their name with the following inscription: 'This bed is entirely supported by the generosity of the staff of the Hotel Cecil.' To my mind this is one of the most wonderful things which has ever happened in hospital life. It shows the real awakening of the charitable spirit, and the real wish to support an institution among those who benefit by the hospital, standing where it does, to provide aid in case of necessity when surgical or prolonged medical or casualty help is required. What one hotel staff has done other institutions in this great neighbourhood can do, and by this time next year I hope to have a row of brass plates showing beds endowed on the co-operative principle. Why not? Finally, what this would mean to me, with the anxious cost of 30 or 40 beds lifted off my shoulders, I cannot put into words. I shall look forward to reporting to you, my subscribers, this time next year the application of this principle."

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Nov. 26-Dec. 1 were opened on Nov. 23, 1923, and the total amount applied for was £61,235,000. For bills at three months, dated Monday to Thursday at £99 3s 4d, above in full; Friday and Saturday, at £99 3s 6d, about 66 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £44,000,000; in bonds £250,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Oct. 12, 1923.	£ 35,000,000	£ 61,565,000	3 1 5.61	£ s d nil
Oct. 19	35,000,000	51,135,000	3 0 7.85	nil
Oct. 26	35,000,000	50,275,000	3 1 8.43	nil
Nov. 2	35,000,000	51,350,000	3 1 6.63	nil
Nov. 9	35,000,000	53,200,000	3 3 8.13	nil
Nov. 16	35,000,000	46,275,000	3 5 9.32	nil
Nov. 23	45,000,000	61,235,000	3 5 7.39	94 10 0

Tenders will be received on Nov. 30, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.				
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Mar. 28, 1922.	£ 300,351	£ 14,255	£ 5,000	£ 28,500	£ 19,450	15.9	£ 261,479	£ 177
June 28	295,374	13,338	6,000	28,500	19,650	16.3	254,312	250
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140
Nov. 8	282,343	11,881	7,000	27,000	22,450	17.5	237,645	128
Nov. 15	282,935	11,939	7,000	27,000	22,450	17.5	238,344	140
Nov. 22	291,202	12,015	7,000	27,000	22,450	17.6	236,599	168

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Oct. 27, 1923.	Oct. 23, 1923.	Oct. 15, 1923.	Oct. 6 1923.	Oct. 28, 1922.
LIABILITIES.					
Capital	1,000	1,000	1,000	1,000	1,000
Reserve	40	40	40	43	2
Notes in circulation	10,482	10,179	10,310	10,582	8,390
Bankers' deposits	5,401	5,369	5,200	5,154	5,126
ASSETS.					
Gold coin and bullion	534	533	533	53	282
Gold certificates	10,102	10,102	10,102	10,102	10,087
Subsidiary coin	125	125	125	125	250
Bills discounted (domestic).....	2,928	2,783	2,559	2,774	1,361
Do (foreign)	540	341	177	226	5
Union Govt. Treasury Bills			3 0	350	..
British Govt. Treasury Bills	1,500	1,500	1,500	1,500	..
Loans and advances to the Government	1,250	1,250	1,250	1,250	1,500
Investments	17	17	17	17	..
Ratio of cash reserves to liabilities to public	67.7%	69.1%	69.3%	68.2%	78.3%

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).						
	Oct. 26, 1913.	Oct. 19, 1923.	Oct. 12, 1923.	Oct. 5, 1923.	Sept. 28, 1923.	Oct. 27, 1922.
ASSETS.						
Govt. securities . . .	11,35.09	13,54.1	11,38.27	11,49.31	11,41.47	8,09.36
Other securities . . .	28.33	1.38	1.24	1.24	1.28	28.33
Loans . . .	13,74.89	14,21.90	14,27.60	14,38.23	15,11.79	17,73.91
Cash credits . . .	31,81.67	31,70.91	31,63.86	31,85.75	30,55.23	26,21.19
Foreign bills . . .	4,81.28	4,39.56	4,22.84	4,41.69	4,54.17	4,22.13
D-d stock . . .	18.24	22.72	25.65	21.39	16.5	9.72
Sundries . . .	2,45.84	2,42.81	2,44.29	2,45.6	2,43.59	2,47.33
Bal. with other banks	54.29	52.80	52.29	51.90	46.12	44.47
Cash . . .	22.96	19.18	11.21	7.22	73.90	7.66
	36,34.47	34,44.82	35,58.55	37,24.84	39,39.68	33,46.00
LIABILITIES.						
Subscribed capital . .	11,25.00	11,25.00	11,25.00	11,25.00	11,25.00	11,24.76
Capital paid up . . .	5,62.50	5,62.50	5,62.50	5,62.50	5,62.50	5,62.44
Reserve . . .	4,35.00	4,35.00	4,35.00	4,35.00	4,35.00	4,61.89
Public deposits . . .	7,97.64	8,81.42	10,74.21	11,94.05	15,64.05	12,19.58
Other deposits . . .	83,70.34	80,88.98	79,81.51	80,84.26	78,89.78	69.74
Sundries . . .	11.65	1.09	1.05	1.02	93.41	1,04.13
The above includes						
Deposit in Lond'n	£ 396	£ 371	£ 219	£ 208	£ 217	£ 178
Adv'nces in L'nd'n	347	351	327	330	308	1,129
Cash, &c., at other						
Branches in London	147	123	69	42	153	44

	Nov. 15, 1923	Nov. 7, 1923.	Oct. 31, 1923.	Oct. 25, 1923.	Nov. 16, 1922.	Balance Mar. 28, 1914.
ASSETS.						
Coin (gold & silver and bullion)	551,146	348,355	352,259	350,343	317,995	322,650
Securities	1,007,660	985,117	1,024,505	1,016,526	635,235	697,600
LIABILITIES.						
Notes in circulatn.	7,209,446	7,192,818	7,281,186	7,134,737	6,621,467	934,150
Current accounts	401,661	375,913	354,316	404,226	670,935	112,126

	Nov. 19, 1923	Nov. 14, 1923	N. v. 5, 1923	Oct. 29, 1923	N. v. 20, 1922	Position May 31, 1914
ASSETS.						
Gold	581,782	581,778	581,773	581,775	581,789	163,092
Silver	8,031	7,001	7,170	9,086	8,935	8,436
Other Reserves	385,512	383,135	396,898	363,496	410,477	163,504
LIABILITIES.						
Notes in circulation	1,012,087	1,027,237	1,038,101	1,016,754	978,010	316,632
Deposits	33,737	31,244	28,293	30,889	41,063	5,716

IMPERIAL BANK OF GERMANY.—In marks (000,000's omitted).					
	Oct. 31, 1923.	Oct. 23, 1923.	Oct. 15, 1923.	Oct. 31, 1922.	Position Mar. 30, 1914.
ASSETS.					
Gold and bullion	10,872	14,317	14,555	\$ 1,005	1,635
Treasury notes	114,874,016,234	79,620,267,431	5,663,032,780	41,026	943
Bills of exchange and cheques	1,058,129,855,323	152,825,015,034	29,511,585,322		
Discounts and Treasury bills	6,573,650,938,818	678,179,773,866	167,779,615,512	578,357	61
LIABILITIES.					
Notes in circula- tion	2,496,822,909,037	524,330,557,240	123,349,786,704	469,457	2,014
Deposits	3,868,084,703,202	390,090,729,942	84,342,472,477	140,179	842
† This total now includes token coin at its face value.				\$ Gold.	

	Nov. 15, 1923	Nov. 7, 1923	Oct. 31, 1923	Nov. 15, 1922	Position, Jan. 31, 1919
ASSETS					
Gold and bullion—Gold	147,286	147,286	147,286	147,290	44,224
Balance abroad and foreign bills	20,394	18,753	18,895	35,347	28,533
Norwegian & Foreign Govern- ment securities	9,052	9,052	9,052	9,415	816
Discounts and loans	453,410	452,823	453,570	455,318	76,911
LIABILITIES					
Notes in circulation	381,548	387,112	394,078	365,876	113,844
Deposits at notice	107,686	101,748	96,744	153,467	7,188

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

BANK OF SWEDEN.—In kronor (000's omitted).						
	Nov. 17, 1923.	Nov. 10, 1923	Nov. 3, 1923	Oct. 27, 1923.	Nov. 18, 1923.	May 24, 1914.
ASSETS.						
Gold	272,226	272,262	272,287	272,333	274,052	04,918
Balance—Sw. and foreign bills	32,747	29,587	28,868	33,911	69,412	(12,172)
Swedish and for. Gov. securities.	110,189	113,665	119,856	120,674	0:606	18,465
Discounts and loans	340,019	342,372	349,954	311,576	3:8,945	18,668
LIABILITIES.						
Notes in circulation	533,239	539,704	562,536	520,012	541,445	226,555
Deposits at notice	165,236	161,906	151,854	158,88	184,848	369,666

BANK OF LATVIA.—In lats (gold francs) (000's omitted).					
	Nov. 14, 1923.	Nov. 7, 1923.	Oct. 17, 1923.	May 16, 1923.	Nov. 22, 1922.
ASSETS.					
Total cash	14.1 9	12,898	13,774	6,743	3,085
Gold coin & bullion	15,7-1	15,789	15,788	14,094	12,159
Of which held abroad	2,506	2,506	2,506	7 8	
Foreign banks	54,838	60,651	64,957	49,349	24,466
Discounts and loans	32,8-9	31,112	29,123	16,479	9,551
LIABILITIES.					
Notes in circulation	23,001	23,000	23,000	21,840	4,005
Capital paid up	10,214	10,214	10,214	10,000	8,000
Government deposits	40,408	39,331	41,821	24,570	16,697
Other deposits	43,441	42,704	41,228	25,679	16,967

OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..
Under the Unemployment Insurance Acts, 1921	820,000	3,510,000	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1921 and 1922	4,220,000	4,060,000	..	700,000
Under the Housing Act, 1914	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904	..	1,553,300	..	..
Unemployment Insurance Acts, 1921	4,480,000	2,110,000	..	..
Repayment of amounts borrowed..				
Redemption of Debt—				
Treasury Bills	1,546,995,000	2,022,389,000	44,270,000	50,255,000
Principal of National Savings Certificates	21,950,000	17,000,000	600,000	450,000
Principal of Exchequer Bonds paid off	..	19,612,208	..	..
Principal of National War Bonds paid off	32,222,296	44,134,182	..	100,000
Other Debt under the War Loan Acts, 1914 to 1919	6,981,184	13,028,823	..	650,000
Ways and Means Advances Repaid	554,441,000	516,027,000	5,950,000	4,500,000

Anglo-Persian Oil Company—Issued to the National Debt Commissioners	50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1930, Section 59 (4) ..	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) of the Finance Act, 1911	55,214	55,656	..	..
	2,636,665,986	3,132,645,493	64,063,114	78,094,357
Balances in Exchequer—	Nov. 17, '31	Nov. 18, '22	In or Dec.	for week
Bank of England	2,054,634	1,995,264	..	33,014
Bank of Ireland	1,344,365	1,158,067	+ 203,650	7,614
Total	3,398,999	3,153,331	170,636	9,767

Treasury, November 19, 1923.

ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
 Edinburgh: 35, St. Andrew Square.
 London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

Week ended Wednesday, November 21, 1923.

Notes issued	145,690,915		
		Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	125,940,915
	145,690,915		145,690,915

Proprietors' capital ..	14,553,000	Government securities	43,438.50
Rest.....	3,202,286	Other securities.....	74,143.34
Public deposits*	17,236,340	Notes	21,821.91
Other deposits	106,232,174	Gold and silver coin..	1,825.42
Seven-day & other bills	5,388		

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

POSITION OF THE FLOATING DEBT.				Movement
	Nov. 18, '22.	Mar. 31, '23.	Nov. 17, '23.	Week ended Nov. 17, '23.
	£	£	£	£
Advances by Bank of England	179,488,500..	193,897,500..	167,611,500..	5,450,000
Advances by Public Debt Office	738,725,000..	616,045,000..	641,905,000..	+ 3,695,000
Treasury Bills outstanding				
Total Floating Debt	918,213,500	809,942,500..	809,516,500..	1,755,000
* Includes £30,000, the proceeds of which were not carried to the Exchange within the period of the Account.				

	Estimate for the Year 1923-24. (See Note).	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1923.	Apr. 1, 1922.	Week Ended Nov. 17, 1923.	Week Ended Nov. 18, 1922.
		Nov. 17, 1923.	Nov. 18, 1922.	Nov. 17, 1923.	Nov. 18, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	..	5,442,665	9,963,494	..	..
Bank of Ireland....	..	1,375,502	1,210,106	..	..
	..	6,818,167	11,173,530	..	..
REVENUE.					
Customs.....	116,900,000	78,788,000	79,313,000	1,482,000	1,410,000
Excise.....	143,850,000	91,180,000	104,657,000	6,749,000	9,334,000
Motor Vehicle Duties ..	13,250,000	4,355,000	3,493,000	..	..
Estate, &c., Duties.....	52,000,000	33,780,000	38,401,000	1,893,000	620,000
Stamps.....	20,000,000	11,680,000	11,232,000	330,000	300,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	540,000	610,000	..	..
Property & Income Tax	261,000,000	126,096,000	..	2,204,000	..
Super-Tax.....	58,000,000	23,310,000	171,245,000	260,000	3,025,000
Excess Profits Duty &c.,	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	13,790,000	11,137,000	590,000	260,000
Post Office.....	52,600,000	32,600,000	33,600,000	1,250,000	1,250,000
Crown Lands.....	900,000	560,000	480,000	..	..
Interest on Sundry	..	..	..	..	..
Loans.....	12,500,000	8,375,650	6,526,523	..	..
Miscellaneous—	..	..	..	..	..
Ordinary Receipts...	12,500,000	8,869,539	18,094,119	236,750	215,400
Special Receipts....	40,000,000	23,270,351	32,592,705	..	1,040,900
Revenue.....	818,500,000	457,185,540	512,335,347	14,981,750	18,055,400
Total, inc. Balance ..	..	464,003,707	523,508,877	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion.....	..	65,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..	..
Under the Unemployment Insur- ance Acts, 1921.....	..	4,750,000	2,910,000	220,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:					
Under the Telegraph (Money) Acts, 1921 and 1922.....	..	3,370,000	3,360,000	..	..
Under the Housing Act, 1914 ..	..	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	..	1,553,300	..	..
(b) Under the Unemployment Insur- ance Acts, 1921.....	..	320,000	2,510,000	..	..
(c) For other Issues.....	..	1,572,861,000	1,879,015,000	47,982,000	47,100,000
By Treasury Bills.....	..	36,500,000	43,568,000	550,000	800,000
By National Savings Certificates By Exchequer and National War Bonds.....	..	..	20	..	..
By Treasury Bonds—					
5-15 year, 1925-35.....	..	..	61,665,154	..	111,000
5%, 1927.....	..	..	80,042,235	..	247,000
4½%, 1932.....	..	29,202,627	..	..	..
4%, 1931-33.....	..	..	..	..	..
By Other Debt created under the War Loan Acts, 1914 to 1919.....	..	..	25,259	..	..
(d) Ways and Means Advances ..	..	528,155,000	548,214,000	520,000	11,700,000
Anglo-Persian Oil Company—					
Dividends on Shares acquired	..	50,081	243,012	..	..
Repayments					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	..	195,688	256,746	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920.....	..	..	6,827,960	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	..	162,425	..	..
Total.....		2,640,064,885	3,135,798,805	64,233,750	78,146,000

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	Nov. 15, 1923.	Nov. 7, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Nov. 15, 1923.	Position May 31, 1924.
Gold.....	537,428	537,448	527,498	527,424	530,301	171,175
Silver.....	89,014	89,077	94,885	95,727	113,682	18,350
Deutsche-Markens.....	16,690	16,435	13,049	12,540	11,813	103,000
Assets & advances.....	308,763	325,625	333,238	298,259	325,941	
LIABILITIES.						
Notes in circulation.....	884,354	906,934	927,422	876,126	912,134	875,925
Deposits.....	109,212	97,707	84,870	85,035	132,023	33,750

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	Nov. 8, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Nov. 8, 1923.	Position May 31, 1924.
Gold.....	42,704	42,704	42,704	43,373	35,091
Balance abroad and foreign bills.....	805,834	580,475	467,783	1,047,467	90,379
Finnish and Foreign Government securities.....	571,503	571,482	572,742	684,456	121,825
Discounts and loans.....	648,416	747,111	832,476	439,169	105,151
LIABILITIES.					
Notes in circulation.....	1,356,718	1,365,311	1,333,880	1,368,700	123,941
Deposits.....	346,700	389,109	396,159	572,532	21,225

AUSTRIAN NATIONAL BANK.—In kronen (000's omitted).

Assets.	Nov. 7, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Oct. 15, 1923.
Gold.....	62,116,639	62,116,639	61,991,211	70,083,657
Foreign bills.....	3,419,263,995	3,356,231,874	3,345,950,090	3,286,371,494
Bills discounted.....	1,123,913,476	1,068,175,610	966,792,688	969,402,033
Treasury bills.....	2,535,646,861	2,536,603,779	2,536,603,779	2,536,603,779
LIABILITIES.				
Notes in circulation.....	6,410,338,274	6,607,819,105	6,136,785,956	6,155,706,741
Deposits.....	730,221,130	414,881,615	775,736,080	704,929,548

HUNGARIAN BANK.—In kronen (000's omitted).

Assets.	Nov. 15, 1923.	Nov. 7, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Nov. 15, 1923.
Gold coin and bullion, bills, silver coin, &c.....	23,481	23,131	22,547	22,402	14,145
Bills, warrants, drafts, &c.....	488,233,793	500,568,714	494,588,884	465,731,284	50,510,103
Loans.....	1,107,038	1,661,057	1,663,244	1,707,923	1,937,414
LIABILITIES.					
Notes in circulation.....	780,374,558	754,232,390	774,925,533	667,269,120	70,210,720
Deposits.....	90,735,594	76,495,280	60,175,595	68,267,072	7,237,263

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Nov. 15, 1923.	Nov. 8, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Nov. 15, 1923.
Gold.....	68,755	68,755	68,739	68,675	63,788
Other coin and notes.....	20,605	19,466	19,763	18,873	16,969
Foreign credits.....	357,032	357,086	356,360	369,846	297,787
Bills.....	1,401,229	1,405,436	1,420,619	1,421,146	1,455,774
Govt. advances.....	4,576,742	4,570,944	4,570,944	4,570,877	4,565,317
LIABILITIES.					
Notes in circulation.....	5,880,685	5,917,217	5,880,772	5,874,715	5,643,226
State credits.....	379,043	373,245	373,245	373,178	332,903
Deposits.....	501,313	492,561	552,333	614,921	1,307,663

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	Nov. 15, 1923.	Nov. 8, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Nov. 15, 1923.
Monetary reserves.....	57,083	57,083	57,083	57,116	57,116
Notes of foreign banks.....	690	690	690	690	690
Foreign bills.....	55	55	55	55	55
Credits with foreign correspondents.....	362,309	362,309	362,309	362,309	362,309
Note circulation.....	3,673,293	3,673,293	3,673,293	3,673,293	3,673,293
Loans to the State.....	3,997,804	3,997,804	3,997,804	3,997,804	3,997,804

RUSSIAN STATE BANK.—Note-Issuing Department.

Assets.	Nov. 16, 1923.	Nov. 1, 1923.	Oct. 16, 1923.
Gold in coin and bullion.....	8,729	8,694	8,588
Silver in bullion.....	73	73	73
Foreign bank notes.....	4,109	4,008	3,408
Drafts in sterling (less 10%).....	461	461	461
Bills (less 10% discount).....	6,720	7,796	6,995
Securities covering advances on goods (less 10%).....	5,910	4,568	5,269
LIABILITIES.			
Bank notes.....	25,850	25,450	24,650
Balance to which notes may still be issued.....	162	150	145

(Note: 1 Tchervonetz = 10 gold roubles.)

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Nov. 17, 1923.	Nov. 10, 1923.	Nov. 3, 1923.	Oct. 27, 1923.	Nov. 18, 1923.	Position May 31, 1924.
Gold.....	2,527,532	2,527,446	2,527,251	2,527,008	2,523,575	521,775
Silver.....	645,701	645,701	645,701	645,701	645,701	728,600
Loans and discounts.....	2,323,660	2,323,660	2,323,660	2,323,660	2,323,660	800,725
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,305,077	4,318,116	4,313,335	4,270,430	4,135,070	901,550
Deposits.....	979,615	914,589	995,722	997,544	1,064,348	477,500

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Oct. 3, 1923.	Sept. 26, 1923.	Sept. 19, 1923.	Sept. 12, 1923.	Oct. 4, 1923.
Coin and bullion.....	27,234	27,230	27,229	27,139	26,800
Of which gold.....	8,577	8,577	8,577	8,577	8,577
Balance abroad.....	179,946	182,394	182,394	182,394	175,774
Discounts.....	1,051,151	1,056,393	1,044,393	1,049,562	1,067,730
Government loans.....					
Notes in circulation.....	1,349,108	1,319,915	1,314,306	1,310,867	947,458
Deposits.....	41,129	42,159	36,908	36,642	30,087

LONDON RATES.

	Nov. 16, 1923.	Nov. 17, 1923.	Nov. 18, 1923.	Nov. 19, 1923.	Nov. 20, 1923.	Nov. 21, 1923.	Nov. 22, 1923.	Nov. 23, 1923.
Bank rate (changed from 3% July 5, 1923).....	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount.....	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
60 days' bankers' drafts.....	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
3 months' do.....	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
4 months' do.....	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
6 months' do.....	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Discount (Treasury Bills).....	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Loans—Day to day.....	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%
Short.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Deposit allowances: Banks.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
Discount houses at call.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%
At notice.....	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%	2 1/2%

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

1923.	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Oct. 1.....	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	4 1/2%	4 1/2%
Oct. 2.....	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	4 1/2%	4 1/2%
Nov. 2.....	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	4 1/2%	4 1/2%
Nov. 9.....	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	4 1/2%	4 1/2%
Nov. 16.....	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	4 1/2%	4 1/2%
Nov. 23.....	2 1/2%	3 1/2%	3 1/2%	3 1/2%	3 1/2%	4 1/2%	4 1/2%

OVERSEAS BANK RATES.

Changed.		Changed.	
Amsterdam.....	July 18, 1922 .. 4%	Madrid.....	Mar. 23, 1923 .. 5%
Athens.....	Jan. 14, 1923 .. 7 1/2%	Paris.....	Mar. 11, 1922 .. 5%
Berlin.....	Sept. 15, 1923 .. 90	Prague.....	May 28, 1923 .. 4 1/2%
Brussels.....	Jan. 22, 1923 .. 5 1/2%	Rome.....	July 11, 1922 .. 5 1/2%
Bucharest.....	Sept. 4, 1920 .. 6	Sofia.....	Nov. 9, 1923 .. 5 1/2%
Budapest.....	July 5, 1923 .. 18	Stockholm.....	Nov. 9, 1923 .. 5 1/2%
Calcutta.....	Nov. 15, 1923 .. 5	Swiss Bank.....	Nov. 15, 1923 .. 4
Christiania.....	Nov. 10, 1923 .. 7	Tokyo.....	July 14, 1923 .. 8
Copenhagen.....	May 1, 1923 .. 6	Tokyo.....	Nov. 18, 1919 .. 8
Helsingfors.....	Oct. 27, 1923 .. 8	Vienna.....	Sept. 2, 1922 .. 9
Lisbon.....	Sept. 12, 1923 .. 9	Warsaw.....	Feb., 1923 .. 12
New York Federal Reserve.....	Feb. 21, 1923 .. 4 1/2%	Irish.....	July 5, 1923 .. 5

RATES OF EXCHANGE.

London on	Usance	Par.	Nov. 24, 1922.	Nov. 16, 1923.	Nov. 23, 1923.
Paris.....	francs to £1	T.T.	25-22 1/2	62-70-80	82-45-55
Berlin.....	marks to £1	T.T.	30-43	31/32-000	18-23 bills.
Vienna.....	kronen to £1	T.T.	24-02	310/330-000	305/315-000
Prague.....	kronen to £1	T.T.	24-02	142-143	150-151
Warsaw.....	zlotys to £1	T.T.	20-43	67/72000	88 millions
Bucharest.....	lei to £1	T.T.	25-22 1/2	690-710	815 835
Budapest.....	for. to £1	T.T.	24-02	10/11000	7-90-000
Constantinople.....	piastres to £1	T.T.	110	800-840	785 805
Sofia.....	levas to £1	T.T.	25-22 1/2	575-625	500 540
Belgrade.....	dinas to £1	T.T.	25-22 1/2	290-310	370 390
Amsterdam.....	florin to £1	T.T.	12-10 1/2	11-40-41	11-50-50 1/2
Brussels.....	francs to £1	T.T.	25-22 1/2	67-65-75	96-90-97-00
Christiania.....	kroner to £1	T.T.	18-159	24-43-48	29-92-97
Stockholm.....	kroner to £1	T.T.	18-159	16-71-74	16-47-50
Copenhagen.....	kroner to £1	T.T.	18-159	22-12-17	25-55-60
Helsingfors.....	F. marks to £1	T.T.	25-22 1/2	175-177	163-163 1/2
Greece.....	drachmas to £1	T.T.	25-22 1/2	235-305	280 285
Italy.....	lire to £1	T.T.	25-22 1/2	351-954	1038-1038 1/2
Switzerland.....	francs to £1	T.T.	25-22 1/2	24-14-19	24-87-50
Madrid.....	pesetas to £1	T.T.	25-22 1/2	29-30-35	33-50-53
Lisbon.....	escudos to £1	T.T.	25-22 1/2	2-2-2 1/2	2-2-2 1/2
Alexandria.....	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York.....	dollars to £1	Cable	4-86 1/2	4-49 1/2-49 1/2	4-32 1/2-32 1/2
Montreal.....	dollars to £1	Cable	4-86 1/2	4-49 1/2-49 1/2	4-32 1/2-32 1/2
Buenos Ayres.....	pesos to £1	T.T.	47-62 1/2	44-44 1/2	39 1/2-39 1/2
Rio de Janeiro.....	pesos to £1	30 days	51	51	51
Montevideo.....	pesos to £1	30 days	13-33	36-90	39-10
Valparaiso.....	pesos to £1	30 days	13-33	36-90	39-10
Lima.....	soles to £1	30 days	13-33	36-90	39-10
Calcutta.....	ster. to rupee	T.T.	10 to 1	1s 3/4d-4d	1s 4 1/2d-5 1/2d
Bombay.....	ster. to rupee	T.T.	10 to 1	1s 3/4d-4d	1s 4 1/2d-5 1/2d
Madras.....	ster. to rupee	T.T.	10 to 1	1s 3/4d-4d	1s 4 1/2d-5 1/2d
Hong Kong.....	ster. to dollar	T.T.	2s 4d-4d	2s 3 1/2d-3 1/2d	2s 3 1/2d-3 1/2d
Shanghai.....	ster. to dollar	T.T.	2s 4d-4d	2s 3 1/2d-3 1/2d	2s 3 1/2d-3 1/2d
Singapore.....	ster. to dollar	T.T.	2s 4d-4d	2s 3 1/2d-3 1/2d	2s 3 1/2d-3 1/2d
Yokohama.....	ster. to yen	T.T.	24-58 1/2	2s 1 1/2d-2d	2s 2 1/2d-2 1/2d
Manila.....	ster. to dollar	T.T.	24-58 1/2	2s 1 1/2d-2d	2s 2 1/2d-2 1/2d
Mexico.....	pesos to £1	T.T.	24-58 1/2	2s 1 1/2d-2d	2s 2 1/2d-2 1/2d

† Rate for previous day. § Sellers.

MOSCOW QUOTATIONS FOR TCHERVONETZ.

According to advices received in London, the following are the Moscow quotations for Tchervonetz:—

	Oct. 17, 1923.	Oct. 24, 1923.	Oct. 31, 1923.	Nov. 7, 1923.	Nov. 14, 1923.
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WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 16, 1923.	Miles Open.	Week Ended Nov. 18, 1923.			Aggregate 46 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western	3,745	217,000	349,000	566,000	12,295,000	15,997,000	28,292,000
London & North-Eastern	6,702	354,000	711,000	1,065,000	20,514,000	32,888,000	53,802,000
Do same period 1922	6,657	395,000	780,000	1,175,000	22,960,000	34,380,000	56,876,000
London, Mid., & Scottish	6,963	500,000	907,000	1,407,000	29,266,000	41,226,000	70,492,000
Southern	2,127	2,100,000	122,200	383,200	15,410,000	5,379,600	20,789,600
Metropolitan (c)	79	11,437	3,961	35,398	1,478,458	170,100	1,648,558
Underground E.R. (c)	..	..	..	230,419	..	..	10,492,759
London & Sub. Group (c)	..	..	..	13,543	..	..	1,846,320
Belmont & Co. Down (b)	80	4,102	1,397	5,499	245,623	57,341	188,367
Dublin & Wick (b)	187	4,648	3,584	8,232	230,403	156,543	446,448
Gr. Northern (Ireland) (b)	562	16,200	26,050	42,250	..	..	1,917,800
Midland Gr. West. (b)	538	8,067	13,217	21,284	462,005	664,851	1,126,856

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -

INDIAN.

			Rs.	Rs.	Rs.
Assam Bengal	29 weeks	Oct. 20	1,072	2,550	7,494
Barsi Lt. Ry.	10 weeks	27	1.8	21.00	7,400
Bombay & N. Western	4 weeks	27	2,062	4,549	58,167
Bombay Nagpur	29 weeks	Oct. 20	2,738	14,30,000	1,9,000
Bombay, Bar. & C.I.	33 weeks	Nov. 17	2,994	22,38,000	71,000
Burma	29 weeks	Oct. 20	1,342	6,64,501	8,081
Delhi, Umballa & Kalka	6 weeks	Nov. 10	239	1,11,000	29,465
East Indian	33 weeks	Oct. 20	1,856	33,02,000	1,42,000
G. Indian Peninsula	34 weeks	10	3,164	21,12,800	45,500
Madras & S. Mahr.	29 weeks	Oct. 27	3,229	12,00,000	10,973
Robt' & Kanam	3 weeks	20	314	5,517	8,457
Do Lucknow-Bresilly	3 weeks	20	314	44,951	1,145
South Indian	28 weeks	13	1,877	17,56,326	38,246

CANADIAN.

Canadian National	45 weeks	Nov. 14	22,680	5,875,382	233,679
Canadian Pacific	45 weeks	14	3,539	5,292,000	60,030

ARGENTINE (a).

			£	£	£
Argentine N.W.	20 weeks	Nov. 17	628	10,900	200
Argentine Trans.	10 weeks	17	..	4,329	81
B. A. and Pacific	20 weeks	17	324	148,000	2,000
B. A. Gr. Southern	20 weeks	17	3,948	195,000	21,000
B. A. Western	20 weeks	17	1,882	79,000	20,000
Central Argentine	20 weeks	17	3,305	92,000	6,000
Cordoba Central	20 weeks	17	1,205	20,000	4,000
Entre Rios	20 weeks	17	729	52,000	5,000

BRAZILIAN (b).

St. Paul de Brasil	46 weeks	Nov. 17	1,500	11,500	3,400
Leopoldina	46 weeks	17	1,831	21,199	4,675
San Paulo	46 weeks	18	1,534	25,833	4,430

CHILEAN.

Antofagasta	46 weeks	Nov. 18	838	46,680	15,555
Nitrato (4-monthly)	45 weeks	15	366	28,239	5,951

CUBAN.

Havana Central	19 weeks	Nov. 10	12,273	12,273	2,037
United of Havana	20 weeks	17	1,210	56,318	10,583

URUGUAYAN.

Central Uruguay	20 weeks	Nov. 17	273	37,241	2,479
C. Urug. (East Gr.)	20 weeks	17	111	6,192	406
C. Urug. (North Gr.)	20 weeks	17	185	3,810	167
C. Urug. (West Gr.)	20 weeks	17	211	3,314	207

OTHER OVERSEAS.

Alcoy and Gandia	46 weeks	Nov. 17	33	30,000	11,000
Argentinian Delta	30 weeks	10	275	15,725	1,267
Gr. Southern of Spain	45 weeks	10	432	91,408	13,248
Mexican Railway	19 weeks	14	104	2,950	82,600
New Cape Central	43 weeks	27	42	2,740	21
Paraguay Central	21 weeks	17	274	2,740	1,160
Salvador	20 weeks	17	100	2,774	892

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending	Present Mileage.	Receipts for Week.	Total Receipts.
				1923. + or -	1923. or
Argentine-Argentinian	46 weeks	Nov. 18	339	£88,888	4,351
Burling Corporation	1 week	12	12	£2,988	113
Calcutta Tramways	46 weeks	17	354	£123,805	5,023
Chatham & District	15 weeks	8	15	£1,423	68
Egyptian Markets	16 weeks	15	..	£2,650	263
Glasgow Corporation	24 weeks	17	106	£44,381	873
Isle of Thanet	6 weeks	14	..	£553	11
Lancs. United Tram.	11 weeks	Oct. 30	39	£2,810	4
Do Omnib. receipts	14 weeks	30	..	£1,103	346
Liverpool Corporation	33 weeks	Nov. 17	124	£21,306	4,189
L.O.C. Tramways	11 weeks	21	163	£61,413	8,838
Madras Elect. & W.	45 weeks	15	..	Rs 50,744	9,853
Pernambuco Trams	45 weeks	18	..	£3,287	1,027

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.	Interim or Final.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Previous Year.
Railways						
Minneapolis, St. Paul, &c.	4%	Final.	Dec. 17	..	..	..
Natal Zululand	1½%	Final.	..	..	2½	..
Banks						
Anglo Egyptian	3%	Final.	Dec. 1	Tax free	15	15
Bank of Toronto	3%	Final.	Dec. 1	Quarterly	7	9
Banque Belge pour l'Etranger	3%	Final.	..	(bonus 1%)	13	13
Domion	..	..	..	..	..	..
Insurance						
Cattle Traders' Marine	4% p.a.	Final.	..	..	10	..
Scottish Union & National "A"	15% p.a.	Final.	..	..	..	..
Do "B"	..	..	..	..	..	..
Tea and Rubber						
Aibheel Tea	7½%	Final.	Dec. 3	Less tax	..	..
Assam Co.	15%	Final.	Jan. 1	Less tax	..	..
Bagraco Tea	7½%	Final.	Dec. 15	Less tax	..	..
Balisan Tea	10%	Final.	Nov. 23	Less tax	..	..
Bandar Sumatra Rubber	30% p.a.	Final.	Dec. 4	Less tax 4/10 in £	7½	nil
Ceylon Land and Produce	7½%	Final.	Dec. 15	Less tax 4/10 in £	45 a)	30
Chulsa Tea	2½%	Final.	Dec. 15	Less tax	..	..
Danguahar Tea	10%	Final.	Dec. 1	Less tax 4 7/8 in £	..	..
Deamoolie Tea	10%	Final.	Dec. 12	Less tax 4/10 in £	4	nil
Djasinga Rubber	10%	Final.	Dec. 8	Less tax	..	..
Jaipur Tea	10%	Final.	..	Less tax	..	..
K.M.S. Malay	..	..	..	Less tax	5	nil
Kota Linggi Rubber	..	..	..	Less tax	5	nil
Kuala Kubu Rubber	..	..	..	Less tax	5	nil
Telegraph Valley Rubber	10%	Final.	Dec. 1	Less tax 4 7/8 in £	..	..
Rupai Tea	3%	Final.	Dec. 1	Less tax	..	..
Scottish Tea and Rubber	5%	Final.	Nov. 30	Less tax 4 7/8 in £	..	..
Sungei Kapar Rubber	5%	Final.	Dec. 15	Less tax	..	..
Tara Tea	10%	Final.	Dec. 1	Less tax 4 7/8 in £	..	..
Mining						
Idris Hydraulic Tin	16 p.a.	Final.	Dec. 11	Less tax 4/6 in £	..	..
Jumbo G. Id. Mi. ing	15%	Final.	Dec. 12	Less tax	..	..
Kleinfontein Estates, &c.	3%	Final.	..	Tax free	18½	5
New Consolidated Gold Fields	4½ p.a.	Final.	Dec. 3	Less tax	17½	20
Tekka, Limited	..	..	..	..	..	..
Witbank Colliery	..	..	..	..	..	..
Other Companies						
A. B. H. Mining and Co.	5%	Final.	..	Less tax	10	..
Anglo-Eastern Finance Corp.	12%	Final.	..	Less tax	10	10
Ansell's Brewery	7%	Final.	Dec. 1	Less tax	7	6
Argentine Light & Power, Prof.	4½ p.a.	Final.	Dec. 7	Net	8	6
Ashley Gardens Properties	..	..	..	..	6	3
Barnagore Jute	..	..	..	..	15	15
Blackpool Tower	..	..	..	..	12½	10
Birmingham Aluminium	..	..	..	..	..	..
British & Chinese Corp.	2½%	Final.	Dec. 15	Less tax	12½	5
British Electric Traction	10%	Final.	..	Less tax	12½	10
Broomhill Collieries	7½%	Final.	Dec. 15	Less tax	..	..
Callard, Stewart, and Watt	16 p.a.	Final.	Dec. 17	Less tax 4/9 in £	9 p.a.	9 p.a.
Canada Iron Foundries, Prof.	..	..	..	..	..	..
Cassell Cyanide	..	..	..	..	..	..
Catalina's Warehouses	7½%	Final.	Dec. 1	Less tax	6	6
Ceylon Estates Investment	..	..	..	..	..	..
Chadburn's (Ship) Telegraph	..	..	..	..	..	..
Chloride and Electrical Storage	..	..	..	..	..	..
Cong. Gas, Elec., &c., Baltimore	..	..	..	..	..	..
Cope Brothers and Co.	..	..	..	..	..	..
Coventry Chain	..	..	..	..	..	..
Dennis Brothers	..	..	..	..	..	..
D. Jones, Dickinson, and Co.	..	..	..	..	..	..
Dominion Glass	..	..	..	..	..	..
Egyptian Markets	..	..	..	..	..	..
Famous Players Lasky	..	..	..	..	..	..
Godfrey Phillips, Prof.	..	..	..	..	..	..
Grain Elevator Estate	..	..	..	..	..	..
Grand Hotel, Manchester	..	..	..	..	..	..
Hall's Oxford Brewery	..	..	..	..	..	..
Helys, Limited	..	..	..	..	..	..
Humber, Limited	..	..	..	..	..	..
Ilford, Limited	..	..	..	..	..	..
Ilkley Wells Hydropathic	..	..	..	..	..	..
Imperial Paper Mills	..	..	..	..	..	..
Ind. Coope, and Co.	..	..	..	..	..	..
India General Navigation	..	..	..	..	..	..
India Rubber, Gutta Percha	..	..	..	..	..	..
J and E. Hall	..	..	..	..	..	..
Joseph Spink and Sons	..	..	..	..	..	..
Liverpool Nitrato	..	..	..	..	..	..
Lloyds Packing Warehouses	..	..	..	..	..	..
London General Invest. Defd.	..	..	..	..	..	..
Marconi's Wireless Ord.	..	..	..	..	..	..
Do Prof.	..	..	..	..	..	..
Marston, Thompson, & Evershed	..	..	..	..	..	..
Melburne Electric	..	..	..	..	..	..
Morgan's Brewery	..	..	..	..	..	..
Nalder and Collyer's Brewery	..	..	..	..	..	..
Orlital Gas	..	..	..	..	..	..
Palmer Tyre	..	..	..	..	..	..
Pan de Azucar Nitrato	..	..	..	..	..	..
Parke's Drug Stores	..	..	..	..	..	..
Patterson, Laing, and Bruce	..	..	..	..	..	..
Pernuvin Corporation, Prof.	..	..	..	..	..	..
Platt Bros and Co.	..	..	..	..	..	..
Porrirts and Spencer	..	..	..	..	..	..
Robert Younger	..	..	..	..	..	..
Samuel Allsopp and Sons, Ord.	..	..	..	..	..	..
Do Funded Inc. Certs.	..	..	..	..	..	..
Scottish Australian Investment	..	..	..	..	..	..
Scottish Investment, Def.	..	..	..	..	..	..
Shott's Iron Ord.	..	..	..	..	..	..
Do New Ord.	..	..	..	..	..	..
8th Durham Steel	..	..	..	..	..	..
Steel Co. of Scotland	..	..	..	..	..	..
Trarford Park Cold Storage	..	..	..	..	..	..
United Wire Works	..	..	..	..	..	..
Venezuela Tel. phone	..	..	..	..	..	..
W. Butler and Co.	..	..	..	..	..	..
Weardale Steel, Prof.	..	..	..	..	..	..
Do Def.	..	..	..	..	..	..
William Cooke and Co.	..	..	..	..	..	..
William Henscock, Defd.	..	..	..	..	..	..
William Paton	..	..	..	..	..	..
Wm. Fison and Co., New Ord.	..	..	..	..	..	..

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divid- end.
					Prefere.	Ordinary.	Rate.				
Banks.		£	£	£	£	£	%	£	£	£	%
Anglo-Egyptian	Aug. 31	52,733	93,692	146,425	..	90,000	15½	7,335	49,090	119,700	15½
Breweries.											
Morgans	Sept. 29	31,747	36,449	68,196	13,800	12,520	10	9,824	32,552	29,433	9
Robert Younger	Sept. 30	10,290	23,540	33,830	5,000	12,000	15½	5,000	11,830	22,222	15½
Russell's, Gravesend	Sept. 30	42,658	33,963	76,621	6,178	11,079	10	35,600	23,764	29,649	10
W. Butler and Co.	Sept. 30	39,986	75,524	115,510	18,000	30,000	10½	25,000	42,510	53,946	7½
Financial, Land, &c.											
Clitheroe Estate	June 23	Dr 3,429	2,173	Dr 1,256	..	..	..	4,000	Dr 5,256	Dr 4,556	..
Gas.											
Oriental	June 30	24,561	27,839	52,400	..	24,000	..	..	28,400	25,315	8
Hotels, Restaurants, &c.											
Strand Hotel	Sept. 30	7,729	88,336	96,065	37,000	25,300	11P.O.	..	16,515	94,939	11P.O.
						17,250	345Df.				506Df.
Iron, Coal, and Steel.											
Broomhill Collieries	June 30	36,150	69,379	105,529	7,941	16,543	12½	36,250	44,795	1,716	5
Cargo Fleet Iron	Sept. 30	176,693	55,957	232,650	..	..	..	30,000	202,650	53,848	nil
Shott's Iron	Sept. 30	44,696	64,440	109,136	4,410	26,667	10½	20,000	58,059	Dr 18836	7½
South Durham Steel and Iron ..	Sept. 30	118,062	168,609	286,671	18,000	35,000	10	30,000	203,671	86,151	10
William Cooke and Co.	Mar. 31	3,806	Dr 25,869	Dr 22,063	6,500	4,625	2½	Dr 40,000	6,812	..	..
Motor and Cycle.											
Dennis Brothers	Sept. 30	17,137	87,285	104,422	..	65,107	13	20,000	19,315	73,677	13
Humber	Aug. 31	58,088	123,928	182,016	19,890	29,288	10	60,000	72,838	108,249	10
Palmer Tyre	Aug. 31	3,919	5,382	9,301	..	6,000	10½	..	3,301	6,070	10½
Stepney Tyres	Sept. 30	8,917	Dr 35,454	Dr 26,537	..	..	..	Dr 30,000	3,463	Dr 3,156	..
Nitrate.											
Esperanza	June 30	..	2,807	2,807	..	..	..	2,807	..	..	..
London Nitrate	June 30	17,968	53,450	71,418	..	25,000	12½	30,000	16,418	11,238	7½
Pan de Azucar	June 30	44,393	Dr 1,423	42,970	..	12,478	15	..	30,492	24,061	15
Rubber, &c.											
Bakap	June 30	Dr 2,380	Dr 1,078	Dr 3,458	..	..	..	..	Dr 3,458	Dr 316	nil
Bekoh Consolidated	June 30	12,106	9,065	21,171	..	..	..	5,000	16,171	15,137	..
Broome (Selangor)	June 30	Dr 4,745	6,121	1,376	..	..	..	..	1,376	558	..
Central Sumatra	June 30	..	3,110	3,110	..	..	..	385	2,725	Dr 874	..
K.M.S. (Malay)	June 30	5,099	5,614	10,713	..	4,251	5	3,616	2,846	Dr 201	nil
Kuala Kubu	June 30	2,735	2,237	4,972	..	2,100	5	..	2,872	Dr 909	nil
Rassak (F.M.S.)	June 30	Dr 3,691	Dr 976	Dr 4,667	..	..	..	..	4,667	Dr 2,534	..
Sekong	July 31	Dr 10,500	2,007	Dr 8,493	..	..	..	..	Dr 8,493	Dr 6,887	..
Strathisla (Perak)	June 30	6,012	3,049	9,061	..	..	..	..	9,061	Dr 895	..
Shops and Stores.											
Laurence's Stores	Jan. 31	Dr 5,253	1,520	Dr 3,733	..	..	..	..	Dr 3,733	Dr 11,204	..
Telegraphs, &c.											
Marconi's Wireless	Dec. 31	664,830	302,948	967,778	..	30,000	12 Pf.	..	525,272	275,361	12 Pf.
Venezuela Telephone	June 30	..	15,184	15,184	688	412,506	15 Or.	7,500	4,517	..	15 Or.
Western Telegraph	June 30	114,392	327,242	441,634	..	311,895	10½	Dr 203,006	329,735	547,549	10½
Trusts.											
Cleveland Trust	Sept. 30	334	2,463	2,797	..	2,388	6	..	409	2,296	6
Other Companies.											
Blackpool Tower	Oct. 31	1,397	50,799	52,196	1,834	18,803	8	24,129	7,430	..	..
Callard, Stewart, and Watt	Sept. 29	29,519	24,879	54,398	5,967	7,554	12½	8,107	32,770	19,272	10
Castner-Kellner Alkali	Sept. 30	55,494	255,836	311,330	..	200,000	20	75,000	36,330	241,789	20
Chadburn's Ship Telegraph	Mar. 31	10,363	7,455	17,818	3,600	3,600	6	..	10,618	..	..
Coventry Chain	Aug. 31	9,671	56,119	65,790	3,194	23,573	10	28,808	10,215	25,071	7½
Ilford	Oct. 31	8,316	46,686	55,002	11,400	24,800	8	10,000	8,800	52,235	8
Imperial Paper Mills	Aug. 31	..	144,258	144,258	20,000	45,000	7½	..	79,258	..	..
India Rubber, Gutta Percha	Aug. 31	3,593	96,343	99,936	12,500	37,500	5½	39,278	10,658	Dr 94,406	nil
Lloyd's Packing Warehouses	Sept. 30	57,473	156,391	213,864	3,805	81,750	15	55,000	73,309	197,388	15
Paterson, Laing, and Bruce	July 21	6,023	84,537	90,568	30,000	25,000	10½	25,000	10,568	..	..

† Tax free.

+ Tax free.

Mr John George Griffiths, C.V.O. The vacancy has been filled by Sir Albert Edward Bowen, Bart.

MINES.

COLOMBIAN CORPORATION.—Having regard to rumours lately current, the up-to-date financial statement provided by the directors is welcome. It shows that whereas at the end of 1922 the company had capital resources amounting to £32,900 at the end of October, there was a debit of £43,250. The company, it may be recalled, acquired the Constanio gold-silver property and a concession for the construction of a road thereto. Largely owing to financial reasons this concession was subsequently taken over by the parent company the Oroville Dredging. The directors intimate that the road is now completed, and that the transport of the machinery can proceed. Nothing is said as to when crushing may be expected to commence, but in the report of the Consolidated Gold Fields—which is interested—this event is mentioned as likely to take place about the middle of next year.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Unsettled and colder weather conditions have prevailed during the past week, and field work was hampered by the wet condition of the soil. A large area has been placed under winter oats, which have germinated satisfactorily. Native wheat is in moderate supply, and with a steady demand prices displayed a firmer

tendency. Suitable milling grades rule at 9s 3d to 10s, with inferior down to 8s per 112 lbs, free on rail. Imported descriptions quiet, and rates barely steady. No. 1 Northern Manitoba quoted 47s 9d, ex ship, and Barusso 62½ lbs 46s 6d, ex ship, choice white Karachi landed 45s 6d all per 496 lbs. In the cargo section the tone has been somewhat unsettled owing to fluctuating American rates of exchange, but the general tendency is weak, while influenced to some extent by liberal shipments from Russia. Holders, however, continue to offer sparingly in view of the small quantity of old crop available. Steamers of No. 2 Northern Manitoba loading changed hands at 44s 9d, part cargo No. 1 ditto November 45s, Rosafe 62½ lbs arrived 45s 3d, part cargoes of ditto December also January 44s 3d per 480 lbs. Maize cargoes very firm, and sparingly offered. Plate steamers part cargoes, November-December, sold 37s 3d, Gal-Foxonian, December 15th-January 36s 9d, ditto November 37s, and November 15th-December 37s 7½d, with No. 6 yellow South African afloat at 37s 6d per 480 lbs. Flour firmer, with a fair demand. London standard straight run quoted at 38s, patents 40s to 41s, town households 36s per sack, delivered in. All English country straight 30s 6d to 32s per sack, delivered to London stations. Imported steady. Manitoba patents range from 37s to 40s, as to sample. Minnesota 39s 6d to 40s 6d, Australian 33s to 34s per 280 lbs, ex store. Millers' offals firm. Broad bran quoted 7s 6d, ordinary ditto 6s 9d to 7s, middlings 8s, bags included, ex mill. Light oats 5s 9d, powdered oat husks 6s 3d, feed oatmeal 9s 3d, ground oats 13s 3d, free on rail, all per cwt. Barley—English firm, and

malting kinds range from 10s to 15s, with feeders 8s 6d to 9s per 112 lbs, free on rail. Imported fully steady. Californian 40s to 44s 6d, Chilian brewing 38s 6d to 44s per 448 lbs, ex store. Persian, ex ship, 27s 6d, Danubian 30s, Algerian-Tunisian 29s 6d, No. 4 Canadian Western 29s 6d, all ex ship per 400 lbs. Maize firmer, while sparingly offered. Plate, ex ship, 38s 6d to 39s, landed 39s 6d, No. 6 yellow African, ex ship, 38s, Dan-Gal-Foxonian, ex ship, 37s 3d, Bessarabian 38s, ex ship, all per 480 lbs. Oats—English steady at 8s 4d to 10s 2d per 112 lbs, free on rail, as to sample. Imported very firm. Plate f.a.q., ex ship, 22s 6d, landed 23s 9d, No. 2 Canadian feed, landed, 26s, No. 2 Canadian Western, now ex ship, to arrive, 28s 3d, old landed 29s 3d, No. 3 little old landed 27s 6d, new 27s 3d, Algerian-Tunisian, landed, 27s, New Zealand A grade 38s to 40s, B grade ditto 36s to 37s, all per 320 lbs. Oatmeal moved off slowly at late rates. London-made flaked, also rolled oats, quoted 17s 6d, medium and fine cuts 17s 6d, coarse and medium pinhead 17s, ordinary Scottish oatmeal 17s 6d to 19s, American 16s to 16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24	1922-23	1921-22	1920-21
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to November 17	392,377	461,658	301,137	353,635
11 weeks to November 17	4,469,166	4,812,158	4,036,137	4,933,881
Average price of English wheat per cwt.	s d 9 3	s d 9 11	s d 10 7½	s d 21 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Nov. 10	322,761	736,110	75,623	9 1	10 8	8 8
Nov. 17	392,377	646,419	72,487	9 3	10 7	8 8
1919	357,544	647,358	55,235	16 11	29 4	20 0
1920	353,635	712,425	52,246	21 0	25 1	18 7
1921	301,136	544,632	50,277	10 7	13 7	9 6
1922	461,657	471,893	80,379	9 11	11 2	9 8

IRON, STEEL, AND COAL.

Our Sheffield correspondent writes:—Signs of improvement in local trading conditions are multiplying, chief of them being a revival of buying of raw materials. Large orders have been given out for pig-iron covering the first three months of the year, and increased interest in heavy steel scrap has sent up the value of that material 10s per ton in a week. Such a movement will necessitate higher quotations for steel billets of all kinds, and a revision of the associated makers' minimum quotations will take place next week. At present all quotations, whether for pig or crude steel, are firm, while rolled steel has gone up 20s per ton. Stocks of iron and steel are low, and the country does not contain much scrap. Several further orders for railway material have been placed, and a local firm has been notified that a large contract for rails will be forthcoming in the course of a few days. Slackness continues to be acute in several important branches, but unemployment has been decreasing for several weeks and the position gets rather better day by day. Conditions in the coal trade continue strong, and quotations are firm. Coke is being exported so freely that there is no surplus output. There is a good demand for the best slacks, but other kinds are quiet. Prices per ton at pits are: Best hand-picked branch, 31s 6d; Barnsley best Silk-stones, 27s 6d; Yorkshire hards, 21s; Tyne hards, 20s; rough slacks, 11s 6d; smalls, 5s to 8s; blast furnace coke, 24s.

Our Middlesbrough correspondent's report, dated November 22nd, is as follows:—Pig-iron: There is a better demand for pig-iron, and this will be met by a gradually increasing output. It is expected that more furnaces will go in shortly. There is no reason to make any change in prices, which remain at 100s for Cleveland G.M.B. No. 3, and 101s for East Coast mixed numbers hematite. Manufactured iron and steel: Prices are firm in anticipation of the resumption of work by the boiler-makers next week. A fair number of orders have been placed. Steel ship plates, £10; steel ship angles, £9 15s; iron bars, £12; steel rails, £9 10s. Iron ore: Business has been done over the first half of next year, and prices of good ores are inclined to stiffen. Best Bilbao Rubio is now quoted 23s 6d per ton c.i.f. Tees, sellers.

Our Glasgow correspondent writes on Thursday:—Not for over a year or so has the business tone in the Scotch iron and steel trades presented so cheerful a feeling as has been in evidence this week, and not for even a longer period has the future been valued more hopefully. This, as a consequence of the happy ending of the long-drawn-out dispute in the boiler-making industry. The men, it is true, have not yet got back to their benches, but their leaders are satisfied that they will be well in harness by the middle of next week, and that it will be a long while before a seven-months' labour tussle again tarnishes the working calendar. However that may be, the outcome of what has just happened has been the placing of numerous lines of orders for ship and boiler plates and all kinds of sections with steelmakers, who, rumour says, have got their shops ready for an active start in rolling on Monday. During the

last few days prices of ship plates in the Glasgow district have been fixed ½ in and up at £9 15s per ton, delivered Scotland, and at £9 10s per ton (angle basis) and joists. In some Scotch districts the quotation is £10 per ton for sections under 7 ins, delivery in the Clyde area, and rates for tank, bridge, and ship plates are £10. Steelmakers, it is needless to say, are greatly pleased at the reconstitution of the Trade Association, which will operate in the regulation of material prices north and south of the Border, and control other business matters which have been practically neglected during the past eighteen months. Last week over 2,000 tons of raw iron were forwarded to the U.S. Pacific coast, and this week the loadings are promising well at stiffening quotations. On the week No. 1 foundry has advanced 3s 9d at £5 8s 9d, and No. 3 also 3s 9d a ton at £5 3s 9d. These are about the best prices of the year. The turmoil natural to the coming elections has had no adverse influence so far on trading and industrial affairs, but some stir is looked for ere the week closes.

Our Cardiff correspondent writes:—There has been a decided improvement this week both in the volume of trade and in the level of prices on the Cardiff market. The increased demand from the Continent continues. The breakdown of the negotiations with the Ruhr industrialists has stimulated more inquiries, particularly from France, and new credits have been arranged with British assistance for the shipment of coal to Germany. The effect of the German deal on the Cardiff market has been only sentimental, but the better buying from France and Italy has hardened prices, and best Admiralties are now quoted at from 6d to 1s higher than was the case a week ago. The French railways have placed an order for 100,000 tons of American coal at 7.25 dols. c.i.f., but it is for delivery over next year and has not influenced unfavourably the local market. The collieries are working more regularly, and a sharp increase is expected in this week's volume of trade.

The following are the current approximate quotations:—Best Admiralties, 28s to 28s 6d; second Admiralties, 27s to 28s; best drys, 26s 6d to 27s 6d; black veins, 26s to 27s; Western Valleys, 25s 6d to 26s; Eastern Valleys, 24s 6d to 25s 6d; best bunker smalls, 19s to 19s 6d; ordinary cargo smalls, 16s to 18s; anthracite big vein large, 40s to 45s; machine-made cobbles, 50s to 52s 6d; French nuts, 54s to 56s; stove nuts, 52s 6d to 55s; rubbly culm, 13s 3d to 13s 9d; coke for export, 42s 6d to 50s; inland blast furnace coke at ovens, 30s to 35s; patent fuel, 29s to 32s; pitwood, ex ship, 29s 6d to 30s 6d.

In the iron and steel trades conditions are very active. The exports are considerably in excess of the average, particularly of tinplates and galvanised sheets, and this week the Stabilisation Prices Committee has advanced the minimum price from 23s 1½d to 23s 6d. The price of bars, however, has been reduced by 3s 9d to £8 18s 9d, less 7s 6d rebate to the tinplate manufacturers, who are participating parties in the price regulation scheme.



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THE TIMBER TRADE.

(I.) Comparative Statement of the Cotton Trade.

	Price, Nov. 22, 1923.	Previous Weeks in 1923.					
		Price, Nov. 15.	Price, Nov. 8.	Price, Nov. 1.	Price, Oct. 25.	Price, Oct. 18.	
Raw Cotton—Fully Mid. American . . . per lb	d 20.72	d 20.05	d 19.60	d 17.78	d 17.72	d 17.45	
— Sakellaridis Fully Fair Egyptian per lb	25.25	21.30	21.10	18.65	18.60	18.40	
Yarns—32's twist per lb	27 1/2	26	25 1/2	23 1/2	23 1/2	23 1/2	
— 40's wuffs per lb	27 1/2	26 1/2	25 1/2	23 1/2	23 1/2	23 1/2	
— 60's twist (Egyptian) per lb	37 1/2	34	33 1/2	31	31	31	
32-in. Printers, 116 yds, 16 by 16, 32's and 40's	39	0	37	36	0	33	0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	42	6	41	0	39	6	37
38-in. ditto, 38 yds, 18 by 16, 10 lbs.	22	9	21	9	21	0	20
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.	21	0	20	0	19	6	18

(II.) Compared with Previous Years.

	Price, Nov. 22, 1923.	Corresponding dates in									
		1922.	1921.	1920.	1919.	1918.					
Raw Cotton—Fully Mid. American ..per lb	d 30 7/2	14 77	d 12 18	12 77	d 25 52	d 23 37					
— Sakelacidia Fully Fair											
Egyptian ..per lb	25 25	18 50	21 50	31 00	42 00	27 56					
Yarns—32's twist ..per lb	27 1/2	23 1/2	19 1/2	39	50 1/2	47					
— 40's twist ..per lb	27 1/2	20 1/2	19	30 1/2	47 1/2	48 1/2					
— 60's twist (Egyptian) ..per lb	37 1/2	25	34	46	81	58					
	d	d	d	d	d	d					
32-in. Printers, 118 yds, 18 by 18, 33's and 40's	39	0	31	6	32	65	0	72	0	68	0
32-in. Shirtings, 76 yds, 19 by 19, 32's and 40's	42	6	33	6	32	66	0	68	6	65	0
32-in. ditto, 38 yds, 18 by 16, 10 lbs.	22	9	18	9	19	29	0	41	6	38	0
32-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.	21	0	17	3	19	0	24	35	0	33	3

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—November 16, 1923.

Description.	Same Period 1922.						Same Period 1921.					
	Med.			Good Med.			Med.			Good Med.		
	Con.	Med.	Good	Med.	Fine.	Extra Fine.	Med.	Good	Fine.	Med.	Good	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	1744	1794	1899	2049	2109	2397	1457	1507	1695	87	70	1080
Brazilian :	Mid F	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G
Pernam, Maceio, &c.....	..	1974	2064	2149	..	..	1342	1457	..	760	1010	..
Parahyba, Rio Grande, &c.....	..	1974	2064	2149	..	..	1342	1457	..	760	1010	..
Ceara, &c.....	..	1974	2064	2149	..	..	1342	1457	..	760	1010	..
Sao Paulo.....	..	1964	2049	2099	..	..	1329	1457	..	..	..	..
Egyptian :	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G
Upper.....	..	2065	2145	2165	2185	2210	1475	1575	1675	..	1300	1600
Sakalariid.....	..	2120	2195	2225	2295	2395	1575	1800	2050	..	..	..
Brown.....	..	2085	2145	2165	2210	2255	1450	1600	1775	..	1325	1725
Persian.....	MF	Fr. G	Fr. G	Fr. G	Fr. G	Fr. G	MF	Fr. G	Fr. G	..	..	..
Bengh.....	..	..	1950	2100	2150	..	..	1700	..	..	..	..
Moderately Rough.....	..	..	1900	2000	2025	..	..	1500	1650	..	1150	1350
Smooth.....	..	2039	2174	2224	2249	2274	1492	1617	1752	835	1160	1335
Tangul.....	..	2049	2099	2125	2174	2224	1432	1617	1743	..	..	..
Miscd.....	..	..	1950	2050	2150	2200	..	1300	1550	..	..	..
West Indian, &c.....	..	..	..	2000	2100	2175	..	1450	..	..	..	..
Do Sea Island.....	..	..	1900	2100	2430	2500	..	2200	2800	..	2830	3400
African, East, &c.....	1575	1675	1825	1925	2025	2150	1150	1325	1525	850	1050	1250
Do West.....	..	..	1999	2009	2019	2099	1419	1417	1417	..	..	..
East Indian :	Fr	rev	Gd.	Fr. G	Fr. G	Fr. G	rev	Gd.	Fr. G	rev	Gd.	Fr. G
Machine Ginned Surtee.....	..	1580	1622	1660	1700	1740	..	1330	..	705	855	955
Machine Ginned Broach.....	..	1580	1622	1660	1700	1740	..	1330	..	705	855	955
Mach. Ginned Blowmugger.....	1250	1300	1350	1400	1450	1500	1005	1055	1135	740	815	915
Mach. Ginned Comra. No. 1.....	1260	1310	1360	1410	1460	1510	1015	1065	1145	750	825	925
Mach. Ginned Comra. No. 2.....	..	1320	1335	1335	1335	1485	..	1040	1210	..	..	..
Machine Ginned Khandelsid.....	..	1260	1310	1360	1410	1460	965	1015	1095	675	760	850
Machine Ginned Comptah.....	1500	1550	1560	..	..	..	..	1205	..	..	745	..
Machine Ginned Bengul.....	1185	1225	1265	1305	1345	1385	780	820	900	690	740	815
Machine Ginned Seinde.....	1175	1215	1255	1295	1335	1375	..	1100	1180	800	730	805
Finally.....	..	1710	1750	1790	..	..	1390	1430	..	1005	1065	..
Masara, Western.....	1435	1475	1515	1555	..	..	1140	1182	..	720	770	..
Masara, Northern.....	..	1540	..	..	..	..	..	1205	..	..	..	..
M. G. Cocoonada, Red.....	Fr.	1515	..	..	..	..	1165	..	..	745	..	..
China, Sanyra, &c.....	..	..	..	..	..	..	..	..	..	..	..	..

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THE ECONOMIST.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

The market has been supplied over the past month with plentiful stocks of timber for building, packing-case, and general construction purposes, principally Finnish, and also, to a lesser extent, by Swedish and Russian shipments, and with the good supplies that were previously on the market the country can boast of a large stock for winter requirements with more to come. The steady but strong flow of Russian timber, with good supplies from Riga and Danzig, have had a very great influence on the steadying of prices; one can say more than that, they have had considerable influence in the fall of the free-on-board market for Swedish and Finnish timber to the benefit of consumers, as was inferred, in a special article in the *Economist* last summer, as likely to be the case. A feature of the softwood market, that is, wood for use in house-building and general work, at the present time, is the decline of imports of Canadian wood compared with the import from the Dominion last year. It is not a large decrease, some 17,700 loads, but it is interesting from the fact that Canada is the only one of our colonies given in the Trade Returns of sawn softwoods, and that out of a total of 3,657,640 loads she is able to respond to the amount of only 371,215 loads. We do not know Mr Baldwin's intentions regarding a tariff on sawn wood, but from what we have quoted above the prospects of building woods from our colonies to compete in any way with European supplies cannot be depended on, and, on the face of it, all tariff charges could not but fall on the consumer. Another matter calling for comment in the imports and on the question of the utilisation of our home produce in timber is that we have imported to October 31st this year nearly 900,000 more loads of pitwood than we received for the corresponding period of 1922, and 2½ million loads more than 1921, almost all from foreign countries—indeed, our colonies are represented in "Other Countries," which are credited with 451,360 loads out of a total of 3,266,258 loads! We do not imagine Mr Baldwin or his advisers would suggest a tax on foreign pitwood, but what we maintain is that railway rates on native pitwood is much too heavy to encourage the greater use of our home woods in the collieries. A Government that could bring pressure to bear on the railways to minimise the onerous railway rates on landowners, merchants, and ultimately on the people, would do much more good than meddling with costly tariffs "on this" and "on that." These heavy railway rates are not only charged on native pitwood, but also on all kinds of timber cut on this island, and are out of all proportion compared with the carriage on foreign wood.

The mahogany log market is very firm, and in the sawn hardwood market the position is a little more satisfactory than has been the case of late. Though the imports, principally American, have been heavy, the market is well sustained; stocks, though large, are, generally, in strong hands, and for holders the situation is relieved by some extent to the good demand in the States for their wood productions, and also the high ideas of American producers.

The price outlook for both building and furniture woods is promising, and is hardly likely to recede. Building work is going along fairly well, and with the many municipal and private schemes on hand the building trade ought not to look back for years, whilst unemployed relief work should make a further demand on wood and woodware. The new houses must have furniture, which must necessarily call for fresh supplies of hardwoods. Thus the weakness in the softwood trade and the quietness in hardwoods may be only of a temporary character, and both are likely to firm up at the first signs of any spurt.

VEGETABLE OILS AND OILSEEDS.

The feature of the week has been the continued strength of cotton seed and cotton oils, which have been largely influenced by an excited cotton market. Prices of Egyptian seed advanced another £1 per ton, and up to £13 6s 3d for black and £12 15s for Sakellariadis, early shipment to Hull, was readily paid. Bombay cotton seed has also been firm and dearer. Crude Egyptian cotton oil has been a steady market, and up to £40 was demanded. Linseed has continued firm, with a steady consumptive demand in near positions at about unchanged prices. A certain amount of business has again been done in the new Plate crop for January-February shipment, up to £17 7s 6d having been contracted.

HIDE, LEATHER, AND ALLIED TRADES.

• (BY OUR OWN CORRESPONDENT.)

Hides were again weaker at Thursday's Bermondsey auctions, and reductions of 4d per lb were general. Best ox made from 6½d to 8½d, and seconds from 7d to 7½d when sold. Best cows at 6½d to 6½d showed a drop of a 3d, bulls dropping by the same amount. Calf were weaker, lights not finding buyers, and heavies at 6½d to 9½d, dropping ½d. Wools were firm at 5s 6d to 11s 6d, and hogs at 3s to 15s each. Tanners are still buying imported hides at lower figures, especially frigorifics. About 35,000 ox and cows of the latter class have changed hands of late, prices ranging from 5½d to 7½d. 700 Leibig ox have changed hands by inscription, however, at 8½d. Dry hides are weaker

in sympathy with other classes, but tanners are waiting for lower prices before operating on a larger scale. The American market is cabled as weak, with best heavy packers now offering at 14 cents.

Business in leather is still improving in Bermondsey, and merchants are rather averse to the dislocation caused by the General Election. Both butts and bends have been moving off readily, and prices remain very firm. Swedish and French bends are finding favour, but American sole is conspicuous by its absence, the exchange acting as a 12 per cent. import against business.

Upper leathers are finding a better market. Carriers of the old style of waxed kip butts are busier, and there is quite a scarcity of heavy weights of both butts and splits suitable for the heavy boot section. Box calf and willow are wanted, and merchants are anxious as to the rumour that the German Government will no longer pay the 26 per cent. reparation duty on German leather imported here. Patent and suedes are being sampled for the spring trade, and there is a good demand for cheap glacé kid of which stocks are low.

The boot trade is improving, and both home and export trade better. Anxiety is, however, felt in shoe circles at the increase in the import of foreign footwear at very low prices.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, November 23.

SUGAR.—The market steadily hardens, and what demand arises is centred upon British refined as there is quite a dearth of supply respecting imported. Messrs Tate and Lyle's spot whites advanced, and in the case of second half December, 2s; others, 1s to 1s 6d up. Cubes now quoted 61s 6d to 62s 6d; crushed, 59s; granulated, fine, also coarse and stove, 59s 1½d; No. 1, 58s 10½d; No. 2, also London and T.L., 58s 7½d; caster, finest, 61s 4½d; A, 60s 7½d; B, 59s 3d; yellow crystals, 54s 1½d. Granulated, month forward, 58s 6d; second half December, 59s; January, 59s 6d, also February, 59s; March, 58s. White Java, spot, 56s 3d to 56s 6d as to quality. Czecho granulated ready, also November shipment, sold 28s 6d to 29s 6d, f.o.b., Hamburg. Dutch and Belgian offers of parcels for shipment very reservedly made, and then at higher figures. Raw refining kinds are very sparingly offered, and there is a good demand from both British and American refiners. The apparent scarcity of all raws forms the main foundation of the marked stability now existing, and no real relief is anticipated until something approaching a full movement of the Cuban crop takes place. Active trading ensued in the white terminal market at firmer prices, and was more pronounced in the case of near deliveries, distant showing some irregularity at times. November, sold, 28s 3d to 30s; December, 27s 6d to 29s 7½d; March, 27s 6d to 28s 3d to 28s; May, 27s 6d to 28s 1½d, and 28s; August, 27s 1½d to 26s 10½d and 27s 6d.

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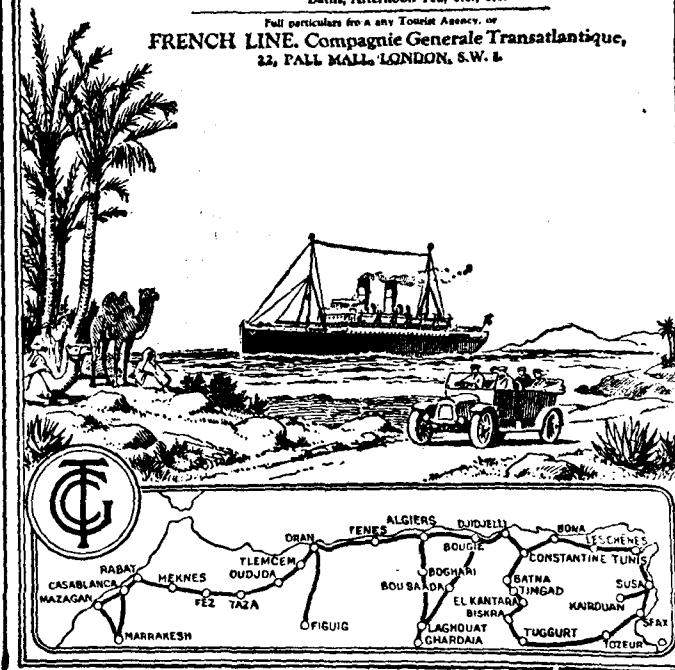
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Special Permission of the Stock Exchange to deal in the Six per cent. Cumulative Preference Shares and an Official Quotation will be applied for. The LIST OF APPLICATIONS for Purchase will be CLOSED on or before the 29th day of November, 1923.

BUCHANAN-DEWAR, LIMITED

(Incorporated under the Companies Acts, 1908 and 1913.)

CAPITAL.

Authorised.	Issued and fully paid.
£2,500,000 in 6% Cumulative Preference Shares of £1 each ...	£2,267,038
£2,500,000 in 7½% Cumulative Preference Shares of £1 each ...	£2,500,000
£2,500,000 in Ordinary Shares of £1 each ...	£2,000,000
£7,500,000	£6,767,038

Neither this Company nor any of its constituent companies has any Debenture charges outstanding with the exception of the Debenture Stock of W. F. Lowrie and Co., Limited, amounting to £133,100.

The 6 per Cent. Cumulative Preference Shares rank in priority both as regards dividend and return of capital over all other Shares of the Company, but confer no further right to participate in profits or assets.

Dividends on the 6 per Cent. Cumulative Preference Shares are payable on the 1st April and the 1st October, and the Shares now offered for sale will rank for a full half-year's dividend on the 1st April, 1924.

This Company's Articles of Association provide that:—
The directors shall not raise or borrow or secure the payment or repayment of any moneys raised or borrowed for the purposes of the Company by the issue of any Debentures or Debenture Stock, or any other specific or floating security without the consent of Extraordinary Resolutions passed at separate Meetings of the holders of each class of Preference Shares.

OFFER FOR SALE

1,250,000 of the above-mentioned 6 per Cent. Cumulative Preference Shares of £1 each at the price of £1 per Share.

The Purchasers will pay an additional 3d. per Share for stamping and procuring the registration of transfers, and will be entitled to delivery of the Certificates free of all further expense.

LLOYDS BANK LIMITED, 72, Lombard-street, London, E.C.3, and Branches,
BARCLAYS BANK LIMITED, 54, Lombard-street, London, E.C.3, and Branches,

and
Messrs. ERLANGERS, 8, Crosby-square, London, E.C.3,

are authorised as Bankers, for and on behalf of Messrs. MYERS AND CO., of 19, Throgmorton-avenue, London, E.C.2, to receive applications for the purchase from them of 1,250,000 of the above-mentioned 6 per Cent. Cumulative Preference Shares at the price of £1 per Share (plus 3d. per Share, as above mentioned), payable as under:—

On Application	£0 5 0 per Share
On or before the 3rd December, 1923	0 15 3

£1 0 3

The principal Shareholders of Buchanan-Dewar, Limited (the Shares of which Company, other than the 7½ per Cent. Cumulative Preference Shares, have hitherto been held privately) have thought it desirable that the public should be afforded an opportunity of taking a wider interest in the capital of the Company. With this object in view, they have sold to Messrs. Myers and Co., the Company's Brokers, 1,250,000 Six per Cent. Cumulative Preference Shares of £1 each, being the Shares hereby offered.

The following letter has been received from Messrs. Price, Waterhouse and Co., the Auditors of the Company:—

Messrs. MYERS AND CO., 19, Throgmorton-avenue, E.C.2.

Dear Sirs,—At the request of the Directors we give you the following information regarding Buchanan-Dewar, Limited, and its Constituent Companies.

We are the Auditors of Buchanan-Dewar, Limited, and have also examined the books and audited accounts of the Constituent Companies viz.:—James Buchanan and Co., Limited, London, John Dewar and Sons, Limited, Perth (both of whose issued Ordinary Share Capitals are held by Buchanan-Dewar, Limited), and W. F. Lowrie and Co., Limited, Glasgow (whose issued Ordinary Share Capital is held as to seven-eighths thereof by James Buchanan and Co., Limited, and as to the remaining one-eighth by Buchanan-Dewar, Limited).

The combined profits of these businesses for the four years ended 31st March, 1923, after charging all expenses, including Advertising Excess Profits Duty, Corporation Profits Tax, and Interest, as well as the Preference Dividends of the Constituent Companies, but before deducting Income-tax, were as follows:—

Year to 31st March, 1920	£1,304,698
" " " 1921	1,327,263
" " " 1922	2,011,164
" " " 1923	2,302,079

The combined Assets and Liabilities of these businesses as taken from the audited Balance Sheets at 31st March, 1923, were as under:—

Land, Buildings, Plant, Machinery, Fixtures, etc. (after deducting depreciation)...	£582,207
Stocks on hand	7,091,907
Sundry Debtors	1,242,921
Investments (other than inter-Company holdings)	1,123,077
Note: These include £800,000 War and Conversion Loans	
Cash at Bank and in Hand	198,804
	£10,188,718
Less—Sundry Creditors and Loans	£2,072,803
Final Dividends at 31st March, 1923, as paid	411,783
Debenture Stock outstanding of W. F. Lowrie and Co., Limited	133,100
Preference Share Issues of Constituent Companies	910,000
	3,527,686

Yours faithfully (Signed) Net assets £6,661,030
PRICE, WATERHOUSE AND CO.

The following letter has been received from the Chairman of the Company:—

Messrs. MYERS AND CO., 19, Throgmorton-avenue, E.C.

Dear Sirs,—At your request I have to say that, in the opinion of the Directors, the profits of this Company, and of our subsidiaries combined, for the present Financial Year, will be at least equal to those of the preceding year—further, that the stocks of Whisky held by the combined Companies exceed 23,000,000 gallons, and that the present market value of these stocks is considerably in excess of the values appearing in the accounts, which are entered at cost price.

The amount required to pay the dividend on all the issued 6 per Cent. Cumulative Preference Shares is £136,022 per annum, while, as will be seen from the figures given in the letter from Messrs. Price, Waterhouse and Co., above quoted, the average net profits of the combined businesses for the past four years have been £1,736,301, while for the year ended March, 1923, they amounted to £2,302,079.

Applications for purchase should be made on the accompanying form and forwarded with a cheque for the application money to Lloyds Bank, Limited, Lombard-street, London, E.C.3, or Branches, or to Barclays Bank, Limited, Lombard-street, London, E.C.3, or Branches, or to Messrs. Erlangers, 8, Crosby-square, London, E.C.3.

If any application is not accepted in full, the surplus amount paid on application will be appropriated towards the amount payable on acceptance, and any balance will be refunded to the Applicant, and where any application is not accepted at all the amount will be returned in full. Interest at the rate of 7 per cent. per annum will be charged on amounts overdue. Failure to pay any amount due on acceptance on the due date will render the amount previously paid liable to forfeiture and will also give to Messrs. Myers & Co. the right to cancel the contract for sale and to re-sell the Shares in respect of which the default shall have been made.

A brokerage of 1½d. per Share will be paid in respect of all accepted Applications by the public bearing the stamp of a Broker, Banker or other approved Agent, except applications in relief of underwriters. The Shares now offered for sale have been transferred into the name

BUCHANAN-DEWAR, LIMITED.

DIRECTORS:

LORD WOOLAVINGTON. LORD DEWAR. WILLIAM HARRISON. E. A. LUNDY.
LORD FORTEVIOT. Hon. Mrs. MACDONALD BUCHANAN. A. J. CAMERON. P. M. DEWAR.

BANKERS:

LINTON, CLARKE AND CO., Pinners Hall, London, E.C.2.
MYERS AND CO., 19, Throgmorton-avenue, London, E.C.2.

AUDITORS:

PRICE, WATERHOUSE AND CO., 3, Frederick's-place, London, E.C.2.

SOLICITORS:

For the Company—BIRCHAM AND CO., 50, Old Broad-street, London, E.C.2.

For this Offer { SLAUGHTER AND MAY, 18, Austin Friars, London, E.C.2.

GUEDALLA, JACOBSON AND SPYER, Winchester House, Old Broad-street, London, E.C.2.
SECRETARY AND REGISTERED OFFICE: H. R. COMPTON, 3, Frederick's-place, London, E.C.2.

DECEMBER 1, 1923.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVII

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No. 4,188.

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THE MONEY MARKET.

ANOTHER mid-week spasm of stringency obliged the market to borrow a large amount from the Bank of England on Tuesday and Wednesday, pressure being especially acute on the latter day, when borrowers paid up to 4 per cent., so as to avoid the Bank's charge of 4½ per cent. for a week. On Thursday the market found itself more freely supplied with funds, remarkably so in view of the low level of the other deposits disclosed in the

Bank return. Discount rates were easier, partly because it is a tradition of the market that the last week in November begins a downward turn for them, but chiefly owing to anticipations of extreme ease next week, due to the payment, on and after Saturday, of the War Loan dividend. Fine three months' Bank bills were wanted at $3\frac{1}{2}$ - $3\frac{5}{8}$ per cent., and a steady demand was noted, in the neighbourhood of $3\frac{1}{2}$ per cent., for six months' paper, now a very scarce article.

	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 16, 1923.	Nov. 9, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{1}{2}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decrease in the Reserve, chiefly due to the demand for notes in connection with the end of the month and the General Election, of £1,144,000. The movement in securities was mysterious, there being a decrease, in spite of borrowing by the market, of £1,367,000 in Other, while Government also showed a minute decline. Public deposits were £3,895,000 higher, presumably owing to revenue payments, and so the Other deposits were reduced by no less than £6,465,000, and stood below 100 millions. There was an increase of £378,700 to £281,580,600 in currency notes outstanding this week, which includes £1,433,700 for notes called in, but not yet cancelled. The fiduciary issue is £230,697,000, or £39,486,800 below the maximum.

THE STOCK MARKETS.

Movements in the stock markets this week have been erratic. The imminence of the election has restricted business, and talk of dearer money and a rise in Bank rate has been revived. The approaching release of £50 millions in Government interest helped to keep the price of War Loan steady, but substantial sales of Conversion Loan weakened the gilt-edged market as a whole. In the foreign market Brazilian bonds were strong, on the announcement of the proposed mission from this country, and French bonds have been steadier than of late. The feature of the home railway market has been the strength of the Underground group, while foreign rails have been fairly good. In the oil market, Anglo-Persians fell, on the halving of the dividend, and rubbers have been stagnant. In the industrial group there have been one or two bright spots, but Kaffirs, in spite of higher price of gold, which is being maintained, have been dull.

THE COMMODITY MARKETS.

A brighter outlook all round is reflected in our correspondents' reports this week. Further advances are recorded in the Manchester cotton trade; owing to the active demand for raw cotton throughout the world, fresh high records in values have been established in Liverpool and New York. All reports from the primary markets emphasise the strong demand for wool, and values continue to harden. Copra prices are higher. Wheat values have fluctuated with the New York exchange rate, but heavy Russian shipments kept prices down. Sugar is firm at recent higher level of prices, and good competition prevails for tea. Rubber is quiet, and values are easier. The improvement in the Cardiff coal market has been fully maintained this week, and the news of the settlement of the Ruhr coal problem has not yet affected business. The tone of the pig-iron market is good, more enquiry being about, while the resumption of work by boiler makers has brought brightness to steel markets. Tin has gone still higher, and copper followed in the same direction. Linseed is down on account of advices from Argentina, and raw linseed oil has fluctuated, partly in sympathy. Hide values are still declining, but the condition of hides at this season is partly responsible for this.

FOREIGN EXCHANGES.

After the excitement of the past few weeks the last seven days in the foreign exchange market have been exceptionally quiet and dull, with relatively little business. The sharp recovery in the value of sterling has not been maintained in its entirety, the rate having quietly fallen away during the week, but the quotation of \$4.35 yesterday morning, as compared with \$4.37 $\frac{1}{2}$ a week ago, is as good as could be expected until the recent scare and pressure has disappeared, and is still well above the low record of \$4.25 $\frac{3}{4}$ to which it fell on the 19th. The demand for dollars on account of autumn imports has now fallen off, and with a certain recovery of equanimity among foreign holders of sterling we may expect a further quiet recovery when the disturbance of the election is over. Forward rates at $\frac{1}{16}$ cent per month above spot has narrowed somewhat from the $\frac{1}{8}$ cent quoted a week ago. The Paris rate has moved somewhat more erratically, as usual in accordance with political expectations, having been as low as 79.40 at one time on the 26th, and as high as 81.35 on the 29th, but being quoted at 81.15 yesterday morning, as compared with a closing figure also of 81.15 a week ago. Brussels, as usual, has moved in sympathy, but at 94.40 yesterday morning is 20 centimes higher than last week's quotation. Forward rates in Paris have narrowed from 11 centimes to 6 centimes per month above spot; in Brussels they have widened from 6 centimes to 8 centimes per month above. The lira continues to maintain its relative stability, and at 100 $\frac{1}{2}$ shows a slight improvement over the rate of 101 $\frac{1}{8}$ quoted a week ago. Among neutral exchanges the chief feature has been the improvement in the Danish kroner in connection with the stabilisation credits obtained in London and New York, the rate having fallen during the week from 24.97 $\frac{1}{2}$ to 24.17 $\frac{1}{2}$. At the same time, there has been a decided improvement in Christiania from 29.65 $\frac{1}{2}$ to 28.97 $\frac{1}{2}$, while Stockholm in sympathy with the dollar has moved slightly against us from 16.62 $\frac{1}{2}$ to 16.59 $\frac{1}{2}$. Helsingfors, on the other hand, has again moved in our favour, although not so rapidly as in the preceding week from 170 to 170 $\frac{1}{2}$. Amsterdam, now that the pressure of selling from that quarter has been reduced, has appreciated still further from 11.49 to 11.45 $\frac{1}{2}$. Spain also shows a relatively sharp recovery from 33.64 to 33.46 $\frac{1}{2}$. In Central Europe the German mark shows a nominal improvement from 45,500 thousand millions to 30,000 thousand millions. The gradual issue of the Rentenmark and the replacement by it of the old paper mark would seem for the moment to be proceeding satisfactorily; but a new danger has arisen by the issue of various competitive "stable" currencies which contain the threat of a new form of inflation. The Polish mark, in spite of energetic efforts at financial reform, continues to fall away, and was quoted yesterday at 15 million, as compared with 11 million a week ago, after being considerably higher during the week. In Vienna the krone, in spite of the movement of the dollar, has reacted in our favour from 306,500 to 310,000. Prague, however, has moved slightly against us from 150 $\frac{3}{4}$ to 149 $\frac{1}{2}$. Bucharest, after some erratic movements, is quoted at 870, as compared with 915 a week ago. Athens, on the expectation of outside assistance, has brought a sharp recovery in rate from 275 on the 23rd to 230 yesterday. In the East the continued rise in the rupee quotation from 15 5-16 to 15 5 $\frac{1}{2}$ yesterday. At 2s 2 13-32d the yen shows a slight depreciation from the 2s 2 $\frac{1}{2}$ d quoted a week ago. A strong demand from China in anticipation of New Year's requirements, has kept up the price of silver, which was quoted at 33 $\frac{1}{2}$ d on the 28th. It is interesting to note that the Austrian Finance Minister announces the minting of an Austrian "shilling" of the value of 10,000 kr, which, he hopes, will give a stimulus to thrift. The Hongkong rate has been steady at 2s 3 $\frac{1}{2}$ d, but Shanghai has fallen from 3s 4d to 3s 3 $\frac{1}{2}$ d. In South America, Rio shows an improvement from 4 27-32d to 4 $\frac{1}{8}$ d, while Buenos Ayres has also appreciated from 38 $\frac{1}{8}$ d to 39 $\frac{1}{8}$ d, and Monte Video has moved up sharply from 40 $\frac{1}{2}$ d to 41d. Valparaiso, however, has depreciated again from 39.70 to 40.40.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended November 24th:—

EXPENDITURE.	Min. £	Receipts.	Min. £
Supply Services	6,250	From Revenue	15,010
Interest, &c., on Debt	1,357		
Sinking Fund	759		
Burdies	266		
Added to Exchequer balances ..	146		
Reduction of debt	6,232		
	15,010		15,010

Revenue compares very favourably with the corresponding period a year ago, the total receipts amounting to £15,010,000, as against £10,465,100. The chief causes of the increased revenue are a higher yield from Estate, &c., Duties at £2,760,000, as compared with £1,010,000. Excise yielded £3,549,000, as against £1,839,000. Property and Income-tax produced £974,000, and Super Tax £430,000, against a combined total of £2,062,000. Special Receipts brought in £1,505,500, against nil in the corresponding period. The week's operations reduced the National Debt by £6,231,700, and caused the following changes:—

	Min. £		Min. £
Treasury Bills	+ 3,661	Public Departments Advances ..	9,150
		National Savings Certificates ..	250
		Other Debt	482
		Post Office	10
	+ 3,661		9,892

The floating debt was reduced by £5,480,000 to £804,036,500.

FINANCIAL YEAR, 1923-24 (April 1 to November 17, 1923).

£	£
Total Expenditure .. 472,992,689	Raised by Revenue .. 472,195,570
Net Repayments 2,476,135	Decrease in Balances 3,273,254
Total 475,468,824	Total 475,468,824

ESTIMATES for YEAR 1923-24.

£	£
Ordinary Expenditure 801,013,000	Ordinary Receipts .. 778,500,000
Special Expenditure .. 15,603,000	Special Receipts 40,000,000
Total 816,616,000	Total 818,500,000
	Surplus 1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Royal Bank of Scotland, Anglo-Egyptian Bank, Consolidated Gold Fields of South Africa, Cargo Fleet Iron Company, South Durham Steel and Iron Company, London Nitrate Company, Boulder Perseverance, Western Telegraph Company, Ansell's Brewery, and Colombian Corporation. At the annual court of the Royal Bank of Scotland, the Duke of Buccleuch reported a substantial increase in profits and a higher dividend and bonus; Mr Raoul H. Foa, at the Anglo-Egyptian Bank meeting, reviewed conditions in Egypt, Sudan, and Palestine. At the meetings of the Cargo Fleet Iron and South Durham Steel and Iron Companies, Lord Furness criticised the high railway rates at home, and described the effects of the Ruhr occupation on the iron and steel industries; Mr Frank Tobin, at the London Nitrate meeting, gave an interesting review of the nitrate industry, whilst Lord Harris reviewed the wide interests of the Consolidated Goldfields. Sir John Denison-Pender, at the Western Telegraph meeting, condemned the proposed new cable from New York to Italy.

THE CASE FOR FREE TRADE.

A brief statement of the Free Trade case was presented in a supplement to our issue of November 17th. This supplement is available in pamphlet form, price 3d. per copy. Terms for quantities by arrangement.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE GREAT ISSUE.

BEFORE the next number of the *Economist* appears the verdict of the country will have been given on the fundamental issue which has been so hastily laid before it. Mr Baldwin has indicted Free Trade without laying essential details of his case before the jury, and without allowing adequate time to the defence to prepare their own. If under such circumstances the verdict of the country is a wise one, it will be a very remarkable tribute to that underlying national common sense which has so often pulled the country through, but which has seldom been put to so severe or so unfair a test. As our last word before the votes are cast, we would venture to remind our fellow members of the national jury that a prisoner is innocent until he is proved to be guilty; and that if he is to be entitled to secure the condemnation of Free Trade, Mr Baldwin has to prove, so conclusively that no doubt lingers, not only that circumstances have since the last trial changed in such a manner that repeated past verdicts of the nation should be reversed, but also that he himself has a better substitute to give to the country for the fiscal system which he would now send to the scaffold. We suggest in this case, where the system under which has been built up our financial, industrial, and maritime prestige, is on trial for its life, any voter who has the faintest doubt on this great issue is bound to give the benefit of that doubt to the existing system, and not to the shadowy substitute which Mr Baldwin proposes.

For ourselves we hold, and have faith that the electorate will hold, that Mr Baldwin has signally failed to establish either part of his case. One of the very few points on which we agree with Mr Baldwin's presentation of the tariff case is that circumstances have been changed by the war. But they have changed, in our view, in such a way as to underline every phase of the Free Trade case. Never in our history has there been a period when the economic interests of the nation so urgently demanded the greatest possible freedom to interchange commodities with other nations, or when it was so vital both to ourselves and to the rest of the world that the war-shattered countries of Europe should be restored to a position in which they could resume a proper level of exports, and help to restore to its proper volume the total of world trade in which Great Britain has maintained and even increased its proportionate share. A year ago this was an accepted commonplace even with those Conservatives who are to-day leading the campaign for trade restriction. As regards the second part of his case, namely, that he has a better system to substitute for Free Trade, it is fair to say that Mr Baldwin stakes his whole claim on the assertion that, if tariffs are imposed on imports of foreign manufactures, unemployment at home will be largely decreased. This claim is in our opinion conclusively disposed of by the analysis of unemployment figures by industries. We ourselves have shown that the great preponderance of unemployment exists in those industries which are predominantly concerned with export, and which must suffer instead of benefiting from the imposition of restrictions on the free flow of international trade. This essential point has been emphasised this week in detail and with authority by Sir Wm. Beveridge in a letter to the *Times* of November 27th. By erecting a tariff duty of sufficient magnitude it is possible in the case of a particular industry to increase employment in that industry, but to deny that a general tariff will increase unemployment in export industries (which in this country are our greatest industries) is to deny the fundamental truth that imports are paid for by exports. Anyone who studies Sir Wm. Beveridge's figures, and those which we published in our recent Supplement, must see which is likely to be the greater, the decrease in the employment in the great export industries, or the increase in employment in certain industries selected for protection against foreign imports. Neither Mr Baldwin nor his lieutenants have been able to adduce any serious argument which can shake these obvious conclusions.

In the short time that has been at our disposal since the election was sprung upon the country, we have endeavoured to place before our readers the Free Trade case in its most important aspects, and in the present issue

will be found articles concerning the interests of the coal, shipping and iron industries and also the real facts about the motor trade which have been distorted into a Protectionist argument on a thousand platforms. We cannot here attempt to re-cover that vast field of controversy, but we would submit to our readers a few main propositions.

1. The imposition of a general tariff by restricting the total volume of trade and production and raising production costs must on balance increase and not decrease unemployment.

2. The cure of unemployment lies in the settlement of Europe and the extension of world trade. Instead of restricting foreign imports we need to encourage them in order that our customers abroad may increase their power of purchasing the goods which we manufacture. What we need is more, and not less, foreign imports.

3. So far from being of assistance in lowering other countries' tariffs, the adoption of Protection here would expose British trade as an unrivalled target for retaliation by other countries, and we should certainly lose our universally favoured position in the tariff lists of other countries. Those who, like Lord Derby, persuade themselves that the adoption of tariffs here is a step towards universal Free Trade are under a delusion that is abundantly proved by history.

4. Our greatest industries, such as shipping, agriculture, textiles, iron and steel and coal, can gain nothing and stand to lose a great deal from a tariff on imports of foreign manufactures.

5. The standard of living of the wage earners, at present higher in Britain than in any other country in Europe, would be seriously endangered by a protective tariff.

6. The adoption of Protection would remove some of the most important conditions which enabled the City of London to establish a supremacy over other financial centres of the world.

7. With a tariff we should be introducing into our political life a factor which, in every other country that has tried Protection, has debased the standards of both honesty and efficiency.

8. Great Britain's abandonment of Free Trade at this juncture would remove the vital element in British power of playing a healing part in European politics.

We hope that amid the hurly-burly of political battle, these points may stand out clear in the minds of the electors. The last point above is inserted merely to recall the fact, not always remembered, that the question of British fiscal policy is not only of domestic, but of world importance. As the supporters of Professor Murray's candidature in Oxford University point out:—"A reversal by Great Britain of the principle of the open door would have political effects far beyond the economic damage it would do to our export and carrying trade; it would retard the recovery of commerce and industry throughout the world." One of the main reasons for the present deplorable state of Europe is that, instead of accepting the advice of the world experts gathered at Brussels, namely that "Each country should aim at the progressive restoration of that freedom of commerce that prevailed before the war," there has been an epidemic of heightened tariffs as part and parcel of the policy of aggressive, narrow nationalism. Britain's mission, in our view, is to cling to her traditions of the freest possible intercourse between nations, and by her example to stand as the strongest and most effective supporter of the whole policy of the League of Nations. Mr Baldwin asks us not merely to revolutionise our fiscal system in a way that cannot possibly assist in solving the unemployment question; but asks us also to say to the whole world "We have abandoned our ideals and our traditions and come to join in the contest of economic 'beggar-my-neighbour,' which is responsible for so large a part of Europe's troubles to-day." Had Free Traders been given three months, instead of three weeks, to counter Mr Baldwin's offensive, there would, in our opinion, have been no possible doubt as to the nation's verdict. Even as it is, we believe that on Thursday the country will reject Mr Baldwin's reckless invitation to sacrifice the substance of unique economic advantages and a unique position in European politics for the shadow of crude economic fallacy.

THE IRON TRADE AND PROTECTION.

WE have obtained from Sir Hugh Bell, the well-known ironmaster, the following statement of the position of the iron trade in relation to Mr Baldwin's tariff proposals:—

Of all the great manufacturing industries of this country none, in my judgment, is so much concerned to be "protected" against "protection" as the iron trade. It is not the largest, for the textile trade, by which is meant cotton, woollen, linen, silk, and other similar materials, shows a larger total. But against these have to be set, first, the large quantities of expensive raw materials which have to be paid for before there remains any surplus with which to discharge international indebtedness. And, second, the somewhat important quantities of manufactured textiles which come to us from abroad. As to these, there is something to be said later.

But in the case of iron the amount of imports, large though they be, leave an immense balance which can be used, and is used, to pay for the things we need but cannot or do not produce ourselves. Regarded in this way, it is safe to say that in normal conditions there is a surplus in the iron trade of something like £60,000,000 a year, while the similar surplus in textiles is barely half that amount. Let us turn for the moment to the nature of the imports in each case.

In each we have, to begin with, the raw material, by which we mean the actual raw cotton, or wool or silk, and the iron ores (of various kinds, including the indispensable manganese). As to these there seems to be little conflict of opinion, though what a tariff reformer who was also a Cleveland miner might say as to iron ore being a raw material is not quite clear, for at least 70 per cent. of the cost of Cleveland ironstone is paid in wages. But passing that point we find that the other imports in both cases consist substantially of two classes of goods—either very cheap articles, which can be produced abroad by very cheap labour—things like flimsy Japanese muslins may serve as an example—or very expensive goods, like fine brocades, where questions of taste are involved, or objects in which for one reason or another some other country has obtained a supremacy, of which it would not be difficult to give examples.

Let us now examine the particular case of the iron trade. Five groups are given in the Board of Trade Returns, and during the first nine months of this year £29,606,000 came in, but our exports of these same goods amounted to £122,073,800. The following table gives more particulars:—

	Imports. 9 Months, 1923. £	Exports. 9 Months, 1923. £
Iron and steel and manufactures thereof	10,297,072 ..	54,946,605
Cutlery, hardware, implements, and instruments	5,085,472 ..	5,296,781
Machinery	6,972,978 ..	33,627,815
Electrical goods and apparatus	1,640,108 ..	6,039,466
Vehicles (including locomotives, ships, and aircraft)	5,610,374 ..	22,163,188
Total	29,606,004 ..	122,073,855

But for the unfortunate dispute over wages in the boiler-making industry, the preponderance of exports would have been still greater. In the nine months of this year the export of ships amounted to only £9 millions, but in the corresponding period of last year they were valued at £24,994,000. The above figures show that, whereas we paid out £29, we received £122. In other words, while we bought £1 of goods, we sold more than £4.

Surely this is a highly satisfactory position. Yet Mr Baldwin and his Protectionist friends are willing recklessly to jeopardise the exports of these great industries by imposing a general tariff with the avowed object of raising prices, and, consequently, the cost of production.

In the first group—iron and steel manufactures thereof—at least half of the imports is raw material for the other groups. But even in this group we export £55 for every £10 we bring in. During the first nine months of this year our imports of pig-iron were £412,000, against exports of £3,200,000; of ferro-alloys £220,000, against £2 millions. The only articles of any considerable importance, as classified in the Board of Trade Returns,

which show an excess of imports over exports, are iron and steel blooms, billets and slabs, and iron bars, rods, angles, shapes, and sections. Of iron and steel blooms, &c., we imported £2,330,000, against exports of £159,000; and of iron bars, &c., £940,000, against £417,000. But are these not virtually raw materials? We imported £1,700,000 of steel sheet bars, tinplate bars, &c., but our exports were £4,200,000. Only half a million of plates and sheets came in, but over £23½ millions went out. Imports of cast and wrought tubes, pipes, &c., amounted to £600,000, but exports were £4,200,000, while in rails and railway material the imports were insignificant, compared with the exports. Considerably less wire, nails, rivets, bolts, and hollow ware came in than went out, and no imports are shown of cast-iron manufactures, anchors, chains, cables, and bedsteads, whereas the exports were substantial.

If we look at the number of persons to whom the iron trade affords employment, we find that, including those engaged in raising coal for the industry, considerably over 2,000,000 people get a livelihood out of it. There are 11½ million "insured persons," so that nearly one person out of five depends on it. A trade of this magnitude, depending largely for its prosperity on exports, cannot fail to be hurt by anything which tends to diminish imports. By its advocates, such a policy is admitted to raise prices, and so put the producers at a disadvantage. In so far as it checks imports, it also checks exports. Our workers, therefore, will not be helped, but will be burdened by it. The ironmaster and his men always prosper most by a flourishing foreign trade, and have, therefore, nothing to gain but everything to lose by any policy which tends to diminish such trade.

COAL AND TARIFFS.

THE position of coal in the economic issue that is now being debated in the country, and upon which the electors will vote next Thursday, is one of exceptional and even unique importance. There is no commodity produced in the United Kingdom that has exercised an influence more decisive in the direction of its foreign trade, or in the determination of the character of the British industrial system, than coal. It was our command over an abundant supply of cheap coal that enabled us to reverse our old channels of commerce and placed it within our power, with the aid of invention, private enterprise, and industrial skill, to transform these islands from an agricultural into one of the greatest manufacturing centres in the history of the world. In later years the far greater resources of the United States have enabled that country to take the premier position as a seat of manufacture; in the years immediately preceding the war, organisation, technique, and determination raised Germany to a position of pre-eminence in a few lines of business; but the distinctive character which coal gave to British industrial activities remains, and when coal ceases to play the part both in our home and in our foreign markets that it has played during the past century the decline of Britain as an industrial country will become inevitable.

We are dependent on foreign sources of supply for the greater part of our foodstuffs and of the raw materials of our industries. Our population has outgrown the agricultural capacity of our farms, and our native supplies of ores have either been already commercially exhausted or are in the process of exhaustion. We now obtain these supplies from the ends of the earth. We pay for them chiefly by the export of our manufactured goods, but partly by our "invisible" exports, of which the services of our mercantile marine is the greatest, and partly by the export of coal. The raw materials that we import, whether they be iron ores, cotton, grain, timber, hemp, jute, flax, &c., are commodities of relatively low value, but great bulk. Coal is the only commodity of a bulky character and of great commercial value which we now produce in quantities large enough to leave a considerable surplus available for export. In 1913 we exported as cargo and bunkers, coke, and patent fuel roughly 100 millions, out of a total output of 287 million tons; this year we are exporting at the higher rate of over 100 millions out of a

production that will probably be about 10 million tons less than that produced in the record pre-war year of 1913. This surplus provides the ships that bring in raw materials with an easily obtainable and necessary export commodity, and this make-weight export cargo enables us to bring in our foreign raw materials and foodstuffs at a cost of over-sea transport considerably less than that which would have to be charged in freights if there were no coal to export. This is one of the chief reasons why we have hitherto been able to obtain raw materials at a cost sufficiently low to enable us to hold our own as manufacturers in the competitive markets of the world.

These elementary but fundamental facts will show how imperative it is to avoid any legislative action that may interfere with, or otherwise impede, the operation of those economic forces, of which the chief driving power is the coal export trade. An import tax on imported manufactured goods is not so direct and palpable an impediment to the coal export trade as an export tax; but the effect of an import tax on manufactured goods may be not less injurious if not disastrous in some of our foreign markets than a direct export tax. In so far as the proposed tariffs on imports would be effective, even when confined to manufactured or semi-manufactured commodities, they would necessarily restrict the volume and value of the import trade, and, as imports pay for exports, one cannot be injured without the other.

It is argued that one of the benefits to this country of the new Tariff programme is that it would stimulate home manufacture and intensify the island demand for coal. This argument is fallacious. In the first place, the aggregate demand for coal would not be increased; the probabilities are that it would be reduced. Import tariffs might shift the direction of the employment of capital and labour, but they would not augment either; the probabilities are that the demand for the employment of both would diminish. The artificial direction given to industry would itself involve some loss, and the incidence of that loss would be very unequal, for the industries that were not protected, and for which protection would be useless, would be handicapped by the higher real cost of production and living—due to the effect of the tariffs on inland prices—and by a reduced earning power.

In the second place, the distribution of the export trade would be disturbed, and its volume and value contracted. The consequences to our foreign trade of such disturbance and contraction would be even more injurious indirectly than directly. There would be less demand for our coal, and consequent less employment for our shipping, but you cannot limit the volume of the trade of over-sea shipping without raising the cost of transport. Temporarily, no doubt, the increased competition for the reduced carrying trade would keep freights low, but capital in shipping, like capital in any other productive service, cannot long be employed except at a rate of profit equal to the average return on capital and proportionate to the risks involved. The shipping depression of the past three years is a convincing illustration of the havoc that can be wrought by unremunerative freights. There would be a gradual process of adjustment of freights to the more restricted conditions of our foreign trade arising from the imposition of tariffs, and, as that adjustment would leave freights at a higher level, every industry in this country that depends upon foreign sources of supply for its raw materials would be faced with higher costs of production. In their turn those higher costs would further react on exports, and thus aggravate the evil created originally by the tariffs on imported manufactures.

In the next place, the tariffs would react unfavourably on the existing organisation as well as distribution of the coal trade of the United Kingdom. The mining industry has hitherto been developed on the principles of Free Trade. Demand and supply have taken their directions entirely under economic influences. In some districts it has been developed to meet particular forms of inland requirements, and in other districts to meet the requirements of the export trade. South Wales, for instance, at present supplies less than 10 per cent. of its output for manufacturing purposes. The latest figures show that 65 per cent. was exported as cargo or bunkers, 8½ per cent. used by the collieries for the service of the mines themselves and the workmen employed in them, 4 per cent. for the production of coke, 2½ per cent. for the manufacture of patent fuel—

nearly all of which is exported—and 6 per cent. for railway purposes. Even assuming, therefore—which is a terrific assumption—that the iron and steel industries in South Wales would be able under the tariffs to produce all the blooms, billets and bars they now consume, the effect on the industry would be almost infinitesimal, and only those collieries would benefit which are now producing the cheaper low-grade forms of coal. The great majority of the South Wales collieries would be affected by the conditions in the export trade, and for the reasons already given the demand for export coal would be reduced.

On these and other grounds the new tariff policy is regarded with great apprehension in the coal trade, and particularly in the coal export districts, and it is only the alignment of party divisions that prevents the industry from protesting as strongly against the contemplated fiscal interference with the industry as it did against any and every form of interference by the Government during the period of war control.

SEA CARRIAGE UNDER FREE TRADE.

THE typical Protectionist is apparently unable to grasp the fact that every pound of goods entering and leaving this country passes by sea, and is carried in ships, of which nearly two-thirds are British. He is, moreover, incapable of seeing that any steps which may be taken, by tariffs or otherwise, to restrict imports will also restrict exports which pay for them, and that sea carriage will be reduced both ways, in goods coming to our ports, and in goods going away.

There is a further principle of great importance from the point of view of shipping. Our open ports, our free ports, have built up a very large business in the interchange of goods between the distant markets overseas and the nearer markets of the Continent. This is called our *entrepôt* trade, or Short Sea Trade; it consists to a large extent of goods brought from foreign countries and Dominions as imports into the United Kingdom, and then re-exported by merchants to the Continent. This *entrepôt* trade, which for the ten months of the current year amounted to £98 millions, is directly threatened by any tariff which restricted the volume of this trade or, by interposing delays in Customs, hampered the conduct of this trade.

Let us first consider the enormous amount of shipping, nearly two-thirds British, which lives upon the carriage of imports, exports, and re-exports to and from the United Kingdom. During the ten months to October of the present year, the ships entered with cargoes, or in ballast, at our ports aggregated 40,526,000 tons net (63.5 per cent. British), against 40,917,000 (65.7 per cent. British) for the corresponding period of 1913. The clearances of shipping during the ten months to October last were 57,125,000 tons net (58.2 per cent. British), against 56,617,000 (59.2 per cent. British) for the corresponding period of 1913. The steadiness of all these figures as between 1923 and 1913 is remarkable when one considers all the changes which have taken place in the world during the ten years which intervene. Our shipping industry is depressed because there are more ships in the world than are required to carry the trade of the world, though in actual volume the amount of cargo carried does not differ by very much from that carried before the war. It has been pointed out more than once that if the unremunerative ships of more than twelve years old were all scrapped and their material sold to the steel makers, the remaining vessels, together with the pre-war production of new modern steamers, would be able to bear the world's trade more cheaply and more remuneratively than is done at present. About ten million tons of American war-built shipping are wholly useless, and are scarcely worth scrapping for the steel content.

When one further considers the *entrepôt* trade, the trade of bringing foreign and colonial produce into this country and re-exporting it on short sea voyages, we see that the quantity and value of it count—as the politicians say—two on a division. The Annual Statement of Trade for

1922 (Vol. 1) shows that during 1922 the total value of the overseas goods re-exported was £103,695,000, of which £68,716,000 passed through East Coast ports and £34,974,000 through West and South Coast ports—the first for Northern Europe and the Baltic, and the second for France, Spain, and the Mediterranean. Seeing that all these foreign and colonial goods re-exported had first to be imported, it is plain that every ton of restriction in re-exports due to the operation of a tariff would involve a corresponding ton taken off the imports. And both these tons under Free Trade would have been carried by ships two-thirds of which are British. The correspondence between the *entrepôt* trade in 1922 and in 1913 is close. The value of the re-exports from the East Coast in 1923 and 1913 were almost identical (there was a difference of about 1 per cent.); the value of the re-exports from South and West Coast ports was £34,974,000, against £40,159,000 in 1913, the decline being due to the smaller trade which is being done by us with Central and Southern Europe.

Mr Baldwin on Wednesday made a brave effort to deal with the shipping problem in Glasgow. He pointed out that since 1914 there has been a greater proportionate increase in foreign tonnage (except that of Greece and Germany) than of British tonnage. This reminds us of the childlike calculations in proportions of Mr Baldwin's predecessor, Mr Joseph Chamberlain; Great Britain, with its huge tonnage in 1914, has naturally made a much smaller proportionate increase than have countries with a comparatively insignificant tonnage. What really is important is the continued existence of much British pre-war tonnage which is getting obsolete. There can scarcely be recovery in shipping and in shipbuilding until the old stuff is cleared out of the way. How a tariff, by reducing the employment of ships, is to accelerate the overdue scrapping of ships, Mr Baldwin neglected to explain. It is only in times of active prosperity that shipowners can afford to take off old vessels and replace them by new ones. Mr Baldwin talked of foreign discrimination against British shipping, and pulled out his tariff proposals as a "weapon with which we can defend our own trade." If Mr Baldwin will give one single example from the tariff history of the last 50 years in which the use of a "tariff weapon" by one country has really reduced the level of tariffs in another country—or caused the removal of other kinds of discrimination—we shall be delighted to hear of it. For a study of the subject proves beyond a doubt that the more busily one country forges tariff weapons, the more ardently other countries take to the forging of retaliatory weapons. There is no limit, except mutual impoverishment, to the expansion of tariff armaments, just as there is no limit, except mutual destruction, to the expansion of military armaments.

THE MOTOR TRADE AND IMPORT DUTIES.

In the showcase of the Protectionist campaign motor cars are highly conspicuous. They stand in the front row. From those who ought to know better—like Sir Robert Horne and Mr Neville Chamberlain—to the rawest of Unionist candidates, who take their facts from the Central Office, all proclaim that the touring car industry (which is protected) flourishes, and that the commercial car industry (which is not protected) is in the depths of depression. The invariable conclusion, which forms a valuable peroration, runs: "See the beneficence of Protection on the one hand, and of the maleficence of Free Imports on the other."

If it were, in fact, true—which it is not—that the McKenna duties of 33½ per cent. on imported touring cars had relieved British car makers from foreign competition, that fact by itself would not help the cause of a general protective tariff. It is quite a simple matter by means of partial protection, by a tariff on the foreign imports of a few selected industries, to benefit directly the makers of some British goods. What happens is that a few privileged manufacturers—like those of "key industries"—are favoured at the expense of the other in-

dustries of the country. It is when a general attempt is made to favour a great many industries by means of tariffs that we get the flagrant evils of a Protective system. But the claim that the industry of making touring cars has been relieved of foreign competition, and made prosperous by the retention of the McKenna duties of 1915, is not, in fact, true. There is a great deal of foreign competition, in spite of the duties, and the industry is a long way from being prosperous. Neither is it true that the depression in the industry of building commercial cars is due to foreign competition, which is declared to have resulted from the absence of a McKenna duty in this branch of the trade.

The industry of making British touring cars, though active, is unhappily not prosperous. The duties on foreign imports may have helped it, though not by very much. It is suffering from the over-production by a great many makers of types of cars for which the demand is limited. Here and there one sees evidence of real enterprise which has unfortunately not always been rewarded by the profits which it merited. For instance, the Rover Company has revolutionised the small car market with its little 8 h.p., and sold huge quantities at keen competitive prices, but for the year which ended last August the company showed a loss of £36,752 in its trading accounts. The profits for the previous year were £180,502, and the existence of a substantial reserve fund enabled a dividend to be paid for the latest year, in spite of the trading loss. The Austin Company, which has also been notable for enterprise in 20 h.p., 12 h.p., and in little 7 h.p. cars, and merited a better result, made a comparatively small profit for 1922-23 of £78,564, which was swallowed up by the great debit balance at profit and loss account of £1,805,037. With few exceptions—such as the Rolls-Royce Company, which cares nothing for foreign competition with its supreme production—British motor car manufacturers are making little profit. We have no particulars at present of the Morris Motors—which builds the extremely popular Morris-Oxford and Morris-Cowley cars—but suspect that this company cares as little as does the Rolls-Royce for foreign competition.

Now let us take the foreign competition with British touring cars, which is alleged by the Protectionist campaigners to have been removed by the beneficent McKenna duty of 33½ per cent., against foreign imports. According to the survey of the *Motor Trader*, made before any Protectionist campaign was started, "the foreign type of vehicle has found favour during the year (1922) with 50 per cent. of the year's purchasers, reckoning in the number of foreign cars assembled here." Exactly. If British purchasers want the American type or the French type of inexpensive car, they will buy it despite the McKenna duty. It is the job of a successful British motor car industry to produce the cars which the using public wants, and those who do not produce them will always scream for help against foreign competition. The Board of Trade figures for the past three years show that the retained imports (imports less re-exports) of foreign and colonial completed cars have steadily increased, and that the exports of British-made cars have been comparatively small.

COMPLETED TOURING CARS (Dutiable).

Ten months of—	Retained Imports. (Foreign and Colonial).		Exports (British).	
	Number.	Value.	Number.	Value.
1920.....	21,357	£ 6,555,665	3,103	£ 2,146,383
1921.....	3,616	£ 763,035	1,685	£ 1,418,602
1922.....	10,733	£ 1,760,008	1,083	£ 691,541
1923.....	12,775	£ 2,063,774	2,222	£ 870,496

We do not see in these figures any notable signs that the McKenna duties have preserved the home market for British makers, or that these makers have achieved much success in exporting their surplus production. We shall deal presently with the allied industries of making motor cycles and the humble push cycle, industries which care not a Birmingham pin for any foreign competitor, and sell their famous makes all over the world. Those are the tests of a truly prosperous industry, not a precarious dependence upon the partial shelter of a tariff.

Commercial cars, it is boldly alleged, are not prosperous because there is no duty to prevent the foreigner from "dumping" his products upon our unprotected

market. Everyone agrees that the commercial-car industry is depressed, and most people know the principal reason. During the war immense numbers of lorries and chassis were built, and at the end of the war immense numbers of lorries and chassis were left over. The market has been swamped ever since. There is practically no foreign competition in completed imported lorries, though it is alleged that many commercial cars are built of imported chassis and parts. Let us first take the retained imports (imports less re-exports) of completed commercial cars, and the exports of British commercial cars. The retained imports are very small, whereas the exports are not at all bad under the circumstances.

COMPLETED COMMERCIAL CARS (Not Dutiable).

Ten Months.	Retained Imports. (Foreign and Colonial).		Exports (British).	
	Number.	Value.	Number.	Value.
1920.....	8,976	£ 3,043,917	803	£ 734,174
1921.....	1,023	£ 86,071	614	£ 538,988
1922.....	673	£ 135,581	473	£ 378,460
1923.....	217	£ 40,584	740	£ 510,991

The point about imported chassis being used to build commercial cars which compete with all-British cars has some importance, though it does not establish the fact of serious foreign competition. Mr. G. M. Young, of the Albion Company, vice-president of the Association of British Motor Manufacturers, had a letter in the *Times* of Tuesday. Mr. Young claims that the "total value of commercial vehicles, chassis, and parts, together with the value of motor vehicles and parts imported subject to duty, and subsequently converted to commercial use," was £9,174,314 in 1920, £3,415,795 in 1921, and £1,704,132 in 1922. If we accept these figures, we have evidence of rapidly disappearing foreign competition in this "dumped market" of unprotected commercial cars. Mr. Young is disingenuous in the presentation of his case. He picks out all the imported chassis and parts which he can find applicable to commercial cars and adds their value to the completed cars imported, but he does not pick out the British commercial chassis and parts exported and add their value to that of the exported complete British cars. The effect of a full investigation would be at least to double the value of completed British commercial cars, chassis, and parts sold out of the country, in comparison with those in the Board of Trade returns of completed cars. It is obvious that the British commercial car industry is depressed by causes quite outside foreign competition, and that had they shared in the protection of the McKenna duties, their condition would, for all practical purposes, be the same as it is now.

We will now turn to a pair of allied industries which really understand the job of catering for the public tastes at home and abroad. We rather wonder that the Protectionists have not claimed the motor-cycle industry as a glowing example of health due to their beloved quack medicine. For here is an industry, "protected" by a McKenna import duty, which laughs at foreign competition either in the home or in export markets. But there are limits to the effrontery even of Protectionists in search of popular arguments. They are uneasily aware that if they claimed the British motor-cycle industry as the offspring of a protective tariff, even the Tariff Reform English Midlands would "laugh demnably." The truth, of course, is that motor-cycles mainly owe their unrivalled reputation all over the world to the skill and persistence of British designers and makers. It is significant that progressive motor car concerns like the Rover and Humber companies learnt their trade of meeting public requirements as cycle builders. The motor car industry might learn many useful things by studying the British motor-cycle and cycle industries. Look at these figures as evidence of how completely a really efficient British manufacturing industry is independent of the McKenna duty, which was accidentally foisted upon it.

COMPLETED MOTOR CYCLES AND TRI-CARS.

Ten Months.	Retained Imports. (Foreign and Colonial).		Exports (British).	
	Number.	Value.	Number.	Value.
1920.....	4,030	£ 261,557	18,242	£ 1,406,791
1921.....	2,026	£ 57,296	7,469	£ 613,388
1922.....	845	£ 46,334	6,417	£ 431,273
1923.....	969	£ 41,210	12,955	£ 663,789

Of what concern to an established British industry like that of motor-cycles, with its large exports, and its relatively paltry imports, is a McKenna "Protection" against the foreigner?

We will conclude with the humble "push-bike," which, until its use was made perilous by the crush upon the roads of motor vehicles, was one of the few modern inventions which was truly beneficial. Beneficial, that is, to the common man and woman. The British "push-bike" has no assistance from a protective duty, and needs none. It is known in every country where there are roads, and in many countries where there are nothing better than tracks. It ranks with the typewriter and the sewing machine as one of the rare inventions which relieve human beings of toilsome labour. And it is as much British all through now as it was in the beginning nearly 60 years ago.

COMPLETED PUSH CYCLES.

Ten Months.	Number.	Retained Imports (Foreign and Colonial).		Exports (British).	
		Value.	Number.	Value.	Number.
1920	2,527	15,029	144,913	1,387,711	
1921	770	4,931	33,242	330,548	
1922	1,176	3,809	56,676	406,770	
1923	2,577	8,539	100,725	591,799	

Here—as with motor-cycles—is the best of evidence of what even those Melancholy Midlands can do when they are left unspoiled by the debilitation of tariffs, and bend their minds and bodies to the task of establishing and maintaining a world's trade.

TARIFFS, INDIA, AND LANCASHIRE.*

(BY AN ANGLO-INDIAN CORRESPONDENT.)

IN the impending election a decision will be taken that will determine, for many years to come, the fiscal position, not only of Great Britain, but (as Lancashire voters should bear in mind) of India. If the Baldwin programme offers nothing that will effect any appreciable increase in British trade with the self-governing dominions, its effect upon our exports to India would, undoubtedly, be positively prejudicial, the scant attention given to this point showing how little the present Indian industrial and political situation is understood. Although higher revenue duties, in India as elsewhere, have been imposed to finance war debts, it is anticipating the course of fiscal history to assert that India at this stage is definitely and definitively Protectionist. But that the Baldwin policy, if endorsed by the British electorate, will commit India finally and irrevocably to Protectionist tariffs, is a logical and practical certainty inherent in India's internal political situation, and in her political and fiscal relations with this country. No Indian politician wants Imperial Preference, nor, indeed, does the executive Government of India, which, from Lord Curzon's viceroyalty to the declarations of Mr Innes, at the recent Economic Conference, has always denounced the proposal as incapable of promoting Indian interests. The first conclusion to register is, therefore, that as far as India is concerned the Baldwin proposals would lead, not towards freer trade within the empire, but towards the needless raising of new tariff barriers between the two most populous countries in that empire. For while tariffs for preferential purposes will never willingly be conceded by the Government of India or by Indian legislators, tariffs intended to protect India's infant industries, especially against British competition, have been the aim, alike of the British Executive and of Indian statesmen, for at least the last quarter of a century, and that demand has never been so strongly pressed as now.

If Great Britain has been able, over so long a period, to keep these tendencies in check, her ability to do so has rested not merely on her political ascendancy, as expressed in the vetoing powers of the Secretary of State, but on the moral authority derived from British adherence to Free Trade principles in relation to our own trade. A Protectionist Britain and a Free Trade India could only have produced in the past, and could only produce in the future, a violent political divorce. This moral authority it is now proposed to

discard. In India the only question raised by a Protectionist electoral success in this country would be, "If England has abandoned Free Trade, why should India maintain it." What would happen? Supposing the Government of India, responding to that feeling, were to submit in March next a Budget doubling the present import duties on manufactured goods entering Indian ports? Upon what grounds, and with what measure of political consistency and authority, could the Secretary for India in a Protectionist Cabinet veto such a proposal? And in such an event, to what extent will the Baldwin tariff expand "empire markets"? Of what value, moreover, will be his laudable efforts to stimulate cotton-growing in the empire if at the same time, as a result of another part of the same programme, his policy leads, as indicated above, to the closing of the gates into the greatest market for cotton manufactures in the empire, and perhaps in the world? Any politician or business man who dismissed this forecast as fantastic, or unduly alarmist, would be either short-sighted or ill-informed. The Indian movement towards high tariffs has been gathering strength ever since Nationalist ambitions took shape, and Indian fiscal autonomy, for so long a pious aspiration, will soon be an unqualified fact. In India, consequently, the Baldwin campaign is being followed with the keenest interest, inasmuch as British adhesion to Free Trade has been, to Indian Tariffists, the last fence, and hitherto the one obstacle that has proved irksomely insurmountable. But let that hiatus be removed, and Indian tariffs will mount so high and so rapidly that the Lancashire export trade to India will soon become little more than a memory.

For all practical purposes Free Trade England and Free Trade India now assure unobstructed commerce, by their fiscal policies, between five-sixths of the population of the British Commonwealth. December 6th will decide this country's decision. In India—it would not be difficult to show—the economic interests of the vast agricultural population are inseparably linked with the maintenance of Free Trade. India—politically articulate India—however, naturally looks to the Mother Country for guidance upon fiscal issues. And by our decision India will, for many reasons, have no alternative but to abide.

A LESSON FROM ENGLISH HISTORY.

"THE truth can never be confirmed enough, though doubt did ever sleep," and at the present moment it is of urgent importance to disperse the doubts that possess many minds as to the truth of the creed of Free Imports. It is probable that a very small proportion of the twenty odd millions of voters are aware that a hundred years ago a general tariff was in operation, and that the results were year by year more disastrous. Time after time Parliamentary inquiry was made into the causes of the distress which pressed so hardly upon both the agricultural classes and the operatives of the towns. Prices of wheat fluctuated from 53s in January, 1816, to 112s in June, 1817, and by the following September had fallen to 74s a quarter. The Select Committee of 1821 reported that the agricultural distress of 1820 was, like similar instances, largely consequent upon abundant harvests in the United Kingdom in the two previous years.

Year by year the Government of the country had to face a diminishing revenue, until Sir Robert Peel was so impressed by the evidence given before the Import Duties Committee of 1840, that he began to reduce the tariff. In the appendix to this committee's report the articles subject to Customs duties are grouped under six heads, as shown in the following table:—

CUSTOMS DUES UPON ARTICLES IMPORTED BY THE UNITED KINGDOM IN 1839.

	Articles.	Produce of Duties.
A. Imported in a raw state to be used in our manufactures	262	2,092,629
B. Imported partially manufactured	101	1,056,246
C. Imported manufactured	214	479,403
D. Imported for food	110	18,303,780
E. Prohibited	19	
F. Not belonging to any of the foregoing heads..	156	190,037
	862	22,122,096

No duty was received upon 147 articles. It appears, therefore, that under a tariff embracing 862 articles and producing 22 millions odd, articles of food produced over 18 millions and raw materials another two millions. Should not the exercise of common sense and a little clear thinking convince all unprejudiced electors that the experience gained by the sufferings of our forefathers sufficiently warns us from incurring the perils of a general tariff? But it is contended by the President of the Board of Trade that if we impose a tariff sufficiently "general," we shall regain certain markets that we have lost! He does not attempt to name them, probably knowing that the real reason of a decline of our exports is that the nations of Europe in particular, and of other nations in general, have not the purchasing power they enjoyed before the war.

Protective duties are also recommended to us as a means of effective bargaining with, or retaliating against, other protectionist countries. On this point of retaliatory tariffs it is well to recall Sir Robert Peel's contention that the best way to fight hostile tariffs was with free imports! In his memorable speech of July 6, 1849, in the House of Commons, he said:—

I boldly maintain that the principle of protection to domestic industry, meaning thereby legislative encouragement for the purpose of protection (duties on imports imposed for that purpose and not for revenue), is a vicious principle.....I maintain that the best way to compete with hostile tariffs is to encourage Free Imports. So far from thinking the principle of protection a salutary principle, I maintain that the more widely you extend it the greater the injury you inflict on the national wealth, and the more you cripple the national industry.

I found my opinion on these grounds: The capital of the country is the fund from which alone the industry of the country can be maintained. The industry of the country will be promoted in proportion as the capital employed in its maintenance shall be increased. The augmentation of capital must depend upon the saving from annual revenue.

Sir Robert went on to contend that the more extensive the system of protection, the greater would be the aggregate loss of annual revenue, and the greater would be the check to the augmentation of capital—that is to say, of the means by which labour is to be maintained. He continued:—

.....So far from encouraging domestic industry, you are, in the first place, by legislative interference, diverting capital from its natural and most profitable application; and you are, in the second place, by giving more for every article than it is worth, exhausting the source from which alone capital can be maintained and augmented.....The principles which should govern the commercial intercourse of nations do not differ from those which regulate the dealings of private individuals.It is the same law which determines the accumulation of wealth by the private trader and the powerful kingdom.....

The cogent argument of Sir Robert Peel, exposing and condemning the policy of protecting the home markets by imposing a tariff upon imports, is as deserving of the country's attention to-day as it was on the day when it was uttered.

THE CRISIS OF STATE CAPITALISM IN RUSSIA.

(BY A CORRESPONDENT.)

AFTER two years' experience of "State Capitalism," commonly known as the New Economic Policy, it would appear that Russia is again faced with the necessity of a thorough revision of her economic organisation.

Although the output of the industries scarcely amounts to 25-30 per cent. of the pre-war figures, they can find no market for their production. The first signs of the coming depression appeared in the spring of 1922, and by the end of that year the crisis already assumed serious proportions. Since then it was growing apace, with the result that numerous concerns had to be closed, and that unemployment rose to an extent unprecedented in Russia. Its immediate consequences for the nationalised industry have been, up to recently, partly mitigated by the intervention of the Government, whose subsidies to State trusts enabled the concerns to tide over the depression, and by an extension of advances by the banks, which permitted the industry to work for stock. In the course of the last financial

year, ending October 1, 1923, direct subsidies to nationalised industries reached about 150 million gold roubles, or about 12 per cent. of the total expenditure, and about 25 per cent. of the deficit. Large allocations to the same purpose are already being made for the current year, but it is clear that this cannot go on indefinitely. The assistance afforded the industry by the banks has already brought about an inflation of credit out of all proportion to the amount of real business done. In the case of the State Bank, for instance, loans and discounts to nationalised concerns rose from 2,381,230 tchervonetz on January 1, 1923, to 14,704,810 tchervonetz on July 1st. The excessive expansion of credit resulted in an inflation of the issue of tchervonetz bank notes and threatened to compromise the position of the new unit. Accordingly, in the course of the last few months, credits were restricted, and the crisis reached its climax. Even a forced reduction in the selling prices, which involved direct loss to the trusts, and was going on for the last month or two, proved ineffective in achieving the disposal of the goods. The crisis reached a stage, at which it became a matter of urgent concern for both Government and the Press, and was made subject to a detailed examination. This examination is well worth attention, since it throws much light on the inner working of the so-called system of State Capitalism.

It is generally admitted in all discussions on the subject that the principal cause of the crisis is the excessive rise in the costs of production and marketing. High costs in nationalised industry and trade are explained by an increase in the outlay on raw materials, enormous overhead charges, exorbitant rates of taxes and local rates, and the defective organisation of marketing, which involves too many intermediaries. With regard to raw materials, it is certainly true that of late, as the stocks originally handed over to the trusts at nominal prices became exhausted, the concerns had to buy them at current market prices, and that the latter are high. As an example, one may point to the fact that imported merino wool, expensive as it is, is about 25 per cent. cheaper than Russian, and so it is with most materials. As to overhead charges, an official calculation puts them, on the average, at twice their pre-war ratio. On the railways they are so high that they actually drive goods traffic to the road, reviving horse transport for distances of over 100 miles. Taxation, direct and indirect, often accounts for one-half of the selling prices and, in the case of such articles as salt, sugar, matches, and other articles subject to excise duties, is even much higher in proportion. On the average, it is estimated to exceed the pre-war rates tenfold. Both taxation and overhead charges have a cumulative effect on the prices of goods to the consumer, especially in the provinces, since on their way to him the article passes through numerous State trading establishments, co-operative organisations, and private middlemen. The price, accordingly, represents several times the original cost of the article, when the latter reaches the consumer. Thus, for instance, a yard of printed calico, while it travels from the centre to the provinces, increases in price at ratios varying from 2 to 17 to 1, according to distance.

As a result, while a year ago most articles of peasant consumption exchanged for approximately the same amount of grain, as before the war, now the peasant has got to pay very much more for them or to go without them. As an example, a plough now costs him four times as much grain as a year ago; nails over five times; sheet iron, salt and matches, seven times; sugar and printed calico, two to three times; and so on. Besides, this calculation is based on Moscow prices; in the provinces, where the bargain actually takes place, prices of industrial products are relatively higher still. Seeing that the peasants form the great bulk of the consumers in the Russian market, and that, to exercise a more or less normal demand for manufactured goods at such prices, they should have had increased their production of grain, &c., many times over in the course of a single year, the depression appears only natural.

These are the principal causes of the crisis, on which stress is laid in the course of the inquiry. The remedies suggested involve mainly palliatives, such as the development of export to Persia and other Eastern markets,

which, in fact, prohibitive costs make impracticable, the doing away with unnecessary intermediaries, &c. Some of the stauncher Communists point to the necessity of a return to stringent Government control, as a means to combat the "capitalistic anarchy" responsible for the crisis. Others propose to permit State trusts to import goods from abroad and to sell them along with their own products at average prices, above the cost of imported articles and below that of Russian manufacture. On the whole, however, now, after months of discussion, the solution appears no nearer than it was at the start. The reason would appear to be that, throughout the inquiry, the real issue involved has been studiously avoided, the discussion having been diverted to a sidetrack.

When seriously considered, the present crisis should certainly be looked upon as a direct result of the whole system of State Capitalism, and as such it should be treated. That system consists of the nationalisation of the key industries, including transport and foreign trade as well as, virtually, of credit, that is of all those branches of economic activities, on which every business concern, whether State or private, ultimately depends. The principal branches of industry and trade are thus put outside the pale of competition, and enjoy actual monopoly. Though being managed by their appointed Boards of Directors, on what is called "commercial principles," and being given capitalistic forms, State trusts and other nationalised concerns absolutely lack what may be called capitalistic spirit, based on the powerful stimuli of private initiative and responsibility. Having the Government, with its subsidies, to fall back upon in case of emergency, they are devoid of real stimuli to exertion, as well as of the salutary fear of immediate retribution for mismanagement. Combined into selling syndicates, and fixing selling prices as they think fit, they have the consumer entirely at their mercy, so long as he is able to pay. No effective competition of private enterprise, which, besides being confined to secondary branches, is essentially dependent on the key industries, and is charged higher rates for banking accommodation, can exercise an effective check on their monopoly. Up to the breaking point, the consumer could, to a certain extent, be made to pay for the mismanagement of State Capitalism, but sooner or later he was bound to break down. Now the crisis has come. The bulk of the consumers, the peasantry, faced with monopoly in what they buy, and robbed of the benefits of free competition for what they sell, owing to the virtual monopolisation by the Government of the grain trade, ceased to be a customer of the industry. The position is really serious, and mere palliatives are of no avail. It would appear that the only remedy for the depression would be a return to competitive conditions in all branches of industry and trade, involving the definite abandonment of State Capitalism, which is but another name for Nationalisation. The issue appears perfectly clear, and yet it is precisely the mention of this only solution that is deliberately avoided in the discussions now taking place in Russia.

THE THREE-MILE LIMIT.

DURING the past year the British Government has been engaged with two Powers—the United States of America and Russia—in discussion upon the limits within which one Power may exercise certain acts of jurisdiction upon or against foreign ships in proximity to its shores, and the nature of the jurisdiction so exercised. We do not doubt for one moment that the diplomatic interchange of views, at any rate in the American case, has been conducted on a basis of reality, and has been free from acrimony. But a feature of the discussion in Parliament and in the public Press of this country has been an outburst of Palmerstonian nationalism which is indicative of the "jumpy" state of the public nerves. The faintest suggestion that the British Government should agree by treaty to permit an officer commanding an American patrol boat even to smell the cork of a Scotch whisky bottle outside a limit of three miles from the American shores has been denounced as a betrayal of vital British interests, and an abandonment of principles as old and as eternal as the right to the Writ of Habeas Corpus.

What are the facts? As in most matters which distress the world at present, the real difficulty is a refusal to ascertain and weigh the facts. (i.) The three-mile limit has received very general, but not universal, acceptance among the nations of the world. In view of a general consensus of opinion that States were entitled to regard some undefined amount of water adjacent to their shores as within their territorial jurisdiction, Bynkershoek, a learned Dutchman, suggested in 1702 the adoption of the range of a cannon, say, three sea miles, as a limit, on the ground that territorial jurisdiction should coincide with the area over which it could normally be made effective from the shore. "Hence," said Professor Westlake, "that distance measured from low-water mark became a commonplace among authors for the width of the littoral sea, and we may say that the agreement on it as a minimum is universal: no State claims less. As a maximum the agreement is not universal." Norway claims four miles, Spain six, Sweden four. France in 1912 claimed that her neutrality in a war should be respected within six miles, and Italy as a neutral made a similar claim in 1914. The Institute of International Law, an unofficial but very responsible body composed of eminent international jurists drawn from the principal States, has voted in favour of six miles. These claims have as a rule been protested against by Great Britain and the United States, but the fact that they are maintained over long periods of time, and can form the subject of serious diplomatic discussion, shows that a belief in a universally accepted three-mile limit is erroneous.

(ii.) In addition to the jurisdiction which is accorded by international law to the territorial State over a minimum of three miles from her shores, there is a certain ancillary power, dependent on international comity rather than law, of exercising what may be described as preventive or self-defensive measures within an undefined distance extending beyond the three-mile limit. This customary concession is illustrated by the Hovering Acts, aimed at smugglers hovering within twelve miles of the shore, which were once an important part of the revenue laws both of Great Britain and of the United States, and which, though substantially repealed, have left their mark upon the revenue laws of those two countries. The great Chief Justice Marshall, of the American Supreme Court, rested the practice of anticipating outside the three-mile limit the commission of offences within it upon the principle that a nation's "power to secure itself from injury may certainly be exercised beyond the limits of its territory," and one of our own Chief Justices, Lord Russell, when arguing as Attorney-General at the Behring Sea Arbitration in 1893, asked on what principle the Hovering Acts rested, and answered his own question as follows:—

On the principle that no civilised State will encourage offences against the laws of another State, the justice of which laws it recognises. It willingly allows a foreign State to take reasonable measures of prevention within a moderate distance even outside territorial waters; but all these offences, and all offences of the same class and character relating to revenue and to trade, are measures directed against a breach of the law contemplated to be consummated within the territory.....

Although there are some authorities who base the exercise of such protective measures upon strict international law, it seems safer to rest it upon mutual tolerance and international comity. Just as family and business relationships cannot be satisfactorily regulated on a basis of strict law, so the relations of two civilised and friendly nations require a certain degree of courtesy or "give-and-take" which may not be strictly comprised within the bounds of law.

How, then, are we to apply these considerations to our present controversy with the United States? We are told in the official summary of the proceedings of the Imperial Conference that the Conference

arrived at the conclusion that, while affirming and safeguarding as a cardinal feature of British policy the principle of the three-mile limit, it was yet both desirable and practicable to meet the American request for an extension of the right of search beyond this limit for the purpose [of avoiding a serious conflict of public opinion or official action], and negotiations were at once opened with the United States Government for the conclusion of an experimental agreement with this object in view.

It is commonly reported that such an agreement has been reached, though its signature has for the present been

delayed by a technical constitutional difficulty arising from a variance between the agreement and the Prohibition Amendment of the Constitution, in that the agreement will permit British ships to carry a reasonable amount of prohibited liquor under seal into American territorial waters and out again. Assuming this difficulty to be overcome, we feel confident that the ensuing treaty will have the support of the great mass of the people of this country outside that small group who are engaged in a conspiracy to defeat the declared will of the American people embodied in an amendment of their constitution. It is not for us to scrutinise the wisdom of that amendment. So long as it remains, we must recognise it, and it would be intolerable that our Government should lend its aid and protection to the organised use of British ships and British West Indian islands for the frustration of the laws of a friendly State in the interests of commercial cupidity.

It would be an act of prudence and mutual comity for the United States to acquiesce in the carriage of prohibited liquor under seal in British ships through her territorial waters in exchange for British acquiescence in the search, within, say, twelve miles of American shores, of suspected smugglers. But in making this exchange it is in our opinion imperative to British interests to secure a reaffirmance of the three-mile limit for all but these ancillary purposes. No Power has a greater interest in limiting territorial waters to three miles than we have. We cannot afford to curtail the area of operations of our deep-sea fishing fleet, and that alone is sufficient reason why we cannot acquiesce in the Russian claim to exclude our trawlers from a twelve-mile belt off the Murmansk coast. Nor, when we reflect upon the way in which during the recent war it was possible for the merchant ships of our enemies or of neutrals carrying for them to slip in and out of the Baltic and across the Atlantic by hugging neutral coasts as long as they could, can we afford to enlarge the area of neutral territorial waters from which our navy would be excluded in time of war. A solemn affirmation by two great maritime Powers like Great Britain and the United States of the existence of the three-mile limit will help to establish the universality of a doctrine so vital to our interests.

ARGENTINE LAND COMPANIES.

BRITISH land companies operating in the Argentine are usually regarded with a considerable degree of popularity by home investors. It is true that the violent movements in the Buenos Aires exchange rates have introduced an element of risk in addition to all the normal speculative risks attaching to land companies, such as changes in climatic conditions and transport facilities. In the little group of Argentine land companies which come up in our pages yearly for review it will be observed that the principal difficulty in connection with obtaining a correct view of comparative results is on account of the varying dates covered by the accounts, and incidentally, by the degrees of alertness displayed in issuing accounts after balance-sheets have been drawn up. To some extent this is perhaps unavoidable. For instance, the Cordova Land Company presented accounts for the year ended September 30, 1923, on October 16th last, while Leach's Argentine Estates, with a balance-sheet giving figures up to March 31, 1923, did not publish until September 18th. Fortunately five companies out of eight end their year on June 30th, and issue reports during September and October.

The year, on the whole, cannot be described as satisfactory. The Argentine Land and Investment Company state that prices obtained for linseed ruled about the same, but those for wheat were somewhat lower when compared with quotations a year ago. Pastures were in good condition during the last half of 1922, beneficial rains being registered in the late winter and early spring, but districts subsequently became dry. The price of wool has been firm, with a hardening tendency. The depression in live stock continued during the greater part of the year under review, breeders being obliged to sell surplus stock at a low figure, or find good pasture for

animals with a view to their attaining the required condition and weight. The average price realised during the eleven months to August 31, 1923, for steers by the Cordova Land Company was £10 12s per head, as against £12 4s 5d per head during September. This, the company announces, "indicates a more normal condition of affairs." The average price realised per head for sheep showed a slight improvement as compared with the previous twelve months. Since July the sheep market has made further improvement.

From the accounts of eight representative British companies which we have selected, we make the following comparative statement of gross and net revenue:—

	Year Ended	1920-21.		1921-22.		1922-23.	
		Trading Rev'ue.	Net Profits.	Trading Rev'ue.	Net Profits.	Trading Rev'ue.	Net Profits.
Argentine Land and Investment.....	June 30	£ 94,030	£ 65,772	£ 125,004	£ 88,277	£ 114,211	£ 73,171
Argentine Southern Land.....	June 30	172,500	33,463	112,970	9,267	130,715	33,179
Cordova Land.....	Sept. 30	131,558	40,458	60,862	5,511	53,387	10,505
Forestal Land, Timber, and Railways.....	Dec. 31	754,335	560,261	544,857	..	136,601	113,902
Leach's Argentine Estates.....	Mar. 31	176,245	81,727	2,630	..	130,867	..
Port Madryn.....	June 30	12,157	8,312	8,618	5,676	5,570	3,359
Rio Negro.....	June 30	82,103	18,713	67,611	12,122	96,412	39,548
Tecka.....	June 30	77,951	20,731	46,268	1,234	71,289	22,073

Argentine Land is slightly down on the year, but results are better than in 1920-21. Argentine Southern accounts reveal a distinct improvement, the additional revenue mainly coming from wool sales and sundry earnings, which at £85,039 compare with £56,795 a year ago. Cordova Land is still suffering from depression. Forestal Land and Timber has probably seen the worst, and it is to be hoped that the same remarks apply to Leach's Argentine Estates. With regard to Forestal Land, the directors have just declared an interim dividend of 2½ per cent., less tax, on the ordinary shares, which have had no dividend paid on them since 1920, when 12 per cent. was distributed to the shareholders. Port Madryn continue to shed profits, but Rio Negro and Tecka are taking the upward course.

In our next table we analyse the more important assets and liabilities for the past three years:—

Name.	Year.	Liabilities.			Assets.			Total Assets.
		Capital, Debentures, & Loans.	Res'v's. and Un- & Divid. Profits.	Cred- itors.	Land & Prop- erty.	Stocks, Pro- d'ce, &c.	Invest- ments, Cash in Hand.	
Argentine L. & I.	1920-21	£ 488,075	£ 189,683	£ 68,000	£ 246,990	£ 16,063	£ 411,074	£ 745,757
	1921-22	488,075	220,929	93,975	235,746	8,220	457,618	802,979
	1922-23	627,401	99,608	121,877	244,524	11,174	447,277	848,885
Argentine Sthn.	1920-21	500,000	149,364	34,793	504,001	87,858	82,092	685,674
	1921-22	500,000	123,746	37,936	516,076	80,064	57,374	667,682
	1922-23	500,000	134,936	30,494	514,187	66,793	61,259	665,430
Cordova Land	1920-21	1,494,872	116,808	62,357	1,560,377	..	80,333	1,647,039
	1921-22	1,494,872	70,694	47,762	1,560,377	..	46,076	1,617,766
	1922-23	1,494,872	64,771	51,468	1,560,377	..	33,265	1,611,111
Forestal.....	1920..	5,165,312	2,788,228	1,666,738	4,036,506	2,720,481	2,355,448	11,601,219
	1921..	5,574,689	2,562,476	809,126	3,997,631	2,536,988	2,893,795	10,995,919
	1922..	5,574,689	1,315,731	1,281,028	3,860,519	1,131,704	2,811,176	9,160,034
Leach's.....	1920-21	1,829,440	486,413	292,003	1,994,663	352,926	71,035	2,949,211
	1921-22	1,790,700	425,785	280,769	2,018,742	303,090	73,311	2,891,512
	1922-23	1,750,140	186,918	347,618	2,030,300	238,082	71,657	2,708,519
Port Madryn...	1920-21	122,500	84,301	4,058	166,089	1,723	39,629	210,860
	1921-22	122,500	86,055	15,838	166,078	1,800	105,534	406,871
	1922-23	122,500	62,696	1,613	96,474	1,731	42,282	186,810
Rio Negro....	1920-21	300,000	74,579	33,111	246,109	54,762	12,054	427,246
	1921-22	300,000	75,438	15,838	246,598	39,648	105,534	406,871
	1922-23	300,000	115,326	61,574	298,830	28,041	138,740	476,900
Tecka.....	1920-21	200,000	87,603	25,962	213,103	28,057	62,472	313,565
	1921-22	200,000	71,025	18,286	214,834	29,383	35,895	289,311
	1922-23	200,000	86,008	11,887	214,796	39,883	36,386	297,895

The capital of the Argentine Land has been reorganised and consolidated into 650,000 ordinary shares of £1 each, of which 627,401 shares have been issued; this undertaking has £242,441 outstanding on mortgage loans, as against £248,789 a year ago, and we are informed that in May last further property was acquired at a cost of £51,305. The directors of Argentine Southern Land have increased reserves by £5,000. As explained before in these columns, the Cordova Land Company includes "lands, cattle, horses, sheep, &c.," as one portmanteau item—hence the blank in our table above. The figures of the Forestal Land Timber, &c., are now almost ancient history, but are included, as any picture of Argentine land companies would be defective without them. Leach's Argentine Estates made a total loss of £238,867, after

charging depreciation, but the substantial reserve of £420,000, built up out of good harvests, has enabled this sum to be written off. Port Madryn presents some interesting changes in balance-sheet items. Lands and buildings at £59,991 compare unfavourably with £129,595 a year ago. These land deals, however, are not unusual among the companies comprising our group. Rio Negro and Tecka call for no particular comment.

In the table given below we show dividends over a period of four years, together with prices in 1922 and 1923, as compared with those in 1914. Present yields, based on recent dividends, are added:—

Name and Amount of Share.	Dividends.				Prices.			Present Yield.
	1919-20.	1920-21.	1921-22.	1922-23.	July 27, 1914.	Nov. 28, 1922.	Nov. 29, 1923.	
Argentine Land & Inv't., £1	15†	20†	20†	20†	11	14	14	6 13 3
Argentine Southn. Land, £1	12†	5	5	5	11	11	11	5 0 0
Cordova Land Ord., £1	7†	5	Nil	Nil	11	11	11	Nil
Forestral Land Ord., £1	18	12	Nil	Nil	11	11	11	Nil
Do 6% Cum. Pref., £1	6	6	6	6	11	11	11	6 8 0
Leach's Estates Ord., 10s	12	6	Nil	Nil	11	11	11	Nil
Do Def., 1s.	29‡	Nil	Nil	Nil	11	11	11	Nil
Do 6% Ptg. Cum. Pref., £1	9	6	Nil	Nil	11	11	11	Nil
Port Madryn, 10s	6	5	5	10	11	11	11	7 5 5
Rio Negro Ord., £1	15	7	5	8	11	11	11	7 11 0
Tecka Ord., £1	15	7	5	8	11	11	11	7 11 0

* Free of income-tax.

† Paid on old capital.

The market for Argentine land shares has not been very active, but there has been a fair number of dealings in the ordinary shares of Forestal Land, and the price hardened on the declaration of an interim dividend. Indeed, it might be said that this company provides the one outstanding speculative feature of the group.

The future is not without bright spots. Recently in the *Economist* we gave the views of the chairman of the principal Argentine railways on future prospects in the Argentine, and these briefly summed up indicated possibilities of a good year for Argentina generally.

Notes of the Week.

The German Crisis.—Since the Stresemann Cabinet was brought to the ground at the end of last week by an adverse vote on the part of the Social-Democrats, President Ebert has been trying in vain to form a new Government. No alternative permutations and combinations of party groups capable of yielding a stable parliamentary coalition appear to remain, and in present circumstances it is hardly possible to resort to the normal constitutional outlet of a general election. The necessary funds and energy are neither of them available, and the apathetic body of the nation would probably be fought over by the two extremist parties with other than constitutional weapons. The President has therefore turned to the expedient of a "Cabinet of Work," which before now has tried over many crises in Central European parliamentary affairs. His first choice for Chancellor fell upon Dr Albert, an experienced and distinguished civil servant in the Board of Trade sphere, who seemed suitable on account both of his technical knowledge and of the interest which he had previously taken in promoting inter-party co-operation on non-partisan lines. On Tuesday, however, Dr Albert renounced the attempt as impossible, and there the situation remains. The ex-Stresemann Cabinet and the Dictator-General von Seeckt between them are carrying on the administration, while restiveness is alarmingly upon the increase, on the Nationalist as well as on the Communist side. Meanwhile, on the Friday of last week, at Düsseldorf, the French authorities reached an agreement with the German industrialists, which seems likely to give a new turn to the controversy over the Reparations problem between France and Great Britain. While the French have consented that all deliveries in kind which are provided for under this agreement shall be credited to the general Reparations account, they are proposing to earmark the proceeds of the Ruhr coal tax for the reimbursement of the costs incurred by France and Belgium in their occupation of the Ruhr. They realise, however, that the British representative on the Reparations Commission may challenge such a disposal of this asset, and that Great Britain may refuse to pass this year's accounts,

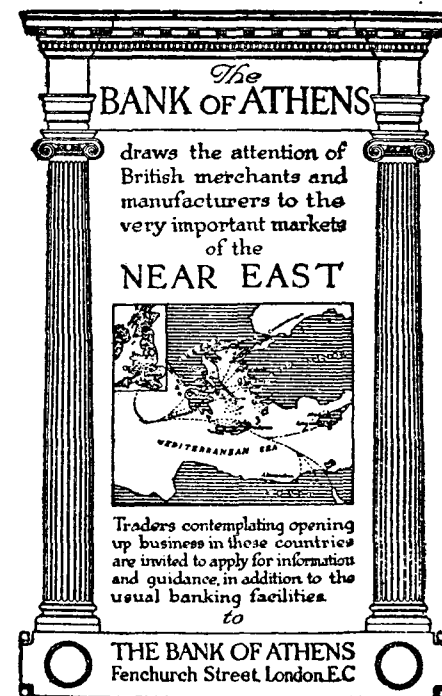
and *a fortiori* to accept any financial benefits from Franco-Belgian action which is deemed illegal by the law officers of the Crown. This is not a knot that can be untied by the Reparations Commission itself, and French opinion is already contemplating the necessity for a conference, though it is still hesitating whether it shall take the initiative in this direction (which might give France a better chance of narrowing the terms of reference) or wait for Great Britain to take the offensive. Meanwhile, the tone of the French Press towards this country has become somewhat less aggressive, notwithstanding the rather scurrilous assertions in some organs to the effect that General Bingham—the British representative on the Commission of Military Control—had been instructed to render control impossible (assertions which have drawn a *démenti* from Whitehall). The Spanish-Italian *rapprochement* appears to be taken seriously in France as an "encircling" move promoted by Great Britain, and has elicited suggestions, on the French side, for positive understandings between France and Great Britain regarding the Mediterranean and the Air. There is no slackening, however, in the French effort to detach the Rhineland from the Reich. Every day the so-called "Separatist" movement is more completely exposed for the thing it is—a mercenary and criminal movement conducted by undesirables. The breach between Dr Dorter and Herr Matthes, leading to the exclusion of the latter, has added the last touch of discredit. But unfortunately it has become apparent that this procedure is effecting its intended result—which was to reduce the real leaders and representatives of the Rhineland to despair and submission. Inside as well as outside the British zone, they are coming to terms with the French Rhineland Commissioner, M. Tirard, and inevitably the process is being hastened by the cutting off of financial aid from the Reich and the paralysis of government at Berlin.

Bradford and Roubaix and Mr Baldwin.—The following is extracted from the weekly review of foreign exchanges issued by Messrs Samuel Montagu and Co:—"The Association of French Weavers contradicts the statements which have appeared in the Press to the effect that the depreciation of the franc has enabled them to increase their normal consignment of textile goods to Great Britain. They say that in 1913 France exported to Great Britain 21.9 million lbs of fabrics, and in 1923, on the basis of the first seven months of the year, she will have exported 8.2 million lbs, or 39 per cent. of the 1913 export. In 1913 Great Britain exported to France during the same seven months 3.3 million lbs, and during the same period of 1923 1.2 million lbs, or 36 per cent. of the 1913 exports. These figures seem to show that the normal standard of trade between the two countries has been practically maintained. M. Dubrulle, of Tourcoing, stated that were all the Roubaix looms fully equipped (and only 65 per cent. of them are working at present), unemployment, signs of which are already beginning to appear, would be rife in that centre. If at present there is no unemployment in Roubaix, it is because a large number of workmen find employment in reconstruction in the devastated areas." This gives a sufficiently conclusive reply to Mr Baldwin's speech at Bradford on Thursday, when he told the manufacturers of that city that their troubles were due "to the prices at which goods are being offered, largely owing to the depreciated currency of France." "French prices in certain lines," he added, "are 18 to 20 per cent. below what you can sell at." Mr Baldwin's figures may or may not be accurate in relation to certain special lines. But, if they were true in any general sense, would the mills of Roubaix be working at only 65 per cent. of capacity, and British imports of wool fabrics be (as Mr Baldwin himself admits) only one-third of the pre-war volume? Common sense gives Mr Baldwin his answer. In the same speech Mr Baldwin was guilty of a misstatement affecting the same industry. As regards returns of imports, the Prime Minister is approximately correct. During the first nine months of 1923 we imported woollen and worsted tissues to the tune of 15.1 million square yards. Assuming a total for the year of somewhere around 20 millions, we have a comparison with 76 millions, the equivalent in square yards of the 1913

total. The ratio is thus about 26 per cent.—nearer one-fourth than one-third. In the matter of exports, Mr Baldwin has been sadly misinformed. From January to September, 1923, 159 million square yards of woollen and worsted tissues were exported. Assuming trade of roughly the same dimensions for the remaining three months, we have a total for 1923 of 212 millions, against the equivalent of 220 in 1913. The quickening of trade now noticeable may quite possibly enable us to exceed the 1913 figure before this year ends. If we take *net* export totals (i.e., exports less retained imports), the figures are still more striking, a total of 136 million square yards for the whole of 1913 being contrasted with 144 millions for nine months of 1923. In other words, our net export trade has been larger in nine months of this year than in the whole of the pre-war year. If the Prime Minister's supporters should urge that Mr Baldwin's "a little over two-thirds of the pre-war rate" referred to worsted exports only, we would venture to suggest that after saying a moment earlier, "There is nothing so misleading as statistics; they can be made to prove anything, and that is why I seldom deal with them," the Prime Minister should have taken more than ordinary care to avoid breaking his self-imposed rule by the commonest of statistical blunders: the use of selected figures covering part of a case to convey a misleading impression as to the whole.

The Irish Loan.—Our Dublin correspondent writes:—The main, almost the sole, topic of interest this week is the progress of the National Loan. Its success is assured, that is, it will most certainly be fully subscribed or over-subscribed with the assistance of the Irish banks. There are some who will consider it scarcely a success unless the whole £10,000,000 is taken up by the general public apart from the banks. The start has been auspicious, and something like half the issue already applied for by the general public, which obtained the guidance which it desired when it saw very large subscriptions from the Irish Church representative body (i.e., the Protestant Church of Ireland disestablished in 1869 by the late Mr Gladstone), and Messrs Guinness and Co. It is stated that certain of the applicants have asked for a definite and binding pledge that both interest and principal will be payable in sterling, and that the stock will receive a quotation on the London Stock Exchange. It is known that there is no intention or desire in official circles to change existing conditions as to currency—and that the intention is to pay in sterling. Probably the desired pledge will be given. It involves no loss of national dignity or prestige to undertake to repay in the currency in which the borrowing was made. Nor would such a pledge hamper or restrict the liberty of the Free State Government to set up an Irish currency hereafter if it should be deemed advisable. But it is safe to state positively that there is no responsible section of opinion in favour of experiments in currency matters. Behind the scenes, it is believed, these matters are being privately investigated—largely for information purposes, and to draft the Government brief on the subject. An Ireland which looks to remain with N.E. Ulster knows that any tampering with the currency would raise a well-nigh insuperable bar to the realisation of its hopes. Thus prudent and tenacious conservatism in financial policy may be prophesied with the utmost confidence. Public effort is likely to concentrate itself, while resisting financial experiments, in improved methods of accountancy with a view to greater economy. The Senate has just resolved unanimously to request the Government to appoint a Committee of experts to investigate and report upon improved methods of public accountancy, which might lead to more effective control of expenditure and increased efficiency of administration. The underlying idea, as explained by Sir John Keane, who proposed the resolution, was to adopt the recommendations of the National Expenditure Committee, over which Sir Herbert Samuel presided, and that the methods of accountancy obtaining in public departments should be made more closely to resemble those in large modern commercial enterprises.

Brazilian Finance and Trade.—It was announced on Wednesday that the Brazilian Government has invited four eminent British experts to visit the country with a



view to the completion of the financial restoration now in progress, the development of the national resources, especially in cotton, iron, coal, and petroleum, and the organisation of banking with special reference to foreign exchange. Public finance is represented by the Rt. Hon. Edwin Montagu, formerly Financial Secretary to the Treasury, and ex-Secretary for India; cotton growing and "development" in general by Lord Lovat; banking by Sir Charles Addis, chairman of the Hong Kong and Shanghai Bank, and exchange by Mr Hartley Withers, late editor of the *Economist*. It is hoped that the direct knowledge they will obtain of the affairs of the country and its great productive capacity will bring in fresh British capital. The possibilities of Brazilian cotton and iron are well known; petroleum is said to exist "in workable quantities"; coal is found in the south, but the reports of its quality hitherto are not encouraging. But the most urgent problems are public finance and exchange. Recurrent Budget deficits have been met by fresh borrowing and issues of paper currency, which is popularly welcomed as good for trade. President Bernardes, during his first year of office, has made strenuous efforts at retrenchment, but his Government's attempt to regulate foreign exchange has failed. Writing before the visit was announced, a correspondent says:—"The unsatisfactory position of Brazilian finance has been further accentuated by the unprecedentedly low rate of the milreis, the unsteadiness of which has for long proved a serious disadvantage to the South American Government making periodical remittances to Europe on account of its loan services. The import trade of South America generally has also been affected, and at the time of writing there seems little prospect of improved conditions, notwithstanding the promising position of the harvests and native industry. The amount of British capital invested in Brazil gives considerable interest to this state of affairs. Including Government loans and industrial capital, it is estimated that over £285,000,000 (of which Government sterling loans represent £137,012,096) has found its way into Brazil, in addition to \$271,000,000 from the United States. That no great concern for the ultimate safety of this large investment has manifested itself may be gathered from the fact that opportunities are being sought at the present time for further industrial investment in Brazil. To this end a Mission, composed of a number of commercial experts, is at present visiting the country, with a view to reporting upon its financial and commercial aspects and future opportunities for provision of capital. But this forms part only of their duty, since they are also called upon to examine into, and subsequently to explain, the difficulties impeding the sale of British goods in this important South American State, among others. It may be that the most favourable opening for British exports

would be found to lie in the direction of providing machinery (which in a number of cases is admitted free of duty) for native manufactures, which of late years have become very active; while, owing to the exchange situation, imports of European manufactured goods are being more and more restricted. The demand for agricultural implements should be also worth careful study, especially in competition with cheap American implements, and particularly ploughs and hoes, which sell very well throughout the agricultural districts. A second Mission, despatched by the French Minister of Foreign Affairs, is at the same time conducting an investigation upon its own account, devoting to each city sufficient time to enable a thorough examination of existing conditions and future possibilities for the development of business. Hitherto, it has been the policy of French capitalists, as well as for French exporters and importers, to confine their operations for the greater part to the larger cities, but it is now admitted that equally favourable opportunities exist in the interior, which have been overlooked. It is designed that these should now be additionally investigated. With a view to popularising French products, it has been decided to organise a Floating Exhibition, similar to that arranged by the Italian Government, and which, it has been said, proved a conspicuous success." We trust that the British financial experts, when they return in February, may be able to announce the success of the President's efforts at retrenchment, and to report encouragingly on the prospects of the development of the resources of Brazil and of her foreign trade.

Tariff Reform and Tariff History.—A correspondent writes:—The simple faith of the ordinary British Protectionist in the immediate efficacy of higher Customs duties is not borne out by the tariff history of Germany and the United States. To frame a "scientific tariff" may take experts months or years; its "positions" may number hundreds or thousands, both because of the specialisation of modern industry and because, to give scope for the partial exemptions to be accorded by commercial treaties, the classification of goods must be minute. No legislative assembly can discuss it properly, for lack of expert knowledge and of time. Such revision as it receives from the Legislature must be conducted by a committee, and the Minister in charge and his supporters are sure to hurry the proceedings, and to make short work of criticisms, as Count Posadowsky did during the discussions in the Select Committee of the Reichstag on the German tariff in 1902. And, even if there is no suspicion of corruption, the members of the majority can hardly help being unduly biased in favour of the representations of manufacturers who have subscribed liberally to their party's funds. It is recorded that during the passage of the American tariff in 1913, the duty on cheap cotton gloves was raised for the benefit of a single New England manufacturer, and that on certain kinds of nippers and pliers in the interest of one firm in New York State. Delays are apt to be overcome by the reciprocal combination of different interests to push their respective demands—the "log-rolling" described by Lowell as "the great danger of democratic government." And, as the German experience of 1902 demonstrated, the tariff can only be forced through the Legislature by drastic application of the closure. When it is passed, its effective operation is delayed—as in Germany and America—by the overstocking of the home market with foreign goods rushed in before it becomes law. When the commercial treaties based on it are being negotiated, the classes interested may take to heart the statement of the Russian Government in the preamble of the "autonomous tariff" of 1902: "the Ministry (of Finance) was well aware that if duties were being artificially raised on the eve of the renewal of commercial treaties merely to provide a sufficient revenue from which to make abatements, no one could be deceived as to the real value of such concessions." To put it more briefly, the threat of retaliation is discounted in advance. Finally, certain "luxury goods," such as high-class clothing material, are actually discredited by a protection which seems to suggest that they cannot compete on their own merits with their foreign rivals. Instances of this were cited both from Germany and from America during

the tariff reform controversy twenty years ago. And in the famous inquiry into British import duties in 1840, it was stated in evidence that cutlery, handkerchiefs and other articles made in England were regularly sold by pedlars in the southern seaside resorts as foreign smuggled goods—their fictitious origin giving them a special prestige.

Protectionist Evils in France.—Our Paris correspondent writes:—The Free Trade versus Protection controversy in Great Britain is naturally exciting deep interest here, where it is frankly hoped, in the interest of French exports, that no change will be made in the British fiscal system. At the same time, French opinion is unanimously in favour of the maintenance of protective tariffs in this country, both in regard to foodstuffs and manufactured goods. The incidence of the principle of Protection in this country, however, affords no elements that would enable any kind of comparison to be made as to whether a similar system of tariffs would have corresponding effects if applied in Great Britain. Representatives of English newspapers who have been investigating conditions in France during the past fortnight, for the purpose of placing before their readers evidence as to the merits or demerits of protective tariffs, as exemplified by the experience of this country, have gone back empty handed. The whole aspect of both industrial and social conditions differs so widely between the two countries that it is practically impossible to gauge what the effect on the one country would be of protective methods that are in operation in the other. What can be said is that in many cases the methods by which the French protective tariffs are applied leave much to be desired, and that reforms in many directions are urgently necessary. The worst evil connected with the application of Protection here, perhaps, is that tariff schedules can be, and only too frequently are, modified at almost a moment's notice by the mere promulgation of a Ministerial decree, and entirely free from Parliamentary control. Instances are on record in which Customs duties on certain given categories of merchandise have suddenly been doubled or quadrupled, or even raised to higher multiples, in the interests of particular classes of traders. The classic instance is that of a humble dealer in fishing appliances, who invested practically the whole of his available capital in a consignment of hooks and other goods, for which he paid an English manufacturer in advance. Before the merchandise could enter France, however, the duties on such goods were suddenly raised enormously by Ministerial decree—to a prohibitive sum, in fact, and the unfortunate dealer, who was unable to find the money to clear them from the Customs, had to allow the goods to be confiscated, with the result, it is reported, that he was ruined. The manner in which French sugar refiners have recently been enabled to manipulate the home markets against the native consumer, by taking advantage of the protective tariff, plus a dexterous use of export and import permits, is another instance of the evils of the protective system as applied in France.

The Problem of Hungary.—The success of the League of Nations' scheme for the rehabilitation of Austrian finances has proved a great encouragement to those who believe in the possibilities of international action in restoring order out of chaos in Central Europe. For some time past attention has been called to the deplorable situation in Hungary, and schemes have been propounded for dealing with that country on lines similar to those which have been applied so successfully by Dr Zimmermann and his colleagues at Vienna. Until recently, however, all proposals with this end in view have failed, owing mainly to the attitude of the Little Entente. The issue of a loan to Hungary was seen to depend on the lifting or postponement of the Reparations liens held by these States on that country in virtue of the Treaty of Trianon. Naturally enough, Czecho-Slovakia, Roumania and Jugoslavia were not prepared to sacrifice their claims while counterclaims on them still remained in full force. A second difficulty arose, too, in consequence of the suspicion which was, and is, not unnaturally felt by Hungary's neighbours on account of the extremely reactionary and chauvinistic nature of the Horthy régime and its satellite, the "Society

of Awakening Magyars." Indeed, it cannot too often be repeated that the fact that irredentism is very strong in Hungary while practically non-existent in Austria makes it somewhat dangerous to assume that the success of international action in the one case implies success in the other as well. Moreover, the social structure of rural Hungary, where large estates still predominate, is very different from that of Austria, a land of peasant proprietors. Apart from these political and social factors, however, the situation in Hungary, from an economic point of view, offers far fewer difficulties than did that of the neighbouring Republic. The modern Magyar State is predominantly agricultural, and although the existence of high tariff walls and of export prohibitions has made rural reconstruction almost impossible, it is nevertheless true that the relative absence of industries greatly simplifies the problem as compared with that of Austria, where Vienna—which is more than double the size of Budapest—owed its very existence to industry and commerce. The need for restoring Central Europe and the interdependence of the various succession States have been appreciated more and more of late, and at the Little Entente Conference, held at Sinaia (Roumania) in August last, it was decided that the States concerned were prepared to support an international scheme for the rehabilitation of Hungary, which would naturally imply an external loan, subject to certain well-defined conditions. Firstly, the application of the loan itself must be subject to proper international control at Budapest. Secondly, the Little Entente countries must have equal treatment from the Allies in the matter of the waiving or postponing of claims upon them. Most important of all, perhaps, was the demand for guarantees of good conduct by Hungary towards her neighbours, and a final and satisfactory solution of the problem of Hungarian disarmament, which, it is asserted, has hitherto been largely evaded. Thanks to this positive contribution, discussions have gone ahead rapidly, and the meeting in London this week of the Finance Committee of the League of Nations has at last led to the approval of a detailed scheme of financial reconstruction. This will next be submitted to the Reparation Commission, and it is hoped that a final solution will not now be delayed much longer.

The Stock Exchange and "Majorities."—The Stock Exchange looks forward to the issue of the General Election without undue apprehension or nervousness, writes a Stock Exchange correspondent. The shock which was felt throughout the markets when Mr Baldwin first announced his intention of appealing to the country has given place to the conviction that Labour, with its twin planks of Nationalisation and Capital Levy, stands no chance of being returned in sufficient strength for its leaders to be called upon to form a Government. On this consideration, Stock Exchange markets revived in the early part of the week, though within the past day or two, an uneasy feeling crept in on account of the estimate that the Conservative majority or, possibly, the Liberal majority, will be in either case too small to enable the Government to be carried on without another early appeal to the constituencies. Next to the fear of Labour being successful, this apprehension of an uncertain voice is feared by the Stock Exchange, and has been reflected in a decline amongst British Government securities. Men all over the country are watching very narrowly the prices, as these fluctuate day by day, of what the Stock Exchange market calls Majorities. In the Majorities there is a surprising amount of business going on. The curious part about it is that so many orders come from the provinces, where manufacturers and other business men are buying and selling Majorities in London, evidently as a hedge, or an insurance, against engagements which they have open in the course of their ordinary avocations. Both Liverpool and Manchester, for instance, are doing a considerable amount in Majorities. Some of the London dealers book as many as 25 to 30 bargains a day, and the present price is about 31. Bargains can be done in amounts that range from 6d to £10, while a well-known firm offered the other day to sell Majorities at 33, in £100 at a time. The usual practice is for dealings to be in amounts of £1. If a man buys Majorities at 31 in pounds, and the Conservative majority, above that of all

the other parties combined, should turn out to be 33, he will make £2. If the Conservative party is not returned, but should be in a minority, beneath all the other parties, of 31, he would lose his present £31, and another £31 in addition. When bargains of this kind are in £5 or £10 at a time, it is obvious that big money is quickly involved. Some of the transactions run into substantial amounts. It is, of course, a form of gambling, and as such is not recognised by the Stock Exchange Committee. Nevertheless, the House authorities have not thought it necessary to stop the traffic in Majorities, the jobbers in which, finding that there is a good deal of readiness to embark upon the speculation on the part of clients as well as men inside the House, have been making books in exactly the same way as they make books in the Stock Exchange securities with which they deal. It is equally possible to sell a bear of Majorities, as it is to buy a bull of them. No money is required to be put down at present. Cash settlement will be effected on the Monday following the day upon which the final result of the General Election is declared, and the differences, it is already obvious, will be remarkably heavy. In addition to bargains that are being done, and allowed to run, for the issue of the Election, no small amount of in-and-out speculation has sprung up. Men are buying and selling according to the fluctuations in the price of Majorities. Although these quotations are obviously a very rough guide to general opinion as to the chances of the parties, it is a fact that political organisations take a keen interest in the ups-and-downs which occur from day to day, and the closing prices are telephoned, regularly every afternoon, to several hundred committee and other political headquarters.

Cotton Short Time Abandoned.—Our Manchester correspondent writes:—As anticipated, the ballot of employers in the American spinning section of the Lancashire cotton industry with regard to the continuance of organised short time has failed to show the necessary majority in favour, and henceforward spinners will make their own arrangements as to running the factories. It may be mentioned that of the 56,000,000 spindles in Lancashire, about 40,000,000 are engaged on American cotton, and 16,000,000 on Egyptian cotton. So far back as last March the firms in the American department decided to restrict yarn output by 50 per cent., and this organised curtailment of production has gone on up to the present time. At the beginning of November the Committee of the Masters' Federation thought it desirable to consult their members as to future policy, and it was decided to take a ballot. The committee recommended spinners to vote for working not more than 24 hours per week, instead of the usual 48, but if it was thought that this restriction was too heavy it was suggested that the output should be limited to 32 hours per week. The result of the ballot shows that less than 38 per cent. were in favour of 24 hours per week, and just over 28 per cent. voted for 32 hours per week. As these two figures total less than 66 per cent., and as according to the rules of the federation no short time proposal can be put into operation unless 80 per cent. is obtained, the system of restricting output on an organised scale has come to an end. It is estimated that at the moment American yarn production is about 75 per cent. of the full capacity of the mills. The question of controlling output according to the state of trade is still being considered, and the representatives of the employers on the joint committee, appointed to deal with the depression, have been requested to continue their labours. The result of the short-time ballot, however, shows very clearly that spinning employers do not want any interference in the running of their mills, and there is less probability than ever of any practical scheme of control being accepted by the trade.

Dyeing Dispute Settled.—The dispute between Manchester merchants and dyers which has been going on for a couple of months has been settled. The trouble arose early in October, when the Piece Dyers' Association offered a reduction in charges of 10 per cent., conditional upon merchants placing all their business with members of the association. At a mass meeting of merchants held

in Manchester, it was unanimously decided to reject the new contract terms. Further negotiations between the committee of the Piece Dyers' Association and the Shipping Merchants' Committee of the Manchester Chamber of Commerce, have taken place, and after a deadlock existing for several weeks an amicable agreement has been arranged. The Piece Dyers' Association has withdrawn the new contract terms, and substituted a flat rate reduction of $7\frac{1}{2}$ per cent. on listed styles. In addition, merchants are to receive a discount varying from 1 per cent. to 5 per cent., according to the amount of business placed with members of the association. The new proposals were submitted to a mass meeting of merchants held in Manchester, on Wednesday last, when they were accepted. In trade circles the settlement is considered to be a good compromise, as the terms put forward will mean to most firms a reduction in dyeing charges of $12\frac{1}{2}$ per cent. A considerable amount of business has been held up in Manchester pending a definite settlement, and the concession granted will enable shippers to place cotton goods in outlets abroad on a cheaper basis.

Daily Mail Trust Debenture.—Upon the issue of the Daily Mail Trust 7 per cent. debenture stock, for which there was such a rush to subscribe on the part of the public, occasion was taken to point out here that the security, considered as such, rested upon a foundation that was bound to lack stability, inasmuch as it depended to some extent upon the market price of certain shares that ranked amongst the assets. Part of the shares upon which the issue is secured are privately held, and there is no market in them, but 800,000 Associated Newspapers deferred shares were taken into account in the prospectus at £7 per share, and valued at £5,600,000. There might be more justification for regarding the investment as a security upon which a debenture could rest were the shares anything but deferred. The mere word implies a speculative character, and pointed the suggestion that, while the Daily Mail debenture stock would no doubt prove a reasonably good investment, it was not worth paying a fancy price for, and that intended orders "to buy at best" should be qualified with a moderate limit. The course of the price of the shares since then has fully justified the criticism made at the time. This week Associated Newspapers deferred are down to 6, so that there is already a depreciation of £800,000, namely, £1 per share on 800,000 shares, on the total issue of £8,000,000 of the debenture stock. As the price of the shares has given way, so in due time it may recover, possibly to a higher level than that at which the 800,000 shares stand in the Daily Mail Trust prospectus. But the drop in the price, and the temporary depreciation of 10 per cent. on this item alone in the security of the stock issued by the Daily Mail Trust, is a striking evidence of the desirability that due attention should be paid by investors to assets of such unstable character. That the warning has not been lost upon the intending purchaser is clear from the decline in the price of the stock to 2 premium, comparing with $4\frac{1}{4}$ premium touched during the first scramble to buy the scrip upon the starting of a Stock Exchange market in it.

The Marconi Report.—Again shareholders of Marconi's Wireless Telegraph Company, Limited, receive a substantial distribution, ordinary shareholders obtaining 15 per cent. and preference holders 12 per cent. Net profits at £302,948 for the year ended December 31, 1922, have only slightly improved when compared with those of £275,361 for 1921. In the following summary we show the progress of the company over a number of years:—

	1913.	1917.	1918.	1919.	1920.	1921.	1922.
Gross profits ..	246,682	540,187	766,267	1,538,040	£ 83,267	554,515	557,419
Expenses	124,359	156,350	168,327	317,300	267,154	279,154	254,471
Net profit	122,323	383,837	597,940	1,220,740	267,682	275,361	302,948
Prof. dividend ..	42,500	42,500	55,000	117,500	30,000	30,000	30,000
Ord. dividend ..	150,000	244,577	305,912	617,240	391,567	397,098	412,507
To reserve	—	100,000	150,000	—	—	—	—
Balance	Dr 70,777	Dr 3,802	87,026	491,416	Dr 123,885	Dr 151,797	Dr 139,559
Brought forward ..	146,726	380,106	376,760	463,786	944,452	818,567	664,830
Carried forward ..	76,549	376,904	463,786	955,802	820,567	666,830	525,271

The increase in the amount for ordinary dividend is on account of additional ordinary capital—this item being now £2,750,000, as against £2,631,104 in the previous balance-sheet. In order to find the balance of amounts needed, dividend distribution absorbing £442,507, the floating reserve of £666,830 has been reduced to £525,271. The balance-sheet now includes the issue made last November of £1,500,000 $6\frac{1}{2}$ per cent. convertible first debenture stock, but interest charges up to December 31, 1922, only require £4,188. The make-up of the balance-sheet remains unchanged. There is one big item, "Shares in associated and other companies and patents"; this has increased from £3,237,213 to £3,543,531. The directors supplement this by stating that patents and rights figure in the accounts at £304,041, and mention that the value of shares and debts of associated and other companies are not worth less than the amounts stated. The auditors are unable to form an opinion as to the value of these shares, patents and debts, and refer readers to the directors' report. The debts referred to are returned at £2,003,353 in the balance-sheet, as against £1,584,777 in the previous accounts. With reference to this, the directors state that "some of our associated companies have also felt the severe strain resulting from the continuance of these unprecedented conditions. They have needed from us further substantial financial assistance to enable them to weather the storm." War claims are still not settled, and shareholders are informed that "your directors regret that they have again to inform you that no settlement has been made by any of the Government Departments in respect of any of the company's claims arising out of the war for services rendered during the war or in respect of the use of the company's patents and inventions since the war. No sum, therefore, in respect of any of these matters appears in the past year's accounts. Negotiations, however, are being conducted with the Chancellor of the Exchequer with a view to referring all these questions to a single arbitrator. It is hoped that it may be possible to make some more definite statement at the general meeting." We cordially re-echo this hope.

Peruvian Corporation.—The gross receipts of the Peruvian Corporation from the working of the railways and steamers for the year ended June 30th last amounted to 15,906,800 Peruvian soles, as compared with 15,777,800 soles for 1921-22, but working expenses rose from 10,697,100 soles to 11,347,100 soles, so that net receipts were over 500,000 soles lower at 4,559,700 soles. The rate of exchange of the sol improved from 21d to 22d, and the sterling equivalent of the net receipts works out at £418,000, as against £444,600 for 1921-22. The revenue account shows net income from the railways and steamers at £363,750, a decline of £23,500, but a substantially larger amount was received on guano account, and five months' arrears of the annuity was received in addition to the year's quota of £80,000. Total net revenue was £57,700 higher at £572,900, as may be seen from the following table:—

	Year to June 30.				
	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Railway net revenue ..	£ 386,364	£ 426,391	£ 379,341	£ 387,293	£ 363,751
Government annuity ..	95,000	115,000	46,667	80,000	113,333
Guano account	—	—	36,026	49,798	100,840
Interest, exchange, &c. ..	31,641	58,413	30,893	27,965	22,609
Total income	513,005	599,804	492,927	545,056	600,533
Administration	31,892	30,894	45,816	29,926	27,648
Balance of revenue	481,113	568,910	447,111	515,130	572,885
Deb. int. (4%)	216,000	216,000	216,000	216,000	216,000
Sums written off, &c.	48,317	92,956	37,050	127,583	37,031
Deb. amortisation	54,000	54,000	54,000	54,000	54,000
Available balance	162,796	205,954	140,061	117,547	265,854
Additional deb. int. (2%) ..	108,000	108,000	108,000	108,000	108,000
Preference dividend	74,576	93,225	37,294	74,592	149,190
(1%)	(1%)	(1%)	(1%)	(1%)	(2%)
Year's balance	Dr 19,780	4,729	Dr 5,233	Dr 5,015	8,664
Brought forward	161,978	142,198	146,927	149,986	97,819
Carried forward	142,198	146,927	141,694	84,941	106,483

Revenue of the Perené Colony has declined from £2,500 to £1,100, the coffee harvest having been less productive than that of the previous year. The amounts written off for the past year include £10,000 for oil exploration and £23,000 for income-tax. A year ago £88,000 was charged for income-tax and £33,000 for exchange account. After payment of a dividend of 2 per cent. on the 4 per cent. preference stock (leaving 103½ per cent. in arrears), there is a balance of £8,700 to be added to the balance carried forward, in which is included £12,900, a profit on realisation of investments. The main items of the balance-sheet are summarised below:—

June 30.	Deben- tures.	Credi- tors and Bills.	Sinking Fund, Reserve, Insur'nce and Net Revenue.	Conces- sions, &c.	Rail- ways.	Invest- ments, Bills, and Cash.
	£	£	£	£	£	£
1913	5,176,000	71,769	1,253,291	12,772,305	9,700,667	253,741
1914	5,111,750	130,829	1,370,807	12,772,305	9,741,496	322,001
1915	5,043,850	101,634	1,331,057	12,772,305	9,674,848	286,810
1916	4,975,450	84,651	1,440,396	12,772,305	9,568,853	400,943
1917	4,903,800	89,112	1,596,049	12,772,305	9,526,033	540,631
1918	4,824,050	125,153	1,734,037	12,772,305	9,506,566	579,520
1919	4,739,700	120,001	1,770,044	12,772,305	9,506,566	566,685
1920	4,650,550	137,436	1,899,811	12,772,305	9,506,566	383,275
1921	4,556,300	306,257	1,929,906	12,772,305	9,509,988	289,157
1922	4,456,650	302,463	2,022,666	12,772,305	9,509,988	295,213
1923	4,351,300	232,289	2,325,579	14,389,704	7,477,035	498,699

The balance-sheet itself has been considerably condensed, the number of items having been reduced from 24 to 14. Expenditure in respect of reconstruction of railways has fallen from £4,859,700 to £3,222,700, £1,617,400 having been transferred to the property item. Investments in British Government and other securities have increased from £143,200 to £309,300, the market value of the latter being £325,000. The oil exploration account, from which £10,000 has been written off, now stands at £30,200. The report says that many difficulties have been encountered in the boring at Well No. 3 at Saman in Southern Peru. Under expert advice, the boring is still being continued, although the rate of progress is necessarily slow.

Aerated Bread Report.—A reduction in gross profits accompanied by an increase in expenditure is responsible for a decline of £17,700 in the profits for the year ended September 29th last of the Aerated Bread Company. Gross trading profit fell by over £18,000, but interest and sundry profits brought in £9,800 more, thus reducing the decline in total gross profits to £8,700. The directors mention that they have continued their policy of reducing prices charged to customers, "and the increased volume of trade shows that these reduced prices are appreciated by the public. The reductions have, however, slightly affected the company's percentage of gross profit." The table below summarises results since 1907:—

September.	Gross Profit.	Expenses.	Net Profit.	Deprecia- tion, &c.	Div.	Rate.	Carried Forward.
	£	£	£	£	£	%	£
1907-8	276,252	220,366	55,886	5,000	50,409	27½	17,376
1908-9	276,101	224,822	51,279	5,000	50,167	27½	15,458
1909-10	281,852	233,348	48,504	5,000	45,425	25	13,567
1910-11	283,695	236,203	47,492	5,000	40,883	22½	14,176
1911-12	284,519	227,801	56,718	8,239	45,424	25	17,031
1912-13	308,114	234,091	74,023	8,000	54,791	27½	31,263
1913-14	315,476	240,350	75,126	28,000	43,846	27½	28,543
1914-15	286,919	253,146	33,773	8,000	25,948	17½	25,598
1915-16	299,434	282,354	17,080	11,764	7,969	—	23,965
1916-17	289,199	303,882	Dr 14,683	8,000	—	—	1,971
1917-18	419,112	322,566	96,546	59,000	28,135	15	10,682
1918-19	587,456	435,506	151,950	62,000	80,500	30	20,132
1919-20	685,831	520,274	165,557	57,882	113,050	25	14,757
1920-21	728,376	582,381	145,995	40,000	102,637	15	14,150
1921-22	637,811	488,936	148,875	48,184	87,975	12½	14,639
1922-23	629,104	497,954	131,150	37,621	79,784	8½	19,499

* Includes special bonus to employees.

Net profits are at the lowest point since 1917-18, and as the new preference capital of £500,000 ranks for dividend for the first time, the amount available for distribution to ordinary shareholders is much reduced. The dividend is lowered from $12\frac{1}{2}$ to $8\frac{1}{2}$ per cent., and after providing £26,121 for income-tax and corporation profits tax, adding £10,000 to depreciation reserve, and transferring £1,500 to staff funds, the balance carried forward is £19,500. From the amount brought forward from the previous year £8,900 was deducted for income-tax for the

financial year 1922-23. The principal changes in the balance-sheet, apart from the increase in preference capital, are additions of £157,300 to the property items and of £199,600 to investments, which stand at £359,300 at cost, including £213,800 in British Government securities. Cash and cash assets show a further reduction of £25,800 to £34,800, which compares with £171,200 two years ago. The reserve fund stands at the low figure of £30,000, property, plant and machinery figuring at £1,157,400.

The Interoceanic Railway of Mexico.—The directors' report for the year ending last June, which will be submitted at the annual meeting next Wednesday, shows that, in contrast to the general improvement in Mexico, the company's position is less hopeful now than a year ago. The Commission then sent out at the invitation of the Mexican Government to negotiate for the return to the company of its lines, seized in 1914, found that the terms proposed were unsatisfactory, and that its journey had been in vain. The company then appointed a committee with power to prolong the moratorium of 1915, suspending the rights of the debenture holders, and to provide for the appointment of a receiver if necessary; and the moratorium, which last December had been prolonged for two months only, was extended and remains operative. The Mexican Government has made no further offer, but has intimated indirectly that it may possibly agree to purchase the company's obligations at the latest prices quoted, plus 10 per cent.; but the first debenture stock stands at about 22, and the company is not disposed to accept such an offer, as the depreciation is caused by the action of the Government. Meanwhile, as the Government has neither paid compensation nor rendered an account, the board cannot submit either a revenue account or a balance-sheet; but the balance to the debit of net revenue, composed of arrears of debenture interest, rent of the leased lines (the Southern and Eastern), and administrative and other expenses, has increased by £335,488 during the year, and is now £2,566,566. The National Railways, which manage the company's lines and are under Government control, have remitted £3,500 (against £2,000 last year) on account of expenses of administration and the moratorium; and the directors have not drawn their fees. No explanation of the delay is forthcoming, but the completion of the return of the railways to the companies owning them would be a far more effective method of attracting the foreign capital desired by President Obregon's Government than even the renewed prospect of the early fulfilment of the agreement.

Burma Corporation.—If the progress scored by this important Anglo-Indian enterprise has been slow, it is at any rate appreciable. It may be recalled that some two years ago the decision was arrived at that on financial and other grounds the ambitious expansion programme which had been drawn up required to be curtailed. In their report just issued the directors intimate that greater part of the amended reconstruction scheme has now been completed. As a result of these changes, not only has the capacity of the plant been increased, but a higher ratio of recovery has been secured at a reduced ratio of expense. The appended table contrasts the outputs of recent periods:—

	Year.	Year.	—First Half—
	1921.	1922.	1922. 1923.
Refined lead .. tons	33,690	39,210	18,920
Silver fine ozs	3,540,800	4,191,800	1,977,700
			2,266,900

For 1922 the production of lead showed an expansion of $16\frac{1}{2}$ and of silver $18\frac{1}{2}$ per cent. over the 1921 results; for the first half of 1923, as compared with the corresponding period of 1922, the expansion represents about $14\frac{1}{2}$ per cent. in each case. It may here be mentioned that with a view to abridging the time which has hitherto elapsed between the issue of the report and the holding of the meeting, the directors have decided that future accounts shall be made up to June 30th, the meeting being held in December, as before. Accordingly the statement for 1922 is supplemented by one covering the six months to June 30th. The former shows a net profit of £283,500, as against £167,400 in 1921; the financial position, how-

ever, did not permit any distribution, expenditure on capital account being heavy. In the past six months a surplus of £208,600 was realised, permitting—with a small draft upon the carry forward—a dividend of 4 annas or 4d per 10-rupee share. Another distribution is now announced in respect of the current year. If the metals produced remain at anything like their present improved prices, a final dividend of at least equal amount should be forthcoming in respect of 1923-24. Here it may be noted that an experimental zinc plant started up in June. Despite the extraction from the mine during the 18 months of nearly 300,000 tons of ore, the ore reserves, at 4,511,900 tons, score an increase of about a quarter of a million tons upon the end 1921 estimate. The average contents—22.8 ozs silver per ton, 25.3 per cent. lead, and 16.9 per cent. zinc—are on the whole much the same as previously. These statistics reflect the satisfactory outcome of work at the deepest level. Labour being so important a factor, energetic measures have been taken both to secure additional supplies of natives and to induce them to remain when secured. The directors have, however, arrived at the conclusion that quality is even more important than quantity, for they are concentrating upon raising the efficiency of the native employees. It is most unfortunate that no conclusion can be reported to the long-drawn-out negotiations for the extension of the Burma Railways to Namtu, where the smelter is situated. Meanwhile, measures are being taken to improve the capacity of the company's own line. Altogether the report is one whose perusal should prove gratifying to those interested.

The Rise in Sugar.—Sugar during the last week or two has shown a very firm undertone, and the period of stringency long foreseen has now arrived, with very little prospect of any material expansion in supplies until the Cuban new crop is marketed. The Cuban stocks are now down to 47,000 tons. Chartering has already started, with steamers taken on time charter basis for the States/West Indies trade, and tonnage has been secured to the United Kingdom and Marseilles. The imports into the United Kingdom of late have been rather better, but the port stocks of raw sugar are not much over 40,000 tons, and all prices have shown a strong upward tendency, although at mid-week the futures markets were inclined to be somewhat irregular. All home refined sugars have been put up, with an active demand at the higher level; and the assistance looked for from fresh arrivals of Continental beet sugar has failed to come up to expectations. Estimates of the new Cuban crop are less sanguine than they were, and the market is inclined to look for something like 3,500,000 tons; thus keen competition between the British and United States refiners is certain for some time to come. There is no doubt that users of the commodity have been compelled to draw on trade stocks rather freely of late both in this country and the United States. The total of all sugars held in bond here is low compared with last year, and notwithstanding the higher range of values established home refined now ready and for January-February has been well taken up. The latest reports put the Continental beet crops at about 5,100,000 tons, against an actual yield of 4,551,196 tons for the previous season. Well-informed opinion favours the view that there is little hope of any relief from the prevailing scarcity for some time to come, and firm and active markets are confidently looked for right up to the close of 1923.

Publication of Rubber Producing Costs.—One important group of rubber planting companies has decided to take a referendum of shareholders upon the question of publishing costs of production in annual reports. At the same time, it is interesting to find that the directors are putting forward in the circulars which they are issuing specific arguments against publication according to the Rubber Shareholders' Association. The association, in commenting upon this, says that "the arguments in favour of publication have been put before members of the association so recently and so clearly at the annual meeting and in subsequent circulars, that the committee feel it necessary merely to make a few comments upon the objections to the disclosure of working costs and

prices, mentioned in the Straits Rubber group circulars. The first of these is a suggestion that, unless the excess of demand over supply, or *vice versa*, is considerable, the publication of low costs tends to reduce the market price of the crop. This argument has, in the opinion of the committee, been so completely disposed of already that no further comment is required. Not conditionally, but absolutely, market price is governed by supply and demand. The second objection stated is that the publication of low costs can only act as a stimulus to increased planting and competition. This appears to be quite a reasonable argument, and a great deal might be said for it if any action taken by planting companies to-day could secure secrecy upon the whole question of the cost of producing rubber. To secure such complete secrecy, however, is impossible. Apart from all other considerations, it must be remembered that American manufacturers themselves own and manage large areas of planted rubber in the East, and know to a nicety how much it costs to produce a pound of rubber. The third objection advanced is, that the method of arriving at actual cost of production and the price realised varies to such an extent that a comparison of the figures published by different companies is futile, and the figures are entirely misleading. This is an overwhelming argument in favour of the adoption of standardised accounts throughout the rubber planting industry, as advocated by the Rubber Shareholders' Association. Standardisation of accounts would remove all misleading elements." A reply to these observations by the directors concerned should prove instructive reading.

The Inland Revenue Department.—The sixty-fifth report of the Commissioners of His Majesty's Inland Revenue for the year ended March 31, 1922 (Cmd. 1780, 4s net), shows that the gross amount of Inland Revenue duties, &c., collected, including amounts collected by other departments on behalf of the Inland Revenue, was £661,520,550, exclusive of revenue from transferred taxes in Northern Ireland from November 22, 1921. The cost of collection of these duties, including amounts borne on the votes of other departments, such as Customs and Excise, the Post Office, Office of Works, and Stationery Office, was £8,941,650, or 1.35 per cent. The Commissioners point out that the Government of Ireland Act, 1920, transferred to the Government of Northern Ireland full jurisdiction over the administration of certain Inland Revenue duties in Northern Ireland. The transferred duties were Estate Duty, Legacy Duty, Succession Duty, and other Death Duties, all Stamp Duties, and Mineral Rights Duty. From the date of transfer, November 22, 1921, the work of assessment and collection thereon was undertaken by the Government of Northern Ireland, and all revenue arising therefrom was paid into the Exchequer of Northern Ireland. The transfer of administrative functions in Southern Ireland to the Irish Provisional Government did not take place until April, 1922. The report is full of interesting statistics, although these are somewhat out of date. The net receipts from estate duties in 1921-22 were £45½ millions, of which £4,174,000, or 9.22 per cent., was received from one estate, the total number of estates liable to the duty in that year being 105,596, of which 84,544 were in England, 11,906 in Scotland, and 9,146 in Ireland. The receipts from Stamp Duties were £18,991,000, of which £4,525,000 was accounted for by stocks, shares, debentures, &c. Of the latter total, £2,908,700 was from transfers of stocks and shares, as against £3,419,600 in 1920-21 and £4,882,700 in 1919-20. Companies' share capital duty produced £2,141,500, as against £5,853,100 in the preceding year, while from cheque stamps the receipts were £2,724,700, against £3,313,300 in 1920-21 and £1,274,000 in 1917-18, the last year of the penny rate. Among the voluminous income-tax statistics it is interesting to find that the estimated number of individuals with total incomes above the exemption limit for 1922-23 is 4,750,000, as against 5,000,000 for the previous year. Of these, however, 2,500,000 are entirely relieved from tax by the operation of abatements and allowances. The gross income for 1920-21, the latest year for which the figure is available, was £3,477,058,300, as against £2,970,604,000, and the actual income £2,661,182,500 against £2,547,170,800. The actual figures for super-tax are only available up

to 1919-20. The number of persons charged in that year was 54,475, and the super-tax charged £47,600,000. For 1920-21 the estimated number was 77,000, and the super-tax £68,500,000, and for 1921-22 90,000 and £73,000,000.

Oversea Correspondence.

FRANCE.—RUHR COAL—INTER-ALLIED DEBTS—RENTS BILL.

(FROM OUR CORRESPONDENT.)

PARIS, November 28.

THE signature last Friday by Herren Stinnes, Thyssen, and their fellow coal magnates of an agreement to allow their collieries to be worked henceforward under Allied control, is regarded here as definitely marking the end of passive resistance in the Ruhr, and as opening up the prospect of a rational settlement of the Reparations problem. The one fly in the ointment is the Franco-Belgian claim to the right to deduct the cost of their occupation of the Ruhr from the cash which is in future to be paid over to the Reparation Commission in the form of coal duties, &c. This claim was agreed to by the representative of the coal owners under the reserve that it should be subject to decision as to whether the Reparation Commission has the right to impose such a condition. The French and Belgian view is that the Commission undoubtedly has such power. The British Government, it is reported here to-day, takes the contrary view, and there were fears this morning that this fresh difference of opinion between the two principal Allied Powers might lead to the agreement sharing the fate that befel its predecessors, the Loucheur-Rathenau and Lubersac-Stinnes conventions.

The new developments in the Ruhr have caused the question of Inter-allied debts to drop somewhat into the background, but it goes without saying that this problem is still pressing for settlement, and will continue to do so, so long as there is any will on the part of the Allied Powers to deal with the Reparations question. The one question, it is insisted here, is absolutely interdependent on the other; proof of this feeling is given in the fact that, in all estimates that are now being discussed as to what this country's real share would be, in the event of any real attempt being made to settle the Reparation debt on the present basis of a payment by Germany of 132 milliards, the actual amount that would come to France is always placed, not at 68 milliards (which would be equivalent to her hitherto agreed percentage of 52 per cent. of the total), but at 26 milliards, it being assumed that the rest would be relinquished in consideration of a corresponding cancellation of the debt due by France to her Allies.

That cancellation of inter-allied debts is no new thing is emphasised in its last issue by the *Monthly Review*, issued by the American Chamber of Commerce in Paris, which sets forth several instances of the kind. During the American Revolution, for instance, the fledgling American Congress borrowed from France 18,000,000 livres (which may be assumed to have been francs, which were at that time known as livres) on which it agreed to pay interest at the rate of 5 per cent. The French King, however, was subsequently "pleased to make a present of and forgo the whole arrears of interest" on this debt. From 1793 to 1816 Great Britain financed her Allies to the extent of £58,116,887 (of which about 50 millions represented subsidies, of which nothing was repaid). The remainder consisted of loans, chiefly to Austria, whose resources had been exhausted by nearly 20 years of war, and who was obviously financially weak. Great Britain did not take the matter up seriously until 1823, nearly eight years after the war, by which time the debt and interest owing by Austria had reached nearly 20 millions sterling. The whole debt was then cancelled by agreement, with the exception of £2,500,000, which Austria agreed to pay in full settlement. Another interesting fact is that France, after the Napoleonic Wars, was called on to pay an indemnity of only £28,000,000. In spite of the circumstance that Napoleon, between 1806 and 1812, had extracted over £60,000,000 from Prussia alone, by way of

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cash levies, Prussia was satisfied with £23,000,000 and Great Britain with £5,000,000 only.

The new Rent Bill, whose passage through the Chamber I referred to last week, and which was generally received both by property owners and tenants as fairly meeting the reasonable claims of both parties, has met with such drastic modification in the Senate that it is evident there will still be a good deal of controversy before it actually passes into law. The Chamber, it will be remembered, limited the power of property owners to make increases of, roughly speaking, not more than 75 per cent. on pre-war rentals. The Senate, however, decided that this limit was insufficient, and it has revised upwards, in what can only be described as a drastic manner, the stipulations laid down by the Chamber. The Bill, as sent back to the Chamber, gives property owners the power to increase all rentals up to 100 per cent. of their pre-war figure, no matter whether in Paris or elsewhere (whereas the original Bill made a sharp distinction between the base figure fixed for Paris, as compared with other parts of the country). The Bill, further, gives landlords power to pass their property taxes (but not income-tax) on to their tenants, provided the proportion to be borne by any one tenant does not exceed 10 per cent. of the new rental; to exact another 10 per cent. of the new rental if he grants a lease of three years or more; to obtain through the rent courts the right to exceed the legal limit by another 25 per cent. if he can prove that his property was let at a price below the normal in 1914, or if he has carried out substantial improvements. The revisions by the Senate mean, it is alleged, that a tenant who paid a rental of 3,475f per annum (including charges and taxes) in 1914 might be called on to pay, under the new Bill, 12,326f for the same premises, plus any additional increase the Courts might order in respect of structural and other improvements.

The Bill, on being sent back to the Chamber, was immediately passed on to the Commission on Social Legislation, which recommends that the whole of the modifications made by the Upper Chamber shall be

struck out, with the exception of that giving the property owner power to demand an increase of 10 per cent. on the new rental in cases in which the tenant is granted a lease. The object of the Senate, apparently, is to enable property owners to reimburse themselves for the undoubtedly heavy losses they suffered during the war years, when the vast majority of tenants were, in the nature of things, unable to pay rent. In view of the fact that general elections are due next spring, it is practically certain the Chamber will strenuously refuse to approve of the modifications made in the Bill by the Senate, in spite of the universal desire that the rent question shall be settled as speedily as possible in the interest of all concerned.

The Crédit Foncier announces a new issue of 800,000,000 of communal bonds, as from December 4th. The bonds, which bear interest at the rate of 6 per cent., are in denominations of 500f, and are redeemable in 70 years. The issue price is 477f for bonds issued as fully paid up, and 475f for those payable by seven instalments between now and March, 1926. The bonds are redeemable by four drawings per annum, the list of premiums including two "lots" of 1,000,000f, two of 250,000f, and four of 100,000f every year.

GERMANY.—CABINET—RUHR—CURRENCY—FINANCES—TRADE AND INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, November 27.

THE Cabinet crisis at the time of writing is not solved. The Socialists and the German-Nationals threw out the Stresemann Cabinet without having any notion of alternative governments; and since then several attempts, including one for a non-party business Cabinet under Dr Albert, have failed. The present plan is for a "bourgeois bloc," excluding necessarily the Socialists and Communists. The strengths of the chief Reichstag parties are: Socialists 173, Centre 68, German-Nationals 67, German People's Party 66, Democrats 39, Bavarian People's Party 20, Communists 15. Stresemann's so-called Great Coalition, including the People's Party and Socialists and all parties between commanded 346 out of 459 votes; after the Socialist secession it commanded only 173, or considerably less than a majority. Only by taking in the German-Nationals can a majority against the Socialists be formed. The Democrats, however, are not inclined to work with the German-Nationals, and promise at best neutrality; but negotiations to induce the German-Nationals to recognise the Constitution, to oppose the various illegal Right associations, and not to raise the question of the Prussian Cabinet are under way. The last point refers to the fact that Prussia for two years has had a Coalition Cabinet with Socialists predominating; and up till now the German-Nationals have held that if they came into a Federal Cabinet the Socialists must be thrown out of power in Prussia. With such complications, and without any very commanding personality, the prospects of a long-lived Cabinet on a Parliamentary basis are very small.

The agreement of the Stinnes group with France, which embraces, according to French estimates accepted here, about 80 per cent. of the Ruhr mines, has been very badly taken. Nobody believes that it is practicable; if work is begun in the conditions stipulated, the acute hunger crisis may be postponed for a short time; it cannot, however, be prevented if the conditions prove, as experts expect, economically impossible. Superficially (that is, ignoring possible ultimate injury to France) the French have completely succeeded in their aims; they have proved that at the slightest opposition against any demands they can apply the starvation terror, and compel any terms. Unfortunately the German surrenders so enforced do not seem destined to prevent starvation. Germany is in the hopeless condition—a condition which justifies those Germans who demand open repudiation of treaty obligations to France—that she continues responsible for, whether by aid or surrenders, the providing of livable conditions for the tormented Ruhr population, France taking no responsibility, and merely reserving to

herself the right to apply the torture. Such a condition could not exist in open war, much less in formal annexation. The policy ascribed to Herr Jarres that Berlin should formally deny responsibility for the Ruhr, that is, should tolerate an informal or formal—as is hoped temporary—French annexation, has a good deal to be said for it. The sufferings of the population could not be worse than they are; and the truth that the French Government is deliberately inflicting these sufferings without any economic aim would be more clearly brought out. The conclusion to be drawn so far is that the French in any conditions in the Ruhr can fulfil no function but that of an irritant, making Germany's recovery impossible.

The currency question continues to be in a mixed condition, and it is very dangerous to predict how things will develop. Between November 15 and 23, 340,000,000 Rentenmarks had been put into circulation, mostly in payment of official salaries, partly (to a total of 11,000,000 Rentenmarks) in exchange for paper marks or paper mark cheques. Since then Rentenmarks have been issued at the rate of 40,000,000 to 50,000,000 a day. Officially it is held that the market will soon be saturated with Rentenmarks. At present there is a tendency to hoard, against which operates the fact that Rentenmarks—being at least theoretically stable and in practice more stable than paper marks—are taken in shops at a small premium, as is the temporary "gold-loan" currency. The Rentenmark is still—officially—stable and has its full nominal gold value. This, however, is based only on certain assumptions. On the basis of the internal buying power of the Rentenmark its full value cannot be proved; on the contrary, the Rentenmark, the "gold-loan currency," and even the "calculation gold mark," are depreciated. The relations are as follows. The only currency with a foreign exchange is the paper mark; and its quotation is unreal; foreign valuations of the paper mark are nominal, and native valuations must be considered nominal because at the official rates only about 1 per cent. of the demand can be supplied. For some days past the paper mark has been officially 4,200 milliards per dollar; and as the Government insists that the Rentenmark is equal to an undepreciated goldmark, it follows that the Rentenmark is worth 1 billion paper marks, and roughly 24 U.S. cents. In fact the Rentenmark will not buy more than about 10 cents would buy in America, say 6d in England. The "calculation goldmark," which has no physical existence, and which was invented for the specific purpose of price stabilisation, has failed in its aim by being necessarily also depreciated. Commodities are priced at two or more times as many goldmarks as they would be priced in England at shillings, though the goldmark and shilling are theoretically almost the same. The newspapers are naturally full of comments on the incredible "gold" prices: an inferior kind of sausage, e.g., is priced 10 goldmarks a pound. Creditors who formerly warned debtors that if they did not pay paper mark debts immediately the debt in paper marks would be increased, now warn creditors that the goldmark price quoted holds good only for a certain time; after that a higher goldmark price must be paid. The "calculation goldmark," it will be seen, is both depreciated and unstable, in other words, there is no real goldmark pricing.

The Rentenmark necessarily depreciates at precisely the same rate as the calculation goldmark. The depreciation is due to inflation. Inflation has not ceased. Practically the whole State expenditure (all but under 1-1,000th) is, as before the introduction of the Rentenmark, raised by forcing paper money on the public. It makes no difference whether the paper money is forced in the shape of paper marks worth each one-billionth of a goldmark, or in the shape of Rentenmarks each worth one billion paper marks. In both cases the artificial buying-power in public hands goes on increasing. The Government does not seem to see that; in an official report it states with pride that a mere 340,000,000 Rentenmarks put into circulation in a given time have twice the buying power of the whole astronomical paper mark circulation. The legally-enacted convertibility into mortgage-bonds naturally cannot support the Rentenmark, because these mortgage-bonds are expressed in goldmarks, which, not being obtainable in gold, are depreciated, as above stated, by the fact that goldmark

prices are twice or more higher than they would be were payments made in physical goldmarks.

The Government has scheduled postal charges in Rentenmarks from December 1. The Finance Ministry's decade report for November 1—10, the worst so far, shows again how hopelessly the multiplier system of taxes, last revised in August, must fail. Revenue from taxes was only 55,449,076,684 million marks; expenditure 57,901,569,022,713 million marks, or well over a thousand times more. Loss on the railways in the ten days exceeded 18 trillions, on the posts 5½ trillions. The Floating Debt of discounted Treasury Bills in the ten days rose from slightly under 7 to over 56 trillions. The whole debt in mid-November was around 191 trillions. The October revenue accounts show receipts from taxation of 87,477,897,856 million marks. This is about 70 fold the September receipts; but the average dollar exchange (and therewith approximately prices) rose in the same time 250 fold, so that there was again a serious decline in real revenue. Once more the Land Levy, with 21,022 billion marks, was the chief yielder, this being due to the fact that this tax, alone of all the August new taxes, was assessed in gold. The increase of the wages tax by only 70 fold indicates, in view of the above much greater dollar appreciation, serious weakening in industry. Dr Stresemann's Finance Minister, Dr Luther, declared shortly before his resignation that the coming tax reform would be radical and drastic, and would be promulgated as an emergency measure, ostensibly under Art. 48 of the Constitution (but in reality in defiance of the Constitution).

The anti-Cartels law, now in force, has compelled certain "heavy industry" combines to moderate their selling conditions; against recalcitrant combines proceedings are being taken before the newly-constituted Cartels Court. State control of cement, one of the last of the *Zwangswirtschaft* measures, will be abolished on December 1. Business is still very bad; 25 per cent. of bootmakers have closed down their works. Trade in September (again, no values published) as compared with August, was as follows, in metric tons:—

	September.	August.
Imports	3,419,800	4,120,300
Thereof—		
Food	281,900	253,100
Raw and half-finished materials	2,983,900	3,684,000
Manufactures	152,700	182,700
Exports	1,142,600	1,074,500
Thereof—		
Food	70,100	94,800
Raw and half-finished materials	742,900	596,300
Manufactures	329,500	383,400

Coal imports fell to 1,601,913 tons. There were large coke imports, about 9½ fold those of the average month of 1922. Iron ore imports were only one quarter of the monthly average of last year. Exports of rolled iron and of iron goods were 79,783 tons, against a monthly average of 193,002 tons last year; exports of machinery 20,692 tons, against an average of 39,914 tons.

ARGENTINA.—PUBLIC EXPENDITURE—MONEY—TRADE BALANCE—CROPS—BANKING.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, October 22.

HAVING closed its ordinary sessions in September with but little accomplished, the Argentine Congress has once more followed its all-too-common practice of hurrying measures through a brief extraordinary period which, from their very nature, manifestly call for careful investigation and full discussion before they are given the force of law. Thus the deputies dealt with the 1923 Budget in a couple of sessions, reversing the Senate's attempt to cut down expenditure and returning the Bill to the latter in more or less the same shape as it was originally passed, namely with a proposed expenditure of \$600,000,000 Argentine paper. This figure will stand, if the Budget Law for the current year is finally sanctioned, and this depends now on the Senate, which, at the time of writing, is still studying the forms of taxation wherewith to raise a sum that is roughly \$300,000,000 over the estimates for 1915. Official and administrative finance is indeed far from easy as regards its working at the present moment. Generally speaking, con-

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ditions in the Argentine money market seem on the surface to be more or less akin to what has prevailed for the past three months. Discounts are anything from 3½ to 8 per cent. per annum, the former with collateral guarantee and the latter single name acceptances not classed as A1, while about 5½ to 6 per cent. might be taken as a fairly average rate for first-class business. Nevertheless, there is an uneasy feeling in the air which might at any moment mean dearer money, if, indeed, this condition is not brought about by the authorisation to increase the capital of the Hypothecary National Bank by \$500,000,000, thus making the total amount of cedulas which it may issue \$1,500,000,000 nominal value in Argentine paper. There are pending \$201,000,000 in applications, which means that in the natural course of events this amount of cedulas will be marketed. And though the Bank may be trusted to be as cautious as it can, such issue will certainly depress quotations to some extent. Unfavourable also is the turn which the cattle trade has taken owing to the imposition of minimum prices on all buyers of cattle for export. It is confidently expected that this novel legislation will stultify itself, but meanwhile the effect on general trade is decidedly adverse.

The Province of Buenos Aires, having arranged a loan with the Banco de la Provincia for \$45,000,000 Argentine paper, is pressing its plans for railway extension and the subsidiary schemes, such as a large meat and produce market in Avellaneda, as fast as possible, while the City of Buenos Aires, after having prepared its budget estimates on the basis of the new taxation, which has been denounced by property owners as a land tax based on estimated unearned increment, is chagrined to find that the courts consider the dues to be unconstitutionally collected. Not even the severely reasoned statistical consideration of Argentina's financial position periodically issued by the well-known banker, Señor Tornquist, seems to cause any misgiving, though the summarised results of actual and estimated receipts and payments of a public and private nature are depressing reading. For the two years 1920-21 and 1921-22 Señor Tornquist arrives at an unfavourable trade balance, or rather a balance of payments, totalling \$270,000,000 gold.

Señor Tornquist reaffirms his belief in the urgent need for banking and currency reform and would have the Conversion Office changed into a Central Bank of Issue and Re-Discount, with a mixed capital, part private and part official, the dictation of a monetary law legalising the Argentine "peso" and thus doing away with the existing duality of the currency; and the conversion of the Banco de la Nación into an agricultural, pastoral, and industrial credit institution, its functions and its future policy in these directions being clearly defined.

Warnings such as these are, however, more than offset, as far as one can gather, by the very favourable estimates of areas sown with wheat, linseed, and oats, all of which are at present looking exceptionally well in almost every part of the agricultural districts of the Republic. The official figures and the estimated yields are as follows:—

	Hectares.	Tons.
Wheat	6,966,843	6,770,000
Linseed	2,126,546	1,930,000
Oats	1,111,775	850,000

These are big figures, and as experience has shown that in general the official calculation of areas is under the mark, expectation of a bumper yield is general.

Moreover, when weighing the favourable factors of the coming year one must not forget that Argentina's export-

able products are steadily growing in value and variety. Cotton in the north is unusually promising, and as much as 40,000 tons yield is predicted. Excellent immigration is another asset of value, and the Central European, Balkanic, and Slavonic stock now entering the country not only comes with a certain amount of capital, but, what is still more important, goes straight up country to work in some form or other on the land. The first wool sales are another cheering factor. A lot of 16,000 kilos coarse cross wool from Buenos Aires, the first official transaction of the current season, brought \$15 Argentine paper the 10 kilos, while prices for Rivers and Santa Cruz wools are naturally much higher, \$25 having been given as a reserve figure. Wheat and linseed keep extraordinarily steady at \$12.50 and \$23 Argentine paper the 100 kilos, though this is due largely to exchange, which at 38 19-32 cable gives exporters \$14 Argentine paper to the £ sterling. All quotations have been erratic during the month, with the close for sterling, dollars, and Continental currencies leaving the Argentine unit weaker than it was at the end of September.

October 23.

Uneasiness with regard to banking difficulties in a certain quarter are tempered by the belief that the Banco de la Nacion will at all costs prevent a complete collapse, but in order to render effective aid at the present moment recourse may be necessary to the emergency laws passed in August, 1914. It was then enacted that the Banco de la Nacion might at need obtain paper money from the Conversion Office against the discount by that institution of bills from the bank's portfolio. This has never yet been done, despite the difficulties which marked the first fortnight of August, 1914, and the temporary closure of one Argentine banking institution. Fortunately, Anglo-Argentine interests are perfectly well protected by the strength and sound positions maintained as a matter of course by the leading British banks working in this Republic. As a glance at their recent balance-sheets will show, they are fully able to meet all calls, and protect both their depositors and their borrowing clients of good standing without any extraneous aid whatsoever. Not only are their actual cash reserves exceptionally high, but they have also pursued during the past five years a policy of caution which has been in almost marked contradiction with that favoured by many Argentine commercial circles. That this has meant a reduction of present gains is self-evident, but it is becoming clear to the more sensible members of the Argentine commercial world that, in limiting their operations to such business as could be soundly transacted, the Anglo-Argentine banks have not only strengthened their own individual reputations, but have also placed themselves in the best position possible to render immediate and effective aid to Argentine finance and trade in general at a crisis such as the present.

POLAND.—POLITICS—RECONSTRUCTION OF THE CABINET—INFLATION—THE BUDGET FOR 1924—PLANS FOR THE FORMATION OF A NEW BANK OF ISSUE—POLISH SHARES.

(FROM OUR CORRESPONDENT.)

WARSAW, November 22.

It is difficult at the present moment to make any definite statement about the drift of Poland's home politics. Divergent forces are at work, and it is hardly possible to measure their strength. The reconstruction of the Cabinet, which took place at the end of October, has partly strengthened the position of the Government. While the most prominent leaders of the Right had hitherto refused to assume responsibility for the decisions taken by the Government, they have now entered the Cabinet. Dmowski has taken over the portfolio of the Ministry of Foreign Affairs, and Korfanty has replaced Slabinski as Vice-President of the Cabinet. Other changes are of minor importance. Korfanty now concentrates in his hands all economic affairs, while the direction of home politics is left to the President of the Cabinet, Mr Witos.

The steady depreciation of the mark contributes very much to undermine the position of the Cabinet. At the time of our last letter, a month ago, the pound was quoted at 4,300,000 marks; now, however, the exchange

has touched 10 millions. The printing press is working with steadily increasing speed. According to the last return of the Polish National Bank, the circulation was increased in October by 12,883 milliards, as compared with 4,300 milliards in September, 2,400 milliards in August, 900 milliards in July, and 800 milliards in June.

The seriousness of the situation has compelled the Government to consider what measures must be taken to meet it. Great economies have been effected, the number of officials has been reduced by 7,000, and further reductions are expected. The expenditure of the Ministry of War has been cut down in the Budget for 1924 by 269 million gold marks, or nearly one-third, and that of the Ministry of Education by 50 per cent. By these measures Mr Kucharski, the Minister of Finance, hopes to balance revenue and expenditure next year. In his Budget estimates for 1924 the ordinary and extraordinary expenditure is fixed at 1,089 million gold marks, and the revenue at 1,112 millions, so that there remains a surplus of 23 millions.

It is very doubtful if the Minister of Finance will be able to maintain expenditure within the limits of his estimates. This Budget is based on assumptions which are far from being real. So, for instance, the reduction in the budget of the Ministry of Education has been effected in the expectation that the expenditure of maintaining primary schools will be taken over by the local authorities. Nothing, however, has been done hitherto for providing them with the necessary funds, so that it is hardly possible that they will be able to fulfil the obligations with which they are charged. Finally, the Ministry of Finance will be obliged to put the necessary funds at their disposal.

Mr Kucharski's budgetary surplus has been obtained by another purely artificial expedient—by the omission of all charges resulting from Poland's foreign indebtedness. The organ of the Minister of Finance, the *Goniec Kwański*, announced that such a moratorium of one year was supported by Commander Hilton Young, though this information was promptly contradicted by the English financial adviser.

On the expectation of a balanced Budget is based Mr Kucharski's plan of opening shortly a new bank of issue. The Polish mark is to be replaced by the zloty. According to Press reports, this conception has been strongly criticised by Commander Hilton Young, who is very sceptical about the possibility of balancing the Budget during the coming year. Under such conditions the Government, in order to meet the deficit, will be obliged to resort to the printing press, so that the zloty will share the fate of the mark. The *Republika* announces that Commander Hilton Young, on leaving Warsaw, declared that he will return after the elections only if this plan of Mr Kucharski is abandoned. It seems, however, that the Government has decided to proceed to the formation of a new bank of issue, because it is considered as impossible to maintain with the present currency the wheels of economic life, and of the financial system, in motion. The Polish mark has depreciated to such an extent that the weekly wages of the employees alone absorb a very important part of the total circulation. Under such conditions the capital famine has become so severe that all over the country undertakings are obliged to close their workshops because they cannot obtain the necessary where-withals. Even at the risk that the new currency will be subject again to a new process of inflation, the necessity of replacing the mark by the zloty seems to many Polish economists to be unavoidable.

In general the financial horizon is actually very dark, and the only bright feature in the situation is the negotiations which are conducted between Mr Korfanty and representatives of the principal Polish industries for the payment of the first instalment of the capital levy in foreign currencies, and in kind. Upper Silesian industrialists have promised to pay 25 million Swiss francs, and agriculture will probably put at the disposal of the Government some 50 millions. Similar payments are to be made by the sugar and petroleum industry, by the timber trade, &c. The realisation of this plan would contribute very much to an improvement of the financial situation, making the Treasury for a certain time independent of the printing press. The near future will show whether these expectations are not far too optimistic.

DENMARK.—EXCHANGE CONFERENCE REPORT—PROPOSED MEASURES—TRADE BALANCE—INVESTMENT CONDITIONS.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, November 15.

THE report of the Exchange Conference convened by the Nationalbank has recently appeared, and public interest has been focussed on the Bill for the establishment of an Exchange Equalising Fund brought in by the Government. The Conference included 30-40 members, and the report was signed by all but three. The report contained the proposal for the Exchange Equalising Fund fully drawn up. This fund was to acquire the control of an exchange holding corresponding to £5,000,000, which amount was to be provided by co-operation of the State, the Nationalbank, and the leading private banks, for the purposes of compensating the fluctuations of the krone rate and supporting this rate.

The joint report further contains expression of the views of the Conference on several questions, e.g., the general economic policy, which ought to be adopted; the majority advocates that endeavours be made to improve the balance of trade through measures tending to reduce imports. "It must," says the report, "be the task of the Government, by temporary measures, to reduce the imports of such goods as are unnecessary to the economic life of the country, and by other temporary measures to provide that home consumption is to the greatest possible extent covered through home production."

The Conference points out that the general economic status of the country, apart from the depreciation of the krone, must be considered as good as at the outbreak of the war. Further, the report states:—"Agriculture is working satisfactorily, and in the other trades employment has been continually increasing during the last few years. The investigations of the statistical sub-committee of the Conference have proved that—apart from loss by the slump—the less favourable financial balance between this country and foreign countries is principally due to expenses connected with the reversion of Slesvig to Denmark, re-establishment of livestock, replenishment of the stocks in trade, replacements in the mercantile marine, &c. To a great extent it has been possible to defray the expenditure for this out of the earnings during the war, and the Conference therefore is of the opinion that provided such expenditure should now be practically completed, there will be a possibility of attaining an improvement of the krone in the years to come, without creating too great difficulties, if the necessary support, by the entire community, is afforded the measures, financial, technical, and others, which might be decided upon for this purpose."

The Government has adopted the proposal of the Conference as far as the Equalising Fund is concerned, and the Bill brought in has been passed by both Houses in a form which is close to that of the Conference draft. The fund is to be managed by a board of eight members, of whom two are representatives for the State, two managers of the Nationalbank, and one manager of each of the four leading private banks. According to the Act the representatives of the State and the Nationalbank have three votes each, and the representatives of the private banks one vote each. The State participates in the fund to the extent of two-fifths, the Nationalbank two-fifths, and the leading private banks one-fifth each. The board elects a chairman, who is entrusted with the administration of the business of the fund, and it has been intended that the manager of the Nationalbank, who is the exchange expert, should undertake this task. Representatives of the State, the Nationalbank, and the other banks left for London before the Bill was put before the Rigsdag, in order to conduct preliminary negotiations with an English banking house with regard to the credit required.

The agreement by the Government to adopt the Equalising Fund immediately had a favourable effect on the exchange market, and the krone rate recovered considerably. In the course of October sterling had risen from 25.50 to 26.22, while at the same time the dollar rate had increased from 562 to 568. Subsequently further rises in sterling and dollars brought the rates as high as 26.50 and 601 respectively on November 9th, but as on

the following day it was made public that the Government agreed to the main points of the proposal of the establishment of the Equalising Fund, a sharp reaction set in, and this would have been still more pronounced had not the Nationalbank taken up foreign exchange in the market in order to prevent excessive declines.

This is another proof of the susceptibility of the krone rate to psychological influences. What developments there will be while the fund is working cannot be forecast with any certainty, but banking circles and exchange experts amongst the private bankers take a rather optimistic view of the situation, without feeling quite reassured, lest the legislative powers should omit to take further steps in accordance with the views advanced by the Exchange Conference. In the report the leading banks have qualified their participation in the establishment of the fund by presuming that measures will be taken to support the fund, and the Government have been informed of this during the negotiations preceding the Bill. However, it is yet doubtful what it will be politically possible to carry through.

There is no important change in trade since my last letter. On the Stock Exchange there has been a tendency to move investments from bonds to shares, this being partially an effect of the recent Act prohibiting the export of credit association bonds issued in more than one currency. It proved that the three credit associations who had issued certain series of bonds in Danish as well as foreign currency—mostly sterling—were faced with heavy liabilities, as the bonds were exported or the coupons sent for collection abroad. Accordingly, the Government was authorised by law to prohibit the export of such bonds, a measure which does not affect the duly acquired rights of foreign holders, but which was detrimental to the market, and generally met with an unfavourable interpretation. Exchange quotations being now more steady, the bonds have appreciated, and the recent annual meetings in a number of Danish credit associations have once more confirmed the impression of the excellent security of these institutions.

In September the balance of trade was once more against Denmark, imports being 169,000,000 kr and exports 135,000,000 kr, making a deficit of 34,000,000 kr against 32,000,000 kr in August and 39,000,000 kr in July. During the first three quarters of the year imports have aggregated 1,434,000,000 kr and exports 1,148,000,000 kr, making an import surplus of 286,000,000 kr during the first nine months of the year. This amount exceeds the corresponding figure for 1922 by 83,000,000 kr, the imports for the period January-September, 1922, totalling 1,091,000,000 kr and the exports 888,000,000 kr.

As might be expected, Danish wholesale prices show a rise during October, and this is, of course, due to the exchange situation. The index figure of the *Finanstidende* early in January was 181 and in July 207. Subsequent figures are 207 for August, 202 for September, 205 for October, and 207 for November. The krone rate will be a decisive factor in future price developments, as a rise in the foreign exchange quotations will rather quickly affect the price-level. It is possible, however, that through an active discount policy the Nationalbank will endeavour to bring pressure to bear against rise of prices of goods and foreign exchange. The policy of a rise in the official rate of discount is not out of consideration, but views expressed during the last few days appear to indicate that, before coming to a decision, the bank will await the effects of the Exchange Equalising Fund as well as the result of the negotiations presumably to take place concerning further measures in support of the krone.

SWEDEN.—MONEY AND THE EXCHANGE—TRADE FIGURES—MATCH COMBINE.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, November 19.

THERE are two features which are causing anxiety and disturbance in business life at present—i.e., the heavy fall in the sterling exchange and the increased discount rate. The State Bank is from November 9th quoting a discount rate (for three months' bills) of 5½ per cent., and the

private banks have, of course, followed. The discount rate was thus increased by 1 per cent. from $4\frac{1}{2}$ per cent., which rate has been in force since July 1, 1922, when it was lowered by $\frac{1}{2}$ per cent. from 5 per cent. The motive for this step is said to be that the board of the State Bank is anxious to maintain the Swedish currency at the gold parity. Following the announcement of the increased discount rate, the official pound quotation fell from 16.90 to 16.82, but there have been declines of as much as 0.19 crowns from one day to the other. To-day the official quotation fell from 16.40 to 16.27, and in the open market it was lower still, the tendency being to get rid of sterling to prevent further losses. It is, of course, much to be regretted that such a heavy drop in the pound is taking place, and it will cause heavy losses to our exporters not only to England, but also to the Continent, as most of our exporters have sold their products to countries with depreciated values in pounds. The highest quotation for pounds during this year was 17.73, on March 1st, on November 1st it was 17.02 $\frac{1}{2}$, and to-day, November 19th, it has fallen to 16.27. This means, of course, that the margin for profit, which has by no means been great, is on the verge of disappearing.

Preliminary figures now available show that the total value of exports during September was 111.02 million crowns and of imports 126.88 million crowns, while the same figures for September, 1922, were, exports 122.63 million crowns and imports 108.90 million crowns. The increase of imports was principally coal, mineral oils, and wheat. As to the increased import of coal, it is, of course, a sign of the revival of industry. The total value of exports for the first nine months of this year is estimated at 782.22 million crowns and imports at 963.72 million crowns, thus showing an import surplus of 181.50 million crowns. For the corresponding period last year exports amounted to about the same, or 782.71 million crowns, while imports were 827.20 million crowns, thus leaving an import surplus of not more than 41.79 million crowns.

The Swedish matchmaking industry has extended its business sphere still more by the American concern, with a capital of 28 million dollars, which has been founded lately under the name of International Match Corporation. More than half of this capital is owned by the Swedish Match Company, which will have the control of the new concern. The American concern issued a bond loan of 15 million dollars sold at 94 $\frac{1}{2}$ per cent., with interest at 6 $\frac{1}{2}$ per cent., which was very quickly absorbed, parts of this bond loan being reserved for Swedish buyers connected with the Match Company. During the first nine months of this year Swedish securities amounting to a total value of 37.5 million crowns have been bought back from abroad. The timber sales are now amounting to about 850,000 standards, and as the weather has been unusually mild this autumn, shipping may not be closed for some considerable time yet.

Letters to the Editor.

CURRENCY NOTES AND INFLATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your last issue Mr Shaw revives the old doctrine that the issue of currency notes is unlike similar issues because it is "automatic."

Will he or someone else explain how the action of the bank of issue officially called the currency note account essentially differs from that of the Reichsbank? When the German Government has been unable to meet its expenses otherwise (i.e., by taxing, by borrowing from private persons or institutions, &c.), the Reichsbank has provided the necessary money by discounting German Treasury bills, and has got the means to do so by the simple process of printing additional mark notes. When the British Government from 1914 to 1920 was unable to meet its expenses otherwise, the currency note account provided the necessary money by discounting British Treasury bills, and (in the guise of a "Government department") making ways and means advances, and got the means to do so by the simple process of printing additional pound notes. Where is the difference?

All that we can claim is that we did not print on the same "kolossal" scale, and that in 1921 and 1922 our Government more than met its expenses in the other ways, so that some of the notes outstanding were redeemed, with the natural result of a rise in the value of the pound. Early this year, when the policy was on the point of restoring the gold standard here, and leading to a speedy restoration of the uniform basis of reckoning values, which had prevailed throughout almost the whole civilised world before the war, faint hearts abandoned it. Since then we have only just "balanced our Budget," and consequently have kept the amount outstanding stationary. Now, we seem in some danger of listening to those who wish to see us follow the inspiring example set by the Germans.

I gather from the newspapers that the late President of the Reichsbank to the day of his death refused to believe that the depreciation of the mark was due to excessive issue. If so, I have no doubt that he thought the issue was "automatic," and merely a proper response to the legitimate demands of trade.—Yours, &c.,
November 26th, 1923. EDWIN CANNAN.

EGYPTIAN CURRENCY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your issue for November 24th, Dr Wm. A. Shaw challenges the article on "Egyptian Currency" that appeared in the *Economist* of the previous week. The challenge is welcome, for the sole object of the article was to draw attention to an aspect of the currency problem that had not hitherto received sufficient notice, though it is of Imperial importance. The more open discussion, therefore, the better.

Before joining issue with Dr Shaw, however, I should like to have his definition of appreciation and depreciation in a currency, and, above all, how he measures these characteristics. He must have done so, for he asserts that one country, the U.S.A., had an appreciated, and another country, Great Britain, a depreciated currency. Yet he has quoted certain figures, which, if they show anything, show most clearly that both had a depreciated currency.

As it is, Dr Shaw has only instanced another case of the application of the argument of the article—viz., the United States, up to spring of 1919, when the exchange was "unpegged." But perhaps he will consider this to be further casuistry on my part.

On one point I am very glad to be able to agree with Dr Shaw, namely, on the automatic nature of the issue of Egyptian currency, *once the policy had been adopted*. But will he assert that, because there is apt to arise at this season of the year an automatic demand on the part of young folk for unlimited supplies of plum pudding, a policy of automatically acceding to their demand is desirable?

And in case there is any doubt on the point, I should like to make it quite clear that, so far as the administration of the policy goes, there is nothing but praise to be given to the National Bank of Egypt. But that is not the main point.
THE WRITER OF THE ARTICLE.

THE IRISH LOAN.

TO THE EDITOR OF THE ECONOMIST.

SIR,—There is a point with reference to the new Irish loan to which I have so far seen no allusion. I refer to the nature of the currency in which it is issued.

The currency of every independent country is that of its own market, and is quite independent of that of any other country, no matter by what name that currency may be called.

The relative value of the currency of any two countries depends on their relative financial position, and may vary to any extent, notwithstanding the fact that they may bear the same name.

Ireland being now financially independent of England, its currency is the Irish pound, and not the pound sterling, and, in the absence of any statement to the contrary, it must be taken that the new loan is issued in Irish pounds and not in pounds sterling.

To-day the Irish pound is approximately equal to the pound sterling, but it in no wise follows that it will always remain so.

There are many instances of variations in the value of the pound of different markets. In the days before the union of England and Scotland the pound was the currency of both countries, and it appears at one time that the pound of both countries was the same. But the Scots pound depreciated to such a point that it became worth only a few pence in England. In the English colonies of North America the pound was the money unit, and in early days it was no doubt equal to the pound sterling. But at the time of the Revolution, if I remember right, there was not one of these colonies of which the money had not greatly depreciated in terms of the pound sterling. And the pound of each colony differed from that of the others.

The English investor should bear these facts in mind before he is tempted by the favourable terms to invest his money in the new loan.—Yours faithfully,
A. MITCHELL INNES.

Edinburgh, November 26th, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I wish to draw attention to two recent notes from your Dublin correspondent, which are apt to mislead. In that of November 17th, he states, in connection with the Free State Loan, that "it should be remembered that it is only by special arrangement, terminable on March 31st next, that Irish trustees holding charitable funds invested in British securities are freed from British income-tax. It is obvious that practically all of them must seek a continuance of that immunity by reinvesting in Ireland."

This is not, of course, true when charitable funds are invested in British 5 per cent. War Loan, or certain other British loans where income-tax is not deducted at the source.

In his note in your issue of November 24th *apropos* of the Free State Loan, it is stated "if Dublin Corporation 3 $\frac{1}{2}$ stock only yields approximately 4 $\frac{1}{2}$ per cent. (or at the higher quotation about 4 $\frac{1}{2}$ per cent.), the Irish Free State Government stock should clearly go to a premium."

The inference is not justified, because, whereas the Free State loan is issued at 95, and is redeemable at the latest in 1945, Dublin Corporation stock stands at about 67 $\frac{1}{2}$, and is redeemable in 1944.—Yours faithfully,
November 27th, 1923. Z.

MANUFACTURING COSTS AND UNEMPLOYMENT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The Board of Trade, in its *Journal* (October 18, 1923), published the following statistics relating to British overseas trade for the third quarter of 1923:—

VALUE IN THOUSANDS OF POUNDS (000's omitted).

	Total Imports.	Exports of United Kingdom Goods.
July-September.	£	£
1923, as declared	245,686	185,443
On basis of 1913 prices: 1923..	164,896	95,418

From a simple calculation, it follows that, whereas we are making our purchases (principally food and raw materials) at prices on the average 50.8 per cent. above 1913 prices, we are making our sales (principally manufactures) at prices on the average 92.2 per cent. above 1913 prices. And the purchasing power of our overseas customers being limited to the credit resulting to them from the sales to us of their products, it is clear that that credit will only suffice to purchase a quantity of British goods $1\frac{1}{3}\frac{2}{3}$, or a little more than three-quarters of the quantity purchased in 1913. Hence unemployment of nearly one-quarter of the men engaged in manufacturing for export.

And as regards the home trade (treated as an exchange between country and town), assuming that the prices of agricultural and manufactured products bear to each other roughly the same ratio, namely, 150.8 to 192.2, agricultural purchasing power would cover, as before, only $1\frac{1}{3}\frac{2}{3}$, or a little more than three-quarters of the quantity purchased in 1913. Hence unemployment of nearly one-quarter of the men engaged in manufacturing for home consumption.

Taking home and overseas trade together, the disparity between agricultural and manufacturing prices

would account for nearly one-quarter of the total number of men engaged in manufacture being thrown out of work. But as unemployment is never publicly attributed by any of our political or commercial chiefs to high prices of manufactures, and as such a cause has not been mentioned during the course of the present General Election, which turns upon the causes and cure of unemployment, I am compelled to conclude that the views herein expressed are wrong, and that there must be some fatal flaw in the foregoing argument. Will you, Sir, or any of your readers, point out where that flaw lies?—Yours, &c.,
C. M. LEWIS.

[Our correspondent is correct in his main contention that the high price of British manufactures—together with the impoverished state of many oversea customers—has not a little to do with the present unemployment position. As regards home trade, he is on less sure ground. Agricultural workers form much too small a proportion of the employed population to permit of internal trades being regarded as an exchange between town and country.—Ed. Econ.]

INVESTMENTS AND OUR TRADE BALANCE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In the national trade balance-sheet for 1922, referred to in this week's issue of your journal, there is an item on the import side which I think has a serious bearing on present trade conditions. I refer to the £155 millions available for investment abroad. How much of this sum has been relented abroad, apart from the fact that still more of the nation's savings might be following in the same direction? If this is not happening (which I believe to be the case), does it not account for a considerable volume of imports, which have to come to fill up the void, along with a corresponding decrease in exports through a smaller demand for goods from countries accustomed to borrow in our markets? Am I right in my contention?—I am, &c.,
H. BEAUMONT.

Stock Exchange, November 24th, 1923.

[Present trade figures scarcely support this view. *Ex hypothesi*, the imports in question must be received in some period subsequent to 1922, since all actual imports of that year were taken into account before striking the balance. One would reasonably expect that such a tendency as Mr Beaumont describes would have revealed itself by this time in the trade returns, which would now be recording increased imports, and reduced exports, in comparison with last year. The figures for the first ten months of 1923, as compared with the same months of 1922, show that the value of retained imports has increased by 8.6 per cent., and of British exports by 7.1 per cent. Fine comparisons are vitiated by the inclusion in the 1923 totals of seven months trade with the Irish Free State, but it is evident that the tendency is for imports and exports to increase with more or less equal step. According to the *Economist's* figures, capital issues in London for use abroad in the first nine months of each of the last three years have amounted to £68 millions in 1921, £106 millions in 1922 and £104 millions in 1923.—Ed. *Economist*.]

Books and Publications.

RECENT ECONOMIC LITERATURE—A MONTH'S SURVEY.

THE appearance of an English translation of Professor Gustav Cassel's "*Theory of Social Economy*" (2 vols., Fisher Unwin, 42s, translated by Joseph McCabe) is, undoubtedly, the most important event of the month in economic literature. Professor Cassel's earlier works on prices have had a profound effect, though whether their author would support all the theories put forward, some of which do, while others do not, acknowledge their spiritual parentage in his writings, is a very open question. He has, as happens to few economists in their life time, founded a school. His present work, actually written, for the most part, before the war, ready for publication then, but since revised and reconsidered by him, is, however, wider in its scope than anything of his hitherto available

in English. It is a general treatise, and one, as its title indicates, directed to the social rather than the strictly financial applications and implications of economic theory. It is for that reason particularly interesting and important at this moment. The first volume certainly should be widely read. In arrangement and in point of view it is fresh, realistic, and of direct bearing on immediate problems. The second, dealing mainly with monetary, price and trade fluctuations, with the whole economic significance of the trade cycle, is much more technical. One is sorry that the hideous word "conjuncture" should disfigure so many of these stimulating pages, and close them to the large number of readers who might profit by the argument, logical and clear, but find an excuse for not doing so in a sigh over the difficulty of economic "jargon."

It is one of the supreme merits of Professor Pigou, as an economic writer, that he can so completely dispense with anything of the sort. In the collection of essays he has called "*Essays in Applied Economics*" (King, 10s 6d) there is hardly a page that need present difficulties to the reader who is prepared to use his head and to exert his faculty of attention. They deal, for the most part, with subjects of urgent social concern, with housing, agriculture, wages boards, prices and wages, and deal with them all with a continuous sense of human values. About his own point of view, Professor Pigou is entirely frank; in the essay on housing, for instance, he states, quite clearly, the "major premiss" which he accepts. This essay is for that and other reasons particularly well worth study. Only two papers in the volume, those on "The Foreign Exchanges" and on "The Exchange Value of Legal Tender Money," contain any matter of a technical kind. As an introduction to their subject, and, in general, as an extremely useful up-to-date text-book on a matter as to which the older works, inevitably, are now hardly capable of helping the student who wants to understand a completely transmogrified problem, Mr H. C. Walter's "*Modern Foreign Exchange*" (Methuen, 5s) may be commended. In his preface Mr Walter says that he has endeavoured "to explain the essentials of modern exchange movements in a form which will be comprehensible to the intelligent person of average education who is not a professional economist." He has had in mind throughout "the students and the business men of whom his Manchester audiences were composed." In this effort, he has been singularly successful. His book is above all things clear. Its descriptive portions neither take too much nor too little for granted.

Good descriptive work, in a wider sense, is the substance of a work by two American professors, "*The Background of Economics*" (by Professors Merlin H. Hunter and Gordon S. Watkins. New York and London, McGraw Hill Book Company, 15s). Intended for the ordinary reader rather than the trained student, and expressly addressed to those who believe that the ideas of Christianity are not, and need not be, at variance with those of the economic order, is Mr J. A. R. Marriott's "*Economics and Ethics*" (Methuen, 10s 6d). Long experience as a lecturer and tutor has given to Mr Marriott command over a lucid and easy expository style. His pages are easy reading, but there are few places where one feels that this ease has been purchased at any conspicuous sacrifice. It may be that the whole problem is, a little artificially, simplified; that the hard edges of economic doctrine are, at times, unduly softened, in the interest of enabling the reader to feel that everything is as it should be; but against this must be set the fairness with which Mr Marriott states the view with which he does not agree. The brief section on international trade is a case in point.

Every student will welcome the appearance of the second volume of the revised edition of Palgrave's "*Dictionary of Political Economy*," edited by Henry Higgs, C.B. (Macmillan, 36s). Volume II. covers the entries under the letters F to M. Works on special subjects deserving of more than casual mention are "*The Historical Foundations of Modern Company Law*," by R. R. Fermoy (Sweet and Maxwell, 10s 6d), and from the same publishers, "*Private Custodian Trusteeship*," by L. J. Fulton (15s); from the United States, "*The Romance and Tragedy of Banking*," by T. P. Kane (in London, from Effingham Wilson, 22s 6d), the second edition of a book published by

the New York Bankers' Publishing Company; the fifth and revised edition of E. S. Mead's "*Corporation Finance*" (Appleton, 15s); "*Agricultural Organisation in the United States*," by E. West (University of Kentucky, \$3.90); and, in the admirable Carnegie Endowment Series, Br. Van der Flier's authoritative monograph on "*War Finances in the Netherlands up to 1918*" (Clarendon Press). Another work in this same series is G. D. H. Cole's "*Labour in the Coal Mining Industry*" (Clarendon Press, 10s 6d); see review, *Economist*, November 10th.

The chapters on the fiscal controversy in Mr Spender's masterly "*Life of Sir Henry Campbell-Bannerman*" (Hodder, 42s) give it a special interest at the present juncture, and the same is true of the pamphlets in the "*New Way Series*," reprints by the *Daily News*, of lectures delivered at the Liberal Summer School this summer. Directly bearing on that issue is "*Dumping: A Problem in International Trade*," by Jacob Viner (University of Chicago Press, \$2.25). A note of gratitude should be entered to the officials of H.M. Stationery Office for the preparation of the "*Guide to Current Official Statistics*," first issue, an extremely useful little handbook. Also for the "*Income Taxes in the British Dominions*," compiled in the Inland Revenue Department, 5s.

BOOKS RECEIVED.

- Protection or Common Sense.* By Rt. Hon. C. A. McCurdy, P.C. (London) Hodder and Stoughton. 1s net.
- Poland and Peace.* By Count Alexander Skrzynski, LL.D. (London) George Allen and Unwin, Limited. 6s. net.
- Shipping: Studies in Labour and Capital.* No. VI. By the Labour Research Department. (London) Labour Publishing Company, Limited. Cloth 2s 6d, paper 1s.
- The Socialist Programme.* (London) Independent Labour Party. 6d.
- National Reform Union Financial Almanack, 1923-24.* (Manchester) National Reform Union. 6d.
- The Theatre, Music Hall and Cinema Companies' Blue Book, 1923.* (Seventh annual issue.) Price 2s net. (London) Keith, MacAllister and Co., Limited, 88 Bishopsgate.
- This useful little book contains a list of public amusement companies, with full financial particulars of interest to investors.
- Bankers' Almanac and Year-Book, 1923-24.* Edited by Thomas Skinner. (London) Waterlow and Sons. 42s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.	ACCOUNT.
December 12.	December 13.

Various influences have conspired to render the Stock Exchange markets erratic and jumpy during the week now ended. The General Election, casting its shadow over business enterprise, led to a moderate decline in British Government funds, owing to the impression that, whether Free Trade or Protectionist party be returned, its majority may be so small as to point the possibility of yet another election in the near future. There was also a hint of money becoming dearer before the end of the year, and talk of a rise in the Bank rate. The release of fifty million pounds for half-yearly interest on War Fives sufficed to keep the price of the War Loan tolerably steady, but Conversion Loan gave way sharply on pressure to sell two or three lines involving a fair amount of stock. This weakness affected the market as a whole. Tasmania and South Australia had no difficulty in securing a very successful issue to their offer of 5 per cent. stock at 99. The market opened at a premium in the first case and a discount in the second, owing to the greater amount of staggering in the latter than in the former.

Brazilian bonds show strength, in consequence of the announcement that a mission is on the point of proceeding to Brazil from this country, with a view to inquiring into Brazilian financial affairs and of rendering what assistance it can to those on the spot who are working for rehabilitation of Brazilian credit. French bonds have been rather less volatile than usual, though the drop in the franc led to uneasiness in the market for various other Continental bonds.

Greek bonds, exceptionally, are good. The Austrian scrip, however, keeps hard. Peruvian Corporation preference slanted rather abruptly, on sales by people who regarded the report as being disappointing, although the dividend of 2 per cent. came up to expectations.

Amongst Home Railways, the feature is the strength of the Underground group. Nothing fresh transpired to account for the buying which carried up prices here. The former rumours that the Metropolitan is to be taken over by one of the bigger brethren, and that the capital account of the Underground Electric Railways is to be reorganised, added to hopes of an increased dividend on Districts, have played their part in the advancing of prices. Steam stocks went better, on a statement, received with commendable caution, to the effect that the companies' decreased takings are much more than compensated by reductions in wages.

Grand Trunk Pacific has been a good spot, touching 47½. Brazilian Railway stocks are better, in sympathy with the rise in Brazilian Government bonds. United of Havana rose sharply, on dividend anticipations, and the Argentine Railways, while showing hesitation, have kept firm on balance. Nitrate railways are also better.

There is nothing doing in rubber shares, and changes are uninteresting. In the Oil market, professional business outweighs any public interest, and movements are largely dictated by speculative transactions. Anglo-Persians fell, on account of the halving of the dividend, though this had been partly expected, and there was a rally from the worst. The Mexican Eagle Company has published further particulars in regard to the latest well that was brought in a fortnight ago. Royal Dutch continue to be bought from Holland.

British-American Tobacco enjoyed a brisk rise, thanks to revival of the rumours that the company is about to distribute a bonus. Other tobacco shares are also firmer, the carry-over disclosing a bear position, and the same reason caused a recovery in Courtaulds. Other textiles are better for choice, though to what extent the companies will be benefited or damaged by further measures of protection is regarded in the market as an open question. The hotel list has firmed up, buying being encouraged by the prospects of the Wembley Park Exhibition attracting crowds of visitors to London next season. The approach of Christmas caused inquiries for shares in the shopping, restaurant and kindred companies. Marconis are heavy, in spite of the maintenance of the 15 per cent. dividend, holders being rendered nervous, it may be, by the latest attack made by a circulariser. Cable stocks are dull, the Western Telegraph report showing a decided diminution of earnings last year.

In the land section, Hudson Bays and Sudans hold their previous rises, and shares in the Kassala Cotton, the Sudan Plantations subsidiary, have been in request. The Brewery market is a little better. Newspaper shares are heavy. The iron and steel department shows movements that are narrow, but mostly favourable to holders. The new Denaby Colliery debentures came to market this week, and dealings started on the basis of ¾ premium. Scottish Australian Trust stock has advanced, on the increased dividend. The banking and insurance groups are better. The shipping list shows very little change.

Although the price of gold is well maintained, Kaffirs exhibit a slightly halting tendency, for which a little selling from the Cape is declared to be responsible. There is, perhaps, a mild bull account in the market, and people are trying to take their profits. Rhodesians remain sluggish. Diamonds move in accordance with the temper of Paris, and copper shares came under the same influence, business in both diamonds and copper being very limited so far as the British public's dealings are concerned. Tin, the metal, has been notably strong, and the rise in the price attracted purchasers to Malayan and West African shares, the Cornish group being left rather in the cold. Russian shares are a shade better, and the interest in Mexicans has been sporadic, with prices showing no changes of consequence on the week.

We are officially informed that Mr. Donald Dean Swift has ceased to be a member of the Stock Exchange.

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

HARRISONS & CROSFIELD, LTD.,
1-4, GREAT TOWER STREET, LONDON, E.C.3.
EASTERN AND GENERAL MERCHANTS.
BUYING AND SELLING AGENTS IN LONDON AND ABRJAD.
DEALERS IN ALL CLASSES OF EASTERN PRODUCE.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£	£	£	£
ISSUES OF THE WEEK—				
4 % Treasury Bonds, by public tender, Nov. 23, £250,000, average price, £94 10s	2,000,000	1,980,000	100,000	1,880,000
Do Tasmania £1,150,000 5 % Reg. Stock (red. at par 1932-42), issued at 99% (Nov. 26) ..	1,150,000	1,138,500	57,500	1,081,000
Bournemouth and Poole Electricity Supply Co., Ltd., 150,000 Ord. Shares, £1, at £1 14s per Share (Nov. 26) ..	150,000	255,000	7,500	247,500
Total offered to the public ..	3,373,500	165,000	165,000	3,208,500

NATIONAL SAVINGS CERTIFICATES.
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED NOV. 24, 1923.
April 1, 1923, to Nov. 24, 1923, £14,300,000 .. Dr 250,000 .. Dr 250,000

To the Public—				
Government of South Australia, £2,000,000 5 % Registered Stock (r. d. at par 1932-42), issued at 99% ..	2,000,000	1,980,000	100,000	1,880,000
Do Tasmania £1,150,000 5 % Reg. Stock (red. at par 1932-42), issued at 99% (Nov. 26) ..	1,150,000	1,138,500	57,500	1,081,000
Bournemouth and Poole Electricity Supply Co., Ltd., 150,000 Ord. Shares, £1, at £1 14s per Share (Nov. 26) ..	150,000	255,000	7,500	247,500
Total offered to the public ..	3,373,500	165,000	165,000	3,208,500
To Shareholders only—				
Patenting Rubber Estates, £25,000 6% First Mort. Debts (rep. at premium of 3% over 12½ years), issued at par	25,000	25,000	..	25,000
Total offered to shareholders only ..	25,000	25,000	..	25,000
Total offered for subscription to date ..	3,398,500	190,000	165,000	3,233,500
Total offered for subscription for whole year—	3,398,500	190,000	165,000	3,233,500
1923	£259,169,608	1922	£573,675,650	
1922	560,840,957	1921	388,978,203	
1921	323,809,861	1920	367,549,656	
1920	355,186,603	1919	1,036,059,951	
1919	1,002,887,445	1918	1,393,381,441	
1918	1,280,959,976	1917	1,518,596,010	
1917	1,248,055,226	1916	585,436,853	

Issue of £2,000,000 Government of South Australia 5 per Cent. Registered Stock 1932-1942, and £1,150,000 Government of Tasmania 5 per Cent. Registered Stock 1932-1942.—This is an issue at 99 per cent. of the above-mentioned stocks, both being trustee investments. The loans are issued to provide funds for public works, for the settlement of discharged soldiers on the land, and for other purposes. The principal is repayable in London at par on October 1, 1942, the respective Governments having the option of redemption, in whole or in part, on or after October 1, 1932, on giving three months' notice. Debentures and stock of the Government of the State of South Australia and of the Government of the State of Tasmania issued and payable in London, the property of persons not domiciled in South Australia or Tasmania respectively, are not subject to any South Australian or Tasmanian taxes. These are two good securities, and both had an excellent reception from the investing public.

Bournemouth and Poole Electricity Supply, Limited.—Authorised share capital £800,000, of which £400,000 has been issued. This company was formed in 1897, and serves a district of about 45 square miles. It also controls the Richmond (Surrey) Electric Light and Power Company. There is a 4½ per cent. debenture stock outstanding, amounting to £187,500, and 7½ per cent. seven-year notes for £133,300, which it is intended to pay off out of the proceeds of the present issue. The company now issues 150,000 ordinary £1 shares at £1 14s each. This will raise the issued ordinary capital to £300,000, leaving £100,000 still in reserve. The preference capital outstanding amounts to £250,000, part bearing 4½ per cent. and part 6 per cent. interest. There is power to issue £150,000 new preference shares, which will carry interest not exceeding 7 per cent. The present market price of the shares is round about 38s, and what effect the fresh issue will have on existing shares remains to be seen. It is pointed out in the prospectus that profits will be larger than those for the previous year, when a 10 per cent. distribution was made. On the other hand, the new capital will need additional profits. Based on last year's dividends, the yield works out at under 6 per cent. As far as investors are concerned, the issue is not in the nature of a bargain.

The Dunstable Gas and Water Company.—Incorporated by special Act of Parliament, 1871. The accounts of the gas and water undertakings are kept separate. This is an issue of gas capital. The authorised stock capital of the gas undertaking is £34,500, of which £27,168 has been issued.

this is an offer for sale by tender of £6,500 6 per cent. irredeemable preference capital, the minimum price of issue being par. The net revenue from the gas undertaking for the year ended December 31, 1922, was £3,315. Interest on loan capital absorbs £467, and as dividends on preference capital (including that now offered) will require only £1,107, the issue is well covered. But consideration must be paid to the narrow market for such a small issue.

The Tea Share Trust.—Authorized capital £50,000, divided into shares of £1 each, of which 25,000 have been issued for cash at par. The title of the company indicates its business. The statement as published in the press, to comply with Stock Exchange regulations in connection with a share quotation, is chiefly remarkable for its brevity.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Price This Week.	Price Last Week.	Price This Week.
War 4½, 1925-28	97½	97½	97½	97½
Loans 5½, 1929-47	100½	100½	100½	100½
4½, 1929-42	101	101	101	101
Funding Loan 4½	88½	88½	88½	88½
Victory Bonds 4½	92½	92½	92½	92½
Conversion Loan 3½	77½	77½	77½	77½
Consols 2½	57½	57½	57½	57½
Irish Land Stock 2½	59½	59½	59½	59½
Local Loans 3½	66½	66½	66½	66½
Aust. 6½, 1931-41	105	105	105	105
Canada 4½, 1920-25	100	100	100	100
India 3½, 1926-31	67½	67½	67½	67½
Do 7½, 1926-31	115½	115½	115½	115½
Do 4½, 1932	103	103	103	103
N.S.W. 5½, 1922-32	88½	88½	88½	88½
Nigeria 5½, 1929-39	100	100	100	100
U. of S.A. 6½, 1930-40	104	104	104	104
Victoria 5½, 1924-34	101	101	101	101
W. Aust. 6½, 1930-40	105	105	105	105

Banks.

Barclays B (£1, l.p.d.)	24½	24½	24½	24½
Chartered Bk of India	18½	18½	18½	18½
Lloyds (£5 with £1 paid)	24½	24½	24½	24½
Midland (£12, with £2½ paid)	8½	8½	8½	8½
Nat. Bank of Egypt (£10)	24	24½	24	24½
Nat. Bank of S. Africa	57½	57½	57½	57½
Nat. Prov. & Union of England (£20, with £4 paid)	11	11	11	11
Standard of S. Africa (£20, with £5 paid)	10½	10½	10½	10½
Westminster Bank (£20, with £5 paid)	17½	17½	17½	17½

Colonial and Foreign Railways.

Antofagasta Cons	85½	85½	85½	85½
B.A. and Pacific	70½	70½	70½	70½
B.A. Gt. Southern	80½	80½	80½	80½
Buenos Ayres West.	72½	72½	72½	72½
Canadian Pacific	155	155	155	155
Central Argentine	67	68½	67	68½
Argentine 5½, 1886-7	100	100	100	100
Austrian 6½, 1904-14	85	85	85	85
Belgian 3½	68	68	68	68
Brazil 5½, 1914-69	71	71	71	71
Chilian 4½, 1886	86	85½	86	85½
Do 7½, 1886	105½	105½	105½	105½
Chinese 5½, 1912	68	67	68	67
Egyptian 4½	72	72½	72	72½
French 5½	242	25	242	25
Do 4½	201	201	201	201
Greek 4½, 1884	41½	42½	41½	42½
Japanese 4½	106	107	106	107
Do 4½, 1910	63	69	63	69
Mexican Cons. 1899	57	60	57	60
Peruvian Corp. Pref.	28½	27½	28½	27½
P.L.M. 6½	86½	86½	86½	86½
Portuguese (New)	31½	32	31½	32
Russian 5½, 1906	10	10	10	10
Spanish 4½	65½	62½	65½	62½
Seine (Dept.) 7½	100	100	100	100
Siam 7½	105½	105½	105½	105½

Foreign Government Securities.

Argentine 5½, 1886-7	100	100	100	100
Austrian 6½, 1904-14	85	85	85	85
Belgian 3½	68	68	68	68
Brazil 5½, 1914-69	71	71	71	71
Chilian 4½, 1886	86	85½	86	85½
Do 7½, 1886	105½	105½	105½	105½
Chinese 5½, 1912	68	67	68	67
Egyptian 4½	72	72½	72	72½
French 5½	242	25	242	25
Do 4½	201	201	201	201
Greek 4½, 1884	41½	42½	41½	42½

Telegraphs.

Anglo-American "A"	23½	23½	23½	23½
Marconi Wireless	23½	23½	23½	23½
Marconi Marine	18½	18½	18½	18½

British Railways.

Great Western, Ord.	110½	110½	110½	110½
Do Def.	86	85½	86	85½
London & North-Eastern	85	85	85	85
5½ Pref. Ord.	85	86	85	86
Do Def. Ord.	324	322	324	322
London, Mid., and	104½	105½	104½	105½
Scottish, Ord.	75	76½	75	76½
Metropolitan District	54½	56	54½	56
Southern, Ord. "A"	36½	36½	36½	36½
Do Ord. "B"	128	128	128	128
Do Pref. Ord.	85	85½	85	85½
Do Def. Ord.	40½	40½	40½	40½
Underground Electric (£10)	34	34	34	34
Do "A" (1/1)	100½	101½	100½	101½
Do Inc. Bds. (£100)	100½	101½	100½	101½

American Railroads.

Chesapeake & Ohio	83	82	83	82
Erie	20	23	20	23
Do 4½ 1st Pref.	31	33	31	33
Southern	42	42	42	42
Do Non-cum Pref.	77	77	77	77

Miscellaneous.

Aerated Bread (£1)	1½	1½	1½	1½
Amal. Cottons (£1)	1½	1½	1½	1½
Anglo Persian Oil (£1)	21½	21½	21½	21½
Armstrong (Sir W.G.)	1½	1½	1½	1½
And Co. (£1)	1½	1½	1½	1½
Am. Paint. Cement (£1)	1½	1½	1½	1½
Barker, John (£1)	2½	2½	2½	2½
B'ham Small Arms (£1)	43	44½	43	44½
Brazil Traction (£100)	43	44½	43	44½
British-American Tobacco (£1)	5½	5½	5½	5½
Burmah Oil (£1)	48	48	48	48
Coats (J. and P.) (£1)	34	35½	34	35½
Courtaulds (£1)	3½	3½	3½	3½
Conard (£1)	1½	1½	1½	1½
Dorman, Long (£1)	1½	1½	1½	1½
Dunlop Rubber (£1)	1½	1½	1½	1½
Five Cotton Spinners (£1)	2½	2½	2½	2½
Forestal Land (£1)	1½	1½	1½	1½
Furness, Withy (£1)	1½	1½	1½	1½
Highlands and Lowlands Rubber (£1)	1½	1½	1½	1½
Hudson's Bay (£1)	1½	1½	1½	1½
Imperial Tobacco (£1)	3½	3½	3½	3½
Linggi Plantations (£1)	1½	1½	1½	1½
Lipton (£1)	1½	1½	1½	1½
Lever Bros. OmP (£1)	1½	1½	1½	1½
Do 8½ OmA P (£1)	1½	1½	1½	1½
Do 8½ OmP (£1)	1½	1½	1½	1½
Lister (£1)	1½	1½	1½	1½
Lobitos Oilfields (£1)	1½	1½	1½	1½
Lyons (J.) & Co. (£1)	1½	1½	1½	1½
Magadi Soda (£1 Ord.)	1½	1½	1½	1½
Mexican Eagle (£10)	1½	1½	1½	1½
Pekin (20)	1½	1½	1½	1½
Rubber Plantations Investment (£1)	1½	1½	1½	1½
Shell Transport (£1)	1½	1½	1½	1½
Smithfield & Argentine Meat (£1)	1½	1½	1½	1½
United Dairies (£1)	1½	1½	1½	1½
United Berdang (£1)	1½	1½	1½	1½
United Tobacco (£1)	1½	1½	1½	1½
Vallambrosa (20)	1½	1½	1½	1½
Vickers (£1)	1½	1½	1½	1½
Watney Def. Bk. (£1)	17½	18½	17½	18½
Knights	48	48	48	48
Modderfontein (100)	41	41	41	41
Modderfont. "B" (50)	21	21	21	21
Modderfont. Deep (50)	21	21	21	21
Premier Def. (2/6)	54	54	54	54
Rand Mines (50)	54	54	54	54
Selukwe	34	34	34	34
Rio Tinto (65)	31½	32	31½	32
Spring Mines (£1)	21½	21½	21½	21½

Mines.

Brakpan (£1)	34½	34½	34½	34½
Broken Hill Prop. (50)	11½	11½	11½	11½
Chartereds (£1)	1½	1½	1½	1½
Cons. Gold Fields (£1)	34	34	34	34
Crown Mines (100)	34	34	34	34
Do Beers Def. (£24)	12½	12½	12½	12½
East Rand Prop. (£1)	1½	1½	1½	1½
Gold (£1)	34	34	34	34
Gov. Gold Areas	64	64	64	64

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Year.	Previous Year.
Railways.					
Madras and S. Malabar	..	..	..	7½	7½
West Galicia	..	..	..	1	..
Banks.					
Bank of Hamilton	3½	Dec. 1	..	7	7(a)
Banque Belge pour l'Etranger	61	..	Tax free	6	6
British Overseas, "A" Ord.	61	..	Less tax	16	16
National of Scotland	..	..	Less tax	14	14
Royal of Scotland	..	..	Less tax	14	14
Standard of S. Africa	14*	Jan. 25	Subject to tax	..	..
Insurance.					
Law Union and Rock	4/ p.s.	Nov. 30	Less tax	..	..
Sun Life	12/6 p.s.	Jan. 1	Tax free	..	..
Mining.					
Burma Corporation	4 s.p.s.	Feb. 15	Free of Indian tax	16	13½
Chinese Engineering	8½	..	Tax free	10	5
Frontino and Bolivia	1/6 p.s.	Dec. 20	Less tax	..	..
Globe and Phoenix Gold	1/6 p.s.	Dec. 20	Tax free	..	..
Golden Horseshoe	2/ p.s.*	Dec. 21	Tax free	1/6 p.s.	1/6 p.s.
Gold Mines Investment	..	..	Tax free	..	..
Malayan Tin	1/ p.s.	Dec. 11	Less tax	..	..
May Consolidated (in liquidation)	11 p.s.	Dec. 21	..	..	..
Mexico Mines of El Oro	10/ p.s.	Dec. 13	Tax free	..	..
Naraguta Tin	..	..	Less tax	5	..
Do	5%	..	Less tax	..	..
Southern Perak Dredging	1/ p.s.	Dec. 11	Less tax	..	..
Tea and Rubber.					
Attaree Khat Tea	7½*	Dec. 1	Tax free	..	..
Bargang Tea	7½*	Dec. 1	Tax free	..	..
Beau Bejour	..	..	..	2	nil
Do	2%	..	..	..	..
Chimpul (F.M.S.) Rubber	3½*	Dec. 21	Less tax	..	..
Dalkeith (Ceylon) Rubber	5½*	..	Less tax	..	..
Eastern Assam	10%*	Dec. 11	Less tax 4/7½ in £	..	..
Kapara Para Rubber	5½*	Dec. 14	Less tax	..	..
Malaya General	..	..	Less tax	8	nil
Monorakelle Rubber	4½*	..	Less tax	8	5
Rajawalla Produce	..	..	..	20	nil
Tillyfour Rubber	..	Dec. 11	Tax free	1 p.s.	..
Tingri Tea	7½*	Dec. 1	Tax free	..	..
Other Companies.					
Aberdeen Market	7%*	..	..	10	..
Aberdeen, Newcastle, and Hull Steam	5%*	..	Tax free	10	10
Aberfoyle State Quarries	..	..	Less tax	24	12½
Aerated Bread Company	1/ p.s.	..	..	8½	..
Alabama Traction, &c., Pref.	8½ p.s.	Jan. 10	..	..	..
All Saints' Brewery	8½*	(£ bonus 7%)	Tax free	19	20
Anglo-Persian Oil	..	..	Less tax	10	11
Army and Navy Invest., Defd.	17½	..	..	11	..
Arnold Perrett and Co.	7%*	..	..	10	..
Barry Graving Dock	9/ p.s.	..	Tax free	10	..
Bernard Hughes	..	(£ bonus 6d p.a.)	Less tax	10	10
Birkenhead Brewery	6%*	..	Less tax	10	10
Blackpool Winter Garden	..	..	Less tax	7½	7½
Boots Pure Drug	1/3 p.s.*	Jan. 1	Less tax	..	..
British Columbia Canning	7%*	..	Tax free	10	..
Cardiff Malting	..	..	..	10	..
Cassner-Kellner Alkali	12½*	Nov. 5	..	20	20
Cleveland Trust	..	..	..	6	6
Clifton Hotel (Blackpool)	25/ p.s.	(£ bonus 15%)	Tax free	9	9
Colonial Gas	..	..	Less tax	3	..
Cooper and Co.'s Stores	..	..	Less tax	15	..
D. Davis and Sons	4½ p.s.*	..	..	6	6
D. Jones Dickinson	3½*	..	Less tax	..	..
Forestal Land, &c.	24½*	Jan. 1	Less tax	..	..
Globe Telegraph and Trust	5/ p.s.*	..	Net	20	15
Halford Cycle	7½*	(£ bonus 10%)	Tax free	10	10
Hull Brewery	..	..	..	10	15
Ingall, Parsons, Clive, Ord. and Defd.	7% (bonus 1/2)	p.s.)	Less tax	..	..
Ingersoll Rand	22½	Dec. 1	..	..	..
Do Serp	10½	Jan. 10	..	..	..
Ingils and Co.	10*	..	Tax free	7½	5
John Fraser and Sons	..	..	Less tax	5	7½
John I. Thorneycroft, Ptg. Pref.	..	..	..	25	25
John Mackintosh and Sons	..	..	..	17½	15
Malta and Mediterranean Gas	5½	Dec. 15	Tax free	5	nil
Manbre Sugar and Malt	12½*	..	..	24	..
Massey's Burnley Brewery	..	..	..	5	5
McNamara and Co.	..	..	..	24	..
Mint, Birmingham	10*	..	Less tax	5	5
Newcastle Breweries	16 p.s.*	..	Tax free	62½	75
Noakes and Co.	..	..	Subject to tax	2	2
North Lonsdale Iron	..	..	Less tax	7½	10
N.Z. Loan and Mercantile	..	..	Tax free	..	..
Oceana Consolidated	..	..	Less tax	..	..
Patons and Baldwin	23%*	Jan. 1	Tax free	..	..
Pennsylvania Water and Power	12½*	Jan. 1	..	..	..
Peruvian Corporation, Pref.	..	..	..	..	..
Power Gas Cor, oration	4	..	..	2	1
Provincial Laundries	..	..	Less tax	4	5
Richards, Limited	5%*	..	..	10	10
Russell's Gravesend Brewery	6%*	..	Tax free	3/ p.s.	7
Samuel Barlow and Co.	10%*	..	Less tax	10	10
Scarlabrick Hotel (Southport), "A" and "B" Ord.	..	..	Less tax	15	15
Scottish-Australian Investment	7½*	(£ bonus 5%)	Tax free	10	11½
South Australian Investment	12½*	..	Tax free	15	11½
South African Breweries	1%	Jan. 7	Tax free	..	..
South Blackpool Jetty	10%*	..	Less tax	11	10 (b)
Do Bonus	1%	..	Tax free	..	..
Starkey, Knight, and Ford	..	..	..	15	15
Steel Company of Scotland	..	..	..	5	..
Strand Hotel, Ptg. Pfd. Ord	..	..	..	11	11
Tadcaster Tower Brewery	7%*	..	..	10	12
Third Edinburgh Invest., Defd.	14*	..	..	12	7
Thomson Salt and Co., Defd.	..	..	Less tax	7	nil
Tube Investments	..	..	..	..	..
Usher's Wiltshire Brewery	6%*	(£ bonus 1 p.s.)	Less tax	15	12½
Warwick and Richardson	6%*	(£ bonus 5%)	..	15	..
West Cheshire Brewery	10%*	(£ bonus 5%)	..	15	..
Western Telegraph	5/ p.s.*	Dec. 21	Tax free	6	5
William Paton and Co.	..	..	..	10	10
Youngs, Cr-walsh, and Youngs	7½%*	..	Less tax	..	..

LOSSES ON THE DIRECTORATE.

Before I sit down I should wish to refer to the losses which the bank have sustained during the year by the death of Sir William Robertson, one of the extraordinary directors, and of Mr Charles Carlow, an ordinary director, who for some considerable time prior to his death had acted as chairman of the board. Sir William Robertson, although holding an honorary position, always manifested a warm interest in the progress of the bank, and Mr Charles Carlow, who had been a member of the board for a quarter of a century, had, as is stated in the report, rendered important services to the bank during that period. We all at this table miss his wise counsel and kindly personality, and regret his loss, not merely as a valued colleague, but as a friend.

With these remarks, I beg to propose that the report now submitted, containing a statement of the accounts and balance-sheet of the bank, be approved, and that out of the profits of the year a dividend at the rate of 12 per cent. per annum for the half-year and a bonus of 2 per cent., both under deduction of income-tax, be now declared in conformity therewith.

The report was approved, and the governor, deputy-governor, extraordinary directors, and the retiring directors were re-elected, and auditors were appointed for the ensuing year.

ANGLO-EGYPTIAN BANK, LIMITED.

CHAIRMAN ON CONDITIONS IN EGYPT, SUDAN, AND PALESTINE.

The thirty-seventh ordinary general meeting of the shareholders of the Anglo-Egyptian Bank, Limited, was held, on the 27th ultimo, at the Bank, 37 to 39 King William street, London, Mr Raoul H. Foà (the chairman) presiding.

The secretary (Mr H. H. Mallet) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Business throughout the world has been at a very low ebb, and your directors are pleased to be able to distribute the same dividend as last year. The only noticeable difference in the profit and loss account as compared with last year is that we have written nothing off our premises account. Your directors think that they have for the present made quite sufficient provision for the redemption of the leasehold premises in London, having regard to the short period during which they have possessed them, and also deem that, with very gradual additions to the provision already made, their action will be in entire consonance with the conservative policy always adopted. The freehold and leasehold properties abroad stand at very much less than their actual value. Our investments, consisting as they do almost entirely of gilt-edged British securities at short maturity, stand at cost price or market price, whichever is the lower, and thereby constitute a further inner reserve of importance.

As your bank has become the property, to the extent of 90 per cent., of a vastly more important institution, the duty of enlightening you on the world-wide, as well as on the national, influences in economics does not fall within my province, but I am glad to say that, with regard to Egypt itself, it is my pleasant task to inform you that the demand for its chief product—cotton—is more active than I have ever known it in the whole course of my experience.

EGYPT'S NEW CONSTITUTION.

It is a time-honoured custom with us that one of your directors should each year visit the different spheres of operations of your bank, and this year it fell to my lot to make an extended trip through Egypt, the Sudan, Palestine, and a portion of Trans-Jordan. Naturally, in Egypt, as you know, a new constitution has been proclaimed, and the dominance of England in that country is not what it has been for many years. To begin with, the strong and, perhaps, natural aspiration of a country to govern itself has for some time been apparent in Egypt, and England, pursuing the course which she has followed for so long, decided to allow the Egyptians to rule their own country with very little interference on her part. The first result of this has been that many Englishmen working in the Egyptian Civil Service have been replaced by Egyptians. It remains to be seen whether this change will ultimately prove beneficial to Egypt or not. In place of men of large experience who virtually dominated the activities of the various Ministries there now remain only two Englishmen of this class, and they are merely there in an advisory capacity without having a vestige of power in their hands, except that of suasion. Happily, the Egyptian fellah is a law-abiding and industrious person, and it may be that he will in time awaken to a consciousness of his responsibilities as a voter, but in the interval I fear that he will be called upon to bear a considerable amount of dominance by forces and people who ought rather to leave him to his own devices, or attempt to lead him, and certainly not to drive him.

Trade in Egypt is in the same condition as it is in most parts of the world, but Egypt has the advantage of producing as its staple source of revenue cotton, which is, and promises to be for some time, in very short supply. Under these conditions Egypt

has suffered much less than many other countries. Of course, the halcyon times of 1920 are past and reaction has set in. In that year agricultural land in Upper Egypt, to my knowledge, changed hands at £700 an acre; it is now worth anything from £100 to £150 per acre, a much more reasonable figure. Labour in price has come down very nearly to what it was before 1914. At that time a fellah working at the Shadouf in water-rising earned about 6d a day. During the war his wage rose to 3s a day, and now he gets about 10d. But the change which most struck me was the difference of attitude of the fellah to his landlord. Before the war he accepted what treatment his landlord chose to mete out to him uncomplainingly and often without seeming protest. Now the absentee landlord often has difficulty in getting his rents at all. This, I suppose, is the case in many lands.

COTTON GROWING IN THE SUDAN.

The cotton crop of Egypt is estimated this year at about 6,000,000 cantars, and I have not so far heard that the insect pests which frequently attack cotton are in great evidence.

In the Sudan I was struck by the change which has come over that land in the four years that had elapsed since my last visit to it. England has come forward and supplied large sums of money to be expended in the making of dams, the diversion of water channels, and the construction of railways. The absolute necessity of producing within the Empire itself cotton sufficient for its needs is destined to make the Sudan within a few years a very rich country. I speak of it as a whole. Of course, there are arid deserts in the centre and miasmatic swamps on the Red Sea littoral, which must of necessity remain unfruitful, but the delta between the Blue and the White Nile and the land near the River Gash—that is to say, the Kassala cotton fields—and that near the Barrak at Tokar are destined sooner or later to produce great wealth.

One of the difficulties which was foreseen on the establishment of cultivation in the Sudan was the absence of labour. However, an unexpected source of labour supply has arisen; the Felatas, a tribe of Mohammedans from the West Coast of Africa, are now settling in large numbers in various villages. They are peaceable and hardworking, and it is considered that they will go a long way to solving the problems of labour in that country.

PALESTINE.

In Palestine, unfortunately, religious and racial difficulties are retarding the advance which should, under beneficent British influence, have done much more than has been the case. The influx of Jews from Russia, Rumania, &c., has in some instances been of unqualified advantage; in others the benefits of their presence have not been so evident. They have built two new towns, one at Tel-Aviv in Jaffa, and one at Haifa, and these have sprung up amid sordid surroundings as towns which might be pointed out as examples of planning and management by any nation with pride. It is not to be forgotten that Palestine is a very small country, about the size of Wales, and a country which, although possessing a small strip of very fertile land, is, in a great part, incapable of producing large crops. If capital were forthcoming to develop railways and hotels in Palestine it would, in my opinion, become an enormous centre of pilgrimage and tourists. For it must not be forgotten that it is the cradle of three religions, and if inducements were offered whereby a stay in that country—so full of appeal to the interests of civilised humanity—existed, Palestine would be able to do as Italy has done for the last hundred years, and make a handsome living for itself out of its visitors, who are now deterred from going there because of the lack of good hotels. At present the scarcity of capital is making itself very much felt, and the development of the country hindered thereby.

The report and accounts were unanimously adopted, and a dividend of 10s per share, free of income-tax, was declared, making a total distribution of 15 per cent. for the year.

THE LONDON NITRATE COMPANY, LIMITED.
FINANCIAL POSITION "EXTREMELY SATISFACTORY."
POSITION OF NITRATE INDUSTRY.

Presiding at the thirty-sixth annual general meeting of the London Nitrate Company, Limited, at Liverpool, on Thursday, the 29th ultimo, Mr Frank Tobin, C.B.E., chairman of directors, made special reference to the balance-sheet, which showed that the assets of the company in regard to works and property had increased since last year by, roughly, £28,000, and now stood at £504,488. The reason for that was the increase of plant at Oficina Santa Laura. Another notable feature on the assets side was with reference to the stocks of nitrate and iodine, which stood at £31,596, whereas at the end of June in the preceding year they stood at no less than £103,000, showing that during the year under review they had disposed of vast quantities of their accumulated stock of nitrate.

PROFIT AND LOSS ACCOUNT.

The profit and loss account for the year under review showed that the gross profit on trading, after certain deductions, amounted to £80,411, as against £35,000 for the preceding year. On the other hand, expenses had increased as a total, due to two things, income-tax and the corporations profits tax, the figure being in regard to the taxes £13,991, as against £7,594. Whilst, owing to the incidence of taxation, the directors did not hope to influence any lessening of the income-tax, there was some hope that the corporations profits tax might be amended in some way in the future. Reviewing the work of the current year, the chairman said that, after a long period of paralysis in the nitrate industry, in June of 1922 they restarted the Oficina Santa Laura, that being their best and cheapest producing oficina. They had been for some time earning no profits, and they wanted to get to work in order to earn some as fast as they could.

NITRATE CONSUMPTION.

The Chairman said that the sale of nitrate was in the hands of a central committee, who had to fix the prices for months ahead. That gave the purchaser of nitrate great confidence, who could buy without any fear that in a few months' time the price might be higher. They had to make a very careful estimate of what the consumption of nitrate would be for the ensuing 12 months, and they would then inform the companies what they thought that amount would be, and the companies could then calculate what their own proportion of the total quantity would be, and make their arrangements for producing that quantity if they wished to do so. It was quite evident soon after the end of June, 1922, that the production of the oficinas that had started work would not suffice for the total consumption of the world, but if a company had on hand a considerable stock of nitrate, it would say to itself, "If we produce so much and take so much out of stock, we shall have enough to meet the requirements of the central committee for the ensuing 12 months." That was their position.

INCREASE OF PLANT.

At Oficina Santa Laura they did not produce as much as they delivered, the balance being taken out of stock. The figures showed on the two respective dates that their stocks of nitrate were £103,000, and were now only £31,000, and that showed how they had drawn upon their stock. However, that could not go on for ever, and they realised that they would have to produce in the

future as much as they were going to sell. With this view there was the increase of plant at Oficina Santa Laura, but that plant was not going to be used entirely for producing a bigger quantity of nitrate. What was more important was that nitrate should be produced as economically as possible, and, therefore, simply because they had added 50 per cent. to their productive capacity at Santa Laura, it did not mean that 50 per cent. more nitrate would be produced. They hoped, however, that it would bring down the cost of production, in the first place, and that, secondly, there would be some considerable economy in the way of extraction. Passing on to refer to the state of affairs at the end of June, 1923, the Chairman said during the whole of that year consumption had gone on excellently, stocks had grown smaller and smaller, and the accumulation of nitrate in Europe and elsewhere was diminishing.

THREE OFICINAS AT WORK.

As regards the London Nitrate Company, the steps they took to meet the necessity of producing more nitrate were that Oficina "Puntunchara" was restarted in July of this year, and though, owing to the difficulties of the ground, they did not expect a very great output there, it would still be profitable work and supply them with a certain quantity of nitrate. However, they found that these two oficinas were not sufficient to supply the demand, and so in November of this year Oficina "Transito" was started, with the result that they had now three oficinas at work, and had no longer to bear the burden of incurring expense and getting no result.

HOUSING AND TRANSPORT.

There were, however, two difficulties which they had to face. There was no doubt that the housing of the workmen was not what it should be, and a welfare commission had been appointed on the coast to deal with the matter, and they and all other English companies would be only too anxious to do what was reasonably desirable in regard to that important question. Then, again, labour was another difficult question which they had to face, and it was necessary that they should make things as attractive as they could and deal with the difficulties as they arose. Another difficulty which loomed in the future was that in regard to the carrying of nitrate to the ports if the consumption increased in the future. It was a fact that at present the Nitrate Railway Company in Tarapaca was not in a position to deal with more traffic.

THE
ANGLO-SOUTH AMERICAN BANK,
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exceed £13,000,000.

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The reason why they did not increase their plant and rolling stock was because their licence from the Government would expire comparatively early, and they did not feel justified in incurring further heavy expense with the possibility that that licence would not be renewed. As a matter of fact, application had been made to Congress for a renewal of this licence, but it was unfortunately defeated by one vote. One would have thought, as a large proportion of the revenue of the Government came from nitrate and its transport, that Congress would have seen their way clear to afford all possible facilities for increasing the traffic, and it was not perhaps too late to hope that commonsense would lead to a solution of this difficulty, which undoubtedly existed.

SOUND POSITION.

In conclusion, the Chairman said that their financial position was exceedingly satisfactory. They had to look ahead to 1926 when their debenture fell due for repayment, and the profits of the current year had enabled them to set aside £30,000 for that purpose. They would continue that policy, and he thought the debenture debt would disappear about the time that the debentures fell due or very soon afterwards. Paying a handsome tribute to the efficiency and work of the staff and agents on the coast, the Chairman said the company was most excellently served there. They had passed through an exceptionally trying time, and it had been a great comfort to the directors to know that they had been not only energetically but ably represented in all respects. The Chairman then moved a formal resolution, receiving, approving, and adopting the report and accounts, including confirmation of a dividend of 1s 6d per share, final, for the year, payable on December 6, 1923.

Lt.-Colonel Sir James Reynolds, Bart., seconded the resolution, which was carried.

On the proposition of the Chairman, seconded by Mr E. B. Orme, Mr William H. Hasler was unanimously re-elected a director of the company, and Messrs Harmood, Banner, and Son were also re-elected auditors.

WESTERN TELEGRAPH COMPANY, LIMITED. CHAIRMAN ON PROPOSED U.S. AND ITALY CABLE.

The nineteenth ordinary general meeting of the Western Telegraph Company, Limited, was held, on the 29th ultimo, at Electra House, Moorgate, London.

Sir John Denison-Pender, G.B.E., K.C.M.G. (the chairman), presided, and said that, after charging working expenses, standing interest on debenture charges, income-tax, &c., they had left £327,241, a considerably smaller amount than the accounts of the last few years had been able to show. The reasons were doubtless well known, and were the political and economic unrest and depression which prevailed in almost every country in the world. Their receipts showed a decrease of nearly £217,000, including £75,000 for loss in exchange. Their working expenses showed an increase of £67,000, but income-tax and corporation profits tax were less by £64,000, thus making a net increase in expenditure of £3,432. The working expenses had, of course, been increased by the opening of four new stations, Barbados, Maranham, Maceio, and Victoria.

The net result of the year's working was a balance of £327,000, against £547,000 for the previous twelve months. After deducting the dividends, amounting to 10 per cent., free of income tax, paid during the year, there remained £329,739 to carry forward, for he was afraid they must still look for reduced traffics compared with the last few years. The hope expressed a year ago that there were signs of improved trade in South America had not been realised, but recently, during the last few weeks, there were signs once more of improvement in their traffic returns.

ITALIAN CABLE TO U.S.

The president of the Western Union Company, before leaving America three weeks ago, had given an interview to certain newspaper correspondents, dealing with the proposed cable between New York and Italy via Azores. Reports of interviews of that kind, which necessarily went through a number of hands, were not apt to soften the asperities of an utterance, and, taking the report as published, the remarks seemed to him rather unfair both to Great Britain, and certainly to the Western Telegraph Company and to those responsible for its management. The Italians were constructing a line to the Azores, and later intended laying further cables on to South America. The latter undertaking was to be subsidised by the Italian Government. The Western Union Company would lay a cable from the Azores to New York, and desired to be also financially interested in the European portion, thus forming a competitive route to South America. It would be apparent, as a glance at the map would show, that the door was open for subsidised competition as regarded the company's South American traffic. When they had co-operated with the Western Union Company in the new cable communication between North

and South America, it would be remembered how the Americans had held them up for two years after the cable had been laid, owing to their having preferential cable rights on the coast of Brazil, rights which the American Government by their action ultimately forced the company to relinquish before they permitted the cable to be used. Their agreement for that cable with the Western Union Company provided that neither of the two companies, without the previous consent of the other, should make any traffic or working agreement, or interest itself directly or indirectly with anyone else competing with that joint route. That protected the company's interests, and he saw no reason why that agreement should be set aside.

DIVERTING SOUTH AMERICAN TRAFFIC.

If the Western Union Company was to be interested in the Italian section of that cable communication, South American traffic might be tapped and diverted to the detriment of the company's direct route. Moreover, the Italian Government had given a subsidised preferential concession. In the interests of their shareholders the board had the right to object and to take their stand on the clauses of the Barbadoes-Miami agreement. The utterance that a tribute was required had been interpreted in terms of money, and it had gone forth that the company required payment for landing rights. That was not the case; such a matter had never even been discussed. Regarding the reference as to the Azores being neutral territory, they could safely leave that to Portugal to answer. So long as the proposed cables were used solely for Italian and North American traffic the company had no grievance. They relied upon the goodwill of Portugal for support of their action. Portugal was the valued and oldest ally of Great Britain, with whom the company's associated companies had worked most amicably for half a century.

However, Mr Newcomb Carlton, who was the president of the Western Union Company, and himself had met, and they had come to an arrangement which met the views of the company and was acceptable to the Western Union Company.

The report and accounts were unanimously adopted.

CARGO FLEET IRON COMPANY, LIMITED. CLAIM AGAINST THE GOVERNMENT—PROSPECTS OF THE INDUSTRY.

The adjourned annual ordinary general meeting (for 1922) of the Cargo Fleet Iron Company, Limited, was held, on the 28th ultimo, at Middlesbrough.

The Right Hon. Lord Furness (the chairman) said: At our last ordinary annual general meeting we were unable to present the balance-sheet for the year 1922 owing to the number of matters outstanding with the Inland Revenue authorities, but these have now been disposed of, with the exception of the petition of right, which, unfortunately, it has been necessary to lodge in connection with the extension agreement.

The profit and loss account shows a credit of £95,015 2s 5d. After deducting £41,167 2s 4d for debenture interest, and £30,000 depreciation, this leaves £23,848 0s 1d, which, added to the amount of £152,845 6s 5d brought forward from 1921, gives a total of £176,693 6s 6d, which sum it is proposed to carry forward.

The report and accounts were unanimously adopted.

The annual meeting for 1923 was held after the conclusion of the adjourned annual ordinary general meeting for 1922.

The Chairman (the Right Hon. Lord Furness) said: The year ended September 30, 1923, was more satisfactory from some points of view than its predecessor. I am pleased to be able to say that we have throughout the year been able to keep two-thirds of our blast furnaces and practically the whole of our steel plant in continuous operation, thus providing nearly full-time employment for our workmen. Competition has been, and is, very keen, and prices have been too low when compared with manufacturing costs; and the lack of stability in the prices of our raw materials and the finished products we have for disposal has made trading extremely difficult.

REASON FOR LARGE CARRY FORWARD.

The credit on profit and loss account brought forward from September 30, 1922, was £176,693 6s 6d, to which is to be added the sum of £96,945 11s 6d for 1923, making a total of £273,638 18s. From this is to be deducted debenture interest, £40,989 7s 7d, and a further sum of £30,000, which has been appropriated for depreciation, leaving a balance of £202,649 10s 5d, which it is proposed to carry forward. It may appear that this is a large amount, and that a dividend should have been paid to the shareholders; but, in view of the petition of right already referred to, your directors are of opinion—especially having in mind the present condition of the steel trade—that no distribution can be considered until our large claim against the Government has been settled.

As you know, the company was heavily burdened by the excess

profits duty, and has paid in taxation generally since March, 1917, a sum exceeding £1,255,000, as mentioned in my remarks at our last meeting, and it is very unsatisfactory and disappointing to the shareholders that an agreement with the Government should have been settled by the expensive and tedious method of a petition of right.

FUTURE PROSPECTS.

In regard to future prospects, it is very difficult to believe that there can be any substantial increase in the profits of our steel products while so large a proportion of the productive plant of the country remains out of operation; and I am inclined to the opinion that any relief that will bring about a more satisfactory relationship between manufacturing and selling prices will have to result from a reduction in the cost of production, and low manufacturing costs can only be obtained by full operation.

It has been estimated that whereas in 1913 60 per cent. of the pig-iron of the country was made from home ores and 40 per cent. from foreign ores, in 1922 (when the pig-iron made amounted to only half its pre-war volume) the percentage from home ores had fallen to 55 per cent. and from foreign ores increased to 45 per cent.

If the home presses had maintained the same relative consumption—even with the reduced make of pig-iron—nearly 1,000,000 tons more of home ores would have been used.

The problem of an increased use of suitable home ores is one that can only be solved by the railway companies, as you will realise when I say that the cost of Northamptonshire rawstone is about 3s per ton in trucks, whereas the railway carriage to our works is 8s per ton in owners' wagons.

The American iron trade is dependent upon Mesaba ores. The present inclusive charge for the conveyance of iron ore from the Mesaba Mines to the works at Pittsburgh—a distance of over 1,000 miles—at the present rate of exchange is 13s 10d per ton. In contrast to this, the railroad carriage on rawstone from Northamptonshire to Tees-side—a distance of 180 miles—is no less than 8s for haulage alone. This figure does not include the provision of trucks, which must be supplied by owners, nor does it include the cost of loading or discharging, which has also to be borne at owners' expense.

The report and accounts were unanimously adopted, and the retiring directors and auditors were re-elected.

SOUTH DURHAM STEEL AND IRON COMPANY, LIMITED. SATISFACTORY RESULTS—EXPORTS AND PRICES.

The twenty-fifth annual ordinary general meeting of the South Durham Steel and Iron Company, Limited, was held, on the 28th ultimo, at Middlesbrough, the Right Hon. Lord Furness presiding.

The Chairman said: Although your company, like all other industrial undertakings, has passed through many vicissitudes since its incorporation, I think you will agree that we have reason to congratulate ourselves upon the results which have been achieved.

As I indicated last year, we were then within measurable distance of arriving at a settlement with the Government authorities of the various questions arising out of the war taxation, and I am glad to inform you that we have now made a final adjustment, which has resulted in certain reserve credits coming into the profit to September 30th last, thus making the latter total £182,109 3s. Adding the amount brought forward from the previous year, this gives a sum total of £300,171 7s 11d. Your directors recommend that a dividend of 10 per cent. per annum (less income-tax) shall be paid on the ordinary share capital. It may be commented that our reserves are very large in comparison to our capital. It is largely due to this, however, that we are able to pay a 10 per cent. dividend on our ordinary shares, when other similar companies are unable to pay a dividend at all.

We are in this happy position, simply because we have conserved our resources in the past, and also for the reason that we have invested a great proportion of these reserves in properties which supply us with raw materials essential to our requirements.

DIVERSIFYING MANUFACTURED PRODUCTS.

It is certain that new uses will have to be found for steel plates if the present and potential mills of this country are to be worked to their full capacity, which is the only way they can yield a satisfactory profit. This is a problem which is receiving the serious consideration of your directors. The branches of the steel trade that have remained busy during the present depression are those whose products do not require large investments of capital after manufacture for their final use, as in the case of steel when used for building ships, bridges, railroads, &c.

I refer in particular to the galvanised sheet and tinplate trades. The tinplate trade, as you are probably aware, is confined to South Wales, and there does not appear to be any fundamental reason why it should continue to hold the monopoly. Your directors, having come to the conclusion that the time has now arrived to

commence diversifying our manufactured products, have therefore made arrangements for the erection of a new plant for the manufacture of galvanised corrugated sheets.

I have often referred in my remarks in previous years to the vital importance of obtaining coal at a reasonable price, and it is scarcely necessary for me to point out that the success of the iron and steel industry is largely dependent upon cheap fuel—especially coke—and low costs of transport.

RUHR OCCUPATION AND ITS EFFECT.

Owing to the non-productivity of the coal mines in the Ruhr since the French occupation, the export demand for British coal and coke has surpassed all previous records, and for some time was at the rate of no less than 100 million tons of coal per annum, the prices during this particular period being at least three times their pre-war level. A slight increase in the price of steel followed the closing of the works on the Rhine; but this was not at all proportionate to the increase in fuel prices, the effect of even this small increase in steel prices being to restrict the slightly improved demand which had already asserted itself earlier in the year. Coupled with the large demand for export coal came also extra demands for coke at such high prices that the home consumer could not afford to pay.

The result was that as the increased quantities of coke were exported, many blast-furnaces were closed down; so it would appear that largely increased coke exports have the effect of reducing the output of pig-iron.

I do not in any way criticise the export of this coke, but, if this is to be permanent, then our costs of pig-iron and finished steel must inevitably increase. Therefore, until the whole of the coal mines of Europe are in operation, there cannot be stability in coal prices, and, similarly, until coal prices have reached their economic level there cannot be stability in iron and steel prices, while the demand is bound to be erratic, without much prospect of a reasonable profit.

It can be safely said that no country can hope to remain permanently in the first ranks of steel manufacture unless suitable pig-iron is produced in approximately the same weight as the finished steel products, and this figure can be taken at about 70 to 75 per cent. of the steel ingot production for the heavy and cheap steel trades.

As a result of the Treaty of Versailles, whilst the Saar remains within the French Customs' limits, the French potential production has increased—at the expense of Germany—to nearly 10,000,000 tons. It will thus be seen that Germany and France will be almost equal competitors. The fact remains that every year a market has to be found for 21,000,000 tons of Continental steel, in addition to the increased production of this country and the United States—and, unfortunately, at the present time this is impossible, owing primarily to the chaotic state of the exchanges and the prevailing universal unrest. The question of the exchanges is one of the most vital factors and one of the greatest obstacles to be overcome before we can hope for a renewal of normal trading conditions.

The report and accounts were unanimously adopted.

CONSOLIDATED GOLD FIELDS OF SOUTH AFRICA, LIMITED SATISFACTORY YEAR—INCREASED PROFITS.

CHAIRMAN'S REVIEW OF COMPANY'S INTERESTS.

The ordinary general meeting of the Consolidated Gold Fields of South Africa, Limited, was held, at the Cannon street Hotel, London, on the 29th ultimo, Lord Harris, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and ac-

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Reserve Fund	£8,250,000
Deposits (30th June, 1923)	£295,905,730

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BANKING BUSINESS TRANSACTED

counts, said:—I will deal with the accounts of the New Consolidated Gold Fields, being the operating company, first. Taking the profit and loss account, the gross profit amounted to £460,228 4s 8d, as against £379,376 11s 1d, a gratifying increase of £80,851 13s 7d. The cost of management which last year was reduced from £51,000 in the preceding year to £37,000 last, this year figures at £41,801 6s 3d. There is a balance of net profit brought down of £412,952 2s 7d, compared with £336,511 13s 11d last year. The appropriation account showed a balance at credit of profit and loss account on June 30, 1922, of £74,644. From this amount a dividend of 1½ per cent., £67,500 referred to last year, was paid to the Consolidated Gold Fields, enabling that company to pay all arrears of preference share interest to June 30, 1922, and the balance of £7,144 4s 10d carried to the credit of profit and loss account gives you a credit of £420,096 7s 5d against £225,298 3s 8d last year. Against this we have written off £182,032 19s 2d for depreciation.

Turning now to the Consolidated Gold Fields of South Africa accounts, which are the accounts actually before this meeting, these are very simple. The company owns all the shares in the New Consolidated Gold Fields, and derives its income almost entirely from that source. The latter company paid an interim dividend of 2 per cent. in November last, adding to which the final dividend of 3 per cent. gives you the £225,000 at credit of profit and loss account. There is, in addition, a comparatively small amount of interest, £2,429 16s 1d, at credit, which, together with the forward balance from last year of £18,496 2s 11d, makes £245,925 19s in all, as against £125,369 14s 6d last year.

On the debit side we have the payments made in respect of dividends on the first and second preference shares for the year, leaving £132,490 5s 9d to be carried to the balance-sheet. From the balance at credit of profit and loss account we recommend you to take a dividend of 6 per cent., less income-tax, leaving a balance of £41,740 5s 9d to be carried to the current year's profit and loss account.

INTERESTS ON THE RAND.

Turning to general subjects, and naturally taking our interests on the Rand, which are still very large, first. It is difficult to make a

comparison between the results of working during the year ended June, 1922, and the year ended last June, owing to the fact that the strike period spoilt the record for 1922. It was a year of improvement, however, giving hope for 1923, and I am glad to say that promise has been handsomely fulfilled. Larger profits with gold at 90s 1d per ounce were earned during the period ended June, 1923, than during the previous corresponding period, when gold realised 100s per ounce. It follows that this pleasing result was mainly due to decreased working costs and to the increased efficiency referred to in the manager's report, and it is satisfactory to note that a further decrease in costs took place during the quarter ended September last. During that quarter the ruling price for gold was still taken at about 90s, but that price has risen since then, so that the estimated profits for the September quarter are likely to prove higher than estimated by the increased price of such proportion of the quarter's yield as was realised in October.

The Simmer and Jack, about which I spoke somewhat hopefully at our last meeting, has emerged creditably from a troublous year.

The Robinson Deep year ended in December, 1922, so that interest centres on the results of the nine months of the current year which have elapsed since then. Exact comparison is difficult owing to the strike interruption early in 1922, but it is nevertheless interesting to note that whilst the working profits for the whole of 1922 (during which period gold realised an average of 91s 7d per ounce) were £248,003, the working profits for the first nine months of the current year amount to £311,000, in spite of the fact that gold realised only 88s 9d per ounce averaged over that period.

Turning to Sub Nigel, although the results obtained east of "C" shaft and at "E" shaft were somewhat erratic, development generally has been encouraging.

RHODESIA AND AMERICA.

As regards Rhodesia, you will have closely followed the recent almost sensational developments to which I referred at the meeting of shareholders of the Gold Fields Rhodesian Development Company the other day. The history of the Cam and Motor Mines is quite a romance, and as we have ourselves, as well as through the Gold Fields Rhodesian Company indirectly quite a considerable holding of Cam and Motor shares, we may look forward to participating in the prosperous future which the directors of that company anticipate in the shape of materially increased revenue next year.

Turning to America, you will see that our Gold Fields American Development Company, in which we and the South African Gold Trust hold all the shares, made a very satisfactory profit for the year ended January 31, 1923. The Comstock Merger Company, Inc., New York, has acquired an important group of mining claims on the Comstock lode in Nevada. In conjunction with the National Mining Corporation we secured a controlling interest in that company.

Taken altogether, this venture in Comstock looks like turning out to be a very important one, and, needless to say, a remunerative business.

We have, together with the National Mining Corporation, taken a substantial interest in oil ventures in Rumania, our principal investment being in the British Sospiro Oilfields, which owns a large shareholding in the Rumanian company of the same name.

With a view to obtaining a footing on the ground floor in the Ontario gold territory, we have taken a minor interest in the Porcupine Goldfields Development Company.

We have also taken an interest in a Derbyshire lead proposition and in an Italian concession for the exploitation of zinc and lead mines. You will see, therefore, that we have not been inactive, and, though we cannot count on all our ventures proving successful, we have every confidence that the investments selected under the best technical advice obtainable will average out successfully. In addition to the above, we have acquired substantial share interests in the Corporation for the Economic Development of Turkey, in Angola Diamonds, Mexican Corporation Notes, South American Copper Notes, and last, but not least, in Rand Mines.

With reference to our one-third interest in Devonshire House, negotiations for the sale of this property are actually in progress at this moment. I venture to say this, however, that this site, which I may without exaggeration describe as one of the finest, if not the finest, in London, is not likely to go begging much longer.

There are ahead of us some considerable possibilities. We have large interests in these new ventures, and those interests have been acquired on very reasonable terms. I hope they are going to prove profitable to you; and I will go further, although I know it is generally held in the City that I am far from being optimistic, I not only hope, but I firmly believe, they will by degrees come in as highly satisfactory dividend-payers.

Lord Brabourne seconded the resolution, which was unanimously adopted.

BOULDER PERSEVERANCE, LIMITED.

SUCCESS OF RECONSTRUCTION.

The statutory meeting of Boulder Perseverance, Limited, was held, on the 29th ultimo, at Winchester House, London, Mr C. F. Bell, F.C.I.S., the chairman, and managing director presiding.

The secretary (Mr C. F. Lupson), having read the notice convening the meeting and the certificate of the auditors,

The Chairman, in the course of his speech, said:—I would like to say how very gratifying has been the response made by the shareholders to the priority shares issue. In the circular to the shareholders of July 23rd, it was stated, "I feel confident that everyone will co-operate in the scheme," and although it was not possible to give longer time for the shareholders in our Dominions to participate, and notwithstanding that the rate of exchange militated against the French shareholders applying—it meant their paying 3s for each share—the total applications received in time for the priority shares was 849,073 (as against the 700,000 we asked for), of which 441,648 were as of right and 407,425 excess shares. The shares as of right having been allotted, there remained 258,352 shares, the result being that applications for excess shares could only receive an allotment of 65 per cent. You will bear in mind that all these applications came from shareholders in the Great Boulder Perseverance Gold Mining Company, Limited, and the underwriters were not called upon to make good any deficiency, although I am given to understand they would have been only too pleased to have been called upon to take up the whole of their underwriting, regarding it, as it undoubtedly is, as a thoroughly good and sound investment.

WORK AT THE MINE.

A few words regarding the work which Mr Williams has been, and is, carrying on at the mine. I feel I cannot do better than quote from his letter to me of September 21st. He says: "The production of ore has been increased to 5,000 tons per month. (The average last year was 3,500 tons.) Increasing roasting capacity to between 7,000 and 8,000 tons per month. Profit for six months, June-November, was estimated at £27,000. We have made June-August £15,000, and feel confident that the above-named estimate for the six months will be reached." Mr. Williams goes on to say: "We have commenced working ore on company's account, and this will be accelerated month by month until about 8,000 tons of ore can be relied upon from company's and tributaries' work. We are this month (September) commencing development work on company's account in ground we estimate will average on stopping over 10 dwts per ton. We are commencing diamond drilling to locate extensions of ore chutes at several points. We are not eliminating tributing, but bringing tribute work more into line with company's interests. We are incurring very heavy expenditure on work necessary to recondition mine and equipment. When this work is finished our working costs will be reasonable." But what I think will be the most welcome news in this letter is the following statement: "The mine, if vigorously developed, will be a good profit-making venture for many years; there are so many lodes to be prospected that the life of the mine for at least eight years may be accepted as assured, with almost the certainty that such a period will be considerably exceeded."

FINANCIAL POSITION.

A few words regarding our financial position. Apart from the new money represented in the report before you, we have £10,000 here in Government securities and £15,000 at the bank at Kalgoolie on deposit, pending the time when, after the mine has been reconditioned, development work can be proceeded with. But for the strike of Government employees on the water-works, there is no doubt a further substantial amount would have been forthcoming as the result of October working, and Mr Williams's estimate of £27,000 would probably have been reached. There are two features which will help us in the future. First, the cost of water has been reduced from 7s to 3s per 1,000 gallons; our water bill for the six months ending September 30th was £2,100, so that we shall save nearly £2,000 for the full year on this alone. The next important item is the reduction of wages obtained by the Chamber of Mines of 1s 6d a shift—i.e., about 10 per cent. of the wages bill, which for the past year was £39,000. The saving from this item is, therefore, considerable, and as the company's ore is increased it will be augmented.

Our record has been one of which the shareholders of this company have every reason to be proud, and in view of Mr Williams's statements (which we have every reason to believe are most conservative), I hope it will be my privilege for some years to meet you and render you satisfactory advices of good profits being made at the mine, as appears to-day to be more than probable.

Mr W. A. Luning said the way in which Mr Williams had reorganised the company's affairs had been extremely satisfactory, and, what was even more satisfactory to him (the speaker) as a

business man, was the extremely able and careful way in which he disclosed to the board the different workings in which he was engaged, and the most elaborate, satisfactory, and descriptive accounts he gave, showing exactly what he was doing, how the money was being spent, and what he hoped to reap from the expenditure.

A cordial vote of thanks to the chairman concluded the proceedings.

COLOMBIAN CORPORATION, LIMITED.

TRANSPORT TO CONSTANCIA MINE PERFECTED.

The third ordinary general meeting of the Colombian Corporation, Limited, was held, on the 28th ultimo, at Winchester House, Old Broad street, London, Mr Frederick W. Baker (chairman of the company) presiding.

The secretary (Mr G. E. Hounsom) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: You will notice that at December, 1922, the remaining capital resources of the corporation then stood at £32,912, as against a debit balance as at October 31, 1923, of £43,248, showing a difference against the corporation as between the two periods of £76,000.

The further delays in completing transport arrangements will, I fear, swell this adverse balance until we reach the productive stage. I am glad to be able to report, however, that the Oroville Company, who own all the ordinary shares in this corporation, have under serious consideration now the question of providing the further moneys that may be necessary to get our mill into operation.

I may mention here also that, after consultation and in agreement with our auditors, probably in next year's accounts the bulk of the items under the heading of "Expenditure in suspense" will be treated as items properly chargeable to capital, so that when the mill is in operation and the company making profits we shall, by following this course, be able to bring nearer the period when dividend distribution will be possible.

After dealing with the total receipts and expenditure of the corporation, the Chairman continued:—Turning to the position at the Constancia mine. Most of our available labour has been employed, as you know, on the completion of the Dos Bocas road; so that, beyond a certain amount of work done in the direction of retimbering and perfecting ventilation, a comparatively small amount of actual mine development has been carried out. Some considerable work has been done in the direction of completing water flumes and foundations for the mill and for the power station, so as to be in readiness for the delivery of the bulk of machinery which is now being shipped from Barranquilla. The Dos Bocas road has now been completed and is open for traffic. As you know, rather than burden this corporation with the cost of the Dos Bocas road, an arrangement was made with the Oroville Company, who have taken over the concession, and, at their own cost, completed the work. The same company have now in operation an up-to-date oil fuel steamer, with three barges, capable of handling 300 tons each trip, thus connecting the port of Barranquilla with the Dos Bocas road, so that, as far as one can judge, all transport questions in connection with the needs of the Constancia mine are now perfected—fortunately, I may add, at no cost to this corporation. The report and accounts were unanimously adopted.

THE STANDARD BANK OF SOUTH AFRICA, LIMITED.

(with which is incorporated the AFRICAN BANKING CORPORATION, LTD.)

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

AUTHORISED CAPITAL ...	£10,000,000
SUBSCRIBED CAPITAL ...	£8,916,660
PAID-UP CAPITAL ...	£2,229,165
RESERVE FUND ...	£2,893,335
UNCALLED CAPITAL ...	£6,687,495
	£11,809,995

Board of Directors.

William Reiseron Arbuthnot, Esq.
Sir David M. Barbour, K.C.S.I., K.C.M.G.
Edward Clifton Brown, Esq.
Stanley Christopherson, Esq.
Robert E. Dickinson, Esq.
James Fairbairn Finlay, Esq., C.B.I.

Solomon B. Joel, Esq., J.P.
Horace Peel, Esq.
Rt. Hon. the Earl of Selborne, K.G.
William Smart, Esq.
Rt. Hon. Lord Sydenham, G.C.S.I., G.C.M.G., G.C.I.E., G.B.E.

Senior General Manager in South Africa—J. P. Gibson.
Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
Asst. Gen. Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
London Manager—Francis Shipton. Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4
London Wall Branch: 63, London Wall, E.C.2.
West End Branch: 9, Northumberland Avenue, W.C.2.
(Opposite the Royal Colonial Institute.)
NEW YORK AGENCY: 67 WALL STREET.
ROTTERDAM BRANCH: 31 COOLSINGEL.
HAMBURG AGENCY: 49-53 SCHAUBENBURGER-STRASSE.

Bank of British West Africa, Ltd., 49-53 SCHAUBENBURGER-STRASSE.
Over 320 Branches. Sub-Branches and Agencies in CAPE PROVINCE, NATAL, ORANGE FREE STATE, TRANSVAAL, RHODESIA, NYSALAND, BASUTOLAND, KENYA COLONY, KENYA PROTECTORATE, UGANDA, ZANZIBAR, PORTUGUESE EAST AFRICA, SOUTH WEST AFRICA, TANGANYIKA TERRITORY, BELGIAN CONGO.

BANKING BUSINESS OF EVERY DESCRIPTION transacted at all Branches and Agencies.
CURRENT ACCOUNTS opened on the usual terms, and DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

SAVINGS BANK ACCOUNTS opened at the Branches in Africa on terms which may be ascertained upon application.
BILLS NEGOTIATED and COLLECTED.
DRAFTS issued, MAIL and TELEGRAPHIC REMITTANCES made.
LETTERS OF CREDIT and COMMERCIAL CREDITS established.
TRAVELLER'S LETTERS OF CREDIT issued available in all parts of PURCHASE and SALE of Stocks and Shares effected. (the world.)
DIVIDENDS, ANNUITIES, ETC., received and COUPONS COLLECTED.
STRONGROOMS provided for the safe custody of Securities and Valuables of Customers.
ASSAY DEPARTMENT—Gold, etc., and all Mineral Ores assayed and EXECUTOR and TRUSTEE business undertaken. (realised.)
The Officers of the Bank are bound not to disclose the transactions of its customers.

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - Fmk. 252,000,000
Deposits and Cheque Accounts (30/6/23) - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

ANSELL'S BREWERY, LIMITED, BIRMINGHAM.

TAXATION KEEPING UP THE PRICE OF BEER.

At the annual meeting of shareholders of Ansell's Brewery, Limited, held at the Queen's Hotel, Birmingham, on Tuesday last, the 27th ultimo, Mr Thomas Ansell, deputy-chairman, presided in the unavoidable absence of the chairman, Mr J. A. Fairhurst. Sympathetic reference was made to the resignation of Mr Edward Ansell of the chairmanship of the board, owing to ill-health. Mr Ansell, it was stated, was one of the founders of the company, and had been chairman of the board for 20 years. The secretary was instructed to write a letter of sympathy with Mr Ansell, who, writing to the chairman, mentioned that, with one exception, he had been present at each annual meeting since the formation of the original company 35 years ago. This year's report and balance-sheet, he said, seemed to be satisfactory from all points of view.

INCREASED PROFITS.

In moving the adoption of the report, the Chairman remarked that the balance-sheet showed an increased profit of, roughly, £10,000 over last year, and went on to say that the remarks he passed last year unfortunately held good to-day in regard to the impossibility of further reducing the price of beer so long as taxation is maintained at its high level. After this year's Budget the price of beer was reduced to the public by one penny per pint, or 24s per barrel, while the rebate allowed by the Government to the brewer was 20s per barrel. Even now, if that company were desirous of increasing the strength of its beers by an expenditure of 2s per barrel, the Government would receive out of that amount 1s 6d in extra beer duty, and the consumer would only benefit to the extent of 5d. The beer duty was still nearly ten and a-half times greater than it was in 1913.

The country was in the midst of a General Election, the main issues of which were Protection v. Free Trade. He was convinced that under Protection the working men of this country would have more regular work and higher wages. This, of course, meant that he would have more money with which to enjoy what he considered the four principal "B's" of life—"Bread, beef, 'baccy, and beer."

DIVIDEND OF 10 PER CENT.

The report, which showed net profits amounting to £132,786, and recommended the payment of a dividend at the rate of 10 per cent. for the year on the ordinary shares, was adopted.

Mr Harold P. Rushton, who joined the board of directors upon the purchase of Rushton's Brewery, was re-elected a director, and Mr J. A. Fairhurst was also re-elected a director.

Reference was made by the chairman and a number of shareholders to the death of Mr Joseph Ansell, who was solicitor to the company from its formation.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Dec. 3-Dec. 8 were opened on Nov. 30, 1923, and the total amount applied for was £52,835,000. For bills at three months, dated Monday to Saturday at £99 3s 7d, about 73 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £44,000,000; in bonds, £900,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price.
Oct. 19, 1923.	£5,000,000	£51,135,000	£ 8 7 8	nil
Oct. 26,	35,000,000	50,975,000	3 1 8 3/4	nil
Nov. 2,	35,000,000	61,550,000	3 1 8 3/4	nil
Nov. 9,	35,000,000	53,900,000	3 3 8 1/4	nil
Nov. 16,	35,000,000	46,275,000	3 5 9 3/4	nil
Nov. 23,	45,000,000	61,235,000	3 5 7 3/4	94 10 0
Nov. 30,	45,000,000	62,835,000	3 5 2 9/2	94 10 2

Tenders will be received on Dec. 7, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Mar. 29, 1922.	300,561	14,255	5,000	28,500	19,450	15.9	261,479	177
June 27,	295,374	13,138	5,000	28,500	19,450	16.3	264,312	180
Sept. 27,	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 31, 1922.	301,337	12,672	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27,	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27,	282,784	12,401	7,000	27,000	22,450	17.5	238,596	140
Nov. 15,	282,996	11,939	7,000	27,000	22,450	17.5	238,344	140
Nov. 22,	281,202	12,015	7,000	27,000	22,450	17.6	236,599	168
Nov. 29,	281,561	11,901	7,000	27,000	22,450	17.6	236,882	150

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,500,000, for 1922 at £309,988,400, and for 1923 at £270,183,800.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Nov. 24, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	14	14
4% War Stock	63	63	63	63	63	63	63	63	63
4% War Stock	16	16	16	16	16	16	16	16	16
National War Bonds	2,091	2,047	2,040	1,996	1,953	2,071	2,095	2,095	2,095
4% Funding Loan	649	1,509	1,476	1,413	1,301	971	953	924	924
4% Victory Bonds	...	...	...	...	...	...	...	...	...
3% Conversion Loan	...	...	...	...	...	...	...	...	...
5-15 year Treas. Bonds	...	...	...	...	...	...	...	...	...
5% Treasury Bonds	...	...	...	...	...	...	...	...	...
Do by tender 5%.	...	...	...	...	...	...	...	...	...
Do by tender 4%.	...	...	...	...	...	...	...	...	...
Do 4% 1931-33	...	...	...	...	...	...	...	...	...
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	646
Exchequer Bonds	20	322	323	319	289	185	150	150	150
Natnl. Savings Certs.	138	267	274	286	342	350	364	358	358
War Expend. Certs.	...	...	...	...	...	...	...	...	...
Other Debt	944	1,306	1,181	1,139	1,087	1,071	1,157	1,149	1,149
American Loan	51	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	205	154	147	222	194	159
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,743
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,812

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Nov. 25, '22.	Mar. 31, '23.	Nov. 24, '23.	Nov. 24, '23.
Outstanding	£ 179,538,500	£ 193,897,500	£ 158,461,500	£ 9,150,000
Advances by Bank of England	...	...	...	...
Advances by Public Deptmts.	...	...	...	...
Treasury Bills outstanding	731,920,000	616,045,000	645,575,000	3,670,000
Total Floating Debt	911,458,500	809,942,500	804,036,500	5,480,000

* Including £39,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from	Receipts.	Week Ended Nov. 25, 1923.	Week Ended Nov. 25, 1923.
		Apr. 1, 1923, to Nov. 24, 1923.	Apr. 1, 1923, to Nov. 25, 1923.		
Balances in Exchequer on 1st April:—					
Bank of England	£ 5,442,665	£ 9,963,424	£ 9,963,424	£ 9,963,424	£ 9,963,424
Bank of Ireland	1,375,502	1,210,106	1,210,106	1,210,106	1,210,106
REVENUE.					
Customs	116,900,000	82,676,000	82,981,000	3,888,000	3,568,000
Excise	143,860,000	94,729,000	106,496,000	3,549,000	1,839,000
Motor Vehicle Duties	13,250,000	4,355,000	3,493,000	...	...
Stamp Duties	52,000,000	36,540,000	39,411,000	2,760,000	1,010,000
Land Tax, House Duty & Mineral Rights Duty	3,000,000	540,000	610,000	...	...
Property & Income Tax	261,000,000	127,070,000	173,307,000	974,000	2,062,000
Super-Tax	58,000,000	23,740,000	...	430,000	...
Excess Profits Duties, &c.	12,000,000	14,070,000	11,487,000	280,000	350,000
Corporation Profits Tax	20,000,000	33,600,000	34,600,000	1,000,000	1,000,000
Post Office	58,600,000	560,000	630,000	...	150,000
Crown Lands	900,000	...	...	...	...
Interest on Sundry Loans	12,500,000	8,375,650	6,527,875	...	1,358
Miscellaneous	12,500,000	9,064,061	18,098,903	203,522	4,784
Ordinary Receipts	40,000,000	24,775,859	32,592,706	1,505,508	...
Special Receipts	818,500,000	472,195,570	522,800,483	15,010,030	10,465,136
Revenue	...	...	...	...	...
Total, inc. Balance	...	479,013,737	533,974,013	...	...

OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	65,000	800,000	...	...	...
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	73,782	169,818	...	...	...
Under the Unemployment Insurance Act, 1921	4,750,000	2,910,000	...	...	...
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	3,370,000	3,360,000	...	...	...
Under the Housing Act, 1914	12,000	27,000	...	...	...
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	...	950,000	...	...	...
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	...	1,553,300	...	...	...
(b) Under the Unemployment Insurance Act, 1921	820,000	2,510,000	...	...	...
(c) For other issues:—					
By Treasury Bills	1,617,822,000	1,922,589,000	44,961,000	43,574,000	...
By National Savings Certificates	36,850,000	44,268,000	350,000	700,000	...
By Exchequer and National War Bonds	...	20	...	...	...
By Treasury Bonds—					
5-15 year, 1925-35	...	61,655,154	...	...	...
5% 1927	...	64,655,935	...	...	...
4% 1932	...	29,202,627	...	...	...
4% 1931-33	...	...	...	...	...
By Other Debt created under the War Loan Acts, 1914 to 1919	...	25,259	...	...	...
(d) Ways and Means Advances	528,155,000	551,714,000	...	3,500,000	...
Anglo-Persian Oil Company—					
Dividends on Shares acquired	50,081	243,012	...	...	...
In respect of Cunard Loan	...	130,000	...	130,000	...
Under the Land Settlement (Facilities) Act, 1919 and 1921	195,688	256,746	...	...	...
Do Issues under Section 59 (4) of the Finance Act, 1920	...	6,827,960	...	...	...
Interest received under Section 59 (6) of the Finance Act, 1920	...	162,425	...	...	...
Total	2,700,385,915	3,196,781,642	60,321,030	62,982,835	...

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1923, to Nov. 24, 1923.	Apr. 1, 1923, to Nov. 25, 1923.	Week Ended Nov. 24, 1923.	Week Ended Nov. 25, 1923.
	£	£	£	£	£
EXPENDITURE.					
National Debt Services—					
Interest, &c.	310,000,000	199,028,961		1,357,475	1,880,652
Sinking Fund	40,000,000	23,810,113	223,737,574	769,600	
Road Fund	12,650,000	3,754,044	2,943,999	..	..
Payments to Local Taxation Accounts, &c.	10,348,000	5,957,205	4,952,990	..	500,000
Payments to Northern Ireland Exchequer ..	3,000,000	2,533,729	1,229,153	242,845	..
Land Settlement	1,500,000	395,976	760,853	8,384	50,817
Other Consolidated Fund Services	2,972,000	1,586,293	1,670,247	14,556	..
Supply Services	440,565,000	235,926,418	254,612,148	6,250,000	5,700,000
Expenditure	821,035,000	472,992,689	489,906,963	8,632,260	7,131,469
OTHER ISSUES.					
Temporary Advances—					
Bullion		5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924		73,782	169,818	..	..
Under the Unemployment Insurance Acts, 1921		820,000	3,510,000	..	..
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts, 1921 and 1922		4,220,000	4,060,000	..	..
Under the Post Office (London) Railway Act, 1913		10,500	..	10,500	..
Under the Housing Act, 1914		12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..		..	950,000	..	..
Under Capital Expenditure (Money) Act, 1924		..	1,553,300	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed ..		4,480,000	2,110,000	..	..
Redemption of Debt—					
Treasury Bills		1,588,295,000	2,072,769,000	41,300,000	50,380,000
Principal of National Savings Certificates		22,550,000	17,400,000	600,000	400,000
Principal of Exchequer Bonds paid off ..		..	19,612,208	..	..
Principal of National War Bonds paid off ..		32,222,296	44,284,182	..	150,000
Other Debt under the War Loan Acts, 1914 to 1919		7,463,440	14,148,065	482,256	1,119,242
Ways and Means Advances Repaid ..		563,591,000	519,477,000	9,150,000	3,450,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners		50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4) ..		..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911		55,214	55,656	..	..
		2,696,841,002	3,195,276,204	60,175,016	63,360,711
Balances in Exchequer—					
Bank of England		Nov. 24, '23, 2,287,392	Nov. 25, '22, 2,188,371	Inor Dec, 1923, 232,858	For week ended Nov. 25, 1923, 193,125
Bank of Ireland		1,257,521	1,317,067	86,844	159,000
Total		3,544,913	3,505,438	146,014	352,125

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

Assets.	Nov. 2, 1923.	Oct. 26, 1923.	Oct. 19, 1923.	Oct. 12, 1923.	Oct. 5, 1923.	Nov. 3, 1923.
Govt. securities	11,18.56	11,35.09	11,33.41	11,38.27	11,49.31	8,07.08
Other securities	1,28.42	1,28.38	1,28.38	1,29.04	1,28.84	1,26.09
Loans	16,09.47	13,79.89	14,21.90	14,27.60	14,36.23	17,36.26
Cash credits	32,13.33	31,81.67	31,70.91	31,63.86	31,85.75	26,02.05
Foreign bills	4,18.56	4,81.28	4,39.56	4,42.85	4,41.69	4,30.99
Dead stock	23.08	18.24	22.22	25.65	21.39	12.59
Sundries	2,45.96	2,45.86	2,45.81	2,44.49	2,43.76	2,47.42
Bank with other banks	58.19	54.29	52.80	52.29	51.90	52.11
Cash	21.59	22.96	19.18	11.21	7.22	8.74
Liabilities.						
Subscribed capital	36,75.60	36,34.47	34,44.82	35,58.55	37,24.84	37,21.26
Capital paid up	11,25.00	11,25.00	11,25.00	11,25.00	11,25.00	11,24.76
Reserve	5,62.50	5,62.50	5,62.50	5,62.50	5,62.50	5,62.44
Public deposits	4,35.00	4,35.00	4,35.00	4,35.00	4,35.00	4,11.89
Other deposits	8,43.59	7,97.64	8,84.42	10,74.21	11,94.05	10,77.99
Sundries	85,39.47	83,70.34	80,88.98	79,81.51	80,84.26	69,82.94
The above includes—	1,42.19	1,16.65	1,06.09	1,05.39	1,02.12	1,12.43
Deposits in London	398	396	371	269	208	204
Advances in London	425	347	331	327	330	1,129
Cash, &c., at other						
Banks in London	138	147	123	69	42	50

BANK OF JAPAN.—In yen (000's omitted).

Assets.	Oct. 13, 1923.	Oct. 6, 1923.	Sept. 29, 1923.	Sept. 22, 1923.	Oct. 15, 1923.	Position May 30, 1924.
Cash and bullion	1,118,953	1,116,098	1,114,991	1,114,383	1,144,923	221,320
Discounts	462,574	511,943	515,663	421,046	70,951	41,740
Advances	210,331	216,350	215,325	208,733	176,670	70,540
Liabilities.						
Notes	1,359,977	1,413,832	1,460,210	1,351,814	1,104,843	362,270
Govt. deposits	911,185	893,246	883,063	840,506	773,994	67,340
Other deposits	139,338	168,411	160,87	188,640	42,228	11,440

BANK OF FRANCE.—In francs (000's omitted).

Assets.	Nov. 29, 1923.	Nov. 22, 1923.	Nov. 15, 1923.	Nov. 8, 1923.	Nov. 1, 1923.	Position May 30, 1924.
Gold coin and bullion	5,539,702	5,539,675	5,539,536	5,539,921	5,539,921	3,730,625
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	296,113	296,088	295,387	295,387	295,387	632,650
Discounts and advances	6,013,427	5,664,774	5,635,017	4,994,859	4,994,859	2,327,776
Advances to the State	22,800,000	22,800,000	22,800,000	22,800,000	22,800,000	22,800,000
Liabilities.						
Notes	37,329,312	37,158,679	37,439,366	36,114,050	36,114,050	5,811,875
Government deposits	20,247	85,508	83,658	88,142	88,142	183,700
Private deposits	2,183,365	2,044,600	2,118,736	2,116,041	2,116,041	845,960

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

Assets.	Nov. 22, 1923.	Nov. 15, 1923.	Nov. 8, 1923.	Oct. 31, 1923.	Nov. 22, 1923.	Position May 30, 1924.
Coin gold & silver and bullion	350,905	351,146	348,355	352,259	338,560	322,850
Securities	1,010,271	1,007,660	985,117	1,024,505	643,710	697,800
Liabilities.						
Notes in circulation	7,184,857	7,209,446	7,192,818	7,281,186	6,593,901	934,150
Current accounts	387,460	401,601	375,913	354,316	679,911	118,125

NETHERLANDS BANK.—In florins (000's omitted).

Assets.	Nov. 26, 1923.	Nov. 19, 1923.	Nov. 12, 1923.	Nov. 5, 1923.	Nov. 27, 1923.	Position May 30, 1924.
Gold	581,783	581,782	581,778	581,773	581,789	165,092
Silver	8,181	8,031	7,004	7,170	7,583	8,436
Notes & advances	387,515	385,552	383,135	396,896	383,033	165,504
Liabilities.						
Notes in circulation	1,005,961	1,012,084	1,027,237	1,038,101	965,113	316,632
Deposits	40,981	33,737	34,244	28,293	25,639	5,016

IMPERIAL BANK OF GERMANY.—In marks (000,000's omitted).

Assets.	Nov. 7, 1923.	Oct. 31, 1923.	Oct. 23, 1923.	Nov. 7, 1923.	Position May 30, 1924.
Gold and bullion	6,505	10,872	14,317	1,005	1,635
Treasury notes	2,040,703,989,324	114,874,046,234	79,620,267,431	49,123	943
Bills of exchange	8,057,278,665,707	1,058,129,855,323	152,826,015,034		
Discounts and advances	26,098,724,113,043	6,573,650,938,818	678,179,773,866	637,373	61
Liabilities.					
Notes in circulation	19,153,087,468,907	2,496,822,909,039	524,330,557,240	517,036	2,014
Deposits	168,306,039,185	5,868,084,703,202	390,090,729,942	150,649	842

SWISS NATIONAL BANK.—In francs (000's omitted).

Assets.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Oct. 31, 1923.	Nov. 23, 1923.	Position May 30, 1924.
Gold	637,364	637,428	637,448	627,498	531,294	171,176
Silver	68,535	68,014	68,077	68,885	113,497	16,360
Notes & advances	307,938	308,763	308,763	308,763	308,763	103,000
Liabilities.						
Notes in circulation	373,326	384,358	384,358	384,358	384,358	384,358
Deposits	112,863	109,212	109,212	109,212	109,212	109,212

BANK OF NORWAY.—In kroner (000's omitted).

Assets.	Nov. 22, 1923.	Nov. 15, 1923.	Nov. 8, 1923.	Nov. 1, 1923.	Position May 30, 1924.
Coin and bullion—Gold	147,286	147,286	147,286	147,286	44,224
Balance abroad and foreign bills	20,295	20,394	18,753	35,418	28,533
Norwegian & Foreign Government securities	9,052	9,052	9,052	9,415	8,816
Discounts and loans	454,090	453,410	452,823	448,599	76,911
Liabilities.					
Notes in circulation	376,680	381,548	387,112	360,288	113,484
Deposits at notice	112,398	107,686	107,686	153,778	7,188

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

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	Nov. 24, 1923.	Nov. 17, 1923.	Nov. 10, 1923.	Nov. 3, 1923.	Nov. 25, 1923.	May 24, 1924.
Gold	272,170	272,226	272,262	272,287	274,031	104,918
Balance abn. and foreign bills	34,342	32,747	29,587	28,868	70,282	112,171
Swedish and for. Govt. securities	105,099	110,189	113,665	119,856	50,556	34,466
Discount and loans	337,121	340,019	342,372	349,954	347,735	118,668
Liabilities.						
Notes in circulation	525,643	533,439	539,904	562,536	534,616	228,560
Deposits at notice	165,722	165,336	161,906	151,854	182,265	369,560

BANK OF FINLAND.—In F. marks (000's omitted).

Assets.	Nov. 15, 1923.	Nov. 8, 1923.	Oct. 31, 1923.	Nov. 15, 1923.	Position May 30, 1924.
Gold	42,704	42,704	42,704	43,373	35,091
Balance abroad and foreign bills	720,485	805,834	580,475	1,001,122	90,379
Finnish and Foreign Government securities	571,500	571,500	571,482	614,401	21,896
Discounts and loans	608,875	648,416	747,111	454,246	105,151
Liabilities.					
Notes in circulation	1,327,589	1,356,718	1,365,311	1,336,493	123,941
Deposits at notice	266,114	346,700	349,109	544,024	21,226

BANK OF LATVIA.—In lats (gold francs) (000's omitted).

Assets.	Nov. 21, 1923.	Nov. 14, 1923.	Nov. 7, 1923.	Oct. 17, 1923.	Nov. 22, 1923.
Total cash	13,750	14,119	12,898	13,784	3,085
Gold coin & bullion	15,792	15,731	15,789	15,788	12,159
Of which held abroad	2,506	2,506	2,506	2,506	
Foreign banks	57,761	58,838	60,651	6,457	24,466
Discounts and loans	33,771	32,859	31,112	29,123	9,551
Liabilities.					
Notes in circulation	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,214	10,214	10,214	10,214	8,000
Government deposits	40,919	40,408	39,931	41,821	16,897
Other deposits	42,005	43,441	42,704	41,228	16,596

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Nov. 15, 1923.	Oct. 31, 1923.	Oct. 15, 1923.	Sept. 30, 1923.	Sept. 15, 1923.	Nov. 15, 1923.
Gold	16,393	16,392	16,391	16,349	16,388	12,347
Silver	251	249	248	247	246	
Dollars & sterling, &c.	43,997	40,371	40,241	37,185	37,428	3,487
Other foreign currency	17	17	17	17	17	772
Discount and credit	14,614	14,142	13,913	13,616	13,740	5,904
Other assets	8,698	9,672	9,012	7,451	7,686	606
Liabilities.						
Capital	12,000	12,000	12,000	12,000	12,000	10,921
Banknotes in circulation	60,021	56,292	56,784	53,564	53,640	14,094
Deposits	8,371	9,088	5,735	6,795	6,208	
Other liabilities	3,560	3,417	5,313	2,546	3,658	315

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Nov. 10, 1923.	Oct. 31, 1923.	Oct. 20, 1923.	Oct. 10, 1923.	Nov. 10, 1923.
Gold	54,198	54,179	54,141	53,221	33,668
Silver	19,250	19,093	18,951	20,753	44,182
Foreign coin	(a) 2,804	(a) 2,558	(a) 1,780	(a) 1,882	280,985
Foreign banks	(a) 33,772	(a) 26,846	(a) 28,021	(a) 25,381	832,989
Advances to Govt.	21,735,000,000	19,085,000,000	14,446,000,000	12,189,500,000	480,500,000
Private loans & discounts	7,708,497,408	5,377,137,052	3,536,786,016	3,109,251,001	115,820,624
Liabilities.					
Notes in circulation	28,051,421,275	23,080,402,211	15,764,064,006	13,002,205,738	602,808,955
Deposits	9,291,291,876	4,666,944,349	4,109,695,807	2,901,538,388	97,949,405

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Nov. 15, 1923.	Nov. 7, 1923.	Oct. 31, 1923.	Oct. 27, 1923.	Oct. 15, 1923.	Nov. 15, 1923.
*Liabilities of the Austro-Hungarian Bank to the Banking Office	10,096,949	10,096,949	10,096,949	10,096,949	10,096,935	10,096,715
Discounts & advances	1,467,581	1,554,510	1,538,721	1,495,065	1,503,582	1,898,917
Gold & silver holdings	1,065,448	1,078,282	1,078,282	1,078,094	1,079,332	817,821
Foreign bills and balances abroad	1,783,411	1,934,709	2,075,271	2,231,204	2,328,801	1,648,980
Other assets	404,257	363,423	387,416	388,954	368,395	617,871
Liabilities.						
State notes circ'n	9,001,381	9,127,987	9,278,999	8,707,033	8,912,193	9,708,291
Deposits	4,757,002	4,875,887	4,801,061	5,454,660	5,385,952	3,288,412
Other liabilities	1,069,263	1,069,841	1,093,579	1,094,771	1,076,900	2,083,601

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From Nov. 24, 1923.		From Nov. 24, 1923.	
	London on South Africa.		South Africa on London	
	Buying.	Selling.	Buying.	Selling.
T.T. Demand	1 1/2 % prem.	2 1/2 % prem.	2 1/2 % dis.	1 1/2 % dis.
30 days	1 1/2 % dis.	1 1/2 % " "	2 1/2 % " "	1 1/2 % " "
60 days	1 1/2 % " "	1 1/2 % " "	2 1/2 % " "	1 1/2 % " "
90 days	1 1/2 % " "	1 1/2 % " "	2 1/2 % " "	1 1/2 % " "
120 days	1 1/2 % " "	1 1/2 % " "	2 1/2 % " "	1 1/2 % " "

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

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London	
	Buying.		Buying.	
	Aus. tralia.	New Zealand.	Aus. tralia.	New Zealand.
T.T. Demand	100	100	100	100
30 days	98 1/2	100	98 1/2	100
60 days	98 1/2	100	98 1/2	100
90 days	97 1/2	100	97 1/2	100
120 days	97 1/2	100	97 1/2	100

INDIAN TREASURY BILLS.

	March 31, 1923.	November 24, 1923.
Outstanding with public	Rs. 21,58,90,000	Rs. 3,06,15,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,23,90,000	52,71,15,000

India Office, November 28, 1923.

Tenders for Rs.50 lakhs six months' bills were opened on November 23rd. The total amount tendered was Rs.2,70,000. Tenders at Rs.97.10 as. (equivalent to a discount rate of 4.8656 per cent. per annum), aggregating Rs.60,000, were accepted in full, and the rest were rejected. Intermediate bills for six months are offered for sale up to and including Thursday, November 29th, at Rs.97.10 as. per cent. Tenders were received on Friday, November 30th for Rs.50 lakhs in three and six months' bills for issue during the week beginning Saturday, December 1, on the same conditions as before.

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, November 27, 1923:—

	Rate.	Applica- tions.	Allotments.		Allot- ments.	Average Rate.
Bills	1/5	Rs. 50,000	Rs. nil	%	Rs.	
Def. T.T.	1/5 1/4	10,00,000	10,00,000	100	Def. T.T.	
	1/5 1/4	163,00,000	115,00,000	70.55	Calcutta, Bombay, Madras, Karachi.	
	1/4 3/4	50,00,000	nil	..	..	
		348,50,000	125,00,000		125,00,000	

Next week 150 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended November 28, 1923.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
British South Africa	897,117	France	30,596
Netherlands	450	Germany	12,186
Belgian Congo	33,307	Netherlands	37,730
British West Africa	38,107	U.S. America	4,942,105
		British India	35,000
		Switzerland	52,000
		Norway	450
		St. Kitts Settlements	2,437
Total declared value of imports	973,031	Total declared value of exports	5,112,504

Messrs Samuel Montagu and Co. write, on November 28th, as follows:—

GOLD.

Indian and Continental demand still continues on a small scale, and it is probable that most of the fair amount of gold on offer this week will go to the United States of America. Gold valued at \$7,330,000 has arrived in New York from London. We give below figures relating to Indian trade (private account) for the month of October last:—

(In Lacs of Rupees.)

	Exports.	Imports.	Net Exports.	Net Imports.
Merchandise	2,555	2,060	495	..
Gold	1	244	..	243 1/2
Silver	31	254	..	223
Total net exports	2,586	2,308	278	..

The Russian Soviet Government is engaged in reminting the whole of the gold reserve against the tchervonetz issue (which amounted on the 1st inst. to Tch.8,693,707.7) into a tchervonetz gold coin nominally equal to 10 roubles, and containing 119.4826 grains of pure gold—equal to £1 is 1 1/2 d, or \$5.14 1/2 as compared with the mintage rate of the sovereign and the dollar. The obverse had a vigorous figure of a man sowing grain, on his left is the rising sun behind a plough, and on the right factories with smoking chimneys. The reverse has in the centre the sun's rays behind a wreath of wheat ears encircling a sickle and hammer. The rim is lettered, not milled, and, altogether, the coin is of a pleasing appearance.

SILVER.

China has been the dominating factor during the week, and considerable purchases have been made for early shipment. These consignments will reinforce the very large shipments from San Francisco and elsewhere. The steady tone of the market, arising from these purchases, has been accentuated by the firmness of the value of the U.S. dollar. China sales have been made of silver for forward delivery. The Indian bazaars have both bought and sold, and there has been some bear-covering. The amounts of silver on the way to China are so

large that it would not be unreasonable to expect a measure of redundancy when the settlements usual at the Chinese New Year are completed. In that event, it will be interesting to watch what is going to become of the speculative stock now accumulated in Bombay—whether the up-country demand will absorb it without any setback of prices, or whether difficulty will be experienced in the process of unloading. The Austrian Minister of Finance has announced that, subject to the approval of the National Assembly, the Government will shortly put into circulation a silver "shilling," of the value of 10,000 kronen. Other coin will be struck of 20,000 and of 5,000 kronen. He stated that the object was to encourage frugality and saving, and that the name of the new coin was prompted by a desire to revive an old German word universally applied to a piece of money, and to avoid any term which might be considered to possess political meaning.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Nov. 7, 1923.	Nov. 15, 1923.	Nov. 22, 1923.
Notes in circulation	17,946	17,954	17,878
Silver coin and bullion in India	9,816	9,774	9,698
Silver coin and bullion out of India	..	..	..
Gold coin and bullion in India	2,432	2,232	2,232
Gold coin and bullion out of India	..	..	..
Securities (Indian Government)	5,748	5,748	5,748
Securities (British Government)	..	200	200

No silver coinage was reported during the week ending 22nd inst. The stock in Shanghai on the 24th inst. consisted of about 20,250,000 ounces in sycee, 32,000,000 dollars, and 130 silver bars, as compared with about 20,200,000 ounces in sycee, 32,500,000 dollars and 80 silver bars on the 17th inst.

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash.	Forward.	Cash.
Nov. 24	94 5	33 1/2	32 1/2	43
26	94 4	33 1/2	32 1/2	48 1/2
27	94 1	32 1/2	32 1/2	74
28	94 7	33 1/2	32 1/2	44 1/2
29	94 8	33 1/2	32 1/2	37 1/2
30	94 11	33 1/2	32 1/2	32 1/2
			Dec. 7, 1917..	43
			7 1918..	48 1/2
			5 1919..	74
			2, 1920..	44 1/2
			2, 1921..	37 1/2
			1, 1922..	32 1/2

NOTICES.

The Royal Bank of Canada has received notice from the Commissioners of Inland Revenue that English shareholders in the bank will be allowed relief from United Kingdom income-tax for the years ending April 5, 1921, and April 5, 1922, at the rate of 1s 9d in the £, or one-half the shareholder's "appropriate rate of United Kingdom tax," whichever is the lesser.

Barclays Bank, Limited, are establishing a local head office at Canterbury to control the branches of the bank in the East Kent district. Mr Charles Hardy, of Odsal House, Harbledown, Canterbury, has been appointed a local director. Their sub-branch at Treherbert has become a full branch, and the business transferred to new premises at 34-5 Bute street, under the management of Mr J. H. John, who is also manager of Treorchy branch.

MINING OUTPUT STATISTICS FOR OCTOBER, 1923.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Gold.	Tons.	Tons.	Oz.	Oz.	£	£
British Platinum and Gold	..	..	318	(plati'm)	136	..
Colombian Prop.	..	..	..	..	154	..
Frontino and Bolivia (Nov.)	2,150	..	..	..	..	..
Do (Mar. Maj. to)	520	..	..	..	..	..
London and Rhodesian	5,332	..	..	..	..	..
Proville Dredging—	..	..	..	..	..	..
Pat. (23 days to Nov. 17th)	..	..	..	..	..	..

	Output	Other Notes in Return.
Copper.	Tons.	
Chino	2875	Containing 1,150 ozs silver.
Chinese Engineering	76,600	Week ended Nov. 24th.

BROKEN HILL PROPRIETARY.—Cable:—Report for four weeks ended November 7th:—"Iron and Steel Works, Newcastle, N.S.W.—Coke ovens produced 25,018 tons of coke, 780,758 gallons of tar and 385 tons of sulphate of ammonia. Benzol plant produced 36,120 gallons of benzol. No 2 blast furnace produced 10,526 tons pig iron. No 3 blast furnace produced 13,400 tons of pig iron. Open hearth produced 21,232 tons. Blooming mill produced 19,203 tons. 28-inch mill produced 10,539 tons. 18-inch mill produced 6,527 tons. 12-inch mill produced 2,627 tons. 8-inch mill produced 1,220 tons. Rod mill produced 5,513 tons. Steel foundry produced 36 tons of castings. Iron Knobs shipped 51,588 tons. Broken Hill (Underground) pumping operations continued with general preparations for extraction of ore. Slimes flotation plant produced 3,240 tons of zinc concentrates. Ore dressing mills—Alterations and additions for introduction of all aiming method of treatment of crude ore nearing completion. Zinc separation plant—Not in operation and under new treatment will not be required."

ELECTROLYTIC ZINC COMPANY.—Production during four-weekly period ended November 14th, 3,450 tons zinc; silver lead product for shipment to Port Pirie for realisation containing 525 tons lead, 72,500 ozs silver.

RHODESIAN GOLD OUTPUT.

Month.	1920.	1921.	1922.	1923.
	£	£	£	£
January	211,851	293,794	240,056	261,310
February	250,020	288,925	304,488	237,018
March	199,851	134,832	257,356	211,379
April	208,934	282,396	265,591	232,765
May	403,255	275,841	273,562	245,870
June	194,194	238,200	247,161	253,226
July	313,126	279,464	263,918	244,848
August	241,270	266,151	271,142	232,546
September	231,226	271,452	240,846	256,107
October	248,085	363,374	255,619	246,616
November	282,237	306,636	251,696	..
December	274,470	267,005	240,084	..
Total Gold	3,056,549	3,272,275	3,111,469	2,421,685*

* 10 months.

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

ANALYSIS OF BALANCE-SHEETS.

AERATED BREAD COMPANY, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Sept. 30, 1922.	Amount.	Compared with Sept. 30, 1922.
Ord. shares	977,500	Property & plant	1,157,429
6 1/2 % cum. pref. £1	500,000	Stocks	95,343
Sundry creditors	85,555	Sundry debtors	41,135
Staff pensions	..	Staff pensions	..
fund	27,000	fund	27,000
reserve	30,000	Investments	359,313
Profit and loss	94,998	Cost of new issue of pref. shares	..
		Cash and cash assets	34,833
Total	1,715,053	Total	1,715,053

MARCONI'S WIRELESS TELEGRAPH.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1921.	Amount.	Compared with Dec. 31, 1921.
Ordinary shares	2,750,000	Cash	168,644
Pref. shares	250,000	Investment and loans	1,444,100
6 1/2 % deb.	1,000,000	Debtors	1,394,836
Int. accrued	4,188	Amounts due from associated cos.	2,003,353
Bill. payable	2,915	Stocks	554,353
Creditors	3,4587	Works (Dalston)	31,504
Re. for payments in advance	54,599	Property (Chelmsford, &c.)	152,883
Reserve	3,986,355	Stations, &c.	328,787
Profit and loss	967,778	Furniture and fittings	76,000
		Associated cos.	3,543,532
Total	9,903,392	Total	9,900,392

ROYAL BANK OF SCOTLAND.

LIABILITIES.		ASSETS.	
Amount.	Compared with Oct. 14, 1922.	Amount.	Compared with Oct. 14, 1922.
Deposits	37,880,519	Gold, silver, and currency notes	4,877,340
Notes in circulation	2,876,175	Money at call and notice	5,885,828
Drafts outstanding	1,037,552	British Govt. securities	13,050,420
Acceptances	593,706	Colonial stocks, &c.	1,024,962
Capital	2,000,000	Other marketable securities	378,296
Reserve	1,565,962	Bills discount'd	5,531,937
Proposed dividend & bonus	124,000	Advances	12,987,524
		Loans	1,160,971
		Acceptances	593,706
		Bank buildings	106,630
		Property	150,917
		Freehold prop. in London	125,000
Total	46,072,914	Total	46,072,914

OIL OUTPUTS.

THE UNITED BRITISH OILFIELDS OF TRINIDAD.—Combined production for the week ending November 21, 1923, amounted to 981 tons.

Reports and Notices.

The address of the Institute of Bankers has now been changed from 34 Clements-lane, E.C. 4, to 5 Bishopsgate, E.C. 2.

We are requested to insert the following corrected notice:—
"The Indemnity Mutual Marine Assurance Company, Limited, have paid up their shares in full (making £15 per share) by transferring £804,000 (£12 per share) from reserves and profit and loss account. The capital will now be £1,005,000 fully paid, the reserve will stand at £500,000, and the balance of profit and loss account about £275,000."

The following appointments have been made by the Royal Exchange Assurance, which will take effect from December 1st:—
Mr. A. G. Peters, manager of the Leeds branch; Mr. B. Leach, assistant manager of the Leeds branch; Mr. H. Simpkin, manager of the Stratford branch.

BANKS.

BANK OF MONTREAL.—The gross profits for the year ended October 31, 1923, amount to \$4,496,000, as compared with \$4,756,000 for 1922, and after payment of the usual dividend and bonus to shareholders and taxes, the balance carried forward is \$659,000, against \$558,000 the previous year. Total assets are \$692,000,000, or \$37,000,000 more than for the previous half-year. Liquid assets are \$391,000,000, against \$361,000,000 on April 30th last, and are now equal to 62.55 per cent.—of which 13.41 per cent. represents cash on hand of the bank's liabilities to the public. Holdings of Dominion and Provincial Government securities not exceeding market value are \$63,000,000, and on Canadian municipal securities and British, foreign, and Colonial public securities, other than Canadian, \$37,000,000, these figures comparing respectively with \$44,000,000 and \$35,000,000 on April 30th last. Deposits bearing interest are \$420,000,000, and non-interest bearing deposits \$158,000,000, being respectively \$7,000,000 and \$23,000,000 higher than the previous half-year.

MIDLAND BANK, LIMITED.—The shareholders of the London Joint City and Midland Bank have confirmed the resolution changing the name of the company to Midland Bank, Limited. The new title was effective as from Tuesday, November 27. Existing share certificates at present in the hands of shareholders are not being exchanged for fresh certificates bearing the new name.

ROYAL BANK OF SCOTLAND.—The report and accounts for the year ended October 13, 1923, shows that the net profits, after providing for all bad and doubtful debts, amounted to £426,225, as compared with £401,959 in preceding year. The dividend of 12 per cent. and bonus of 2 per cent., making 14 per cent. for the year, against 13 per cent., absorbed £214,000. The sum of £20,000 has been written off expenditure on bank buildings and heritable property, while £30,000 has been carried to pension reserve fund. The balance of £162,226 has been added to rest, which now amounts to £1,565,962. The report states that all the bank's investments are valued at or under the prices ruling at the date of the balance-sheet. The capital of the bank is £2,000,000. We have analysed the balance-sheet in our usual column.

RUBBER, &c.

BATU MATANG.—The financial results of this company for the year ended June 30, 1923, show an improvement, as the net profit of £2,275 compares with a net loss of £1,219 in preceding year. The sum of £600 is utilised to write off underwriting commission on debenture issue. The sum of £1,757 is carried forward (subject to corporation profits tax). The directors consider it inadvisable to recommend a dividend on the ordinary shares for the year. The output of rubber, with compulsory restriction for eight months, was 230,984 lbs, which compares with 220,920 lbs in the previous season, when voluntary restriction was in force for six months. The net average price realised for the crop was 0.148d per lb, the corresponding figure for the previous year being 7.234d.

DIASINGA RUBBER AND PRODUCE.—Improved results are shown in the report and accounts for year ended June 30, 1923. The net profit is £21,591, against a net loss of £5,404 in preceding year. The ordinary dividend is 4 per cent., against nothing in preceding year. The cost of production, free on board at port of shipment (including 1.10d for depreciation), was 8.24d per lb, as compared with 8.14d per lb for the previous year, when no depreciation was charged. The average net sale price, taking in at a valuation the portion of the crop unsold or not yet accounted for, was 15.093d per lb, as compared with 7.94d per lb in the previous year.

MISCELLANEOUS.

ANGLO-EASTERN FINANCE CORPORATION.—The directors' report and statement of accounts for the period from the incorporation of the company in September, 1922, to October 31, 1923, show a profit, after charging all fees and general expenses, of £20,084. From this the directors propose to pay a dividend of 10 per cent.—absorbing £9,325; to place £4,000 to contingency reserve account; to set aside £3,400 for income-tax, and to carry forward the balance, £3,359. The report states that to April, 1923, the subscribed capital amounted to only £31,000, the balance of the issued capital being only partially available during the closing months of the period under review. The last 62,500 shares having been allotted at a premium of 2s 6d per share, the directors have been able to write off the whole of the preliminary expenses, amounting to £3,515, and to create a reserve on share premium account of £4,296. The balance-sheet shows investments standing at £51,109, loan against security, £28,994; sundry debtors, £6,508; cash at bank, £36,893; as against sundry creditors and credit balances amounting to £13,349.

CHINESE ENGINEERING AND MINING.—The accounts for the year ended June 30, 1923, just issued, show the company has had a prosperous year. The gross profit of the Kailan Mining Administration, under which the mines of this company and those of the Lanchow Mining Company, Limited, are carried on as a joint undertaking in accordance with the agreement dated June 1, 1912, amounted to \$9,205,492, as compared with \$7,173,126. After making provision in accordance with the terms of the agreement for one year's interest on the 6 per cent. Kailan bonds, £58,320; redemption of bonds for the year to June 30, 1923, £24,000; reserve for depreciation, \$1,380,823; the proportion of profit to which the Chihli Provisional Government is entitled, £344,163, against \$246,059, and other items, there remains a net profit of \$6,109,768 as compared with \$4,593,784, this company's proportion being \$3,313,180, against \$2,528,683. The amount brought to the credit of the company's profit and loss account, including interest in China, less certain small expenses, is £422,101, against £352,296. Interest and other items bring up the total credit to £433,291, as compared with £395,168. After deducting administration and other expenses in Europe, £23,380, and exchange, £12,444, there remains a net profit of £397,467, as against £354,687. Adding the sum of £5,945 brought forward from the last account, and deducting £164,213 for income-tax and corporation profits tax, the available balance is £239,199. The ordinary shareholders are to receive a dividend of 16 per cent. for the year, free of income-tax, as against 13½ per cent., free of income-tax, in preceding year.

GOLD MINES INVESTMENT.—This Kaffir finance undertaking—whose accounts are issued with such noteworthy promptitude—did not fare so well last year as in the twelve months ended October 31, 1922. The income from dividends and investments was £20,000 down at £36,300, while only a small profit was derived from sales of investments. As a result, the net profit came out at £39,700 in place of £77,000. However, by drawing slightly upon the carry forward the directors are able to declare a dividend of 5 per cent., with bonus of like amount, making a total of 15 per cent. for the year, or the same as before. The market valuation of the capital is substantially exceeded by the quoted assets, irrespective of interests calculated to represent more than £100,000. In view of this and of the yield afforded, the shares at a little over par appear relatively undervalued.

NEW ZEALAND LOAN AND MERCANTILE AGENCY.—The report and accounts for the year ended June 30, 1923, shows that net profit secured was £92,583, against £71,143. The ordinary dividend has been raised from 2 per cent., free of income-tax, to 4 per cent., free of income-tax. The total assets are £5,226,562. The principal items towards making up this amount are cash, £366,997; money at short notice, £350,000; investments, which are fully revealed in the balance-sheet, stand at £592,786; and the report states that at the date of the balance-sheet their market value was £613,447. Secured loans and advances stand at £2,134,010. Current accounts are at £577,671.

SCOTTISH AUSTRALIAN INVESTMENT.—The net profit to June 30, 1923, is £188,138, as compared with £133,118 in preceding year. The dividend on the ordinary stock has been raised from 1½ per cent. to 15 per cent. The sum of £50,000 goes to reserve, and £86,995 is carried forward, against £46,557 brought in. Assets total £2,219,519. Cash is at £187,521, and balances at bankers £16,428. British and Indian Government securities at cost, £435,440. Freehold property is at £633,690.

TUBE INVESTMENTS.—This company has enjoyed a greater measure of prosperity during the year ended October 31, 1923. The report just issued discloses a net profit of £92,407, against £29,890 in preceding year. The ordinary shareholders are to receive a 7 per cent. distribution, against nothing in preceding year. The sum of £68,970 is put to reserve fund, making that fund £168,970. There is also a reserve fund, share premiums received, of £103,248. The sum of £10,932 is carried forward. The assets are given under three heads in the balance-sheet, the total being £1,363,530. Of this sum, £1,213,308 is under investments (cost of shares in constituent companies). Cash stands at £90,222, and loan to constituent company £60,000.

WARING AND GILLOW.—A notable recovery has been made by this company. The trading profit for year ended January 31, 1923, is £111,900, which compares with a loss of £71,300 in the preceding year. These figures were struck after allowing for depreciation, bad and doubtful debts, and contingencies. The preference dividend to January 31, 1923, absorbed £45,000, and £68,620 goes forward, against £39,018 brought in to the accounts. The directors point out that despite the general depression of trade conditions which still exist, they are able to report an increase in Turn-over, notwithstanding the very considerable reduction in prices of the individual articles sold.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Pref. Amount.	Ordinary Amount.			
Banks.									
Royal Bank of Scotland	Oct. 2	£ ..	426,226	426,226	£ ..	214,000	14	212,226	£ ..
Breweries.									
Noakes and Co.	Sept. 30	17,183	29,916	47,099	12,500	13,750	62½	20,849	29,483
Thomas Salt and Co.	Aug. 31	98,737	49,473	148,210	11,434	3,159	7P.O.	18,128	110,985
Warwicks and Richardsons.	Sept. 30	20,152	44,923	65,075	15,000	30,000	15	20,075	50,549
Financial, Land, &c.									
Anglo-Eastern Finance.	Oct. 31	..	20,085	20,085	..	9,325	10	7,400	3,360
New Zealand Loan and Mercantile ..	June 30	18,448	92,583	111,031	50,000	40,000	4½	21,031	71,143
Scottish-Australian Investment.	June 30	46,557	188,138	234,695	20,000	75,000	15	50,000	89,695
Tube Investments.	Oct. 31	43,025	92,407	135,432	28,356	27,173	7	68,970	10,933
Hotels, Restaurants, &c.									
Aerated Bread.	Sept. 29	14,639	121,766	136,405	14,414	65,371	8½	37,121	19,499
Iron, Coal, and Steel.									
Weardale Steel, &c.	Sept. 30	55,394	252,326	307,720	..	50,000	10P.O.	170,000	54,220
W. H. Dorman and Co.	July 31	10	Dr 47,913	Dr 47,003	..	33,500	14½Def.	..	Dr 47,003
Rubber.									
Batu Matang.	June 30	82	2,275	2,357	..	..	..	600	1,757
Beau Sejour.	June 30	Dr 2,357	7,164	4,807	483	1,606	2	1,063	1,655
Djasinga.	June 30	16,200	21,591	37,791	..	17,445	4	20,346	Dr 5,404
Galang Besar.	June 30	409	1,168	1,577	..	..	..	1,577	262
Hevea (Johore).	June 30	Dr 8,482	251	Dr 8,231	..	..	..	Dr 8,231	Dr 2,210
Shops and Stores.									
Waring and Gillow.	Jan. 31	39,918	82,711	122,629	45,000	..	..	9,000	68,629
Trusts.									
Third Edinburgh Investment.	Nov. 5	67,320	27,658	94,978	6,881	9,174	12	78,923	22,239
Other Companies.									
Bernard Hughes.	Oct. 27	4,797	8,597	13,394	1,604	4,681	12½	2,000	5,109
British Motor Cab.	Mar. 31	Dr 570,216	Dr 136,612	Dr 706,828	..	..	..	Dr 706,828	Dr 502,38
Chinese Engineering and Mining.	June 30	5,945	228,592	234,537	..	224,000	16½	..	10,537
Francois Cementation.	Mar. 31	Dr 10,112	21,234	Dr 31,346	..	..	..	Dr 31,346	Dr 178,142
Ingall, Parsons, Clive, and Co.	Sept. 30	7,309	14,921	22,230	4,371	6,505	12	5,000	6,354
Venesta.	June 30	45,543	19,919	66,862	21,000	..	..	45,862	21,557

† Tax free.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 23, 1923.	(c) Week ended Nov. 24, 1923.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 47 Weeks 1923.
Great Western.	3,745	218,000	359,000	577,000	1,254,000	1,251,000	1,635,000	2,886,000	28,869,000
London & North-Eastern.	6,702	354,000	720,000	1,074,000	2,088,000	2,088,000	3,408,000	5,496,000	54,876,000
Do same period 1922.	6,657	395,000	831,000	1,226,000	2,289,000	2,289,000	3,521,000	5,810,000	58,102,000
London, Mid., & Scottish.	5,963	490,000	921,000	1,411,000	2,975,000	2,975,000	4,214,000	7,189,000	71,903,000
Southern.	2,127	256,700	126,000	382,700	1,567,300	1,567,300	5,505,600	21,172,900	21,172,900
Metropolitan (c).	79	31,240	3,969	35,209	1,509,698	1,509,698	174,069	1,683,767	16,837,767
Underground E.R. (c).	..	..	..	220,415	..	..	..	107,113,174	107,113,174
London & Sub. Group (c).	..	..	..	4,280	..	..	..	1,880,988	18,809,988
Belfast & Co. Down (b).	80	3,861	1,500	5,361	249,484	58,841	..	308,325	3,083,325
Dublin and R. East. (b).	160	4,767	3,181	7,948	295,170	159,726	..	454,896	4,548,896
Gt. Northern (Ireland) (b).	562	14,850	28,350	43,200	..	..	..	1,961,060	19,610,600
Midland Gt. West. (b).	538	8,105	15,090	23,195	470,110	679,941	..	1,150,051	11,500,051

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
INDIAN.					
Assam Bengal.	30 weeks	Oct. 27	1,072	3,02,000 - 6,033	72,70,461 + 1,31,644
Barsi Lt. Ry.	31 weeks	Nov. 3	118	20,000 - 49,000	9,14,300 - 1,28,200
Bengal & N. Western.	5 weeks	..	2,062	4,81,190 - 1,35,774	21,52,040 - 2,88,799
Bengal Nagpur.	31 weeks	..	2,738	15,31,000 - 4,000	4,36,50,432 + 8,88,194
Bombay, Bar. & C.I.	34 weeks	Oct. 24	2,994	25,37,000 + 3,69,000	7,00,57,000 - 7,78,000
Burma.	27 weeks	Oct. 27	1,342	6,50,454 - 67,237	1,93,77,018 - 3,14,895
Delhi, Umballa & Kalka.	7 weeks	Nov. 17	239	1,11,000 - 2,296	7,73,715 - 59,954
East Indian.	34 weeks	Oct. 24	2,856	33,84,000 + 3,54,000	1,051,43,000 + 2,52,000
G. Indian Peninsula.	33 weeks	..	17	25,52,900 - 15,400	7,87,25,340 - 53,63,242
G. Indian S. S. Mahr.	31 weeks	..	3,023	12,20,000 + 16,800	4,36,05,493 - 2,15,194
Madras & S. Mahr.	4 weeks	Oct. 27	259	51,962 + 7,130	2,19,575 + 35,871
Do Lucknow-Breilly.	4 weeks	..	314	53,622 - 2,551	1,73,545 - 23,863
South Indian.	30 weeks	Oct. 27	1,877	9,17,815 + 8,148	2,95,05,586 + 9,41,090
ARGENTINE (a).					
Argentina N.E.	21 weeks	Nov. 24	758	12,600 + 1,000	234,700 + 24,500
Argentina Trans.	21 weeks	..	24	4,280 - 760	80,363 + 27,383
B. A. and Pacific.	21 weeks	..	3,324	149,000 - 10,000	2,83,000 + 37,000
B. A. Gt. Southern.	21 weeks	..	3,948	194,000 + 11,000	3,46,000 + 252,000
Do.	..	..	..	76,000 + 8,000	1,05,000 + 213,000
B. A. Western.	21 weeks	..	1,882	98,000 - 3,000	1,61,000 - 37,000
Do.	..	..	..	44,000 + 1,000	464,000 - 30,000
Central Argentine.	21 weeks	..	3,305	205,000 - 3,000	4,25,000 + 258,000
Corrientes Central.	21 weeks	..	1,205	51,000 - 7,000	1,25,600 - 3,400
Entre Rios.	21 weeks	..	729	24,200 + 4,200	394,800 + 35,900

CANADIAN.									
Canadian National.	46 weeks	Nov. 21	22,680	5,809,120	+ 41,095	22,550,705	+ 18,928,581	..	..
Canadian Pacific.	46 weeks	..	13,539	4,911,000	+ 164,000	16,982,900	+ 6,616,000	..	..

BRAZILIAN (b).

Sa. West. of Brasil.	47 weeks	Nov. 24	4,005	11,900 - 4,100	443,900 - 150,000
Leopoldina.	47 weeks	..	1,831	27,488 - 2,350	1,226,150 - 160,875
San Paulo.	47 weeks	..	1,533	29,499 - 2,673	1,333,093 + 67,351

CHILEAN.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Cold and frosty weather was experienced over most parts of the United Kingdom during the past week, which, however, has come as a welcome change to growers, who have lately had to work heavy land. Sowings of winter wheat and oats are now almost completed, and a fairly extensive area is under cultivation. Native wheat was somewhat sparingly offered both here and at provincial markets, consequently firm conditions prevailed. Best milling samples ruled from 9s 3d to 10s, and inferior 8s to 8s 9d per 112 lbs, free on rail. Imported descriptions move off quietly, but late rates were fairly maintained. No. 1 Northern Manitoba quoted 47s, and Barusso, 62½ lbs, 47s, both ex ship, per 406 lbs. In the floating and forward section prices disclosed slight irregularity owing to fluctuations in the dollar rate of exchange, while liberal Russian shipments imparted a quiet tendency. Steamers of white Pacific, December, sold 46s and 46s 3d, Barusso, 62½ lbs, January-February, 41s 3d, and South Russian, afloat, 45s. Maize cargoes firmer on scanty offerings, which are mostly made to the Continent. Steamers of No. 2 white flat African, afloat, sold 38s 4½d and 38s. Barley—A cargo of Dan-Bess-Kustendji, afloat, done at 32s 3d to Continent. Flour in moderate demand at late rates. London standard straight run quoted 38s, patents 40s to 41s, town households 36s per sack, delivered in. All English country straights 31s to 32s per sack, delivered to London stations. Imported quiet. Manitoba patents 36s 6d to 40s, Minnesota 30s to 40s 6d, Australian 32s 6d to 33s 6d, all per 280 lbs, ex store. Millers' offers steady. Bread bran quoted 7s 6d, ordinary ditto 6s 9d to 7s, middlings 8s 6d, fine ditto 9s 9d, bags included, ex mill, light oats 5s 9d, powdered oat husks 6s 3d, feed oatmeal 9s 3d, ground oats 13s 3d, free on rail, all per cwt. Barley—English malting descriptions firm at 10s to 15s, with feeders 8s 6d to 9s per 112 lbs, free on rail. Imported quieter. Californian 41s to 45s, Chilean Chevalier 50s to 53s per 448 lbs, landed, Persian 28s 3d, Danubian 30s 6d, Algerian/Tunisian 30s, No. 4 Canadian Western 29s 9d, all ex ship, per 400 lbs. Maize more firmly held. Plate, landed, 40s 6d, Gal/Foxanian, ex ship, 38s 3d, Bessarabian ditto 39s 3d, all per 480 lbs. Oats—English quietly steady at 8s 4d to 10s 2d per 112 lbs, free on rail, as to sample. Imported dull. Plate, f.a.q., ex ship, 22s 6d, landed 23s 6d, Canadian the turn easier, and No. 2 Western, ex ship, now quoted 26s, No. 3 ditto 24s 9d, No. 2 feed, new, landed, 24s 6d per 320 lbs. Oatmeal fully steady. London-made flaked, also rolled, oats quoted 18s, medium and fine cuts 17s 6d, coarse and medium pinhead 17s 6d, ordinary Scottish oatmeal 19s to 20s 6d, and American 16s 6d to 16s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to November 24	Cwts. 348,104	Cwts. 326,248	Cwts. 310,777	Cwts. 377,500
13 weeks to November 24	4,817,270	5,338,406	5,416,914	5,311,081
Average price of English wheat per cwt.	s d 9 5	s d 9 10½	s d 10 9½	s d 21 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1922.						
Nov. 17	Cwts. 392,577	Cwts. 646,419	Cwts. 72,487	s d 9 3	s d 10 7	s d 8 8
Nov. 24	348,104	684,349	79,286	9 5	10 7	8 8
1919.						
Nov. 17	377,061	695,275	60,932	16 11	30 9	20 1
1920.						
Nov. 17	377,499	623,121	57,756	21 0	24 1	17 7
1921.						
Nov. 17	380,777	588,425	74,952	10 9	13 11	9 11
1922.						
Nov. 17	526,217	465,921	64,879	9 10	10 9	9 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated November 29th, is as follows:—Pig-iron: The tone of the market is good, with more inquiry about. Pig-iron consumers do not anticipate lower prices, and are in the market for further supplies. No. 3 Cleveland G.M.B. is firm at 100s, and East Coast hematite mixed numbers 101s 6d. Manufactured iron and steel: The resumption of work by the boilermakers has stiffened up the market for steel, and inquiry is good. Steel ship plates, £9 15s; steel ship angles, £9 10s; iron bars, £12; steel rails, £9. Iron ore: The market for iron ore is firmer, and business has been done well into next year. Best Bilbao Rubio ore is quoted 24s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—The increased interest shown in raw materials of late is most marked, and can only indicate early activity in the making of iron and steel. More orders for pig-iron were placed during November than in any previous month of the present year; moreover, the contracts are to cover long periods forward. The revival of interest extends to ferro-alloys and scrap, the latter material having advanced in value 1s in two months. The Lincolnshire blast and steel furnaces are on full time with no unemployment, and similar conditions obtain in South Wales, where output is being hindered from an insufficient supply of labour. Prices of steel are stiffer, but makers desire to

avoid inflating these unduly lest such action should tend to arrest the progress of trade. Improved conditions are being experienced in the more expensive tool steels, for which orders are now being received from the United States, while the home demand is picking up slightly all round. Some makers of hand tools are now on full time, and the majority of them report increased work. The export trade is better in the finished steel branches. Business is quiet in the cutlery trade with the exception of table knives, which are in brisk demand and have no foreign competition to encounter. The outstanding feature of the electro-plate branch is the unprecedented output of spoons and forks, many of which are being shipped abroad. Australia and New Zealand are the heaviest overseas buyers of cutlery, electro-plate, and steel. The position of the coal trade is strong, and prices are firmly held. Hard coal is leaving the pits as fast as it is raised, and the demand for the better qualities of slack is steadily improving, but the inferior sorts are somewhat neglected, and surplus lots can be picked up fairly cheap. The coke ovens are fully occupied. Quotations per ton at pits are: Best hand-picked branch, 31s 6d; Barnsley best Silkstones, 27s 6d; Yorkshire hards, 21s to 22s; best Tyne steams, 26s 6d; rough slacks, 12s 6d; smalls, 5s to 7s; blast furnace coke, 24s.

Our Glasgow correspondent writes on Thursday:—This has been a pleasant business week in iron and steel trades, and connections thanks to the termination of the long-drawn-out working dispute between the boilermakers and their employers. The contest extended over fully seven months, coming to an end on Monday forenoon last, one of the longest trade union differences ever experienced, and which it is hoped may never be exceeded, if approached. Managements in the various shipyards and in the marine engineering departments had appreciated the possibility of an early restart, and met the hands frankly and freely when they presented themselves at the gates on Monday, and by that evening a goodly total of finished operations was recorded. No statistics are available as to the volume of constructive work put through in the first two shifts, but authorities are agreed that the total must have been substantial. All over the country the greatest activity prevails in iron and steel sections, and as those concerned say—there is little room for immediate expansion. West of Scotland steelmakers advise that some establishments are better off to-day for orders than they have been for months. Messrs David Colville and Co. have arranged to start three rolling mills on Monday (they have been idle for a prolonged season). Beardmore's people are well off, having booked a variety of big orders—for plates and sections. It is anticipated that by Wednesday several thousands of men will be fully engaged in the Clyde Valley with a lot of hands offering for prospective shipbuilding employment. The year's operations will greatly improve under this healthy departure, and the close of December will reflect a greater tonnage improvement than was deemed possible a couple of months since. Trade is well maintained in iron and steel products. Pig-iron is asked for from foreign ports, and values are hard at last week's level—£5 8s 9d and £5 3s 9d for Nos. 1 and 3 respectively of Scotch iron. Steel

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sections are bid for at £13 for boiler plates; £ in and up, £9 15s. Black and galvanised sheets are experiencing reasonable activity on home and export accounts at recent advanced rates. Scottish aluminium is £115 per ton c.i.f. home (Glasgow). Better-classed coals are dearer by from 1s 6d to 2s per ton on the week.

Our Cardiff correspondent writes:—The improvement in the Cardiff coal market has been fully maintained this week. The news of the settlement of the Ruhr coal problem has not yet affected business in the South Wales coal trade. Ultimately, that settlement will no doubt react unfavourably on all the British coal export districts, but it has not done so yet, and there appears to be sufficient buoyancy in the Cardiff market to carry it into the New Year without any decline in prices or in the volume of trade. Best Admiralties are now ruling firmly at about 29s, and dry steams are the only coals which seem to lag.

The following are the current approximate quotations:—Best Admiralties, 28s to 29s; seconds, 27s 6d to 28s; best drys, 26s 6d to 27s; black veins, 27s to 27s 6d; Western Valleys, 26s to 27s; Eastern Valleys, 25s 6d to 26s 6d; best bunker smalls, 21s to 22s; ordinary cargo smalls, 18s to 19s; anthracite big vein large, 40s to 45s; machine-made cobbles, 50s to 52s 6d; French nuts, 54s to 56s; stove nuts, 52s 6d to 55s; rubbly culm, 13s 3d to 13s 9d; inland blast furnace coke at ovens, 30s to 35s; coke for export, 45s to 52s 6d; patent fuel, 29s to 32s; pitwood, ex ship, 29s 6d to 30s.

In the iron and steel trades demand continues active, and prices are ruling above the minima, and to the Far East shipments are increasing. The demand for other countries is also good.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—All reports from the primary markets emphasise the strong demand for wool, and as competition is general, values continue to harden. There is great activity in the New Zealand markets, and judging from the way in which crossbreds are selling, it seems almost certain that a further rise in prices will be seen in London next week, when the colonial wool sales are resumed. This expectation of higher values is causing some topmakers to adopt a protective policy, and prices are being quoted for tops, which at present are well above the market level. It is contended, however, that higher prices will have to be paid if importers are to do any good with wool bought at current rates. A very considerable amount of business has been put through in crossbred tops during the week, and prices to-day are anything from ½d to 1d up compared with those ruling a week ago. That a certain amount of speculative buying is being indulged in is generally conceded, but it is an undoubted fact that machinery consumption is increasing, and the outlook for this section of the industry is very encouraging. One of the best features of the industry is that spinners are receiving more new business, attention having been given to both merino and crossbred yarns during the last week or two. Most of the orders are for crossbreds, and prices are moving against the buyer. Some fair weights of merinos have been booked, though here the difficulty is to get users to pay more money. However, the whole tone of the yarn market is better, and spinners are beginning to show more confidence in the future. There is not much change in the piece-goods trade; demand generally is for the cheaper goods made from crossbreds, and some good business is being put through in these lines.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The wool sales in Australia, New Zealand, and South Africa are making excellent progress, cables to hand this week giving the impression that all sections of the trade are buying keenly. We have thought for weeks that it would not be long before Boston dealers would be operating moderately, because their last home clip must now be getting far seen into, and stocks of Australian merinos are known to be light. American users will need to augment their stocks very considerably, for they will need to do so in order to produce the high-class worsteds which they have hitherto put on the market. The very high-priced merinos which have recently been selling have probably nearly all gone to America, for it is impossible to conceive of the home trade paying 34d and upwards for good merinos in Australia, when at the last London sales this price was frequently in evidence for the best Victorian merinos. An occasional lot went up to 36d, but it was very much the exception, and the prices ruling for tops, yarns, and pieces in the home trade cannot but result in only a very small percentage of high-class wools being taken at more than 34d per lb. It must not be forgotten that what is bought in Australia will cost fully 2d per lb in transit to the Yorkshire mills, and when good clean scoured wool is costing 5s per lb, it is inevitable that the cost of the manufactured goods will be proportionately high. All cables report strong, active markets, and it is gratifying from the standpoint of colonial growers that they are experiencing such a good time.

Next Monday the last series of London sales for the year will commence, 160,000 bales being available. Everything seems to indicate a good time, for Yorkshire firms are still keen upon crossbreds, conditions favouring that article. Nobody need be surprised to see another all round advance compared with the previous series, though it is to be hoped that the forcing tactics then in evidence will not be brought to bear. It is now admitted that there has been very considerable buying on speculative account, big topmaking firms putting surplus capital into crossbreds rather than merinos, and this move has been the right one. All the same, it is to be hoped that every sound encouragement possible will be given to the development of business, and that there will be no repetition of what took place last season. Prices for medium and

coarse crossbreds are now very different from what they were at this time a year ago, and every advance in the raw material makes it more difficult for spinners and manufacturers to command commensurate rates. The general state of the world is too impoverished for it to be safe to adopt rushing tactics, and though the improvement which has taken place in crossbreds was long overdue, more harm than good will be done to all sections of the market if values are allowed to advance too much.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—November 23, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	Ord	G O L M	Mid	G M M F	G O L M	G O L M	859	1034	1244	859	1034	1244
Brazilian	Mid	M F Fr.	G F Gd.	Fne	M F Fr.	Gd.	1367	1460	1550	1367	1460	1550
Pernam, Maceio, &c.	2009	2099	2184	..	..	..	1367	1460	1550	1367	1460	1550
Parahyba, Rio Grande, &c.	2009	2099	2184	..	..	..	1367	1460	1550	1367	1460	1550
Ceara, &c.	2009	2099	2184	..	..	..	1367	1460	1550	1367	1460	1550
São Paulo	1984	2054	2109	..	..	..	1367	1460	1550	1367	1460	1550
Egyptian	Fr.	G F	Fr.	Gd.	Fne	Gd.	1367	1460	1550	1367	1460	1550
Upper	2205	2265	2285	2305	2330	1450	1550	1650	1750	1350	1650	1750
Bakelaris	2370	2444	2475	2555	2655	1550	1750	2000	2100	1375	1775	1875
Brown	2255	2315	2335	2380	2425	1425	1575	1750	1950	1375	1775	1875
Peruvian	Mid	M F Fr.	G F Gd.	Fne	M F Fr.	Gd.	1367	1460	1550	1367	1460	1550
Rough	..	..	..	..	..	..	1367	1460	1550	1367	1460	1550
Moderately Rough	..	..	..	..	..	..	1367	1460	1550	1367	1460	1550
Smooth	2134	2205	2259	2284	2309	1485	1610	1735	1860	1329	1504	1629
Tanganyika	2109	2159	2184	2234	2334	1485	1610	1735	1860	1329	1504	1629
Mt. Kenya	..	..	..	..	..	..	1367	1460	1550	1367	1460	1550
West Indian, &c.	..	..	..	..	..	..	1367	1460	1550	1367	1460	1550
Do	1900	2100	2430	2500	..	..	2200	2800	3200	2500	3200	3600
African, East, &c.	1600	1700	1850	1950	2050	2125	1150	1325	1525	1000	1200	1400
Do	Mid	M F Fr.	G F Gd.	Fne	Mid	M F Fr.	1367	1460	1550	1367	1460	1550
East Indian	G F	Fr.	Gd.	Fne	Gd.	Fne	1367	1460	1550	1367	1460	1550
Machine Ginned Surtee	..	..	..	..	..	..	1367	1460	1550	1367	1460	1550
Machine Ginned Broach	1655	1695	1735	1775	1815	1220	1260	1340	1420	905	955	1055
Machine Ginned Bhowanagar	1325	1375	1425	1475	1525	1575	1005	1055	1135	790	845	915
Machine Ginned Oomra, No. 1	1135	1185	1235	1285	1335	1385	1015	1065	1145	800	855	925
Machine Ginned Oomra, No. 2	..	..	..	..	..	..	1040	1120	1200	800	880	960
Machine Ginned Khandesh	1335	1385	1435	1485	1535	1585	965	1015	1095	725	780	840
Machine Ginned Comptah	1550	1600	1650	1700	1750	1800	1205	1255	1335	945	1000	1060
Machine Ginned Bengal	1280	1300	1340	1380	1420	1460	780	820	900	740	790	865
Machine Ginned Seinde	1250	1290	1330	1370	1410	1450	770	810	890	730	780	855
Tinnivelly	1810	1850	1890	..	..	..	1390	1430	..	1105	1155	..
Madras, Western	1485	1525	1565	1605	..	..	1140	1180	..	820	870	..
Madras, Northern	..	..	..	..	..	..	1205	..	..	..	..	..
M.G. Coconada, Red	Fr.	1555	..	..	..	..	1165	..	..	845	..	..
China, Smyrna, &c.	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, November 29.

A further advance in prices has to be recorded, and the tone of the market has been strong. Owing to the active demand for raw cotton throughout the world, fresh high records in values have been established in Liverpool and New York. Spinners and manufacturers have again been compelled to put up their quotations, and although a substantial part of the business offering has not been workable, an encouraging turnover has taken place in several directions. Bleaching, printing, and sized goods have been sold fairly freely for India, especially for Calcutta and Madras. Bids for China still lag behind, and most of the sales have been in whites and fancies. Quite a healthy trade has again been put through for Egypt. Buyers for several minor outlets have been on the look-out for stock lots. Rather more activity has been reported in home trade goods. All kinds of yarns have been distinctly dearer, and despite the difficulties met with in arranging sales a very fair business has been done. Spinners as a body continue more favourably situated, and short time in the American section has been abandoned.

(1.) Comparative Statement of the Cotton Trade.

	Price, Nov. 29, 1923	Previous Weeks in 1923.				
		Price, Nov. 22.	Price, Nov. 15.	Price, Nov. 8.	Price, Nov. 1.	Price, Oct. 25.
Raw Cotton—Fully Mid. American ..per lb	21.99	20.72	20.05	19.60	17.78	17.72
— Sakellaridis Fully Good ..per lb	26.95	25.25	21.50	21.10	18.65	18.60
— Fair Egyptian ..per lb	28.25	27.1	26	25.4	23.4	23.4
Yarns—32's twist ..per lb	29	27.3	26.4	25.4	23.4	23.4
— 40's twist ..per lb	39	37.1	35.3	33	31	31
— 60's twist (Egyptian) ..per lb						
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	44	42	41	40	34	33
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	44	42	41	40	34	33
38-in. ditto, 38 yds, 18 by 16, 10 lbs ..	23	22	21	21	20	18
38-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs ..	21	21	20	20	18	19

(II.) Compared with Previous Years.

	Price, Nov. 25, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	21.39	14.79	11.29	12.70	26.42	21.81
— Sakellaridis Fully Good						
— Fair Egyptian .. per lb	26.95	18.25	20.50	28.50	50.50	27.56
Yarns—32's twist .. per lb	28.3	21.1	18.1	30	51.1	43
— 40's twist .. per lb	29	20.1	18	28.1	49	43
— 60's twist (Egyptian) .. per lb	39	28.1	33	44	93	67.1
28-in. Printers, 116 yds, 16 by 16, 32's and 50's	40 6 31 0 32 0 53 0 76 0 66 0					
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	44 0 33 0 32 0 52 0 72 0 63 0					
38-in. ditto, 38 yds, 18 by 18, 10 lbs	23 3 18 6 19 0 28 0 43 0 37 6					
38-in. ditto, 37 1/2 yds, 16 by 16, 10 lbs	21 6 17 0 18 6 23 0 36 6 32 0					

CHEMICALS.

The report of Sir S. W. Royle and Co., Limited, of Manchester, dated November 28th, is as follows:—During the greater part of this month business has been fairly maintained, but recently the influence of the General Election has made itself felt, and inquiry has fallen away somewhat. Prices show little change, though the reported decision of the German Government to refuse to refund the 26 per cent. repatriation duty may later materially affect values of German products. A good steady trade has been passing in sulphate of copper for both home and export account, and makers are disinclined to sell far ahead at current rates. Green copperas has been moving freely and realising better prices. Acetates of lime remain very scarce and are commanding high figures, but the demand for acetate of soda has fallen away somewhat. A good export business has been done in arsenic, and producers are sold out for some little time ahead; home trade requirements are, however, only small. Little change can be reported in tar products, consumers generally still showing reluctance to commit themselves to forward business. Benzoles and toluoles have shown no improvement, the further expected drop in price of petrol has not materialised and prices remain unaltered. In pitch the poor inquiry has resulted in lower prices, but consumers do not seem attracted by the reductions offered. Continental users appear well covered for the time being and content to wait developments. In South Wales business is reported having been done considerably below the present quoted price. The home market for sulphate of ammonia is showing little activity, but export trade has been rather good.

VEGETABLE OILS AND OILSEEDS.

A sharp fall in Argentine options had the effect of sending down prices of linseed very rapidly, which gave consumers the chance they had been waiting for. On Wednesday they bought freely of old crop afloat and December shipment down to £19 1s 3d, and a large business was done in new crop for January-February shipment at £16 12s 6d to £16 15s. The market has since assumed a firmer tone, with sellers asking £17 for the latter position to Hull, and £17 10s for December-January. Indian linseed has been quiet. Egyptian cotton seed has been a quieter market, and, with black quoting £13 10s, buyers are not eager. Some business in soya beans is reported. Raw linseed oil has fluctuated somewhat on profit-taking and in sympathy with the seed market.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides are still declining in value, although the bad condition at this season must be taken into account. Best ox hides sold from 6½d to 8½d, and seconds from 6½d to 7½d, at Thursday's Bermondsey auctions, all classes showing a fall of ½d to 1d per lb on last week's prices. Best heavy cows at 6½d showed a fall of ½d, whilst calf skins were weaker all round, best at 6d to 10½d dropping ½d per lb. The South American market is also weaker, and tanners have been tempted to make large sales, as many as 100,000 frigorifics having changed hands, of which the United States have taken about 25,000 at about 6½d to 7½d c.i.f. for ox. Dry hides are lower in price, and tanners are now picking up bargain lots freely. Cables from New York report the American packer market as weak, with best heavy steers selling at 13½ cents, as against 14 cents quoted last week.

The boot section is gradually improving, and conditions are such that work seems guaranteed up to the end of the year. Much political capital is being made out of imported leathers in the shoe districts, as, naturally, British tanners are, as a whole, deploring the fact that whilst few works are fully employed, imports of leather are increasing. Boot manufacturers, on the other hand, are very chary of any policy which will interfere with their abundant supply of material, and urge this has been the main reason why the British export of footwear has been on such a large scale for many years.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, November 30.

SUGAR.—The market for actual parcels remained firm at recent higher level of prices, and though trade was not quite so brisk, a fair turnover resulted in the aggregate, while British descriptions continue to claim the bulk of support owing to unprecedented scarcity of foreign varieties at this period of the year. Tenders for November delivery regarding Czecho-Slovakian sugars are unexpectedly behind hand, and reports thence question the ability as to the full completion of same. Many parcels previously sold to London houses, were purchased back, and consigned to ports other than that of London. One or two factors have crept into the situation lately, which tended to enhance scarcity, primarily being that of river navigation from Czecho-Slovakia to Hamburg, and fog interfering with shipment from Holland and Belgium. According to cable advices from New York, American interests have secured handy quantities of German 88 per cent. beetroot, and it is anticipated that shipments will begin shortly. The circulation of a report as to a much larger estimate of the Java crop, and which will not be commenced to be shipped until next May, apparently disturbed the speculative side of the article but for all actual parcels, the undertone of the market was one of firmness. French dealers, in addition to operating freely in Polish crystals, have secured certain quantities of Belgian. All raw refining kinds are very sparingly offered. Of British refined goods, Messrs Tate and Lyle's cubes quoted 63s 6d to 64s 6d; crushed, 61s; granulated, stoved, also fine and coarse grain, 61s 1½d. No. 2, also London and T.L., 60s 7½d; No. 1, 60s 9½d; caster, finest, 63s 4½d; A, 62s 7½d; B, 61s 3d; yellow crystals, 56s 1½d; granulated, month forward, 61s; January, 61s 6d; February, 61s; March, 59s 6d. Czecho, granulated, spot, 59s; white Java, sold, 58s 6d to 59s 9d, as to sample. Mauritius crystals, sold, 58s. Czecho, granulated, December, sellers, 29s; January-March, 28s 6d, f.o.b., Hamburg. Mauritius crystals for shipment quoted 33s 6d. Brazilian, basis 96 per cent., to arrive, 28s 6d; ditto, basis 80 per cent., 21s, c.f. and i. terms, U.K. White terminal market easier and somewhat unsettled, but dealings were on a fair scale. December delivery, sold, 30s to 30s 6d, 28s 6d, 29s; March, 28s 1½d to 26s 7½d; May, 27s 7½d to 27s 6d, 27s 10½d, and 26s 6d; August, 27s 1½d to 27s 3d and 26s 3d per cwt.

COFFEE.—The market, in face of continued smallness of supplies is very firm, and sustained inquiries are in force from the home trade. The export side of the article is rather quiet. Nairobi are in request, and medium sizes sold, 86s to 98s; bold, 95s 6d to 113s 6d; peas, 81s to 120s. Marangu peas, 94s; Kilimanjaro ditto, 120s. Toro, mid greenish, 86s 6d; Uganda, bold, 91s 6d.

COCOA.—Market dull, unaltered on the spot. Forward Accra opened the week firmly, with business in January-March shipment, F/F quality, at 26s 9d, but later 26s, f.o.b. terms, was accepted.

TEA.—Indian auctions during the week embraced some 55,500 packages, and with good and well-distributed competition recent rates were maintained in most instances. A good deal more tea is now selling under 1s 6d per lb in bond, and which confirms a falling-off in quality of lower priced parcels. Fine and finest broken orange pekoe sold, 2s 5½d to 3s 0½d. Ceylon auctions of 17,500 packages met with good support, and no quotable change occurred in prices. Broken orange pekoe sold, 1s 10½d to 2s 2d per lb.

RICE.—Shippers require steady prices, and there is a moderate demand. Two Stars, spot, 15s 9d; to arrive 14s 10½d; and No. 3 cleaned ditto to Levant, 15s, c.f. and i. Japanese peas, spot, 24s per cwt.

SPICE.—Pepper market irregular forward, with a fair demand. Black Singapore, January-March, quoted 4½d; Lampong, ditto, 4½d; Muntok, spot, sold, 7½d; ditto L.S., January-March, 7½d to 8½d; Zanzibar cloves, January-March, 1s 5½d per lb. Tapioca steady. Singapore flake, December-February, to Havre, quoted 32s 6d; Penang seed ditto to London, 30s. Sago flour, afloat, 17s; January-March, sellers, 16s; February-April, 16s. Desiccated coconut steady. Fine cut, spot, 43s 9d; medium, 43s; with forward positions mostly in the region of 42s per cwt, c.f. and i.

JUTE.—The market advanced under increased buying orders, though irregular, and reserve of sellers. First grade, November-December, Continent, quoted, £27; December-January, sold, £27 to £27 5s and £27; January-February, £27 17s 6d to £28 and £27 15s; February-March, £28 to £28 10s per ton.

HESSIANS.—Firm. 10-oz, December, quoted 29s 6d; 8-oz, December, sold, 23s 7½d; January-March, 23s 6d per 100 yards, A twills, December, quoted 84s 9d; B ditto, 77s 9d; sugars, December, 87s; flour, 91s; and bran bags, 56 by 28, December, 52s 6d per 100 bags.

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed	Y60,000,000
Capital Paid Up	Y52,500,000
Reserve	Y12,980,000

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

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

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

HEMP.—Manila steady, but at the same time dull. J grade, January-March, quoted £33; K, £27 to £26; M, £23 10s per ton. African sisal unaltered.

SHELLAC.—Market quiet. T.N., spot, quoted 315s; December, 310s; March, 305s per cwt.

COPRA reservedly offered, both on the part of shippers and second-hands, while prices were higher. F.M.S. Straits, October-November, Rotterdam, at £29 2s 6d to £29 17s 6d; October-December, sold, £29 to £29 7s 6d to £29 5s; January-March quoted £28 17s 6d. Ceylon, November-December, quoted £30 10s; Java, ditto, £29 10s; Dutch E.I., August-October, sold, £29 15s; October-November, £29 7s 6d. Cebu, December, quoted £28 17s 6d; and South Sea Islands, £28 5s. Palm kernels firm. December-February, Liverpool, quoted £20 1s 3d; January-March, £20 2s 10s.

GAMBER firm, and very sparingly offered. Block, December-January, quoted 51s per cwt, c.f. and i. terms U.K.

RUBBER was a quiet and easier market. Standard plantation crepe and sheet, spot, and December, sold 1s 2½d to 1s 2½d; January-March, 1s 2½d to 1s 2½d; April-June, 1s 3½d to 1s 3d. To New York: Standard estate sheet, January-February, quoted 1s 2½d lb, c.f. and i. Wild sorts remain dull of sale.

FRUIT (Dried).—There is a steady demand, with a fair amount of trade doing. Of currants, Pyrgos quarter cases quoted 40s; bags, 39s; Amalia, 44s; Patras, 50s; Vostizza, 65s to 69s; finest, 72s. Sultanias: Smyrna, new crop, quoted 51s to 54s; good, 62s to 66s; fine, 80s to 85s. Valencia raisins firm for desirable qualities. Half-boxes quoted 66s to 68s; quarters, 75s to 120s; seedless, 43s to 44s. Dates: Steady demand, and market firm. Hallowee, second-tide, 25s 6d; Khredrowie, 18s; Siar, 15s 3d, landed terms, London. Figs: Genuine natural in bags, 34s to 38s; layers in boxes, 9s to 10s; pulled, 12s to 140s. Evaporated fruits remain quite steady. Californian choice apricots quoted 74s; extra, 86s; fancy, 99s to 100s; ditto plums, 30-40, quoted, 86s; 40-50 at 68s. French plums, quarter cases, 36s to 70s per cwt.

CANNED GOODS.—Considering the time of year, the market shows a good demand, especially for pine and other canned fruits. Of sardines, Portuguese quarters quoted 2s 6d to 3s; ditto, 12 oz, 5s to 5s 6d; 18 oz, 9s 6d to 11s per dozen tins. Lobster, fancy halves, quoted 145s to 150s. Salmon stocks are now on a light scale, and market firm. 1 lb flat reds, labelled, quoted 53s 6d; ditto, tall, 42s to 42s 6d; 1 lb flat, pink, 25s; ditto, tall, 24s 6d; cases of 96 ½ lbs, 28s 6d to 29s per case. Canned Fruits—Singapore pines, fair quality, spot, 5s 7½d. Californian apricots, 7s 3d to 11s; ditto, peaches, 8s 3d to 11s; pears, 12s 6d to 14s. Tomatoes, Spanish, threes, quoted 6s 6d; Italian ditto, 6s 9d per dozen tins. Meats are firmly held, in view of slight supplies on offer, and there is a fair general inquiry.

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			INDIA RUBBER—b d d			PROVISIONS—s d s d			SPICES—Pepper, lb—s d s d		
00000—Duty, British grown			Para, fine hard spot	1 02 8 0	Butter—per cwt.	nom			Singapore, fair White	0 7 0 0	
25-40 foreign 25-40 cwt.	44 5 0		Plantation crepe	1 24 0 0	Irish creamery	nom			Black Singapore	0 42 0 0	
Trinidad, per cwt.	44 5 0				Do factory	nom			White Siam	0 64 0 0	
Grenada ..	37 0 43 0				Australian ..	104 0 212 0			Olanam ..	0 113 0 0	
Oeylon, plantation ..	65 0 73 0				Argentine ..	158 0 194 0			Do 2nd ..	0 103 0 0	
Guyana ..	65 0 73 0				Dutch ..	200 0 212 0			Do 3rd ..	0 10 0 0	
Bahia, finest ..	42 0 43 0				New Zealand ..	190 0 220 0			Onion Lignea ..	47 6 6 4	
COFFEE—British grown					Danish ..	212 0 212 0			Onion ..	1 5 0 0	
25-40 foreign 25-40 cwt.	106 6				Beacon, engd .. Irish ..	90 103 0			Onion ..	1 5 0 0	
25-40 foreign 25-40 cwt.	106 6				Danish ..	83 100 0			Panang ..	2 6 2 8	
Do good to fine	106 6				Canadian ..	85 90 0			Madagascar ..	1 5 0 0	
Do good to fine	106 6				American ..	66 62 0			Ginger—per cwt—		
Do good to fine	106 6				Hamp ..	110 0 116 0			Cochin, small rough	82 6 85 0	
Do good to fine	106 6				Canadian ..	110 0 116 0			Do wormy	32 6 32 0	
Do good to fine	106 6				American ..	116 0 120 0			Japan ..	75 0 8 0	
Do good to fine	106 6				Leard—Irish bladders	85 90 0			Jamaica, ord. to good	150 0 180 0	
Do good to fine	106 6				American boxes, 60lb	78 83 0			Mace ..	per lb 2 4 2 6	
Do good to fine	106 6				For—per 8 lb	6 7 4			Nutmeg, good to fine	1 4 1 0	
Do good to fine	106 6				Beef—Frozen per 8 lb	2 8 4 2			Small to medium	1 14 0 8	
Do good to fine	106 6				Scotch ..	7 4 4 8			Chillies—per cwt	50 0 70 0	
Do good to fine	106 6				Obese-cwt ..	110 0 116 0			Cochin, small rough	82 6 85 0	
Do good to fine	106 6				New Zealand ..	190 0 220 0			Do wormy	32 6 32 0	
Do good to fine	106 6				Eng. Obessed ..	115 0 145 0			Japan ..	75 0 8 0	
Do good to fine	106 6				Obessed ..	115 0 145 0			Jamaica, ord. to good	150 0 180 0	
Do good to fine	106 6				Dutch ..	72 0 122 0			Mace ..	per lb 2 4 2 6	
Do good to fine	106 6				Eng. per 12 lb—English	37 48 0			Nutmeg, good to fine	1 4 1 0	
Do good to fine	106 6				Irish ..	nom			Small to medium	1 14 0 8	
Do good to fine	106 6				Obessed-cwt ..	110 0 116 0			Chillies—per cwt	50 0 70 0	
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The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVII.

SATURDAY, DECEMBER 8, 1923.

No. 4,189.

£231, c.i.f. The upward course of prices continued, despite slight fluctuations under renewed buying orders from America and a further improvement in the East. By the middle of the week standard, cash, sold up to £236 15s, and three months £237. Further sales occurred in the East at £237, c.i.f. Rates reacted on the following day, with business on a smaller scale. Standard, cash, sold at £234 5s, and three months, £237 to £237 15s to £233 10s to £233 15s. At the final session values, after opening easier, showed a marked improvement. Standard, cash, sold at £233 to £236 10s, and three months at £231 10s to £238 5s to £237 5s. English ingots quoted at £236 5s to £236 15s. Copper: Market displayed firmer features, buying orders being well in evidence, and a good business transpired. Standard, cash, opened with sales at £61 to £61 5s, and three months at £61 17s 6d, subsequently improving to £62 11s 3d for cash and £63 6s 3d for three months. At Thursday's market values moved in buyers' favour, while some irregularity was noticeable at times with regard to forward positions. Standard, cash, sold at £62 7s 6d to £62 5s, and three months £63 10s to £63 2s 6d to £63 3s 9d, while finally done at £63 1s 3d. The tendency was fully steady on following day, with a fairly good demand. Standard, cash sold at £62 6s 3d, and three months £63 to £62 17s 6d to £63 2s 6d. Electro, £67 10s to £68. Strong sheets, £95. Wire bars £68; best selected, £65 15s to £67 per ton. Lead firm at £31 to £29, as to position. Spelter steady, at £33 to £33 2s 6d, according to position. Aluminium quiet, £115; export, £120. Antimony firm. English specials, £42 to £42 10s.

TALLOW.—Messrs Colchesters and Woolner write on November 28th as follows:—The tallow market was firm during the week, and prices averaged 1s dearer to-day. Good qualities are in request at advancing prices, while lower sorts meet with fair attention at un-

changed prices. Supplies offered for shipment are on a moderate scale. At auction to-day 1,400 casks tallow were offered, and 1,198 were sold. Quotations are:—Australian mutton: Fine, 48s 9d; good to fair, 46s 6d to 44s 9d; dull to dark, 39s to 36s 6d; hard, 45s. Australian beef: Fine, 44s 6d; good to fair, 43s 6d to 39s 6d; dull to dark, 37s 6d to 36s 6d; sweet, 44s 6d. Present shipment from Australasia: Good mixed, 42s 6d. Present shipment from South America, 41s 9d to 39s 6d. The market letter is dearer: tallow 1s, stuff 1s. Town tallow, 37s 6d per cwt. Rough fat, per 8 lbs, 2½d; melted stuff, 28s 6d per cwt. Quotations are:—Town, 36s, net cash, naked, ex works. Country: Frail casks, 36s; home melted, shipping casks, net, f.o.b., good coloured, 39s; fair to dull, 37s to 36s. Bone fat: White, none; pale, none; benzine, 34s; melted stuff, 34s, f.o.b.

METROPOLITAN CATTLE.—NOVEMBER 29.

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

Beasts—Herefords	s	d	s	d	Beasts—Heavy Bulls	s	d	s	d
Shortfords	7	0	7	4	Canadian	nominal			
Devons	6	8	7	0	Sheep—Downs	10	8	12	0
Norfolks	0	0	0	0	Ewes	6	2	6	6
Scottish	nominal				Crossbred	10	4	10	6
Irish	0	0	0	0	Scottish	nominal			
Fat Cows	nominal				Lamb—Downs	nominal			

LONDON POTATO MARKETS.—NOVEMBER 29.

English (new) Arran	s	d	s	d	Per Cwt.	s	d	s	d
Chief	6	0	7	0	British Queens	6	0	7	0
King Edwards	7	0	8	0	Majestic	6	6	7	0
					Blackland	5	0	6	6

BRITISH THROUGHOUT

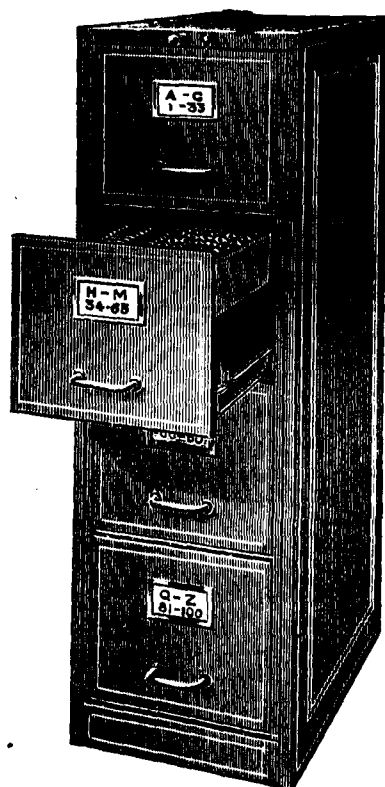
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THE MONEY MARKET.

MONEY became extremely abundant, owing to the payment on and after December 1st of the War Loan interest, and the large creation of fresh credit that was necessitated by it. This pronounced ease was not expected to last long, but the discount market became a shade easier as the week went on, three months' bank bills being placed more readily at 3½ per cent., and occasionally a trifle below. Yesterday the Treasury Bills went as expected, and money

was still lendable in the afternoon; but the discount rate was perhaps a little steadier.

	Dec. 7, 1923.	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 16, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses' Notice	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills)	3½	3½	3½	3½	8

The Bank return showed a decrease in the Reserve of £991,000, in spite of an increase of £104,000 in the stock of gold, notes having gone into circulation owing to the demand for currency connected with the General Election and Christmas trade. Government securities increased by 26½ millions, presumably owing to Ways and Means Advances for the War Loan interest payment, and Other by 1½ millions, though it was understood that the market's indebtedness had been fully liquidated by Wednesday. Public deposits were reduced by 10 millions, and there was thus a total increase of 37 millions in Other. Currency notes outstanding were increased this week by £2,812,000 to £284,392,600, which includes £1,432,200 for notes called in but not yet cancelled. The fiduciary issue is £233,510,300, or £36,673,500 below the maximum.

By the death, at the age of 52, of Mr H. M. Page, a partner in the firm of Page and Gwyther, the discount market has lost a well-known and popular member. Mr Page specialised in kindheartedness, and in readiness to take any trouble to help those who were looking for work, or otherwise needed a helping hand.

THE STOCK MARKETS.

Stock Exchange markets this week have been reasonably steady in the circumstances, but the House was in subdued mood as the trend of the election results became apparent, and prices were marked down all round on Friday. The amount of War Loan interest returning for investment was comparatively small, and changes in prices in the gilt-edged market were slight. Home Railway prior charge stocks have held their recent improvement, and there has been further buying of the junior stocks in anticipation of the dividends. The foreign market has been mostly quiet, but Brazilian bonds again went better. Rubbers are lifeless, and there is little public interest in the oil market. There were no pronounced features in the industrial market, but Kaffirs were strong on the publication of good November returns, and tin shares have again improved with the rise in the metal.

THE COMMODITY MARKETS.

The event of importance in the commodity markets this week has been the break in raw cotton prices, to which we refer in other pages; in consequence, business in yarn and cloth has been disorganised. In the wool trade the strength of the raw material is a marked feature; Continental and American buyers are dominating the merino section, but Yorkshire is apparently securing crossbreds. The Cardiff coal market is busy, and prices have further advanced. The pig-iron market is firm, but there is severe competition by foreign markets. A fair amount of business is reported in steel, but prices are unchanged. Tin prices have advanced no further, while copper values were slightly easier. Rubber opened well, but the demand quickly fell away. Wheat values are inclined to dullness. The sugar and tea markets are somewhat quieter. Linseed has declined. The hide market is steady, and boot manufacturers are fairly well employed.

FOREIGN EXCHANGES.

Although business during the week in the foreign exchange market has not been very active, there has been a considerable movement in rates, especially in that of the dollar. From a closing price of \$4.33½ on the 30th, there was an upward movement until the 4th, on which day rates fluctuated sharply between quotations of \$4.33 and \$4.35½. On the 5th quotations were at one time as high as \$4.39½, and on the 6th \$4.39½. Yesterday morning, however, the natural reaction from the recent hasty movement of funds to New York, under the

influence of inflation fears, was checked by the announcement of the first election results, and the market opened with a relapse to \$4.35½. Whatever is the final result of the election, however, it is unlikely that rates will remain long on these low levels. Forward rates at ½ cent per month over spot are slightly narrower than the 1½ cent quoted a week ago. The Paris rate, from 81.12½ on the 30th, showed an improvement at the beginning of the week on the announcement of new proposals for expert inquiries by the Reparation Commission. Interruptions in telephone communications upset the market somewhat in the middle of the week, but rates moved only between 80.60 and 81.60. On the 6th they closed at 80.90, but yesterday morning election news brought a sharp reaction to 81.50. Brussels has, as usual, moved in sympathy from 94.37½ on the 30th to 94.65 yesterday. Forward rates in both centres are quoted at 6 centimes per month over spot, in Paris the same as last week, in Brussels a slight narrowing of rate as compared with last week's 8 centimes. The lira has been fairly steady, and yesterday's quotation of 100½ is much the same as a week ago. Among neutral exchanges, Amsterdam has followed the course of the dollar with a sharp movement in our favour, and a relapse yesterday morning, when the rate of 11.46½ compared with 11.44½ a week ago. Switzerland has depreciated from 24.91 to 25.07½, and Spain has jumped up sharply from 33.38½ to 35.52½. In Scandinavia, Copenhagen has lost some of its recent recovery, being quoted yesterday at 24.51, as compared with 24.10 a week ago. Stockholm has moved from 16.56½ to 16.60½, and Christiania from 29.00 to 29.22½. Autumn requirements have pressed heavily on the Finnish rate, which rose from 175½ on the 30th to as high as 178 on the 4th. The increase of 2 per cent. in the Bank rate has brought some improvement, but the quotation is still 176½. In Central Europe the German mark has improved down to 19 billions, as compared with 26 billions a week ago, the result of the stoppage of the further issue of old marks and their gradual calling in and replacement by Rentenmarks. It still, however, requires much faith to believe that the Government will succeed in restoring ordered finances within the limits of the present Rentenmark issue. Austria, following the dollar, has moved in our favour from 308,500 kr to 310,000 kr. Warsaw, on the other hand, shows a slight improvement from 16 to 15 million marks. Prague has moved slightly against us from 149½ to 149, and Bucharest has appreciated from 875 to 850, and Athens from 230 to 210. In the East, the rupee, at 1s 5d, is lower than the quotation of 1s 5½d of a week ago, as the result of a sharp drop on Thursday, due, it is suggested, to bear selling on the startling cotton movements earlier in the week. The yen has moved in our favour from 2s 2 15-32d to 2s 1½d. Silver has kept steady during the week, with some moderate Indian buying, but now that the last steamer has left for the Chinese New Year, prices show signs of some slight weakening. Hong Kong has moved down from 2s 4d to 2s 3½d, and Shanghai from 3s 4d to 3s 3d. In South America, Rio has improved considerably, apparently on the announcement of the British Financial Mission to Brazil, from 4 61-64d to 5½d, and Buenos Ayres is also better at 39½d, as compared with 39¼d, and Montevideo at 42½d as compared with 41½d, while Valparaiso, after some improvement, has moved up again from 40.40 pesos to 40.50 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended December 1st:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	7,210	From Revenue	12,982
Interest, &c., on Debt	32,678	Taken from Exchequer balances	27,310
Sinking Fund	516	Amount borrowed	41,190
Sundries	86		
Local Taxation Account	700		
	41,190		

Revenue was well maintained, amounting to £12,982,100, against £11,391,100. Special Receipts came in on a rather large scale, yielding £3,309,400, against £1,005,000. Property and Income-tax yielded £2,121,000 and Super-tax £360,000, against a combined total of £3,071,000. Customs produced £2,624,000, as compared with £2,781,000, and Excise £1,724,000, against £1,568,000.

The week's operations increased the National Debt by £27,210,250, and caused the following changes:—

	Min. £	National Savings Certificates	Min. £
Treasury Bills	+ 664	Telegraph Money	450
Bank of England Advances ..	+ 14,000	Sundries	140
Public Departments Advances ..	+ 13,250		
4% Treasury Bonds	+ 236		
	+ 28,150		940

The floating debt was increased by £27,890,000 to £831,926,500.

FINANCIAL YEAR, 1923-24 (April 1 to December 1, 1923).

	£		£
Total Expenditure ..	514,183,276	Raised by Revenue ..	485,177,648
		Net Borrowings	24,734,115
		Decrease in Balances	4,271,513
Total	514,183,276	Total	514,183,276

ESTIMATES FOR YEAR 1923-24.

£		£	
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—City of London Real Property Company, New Modderfontein Gold Mining Company, Marconi Wireless Telegraph Company, Strand Hotel, Limited, Waring and Gillow, Limited, and the Aerated Bread Company. At the meeting of Marconi's Wireless Telegraph Company the chairman announced important developments in wireless telegraphy, and Mr Godfrey Isaacs said that there were good prospects of settlement of their claims against the Government early in the New Year. Mr Innes, at the meeting of City of London Real Property, outlined the capitalisation proposals and the purchase of City of Westminster Properties shares. At the meeting of New Modderfontein Gold Mining Company, Sir Evelyn Wallers, in announcing greatly improved results, stated that this was due to the much improved efficiency both of white and native labour and the reorganisation of underground working conditions.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

A VERDICT FOR FREE TRADE.

As we go to press there are still many election results to come in, but no electoral miracle in the remaining seats can change three things. The first is that Mr Baldwin has lost his majority in the House of Commons, the second that none of the three parties will have a majority over the other two combined, and third, the most important of all, that Protection is dead. It used to be claimed by the Tariff Reformer of pre-war days that two bad winters would provide the atmosphere on which this country would accept Protection. We are now in the fourth winter of severe unemployment, and it is a remarkable tribute to the underlying common-sense of the masses of the people that the lure of the experiment advertised as the only means of procuring work and wages for all should under such circumstances have been so emphatically rejected. That rejection is all the more remarkable because the excessive haste with which the election was conducted left Free Traders with insufficient time to educate an electorate that had largely forgotten the controversies of 20 years ago on the economic fallacies that were so laboriously, but effectively, exposed during the years of 1903 to 1906. After the decisive verdict of Thursday there is surely reason to expect that the Conservative Party will rid themselves of a proposal which every time they have

adopted it has proved to be a millstone about their necks. The overwhelming vote against Protection has been built up by a striking series of gains, both by the Liberal and Labour parties, and if the figures be analysed, we believe it will be found that the real sensation of the election, which has upset the forecast of Party managers, is the unexpected progress of Labour. It had been admitted on all sides that when once the issue of Free Trade and Protection had been raised, Liberals were bound to win many seats, but Conservative experts retained to the last moment their confidence that they could afford the loss of a fair number of seats to the Liberals, because they could hold their own perfectly well at the expense of Labour. That is the prediction which has been so strikingly falsified.

On the main issue, namely that the people of this country have absolutely refused to allow their rulers to tamper with the economic system under which the country has waxed great, there is cause for nothing but rejoicing. But in some other respects the election cannot be hailed as satisfactory. It is unfortunate in the extreme that at a moment when the state of Europe calls for bold handling by a British Government possessing stability and authority, the position of home politics should be plunged into doubt. Until we know what the final state of the parties is, it is of little use to speculate upon the political possibilities of the immediate future. But at the moment there appear to be three possible lines of development. On the one hand, Mr Baldwin might attempt to carry on the administration of the country for a time with an avoidance of controversial legislation, and by the help of unsatisfactory bargains or arrangements with one or another section of the Opposition. That is a method of procedure which Governments in the nineteenth century had to pursue on many occasions, and it was usually the Irish Nationalists who held the balance. To-day's circumstances are by no means comparable to those; and no one can contemplate with complacency the pursuit of this course to-day. The second alternative is the formation of a coalition, and, of course, there are three forms of coalition theoretically possible, although all appear unlikely and unpromising. The third possible course is that there should be another appeal to the country as soon as the essential financial business of next session is transacted, as it could, we imagine, be transacted fairly speedily by the help of temporary arrangements by the Party leaders. Possibly this course may prove the only practical one. But such a prospect of prolonged uncertainty at the present time is peculiarly disturbing. There are grave issues urgently calling for strong and confident handling. If they have to wait, then the chances of progress with the European problem once more recede.

Such are the troubles into which Mr Baldwin has plunged the country by his well-meaning, but hasty and unstatesmanlike procedure. That he and his party have fully reaped the reward of recklessness is a minor matter. What really matters is that where the country needed stability more perhaps than in any juncture of affairs since the war, it has been thrown into turmoil, and faced with a constitutional problem of very considerable difficulty. If we are right in assuming that another election before long is inevitable, one of the earliest tasks of the new Parliament must be to secure by legislation that in future votes cast at the polling booths are faithfully represented in the House of Commons. A year ago Party strength in the Commons was grotesquely out of keeping with the total of the Party polls. The same thing is likely to be true of the new House. To see that it will not be true of any future House should be among the first tasks of all statesmen who care for the future of representative Government.

EUROPE: THE DOMINANT ISSUE.

ALTHOUGH—or, perhaps, rather, because—public attention in Great Britain has inevitably been diverted from international affairs to internal politics, the situation on the Continent has been undergoing notable developments, to which the new Government will have to address themselves without delay. The country expects the same policy in regard to the dominant issue of our relations with France and Germany from whatever Government its votes may bring into power, and the new Government's policy will be effective in proportion as it is supported by an informed and decided public opinion. The moment is therefore opportune for reminding ourselves of events which have fallen into the second place of interest (though not of importance) during the last few days.

The reconstitution of a Government of the German Reich last week, after the interregnum which followed the defeat of Dr Stresemann, has momentarily stayed off the political crash without (unfortunately) rendering the eventuality less probable. Although a certain continuity has been secured through the acceptance of the portfolio for Foreign Affairs by Dr Stresemann, the new Finance Minister, Dr Luther, has already resigned his position, and the new Chancellor has been faced immediately with acute difficulties over the "Powers Bill," the effect of which when passed would virtually be to suspend parliamentary government during the winter months. A compromise has been reached in the end with the Social Democratic Group to the effect that, before any clause of the Bill is actually put into force, the Government shall consult a Reichstag Committee of 15 members. Since, however, the authority of this committee seems to have been left ill-defined, its appointment may create a new arena for conflict rather than avert the danger. The Left has been embittered by the drastic intervention of the Stresemann Government in Saxony or Thuringia which (whatever may have been the Government's intention) was not extended to reactionary Bavaria. It is an ominous sign that the extremists, on both wings, are gaining strength while the middle parties are losing it.

Meanwhile, France has been taking important new departures on the Reparations Commission in her attitude towards Separatism in the occupied territories, and in her economic negotiations with German industrialists and official bodies. On the Friday of last week, the Reparations Commission voted unanimously (the first unanimous vote since last January) for the appointment of two committees, on which Allied and Associated Powers exclusively were to be represented, in order to deal respectively with the Budget and currency problem in Germany, and with the export of German capital. The United States Administration has now been advised officially of this resolution, and has been asked to consider the nomination of American representatives. In view, however, of past experiences, Washington has, apparently, decided to ask for further information before committing itself. It is hard to see how the former committee could conduct any investigations on its terms of reference without taking into consideration the whole economic and financial condition of Germany—including the economic effects of the Franco-Belgian occupation of the Ruhr and the new arrangements that are arising out of it. On the other hand, by the terms of the resolution, the committees are to be constituted expressly in pursuance of Article 234 of the Treaty of Versailles, over which acute differences of interpretation have already arisen. It would be rash, therefore, to expect this resolution to produce constructive results, and while the desired inclusion of American representatives is a vital condition of success, the exclusion of Germans and neutrals weighs the balance heavily against its achievement. From the French point of view, the resolution may perhaps be regarded as a gesture intended to assist Mr Baldwin in meeting electioneering attacks upon his failure to modify the action of France, for M. Poincaré's Government are evidently anxious for Mr Baldwin's return—not because they think that his continental policy differs in fundamentals from that of Mr

Asquith, Mr Lloyd George, or Mr Macdonald, but apparently because they think that he will be less effective than any of his possible successors in carrying it out.

An equally important gesture (doubtless with the same object) was the communiqué issued in Paris last Tuesday in regard to certain relaxations of the régime in the occupied territories. "Measures of grace" are to be taken immediately in favour of persons expelled or condemned; passive resistance (and its penalties) will be considered officially at an end when work has been "effectively resumed" in the mines and factories, and when the agreements entered into with the Reich for the exploitation of the railways in the Rhineland and the Ruhr shall have been ratified by the Berlin Government and put into force; while, finally, "the regrouping of the military forces with a view to diminishing contact with the population" is reported to be already in progress. The railway convention, which was signed last Monday by French and German representatives at Mainz, and is to come into force on the 10th of this month, includes an interesting concession to the German point of view. The trucks circulating on the railways of the Ruhr and Rhineland Régie are to remain the property of the German Government, and the *quid pro quo* is that the goods traffic in the Régie area is to be operated (as before the occupation) by the German railway authorities from a centre at Magdeburg as an integral part of the goods traffic on the whole network of German railways. In effect, the Germans secure a political desideratum (the avoidance of complete separation of railway administration, which would be one step towards the independence of the Rhineland), while the French secure a better prospect than before of making their economic position in the occupied territories permanently tenable. Although the Régie traffic had somewhat improved during the past few weeks, it was still hopelessly below the normal volume, whereas, under the new convention, it is hoped to restore it to something like pre-occupation conditions. The French authorities have also been arranging for a Rhineland Bank of Issue on a gold basis, and, here again, it is contemplated that 50 per cent. of the capital will be German, the remainder being French, Belgian, and neutral. Finally, the French authorities have taken a more decided stand against that scandal of their own making, the disreputable Separatist movement, than they have done before. The Separatists have been removed by French action from Bonn and the smaller towns in the neighbourhood, and it looks as though, for the time being at any rate, their activities were to be limited to the Palatinate and to Hesse.

The motives for this pronounced change in French policy are probably complex. In the first place, the odium which France has incurred in the rest of the world by her action during the past year has probably been more serious for her than her leaders had expected. True, no other Power has been able or willing to thwart her action, but the bogeys of "isolation" and "encirclement" have lately risen before her eyes in an alarming form. A readiness to make some sacrifice at the altar of foreign opinion has noticeably been growing, and the elections in Great Britain have offered a definite occasion for experiments in this direction. In the second place, the French feel (and, unhappily, with truth) that in the end they have partly achieved their ultimate object of breaking the German national will. The activities of the Separatists become superfluous from the moment at which they have brought respectable citizens of the occupied territories to heel, and the formal independence of these territories becomes less essential in proportion as Berlin becomes more amenable to dictation from Paris. In the third place, M. Poincaré is under severe pressure to produce, if possible, some profitable result from the immense military expenditure and the loss of previous reparations receipts which have been caused by the occupation, and he is learning that German resources, plant, muscles, and brains cannot be made productive for French interests unless German wills are to some extent enlisted in this cause.

For these various reasons, it is possible that, in the next phase, we may see Frenchmen and Germans co-operating in business, even though their personal feelings and relations remain unchanged. In this case, what ought our own attitude to be? Undoubtedly, a primary consideration must be the material salvage of Germany and her people, and we ought not to oppose any developments incidentally

conducting towards this, even though it may not be advisable for us to participate in them. The paramount consideration is one of humanity. Millions of men, women, and children on the brink of starvation must be kept alive. The second is one of interest. The material restoration of the Continent (quite apart from its political corollaries) is a vital necessity for our economic life; and we shall have lost our business sense of realities if we allow our minds to be diverted from this goal by the distant spectre of a grand industrial combine against us.

Meanwhile, Mr Baldwin, his hands weakened by reverses at the polls, must remember that the fundamental issue raised by the British declaration that the Ruhr occupation is illegal still cries out for settlement. While satisfaction may be derived from the softening of the aggressiveness of French policy, and from late concessions of a sort to British and world opinion, this change cannot possibly be allowed to draw Great Britain into the position of "accomplice after the fact" in a transaction which she has through her Government and her public opinion declared to be a gross offence against international right and justice. The healing of Europe cannot be approached successfully in such a way.

THE MONROE DOCTRINE.

To achieve the right perspective for examining the Message which President Coolidge delivered to Congress on Thursday it is necessary to have a proper understanding of the meaning of the Monroe Doctrine, and its maintenance to the present time as the basis of American foreign policy. We, therefore, examine in this article some important points about President Monroe's famous declaration with which the Message to Congress of President Coolidge is in general accordance. "Our country," said Mr Coolidge, "has one cardinal principle to maintain in its policy. It is an American principle. It must be an American policy. We attend to our own affairs, our own strength, and protect the interests of our own citizens, but we recognise thoroughly our obligation to help others, reserving to the decision of our own judgment the time, the place, and the method. We realise the common bond of humanity. We know the inescapable law of service." These sentences are the keynote of the Message in relation to foreign policy. The definite refusal to come into the League of Nations was emphasised and underlined, although good wishes for its helpfulness were expressed. President Coolidge lays it down that while one of the main principles of American policy is the avoidance of permanent political alliances, another is the peaceful settlement of controversies between nations. The President, therefore, wishes to see the establishment of a World Court, which would embrace in its partnership all the important nations of the world. To the establishment of such a Court, or rather to American participation therein, he would attach the condition of definite refusal to adhere to the League of Nations. In his reference to the question of European debts, President Coolidge made no departure from the line taken by his predecessor. He stresses the sanctity of contract and refuses to contemplate release of the debtors, but does not rule out the possibility of adjustments, such as have been made in the case of the settlement with Great Britain. How closely the general line of the President's Message conforms to the spirit of the Monroe Doctrine will be appreciated if we recall the most important passages of President Monroe's historic statement.

In the discussions to which this interest [namely, the claims of Russia on the north-west coast of North America] has given rise, and in the arrangements by which they may terminate, the occasion has been judged proper for asserting as a principle, in which the rights and interests of the United States are involved, that the American continents, by the free and independent condition which they have assumed and maintained, are henceforth not to be considered as subjects for future colonisation by any European Powers. In the wars of the European Powers, in matters relating to themselves we have never taken any part, nor does it comport with our policy to do so. It is only when our rights are involved or seriously menaced that we resent injuries or make preparations for our defence. With the movements in this hemisphere we are of necessity more intimately connected, and by

causes which must be obvious to all enlightened and impartial observers. The political system of the Allied Powers is essentially different in this respect from that of America. This difference proceeds from that which exists in their respective governments. We owe it, therefore, to candour and to the amicable relations existing between the United States and those Powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of an European Power we have not interfered, and shall not interfere. But with the governments who have declared their independence and have maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them or controlling in any other manner their destiny, by any European Power, in any other light than as the manifestation of an unfriendly disposition toward the United States.—President Monroe's Message to Congress, December 2, 1823.

So runs the passage in President Monroe's memorable Message to Congress, which has come to be called the Monroe Doctrine, thereby ensuring a place in history for a man of no commensurate personal distinction. It seems probable that the Message was mainly the work of his Secretary of State, John Quincy Adams. It is convenient to analyse the Message and discover in it four principles: (1) no more colonisation by European Powers on the American continents; (2) no European interference with the newly-established and newly-recognised South American Republics; (3) no extension of the political system of the Allied Powers (the Holy Alliance) to America; (4) no interference by the United States of America in purely European affairs. With the first three of these principles we have no present concern. They have received general acquiescence, and are illustrated by the abortive attempt of Napoleon the Third to establish the unhappy Maximilian upon the Mexican throne. The last principle—non-intervention in Europe—is of contemporary importance, and deserves a few remarks.

It should be understood, in the first place, that the Monroe Doctrine is an act of policy, not a rule of international law. It embodies the foreign policy of the United States during the past hundred years, and its roots go even deeper. The Pilgrim Fathers were animated by a desire to shake the European dust off their feet. Washington's famous farewell message in 1796 contains the passage:—

Europe has a set of primary interests which to us have none or a very remote relation. Hence she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics or the ordinary combinations and collisions of her friendships or enmities.

That principle is, we believe, bred in the American bone, and any European (and so for this purpose we may describe ourselves) who fails to grasp that fact will most certainly misjudge America as many misjudged her in 1914, 1915, and 1916. The war with Spain in 1898 was no exception to the principle. What are we to say of America's entry into the world war in 1917 and her subsequent policy? There is no question that her action in 1917 involved at the time a very drastic change in policy. It is true that her neutrality had been grossly violated by the Central Powers, and that her people had been profoundly stirred by the moral issues at stake. It may have seemed possible to President Wilson and his Cabinet for America to step in, strike a decisive blow, and retire into her traditional attitude of detachment, but events were too powerful and President Wilson had grasped the vision of a more lasting contribution by his country to the welfare of the world. Whether or not he had the solid opinion of his people behind him when he set his hand to this task, we must leave to American historians to say. Either he had not, or, if he had at the time, it swung back to the Washington-Monroe policy, and America now contemplates a European welter which, as a prime and disinterested artificer of the Armistice and of the Treaty of Versailles, she cannot view with complete detachment and equanimity merely because she declined, with a perfect right to do so, to ratify the treaties of peace, and particularly the tripartite pact of 1919 guaranteeing France against unprovoked aggression by Germany. That America will ever join the League of Nations seems to us to become increasingly more improbable. That she has turned her back upon Europe for ever, and will permanently withhold the help she could give is, in our opinion, equally improbable. True to Washington, she is

unlikely to embroil herself in "the ordinary combinations and collisions of (European) friendships and enmities," but there are other ways in which she can lend a hand.

America has been a pioneer in the conclusion of international arbitration treaties, and in many other forms of international co-operation. She was a prominent member of the Hague Conferences of 1899 and 1907. Once it can be demonstrated to her people that the Permanent Court of International Justice is not the back door to the League of Nations, we believe that the late President Harding's recommendation to join the Court will be followed. Further, the action of President Coolidge is reiterating a willingness to take part in an international conference upon the Reparations question on certain conditions is another indication that we have not seen the end of the new chapter opened by President Wilson in 1917. That offer is not receiving much encouragement in certain quarters where concurrence is necessary, but day by day opinion is hardening upon the supreme need of summoning a comprehensive and powerful conference representing at least all the belligerents in the recent war together, some neutral Powers as well, as the only means of rescuing Europe from its threatened disintegration. America is waiting for that moment, and when it comes her action, or inaction, will be a matter of such moment to the world that she will be impelled by the effect of world opinion upon the minds of her own people—Monroe Doctrine or no Monroe Doctrine—to play an important and, perhaps, a decisive part. That moment may be nearer than we imagine.

OUR INDEX NUMBER.

OWING very largely to an abnormal upward movement in the price of cotton, our Index Number has increased during November by 221 points to 4541, which is the highest point recorded since October, 1921. As will be seen from the table below, each of the groups, apart from textiles, has contributed to the upward movement, but of the total increase of 221 points, textiles account for 173. The previous highest figure this year was 4440, at the end of April, and lowest 4182, at the end of July:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Base (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	382	618	464	553	2856	116.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5845	265.7
" Nov., 1918	1289	782	1848	908	1389	6212	282.6
" Mar., 1920	1508	913	2074	1246	1709	8352	379.6
" Dec., 1921	1344	805	1284	1216	1275	5924	269.8
" Dec., 1922	921	636	1106	762	931	4357	198.0
" June, 1922	1000	676	1135	690	887	4389	199.5
" Sept. "	873	682	1116	699	818	4189	190.4
" Dec. "	861	706	1184	705	807	4264	193.8
" Jan., 1923	860	711	1205	739	808	4324	196.5
" Feb. "	847	746	1201	797	810	4402	200.1
" Mar. "	824	752	1178	840	797	4392	199.6
" Apr. "	858	752	1199	834	797	4440	201.8
" May "	869	772	1165	818	785	4412	200.5
" June "	815	773	1177	773	761	4301	195.5
" July "	819	756	1115	744	746	4182	190.1
" August "	828	762	1119	734	745	4297	195.8
" Sept. "	823	782	1214	732	745	4297	195.8
" Oct. "	823	777	1220	756	743	4320	196.4
" Nov. "	831	797	1393	770	749	4541	206.4

* Corrected figure.

Changes in primary foodstuffs were comparatively small, the principal increases being a rise of 6½ points in rice and of 4 points in home-grown wheat. In subsidiary foodstuffs, sugar prices were substantially higher, for the reasons set forth in last week's *Economist* (p. 966). Butter was also higher, after a decline in the previous month, but for the first time for three months there was a decline in the price of tea. As already mentioned, the feature in the textiles group was the remarkable advance in cotton prices. On this matter Messrs Robt. Barbour

and Co., Limited, write as follows in their monthly circular:—

Although a crop of 10¼ million bales had been frequently suggested from private sources, the official confirmation of this, as contained in the supplementary Bureau Report published on the 2nd inst., came as a rude shock to the market, and had a most disconcerting effect. An excited scramble on all sides carried cotton prices up with a rush, and whilst in New York the maximum 200 point limit allowed for in any one day was quickly reached, after the issue of the report Liverpool followed suit, with an equivalent advance of 108 points. "The heaviest abandonment of acreage on record" was the salient point in the revised estimate of the yield, and subsequent weather advices hold out little hope of this being improved later, rather the reverse, in fact. For the time being business was reduced to very small dimensions, the advance in prices being too sudden and too rapid for customers to follow. Gradually, however, demand began to broaden out again, telegrams from India became persistent, and a large inquiry was met with, which embraced a considerable variety of makes. Stocks were freely absorbed, the bulk of transactions, indeed, being connected with cases where advantage could be given in virtue of yarn or cloth held at rates much under current quotations. As the month progressed, and no sign of reaction apparent, steady progress was made, and notwithstanding the manifold difficulties entailed by the continued advance in the raw material, a healthier tone was very noticeable, and substantial orders were booked. A great many offers have been made at prices hopelessly out of date, but Calcutta's interest in dhooties, mulls, jaconets, and light fabrics generally has been well maintained, and the other Indian markets have displayed plenty of enterprise even if a large portion of it has gone unrewarded. Egypt and the Levant, too, have shown more willingness to buy, but China, in spite of depleted stocks, still disappoints, and South America does not get much further than moderate miscellaneous lots. Egyptian cotton has made even a more sensational advance than American. In the course of the month F.G.F. Sakellaridis has put on 8d per pound, and during the same period fully middling American has advanced 4d per pound. The final spot quotations are slightly under the highest of the month and of the year, and whilst speculation is still a prominent feature in the gamble, there has also been a steady continuance of trade buying in futures, and in actual cotton.

Wool prices do not show much change, Australian being a shade lower on the month. According to Messrs Hindley and Co., a temporary shortage in America is responsible for an upward tendency in hemp prices. Flax has risen by 3 points, demand having been steadily maintained for both old and new crops. Messrs Wm. F. Malcolm and Co. report that "the Continent has again been the principal buyer, and a considerable clearance of old crop consignments in this country has been made to French and Belgian mills." A substantial rise has occurred in jute. Messrs Wigglesworth and Co., Limited, write that "consumers on this side are showing slightly increased interest in afloat and near-at-hand parcels, but business in the further forward positions is being done almost entirely by the Calcutta and London markets." In the minerals section iron is unchanged, but there has been a small reduction in steel rails. In the minor metals, the feature is a further substantial rise in tin to over £236 per ton. In the miscellaneous group changes are few and unimportant. The table below shows the changes in each commodity's index as compared with the previous month, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	78	— 1	Cotton, A	199	+ 39	Copper	52	+ 2
English	74	+ 4	Cotton, B	185	+ 57			
Flour	74	+ 1	Yarn	174	+ 32	Minerals	770	+ 14
Barley	81	— 1	Cloth	165	+ 24			
Oats	78	+ 1	Wool, Eng.	138	— 2	Baltic timber	103	..
Potatoes	115	+ 6	Do Aust.	126	— 2	Amer. timber	89	..
Rice	79	— 1	Silk	153	+ 3	Feather	59	..
Beef	113	+ 2	Flax	113	+ 3	Petroleum	92	..
Mutton	93	+ 1	Hemp	46	+ 1	Oils	75	+ 1
Pork	89	+ 2	Jute	90	+ 17	Oilseed	80	+ 2
						Tallow	64	+ 1
Cereals & meat	831	+ 8	Textiles	1,393	+ 173	Indigo	87	..
Tea	145	— 6	Pig-iron	107	— 4	Crystals	85	..
Coffee	90	+ 7	Steel rails	75	— 4	Rubber	13	+ 3
Sugar, cane	220	+ 7	Iron bars	92	..	Miscellaneous	749	+ 5
Sugar, beet	126	+ 12	Coal, steam	134	+ 2			
Butter	100	+ 7	House coal	88	+ 2	Total	4,541	+ 221
Tobacco	116	..	Lead	129	+ 2			
			Tin	92	+ 11			
Other foods	797	+ 20						

The advance of 221 points in the total brings the increase in our Index Number over the pre-war figure to 77 per cent, which compares with 68.4 per cent. a month ago and 63.1 per cent. at the end of July last. Recent fluctuations in each group in comparison with the level prevailing at the outbreak of war may be seen from the final table,

in which the figure for the end of July, 1914, is taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Dec., 1919	249	250	396	247	263	287.1
Mar., 1920	261	260	484	269	309	325.6
Dec. "	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
June, 1922	174	192	184	149	160	171.1
Sept. "	151	194	181	150	148	163.3
Dec. "	149	200	193	152	146	166.2
Mar., 1923	143	214	191	181	144	171.2
June "	141	220	191	167	137	167.7
July "	141	215	181	160	135	163.1
August "	143	216	182	158	134	163.3
Sept. "	142	222	*197	158	134	*167.6
Oct. "	142	220	198	163	134	168.4
Nov. "	144	226	226	166	135	177.0

* Corrected figure.

The month's changes have not altered the relative positions of the five groups beyond raising textiles to the same level as other foodstuffs.

THE INSECURITY OF TRUST DEEDS.

(BY A CORRESPONDENT.)

IT must be a matter for no little gratification to debenture holders when trustees under a deed are fortunate enough to grasp the reins in time to avert a catastrophe. The past few weeks have provided several instances in which good fortune has favoured the investor. The words "good fortune" are used advisedly, for in the whole range of media for investment there is perhaps none which rests upon so slender a security as the trust deed. The due payment of interest and repayment of capital monies by successful companies are in no way dependent upon the trust deed which secures the borrowed money. The lenders have only to thank the fact that the borrowing company is trading successfully, and is as well able to pay the debenture interest as any other amounts due to its trade creditors. As soon as ill-fortune assails the company, however, the efficacy or otherwise of the trust deed is immediately put to the test. In practice it fails far oftener than it succeeds.

Some little consternation was caused recently by a disclosure to the effect that no action had been taken under one trust deed until it was too late to prevent the last of the charged property from passing out of the control of the borrowing company. In that particular instance also the debenture holders were informed that the trustees had been in complete ignorance of the financial state of their trust. This statement was not offered by way of apology or as an admission of culpability; it was published as an explanation of an unavoidable misfortune, and as such it appears to have been accepted by the debenture holders who acquiesced in subsequent resolutions designed to salvage what little remained. Another instance of belated action occurred recently, from which it appeared that certain tangible assets had been exchanged for doubtful share interests at a time when trading losses would have warned the trustees of the necessity for taking immediate control. Needless to say, the trustees were kept in ignorance of the losses, a not very difficult task for the directors of the borrowing company to accomplish. An examination of the circumstances surrounding these recent defaults confirms the view that, in the present state of affairs, the security of a trust deed is far less certain in practice than in theory.

Theoretically the debenture secured by a trust deed is one of the safest forms of investment offered to the public. The scrip is given the most comforting designations—"mortgage debenture," "secured debenture," "secured note," and so on. These "secured" titles undoubtedly appeal to the cautious investor who spurns any type of preference share but has implicit faith in a trust deed. He must be excused for believing that the mortgage debenture secures his capital and ensures a constant

interest return. The document upon which he lends his money consists either of a floating charge upon all the assets of the borrowing company or of a specific charge and legal mortgage upon one or other of the fixed assets. The prospectus upon which he advances his capital probably sets forth fully the uses and developments to which the money will be put, and the investor is content that it shall be expended in building extensions and the acquirement of fixed assets.

In practice, the security of the trust deed and the capital it represents depend far less upon the capability of the trustees. This factor is the one to which too little attention is paid, with consequent disastrous results. A floating charge is always open to serious abuse unless the closest control is maintained over the borrowing company by the representatives of the lenders, and even a fixed charge may be rendered null whenever the assets concerned are left entirely within the control of the company. Experience shows that it is only the property to which a title cannot be given under any circumstances whatever that can wholly escape frantic efforts to procure working capital in times of stress. The security provided by a deed lies not in the document itself, and still less in the personality of the directors of the borrowing company. It must be remembered that they have a trust to the shareholders, and they cannot be expected to pay regard to the lenders of money in priority to actual investors. The safety of money lent cannot be said to rest upon any other factor than the efficiency of the trustee, and this factor must continue to be one of grave doubt in numerous instances until an earnest attempt is made to introduce the overdue reforms in company law, with particular reference to Sections 84 and 93 of the principal Act. Until these reforms are effected the investing public can do little more than ensure that their interests are guarded by independent trustees who realise the gravity of their trust and endeavour to overcome the legal obstacles which obstruct their duty.

For some while past it has been customary to regard the office of trustee under a deed as a sinecure, with no particular obligation attaching to it other than the acceptance of the deed fees. This dangerous view, with its attendant risks, cannot be too greatly deplored. The true conception of the office of trustee for debenture holders endows it with a responsibility as grave as that of a company director, with the added moral charge which rests upon any administrator appointed by the court.

The investor who lends money upon the security of a debenture should always ascertain whether the proposed trustee is entirely independent of the management of the borrowing company. He need have no objection to the trustee holding a financial interest in the company, provided that interest does not clash with the trustee's duty to the debenture holders. It is, however, always inadvisable for a director of the borrowing company to accept the post, and the lender should exercise great discretion whenever he is invited to invest any person with this dual appointment. Similarly, he should avoid a debenture entrusted to a corporation or subsidiary over which the borrowing company has a control which may be exercised to the detriment of his interest.

As long as the present form of debenture deed remains in favour it is practically impossible to invest the trustee with the greater power and authority he needs. In order that he may be in a position to enforce the deed immediately occasion arises, it is obvious that he should have his finger upon the pulse of the company at all times. It is almost imperative that he should be a whole-time servant of the debenture holders, and that he should be in possession of the same amount of information as that afforded to the directors. It is true that many companies provide the trustee with copies of the minutes of the boards of directors, but in no case can it be said that he has any real control or voice in the management of the assets until the charge crystallises, and then only at a time when little can be done to save the moneys lent by his employers.

Until the charge crystallises, the trustee and the debenture holder have less voice in the conduct of the company than that accorded to the holder of a single share. Under these circumstances it is not remarkable that the practice of appointing a joint stock bank to the office of trustee is

one frequently followed, for this class of trustee is undoubtedly favoured in the matter of maintaining control over the actions of the borrowing directors, provided the bank concerned also acts as banker to the borrowing company. The appointment of the company's bankers is not open to the objection which may be raised to the appointment of other persons who are connected with the borrowers. It carries with it the requisite amount of independence, and yet it provides many opportunities for control which are not open to the ordinary trustee. It is not suggested that the company's bankers, *quâ* trustee, can be acquainted with every phase of the borrowing company's policy; it is possible, however, for them to draw the same inferences from the company's banking transactions as those which serve for the bank's own purposes. In this way the debenture holder's interests are furnished with the same degree of protection as that afforded to the banking company's interests.

Unfortunately, it cannot be said that a joint stock bank can always provide a complete safeguard. It cannot distinguish dealings in fixed assets from dealings in floating assets without considerable loss of time, and delay must always ensue before steps can be taken for enforcing the deed. At the same time the appointment of the bank must remain as the safest course until one or other of the many current postulates designed to guard the debenture are examined and given the force of statutory authority.

Until that time arrives the investor must continue to regard himself as a creditor with a security of more or less doubtful stability, and certainly with no voice in the management of the property purchased with his money. He must continue to regard the interest he receives as a charge against profits, and not an appropriation of profits—this distinction being the apparent, but perhaps not real, advantage he is said to have over the single shareholder who has the power of a vote.

THE SEA CARRIAGE BILL.

ALTHOUGH the problem at the back of the Carriage of Goods by Sea Bill has been dealt with from time to time in the *Economist*, it is opportune—now that the measure apparently awaits only formal steps to complete its passage into law—to recall in brief outline the history of the matter. It is true that the unexpected dissolution of Parliament after the Bill had weathered a stormy passage through the Lords, and had been brought to the Commons, will necessitate its reintroduction, but, as an agreed measure, its stages could be quickly repeated and completed when the new session commences. If recent and repeated resolutions from representative commercial bodies may be accepted, business men are most anxious that there should be no further delay. A short summary of the events which led to the appearance of the Bill is, however, desirable because only in the light of those events is its purpose clear. The passage of this Bill into law will, it is anticipated, end the long controversy which has existed between merchants and shipowners as to the conditions of carriage expressed in unreadably small print in bills of lading by substituting, for such of the conditions as relate to the carrier's responsibility during the voyage, a standard set of conditions to be incorporated by a few words of reference. The complaint of merchants has been that the responsibility of the carrier has been negatived by the small print conditions. If the code of rules scheduled to the Bill become compulsory conditions, shipowners will be fixed with the obligation of safe carriage as laid down in the rules.

Though the grievance on the part of traders is an old one, the pressure which has brought the passage of the Bill into law within measurable distance has not come from exporters—their concern is mostly limited to securing the lowest freight—but from importers, bankers, and underwriters. And the movement has been international in character. The form of the proposed Rules scheduled to the Bill is substantially that of the Hague Rules, 1921, a code of conditions settled and adopted at a conference of the International Law Association. On the other

hand, the *origin* of the Bill before the British Parliament is (as Sir Norman Hill has recently pointed out in a contribution to the *Revue de Droit Maritime Comparé*) to be found in a report of the Imperial Shipping Committee issued in 1921, and in pledges to introduce legislation given by the British Government following that report. The influences or interests responsible for the Bill, therefore, were not those which had worked out the Hague Rules, though, in form, the Rules scheduled to the Bill are based on the Hague Rules.

The problem, Sir Norman Hill indicates in the article referred to, was "to find means by which importers could be given the rights for which they asked, without unduly hampering the exporters in their operations, or imposing such responsibilities on the shipowners as must react uneconomically on the cost of overseas transport." The solution proposed is to attach to bills of lading by law irreducible obligations on shipowners. Exactly what these fixed obligations should be has been the subject of over two years of international discussion, and they have at last, it would appear, been adjusted. The schedule to the Bill corresponds to the terms of an international convention embodying a revised form of the Hague Rules, the latest conference upon which at Brussels took place so recently as October. Some few drafting alterations were then adopted, and their insertion will necessitate some amendments in the schedule to the British Bill, but the points are matters of detail.

In the United States a measure based on the revised Hague Rules was introduced, and is expected to be brought forward again when Congress resumes. By similar legislation in all the maritime countries bills of lading will be placed in a special position, so that parties to whom they are transferred in the course of business will be assured that they impose the legal minimum obligations on shipowners as sea carriers of goods. The work of bankers and the flow of international commerce will, it is urged, be facilitated, though at the expense of interference with freedom of contract. The original scheme of the Hague Rules, which was that these standard international conditions should be brought voluntarily into common use, was abandoned in view of pressure by certain powerful interests for legislation (pursuant to the Government pledge which had been given), making the Rules compulsorily part of the conditions of carriage contained in bills of lading. The alteration to a compulsory basis involved certain difficulties connected with bills of lading issued under charter parties, and covering cargoes carried in bulk, such as coal and timber, and the legislative proposals also gave rise to questions in relation to the coasting trade. These matters, and also certain objections taken by lawyers of eminence to the wording of the Rules, were investigated by a Joint Committee of Lords and Commons, presided over by the late Lord Sterndale, Master of the Rolls, which reported—as noted in the *Economist* of July 21st last—in favour of the Bill, subject to certain small amendments which the Committee introduced. Since then opinion has steadily consolidated in favour of the passage into law of the Bill at the earliest possible date. Having been thoroughly investigated in Committee, and having completed its stages in the Lords, the measure is not now expected to give rise when reintroduced to further contentious discussion.

So far as the international position is concerned, Scandinavian interests, which continued to press certain objections, are understood to have recently come into line, and the general expectation is that other countries will quickly follow the lead of the British Parliament, and give effect by legislation to the international convention containing the Rules. At the Imperial Economic Conference, a resolution was passed endorsing the proposals of the measure before our own Parliament, and recommending the Rules scheduled to it for adoption by the Governments and Parliaments of the Empire. The Governments of the British Dominions will, therefore, it may be assumed, carry out their part in the scheme for giving complete international effect to the revised Hague Rules. If that scheme is carried to fruition, and the Rules are construed by the Courts of all countries as a self-contained code, expressed in international business language, replacing divergent national laws, then a new departure will have been taken regarding bills of lading. The credit on which goods are carried by sea is supplied

on the security of bills of lading. Under the Rules bills of lading will become a better security to their holders. They will, as transferable documents, be placed on a footing comparable to that of bills of exchange. The accomplishment of these things will be no mean achievement.

CABLE COMPANIES' SHARES AND RESULTS.

FROM time to time periodical fits of unreason take possession of sections of the people, and cable companies to some extent must expect their securities to register this fitful unrest by fluctuations in the record of prices published by Stock Exchanges. Gas manufacturing concerns underwent similar experiences as some vivid pictures of electricity supply supplanting the use of gas seized popular imagination. In one respect—and a very important one—cable undertakings are different. Cable companies have been for years making very substantial profits and building up very large reserves. The ratio of reserve to capital can be ascertained from one of the tables below, and should be carefully studied by all holders of cable securities who suffer from "investment fright." Most cable companies tell us quite clearly how these reserves are invested, the greater part being in sound securities readily realisable. It is obvious that should wireless telegraphy progress sufficiently to make cable transmission unremunerative most cable companies could enter the new field very favourably equipped. It has been announced that the Eastern Company has already applied for a licence for the erection of wireless stations. The discord which at one time looked like developing into something more serious between the Western Telegraph Company, Limited, and Western Union Company has now been amicably smoothed over, and a working arrangement settled upon. It is perhaps here not without some significance to remark that the subject-matter of the dispute—a cable between America and Italy—is a matter of trite interest to "wireless" enthusiasts who regard Italy as the home of "wireless" foresight.

In our first table we show gross receipts, working expenses, and net receipts of six representative cable concerns for the past three years:—

	Year.	Cuba Sub-marine.	Direct Spanish.	Eastern.	Eastern Extension.	Great Northern (D'n'm'k)	Western †
Gross receipts	1920	99,154	133,757	4,381,856	2,514,825	2,081,346	2,073,498
	1921	72,532	114,407	4,124,976	2,394,325	1,517,779	1,680,049
	1922	55,900	97,110	3,489,071	2,061,544	1,329,607	1,463,174
Working expenses	1920	41,347	107,446	3,312,399	1,862,379	1,410,671	1,330,961
	1921	50,246	121,935	2,803,446	1,267,224	1,079,047	1,132,501
	1922	41,018	94,266	2,491,822	1,306,645	956,414	1,103,185
Net receipts	1920	57,807	26,311	1,069,057	652,446	640,675	742,537
	1921	22,086	Dr 7,528	1,321,530	1,127,101	438,732	547,548
	1922	14,882	3,144	997,249	754,899	363,193	359,989

† Accounts made up to June 30th.

Political unrest and industrial depression have left heavy marks on these figures. In addition it would be unwise to overlook certain remarks made by the directors of the Great Northern Telegraph Company in their report for 1922. They state: "Wireless telegraphy has in the course of the year deprived the cable companies of a certain amount of traffic. This is not accounted for by the public itself preferring the wireless service as being quicker and more reliable or—with a single exception—cheaper than the company's service, but the reason is that the Governments themselves own the wireless stations in question—costly to build and costly to work—and consequently do their utmost to improve the financial results of the working by directing the traffic *viâ* radio instead of *viâ* the privately-owned cables."

In our next table we show working expenses, also expenses for taxation purposes during the past three years:—

	Working Expenses Proper.			Excess Profits Duty, Corporation Profits Tax, Income-Tax, &c.		
	1920.	1921.	1922.	1920.	1921.	1922.
Cuba Submarine....	£ 34,284	£ 35,010	£ 31,321	£ 7,063	£ 17,836	£ 9,697
Direct Spanish	91,956	96,177	87,689	15,490	25,637	6,577
Eastern	2,918,783	2,518,101	2,194,095	324,016	285,345	237,727
Eastern Extension....	1,196,241	1,012,371	1,075,378	666,138	184,853	231,261
Great Northern	994,004	1,079,047	956,414	*416,667		
Western	1,024,425	871,793	806,474	306,536	260,708	196,711

* Reserved for extraordinary taxes.

The demands of the tax collector have played so important a part in the accounts of cable concerns in recent times that it is perhaps worth while to pay special attention to this aspect.

How the various companies distributed their profits is shown below:—

Company.	Prior Charges, Pref. Div., &c.	Ord. Dividends.			Amount 1922 Dividend.	Placed to Reserve, &c.	+ or - in Carry Forward.
	£	1920.	1921.	1922.	£	£	£
Cuba Submarine	6,000	7½	7½	7½	11,200	10,000	9,903
Direct Spanish	3,000	10½	10½	10½	6,465	Dr 4,500	2,125
Eastern	150,000	10½	10½	10½	500,000	400,000	52,751
Eastern Extension	30,096	10½	10½	10½	400,000	250,000	52,803
Great Northern		24	22	22	330,000	33,333	7,083
Western	32,747	10½	10½	10½	311,895	Dr 200,000	2,497

† Free of income-tax.

In every case it will be observed that dividends are maintained at the same rate as those for the previous year. As the question of reserves is such an important point about cable companies at present, it is well to examine the figures of the two companies which make a call upon reserves to maintain dividend rates. The Western states that this £200,000 has been "transferred from the provision on account of investment fluctuations," and it still leaves "a very large surplus provision as values stand at the present moment to meet the depreciation on the investments." This is quite in order as long as shareholders understand that they cannot eat their cake and have it as well. The Direct Spanish takes £4,500 from reserves—to quote from its report—"in spite of the fact that the traffic receipts show a considerable decrease as compared with the exceptional figures of the last few years."

In our fourth table we show the principal liabilities and assets over the past two years:—

Company.	Total Capital.	Reserves.	Book Value of Cable, &c.	Cash and Investments.
	£	£	£	£
Cuba Submarine, 1921..	220,000	124,529	232,876	142,049
1922..	220,000	120,649	231,353	131,313
Direct Spanish, 1921 ..	94,655	166,643	90,925	158,882
1922 ..	94,655	148,525	89,920	157,110
Eastern, 1921.....	9,000,000	3,069,636	11,080,159	1,737,955
1922.....	9,000,000	2,502,140	11,649,755	1,656,333
Eastern Extension, 1921	4,752,400	3,754,018	5,053,466	3,516,176
1922	4,752,400	3,083,684	5,092,695	3,975,667
Great Northern, 1921 ..	1,500,000	4,198,854	2,019,572	5,125,890
1922 ..	1,500,000	4,106,966	2,058,185	4,584,700
Western, 1921-22	3,937,625	3,097,297	4,364,325	2,408,097
1922-23	3,937,625	2,757,264	4,346,362	2,680,407

The figures of capital and reserves shown above are remarkable for a group of companies. As already mentioned, these reserves are separately invested, and the practice of directors in supplementing reports and accounts with details of investments is one to be highly commended. In the case of cable companies, at least, it will not only attract conservative investors, but companies should be able to retain the confidence of old supporters.

Our concluding table shows how prices of cable securities have fluctuated over two years, pre-war prices, current quotations and yields being added for comparative purposes:—

Name.	Prices of 1922.		Prices of 1923 (to Nov. 30).		Price July 27, 1914.	Price End of 1922.	Price Dec. 6, 1923.	Yield.
	Hght.	Lwst.	Hght.	Lwst.				£ s d
Cuba Submarine (£10)	82	7	8	7	..	8	7½	19 13 0
Direct Spanish (£5)	94	8	94	9		94	9½	15 9 6
Eastern ord. stock	196	167½	190½	160	130½	190½	167½	15 19 6
Do 3½ cum. pref.	69½	56½	71	65	77½	66½	67½	5 6 6
Do 4% irr. deb.	82½	65½	82½	79	96½	80½	81½	5 4 3
Eastern Extension (£10)	198	168	191	164	123	191	164	15 18 3
Do 4% deb. stock	83	66½	82½	78½	97½	80½	81½	4 19 0
Gr. North. (Denmark) (£10) ..	31½	26½	30½	25½	32½	29	28½	7 16 0
Western (£10)	194	168	19	16½	134	19	16½	16 1 3
Do 4% deb. stock	82	65½	81½	79	96½	80½	81½	4 19 0

† Free of income-tax.

The cable share market is still one of the steadiest amongst industrial securities, and the shares are fairly closely held. The decline in values on the ordinary shares or stocks in the past year has not been very pronounced,

and is probably mainly on account of decreased profits. If on one hand there was at one time a little depression on account of an attack upon the companies by a small publication, the Eastern group profited by the unusual accession of traffic to the Far East as a result of the Japanese earthquake and fire. Incidentally, it may be added that Sir John Denison-Pender at the annual meeting of the Western Telegraph Company, Limited, held on November 29th last, stated that during the last few weeks there were signs of improvement in traffic returns; he was afraid, however, that they must still look forward to reduced traffics.

Notes of the Week.

French Loans to Europe.—In these latter days when the finances of our French ally do not admit of payment of interest on the debt to Great Britain, it is remarkable to find the French Government interesting itself in advances to Poland, Jugo-Slavia, and Roumania. The proposals have aroused much controversy not only in the French Press, but in the Senatorial Finance Commission, where they were defended by M. Poincaré on Wednesday. The proposals, which are to be placed before the Senate without delay, involve a loan of 400 million francs to Poland and 300 millions to Jugo-Slavia. Referring to a loan of 1,000 million francs to Roumania on the security of an indeterminable quantity of oil, a correspondent writes:—This particular financial offer is the more remarkable because the French Government, having originally secured from the British a 25 per cent. interest in the oil fields of Mesopotamia under the terms of the San Remo agreement, now seeks to obtain an exclusive French interest in Roumanian State oil lands in contravention of Clause 5 of that agreement. The episode leaves little doubt that it is a Government and not a private banking affair. It is true that a private banking group ostensibly made the original offer to the Roumanian Government of a loan of 400,000,000 francs for the cession of that Government's 1 per cent. royalties, in kind, from the oil production of private companies. But this was hardly a banking proposition, as the annual value of this royalty oil would not have been equivalent to the payment of the annual interest and amortisation on the proposed advance. Presumably the French Government was to have guaranteed the loan. And when the original offer was withdrawn, and another offer of 1,000,000,000 francs was substituted, on condition that, in addition to the 1 per cent. royalties, the Roumanian Government should give a French and Roumanian company an exclusive interest in the State oil lands, the hand of M. Poincaré was unmistakably disclosed. In short, the French Government had suddenly decided that the moment was opportune to secure in part the objective of its national oil policy—French control of foreign oil supplies to ensure independence in time of war. It had but recently formed a new oil syndicate—Syndicat Française d'Etudes Pétrolifères—to unite the oil activities of French banking and commercial interests. This syndicate was to prepare the terms of oil concessions granted by the Government, of which the French interest in the Turkish Petroleum Company was to form the foundation, and this interest in the Roumanian State oil lands the superstructure. The plan, however, has been thwarted by the refusal of the Roumanian Government to consider any such oil alliance, chiefly because of a very good suspicion that the Royal Dutch were behind the French offer. The affair is complicated by the recent agreement between the Royal Dutch, Anglo-Persian, and Cowdray interests to share equally in whatever concessions can be obtained from the Roumanian State. But when French oil policy and international oil trusts are concerned, complications cannot well be avoided. At any rate, it is gratifying to learn that a French loan of this character has come to nothing.

The Irish Loan.—Our Dublin correspondent writes:—On December 6, 1921, the Anglo-Irish Treaty was signed at Downing Street. On December 6, 1923, the Government of the Irish Free State having restored order within its boundaries and having completed its organisation as the Government of an independent unit, politically and economically, is in a position to close the list of applications for its first national loan. The list was to have closed on or before Monday, the 10th instant; it is believed that this evening's returns will, if it be deemed desirable, enable the list to be closed forthwith owing to the loan having been fully subscribed by the public without the assistance of the banks. It is a notable event, which cannot be without important reactions upon the prestige and stability of the new system. The amount may not be very large, but it is a beginning, and as it is an internal loan, it constitutes a declaration of faith which will operate and continue to operate with cumulative effect. Abroad, the event will do much to wipe out the unhappy impression created by Irregulars' hysteria, which has been so completely suppressed by Government firmness. It is an internal loan, and the only official quotations will be on the Dublin and Cork Stock Exchanges. But, as was foreshadowed here last week, both payment of interest and repayment of principal will be made in sterling. That this was, and had throughout been, the intention was formally announced last week-end by the Governor and Company of the Bank of Ireland, which issued the loan on behalf of the Government. Ireland has so far no separate currency, and is not likely to be in any hurry to establish one. There can be no doubt that on the Irish exchanges there will be a free market in the new stock and that its price will be well maintained. The arrangements for the application of the sinking fund contemplate that it may go above par. The working of the sinking fund will almost certainly maintain it near par, and the effect of short-term investments, and the investment of administrative balances and of funds in the custody of the Court of Chancery when added to other factors of general popularity may well push it over the par level. The Irish Labour Party has introduced a Bill into the Dail for the nationalisation of the Irish railways, but it has little chance of success, as the Government prefers amalgamation, if not unification, of existing companies.

Trade Balance of the United States.—The Finance Division of the United States Department of Commerce has published the results of an inquiry into the balance of international payments in the Republic in 1922. In order to facilitate comparison with our own international trade figures, the results of the investigation are set out below as far as possible on the same lines as the British "balance-sheet" dealt with in our issues of November 17th and 24th. Amounts originally expressed in dollars have been converted at 4.40 to £1:—

UNITED STATES, 1922.			
	"Imports."	"Exports."	
	Million £.	Million £.	Million £.
Bullion	79	23	
Merchandise	707	878	
Interest on investments	23	90†	
Shipping payments	15	16	
Balance of miscellaneous services	166		
Capital items	227	79	
Balance	..	131	
	1,217	1,217	

† Includes payments on account of principal of certain foreign loans

GREAT BRITAIN, 1922.			
	"Imports."	"Exports."	
	Million £.	Million £.	Million £.
Bullion	44	58	
Merchandise	1,008	824	
Interest on investments	25	200	
Shipping payments	30	140	
Commissions †	..	30	
Balance of miscellaneous services	..	10	
Available for investment abroad	155	..	
	1,262	1,262	

* Interest payments on debt to U.S.A.

† Earned abroad by bankers, brokers, insurance companies, &c.

The available information does not permit the arrangement of both tables on precisely identical lines. The item in the British balance-sheet, "Available for investment

abroad," includes certain categories coming under "capital items" in that of the United States. 1922 was not a "peak" year in American trade, but it is a striking commentary on the part played by international commerce in the two countries that the United States, with a population of 118 millions to our 47 millions, should have a total less than our own. The relative proportions between amounts under "merchandise" will also be noted. As regards the prospects for 1923, Mr Herbert Hoover states:—"It is obvious that there are wide changes in progress in our international balance-sheet for the year 1923 as compared with 1922. Up to date there has been a balance against us on merchandising account instead of large balances in our favour. There has been a continued movement against us in the current items of 'invisible' exchange. On the other hand, there has been a much less movement in the export of capital. Yet there has been a continued import of gold despite this situation. The explanation of the latter possibly lies in the fact that there has been a large export of our currency which is being held and used abroad, and there are some evidences that many countries in Europe have been increasing their open balances in the United States and their investments in American securities."

The World's Wheat Supplies.—According to the calculations of the International Institute of Agriculture the wheat position in the next few months should be distinctly advantageous from the consumer's point of view. Between August 1, 1922, and July 31, 1923, the exporting countries of the world should be in a position to furnish about 570 million centals of wheat (1 cental = 100 lbs) over and above their own requirements. Canada comes easily first among the list of supply countries, with an available surplus estimated at about 221 million centals, while Argentina is expected to contribute 122 millions, the United States a little over 112 millions, Australia 55 millions, India 12 millions, and the Balkan States, Hungary, Russia, and the French North African colonies together about 48 millions. The world's requirements are more difficult to estimate. In pre-war days consumption per head in particular countries varied little from year to year, and, given the amount grown at home in any season, it was possible to arrive at a reasonably safe figure for the year's probable imports. Disturbed political and financial conditions, violent fluctuations in national trade and well-being, together with the efforts of certain Governments deliberately to restrict imports of foreign wheat, have combined to render valueless all calculations based on "normal" consumption in a post-war world. Bearing in mind, however, that home harvests last summer were almost invariably heavy, there seems every indication that import requirements will not reach those of the cereal year 1922-23, even allowing for the tendency to increased individual consumption usually evident in years of plentiful yield. Out of the 570 million centals available, the Institute concludes, the quantities required by importing countries to supplement their home production may reach 430 million centals at most, but it is improbable that this figure will be attained. A surplus of not less than 140 millions is therefore indicated. Such a state of affairs appears to rule out any prospect of a substantial rise in wheat prices for some time to come. The Year-book of the Institute for 1922, recently published,* contains a large number of statistical tables covering production, trade, prices, &c., of the main food and other crops in most countries of the world. Many Governments have rendered assistance in the preparation of the work, which affords a picture of the world's pre-war and post-war agricultural activities unapproached in the matter of authority and comprehensiveness.

The Break in Cotton Prices.—Our Manchester correspondent writes:—The cotton markets of the world have been more excited this week than for a very long time back, the feature of the trading being heavy selling, which has resulted in a striking fall in quotations. On Thursday

last week the highest price for American cotton for over two years was registered, the quotation for fully middling on the spot in Liverpool being 21.99d. On Thursday this week the figure was 19.64d. It may be pointed out that on August 1st the rate was 13.40d. The slump in values has been brought about by heavy liquidation of contracts on the part of speculators who were "long." This movement was started by some estimates of the American crop for this season being larger than recently. Many remarkable stories are being circulated in Manchester as to the activities of gamblers, and it is understood several London financial syndicates have been speculating on a free scale. Although many of the big operators got out in time, it is feared that some of the smaller people have burnt their fingers rather badly. On Wednesday next the Department of Agriculture of the United States Government will publish their final report on the cotton crop for this season. The figures to be issued will probably clear the air somewhat, and there is a possibility of steadier markets. A considerable decline has also taken place in rates for Egyptian cotton, as on November 29th the quotation for fully good fair Sakellaridis on the spot in Liverpool was 26.95d, whilst on Thursday last the figure was 23.65d. The price on July 30th was 15.25d. According to recent advices, the growth of Egyptian cotton this season will be rather less than 6,000,000 cantars, against 6,713,000 cantars in 1922-23. The wide fluctuations in cotton prices in New York and Liverpool markets have had an adverse effect upon business in Lancashire. Many spinners and manufacturers have scarcely known what to quote, and buyers have been nervous as to placing orders.

Textile Shares and Dividends.—The textile market is one which is expected in the Stock Exchange to feel a good deal of effect, direct or indirect, from the result of whatever Protectionist policy might be introduced into the country. Stock Exchange firms have been centring a good deal of attention upon this particular branch of the country's trade. The difficulty is to arrive at any definite conclusion in a case where so many different conditions are at work. Individual companies engaged in the textile industry are frequently influenced by conditions that vary in the individual cases, so that what may possibly benefit one concern cannot be held, *ipso facto*, an advantage to another occupied with almost, though not quite identical, aims. A well-known firm of Stock Exchange dealers, in a thoughtful Review which they have just sent out to their brokers, come to the conclusion that cotton textiles would not benefit in a general sense from any form of tariffs. Indeed, the firm state, any detailed scheme should, in respect of this industry, be examined "rather with a view to its effect upon trades which supply the cotton trade with its raw material other than cotton—i.e., labour, machinery, coal and chemicals. Should such an examination reveal the likelihood of a rise in the cost of these raw materials then, in a broad sense, the industry would suffer in direct proportion as these costs were increased. This will be readily understood when it is realised that a tariff imposed on imports into this country will not increase the purchasing power of our overseas' customers." This is sound reasoning, and it may be supplemented by reference to a few companies' dividends, comparing those of the present time with the distributions made in 1913. It may be that the public are fatigued, after the week's election campaign, with figures and statistics, but there is undoubtedly a keen thirst on the part of the ordinary man in the street for information, and for such guidance as he can obtain not from candidates' speeches alone, but also from figures. The cynic maintains that there is nothing more misleading than figures except facts, and while admitting that both are capable of being used loosely, it may be said that comparisons of statistics are undeniably helpful for the purpose of obtaining a comprehensive view of any situation upon which they shed light. For the year 1913 the Bleachers' Association paid 6 per cent.; for last year 20 per cent. Calico Printers' latest 12½ per cent. goes against 3½ per cent. in 1913. Bradford Dyers paid 7 per cent. then and 35 per cent. last year. English Sewing Cotton raised its distribution from 12½ to 20 per cent., and Fine Cotton Spinners from 8 per cent. to 12½ per cent. Moreover, it has to be remembered that, in some cases, the capital accounts have been greatly increased during the

* "International Year-book of Agricultural Statistics, 1922," International Institute of Agriculture, Rome. (Obtainable from Comteluro, Limited, 11 Tokenhouse yard, E.C. 2.) 8s.

period. For instance, the English Sewing Cotton company doubled its ordinary shares, and the Fine Cotton Spinners' capital of 2½ million sterling has been increased in the interval to £3,675,000. It may well be asked, in the face of these figures, whether the textile trade of the country is as sluggish as many people are protesting. When one comes to examine the position as it appears in the cases of companies issued during the war at overcapitalised figures, the result is still more interesting. Crosses and Winkworth have announced postponement of the dividend due next month upon £3,000,000 issued preference capital. John Wood and Brothers, and several others of a similar kind, are making no return to their shareholders, and the market value of their shares averages a few shillings apiece. It would require some measure of very high Protection to help concerns like these. Yet it is obvious that, in spite of bad trade and Free Trade, the best companies are doing extremely well. So well, in fact, that the consumer may well be tempted to ask whether he is not being charged too much for what he buys.

Shipping Freight Index—November.—For the third month in succession our Index of Shipping Freights registers an improvement. The index figure for November is 129.38, a rise of nearly 4 points over the previous month. The total improvement since the turning point in August of this year amounts to approximately 11 per cent. It will be observed from the following table that, with the exception of South America, the indices for the various main groups forming the index appear to be reaching a temporary equilibrium within limits of 20 to 40 per cent. above the pre-war base period:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Base (avg., 1898-1913) ..	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Aug., 1913 ..	110.03	113.09	123.37	106.29	117.38	127.89	116.34
Feb., 1920 ..	814.31	529.89	757.52	744.61	587.02	712.16	690.95
Dec., 1920 ..	258.90	277.17	244.10	256.79	286.72	347.18	280.14
Dec., 1921 ..	160.06	164.07	163.72	144.43	141.25	166.47	156.67
Sept., 1922 ..	143.00	115.60	122.48	139.48	124.52	135.31	128.40
Nov., 1922 ..	148.89	124.56	134.22	130.86	130.47	164.69	138.95
Jan., 1923 ..	132.05	126.47	124.85	120.20	142.14	150.44	132.69
Feb., " ..	149.60	116.85	123.93	117.83	134.49	144.21	131.15
Mar., " ..	163.55	124.30	130.43	125.40	125.36	135.31	134.06
Apr., " ..	142.72	133.38	137.32	133.77	134.06	124.63	134.31
May, " ..	134.91	140.03	143.05	126.99	134.48	120.18	133.27
June, " ..	131.77	111.04	124.56	125.50	133.90	118.84	124.27
July, " ..	132.42	107.20	118.67	122.44	126.10	114.83	120.28
Aug., " ..	124.79	109.11	114.33	117.70	117.61	115.73	116.53
Sept., " ..	128.85	112.36	116.28	117.77	117.44	124.63	118.88
Oct., " ..	133.66	125.46	114.03	119.38	124.40	136.05	125.49
Nov., " ..	141.24	135.32	114.64	122.68	124.49	137.89	129.38

The month's changes in the index of each group and sub-group are shown in the following table, the figure 100 representing in each case the average rate during the basic period 1898-1913:—

	Index No.	Ino. or Dec.		Index No.	Ino. or Dec.
Home trade ..	135.43	- 5.18	S. America—Outwards ..	108.98	+ 2.38
Bay—Outwards ..	176.14	+ 24.77	Homewards ..	120.30	- 1.16
" Homewards ..	150.00	+ 9.67	India—Outwards ..	117.60	+ 1.58
Mediterranean—Outwards ..	131.40	+ 6.28	Homewards ..	127.77	+ 5.02
Homewards ..	119.05	+ 15.08	Far East, &c. ..	124.49	+ .09
North America ..	135.32	+ 9.86	Australia ..	137.98	+ 1.93

It will be seen that the only groups which have not shared in the general improvement are the home trade, South America, and the Far East. In the case of the River Plate, homewards, while indications for January and February loading are distinctly better, the average rate for November has been depressed by the acceptance of a few abnormally low freights by ready vessels, particularly from the lower ports. The index for the Far East would have shown a marked improvement but for the weakness in the rates offering for nitrates from the Chilean coast to Europe included in that group. The feature of wheat chartering from Australia has been a strong demand at improved rates for Japan, this business not coming within the index. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1913 = 100.	1920.	1921.	1922.	1923.
January ..	545.42	..	194.59	..	131.60
February ..	593.90	..	164.54	..	135.76
March ..	588.24	..	162.17	..	135.53
April ..	519.40	..	147.48	..	129.46
May ..	480.60	..	158.42	..	125.12
June ..	463.16	..	165.73	..	117.45
July ..	384.43	..	169.87	..	114.52
August ..	350.96	..	170.60	..	113.16
September ..	360.27	..	154.47	..	110.37
October ..	394.80	..	141.85	..	114.42
November ..	340.33	..	136.47	..	119.43
December ..	240.79	..	134.66	..	117.39
Mean for year ..	438.52	..	158.40	..	122.02

Recovery in New Zealand.—Economic recovery in New Zealand, writes our Christchurch correspondent, follows close upon a revival of export prices, and the present outlook is encouraging for all classes of the community, with the possible exception of the secondary manufacturers who are threatened by the importation of heavy stocks of such commodities as boots and woollen goods. The prospect of a favourable season with higher prices for most Dominion products acts generally, however, as a very effective tonic. The banking position as disclosed by the latest returns is very strong and deposits are higher now than they have been since the boom years 1919 and 1920. The advances also have ceased their rapid fall, and the current quarter's returns will probably show them to have increased once more. The following summary table shows clearly the stress and recovery of the last few years:—

September Quarter.	Deposits. Mln. £	Advances. Mln. £
1919 ..	45.4	30.1
1920 ..	53.1	39.0
1921 ..	43.4	48.0
1922 ..	42.0	43.0
1923 ..	43.9	42.8

The general expectation of a good export season is reinforced by lower rates of taxation, and generally by a lowered overdraft rate, so that conditions are generally favourable. Many important businesses, however, especially the co-operative or quasi co-operative meat companies, and, not less, distributing and agency companies, have been forced to readjust their capital liabilities, and in some cases to liquidate. During the boom period many of these concerns not only embarked upon heavy speculative trading, but failed to set aside adequate reserves. The natural result is that many of them, especially in the North Island, where the boom was more pronounced, are in difficult straits. Many private trading concerns must have experienced more or less similar difficulties, but there is a general impression, reinforced by the more favourable turn of affairs, that the worst of the depression is over for them. With the revival of trade and manufacture in Britain, however, and the artificially stimulated export of goods from countries with depreciated currency, the troubles of the protected secondary industries have begun in earnest. The boot industry is perhaps worst hit; but the pressure of competition from Britain becomes increasingly severe in nearly all lines. In the meantime, the increased volume of imports is putting a much more hopeful complexion upon the public finances for the year. For the six months ended September 30th the Customs revenue was £3,373,461, which exceeded by £800,000 the revenue for the corresponding period last year. Moreover, the rate of importing seems to be on the increase, so that it is not an exaggeration to say that a mild import boom is developing once more. It needs only a fall in our export prices in the season 1924-5 for a serious position to develop, as in 1920-1. The position is likely to be rendered more difficult if the Government, yielding to popular pressure, makes the receipt of this extra Customs revenue the occasion of still further reductions in taxation.

The British Spelter Trade.—The British spelter industry has not made much progress since the war came to an end. There has been difficulty in securing skilled labour and also in other respects, and the total output for all 1922 was only 12,507 tons, against 58,298 tons in 1913. Notwithstanding the fact that the industry receives a subsidy from the Government in the shape of Australian con-

centrates at a cheap rate, the present output is not much over 2,000 tons per month, but efforts are to be made during the next year or two to expand this to something like 10,000 tons per month. The parties interested are the National Smelting Company, the Australian Broken Hill Company, the Burma Corporation, the Swansea Vale Spelter Company, the British Metal Corporation, and Messrs Baldwins. The assets to be taken over by the reorganised National Smelting Company will comprise the Swansea works, 4,000,000 Rs.10 shares in the Burma Corporation, and presumably the balance of the Board of Trade contract. Something like £2,000,000 has already been spent on the plant in South Wales, and by the end of next year it is hoped to have a complete plant working that will make Great Britain independent of foreign supplies of zinc. The National Smelting Company will be reconstructed, and there will be an issue of £1,500,000 7 per cent. first mortgage debentures at 99, redeemable in 1945 or earlier. This is taken in metal circles to foreshadow even larger developments in the British zinc industry when the time is ripe. The importance of a full supply of zinc to this country smelted here from Empire ores and concentrates is obvious. The British exports of galvanised sheets are now working up to 600,000 tons per annum, and this large quantity, coupled with domestic needs, calls for something like 125,000 tons of spelter per annum. The United Kingdom imports in 1913 amounted to 121,500 tons, and for the first ten months of the present year 108,500 tons of zinc came in from abroad. The world's production for all 1922 amounted to 650,000 tons, against 980,000 tons in 1913, and Great Britain's contribution of 12,500 tons was quite negligible. The world's visible supply of spelter has been shrinking fast during the last few years, and at the end of last month was not more than 46,000 tons, compared with over 150,000 tons in 1921. The total supplies in this country are returned as 1,390 tons only, with the surplus in the United States down to about 26,000 tons. The Australian and Canadian output has gone ahead very satisfactorily, and last year these two countries produced about 50,000 tons between them. The Belgian production is now about 150,000 tons per annum, and of the zinc ores imported about 100,000 tons per annum are from Australia under an arrangement made with the Board of Trade. This contract expires in 1925, and by that time it is hoped that the British zinc works will be working close up to full capacity. In 1913 the average price of spelter under German control on the London market was £22 15s; last year the average was £29 15s, and current market rates are well over £30. Thus the outlook for the British industry may be regarded as sound, providing the difficulties as regards labour, management, and in other respects can be successfully overcome.

The British Overseas Bank.—A recovery in profits is revealed in the accounts of the British Overseas Bank, Limited, for the year ended October 31, 1923, and earnings of £100,968 are recorded for the period. A year ago profits were shown of £75,287, as against £102,326 for the previous twelve months. The customary dividend of 6 per cent. is paid on the "A" ordinary shares, while £30,000 is allocated to reserve and depreciation, £68,782 being carried forward, as compared with £57,813 brought into the accounts. Changes in the balance sheet are interesting, but allowance must be made for the absorption of the business of the London and Liverpool Bank of Commerce, hence to what extent progress has been made is not clear. The most marked improvement is that of the bank's acceptance business. A year ago this was recorded at £932,421; to-day it has expanded to £2,081,956. Deposits are up from £1,511,511 to £1,712,067. To provide against currency depreciation in connection with shareholding interests in foreign banks, reserves have been increased. Shareholding interests of this nature amount to £50,445, against which a special reserve has been created amounting to £45,000. Cash, in hand and at bankers, is fairly normal at £339,326, but "money at call" has risen from £1,019,431 to £1,330,000. Advances are down from £905,075 to £757,962. It is not surprising to learn that the bank proposes to revise its control machinery. It is quite conceivable that the dual control of the "Governing Council" and a "Board

of Directors" was found to be troublesome, but it is possible that in its early days the prestige given to the undertaking by the names constituting the Governing Council played a very important part in the development of the undertaking. Now it is proposed to manage the company by a board of directors consisting of not less than seven or more than 15 directors. Obviously, the new proposal is one which makes for more efficient control, and shareholders should support it.

P. and O. Results.—The report of the Peninsular and Oriental Steam Navigation Company for the year ended September 30th last shows a very substantial improvement in the "net result," which at £1,013,200 (after providing an unstated amount for depreciation and adding £105,800 to the insurance fund) compares with £696,700 twelve months ago. As we have protested many times in the past, the presentation of a profit and loss account of this nature is of little value, and entirely fails to give the shareholder a true idea of his company's position. It is such unfortunate examples as these which emphasise the urgency of reform in the matter of company accounts and the necessity for the compulsory disclosure of more information to shareholders. A summary of the published figures for a few years past is appended:—

	YEAR ENDED SEPTEMBER 30TH.					
	1914-15.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
	£	£	£	£	£	£
Net revenue ..	494,160	1,614,585	..	..	..	..
Reserves, &c. ..	..	1,000,000	..	..	..	..
"Net result" Brought forward.	494,160	614,585	710,430	623,531	696,661	1,013,241
	68,703	91,727	115,230	111,939	100,305	101,799
Deb. interest ..	562,863	706,312	825,660	735,470	796,966	1,115,040
Deb. stock red. fund, &c. ..	63,000	55,055	53,054	52,065	52,065	297,065
Preferred div. Deferred div. ..	152,000	152,000	152,000	152,000	152,000	152,000
	269,681	384,027	508,668	431,100	431,102	431,102
	(15 %)	(12 %)	(15 %)	(12 %)	(12 %)	(12 %)
Carried forward.	78,182	115,230	111,938	100,305	101,799	101,873

The issue of £3½ millions in 5½ per cent. debenture stock has increased the amount required for debenture interest by £245,000. The reserve for redemption of this stock takes £123,000, and £10,000 is transferred to Provident Good Service Fund. After payment of the preferred dividend, and 12 per cent. as before on the deferred stock, the balance carried forward is practically unchanged. The balance-sheet, which is analysed in a later column, is still open to criticism for its lack of candour. It is true that a year ago the absurdity of one single composite item on the credit side went by the board, and five separate items were substituted. Of these latter, however, two account for nearly £25 millions out of a total of £26 millions. The one which stands most in need of analysis is one of £12½ millions, which includes sundry investments (less loans), cash at bankers and in hand, and debtors. It is true that directors of the large companies of the country began to set an example of greater frankness instead of publishing figures which obscure rather than reveal the position of affairs. We are interested to observe that the auditors' report does not include the usual formula, to the effect that the balance-sheet is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs, &c.; they merely say that they find the balance-sheet and accounts to be correct. In their report the directors describe working conditions in all spheres of the company's operations as "very difficult during the past twelve months," while the outward trade business is said to be "still very poor." Passenger business has been satisfactory, the earthquake, however, in Japan "has affected the company's business there, but the resource of the Japanese people is such that already business in Yokohama has been resumed. The value of the fleet in the balance-sheet has been reduced from £12,633,300 to £12,014,500, although the tonnage has been increased from 556,709 to 651,610 tons.

Coats' Year.—Although most of us would prefer to have more information concerning the inner working of the big undertaking known as J. and P. Coats, yet we suppose that if we voice our complaint too loudly we may be met with the reply that the trend with other companies is to give less information and not more. The company has had an excellent year, and the distribution on ordinary capital of 17½ per cent. is maintained. As the profit is not so large as that of a year ago, there is no allocation to reserves, and the amount carried forward is £402,617, as against £423,908 brought forward. The following table shows how profits have been distributed since 1906:—

Year ended June 30.	Net Profit After Depreciation, &c.	Interest.	Dividends and Bonus.	Pension, Insurance Fund, &c.	To Reserve, &c.
	£	£	£	£	£
1906	2,974,088	36,642	1,972,821	294,629	450,000
1907	3,056,125	19,680	2,206,642	175,963	500,000
1908	2,701,697	19,394	2,193,403	6,588	500,000
1909	2,917,667	19,399	2,427,402	32,522	500,000
1910	3,171,464	19,278	2,448,908	25,000	675,000
1911	3,102,952	19,096	2,453,808	42,500	525,000
1912	2,794,072	..	2,449,183	26,440	500,000
1913	2,903,239	..	2,449,183	..	500,000
1914	2,634,388	..	2,225,803	..	..
1915	2,598,966	..	2,208,347	..	30,000
1916	3,387,395	..	2,210,016	..	100,000
1917	3,360,950	..	2,294,131	..	2,000,000
1918	3,171,796	..	2,289,732	100,000	..
1919	3,995,149	..	2,850,638	400,000	750,000
1920	4,164,894	..	3,161,214	150,000	450,000
1921	2,072,449	..	2,911,263	..	Dr 250,000
1922	3,270,913	..	2,911,250	..	250,000
1923	2,889,959	..	2,581,250	..	..

The most satisfactory aspect about this table is, perhaps, the fact that war-time profits were not extraordinarily large when it is considered that the directors can practically control the market for the company's production. It may perhaps be thought that a more cautious policy could have been followed, and reserves built up yet further. The decision of the directors to pass over reserve this year may be taken as implying an opinion that the time has arrived when further building up of reserves is unnecessary. As matters stand, the total assets of the company are approximately £31½ millions, against which there is a dividend reserve fund of £2,100,000 and a war contingencies fund of £3,000,000. There is also a minor reserve item, depreciation of investments account, £81,607. The auditor's statement points out that "certain assets whose value has been largely affected by war and subsequent conditions remain at book value," and add that "against probable loss on these, however, the war contingencies fund has been established." Thus it is impossible to draw any correct conclusion from reserve figures as given in accounts. The balance-sheet is impressive, but from the way in which items are mentioned we would suggest that the time has arrived for an overhaul. The first item of assets reads, "By capital expenditure, including the original purchase price of the goodwill and business in 1890; the expenditure in carrying out the arrangements with other companies; shares acquired therein and permanent loans to those companies; also investments in shares of other subsidiary companies, as per balance-sheet of June 30, 1922, £13,976,552." Surely it would not prove very difficult for the directors and auditors to bring this item more up to date, and let us know of what the actual assets consist. Additional shares in subsidiary companies and other capital expenditure for the year ended June 30th last is returned at £1,821,801. Stocks are down from £5,948,192 to £4,376,148. Debtors remain fairly steady at £2,353,772. The last item on the credit side of the balance-sheet is the substantial sum of £6,818,880, consisting of advances to subsidiary companies. This compares with £7,539,436 a year ago. The issued share capital amounts to £20,250,000, and comprises 250,000 6 per cent. preference shares of £10 each, 3,000,000 6 per cent. "B" preference shares of £1 each, and 14,750,000 ordinary shares of £1 each. In the following table we

show how these shares have fluctuated in the past three years, together with latest price and current yields:—

	Prices, 1921.		Prices, 1922.		Prices 11 months, '23.		
	Hgst.	Lwat.	Hgst.	Lwat.	Hgst.	Lwat.	Present Price.
Coats, J. & P., Ord. £1	2½	2½	3½	2½	3½	3½	£ 5 8 d
6% Cum. Pref. £10	10½	8½	12½	10½	12½	11½	5 7 3
6% Cum. "B" Pref. £1	1½	1½	1½	1½	1½	1½	4 18 0

It may be recalled that in 1919 the capital was increased from £10,000,000 to its present amount, so that any further increase in the near future is unlikely, especially with profits showing a decrease.

Philanthropy and 5 per Cent.—A year ago the First Garden City, Limited, raised its dividend from 2½ per cent. to 4 per cent.; now, with a further increase in its profits or income it feels able to pay for the first time the maximum dividend of 5 per cent. permitted by its memorandum. Nineteen or twenty years seems a long time for the ordinary shareholders to wait before getting a modest 5 per cent., though, doubtless, such a rate would have seemed an excellent yield in 1903. Net profits show an increase of £2,709 over those of 1921-22, but a part of this gain is due to the board's sound policy of redeeming the debentures; some holders of the original 4 per cents have been exchanging them into 5 per cent. preference and ordinary shares, so that the share capital is larger and the debenture issue smaller than a year ago. Still enough is left to set aside £500 for the staff pensions fund, and to raise the carry-forward. With such good results the directors, who worked until 1918 without remuneration, think that their fees might now be raised. The First Garden City was necessarily a pioneer, and had to pay for its experience; later imitators have profited by this experience, but Letchworth has the advantage of having raised all its capital (except some £44,000 of 7 per cent. debentures, issued in 1920) at rates between 4 per cent. and 5 per cent., while all the earlier expenditure was made when labour and materials were cheaper than they have been since 1914.

Van Ryn Gold.—Our mining correspondent writes:—Not so long ago this undertaking, which entered the dividend list in 1895 and has made regular half-yearly disbursements since 1904, was regarded as one of the dying mines of the Rand. Of late there have been two developments which afford ground for a changed view of the future. One consists in the increased use of what is known as reclamation rock. This material has not only been opened up in past years; being of low grade, it is disregarded in computing the ore reserve tonnage, for which also no credit is taken in the balance-sheet. The more reclamation rock can be utilised, the longer will the mine last. In the year ended June 30th, 1923, nearly 40 per cent. of the ore treated came from this source, as against barely 24 per cent. in 1918-19. The second factor consists in the discovery in one section of the property of what in some quarters is thought to be a new reef. So far as opened up at the date of the advice, it carried values above the general average of the mine; and should it prove to continue, the "life" prospect would be materially affected. At the meeting to be held next Wednesday the chairman is expected to make a statement on the subject; it is awaited with much interest. With regard to the financial outcome of last year's operations, these naturally show an advance upon the results of 1921-22, when the labour trouble took place. The dividend total of 15 per cent. is the same as for both 1919-20 and 1920-21. In market circles it is thought that the distribution for the current half-year may be raised to 10 per cent. It is noteworthy that last year's costs averaged rather under 20s per ton, as compared with 25s 9d in 1920-21. This has an important bearing on the future.

Tin Mining Results.—The shareholders in quite a number of tin-producing companies have, during the past week or so, been made acquainted with the progress of affairs, either by the issue of annual reports or the declaration of dividends. Of the concerns operating in Northern

Nigeria, the Bauchi, in the year ended June 30th last, secured a somewhat increased output at a lower ratio of cost, with the result that after providing for depreciation, interest, &c., there was a net profit of £27,100, as against a small loss for the preceding period. However, the cash position did not permit any distribution, even on the preference shares. The reserves are placed at the slightly reduced total of 8,780 tons. An important factor in the future of this company is the hydro-electric power scheme, work upon which has for some time past been in abeyance. It is, therefore, satisfactory to learn that financial arrangements have been made for the completion of the installation. On the Naraguta, tin-winning was restricted, but the improved price secured for the metal, in conjunction with reduced expenses, enabled a profit of £17,700 to be made, in place of £4,100 in 1921-22. The cash position, although better than before, being none too strong, only 5 per cent. (absorbing £6,600), is to be paid in respect of the past year; but this will be supplemented by an interim distribution of like amount. The limited amount of exploratory work so far undertaken on the gold areas has not been attended with any very conclusive results. The directors of the Champion Tin Fields have rather a poor story to tell, the brightest spot relating to the results on some mining leases and alluvial ground taken up for gold. The Ex-Lands has declared an interim dividend of 10 per cent., tax free, comparing with 15 per cent. for the whole of last year. As regards Malayan enterprises, the Tin Dredging company of that name and the Southern Perak—whose affairs were commented upon in a recent "Note"—have declared dividends of 1s apiece; the Ipoh is paying at the increased rate of 9d per 16s share, while the Rambutan will disburse the usual 8d. In the Cornish group the Geevor has—somewhat belatedly—issued its accounts, which are made up to March 31st. Thanks to recovery of income-tax, a small credit is carried forward. For various reasons the next statement should make a better showing. The company has a large holding in the reorganised Levant undertaking, whose returns are expanding.

The Salvador Railway.—Increased traffic, lower working expenses, and the settlement of the claim against the Salvador Government for arrears of subsidy prove that this railway is recovering the prosperity it enjoyed at the outbreak of the world war. The report for the year ending with last June states that the receipts were £206,927, against £177,747 in 1921-22, the expenses £136,389, against £142,404; so that the profit—£70,538 against £35,343—is nearly doubled. The working expenses were 66.48 per cent. against 81.01, the actual passenger earnings constitute a record. The goods carried increased by 23,170 tons, or 31.48 per cent.; the goods receipts by £25,607. The arrears of subsidy, paid within the last few days in "A bonds" of the new American loan, will be included in this year's accounts, and will probably extinguish the debit balance on the net revenue account. The coffee carried increased by 907 tons, the sugar by 8,953 tons; the tonnage of imported merchandise by over 50 per cent., and much of the traffic previously diverted to competing road routes (chiefly from the vicinity of the capital to the port of La Libertad) has been recovered by the revised tariff rates. Since March the country has quieted down after the Presidential election campaign, and the new Government seems stable. The prospects for coffee and sugar are promising, but development of some of the many other resources of the country has long been advocated, and an attempt is now being made to grow mulberry trees and rear silkworms, as it is held that the climate will permit of a greater number of crops annually than that of Japan, and that Salvador and the Pacific slope of Guatemala are better suited for it, owing to the abundance of labour, than any other districts in Central America.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, W.C. 2, on Tuesday, December 11, 1923, at 8.30 p.m., when a paper on "British Rule in India—What it has Achieved" will be read by Sir William Vincent,

K.C.S.I. The Right Hon. Viscount Peel, G.B.E., will preside.

THE third of a series of lectures on the Problem of London Traffic, the Financial and Municipal Problem, will be given by H. H. Gordon, A.M.Inst.C.E., on Thursday, December 13, 1923, at 5.30 p.m., at the London School of Economics. The lecture is open to the public without fee.

Oversea Correspondence.

UNITED STATES.—TAX REDUCTION PLANS—COTTON GINNING—PANAMA CANAL.

(FROM OUR CORRESPONDENT.)

NEW YORK, November 26.

SELDOM has any proposed national legislation received such widespread popular approval as Secretary Mellon's recommendation for a sweeping reduction in income-taxes and surtaxes. For a long time he has consistently advocated such a reduction, but it was not until recently that the full scope of his proposal became known through the publication of a letter to Acting-Chairman Green, of the House Ways and Means Committee, in which he submitted a comprehensive plan of tax revision for the consideration of the committee at the forthcoming session of Congress. His suggestions received instant and hearty endorsement from financial and business interests and the public generally. The reason is plain. The reduction would directly benefit all classes who pay income-taxes and surtaxes. Furthermore, as head of the Treasury Department, Secretary Mellon has shown rare ability, good judgment and foresight in handling the nation's finances, and therefore enjoys the public's confidence to a marked degree. His recommendations are the result of a careful study of the possibilities of tax revision and of simplifying the existing law. He calls attention to the fact that each of the fiscal years 1922 and 1923 ended with a surplus exceeding \$300,000,000. That result was accomplished, he says, only through the utmost co-operation between the President and Congress and executive departments in an effort to curtail Governmental expenditures, together with a substantial realisation upon securities and other assets remaining after the war, and Customs and internal revenue receipts larger than originally expected. Results achieved through the establishment of the budget system encourage the hope, he declares, that during the current fiscal year the Government's expenses can be reduced to about \$3,500,000,000, of which some \$500,000,000 will consist of fixed charges for sinking fund and other debt retirements. Such reduction would involve the most rigid economy in all directions. If such a course be followed, Secretary Mellon estimates that for this fiscal year, and for the ensuing four or five years, the Government's surplus should exceed \$3,000,000 over all expenditures chargeable to the ordinary budget, including the fixed debt payable with ordinary revenue, thus leaving a reasonable margin for tax revision and tax reduction. Accordingly he makes several suggestions, the adoption of which would mean a net estimated decrease of \$323,000,000 annually in taxes. With respect to income-taxes, his recommendations include a reduction of 25 per cent. in the tax on earned income, which would cause a loss in revenue of some \$97,500,000 a year, the greater part of the decrease being in the lower income-taxes; the reduction of normal income-taxes from 4 per cent. and 8 per cent. to 3 per cent. and 6 per cent. respectively, involving a loss of \$91,600,000 annually, and the decrease and readjustment of surtaxes by beginning their application at \$10,000 instead of \$6,000, and scaling them progressively upward to 25 per cent. at \$100,000, which, he figures, would mean an immediate loss of about \$102,000,000 in revenue. The Secretary also proposes to repeal the tax on telegraphs, telephones, and leased wires, thereby losing approximately \$30,000,000 a year, and the tax on theatre tickets, which would cause a loss of \$70,000,000 in revenue. Secretary Mellon, on the other hand, urges that

deduction of capital losses be limited to 12½ per cent. of the loss. He would also limit deductions from gross income for interest paid during the year and for losses not of a business character to the amount by which the sum of those items exceeds the tax-exempt income of the taxpayer. The adoption of those recommendations and one or two others, it is estimated, would increase revenues by about \$68,000,000, leaving on balance a net decrease in taxation, as indicated, of approximately \$323,000,000 a year, without considering miscellaneous taxes which are of minor importance in their bearing upon general revenue, though a source of inconvenience and annoyance to taxpayers; such taxes are difficult to collect and may be eliminated. Mr Mellon also suggests amendments to strengthen the law, to do away with methods resorted to by some people to reduce or avoid tax payments, and to simplify the administration of the law.

The Census Bureau's latest report, showing 8,368,683 bales of cotton ginned to November 14th, as compared with 8,869,851 at the same date last year, seems to bear out predictions that this year's crop will be well below the Department of Agriculture's forecast, made on November 2nd, of 10,248,000 bales. The census returns indicate that, in order to reach the Department's estimated total yield, more than 1,800,000 bales must be ginned after November 14th, which is considered wholly unlikely. The amount ginned this season between November 1st and 14th was only a few thousand bales more than in the corresponding period a year ago, namely, 802,000 bales, approximately, as against 730,000 in the first half of November, 1922. The ginning figures now at hand completely dispose of the theory advanced in some quarters that the small ginnings were due to the lateness of the crop and to bad weather, because weather conditions since November 1st have generally been more favourable, and the total ginned in the period mentioned showed only a slight gain over a year ago. It is now quite evident, therefore, that the comparatively small amount ginned is due to a short crop. Many authorities are more convinced than heretofore that the yield will not exceed 10,000,000 bales, and not a few predict that the final figures will show a crop not much above 9,500,000 bales. The Department of Agriculture is expected to publish its final estimate of this season's crop on or about December 12th. Naturally, the Census Bureau's report was construed in the cotton market as distinctly bullish, and under heavy buying by speculative and trade interests prices of future options soared to new high levels for the year, December rising to 35.75 cents a pound.

New high records in operation and financial returns of the Panama Canal are shown in Governor Morrow's report for the fiscal year 1923. Net profits from all sources, excluding the Panama Railroad Steamship line, amounted to \$12,063,880, an increase of \$2,862,267 over the preceding fiscal year. Net income from tolls and miscellaneous receipts classed as transit revenue aggregated \$10,001,066, as against \$3,466,674 in 1922, while net profits from auxiliary operations increased from \$323,259 in 1922 to \$1,140,642 in 1923. The Panama Railroad Company, excluding steamship operations, showed a profit of \$922,171, as against a loss of \$710,301 in 1922. The number of commercial transits increased from 2,736 in 1922 to 3,967 in the past fiscal year, while the net tonnage rose from 11,417,459 tons to 18,605,786; the cargo tonnage rose from 10,881,910 to 19,567,875, and the tolls from \$11,197,832 to \$17,508,199. The tremendous growth in operations and income is attributed chiefly to the greatly increased movement of California oil through the canal following the development of oilfields in the southern part of that State. The United States carried 56.5 per cent. of the cargo that passed through the waterway, its vessels increasing in number from 1,095 to 1,994. British vessels carried 25.2 per cent. of the total cargo. The most conspicuous gain was in the United States inter-coastal trade, in which the traffic showed a gain from 2,562,527 to 8,068,553 tons. There was also a marked increase in trade between the United States and the west coast of South America, the cargo moving in both directions expanding from 793,123 tons in 1922 to 2,954,523 in 1923.

Automobile production in this country continues at a record pace for this season of the year. The October output of passenger automobiles and trucks totalled 365,107,

as compared with 327,543 cars and trucks in September and 345,202 in August. While last month's total was exceeded in April, May and June, the October production was only 7 per cent. below the peak reached last May, and was 52 per cent. greater than in October of last year. The output for the ten months ending with October was 3,395,478 cars and trucks, representing an increase of 31 per cent. over the entire production for 1922, and double the output for 1921. The continued manufacture of automobiles on such a big scale means heavy purchases of steel and other materials and products used by that industry; it also means increased consumption of gasoline.

FRANCE — RUHR AGREEMENTS — TRANSPORT — REPARATIONS COAL — IRON AND STEEL.

(FROM OUR CORRESPONDENT.)

PARIS, December 5.

AN official declaration was issued by the French Foreign Office last night, announcing that the two Governments occupying the Ruhr—the French and Belgian—have decided to reinstate and pardon forthwith those persons who have been expelled and sentenced, and that on December 10th (next Monday), according to an agreement that was signed at Mayence on Monday, passive resistance will be regarded as having formally come to an end, provided that by that date work has been effectively resumed in the factories and mines, and the agreements with the Reich for the future exploitation of the railways in the Rhineland and the Ruhr have come into operation. That the Franco-Belgian authorities fully believe these two contingencies are actually in course of fulfilment is evident from the fact that the redistribution of the troops of the occupying forces, with a view to a return to the conditions of the "invisible occupation" that prevailed when the French and Belgians first entered the Ruhr, has already actually begun. This diminution of the visible presence of the occupying forces, it will be remembered, the Franco-Belgian authorities, through the mouths of the Prime Ministers of the two countries, have repeatedly, during the past six months, promised to carry out as soon as passive resistance should cease, and they are now honouring the word they have given. The week's developments give every ground to believe that at last a sound foundation has been laid upon which there is every reason to hope a satisfactory means of securing reparation payments may be based.

The transport situation in the Ruhr—the improvement in which was a necessary corollary to the effective conclusion of agreements for the resumption of production—may now be regarded as for all practical purposes satisfactory. M. Bréaud, the director of the Franco-Belgian *régie* under which the railways in the occupied area are now being operated, stated yesterday that the lines can now meet all demands for transport that are likely to be made upon them, and that before long he can guarantee they will be in a position to handle as much traffic as before the occupation of the Ruhr began. When it is recalled that it took the French railways over a year to get over the disturbances caused by a three weeks' general strike in 1920, this statement may possibly err on the side of being too optimistic. The Ruhr railways are a much more complex proposition than the French lines that were affected by the 1920 strike, and when comparisons are being made it must not be overlooked that the German railwaymen have been continuously on strike (quite apart from the serious *sabotage* that has been committed) not for three weeks but for ten full months.

The figures quoted by M. Bréaud, however, for the purpose of demonstrating the foundation of his optimism are remarkable. On April 10th, when the *régie* first took the lines in hand, the traffic consisted of sixty loaded wagons and 1,000 passengers, the number of train-miles run totalling only 18,000, while the traffic receipts amounted to only 22,000f. At that time the *régie* had at its command only 12,500 French and 2,500 Belgian railway men, with which to replace 170,000 German strikers, and to most practical railway experts the task it had set itself appeared to be an impossible one. By October 15th,

however, the daily traffic had increased to 3,000 loaded wagons, representing a transport of 46,000 tons of goods, while trains running 47,000 train-miles a day were carrying 150,000 passengers, the total traffic receipts representing 500,000f a day. With the progressive reinstatement of the German strikers, which began on October 19th, these figures began to rise rapidly until on December 1st (last Saturday) 7,000 goods wagons were recorded as having moved 100,000 tons of merchandise during the 24 hours, the train-miles run amounted to over 78,000, and the cash receipts to 1,500,000f, while the number of passengers carried (which could not be expected to be to an equal ratio, in view of the large amount of unemployment still existing) was 180,000.

These figures, M. Bréaud insists, show that the *régie* is now coping single-handed with approximately one-third of the normal traffic, and he asserts that it is even now in a position, if circumstances demand it, to meet double the demands that were made on it last Saturday. In the Rhineland, as distinct from the Ruhr, traffic has been restored to within measurable distance of the normal.

Figures published here indicate that out of total stocks of 3,435,000 tons of coal that were seized in the Ruhr, 2,170,000 tons have been sent into France and Belgium, leaving 1,265,000 tons yet to be removed. These stocks, under the recent agreements, are to remain in Allied possession, and will be shipped at the rate of 15,000 tons a day, 10,000 tons coming to France and the rest to Belgium. Out of the 2,500,000 tons of coke seized, 810,000 tons is still available for shipment, and will be cleared at the rate of about 6,000 tons a day, 4,400 tons coming to France and 1,000 going to Luxembourg. From the mines that are being directly operated by the Allies, France will (for the time being, and until the pending agreements come into force) receive 10,000 tons of coal per day (of which 6,000 tons will be used to make coke), 4,400 tons of coke, and 2,300 tons of lignite, plus 1,200 tons of coke and 4,500 tons of coal produced daily by the last three mines seized. Altogether, apart from deliveries assured by the recent agreements, this country estimates to receive from these sources 11,300 tons of coal and 8,800 tons of coke per day (equivalent to 23,300 tons of coal). The agreements made with the Ruhr coalowners provide for 18 per cent. of the total output of the mines to be delivered to France and Belgium, who should thus receive, out of a total output of about 70 million tons a year (after deducting local requirements), some 12,600,000 tons per annum, or over 30,000 tons a day. The Reparation Commission's plan provides for France alone to receive 770,000 tons of coal per month, or 25,000 tons a day (either entirely in coal or partly in coal transformed into coke). France would also receive 600,000,000f, under the new agreements, as her share of coal taxes in arrears, plus 350,000,000f from the sale of products that have been seized owing to non-payment of the tax and of fees for export licences. Finally, her share of the revenue to be derived from the tax on the free production of coal would be about 780,000,000f a year.

The iron and steel production figures issued by the Comité des Forges for the month of October show that the French metallurgical industry has now more than recovered from the setback occasioned by the occupation of the Ruhr. The October figures, in fact, are not only higher than any recorded since the last complete month before the beginning of the occupation, but are the highest achieved since the armistice. The output of iron during October totalled 514,230 tons, as compared with 481,877 tons for September, or an increase of 32,353 tons on the month, and of 942 tons on the output for December, 1922, the last month of normal production. The output of steel during October amounted to 476,696 tons, an increase of 30,216 tons as compared with September and of 62,099 tons more than the output for December last. The output for the liberated portion of Lorraine alone was, so far as iron is concerned, 181,840 tons (as compared with 185,000 tons in January last), while steel was returned as having been 157,537 tons, or 9,623 tons more than in December last. The number of blast furnaces in operation throughout French territory on November 1st was 116 (as compared with 111 on October 1st and 77 on April 1st), or the same number as on January 1st last.

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GERMANY.—POLITICS—FINANCES—CURRENCY AND PRICES—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, December 4.

THE Cabinet crisis has been for the moment solved by creation of an administration under the Centre party leader, Dr Wilhelm Marx, with Dr Stresemann as Foreign Minister, and several of the other Ministerial posts unchanged. Neither the Socialists, nor their alternative, the German-Nationals, whose plan to replace the present semi-Socialist Prussian Cabinet with an entirely "bourgeois" Cabinet failed, are in Herr Marx's Cabinet, which has therefore no majority. The two opposition parties have so far not clearly declared themselves. Benevolent neutrality from either would save the Cabinet.

A new "Empowering Law" has been prepared authorising the Cabinet to legislate by mere decree, like the "Empowering Law" obtained by Dr Stresemann, but with some important differences. The Stresemann law authorised dictatorship only in financial, economic, and social questions; the new Bill authorises the same dictatorship in all questions, but whereas the earlier law permitted Dr Stresemann to issue valid decrees which violated the Constitution, the new law does not give this authority, so that Herr Marx could exercise only the powers normally enjoyed by the Reichstag. Further, under the new law decrees can be revoked only by two repeated votes of the Reichstag. To pass this new Empowering Law, which, like its predecessor, is an amendment to the Constitution, a two-thirds Reichstag majority is needed; if this majority cannot be had, the Reichstag will probably be dissolved. Undoubtedly in the present rapidly-changing conditions, and in view of Reichstag slowness, something like an Empowering Law is necessary, and on the whole Stresemann's test with his law succeeded; but such a system of government, differing from an unconstitutional dictatorship, requires Parliamentary support if it is to work well; and the initial difficulty—the absence of coherent majorities—which makes Empowering Laws necessary is not wholly overcome by them. Indispensable legislature is, indeed, hastened, but even for this the Reichstag, being armed with revoking power, must be friendly or at worst passive.

The finances continue to be in a hopeless condition; and as the provisional Rentenmark currency reform, which is at best doubtful, cannot possibly succeed without Budget balancing, the general situation is gloomy. The Finance Ministry's decade report for November 10-20 is delayed, it is believed intentionally, owing to its very bad figures. The preceding decade report showed, as already reported, expenditure exceeding by much more than 1,000-fold the revenue from taxes. Figures for the first half of the financial year (April-October inclusive) show that only about 1-700th of expenditure was covered; but this figure misrepresents the more favourable earlier period, the enormously-increased absolute totals of the last few weeks having swamped entirely the earlier small totals.

	Millions of Paper Marks.
Revenue and Credits—	10,134,766,466
Taxes, Customs, Fees	269,414
Forced Loan	6,907,504,501,480
Floating Debt borrowings	52,428,826,792
Funded "	
Total	6,970,068,364,152
Expenditure—	18,777,579,020
On Peace Treaty obligations in foreign currencies	
General Administration and Peace Treaty Obligations, in marks	3,870,604,226,948
Interest on Floating Debt	663,350,958,652
Interest on Funded Debt	1,089
Subsidies to Railways	2,164,875,078,019
Subsidies to Posts and Telegraphs	252,460,520,473
	6,970,068,364,152

The increase shown in the Funded Debt, which fell to a low point of 64 milliards last year, is due to the Gold Loan, which is booked above in paper marks. The tricks accomplished by currency depreciation are well illustrated by the fact that the (present) value of the 1,089 millions, all the interest paid on Funded Debt in six months is about 1-100th of an English penny. The swamping of the earlier months is shown by the fact that of the above 6,970,068 billion marks expenditure, 6,553,521 billions were spent in one month, October. In October thirteen taxes, including such important items as the spirits monopoly, interest-and-dividends tax and property tax yielded less than £5,000 gold. Some of these taxes, including the interest-and-dividends tax, which yielded 5s, are being abolished.

The currency question late last week took a new turn through a considerable price fall. As the foreign exchanges in Berlin have been kept stable since November 20 at 4,200 milliards to the dollar, a sudden wave of optimism regarding the paper mark rose, being increased by the rise in the (mainly nominal) mark quotations abroad. The new movement is so striking that newspapers have described it as "Flight from the Dollar." It was started by an optimistic Press statement, pointing to a coming rise in the paper mark as a result of its coming scarcity, from the Reichsbank's vice-president; and the boom is being helped by the fact that, owing to an increased supply of Rentenmarks, conversion of paper marks into Rentenmarks is to-day actively going on. The police, by doubtful measures, are trying to help; they fix maximum prices, threatening to close the shops of offenders. Illogically, and contrary to the official doctrine that the paper mark is convertible into the Rentenmark, the police compel shopkeepers to charge cheaper prices when they are paid in Rentenmarks, and not paper marks, this though the exchange of paper marks and Rentenmarks—1 to 1 billion—is unchangeably fixed via the paper mark dollar exchange. This practice is only an instance of the general currency confusion. In reality (at any rate, before the new price fall) those officials who received their salaries in Rentenmarks agree that they have suffered worse than ever under the new Rentenmark system, the reason being that whereas the Government insisted that the Rentenmark was a goldmark and fixed salaries accordingly, all sellers of goods, by charging monstrous goldmark prices, repudiated the doctrine that the Rentenmark was a real goldmark. Even since the price-fall a Rentenmark, supposed to be 1s gold, or its official equivalent 1 billion paper marks, will not buy more than about 8d in England, so that the Rentenmark's depreciation remains, though for the moment it is lessening. Some sellers persist in preferring the "gold loan" currency to the Rentenmark, without any known reason except that the gold loan notes, which bear a promise to redeem in paper on the back, bear the words "gold" and "dollar" on the face.

In connection with the price-fall and the mark rise abroad, the "black bourse" or "bootlegger" (free but illicit) rate for sterling, which once was around 35-40 billions, has fallen to about 23 billions. About the Rentenmark official confidence continues. The Rentenbank assures the public that in Zurich the Rentenmark is quoted above par, in other words, is considered better than the dollar. Up to December 1 about 700,000,000 Rentenmark had been printed, 680,375,000 Rentenmark being delivered to the Reichsbank for distribution. Not all are yet in circulation. The Reichsbank, in its accounts, treats the Rentenmark exactly as it treats foreign exchange, booking it at its paper mark value, and dealing in it only for others' account. Later the Reichsbank may open a special Rentenmark department.

While at best the Rentenmark can hardly be raised in buying power to its theoretical value of 1 goldmark, dangers threaten it from various sources. One danger is the continued output of local emergency money, also all "stable value"; but also (except in Hamburg) unstable in the fact that it began life with a variable buying power, and afterwards depreciated, but also later, owing to the new price fall, appreciated. The "Frankfurter Zeitung's" wholesale index number (basis 1 in 1914) on November 29 was 1,617,100,000,000 against 49,071,500,000 on November 1. "Gold prices" on November 29 were 61.71 per cent. above those of 1914; but this calculation is based on the entirely meaningless official gold (dollar) exchange.

An index for food products shows that on November 29 wholesale prices (1 in 1914) were 2,045,800,000,000 fold, or in gold (official exchange again) slightly over 100 per cent., those of 1914, whereas retail prices were 2,389,500,000,000, or nearly 140 per cent. During the past years of mark decline, wholesale prices compared with 1914 were naturally always much higher than retail; but since "goldmark" calculation began retail prices have been higher than wholesale. This is due to the fact that the wholesale trade largely works with real foreign currencies, whereas the retail trade, using "goldmark" calculation but being paid mainly in paper marks, imposes enormous "risk premiums" to protect itself against possible paper mark falls.

ITALY.—PRICE VARIATIONS—GOOD CROPS AND VINTAGE—COST OF LIVING RISING—WORKING-CLASS SAVINGS AND UNEMPLOYMENT—THE NEW REGULATION OF THE PUBLIC SERVICES.

(FROM OUR CORRESPONDENT.)

TURIN, November 24.

AVERAGE wholesale prices have remained fairly stationary recently, as Bachi's index numbers show:—

(1920 = 100.)

	June, 1921.	Oct., 1921.	May, 1922.	April, 1923.	July, 1923.	Oct., 1923.
Vegetable foods.....	97.0	115.8	106.3	110.6	103.8	93.6
Animals.....	100.5	128.5	93.9	113.6	103.5	109.7
Chemicals.....	63.4	74.6	67.3	69.6	68.0	67.2
Textiles.....	45.8	75.6	65.7	83.0	84.5	89.2
Minerals and metals.....	60.4	64.1	57.1	65.5	64.9	65.1
Building materials.....	101.6	90.9	78.5	83.4	84.0	84.0
Miscellaneous vegetables.....	95.0	114.4	96.4	128.1	101.0	101.2
Miscellaneous manufactured.....	90.4	94.2	87.9	93.2	96.9	97.9
General index.....	81.5	95.9	83.3	94.2	90.6	90.2

The selected figures, up to April, 1923, are those of the highest and lowest average index numbers. Despite the stability of prices in general, particular variations are startling. Vegetable foods and miscellaneous vegetables have fallen most, owing to the excellent crops of this year. The wheat yield is estimated at 61 millions quintals, as compared with 38, 52, and 44 millions in the years 1920, 1921, and 1922 respectively. Internal prices of wheat have therefore fallen below the parity of foreign imported wheat. Imports can only be effected at about 110 lire per quintal, while home wheat is selling at 85, to the great discomfiture of the Italian producers. The cry for protection is again heard, curiously enough, though protection could only raise the cost of the imported commodity higher than 110 lire, while the internal price refuses even to reach the present parity. The vintage was also very good. Against 31.9 and 35.6 millions hectolitres of wine produced in 1921 and 1922, production this year is variously estimated at between 45 and 55 millions. Grape prices have been enormously reduced, the general average price at Casale, one of the most important markets in northern Italy, now standing at 77.6 lire, as compared with 173.7 last year.

Cost of living has not felt, as yet, the beneficial effect of favourable crops. Index numbers of the cost of living in Turin of a working family of two parents and three sons, taking the average for the first half of 1914 as 100, is as follows:—

	Food.	Clothing.	House Rent.	Heat and Light.	Miscel. laneous.	General Index.
January, 1920..	351	327	100	407	345	319
July, ..	409	479	100	415	456	384
January, 1921..	513	547	100	527	514	467
July, ..	446	411	100	354	537	405
January, 1922..	524	454	120	435	591	466
July, ..	487	433	120	365	584	437
January, 1923..	499	433	120	423	574	446
February, ..	484	435	120	428	574	438
March, ..	481	437	120	423	574	436
April, ..	488	437	120	394	574	438
May, ..	493	437	120	370	574	440
June, ..	501	441	120	366	577	445
July, ..	498	434	200	376	580	454
August, ..	509	450	200	406	577	464
September, ..	506	450	200	437	577	464
October, ..	504	450	200	447	577	463

The rise in the cost of living, which has taken place since July, has two main causes; the rise in house rents, which came into force on July 1st, when the system of free bargaining, with the right of appeal to judicial arbitration, was substituted for legislative restriction, and the rise in coal and wood due to the stoppage of German reparation deliveries.

Perhaps as a consequence of the persistent high cost of living, the increase in saving deposits is slowing down. The deposits of the ordinary savings banks, which were 2,727 millions lire on December 31, 1913, rose to 9,294 millions in December, 1922, and went to 9,896 millions by January 31, 1923, owing to the capitalisation of interest due to depositors for the year 1922. At June 30th last the sum was 10,107 millions, an increase of only 2 per cent. in the five months. On the other hand, the public pawn offices recovered the customers lost during the war, and in the immediate post-war years. The number of new pawn-loans was 1,071 in December, 1921, while loans totalled 146.6 millions lire. In the months of December, 1922, and August, 1923, the numbers had risen to 1,177 and 1,337 respectively, and the sums loaned to 176.4 and 199.6 millions lire. Unemployment is, however, diminishing; 270,214 at April 30th, 243,928 at May 31st, and 216,287 at June 30th. The only exception to the decrease is the chemical industry. The greatest unemployment to-day is in Lombardy, with 44,184 unemployed, while the lowest is in Basilicata with only 76. The working-world seems thus to be passing through the hard times of high prices and high costs of living, perhaps with some inroads on past savings, but with a noteworthy measure of success in the main.

The most important piece of legislation in the current month was the Royal decree of November 11, 1923, on public service rearrangement. All categories of public servants, excepting railway men, are comprised in the regulation. The number of public servants was as follows:—

	1914.	Present Numbers.		New Regulations.
	A	B	C	D
Civil servants.....	103,643	136,012	115,501	110,467
Military commissioned officers.....	18,178	22,986	24,609	22,866
Non-commissioned military officers.....	28,523	47,943	44,072	48,638
	150,344	206,941	184,182	181,951

The A, B, and D figures are legal or theoretical ones, i.e., of the number of public servants who ought to be on the pay-roll if all the places were occupied. In practice, owing to dismissal, deaths, &c., the actual number is always lower than the theoretical one. Signor De Stefani, in the new regulation, has contrived to keep the number of public servants not only much below the present theoretical maximum number, but also somewhat below the actual number. This amounts to expressing the hope that the actual number will be even lower. It is, alas, well over the 1914 figure, especially for the non-commissioned military officers, whose number has greatly increased in consequence of the increased duties laid on the police force (Reali Carabinieri) and on the Excise and Custom armed force (Gaurdie di Finanza).

The most interesting feature of the new regulations is the uniform classification of all public servants, military and civil, into 13 classes. The system is akin to the pre-war Austrian system. All public servants are assimilated to various military ranks, and enjoy the same salary which progresses uniformly from class to class. This Royal decree will probably be the Magna Charta of the public services in Italy for a long time. Perhaps the principal object of this general militarisation is not so much economy (to begin with, the reform, with consequent variations of pensions to retired servants will perhaps cost 300 millions lire yearly), as the restitution of hierarchy and discipline among a body which at a certain moment threatened to become a mob. In the war and early post-war years, the salaries of humble servants had become about as high as those of departmental heads and great judges. When a section of public servants menaced stoppage of work, their salaries were increased under the stress of fear. Soon after agitation spread among

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the others, and the cost went up by leaps and bounds. The new regulations recreate a hierarchy, and put all servants of the same class on an equal footing. It will not be possible to increase the salaries of military men, or of postal servants, or of teachers only. All will be obliged to go up or down at the same time, and it is hoped that the new system will give force to the government to resist sectional pressure, as a concession to a section will imply an all-round increase of cost.

UNION OF SOUTH AFRICA.—TRANSSVAAL'S ONEROUS TAXATION—THE PROVINCIAL COUNCIL ELECTIONS—PRICES FOR GOOD GOLD SHARES.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, November 7.

THE elections for the Transvaal Provincial Council take place to-morrow, and it is to be hoped that the result will provide the South African party with a workable majority, replacing the Nationalist-Labour combination, which has been in power for the last three years. The Council, whose tenure of office has just expired, has been noteworthy for the excessive taxation it has placed upon the urban communities, in order to defray the cost of a very expensive educational establishment. Its most criticised achievement was the promulgation of an employer's tax when unemployment was increasing every month, and when the Union Government had to devise relief schemes, chief among which was the construction of new railways by white instead of native labour. This tax was really designed to make up for the loss of revenue on account of the taxation of gold mining profits, the continuance of which the Union Government refused to allow, but, while, of course, it did get revenue from the gold mines, with their thousands of native employees, it also hit all sorts of other manufacturers throughout the country. Another impost of the Transvaal Provincial Council was the combination of a poll tax and an income-tax with the usurious penalty of 10 per cent. for every month the tax remained unpaid. Mr Rowe, one of the candidates for the Council, has published some instructive diagrams. He shows that, whereas the Rand and Pretoria represent 45 per cent. of the population of the Transvaal, these two urban centres contribute no less than 80 per cent. of the taxation imposed in the Transvaal Province. This might not be so bad if the money spent on the Rand and Pretoria were in something like equal proportions, but, as a matter of fact, the capital and the industrial centre combined have only 40 per cent. of the money actually expended in their districts.

Mr Rowe sums it up by saying that the Rand gets half what it pays, and the rest of the country three times as much as they pay. The Provincial Councils of the Union are responsible for education, maintenance of roads, hospitals, &c. Secondary education is being fostered at the

expense of primary education, the expenditure being more than double. As regards primary education, £150,000 was provided in the current estimates for new buildings on the Reef, as against £83,350 for the rest of the province.

The Hon. Patrick Duncan, Minister for the Interior in the Union Parliament, recently described the expenditure on secondary education, especially in the country districts, as "ludicrously extravagant. In some places there were no fewer than three schools, one for English-speaking children, one for Dutch-speaking children, and one for Afrikaans-speaking. While these extravagances were taking place in the country the people of Benoni, the centre of the Far-East Rand mining district, had no place where their children could even get primary education, and were being taught under disgraceful conditions—even in stables." To put it quite bluntly, the Provincial Council Executive paid more attention to gratifying the electors in the country districts than to the real needs of the people. Whereas five teachers' training colleges in the province had been established, another gross extravagance, school attendance officers had been abolished. Mr Rowe shows that in the important matter of roads there has been a lack of progress. In 1920-21 £238,500 were spent under this head, while the current estimates provide for only £151,100.

I have in previous letters alluded to the companies' tax imposed by the Transvaal Provincial Council. Mr Duncan, in the speech already referred to, characterised this as one of the most unfair and most unreasonable taxes that could be imposed.

He traversed the statement of Dr Reitz, the chairman of the executive committee, that if the Transvaal did not get this tax the British taxpayer would.

Dr Reitz, among other fiscal escapades, recently quoted some figures given in the House of Commons, showing taxation per head in the Union, Australia, and Canada, proceeding to interpret this as showing that the Union was very lightly taxed. Sir W. Joynson Hicks, however, the Minister who gave these figures, quite failed to appreciate the fact that out of a population of about six millions in the Union, there are only 1,500,000 whites. The natives pay a very small portion of the taxation as their earnings are, on the whole, somewhat meagre. Obviously in order to compare taxation in different countries, the population divisor must be of the same character based on the white population. The aggregate taxation, after deducting a reasonable amount for the natives, is as high if not higher than in Australia or Canada, and probably approaches that of Great Britain with its colossal war expenditure. The *Star* says that "if we further eliminate from the European population that not inconsiderable section which, under our present system of taxation, gets off lightly or escapes scot free, we are confronted by results which are startling indeed. Only by these excessive burdens placed on a minority of our small white population can we afford the luxury of the most costly system of education in the world..... direct taxes constitute only a part of the burden; indirectly we are taxed to an extent which surprises visitors even from Britain." Another candidate, Mr Weightman, shows the Provincial Council's estimates this year total £1,593,000, or over ten guineas for each of the 150,000 electors. Provincial mismanagement is equally noticeable at the Cape, as Mr Duncan pointed out that the administration was "living on tick," and building up huge deficits already amounting to £1,150,000. They had not such a big deficit in the Transvaal, and it had only been avoided at the cost of imposing the most embarrassing and vexatious taxation.

A recent feature of the gold share market has been the demand for shares of the highest class of gold mines of the Far-Eastern Rand. Government Areas have risen to £6 3s 6d, Brakpans to £3 11s 6d, and Springs Mines to £2 15s, while New Modders fluctuate between £4 2s 6d and £4 5s.

Among Central Rand Mines, most conspicuous has been the improvement to 61s 6d in the case of City Deep. If adequate allowance be made for amortisation of capital, it is thought in authoritative quarters that in the majority of instances present quotations for the higher class of mining securities are quite high enough.

GREECE.—INDUSTRY—AGRICULTURE—MERCHANT MARINE—FOREIGN TRADE—FOREIGN EXCHANGES.

(FROM OUR CORRESPONDENT.)

ATHENS, November 14.

THOUGH Greece is an agricultural country, industrial activity has been rather intense for some years past. The preliminary returns of the last industrial census show that there existed in 1920 34,755 factories and workshops of every size and kind, employing 152,440 workers, and with a total of 95,259 horse power. Of course, the majority of these are workshops, though some flourishing enterprises may be found among them. The more important are metallurgical, machinery, building, textile, food, chemical products, leather, paper, printing, wood-working, cigarette and hat-making industries. A new line making rapid progress is carpet-making, which is a specialty of Greeks from Asia Minor now settled here. The driving power is derived chiefly from coal imported from abroad. As, however, the country possesses rich beds of lignite, this is also used where possible, as well as benzine, petroleum and hydraulic power. The latter is still a latent source of energy. It is estimated that in Macedonia and the mainland of Greece nearly 400,000 h.p. could be produced if the waters of the rivers were properly utilised. An important economy could thus be made in coal imports. Though the matter has been receiving consideration for some years, nothing definite has so far been done in this direction on account of the war.

Agriculture shows some progress. In 1915 the cultivated areas, not including those occupied by forests and fruit trees, comprised 2,667,000 acres. In 1920 it amounted to 3,260,000 acres. Forests occupy a surface of about 12 per cent. of the total area of the kingdom. The proportion is small, as is the case with the other Mediterranean countries. Agricultural production (the products of forests not included) was estimated by the Department of Statistics at nearly 1.4 million tons in 1916, and 1.7 million tons in 1920. Returns of the production of the last two years are not yet available. However, from the figures already known, it is inferred that production has since increased considerably, both as a result of an extension in the cultivated areas, and of a more intense cultivation. The production of some articles, such as vegetables and fruits, destined for town consumption, has risen greatly. Tobacco shows a great increase, having risen from 32 million kilos in 1920 to about 80 million kilos in the current year.

The merchant marine comprised in August, 1914, 474 steamers and 884 vessels of 965,000 tons gross. Though losses by act of the enemy, sea risks, and sales to foreigners during the war accounted for no less than 277 steamers and 223 vessels of 687,000 tons, Greek ship-owners have been able to make good their losses from the profits realised during the war and the premiums collected from the insurance companies. Thus, at the end of March, 1923, the Greek merchant marine consisted of 428 steamers and 1,090 vessels, of a gross tonnage of 910,023 tons.

Foreign trade for the first seven months of 1923 compares as follows with the figures for the corresponding period of 1922:—

(In Millions of Drachmæ.)				
	January-July.	Imports.	Exports.	Excess of Imports.
1922		1,283	936	347
1923		3,544	1,056	2,488
Increase in 1923		2,261	120	2,141

The increase is, of course, mainly due to the rise in foreign exchanges.

The foreign exchange market is rather dull, and quotations have been steady for some time lately owing to recent political events. Exchange on London is fluctuating at around 290 drachmæ to the pound sterling. The market is awaiting the issue of the recent democratic movement, which sprung up as a result of the failure of the counter-revolution. If the Government succeeds in keeping down the disturbing elements which are agitating for a violent change of the constitutional régime, the result will be beneficial for the country. Greece to-day needs, above all, peace and political stability. An eventual

change of the constitutional régime, and a continuation of the intervention of militarists in the Government of the country, could hardly contribute towards the achievement of these most essential ends.

Letters to the Editor.

THE IRISH LOAN.

TO THE EDITOR OF THE ECONOMIST.

DEAR SIR,—In your correspondence columns last week there were certain references to the Irish loan. Mr A. Mitchell-Innes raises the question of the currency in which the debt of the Irish Government is to be repaid. My observations upon the same subject, published in another column, can now be supplemented by the statement that, since I wrote, the Governor and Company of the Bank of Ireland (the bank of issue), speaking on behalf of the Ministry of Finance, announced that these payments would be made in sterling.

"Z" makes two points. He shows that, apart from the special arrangement terminable on March 31st next, by which the British Government exempts from income-tax Irish charitable funds invested in British securities, there are other British securities remaining open for such investments, inasmuch as income-tax in respect thereof is not deducted at source. I regret that my reference to the subject was phrased in such wide terms as to appear rather to suggest the contrary. His second point would be unchallengeable if the comparison of the investment values of Dublin Corporation 3½ per cent. stock at 67.68 and of the new Irish loan were based solely and exclusively upon actuarial calculation. But my inference that the latter should go to a premium, having regard to the current price of Dublin Corporation stock, was a compressed argument *a fortiori*, wherein the usual elements of value which affect Stock Exchange prices were impliedly accorded their due weight. No one, in Ireland at least, would expect as large a yield from the new Irish loan as from Dublin Corporation stock. Superior security, more prompt and certain realisability, and the maintenance of market levels by large and increasing Sinking Fund operations are elements, amongst others, which render the Irish loan the more desirable investment, and which consequently will operate to raise its price on the home stock exchanges.—I am, yours faithfully,

"YOUR DUBLIN CORRESPONDENT."

Dublin, December 6th, 1923.

Books and Publications.

AUSTRIAN CURRENCY REFORM IN 1811.*

HALF a generation of war had in 1811 reduced Austria to a condition of economic chaos very like that from which the League of Nations has intervened to save her to-day. One hundred years ago, however, she had the fortune to possess in her Finance Minister, Count Wallis, a statesman with the courage and perception to take the drastic measures necessary to redeem her situation. Pre-war critics have stigmatised the measures he adopted as a declaration of national bankruptcy, a repudiation of debts comparable with that of the French Government in 1797, and the two have been cited as the classic examples of the bankruptcy of a great Power. Dr Hofmann in his account of the steps which led to the publication of the decree of 1811, protests against this view, and claims that Wallis' policy was conceived and executed as the sole means of preventing the complete devaluation of the paper currency which would have been tantamount to the condition of bankruptcy he is accused of fomenting.

Wallis himself was no financial expert, and his knowledge of currency questions was entirely derived from the works of Anton van Coeverden, which had appeared at

* "Die Devaluierung des österreichischen Papiergeldes in Jahre 1811." By Dr Victor Hofmann. Published by Dunckler and Humblot (Munich and Leipzig).

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15 Gracechurch St., London, E.C.3

Capital Authorised ... £3,000,000

Paid Up Capital ... 1,050,000

Reserve Fund and Undivided Profits ... 1,352,105

Branches:

INDIA, BURMAH, SIAM, CEYLON, STRAITS SETTLEMENTS, CHINA and PORT LOUIS, MAURITIUS.

The Bank buys and sells Bills of Exchange, Issues Letters of Credit and Circular Notes, and transacts banking and agency business in connection with the East, on terms to be had on application.

Fixed Deposit Rates will be quoted upon application. On Current Accounts interest is allowed at 2 per cent. per annum on daily balances.

Leipzig subsequently to the collapse of the French financial system. Coeverden, who may be considered the spiritual parent of Wallis' policy, laid it down that when paper currency has once got depreciated in terms of metal, it is impossible to reduce it gradually, and thus restore it to the level of metal. Either a surgical operation must be performed or the State must collapse. He rejected such palliatives as the debasing of the coinage and the statutory fixing of prices, and indicated as the first condition of currency reduction the avoidance of a deficit in the national balance-sheet. The methods by which the paper currency should be reduced to bring it to a parity with metal depended on the individual circumstances of different countries.

Wallis' proposal was to reduce each banknote at a stroke to one-fifth of its nominal value. The total nominal value then left in circulation would, he thought, be so small that, despite their inconvertibility, the notes would not depreciate further. Further, he intended to reduce the sum total of the National Debt by two-thirds. Here, however, he was successfully resisted by Metternich, who feared foreign complications if such liberties were taken with the capital sum, and an alternative proposal to reduce the interest was adopted, though only by one-half, and not by two-thirds, as Wallis desired.

After several months' deliberation, the scheme was approved by the Emperor, who saw no other way out of the financial impasse. The necessary Decree was published on March 15, 1811, and came into force immediately. The notes in circulation, whose value was immediately automatically reduced to a fifth on the publication of the Decree, were to be withdrawn by the end of January, 1812, and exchanged against a fresh issue bearing a fifth of their nominal value. As from February 1, 1812, this new issue was to constitute the sole legal currency. The Decree further dealt with the question of the settlement of private debts and contracts concluded before its issue on the basis of a scale appended to the Decree. Finally the recently imposed tax on real and personal property was abrogated. Wallis' opponents had relied on this tax as an alternative to his policy; they advised the Emperor that by reducing the time within which this capital levy was payable the needs of the situation would be adequately met.

The discussions which led to the adoption of the more drastic policy, as also the reception of the latter by the public and its social and economic consequences in the various provinces of the Empire and in Hungary, are fully described by Dr Hofmann, whose position as Director of the Archives in the Finance Ministry at Vienna has given him ready access to the original documents bearing on this most interesting experiment in State finance.

The retreat from Moscow and the consequent preparations by Austria for a resumption of the war with Napoleon brought Wallis' financial scheme to an end. During 1812 he had been able to meet all the military expenditure out of revenue, but his scheme could not be adapted to meet the suddenly increased demands which followed the Government's decision to resume the war, and he refused to depart from the principles on which it was based. Accordingly, when a further issue of paper money was decided upon he resigned his office. He had realised throughout that the development of his system to its logical conclusion depended on the maintenance of peace, but the Emperor and Metternich had probably never regarded it as anything more than a temporary and partial expedient to put them into a better position to resume

war when the military situation should again prove favourable. Thus regarded, it proved its usefulness, even though, from its author's point of view, it was but a half success.

THE BANKER'S ALMANAC*

THERE is only one bankers' annual in this country, and that is the Bankers' Almanac and Year-Book. This year we notice that a large number of institutions not previously included has been added, particularly in the sections devoted to the overseas and foreign banks. An extraordinary amount of banking and commercial history is compressed into the pages headed "Amalgamations and Other Changes Among Banks." This deals not only with the changes of the last few years, but recalls names long since forgotten, and forms a very interesting record. A valuable survey of the movements of the foreign exchanges is given by means of a series of tables of the average rates of each week from the beginning of 1922. Another interesting compilation is that showing the relative statistical positions of the banks of England and Wales, Scotland and Ireland; totals are provided for the pre-war year 1913-14, at the Armistice and annually since. This shows that the deposits of these banks totalled £1,316,327,850 before the war, £2,583,866,824 at 1919-20, £2,703,185,431 at 1921-22, and £2,524,134,442 at 1922-23. Other features of reference include London and Provincial Clearing House returns over a long series of years; Bank of England returns, chief of which are annual averages since 1844 and weekly returns for 18 months; fluctuations in Bank rate, bullion returns and brokers' discount rates since 1884; changes in Bank rates of England, France, Germany, and Holland since 1844 and Belgium since 1851; highest and lowest prices of Consols annually since 1823, prices of bar silver since 1833, weekly average prices of gold and silver in recent years, and full details of currency notes issue. To say that every banker should obtain a copy is a waste of words, for it is impossible to conceive an English banking institution without this trusty counsellor.

BOOKS RECEIVED.

- Is It Peace?* Second Edition. By Rt. Hon. D. Lloyd George. (London) Hodder and Stoughton. 2s 6d net.
- La Déflation en Pratique.* By Charles Rist. (Paris) Marcel Giard, 16 Rue Soufflot. 15f.
- The Ship and Her Work.* By Sir Westcott Abell, K.B.E. (London) Gee and Co. 7s 9d net.
- The Oil Trusts and Anglo-American Relations.* By E. H. Davenport and S. R. Cooke. (London) Macmillan and Co. 7s 6d net.
- The Labour Theory of Value in Karl Marx.* By H. W. B. Joseph. (London) Oxford University Press. 4s 6d net.
- Railway Amalgamation in Great Britain.* By W. E. Simmet. (London) The Railway Gazette. 15s net.
- Unemployment: A Study of Causes, Palliatives, and Remedies.* By W. A. Appleton, C.B.E. (London) Hodder and Stoughton. 1s net.
- Why Socialism Must Fail!* By Rt. Hon. Sir Alfred Mond, Bart. (London) Hodder and Stoughton. 6d net.
- The South American Handbook, 1924.* (London) South American Publications, Limited. 7s. 6d. net.
- Rubber Facts and Figures.* No. 29, November, 1923. 2s, by post 2s 2d. (London) Fredc. C. Mathieson and Sons, 16 Copthall avenue, E.C. 2. Trade supplied by Effingham Wilson, 16 Copthall avenue, E.C. 2.
- A handy pocket-sized little book, giving the following details of rubber-planting, &c., companies:—Year formed, shares authorised, and number of shares issued and amount paid; head offices of companies; number of acres planted with rubber trees and reserve acres, and approximate number of trees and number being tapped; rubber harvested, in lbs, for four financial years (estimated for current year); dividends paid during, and approximate highest and lowest prices for, 1920, 1921, 1922, and 1923 to date; costs F.O.B. and "all in"; selling prices; forward sales.

* "The Bankers' Almanac: Year-Book for 1923-24." (London) Thomas Skinner and Co. 42s net.

India As She Was and As She Is. By Annie Besant. (India) Indian Bookshop: New India Office, George Town, Madras, E. As. 6.

The Round Table. December, 1923. (London) Macmillan and Co. 5s.

The Nineteenth Century and After. (London) Constable and Co. 3s.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL - £20,000,000
ISSUED CAPITAL - £15,592,372
RESERVE FUND - £8,250,000
DEPOSITS (30th June, 1923) - £295,905,730

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168, Fenchurch Street, London, E.C. 3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET. December 12. **ACCOUNT.** December 13.

THE general tendency of Stock Exchange markets during the past week has been reasonably steady, in spite of the fact that as Thursday, the General Election day, approached, business fell away from most of the markets. Disbursement of the War Loan interest had no particular influence over prices in the Consol market, for the amount of the money that was returned in order to be reinvested has been comparatively small. Changes amongst British Government stocks were slight, and, although a certain amount of option money was paid, both for the put and for the call of Conversion stock over the Election time, this had no effect upon the prices. Home Railway prior-charge securities hold their recent moderate improvement, and the lately issued Colonials have barely budged from their previous prices. On Friday there was a general marking down of prices in view of the uncertainty likely to be created by the results of the Election.

Mexican Government bonds have fallen back after their fairly rapid rises. Doubt has again crept in as to whether the bonds will receive the money which confidence had expected next month as a result of the anticipated scheme coming into force. Greek bonds are better in the European group, while the movements in French issues, Government and railway, have been narrow and rather uninteresting. Russians crumbled a trifle after their spurt. Brazilians have gone better, on the hopes raised in connection with the forthcoming mission to Brazil of the four British experts who are to consult with the Brazilian Government on matters affecting finance.

Home Railway stocks are notably good, in consequence of public buying in advance of the dividends. This has raised the prices of the Heavy stocks, as well as those in the Underground group. Grand Trunk Pacific debenture moved wildly on rumours, sharply contradictory, with reference to the probable outcome of negotiations with the Dominion Government over the payment of interest on the stock. The Argentine railway market is better. Brazilians have been moving upwards; Leopoldinas are decidedly better.

The rubber market is dead, so far as any share activity is concerned, the sagging of the price of raw rubber being the chief reason for the inaction. In the oil market, a drop in Mexican Eagles and a rise in Shell Transports are the outstanding features. Dealings in this market continue to be very professional. The textile group improved to a slight extent, and, of the tobacco shares, British Americans are still being bought on vague expectations of an early bonus in shares. The hotel market, after being better, took on a less robust appearance towards the end of the week, but stores' shares have been inclined to harden as a result of Christmas shopping estimates. Dunlops are a better market; Croses and Blackwells weakened. Reports from the directors of both are expected immediately.

In the insurance market, Motor Unions and United British rose substantially, in consequence of the belief that both companies are to be taken over by one of the bigger brethren. Other insurance shares are also strong, less on dividend prospects than on bonus hopes. Banking shares, particularly those of the Eastern group, are in the ascendant. Amongst land companies, Scottish Australian stock continues to be an outstanding feature of strength on the increased dividend. Egyptians have been attracting little notice. Iron and steel shares gained a few pence in a good many cases. The feature

in the shipping group is a rise in P. and O. deferred, on the excellent report. Marconis strengthened as a result of this week's meeting, and cable stocks are better by reason of the impression that the wireless and submarine systems will work in harmony instead of competition. The tea market hesitates, partly because the slight rise in the rupee has not been un- noticed by speculative purchasers of tea shares. The price of Majorities kept within the neighbourhood of 35 for the greater part of the week.

Kaffir shares showed a good deal of strength on the publica- tion of an excellent batch of November returns, which, coupled with optimistic dividend estimates, caused a rise throughout the list. A little profit-taking occurred at the end of the week. The dramatic rise in tin, the metal, led to a strengthening of Malayan shares, and most members of this group have im- proved. West Africans are also better, but the Cornish shares exhibit an undecided tendency. There has been little increase in the amount of speculation in the tin share market, owing to the apprehension that so violent a jump in tin may be followed by an equally sharp slump. Diamonds are lower. Indian shares hold the modest improvements scored on account of the rise in gold. Mexican and Canadian mining shares attract a fair amount of quiet business without, however, moving noticeably in their prices.

The Stock Exchange managers and committee will give their Christmas dinner next Wednesday in the committee room of the House. The function this year it was decided should bear no political complexion, and the invited guests are mainly the heads of well-known financial institutions.

NEW ISSUES.

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

	Nominal	Cash	First	Further
	Capital.	Subscription.	Payment.	Lia-
	£	£	£	bility.
Amount previously recorded	£ 259,169,608	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				
4% Treasury Bonds, by public tender, Nov. 30, £900,000, average price, £94 10s 2d	£ 850,500	£ ..	£ ..	£ ..

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED DEC. 1, 1923.				
April 1, 1923, to Dec. 1, 1923, £13,950,000 .. Dr	£ 350,000	£ ..	£ 350,000	£ ..
To Shareholders only—				
Patenting Rubber Estates, £25,000 (Dec. 3)	25,000	25,000	2,500	22,500
Venesta, 75,000 Ord. £1 Shares, at par (Dec. 3)	75,000	75,000	37,500	37,500
Ward (Thos. W.), 125,000 New Ord. £1, at par	125,000	125,000	15,625	109,375
Do 125,000 5% (free of tax) 2nd Cum. Pref., £1, at par	125,000	125,000	15,625	109,375
Total offered to shareholders only	£ 350,000	£ 71,250	£ 71,250	£ 278,750
Total offered for subscription to date in—				
1923 £260,020,108	1922 £573,675,650			
1922 567,999,850	1921 388,978,203			
1921 343,183,211	1920 367,549,656			
1920 360,703,978	1919 1,036,059,951			
1919 1,023,575,727	1918 1,331,381,441			
1918 1,304,042,870	1917 1,318,598,010			
1917 1,272,609,476	1916 585,436,853			

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price	Latest	Price	Latest
	Week.	Week.	Week.	Week.
War 4%, 1925-28 .. 96 .. 96 .. 105 .. 105				
Loans 4%, 1925-45 .. 97 1/2 .. 97 1/2 .. 100 .. 100				
4%, 1929-42 .. 100 .. 100 .. 100 .. 100				
4%, 1929-42 .. 100 .. 100 .. 100 .. 100				
Funding Loan 4% .. 88 1/2 .. 88 1/2 .. 100 .. 100				
Victory Bonds 4% .. 92 1/2 .. 92 1/2 .. 100 .. 100				
Conversion Loan 3 1/2% .. 77 .. 77 .. 100 .. 100				
Consols 2 1/2% .. 57 1/2 .. 57 1/2 .. 100 .. 100				
Irish Land Stock 2 1/2% .. 58 1/2 .. 58 1/2 .. 100 .. 100				
Local Loans 3% .. 65 1/2 .. 65 1/2 .. 100 .. 100				
Banks.				
Barclays B (£1, l.p.d.) .. 2 1/2 .. 2 1/2 .. 5 1/2 .. 5 1/2				
Chartered Bk of India .. 19 1/2 .. 19 1/2 .. 20 .. 20				
Lloyds (£5 with £1 paid) .. 2 1/2 .. 2 1/2 .. 11 .. 11				
Midland (£12, with £4 paid) .. 8 1/2 .. 8 1/2 .. 10 1/2 .. 10 1/2				
Nat. Bank of Egypt (£10) .. 2 1/2 .. 2 1/2 .. 17 1/2 .. 17 1/2				
Foreign Government Securities.				
Argentine 5%, 1886-7 .. 100 .. 100 .. 107 .. 107				
Austrian 6% Guar. .. 85 .. 85 .. 99 .. 99				
Belgian 3% .. 68 .. 68 .. 69 .. 69				
Brazil 5% Fund., 1914 .. 71 .. 71 .. 72 .. 72				
Chilian 4%, 1895 .. 85 1/2 .. 85 1/2 .. 85 1/2 .. 85 1/2				
Do 7%, 1912 .. 106 1/2 .. 106 1/2 .. 106 1/2 .. 106 1/2				
Chinese 5%, 1913 .. 67 .. 67 .. 67 .. 67				
Egyptian 4% .. 73 .. 73 .. 73 .. 73				
French 5% .. 25 .. 25 .. 25 .. 25				
Do 4% .. 20 1/2 .. 20 1/2 .. 20 1/2 .. 20 1/2				
Greek 4%, 1884 .. 42 1/2 .. 42 1/2 .. 42 1/2 .. 42 1/2				
Colonial and Foreign Railways.				
Antofagasta Cons. .. 88 .. 87 .. 87 .. 87				
B.A. and Pacific .. 71 .. 71 .. 71 .. 71				
B.A. Gt. Southern .. 81 1/2 .. 81 1/2 .. 81 1/2 .. 81 1/2				
Buenos Ayres West .. 72 1/2 .. 72 1/2 .. 72 1/2 .. 72 1/2				
Canadian Pacific .. 166 1/2 .. 167 1/2 .. 167 1/2 .. 167 1/2				
Central Argentine .. 68 1/2 .. 67 1/2 .. 67 1/2 .. 67 1/2				
Leopoldina .. 20 1/2 .. 21 1/2 .. 21 1/2 .. 21 1/2				
Mexican Railway .. 104 .. 104 .. 104 .. 104				
Do 1st Pref. .. 30 .. 30 .. 30 .. 30				
Do 2nd Pref. .. 19 .. 18 .. 18 .. 18				
San Paulo .. 136 .. 136 .. 136 .. 136				
United Havana .. 80 1/2 .. 81 1/2 .. 81 1/2 .. 81 1/2				

Telegraphs.

Price	Latest	Price	Latest
Week.	Week.	Week.	Week.
Anglo-American "A" .. 23 1/2 .. 23 1/2 .. 23 1/2 .. 23 1/2		Marconi Canada .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Marconi Wireless .. 2 1/2 .. 2 1/2 .. 2 1/2 .. 2 1/2		Marcon Marine .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	

British Railways.

Price	Latest	Price	Latest
Week.	Week.	Week.	Week.
Great Western, Ord. .. 110 1/2 .. 111 .. 111 .. 111		Southern, Ord. "A" .. 35 1/2 .. 35 1/2 .. 35 1/2 .. 35 1/2	
Do Def. .. 85 1/2 .. 86 1/2 .. 86 1/2 .. 86 1/2		Do Ord. "B" .. 12 1/2 .. 12 1/2 .. 12 1/2 .. 12 1/2	
London & North-Eastern .. 86 1/2 .. 86 1/2 .. 86 1/2 .. 86 1/2		Do Def. Ord. .. 40 1/2 .. 40 1/2 .. 40 1/2 .. 40 1/2	
5% Pref. Ord. .. 32 1/2 .. 33 1/2 .. 33 1/2 .. 33 1/2		Underground Electric (10) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2	
Do Def. Ord. .. 32 1/2 .. 33 1/2 .. 33 1/2 .. 33 1/2		Do "A" (1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
London, Mid., and .. 105 1/2 .. 105 1/2 .. 105 1/2 .. 105 1/2		Do Inc. Bds. (£100) .. 101 1/2 .. 101 1/2 .. 101 1/2 .. 101 1/2	
Scottish, Ord. .. 105 1/2 .. 105 1/2 .. 105 1/2 .. 105 1/2			
Metropolitan .. 76 1/2 .. 75 1/2 .. 75 1/2 .. 75 1/2			
Metropolitan District .. 56 .. 56 1/2 .. 56 1/2 .. 56 1/2			

American Railroads.

Price	Latest	Price	Latest
Week.	Week.	Week.	Week.
Chesapeake & Ohio .. 82 .. 85 .. 85 .. 85		Southern .. 42 .. 44 .. 44 .. 44	
Erie .. 23 .. 23 1/2 .. 23 1/2 .. 23 1/2		Do Non-cum Pref. 77 .. 77 .. 77 .. 77	
Do 4% 1st Pref. .. 33 .. 35 .. 35 .. 35			

Miscellaneous.

Price	Latest	Price	Latest
Week.	Week.	Week.	Week.
Aerated Bread (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Imperial Tobacco (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2	
Amal. Cottons (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Linggi Plantins (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Anglo Persian Oil (£1) .. 2 1/2 .. 2 1/2 .. 2 1/2 .. 2 1/2		Lipton (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Armstrong (Sir W.G.) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Lever Bros 7% Cmp (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
And Co. (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Do 8% Cmp A Pref (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Ass. Pind. Cement (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Do 8% Cmp P Ord (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Barker, John (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Lister (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
B'ham Small Arms (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Lobitos Oilfields (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Brazil Traction (£100) .. 44 1/2 .. 46 1/2 .. 46 1/2 .. 46 1/2		Lyons (J.) & Co. (£1) .. 4 1/2 .. 4 1/2 .. 4 1/2 .. 4 1/2	
British-American Tobacco (£1) .. 5 1/2 .. 5 1/2 .. 5 1/2 .. 5 1/2		Magadi Soda (£1 Ord.) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Burmah Oil (£1) .. 4 1/2 .. 4 1/2 .. 4 1/2 .. 4 1/2		Mexican Eagle (£10) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Coats (J. and P.) (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2		Pekin (2) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Courtaulds (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2		Rubber Plantations .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Cunard (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Investment (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Dorman, Long (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Shell Transport (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2	
Dunlop Rubber (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		Smithfield & Argentine .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Fine Cotton Spinners (£1) .. 2 1/2 .. 2 1/2 .. 2 1/2 .. 2 1/2		Meat (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Forestal Land (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		United Dairies (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Furness, Withy (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		United Serdang (2) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
Highlands and Low-lands Rubber (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2		United Tobacco (£1) .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2	
Hudson's Bay (£1) .. 5 1/2 .. 5 1/2 .. 5 1/2 .. 5 1/2		Vallambrosa (2) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
		Vickers (£1) .. 1 1/2 .. 1 1/2 .. 1 1/2 .. 1 1/2	
		Watney Del. Suk. .. 182 1/2 .. 178 1/2 .. 178 1/2 .. 178 1/2	

Mines.

Brakpan (£1)	3 1/2	3 1/2	—	1/8	Knights	4 1/2	4 1/2	—	1/8
Broken Hill Prop. (8) ..	1 1/2	1 1/2	—	1/8	Modderfontein (10) ..	4 1/2	4 1/2	—	1/8
Chartered (£1)	1 1/2	1 1/2	—	1/8	Modderfont. "B" (5) ..	1 1/2	1 1/2	—	1/8
Cons. Gold Fields (£1) ..	1 1/2	1 1/2	—	1/8	Modderfont. Deep (5) ..	2 1/2	2 1/2	—	1/8
Crown Mines (10)	3 1/2	3 1/2	—	1/8	Premier Def. (2/6)	5 1/2	5 1/2	—	1/8
De Beers Def. (£2 1/2) ..	12 1/2	11 1/2	—	1/8	Rand Mines (5)	3 1/2	3 1/2	—	1/8
East Rand Prop. (£1) ..	1 1/2	1 1/2	—	1/8	Selukwe	1 1/2	1 1/2	—	1/8
Geduld (£1)	3 1/2	3 1/2	—	1/8	Rio Tinto (£5)	32 1/2	32 1/2	—	1/8
Gov. Gold Areas (£1) ..	6 1/2	6 1/2	—	1/8	Spring Mines (£1)	2 1/2	2 1/2	—	1/8

COMPANY MEETINGS, &c.

CITY OF LONDON REAL PROPERTY COMPANY, LIMITED.

CAPITALISATION PROPOSALS EXPLAINED.

PURCHASE OF CITY AND WESTMINSTER PROPERTIES SCHEME.

An extraordinary general meeting of the City of London Real Property Company, Limited, was held, on the 3rd instant, at the Cannon Street Hotel, London, to consider resolutions authorising the capitalisation of the recent valuation of properties, and for the fusion of the City of London Real Property Company, Limited, with the City and Westminster Properties, Limited. Mr W. E. R. Innes (the chairman) presided.

The secretary (Mr S. Walker) read the notice convening the meeting.

The Chairman, after apologising for the absence through illness of Lord St Davids, said: The object of calling to-day's meeting is to anticipate the forthcoming diamond jubilee of the company by asking you to pass the resolutions of which a copy has been sent to you with the notice calling this meeting. Accompanying this notice you will have received a letter explaining the principal reasons for the suggested alteration in the capital of the company—namely, that the value of the company's properties is very inadequately shown in the balance-sheet, and that a fusion of the City of London Real Property Company and City and Westminster Properties, Limited, will be beneficial to the shareholders in each company.

The reason that the value of the company's properties is not fully shown in the balance-sheet is because hitherto they have always appeared at cost, which in the ordinary way is the most simple and satisfactory mode of stating the assets from year to year. But after such a long period as 60 years, with the gradual increase which has taken place in the value of our properties, due chiefly to the developments of the first-class building sites we have accumulated, the directors feel that the balance-sheet no longer provides the shareholders with an accurate statement of the company's position.

We have therefore taken our actual net rents and calculated the value of the freeholds on the 5 per cent. tables and the leaseholds on the 6 per cent. tables, providing for a sinking fund to replace the capital of the latter as the leases expire. These tables were adopted because, in our opinion, they are the terms which have been most usually applied over a period of years in dealing with City properties of the class the company owns between a willing buyer and a willing seller.

INCREASED VALUE OF PROPERTIES.

The valuation so made shows a total of £10,718,034, as against the cost as shown in the balance-sheet for 1923 of £3,871,064, being an increase of £6,846,970. Of this total the shareholders will be gratified to know that £7,386,760 represents freeholds, or upwards of two-thirds of the total value. These figures at first sight may seem startling, but it must be remembered that this increase has been spread over a term of 60 years, and is to a very large extent the outcome of the very careful selection of sites of the most suitable size for economical development in the most favourable positions; also the result of the constant improvement of existing buildings with a view to providing a larger amount of floor space and consequently more accommodation. Without the greatest care and the most excellent judgment and management, I can assure you the result could not have been nearly so satisfactory. It would be interesting if a comparison could be made of the number of workers housed daily in our buildings now as against that when the company was first instituted; the increase must be very large indeed. However, I can tell you, as a kind of guide to the extent of your operations, that the buildings the company own in the City cover an area of approximately eight acres of freehold properties and five acres of leasehold out of the total area of one square mile of which the City consists.

REARRANGEMENT OF CAPITAL.

Having decided upon a valuation of the company's assets, the natural sequence is to ask you to pass a resolution bringing the share capital into line. But in order to be on the safe side, while retaining our present reserve of £500,000, and our sinking fund for replacing capital paid for leasehold premises of £174,471, we suggest capitalising £6,000,000 only out of the increase of £6,846,970, ignoring the £846,970, and increasing the ordinary share capital from £2,000,000 to £8,000,000. At the same time that we suggest this alteration in the number of ordinary shares we propose to ask you to empower us to issue £564,040 new £1

preference shares, which, under our articles, you have the power to do at a general meeting, and at the same time we are going to ask the preference shareholders at a meeting to be held immediately after this one to agree to the splitting of the existing 87,192 £5 fully-paid preference shares into 435,960 £1 preference shares, so as to bring these shares into line with the new issue being made. If this is approved it will have the effect of raising the capital of the company to £9,000,000, consisting of 1,000,000 £1 4 per cent. preference shares, free of income-tax, and 8,000,000 £1 ordinary shares, on which it is proposed to commence by paying a quarterly dividend at the rate of 5 per cent. per annum, subject to income tax, and to pay such extra dividend in the final quarter of the year as may be considered prudent after making adequate provision for reserves.

In case some of you have not had time to read the circulars, I think perhaps I had better make the position quite clear as to how the dividends will be paid. The City of London Real Property Company shareholders will receive their usual quarterly dividend of 6d on December 10th and again in March on the shares as they at present exist, and in June they will receive such final dividend as may be declared on the four £1 shares, instead of on the one existing share—that is to say, on the 8,000,000 ordinary shares, as against the present 2,000,000 ordinary shares.

CITY AND WESTMINSTER PROPERTIES SHARE PURCHASE.

Subject to the passing of the resolutions I am going to move, your directors have made an offer to the shareholders in the City and Westminster Properties Company, on condition that not less than 90 per cent. accept, to purchase their shares in that company on the terms of either:—

(a) One new fully-paid ordinary share and £1 4 per cent. (free of income-tax) fully-paid cumulative preference share in the City of London Real Property Company, Limited.

(b) A cash payment of £1 and one £1 4 per cent. (free of income tax) fully-paid cumulative preference share in the City of London Real Property Company, Limited.

(c) A cash payment of £1 17s 6d, as they may individually select.

That offer seems to have been very well received, and a very large number of the shareholders have already intimated their intention of accepting (a).

As a large number of shareholders hold shares in both companies, an effort has been made to make the offer as fair to those interested in each company as possible, and the shareholders in the City and Westminster Properties Company who accept the offer under the heading (a) will, in effect, with income-tax at its present rate, be receiving from June next a dividend of over 10 per cent. gross on the money they originally subscribed on the formation of the company. Those who select the offer under the heading (b) will have the £1 they subscribed returned to them, with, in addition, a £1 preference share, yielding with the present tax slightly over 5 per cent. gross, and those who choose (c) will receive £1 17s 6d for each £1 subscribed. The shareholders who accept either (a), (b), or (c) will also receive their usual dividend of 3½ per cent. actual, less tax, on January 31st next. The next dividend they will receive will be a quarterly one, paid between four and five months later, in the following June. In the case of the preference shares, the dividend will then be for the quarter ending April 12, 1924, while the ordinary shares will receive the final dividend paid for the year ending April 12th. The cash payments in connection with the purchase of the shares will be made on January 31, 1924, and the new certificates for both the preference and ordinary shares will be ready as soon after March 15th as possible.

PREFERENCE DIVIDEND AMPLY COVERED.

The City and Westminster Company have a paid-up capital of £500,000, and when the present rearrangement is completed it is computed that, after payment of the dividend on the preference shares, there will be a margin of at least £455,000, without taking into consideration the income from the new properties we have purchased since the end of our last financial year, and that the preference dividend will be covered from 12 to 13 times over, so that the preference shareholders can, I think, be satisfied that they will hold a very safe investment, and one very much better secured even than when the existing preference issue was made. The

holders of the £5 shares should also gain by the freer market which should result from the splitting of their shares and the larger amount of the issue.

Before concluding I am going to ask you to pass a very hearty vote of thanks to the managing director, the secretary, and the remainder of the staff, because without the most zealous and painstaking work on the part of all, for many years past, I am certain a scheme such as you now have before you would have been quite impossible.

The Chairman concluded by moving the resolutions.

Mr Edgar Horne (vice-chairman) seconded the resolutions, and no questions being asked, they were carried unanimously.

A meeting of the preference shareholders was afterwards held, at which a resolution was unanimously passed sanctioning the sub-division of the existing preference shares into £1 shares and the issue of further preference shares ranking *pari passu* with the existing preference shares.

On the proposition of Mr English Harrison, K.C., seconded by Mr Guy Nickalls, a hearty vote of thanks was accorded the chairman, directors, and staff, and the proceedings then terminated.

MARCONI'S WIRELESS TELEGRAPH COMPANY, LIMITED.

IMPORTANT DEVELOPMENTS—GOOD PROSPECTS.

The twenty-sixth ordinary general meeting of Marconi's Wireless Telegraph Company, Limited, was held, on the 3rd instant, at the Connaught Rooms, London.

The secretary (Mr A. Ogle, M.C., A.C.I.S.) having read the notice convening the meeting and the auditors' report,

Senator G. Marconi, G.C.V.O., LL.D., D.Sc. (chairman), presided, and in moving the adoption of the report said that they brought forward to the credit of the profit and loss account £664,830, which, added to the balance for the year of £302,948, left a credit balance of £967,778. They had therefore decided to recommend the payment of final dividends on both classes of shares at the same rate as in the preceding year, which would leave them a balance to carry forward of £525,271. Many new patents which he believed to be of great value to the company had been taken out, or applied for, and last summer he was able to carry out, with the valuable assistance of Mr C. S. Franklin and Mr G. A. Mathieu, important tests with what might rightly be considered an entirely new system of long-distance communication. During the tests communication was successfully carried out on this system between England and many places abroad, including St Vincent (Cape Verde Islands), up to a distance of 2,250 nautical miles, by the employment of only a fraction of the electrical energy hitherto found necessary to cover such distances. He was now completing arrangements which would enable him to give this system a thorough test between England and the United States of America.

MR GODFREY ISAACS' SPEECH.

Mr Godfrey C. Isaacs (deputy-chairman and managing director), in seconding the resolution, said that, with regard to its claim against the several Government Departments, after making every possible effort since the last meeting to obtain the necessary information to allow of their proceeding to a settlement, but having failed to get a step further, he finally appealed to the Prime Minister, Mr Baldwin. He was pleased to say that this resulted in very prompt action. A letter was received from Sir William Joynson-Hicks, who was then Financial Secretary at the Treasury, informing him that they were now ready to press forward with arbitration, and expressing his willingness to agree to accept Lord Buckmaster as Arbitrator, with full powers to settle all questions in dispute between the company and the three Departments—the War Office, the Admiralty, and the Air Ministry. To this proposal the company had agreed, and he (the speaker) had suggested that the matters relating to claims in respect of the Post Office should be similarly dealt with. There remained to be settled the terms of reference, in respect of which he had met and corresponded with Mr Neville Chamberlain. He had hoped to have been in a position to say that all matters in connection with the terms of reference had been agreed to, and he thought that this would have been the case had it not been that Mr Neville Chamberlain's time was so much taken up at the present moment with the Election. He had every hope, however, that this would occasion them but very short delay. There was, therefore, a reasonable prospect that before the New Year was very far advanced all the matters which had remained so long in abeyance would have been satisfactorily disposed of. At the same time he would endeavour to arrive at a definite agreement as to settlements to be made year by year in respect of the present and future use of the company's patents and inventions by all the Government Departments which used them.

EARLY AGREEMENT WITH POST OFFICE ANTICIPATED.

The policy of the directors was to create and conduct a world-wide telegraph business. This, to his mind, had always been the great future which lay before the company, and to this end they had struggled in face of all difficulties with great persistence. They had already opened up telegraph services with some countries, and in doing so they created a very big and costly organisation, from which the full benefits would be derived only when their work was greatly extended. During the past year they had made considerable progress in this direction. The late Mr Bonar Law, when Prime Minister, announced in the House of Commons on March 5th of this year that "it is not considered necessary any longer to exclude private enterprise from participation in wireless telegraphy within the Empire. The Government had therefore decided to issue licences for the erection of wireless stations in this country for communication with the Dominions, colonies, and foreign countries, subject to the conditions necessary to secure British control and suitable arrangements for the working of the traffic." He (the speaker) thought he might say that it was these last words, "suitable arrangements for the working of the traffic," which had been the principal cause of delay in the company obtaining licences from the Post Office. There was really not much, he thought, between them at the present moment, and, again, if he was not able to tell the shareholders that complete agreement had been reached, it was due mainly to the Election. So soon as this happened the great programme which they had in front of them would be commenced, which would lead them eventually to become, he thought, the biggest telegraph company in the world. They would make a very big endeavour to complete the greater part of this work within 12 months from the date they started, and when this was done they would have reached the goal for which they had striven so long, and the great future of their company would be secured.

The report and accounts were unanimously adopted.

NEW MODDERFONTEIN GOLD MINING COMPANY, LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

"HIGHLY SATISFACTORY" RESULTS.
WORKERS' IMPROVED EFFICIENCY.

The twenty-sixth ordinary general meeting of shareholders was held in Johannesburg, on Tuesday, November 6th, Sir Evelyn Wallers presiding.

The Chairman, in moving the adoption of the report and accounts, said: The results of operations during the year under review were highly satisfactory.

The net profit amounted to £1,678,418, and this figure, which includes the working profit of £1,653,481, has only once been exceeded in the history of the mine, namely, for the year 1920-1921, when the price of gold was very much higher. But with the price of gold taken at its standard value, a striking difference is seen in the total working profit earned in the two periods; on this basis the profit amounted to £947,625 for the year ended June 30, 1921, whereas it was £1,540,897 for the year ended June 30, 1923.

DIVIDENDS AND ALLOCATIONS.

Dealing for a moment with the accounts, the balance of working expenditure and revenue account, together with the balance unappropriated at the beginning of the year, and a small amount in respect of forfeited dividends, makes a total of £1,924,648 14s 5d. The details of the allocation of this sum are shown in the directors' report, but the main figures are the payment of two dividends of 50 per cent. each, amounting for £1,400,000, and the payment of Government and provincial taxes for the year, totalling no less than £241,958. The balance unappropriated, amounting to £216,381, is represented by cash and cash assets after allowing for liabilities, and is carried forward.

With regard to the past year's operations, I must draw your attention to the following facts:—(1) a record tonnage of 1,340,000 tons was crushed, being 257,000 tons greater than the tonnage crushed in 1920-1921, the next best year; (2) working costs averaged 16s 8d per ton milled, showing a satisfactory reduction as compared with the costs of the two previous years, and being bettered only on two occasions, namely, in the years ended June 30, 1910 and 1915; (3) the ore reserve of 9,060,800 tons at 8.8 dwts stands both in tonnage and value at a higher figure than at any time in the past; (4) the ore developed during the year, amounting to 1,653,700 tons valued at 11.5 dwts, is greater both in tonnage and value than that for any preceding year; and (5) the development footage accomplished, of 23,581 feet, has only been exceeded on one occasion in the past, namely, in 1917, when the total footage of development work was 27,117 feet.

The improved results shown above are undoubtedly due to the reorganisation of underground working conditions effected after the strike of 1922, and to the improved efficiency of both white and native workers. It would be misleading if I omitted to men-

tion that these improved results have been brought about not only by the greater efforts on the part of employees, but also by more and better facilities provided by the mine. Experiments are constantly being carried out to secure better quality drilling steel, better supplies of compressed air, and better results from explosives. That a considerable measure of success has already been achieved is admitted by all concerned; and there is every reason to suppose that further advances in mining practice will be made, as time goes along, to the benefit of the whole gold mining industry.

DEVELOPMENT WORK.

Turning now in more detail to the past year's mining operations, you will observe that the ore milled amounted to 1,340,000 tons, and the yield per ton was 9.4 dwts. In the large amount of development work accomplished throughout the property the percentage of payability, at 82 per cent., was high and the values from reef disclosures averaged the gratifying figure of 785 inch-dwts. The payable ore developed amounted to 1,653,700 tons valued at 11.5 dwts, with the result that an improvement has been shown not only in the tonnage but in the value of the ore reserve. The ore reserve as re-estimated at June 30th last amounted to 9,060,800 tons valued at 8.8 dwts over an average width of 66 inches, and it is not necessary for me to elaborate the point that the mine is in an exceedingly strong position.

Capital expenditure for the year amounted to about £54,000, and this money was spent chiefly on the extension of the east reduction plant and on preliminary work on the new Circular Shaft. The main items of future capital expenditure will be chiefly in connection with the new shaft, and for providing additional machinery for sand-filling in the northern and north-eastern portions of the mine.

The sinking of No. 2 Circular Shaft, as it is now called, has been commenced. At June 30th last it had reached a depth of 120 feet, and good progress with the surface equipment had been made. The present position is that the permanent headgear is nearing completion, the platform and hoists have been erected, and everything should be ready to start sinking about January 1, 1924. The final depth to which this shaft will be sunk will be about 3,000 feet, and it is expected that this work will be completed by the end of 1925.

Through the courtesy of the directors of the Modderfontein Deep, we have been able to extend two development headings from the workings of that mine. During the year one of these, the 18th Level Drive, was advanced 717 feet, the average reef value exposed being 617 inch-dwts over a sampled distance of 625 feet. The 19th West Raise 2 W. was advanced 730 feet, the reef value averaging 382 inch-dwts. The most recent values, however, were more satisfactory, and for the last 285 feet sampled averaged 478 inch-dwts. This development will be continued with the object of obtaining an early connection to the No. 2 Circular Shaft, and consequent adequate ventilation for the advanced development in the south-west area, as soon as this shaft reaches the reef.

SORTING WASTE ROCK.

In the matter of sorting of waste rock from the ore mined, the following figures are of interest:—

In the past year, 45,901 tons were packed underground; 30,889 tons were sent direct to the dump, and 184,535 tons, being 12.1 per cent. of tonnage sent to the sorting stations, were sorted on the surface. The total tonnage eliminated was 261,325 tons, and represents 16.33 per cent. of the total tonnage broken. This latter figure compares with 15.3 per cent. for the previous year, and the comparison is all the more favourable when it is borne in mind that the calculated stoping width, which is an important factor in the elimination of the waste, was reduced by about 6 inches, i.e., from 75 inches to 69 inches.

In metallurgical practice, the results achieved during the period under review were entirely satisfactory. The introduction of corduroy blankets in replacement of the amalgamation plates can be definitely stated to be a successful innovation, as is shown by the fact that, whereas the cost of plate amalgamation per ton milled was 3.2d in 1921 and 2.4d in 1922 (excluding the three months' strike period), the cost of corduroy concentration during the first nine months of 1923 was 1.9d only.

GOVERNMENT AND PROVINCIAL TAXATION.

You will observe from the directors' report that your company paid Government and provincial taxes during the past year amounting to no less than £241,958, quite apart from the annual sum of £17,310 payable to the Government in respect of undermining rights leased. In other words, Government and provincial taxes alone absorbed 14.4 per cent. of the company's net profits. One cannot but envy the shareholders of, say, the Hollinger Consolidated Gold Mines of Canada, whose property is in some respects comparable to your own, but is fortunately situated in Ontario, where taxation is levied at a more reasonable rate.

With regard to operations in the current financial year, the average monthly profit for the four months July to October has been £143,557 with working costs averaging 16s 6.2d per ton milled. Development work continues to disclose ore of satisfactory values.

Mr S. C. Black seconded the motion, which was carried unanimously.

STRAND HOTEL, LIMITED.

INCREASED PROFIT DESPITE REDUCED CHARGES.

The sixteenth ordinary general meeting of the Strand Hotel, Limited, was held, on the 6th instant, at the Trocadero Restaurant, Shaftesbury Avenue, London.

The secretary (Mr H. F. Joyner) read the notice convening the meeting.

Major M. Gluckstein, who presided, said it was with no little gratification that he was able to present the report and accounts of another highly satisfactory year's business. That the amount of business done and the profits earned had again increased testified better than any words of his could to the solid foundation of public good will upon which the company stood. Speaking generally on the company's trading, he might remind shareholders that during the year ended in September, 1922, they reduced the tariff for bedrooms, so that these reductions had operated throughout the whole of the year now under review. As previously explained, they did not lower these prices with a view to attracting more visitors; that would have been impossible, as the hotels had always been, and were now, fully occupied. The reductions were made in pursuit of the policy of the board to supply the public at the lowest price, and to get back as near as possible to pre-war rates. With regard to the catering side of the business, there had been some slight reductions in the cost of foodstuffs during the year, and expenses in one or two instances had been lower. The benefit of these lower costs had been passed on to the public in the form of reduced charges. It was natural, therefore, to find that the average amount spent per head had been less. Notwithstanding this lower average, however, the turnover again showed an increase, the number of meals served during the year being the greatest in the history of the company. On the whole, they had more than made good the drop in turnover, due to the lower charges for rooms, and were able to show a balance of profit of £107,746, after making all necessary provisions, or £1,447 more than the previous year's figure. The directors again recommended a final dividend on the participating preferred ordinary shares at the rate of 15 per cent. per annum, making a

total dividend for the year of 11 per cent. They were carrying forward £16,515, or £8,786 more than a year ago. The figures, he was sure the shareholders would agree, disclosed a very sound financial position. It was their good fortune, especially in such unsettled times as these, that their business was one of providing an every-day service of an indispensable character.

The report and accounts were unanimously adopted.

AERATED BREAD COMPANY, LIMITED.

EFFECTS OF TRADE DEPRESSION.

The seventieth ordinary general meeting of the Aerated Bread Company, Limited, was held, on the 3rd instant, at Cannon Street Hotel, London.

Mr Charles E. Cottier (the chairman), in moving the adoption of the report and accounts, said that, notwithstanding the reduction in the gross profits, the trade for the past year showed a substantial increase both in customers and in purchases, and was larger than in any preceding year. That the gross profit was not higher was attributable to reduction in the prices charged to customers. A great proportion of the company's trade depended upon a class of the community acutely affected by trade depression. Reductions in prices had consequently been made which, in many cases, brought them down to pre-war level, although the average cost of foodstuffs during the year was 70 per cent. above that of the pre-war period. The directors had continued to extend the company's business, and a large number of new branches had been acquired. All new shops were on the most modern lines. The total amount expended upon new depots was included in the present accounts, but they had not yet had from them the benefit of a full twelve months' trading. The important building being erected at 326 Regent Street, was nearing completion, and the depot on the premises was proving successful. The bakeries, factories, and stores at Camden Town were not sufficiently large, and the board had secured extensive freeholds adjoining. Bertram and Co. had shown very good progress. The reorganisation of James Cottle, Limited, had received attention, and a great deal of reconstruction work had been carried out at some of the larger cafés. The number of customers served by the Aerated Bread Company showed an increase of some millions during the past year, and had the individual customer spent the same sum as in the previous year the dividend would have been maintained. The directors looked forward to the return of a stable Government with a constructive policy for the re-establishment of the country's industries on economic lines, the provision of work for our vast army of unemployed fellow-countrymen, the maintenance of British credit in the markets of the world, and the gradual reduction of the intolerable burden of taxation. By these means alone would the condition of our people be permanently improved, the spending power of the community enhanced, and the commercial prosperity, in which the company would share, be restored.

Mr George Harvey seconded the resolution, which was unanimously carried.

WARING AND GILLOW, LIMITED.

IMPROVED RESULTS—"NEW VALUES" POLICY.

The annual general meeting of Waring and Gillow, Limited, was held, on the 4th inst., at 164-182 Oxford Street, London.

Lord Waring, who presided, said that the profit for the year was £111,779, as against a loss for the previous year of £71,293. That loss had been due to the writing down of such stocks as had been acquired when prices had stood at their highest. On that occasion the directors did not feel justified in recommending the payment of anything more than the year's dividend on the preference shares. The times were exceedingly difficult, both at home and abroad, and, in the event of a substantial revival of general trade activity, credit facilities were bound to become more stringent. For that reason it was of the utmost importance to the company that it should have, for the purposes of the business, the advantage of all the cash and liquid assets available. The business had expanded with great rapidity, and it had been extended without recourse to the issue of further capital.

In the early part of the year the directors had come to the conclusion that, having regard to the conditions of the times and the effect of heavy taxation upon those who formed a large percentage of their customers, a change of policy was essential and a drastic overhaul necessary in every branch of the business. They had supplemented the existing machinery in the various factories with the latest machines available, and a standardisation of all the best models had been arranged. The showrooms had also been rearranged, and all departments overhauled to enable them to cater for a much larger class and range of customers.

At the present moment they felt they could confidently say that not only could they cater for practically every class for everything

that related to the decoration and complete furnishing and equipment of the home, but they could fairly claim that they held in stock the widest range of designs and best value in prices that could be found under the roof of any furnishing house in the world. They were in a position to say that such changes had had a very beneficial effect upon the business. More and more customers were being attracted to the showrooms as the result of their policy of supplying goods within the reach of those of the most moderate means, and their products were of the first-class quality and design at very moderate prices. They had applied the name of "New Values" to them, which conveyed to the public for whom they catered that in any direction in the furnishing trade "Waring and Gillow" was the trade mark of quality, design, and moderate price.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Dec. 10-Dec. 15 were opened on Dec. 7, 1923, and the total amount applied for was £59,635,000. For bills at three months, dated Monday to Saturday at £99 3s 11d, about 87 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £43,800,000; in bonds, £1,200,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Oct. 26, 1923.	£ 35,000,000	£ 50,275,000	£ 100 1 8-33	£ 100 1 8-33
Nov. 2, 1923.	35,000,000	51,350,000	100 1 8-33	100 1 8-33
Nov. 9, 1923.	35,000,000	53,200,000	100 1 8-33	100 1 8-33
Nov. 16, 1923.	35,000,000	46,275,000	100 1 8-33	100 1 8-33
Nov. 23, 1923.	45,000,000	61,235,000	100 1 8-33	100 1 8-33
Nov. 30, 1923.	45,000,000	52,835,000	100 1 8-33	100 1 8-33
Dec. 7, 1923.	45,000,000	59,635,000	100 1 8-33	100 1 8-33

Tenders will be received on Dec. 14, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments in Accounts.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.
Mar. 29, 1922.	300,351	14,255	6,000	28,500	19,450	15-9	261,479
June 28, 1922.	295,374	13,338	6,000	28,500	19,650	16-3	254,512
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16-6	246,456
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	15-9	258,922
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17-3	241,294
June 27, 1923.	286,503	12,516	7,000	27,000	22,450	17-3	242,446
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17-5	238,595
Nov. 22, 1923.	281,202	12,015	7,000	27,000	22,450	17-6	236,599
Nov. 29, 1923.	281,581	11,901	7,000	27,000	22,450	17-6	236,882
Dec. 6, 1923.	284,393	12,139	7,000	27,000	22,450	17-4	239,946

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £276,183,800.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Dec. 31, 1923.
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	15	14	14	14
4% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	16	13	13	13	13	13	13	13
4 & 5% War Stock	..	2,091	2,047	2,040	1,996	1,963	2,071	2,096	2,096
National War Bonds	..	649	1,509	1,476	1,413	1,201	971	953	924
4% Funding Loan	..	..	409	409	405	401	401	400	400
4% Victory Bonds	..	..	360	357	346	335	335	335	335
4% Conversion Loan	..	..	..	..	..	..	..	..	..
5-15 year Treas. Bonds	..	..	..	..	..	..	..	..	..
5% Treasury Bonds	..	..	..	..	..	..	..	..	..
Do by tender 5%	..	..	..	..	..	..	..	..	..
Do by tender 4%	..	..	..	..	..	..	..	..	..
Do 4% 1931-33	..	..	..	..	..	..	..	..	..
Treasury Bills	15	961	1,107	1,107	1,181	878	719	616	646
Exchequer Bonds	80	399	323	319	289	185	150	150	150
Natnl. Savings Certs.	..	138	267	274	285	342	350	354	368
War Expnd. Certs.	..	944	1,306	1,181	1,132	1,087	1,071	1,157	1,149
Other Debt	..	51	51	51	..	..	..	..	..
American Loan	..	204	243	205	154	147	222	194	186
Temporary Advances	..	..	..	..	..	..	..	..	..
Other Capital Liabilities	654	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,770
Total Liabilities	57	711	5,921	8,079	7,876	7,623	7,721	7,835	7,839

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Dec. 2, '22.	Mar. 31, '23.	Dec. 1, '23.	Week-ended Dec. 1, '23.
Outstanding—	£	£	£	£
Advances by Bank of England	10,750,000	..	14,000,000	+ 14,000,000
Advances by Public Dep'ts.	201,488,500	193,897,500	171,711,500	+ 13,250,000
Treasury Bills outstanding	735,915,000	616,045,000	646,215,000	+ 640,000
Total Floating Debt	948,153,500	809,942,500	831,926,500	+ 27,890,000
* Includes £15,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apl. 1, 1923, to Dec. 1, 1923.	Apl. 1, 1922, to Dec. 2, 1922.	Week Ended Dec. 1, 1923.	Week Ended Dec. 2, 1922.
Balances in Exchequer on 1st April:—					
Bank of England....	5,442,665	9,963,424	..	..	..
Bank of Ireland....	1,375,502	1,210,106	..	..	..
REVENUE.					
Customs.....	116,900,000	85,300,000	85,762,000	2,624,000	2,781,000
Excise.....	143,850,000	96,453,000	108,064,000	1,724,000	1,568,000
Motor Vehicle Duties ..	13,250,000	4,355,000	3,493,000	..	..
Stamps, &c., Duties ..	52,000,000	37,140,000	40,231,000	603,000	820,000
Land Tax, House Duty	20,000,000	12,820,000	12,232,000	720,000	620,000
Land Tax, House Duty	3,000,000	540,000	620,000	..	..
Property & Income Tax	261,000,000	129,191,000	176,378,000	2,121,000	10,000
Super-Tax.....	58,000,000	24,100,000	360,000	..	..
Excess Profits Tax, &c.	12,000,000	..	954,000	..	..
Corporation Profits Tax	20,000,000	14,350,000	11,847,000	280,000	360,000
Post Office.....	52,600,000	34,650,000	35,600,000	1,050,000	1,000,000
Crown Lands.....	900,000	690,000	630,000	130,000	..
Interest on Sundry	..	..	..	..	..
Loans.....	12,500,000	8,398,452	6,633,081	22,802	105,206
Miscellaneous.....	..	..	..	..	..
Ordinary Receipts...	12,500,000	9,104,325	18,149,795	40,865	50,892
Special Receipts...	40,000,000	28,085,270	33,597,689	3,309,411	1,004,984
Revenue.....	818,500,000	485,177,848	534,191,565	12,982,078	11,391,082
Total, Inc. Balance ..	491,995,815	545,365,095	..	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Billion.....	65,000	800,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..	..
Under the Unemployment Insurance Act, 1921.....	4,750,000	2,910,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922.....	3,370,000	3,360,000	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	820,000	2,510,000	..	..	..
(c) For other issues:—					
By Treasury Bills.....	1,672,186,000	1,981,707,000	54,364,000	59,118,000	..
By National Savings Certificates By Exchequer and National War Bonds.....	37,150,000	45,018,000	300,000	750,000	..
By Treasury Bonds—	..	20	..	..	..
5-15 year, 1925-35.....	..	61,655,154	..	..	..
5%, 1927.....	..	65,944,910	..	1,288,975	..
4%, 1931-33.....	29,444,877	..	236,250	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	25,259	..	..	..
(d) Ways and Means Advances ..	559,355,000	584,414,000	31,200,000	32,700,000	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired	50,081	243,012	..	..	..
Repayments—					
In respect of Cunard Loan ..	130,000	130,000	130,000	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	195,688	270,252	..	13,506	..
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	..	6,827,960	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	162,425	..	..	..
Total.....	2,799,598,243	3,304,043,305	99,212,328	105,261,553	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (See Note.)	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apl. 1, 1923, to Dec. 1, 1923.	Apl. 1, 1922, to Dec. 2, 1922.	Week Ended Dec. 1, 1923.	Week Ended Dec. 2, 1922.
EXPENDITURE.					
National Debt Services—					
Interest, &c.....	310,000,000	231,709,908	261,844,293	32,678,947	38,106,719
Sinking Fund.....	40,000,000	24,325,661	..	515,548	..
Road Fund.....	12,650,000	3,754,044	2,943,999	..	..
Payments to Local Taxation Accounts, &c.....	10,348,000	6,657,205	5,652,990	730,000	700,000
Payments to Northern Ireland Exchequer ..	3,000,000	2,608,729	1,229,152	75,000	..
Land Settlement.....	1,500,000	396,422	768,512	496	27,659
Other Consolidated Fund Services.....	2,972,000	1,596,889	1,681,809	10,596	11,562
Supply Services.....	440,565,000	243,136,418	265,523,618	7,310,000	10,911,500
Expenditure.....	821,035,000	514,183,276	539,664,403	41,190,597	49,757,440
OTHER ISSUES.					
Billion.....	5,000	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	169,818	..	..	..
Under the Unemployment Insurance Act, 1921.....	820,000	3,760,000	..	250,000	..
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1921 and 1922.....	4,670,000	4,060,000	450,000	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	950,000	..	..	..
Under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..	..
Unemployment Insurance Act, 1921—					
Repayment of amounts borrowed..	4,750,000	2,110,000	270,000	..	..

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apl. 1, 1923, to Dec. 1, 1923.	Apl. 1, 1922, to Dec. 2, 1922.	Week Ended Dec. 1, 1923.	Week Ended Dec. 2, 1922.
Redemption of Debt—				
Treasury Bills.....	1,641,995,000	2,127,899,000	53,700,000	55,130,000
Principal of National Savings Certificates.....	23,200,000	17,850,000	650,000	450,000
Principal of Exchequer Bonds paid off.....	..	19,612,208	..	..
Principal of National War Bonds paid off.....	32,222,296	44,384,182	..	100,000
Other Debt under the War Loan Act, 1914 to 1919.....	7,463,440	14,220,672	..	72,607
Ways and Means Advances Repaid ..	567,541,000	519,477,000	3,950,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	50,081	243,012	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911.....	55,214	59,656	..	4,609
Balances in Exchequer—				
Bank of England.....	1,924,257	2,039,943	363,135	148,428
Bank of Ireland.....	622,397	963,011	635,124	364,055
Total.....	2,546,654	3,002,954	998,259	512,483

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, December 3, 1923.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.
ESTABLISHED 1894.
ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.
Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, December 5, 1923.

ISSUE DEPARTMENT.

Notes issued.....	145,794,760	Government debt.....	11,015,100
		Other securities.....	8,734,900
		Gold coin and bullion.....	126,044,760
Total.....	145,794,760	Total.....	145,794,760

BANKING DEPARTMENT.

Proprietors' capital ..	14,553,000	Government securities.....	69,724,056
Reserve.....	3,224,646	Other securities.....	74,361,605
Public deposits*	11,209,522	Notes.....	19,682,970
Other deposits.....	136,601,297	Gold and silver coin..	1,828,470
Seven-day & other bills ..	8,636		
Total.....	165,597,101	Total.....	165,597,101

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

	Amount, Dec. 5, 1923.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	3,224,646	+	64,348
Public deposits.....	11,209,522	+	67,330
Other deposits.....	136,601,297	+	10,047,673
Government securities	69,724,056	+	2,831,965
Other securities.....	74,361,605	+	2,530,768
Reserve.....	21,511,440	+	1,381,473
Note circulation.....	126,111,790	+	3,047,835
Coin and bullion.....	127,873,230	+	104,493
% of reserve to liabilities ..	14%	+	4%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Reserve and % of Reserve to Liabilities.
1923.					
Oct. 24.....	127,673,564	123,110,835	119,597,618	113,005,551	24,312,739
Nov. 7.....	127,874,137	124,792,730	119,280,633	114,331,778	22,631,407
Nov. 14.....	127,674,764	124,861,965	119,400,769	114,538,379	22,542,809
Nov. 21.....	127,686,026	124,204,155	120,689,517	115,187,994	23,431,871
Nov. 28.....	127,766,336	123,869,000	123,468,514	117,581,862	23,847,336
Dec. 5.....	127,873,230	126,111,790	127,873,230	119,280,633	24,312,739

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to October 31	26,873,000	1,292,945	2,355,391	30,521,336
November 7	603,362	31,958	60,545	695,865
14	615,035	28,119	50,846	694,000
21	655,691	30,791	57,289	743,771
28	610,943	27,765	47,765	686,473
December 5	732,948	32,150	56,980	822,078
Total to date 1923.....	30,130,979	1,443,719	2,628,816	34,203,514
Do 1922.....	30,877,948	1,478,111	2,635,834	34,991,893
Increase or decrease in 1923 ..	= 746,969	= 34,392	= 7,018	= 788,379
	= 2.4 %	= 2.3 %	= 0.2 %	= 2.2 %
Total for year 1922.....	32,780,635	1,092,303	2,806,165	37,161,199
Total for year 1921.....	30,268,214	1,121,720	3,002,179	34,392,113
Increase or decrease in 1922 ..	+ 2,512,421	— 29,417	— 196,014	+ 2,386,990
	= 8.3 %	= 2.6 %	= 6.5 %	= 6.3 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to December 1.			
BIRMINGHAM.....	103,929,500	107,137,200	+ 3,207,700
BRISTOL.....	63,872,000	63,476,000	— 396,000
DUBLIN.....	295,883,800	284,351,000	— 11,532,800
HULL.....	51,561,300	51,338,700	— 222,600
LIVERPOOL.....	50,606,100	47,735,100	— 2,871,000
LEICESTER.....	37,476,200	35,244,200	— 2,232,000
LIVERPOOL.....	401,217,800	411,669,200	+ 10,451,400
MANCHESTER.....	719,495,300	697,641,300	— 21,854,000
NEWCASTLE-ON-TYNE.....	95,877,700	95,877,700	—
NOTTINGHAM.....	31,118,100	29,001,800	— 2,116,300
SHEFFIELD.....	44,603,700	53,419,500	+ 8,815,800

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the Economist of November 3. Egypt in November 17. Canada and Bulgaria in November 24. Japan, Norway, Lithuania, Serbia, &c., and Roumania in December 1.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Dec. 1, 1923.	Nov. 23, 1923.	Nov. 16, 1923.	Dec. 2, 1923.
RESOURCES.				
Total gold reserve	3,112,440	3,135,460	3,134,010	3,072,860
Legal tender notes and silver reserve.....	84,850	77,430	75,370	129,950
Bills discounted for member banks	794,380	746,190	791,110	650,100
Bills bought in open market.....	289,000	284,550	268,450	259,230
Government obligations owned	84,460	73,360	90,320	304,460
All other resources	70,660	70,410	70,140	64,460
LIABILITIES.				
Government deposits	34,800	26,070	44,910	33,450
Other deposits	1,903,790	1,915,410	1,937,540	1,826,770
Federal Reserve Notes in actual circulation.....	2,246,300	2,223,070	2,265,050	2,329,810
F.R.B. Notes in actual circulation	500	500	510	20,870
All other liabilities	25,380	24,750	24,510	26,900
Capital and surplus.....	328,460	328,470	328,390	322,611
Ratio of total resources to gross deposits and Federal Reserve note liabilities combined	76.4%	77.1%	75.6%	76.4%

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

Assets.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Oct. 31, 1923.
Gold	62,116,639	62,116,639	62,116,639	62,116,639
Foreign bills	3,462,559,648	3,389,552,616	3,419,261,995	3,356,251,874
Bills discounted	1,097,859,891	1,123,340,592	1,123,913,476	1,068,175,611
Treasury bills	2,535,546,861	2,535,546,861	2,535,546,861	2,535,546,861
Notes in circulation	6,302,663,954	6,335,954,031	6,410,338,274	6,607,819,105
Deposits	854,839,150	770,799,246	730,221,130	414,881,615

HUNGARIAN BANK.—In krone (000's omitted).

Assets.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Oct. 31, 1923.	Nov. 23, 1923.
Gold coin and bullion	23,304	23,481	23,131	22,547	14,845
Silver coin, &c.	596	596	596	594	596
Bills, warrants, drafts, &c.	512,837,467	488,233,793	500,568,714	494,500,884	501,113,80
Loans	1,057,692	1,107,038	1,661,057	1,663,244	1,814,075
LIABILITIES.					
Notes in circulation	816,349,489	780,374,558	754,232,390	774,925,533	70,371,291
Deposits	81,340,560	76,495,280	60,175,595	8,073,867	

NATIONAL BANK OF GREECE.—In drachmae (000's omitted).

Assets.	Sept. 29, 1923.	Sept. 15, 1923.	Aug. 31, 1923.	Aug. 15, 1923.	Sept. 28, 1923.
Gold and balances abroad	1,408,573	1,435,286	1,576,065	1,490,008	1,360,795
Government loans and securities	4,076,280	4,076,280	4,080,158	4,080,955	2,741,845
Discounts and loans	1,556,925	1,593,431	1,610,451	1,678,373	1,097,452
LIABILITIES.					
Notes in circulation	4,330,342	4,270,139	4,243,667	4,176,707	2,185,015
Government deposits	264,079	236,723	319,009	273,260	340,512
Private sight deposits	1,328,598	1,354,408	1,387,647	1,438,325	1,099,672
Private deposits at fixed dates	1,008,882	1,006,024	1,002,878	1,000,999	1,013,924

RUSSIAN STATE BANK.—Note-Issuing Department. (In Tchernovetz—000's omitted).

Assets.	Dec. 1, 1923.	Nov. 16, 1923.	Nov. 1, 1923.
Gold in coin and bullion	8,741	8,729	8,694
Silver in bullion	90	73	73
Foreign bank notes	4,677	4,109	4,008
Drafts in sterling (less 10%)	447	461	461
Bills (less 10% discount)	6,720	6,720	7,796
Securities covering advances on goods (less 10%)	6,286	5,910	4,568
LIABILITIES.			
Bank notes	26,776	25,850	25,450
Balance to which notes may still be issued	185	152	150

(Note: 1 Tchernovetz = 10 gold roubles.)

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Dec. 1, 1923.	Nov. 24, 1923.	Nov. 17, 1923.	Nov. 10, 1923.	Dec. 2, 1923.	Position May 31, 1914.
Gold	2,527,621	2,527,581	2,527,532	2,527,446	2,523,812	521,775
Silver	652,356	650,184	645,701	644,250	648,154	728,600
Loans and discounts	2,267,387	2,276,538	2,323,660	2,326,601	2,233,428	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,255,430	4,263,276	4,305,077	4,318,116	4,083,492	901,560
Deposits	966,463	970,638	979,615	914,589	1,064,071	477,500

BANK OF PORTUGAL.—In escudos (000's omitted).

Assets.	Oct. 17, 1923.	Oct. 10, 1923.	Oct. 3, 1923.	Sept. 26, 1923.	Oct. 18, 1923.
Coin and bullion	27,246	27,253	27,254	27,230	26,829
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	82,459	88,507	86,556	73,061	27,734
Discounts	165,167	173,965	174,946	182,394	166,927
Government loans	1,061,151	1,061,151	1,061,151	1,063,393	820,097
LIABILITIES.					
Notes in circulation	1,344,314	1,353,182	1,349,108	1,319,915	965,700
Deposits	48,905	45,104	41,129	42,159	44,134

BANK OF ITALY.—In lire (000's omitted).

Assets.	Oct. 31, 1923.	Oct. 20, 1923.	Oct. 10, 1923.	Sept. 30, 1923.	Position May 31, 1914.
Total cash	1,896,614	1,893,690	1,470,563	1,510,389	1,321,876
Italian bills	5,423,831	5,306,014	5,300,734	5,436,064	4,489,149
Foreign bills	13,304	13,360	13,390	13,711	9,579
Advances to the Treasury	5,839,095	5,839,710	5,839,754	5,839,758	6,105,441
Other advances	2,631,980	2,598,072	2,477,583	2,588,918	2,488,584
Securities	361,481	370,876	370,075	370,875	395,664
LIABILITIES.					
Notes in circulation	12,973,313	12,807,359	13,070,111	12,999,537	14,231,338
Deposits & drafts	1,486,331	1,545,244	1,470,137	1,819,507	1,701,527

LONDON RATES.

	Nov. 30, 1923.	Dec. 1, 1923.	Dec. 2, 1923.	Dec. 3, 1923.	Dec. 4, 1923.	Dec. 5, 1923.	Dec. 6, 1923.	Dec. 7, 1923.
Bank rate (changed from 3% July 5, 1923)	4	4	4	4	4	4	4	4
Market rates of discount—								
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
4 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
6 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Discount (Treasury Bills)—								
3 months'	3	3	3	3	3	3	3	3
Loans Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	2	2	2	2	2	2	2	2
Deposit allowances: Banks	2	2	2	2	2	2	2	2
Discount houses at call	2	2	2	2	2	2	2	2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

	Nov. 30, 1923.	Dec. 1, 1923.	Dec. 2, 1923.	Dec. 3, 1923.	Dec. 4, 1923.	Dec. 5, 1923.	Dec. 6, 1923.	Dec. 7, 1923.
Nov. 30, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Nov. 23, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Nov. 16, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Nov. 9, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Nov. 2, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Oct. 26, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Oct. 19, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Oct. 12, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Oct. 5, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Sept. 28, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Sept. 21, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Sept. 14, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Sept. 7, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Aug. 31, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Aug. 24, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Aug. 17, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Aug. 10, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Aug. 3, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
July 27, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
July 20, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
July 13, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
July 6, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
June 29, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
June 22, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
June 15, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
June 8, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
June 1, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
May 25, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
May 18, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
May 11, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
May 4, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Apr. 27, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Apr. 20, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Apr. 13, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Apr. 6, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Mar. 30, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Mar. 23, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Mar. 16, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Mar. 9, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Mar. 2, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Feb. 25, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Feb. 18, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Feb. 11, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Feb. 4, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Jan. 28, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Jan. 21, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Jan. 14, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Jan. 7, 1923.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Dec. 31, 1922.	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2

OVERSEAS BANK RATES.

Changed.		%	Changed.		%
Amsterdam	July 18, 1922	.. 4	Madrid	Mar. 23, 1923	.. 5
Athens	Jan. 14, 1923	.. 7 1/2	Paris	Nov. 11, 1922	.. 5
Berlin	Sept. 15, 1923	.. 90	Prague	Nov. 29, 1923	.. 5 1/2
Brussels	Jan. 22, 1923	.. 5 1/2	Rome	July 11, 1922	.. 5 1/2
Bucharest	Sept. 4, 1920	.. 6	Sofia	Nov. 9, 1923	.. 7 1/2
Budapest	July 5, 1923	.. 18	Stockholm	Nov. 9, 1923	.. 5 1/2
Calcutta	Nov. 29, 1923	.. 6	Swiss Bank		
Christiania	Nov. 10, 1923	.. 7	places	July 14, 1923	.. 4
Copenhagen	May 1, 1923	.. 6	Tokio	Nov. 18, 1919	.. 8
Helsingfors	Nov. 30, 1923	.. 10	Vienna	Sept. 2, 1922	.. 9
Lisbon	Sept. 12, 1923	.. 9	Warsaw	Nov. 12, 1923	.. 48
New York Federal Reserve	Feb. 21, 1923	.. 4 1/2	Irish	July 5, 1923	.. 5

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 30, 1923.	(c) Week ended Dec. 1, 1923.	Miles Open.	Passenger, &c.	Goods, &c.	Total for Week.	Passenger, &c.	Goods, &c.	Total for Week.	Aggregate 48 Weeks 1923.
Great Western.....	3,745	199,000	362,000	561,000	1,022,000	1,022,000	1,022,000	1,022,000	29,430,000
London & North-Eastern	6,702	353,000	732,000	1,085,000	2,170,000	2,170,000	2,170,000	2,170,000	55,961,000
Do same period 1922	6,657	356,000	841,000	1,237,000	2,434,000	2,434,000	2,434,000	2,434,000	59,339,000
London, Mid., & Scottish	6,363	482,000	932,000	1,414,000	3,028,000	3,028,000	3,028,000	3,028,000	73,317,000
Southern.....	2,127	245,000	126,200	373,700	744,900	744,900	744,900	744,900	21,551,200
Metropolitan (c).....	79	31,398	3,904	35,302	70,604	70,604	70,604	70,604	1,719,699
Underground E.R. (c).....	..	..	..	..	..	..	..	..	10,923,596
London & Sub. Group (c).....	..	..	..	..	..	..	..	..	142,696
Belfast & Co. Down (b).....	80	3,861	1,441	5,302	10,604	10,604	10,604	10,604	202,582
Dublin and S. East. (b).....	160	5,424	4,316	9,740	19,480	19,480	19,480	19,480	313,627
Gt. Northern (Ireland) (b).....	562	15,450	31,100	46,550	92,100	92,100	92,100	92,100	464,636
Midland Gt. West. (b).....	538	8,535	17,152	25,687	51,374	51,374	51,374	51,374	2,007,550
									1,175,738

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1923.	+ or -	1923.	+ or -
INDIAN.							
				Rs.	Rs.	Rs.	Rs.
Assam Bengal	31 weeks	Nov. 3	1,072	3,333,100	+ 8,267	76,035,561	+ 1,37,901
Barri Lt. Ry.	32 weeks	Nov. 10	118	20,800	- 8,400	9,355,100	- 1,37,600
Bengal & N. Western	6 weeks	Nov. 10	2,062	4,38,070	- 252,194	25,90,110	- 5,34,093
Bombay Nagpur	32 weeks	Nov. 10	2,738	13,81,000	- 1,84,000	4,50,31,432	+ 7,04,649
Bombay, Bar. & C.I.	35 weeks	Dec. 1	2,994	25,46,000	+ 3,69,000	7,26,03,000	- 4,09,000
Burma	31 weeks	Nov. 1	1,342	7,16,396	+ 26,908	2,00,93,414	- 2,87,987
Delhi Umballa Kalka	8 weeks	Nov. 24	239	1,01,000	- 7,568	8,74,715	- 67,522
East Indian	35 weeks	Dec. 1	2,856	33,70,000	+ 2,01,000	10,85,13,000	+ 4,53,000
G. Indian Peninsula	34 weeks	Nov. 24	3,164	28,60,200	- 35,400	8,15,85,540	- 52,90,582
Madras & S. Mahr.	32 weeks	Nov. 10	3,029	11,75,000	- 1,11,678	4,47,80,493	- 3,36,872
Rohilk'd & Kumaon	5 weeks	Nov. 3	319	43,729	- 7,379	2,65,304	- 28,492
Do Lucknw-Breilly	5 weeks	Nov. 3	314	52,185	- 7,282	2,25,730	- 31,145
South Indian	32 weeks	Nov. 10	1,877	8,33,821	+ 44,752	3,13,07,384	+ 10,00,584

ARGENTINE (a).

				\$	\$	\$	\$
Argentine N.E.	22weeks	Dec. 1	753	12,600	+	600	247,300
Argentine Trans.....	22weeks	1	753	4,041	—	219	84,404
B. A. and Pacific.....	22weeks	1	3,324	154,000	—	9,000	2,393,000
B. A. Gt. Southern.....	22weeks	1	3,948	205,000	+	5,000	3,665,000
			Net	87,000	+	2,000	1,137,000
B. A. Western	22weeks	1	1,882	101,000	+	4,000	1,744,000
			Net	47,000	—	2,000	511,000
Central Argentine.....	22weeks	1	3,306	202,000	—	1,000	2,191,000
Corrientes Central.....	22weeks	1	1,905	53,000	—	2,000	1,306,600
Entre Rios	22weeks	1	729	22,200	—	2,600	417,000

CANADIAN.

Canadian National ..	47 weeks	Nov 30	22,680	7,112,394	+ 274,565	232,594,445	+ 19,273,147
Canadian Pacific	47 weeks	30	13,539	6,351,000	+ 544,000	176,070,000	+ 7,098,000

BRAZILIAN (b).

Gt. West. of Brazil..	48 weeks	Dec. 1	1,011	12,700	- 2,600	456,600	- 152,600
Leopoldina	48 weeks	1	1,331	26,739	- 10,845	1,252,889	- 171,720
San Paulo	48 weeks	2	153	27,523	- 4,462	1,410,618	+ 62,869

CHILEAN.

Antofagasta	48 weeks	Dec. 2	838	53,085	+ 16,545	1,732,880	+ 152,600
Nitrato (4-monthly)	47 weeks	Nov. 29	366	29,654	+ 2,008	696,747	+ 266,138

CUBAN.

United of Havana....	22 weeks	Dec. 1	1,210	57,373	+	8,522	1,262,029	+	227,601
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URUGUAYAN.

URUGUAYAN.

C. Urug. (East Hxt.)...	22 weeks	1	211	6,785	+	545	101,787	-	395
C. Urug. (North Hxt.)	22 weeks	1	185	2,906	-	1,295	57,807	+	1,914
C. Urug. (West Hxt.)	22 weeks	1	211	3,192	+	402	48,727	-	1,964

OTHER OVERSEAS.

Alloy and Gandia	48weeks	Dec. 1	33	26,000	+ 1,000	997,300	67,850
Egyptian Delta	31weeks	Nov. 20	575	15,889	+ 1,880	193,310	23,384
Gt. Southn. of Spain	47weeks	24	104	Pal40,977	+ 44,662	4,536,640	648,247
Mexican Railway	21weeks	30	432	\$371,200	+ 29,500	4,938,100	725,500
New Cape Central.....	45weeks	10	805	2,843	- 108	118,032	+ 2,598
Paraguay Central.....	23weeks	Dec. 1	374	4,261	- 49	81,690	+ 54,100
Salvador.....	22weeks	1	100	2,636	- 98	53,713	+ 3,496

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1923.	+ or -	1923.	+ or -
Anglo-Argentine	48 weeks	Dec. 1	329	£86,264	- 4,308	4,053,031	- 31,549
Burnley Corporation ..	1 week	Dec. 1	12	2,249	- 171	..	..
Calcutta Tramways ..	48 weeks	Nov. 20	35	Rs 1,130,943	+ 8,612	..	+ 196,293
Chatham & District ..	48 weeks	Nov. 29	15	1,212	- 198	74,623	- 4,242
Egyptian Markets	48 weeks	Dec. 22	..	2,589	+ 62	88,273	+ 5,230
Glasgow Corporation ..	26 weeks	Dec. 1	106	£43,502	+ 263	1,155,165	+ 36,579
Isle of Thanet	8 weeks	Dec. 28	28	4,478	- 7	5,279	- 153
London United Tram ..	44 weeks	Oct. 30	39	2,840	+ 4	126,075	+ 7,463
Do Omnibus receipts ..	44 weeks	Oct. 30	..	£1,103	+ 346	43,378	+ 13,352
Liverpool Corporation ..	26 weeks	Dec. 1	124	£22,683	+ 5,139	946,822	+ 82,148
L.C.C. Tramways	35 weeks	Dec. 1	163	£481,281	+ 12,189	3,049,765	+ 268,188
Madras Elect. (2 whs) ..	47 weeks	Nov. 30	..	Rs 48,702	+ 7,717	11,51,786	+ 95,814
Perambalur Trams	47 weeks	Dec. 2	..	£43,560	- 490	173,789	- 4,189

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Cash.		Date of Payment.	Method of Payment.	Dividend for Whole Years.	
	* Interim div.	† Final div.			Lat'st Year.	Pre-vious.
Railways.						
Bombay, Baroda, and C.I.	3%		Jan. ..		8 1/2	7
Burma	3 1/2%		Jan. 1	Less tax 2/6 in £		
Manx Electric, Pref.	1 1/2%			Balance for 1918		
Do	5 1/2%			For 1919		
Rohilkund and Kumaon	6 1/2%		Jan. 28	Less tax in 2/6 in £	11	11
Banks.						
Bank of Chosen	8					
Bank of New South Wales	10		Dec. 21	Quarterly		
Bank of Nova Scotia	10 1/2%				16	16
Guaranty Trust New York	3 1/2%		Dec. 31		12	12
London and River Plate	4 1/2%			Less tax	8	10
Insurance.						
Queensland					12 1/2	12 1/2
South British	(11 p.s.)				19 p.s.	18 p.s.
Tea and Rubber.						
Asahan Rubber				Less tax	10	Nil
Baraora (Sylhet) Tea	5%			Less tax		
Bengal United Tea	10%			Less tax		
Borelli Tea	15%		Dec. 7	Tax free		
Cachar and Dooars Tea	10%			Less tax		
Dooars Tea, Pref.	7 1/2 p.s.		Jan. 1	Less tax		
East India and Ceylon Tea, Pref.	7 1/2 p.s.			Less tax		
Empire of India Tea, Pref.	5 1/2 p.s.		Jan. 1	Less tax		
Gadok Rubber	5%			Less tax		
Gayule Rubber	5%			Less tax	(1 p.s.)	
Hornsey Tea	5%		Dec. 14			
Imperial Tea	7 1/2%		Dec. 20	Less tax		
Jelting Valley Tea	7 1/2%			Less tax		
Long Valley Tea, "A" Pref.	3%		Dec. 31	Less tax (4/7 1/2 in £)		
Lungia (Sylhet) Tea, Pref.	3%		Jan. 1	Less tax		
Moabund Tea	7 1/2%		Dec. 7	Tax free		
Septhijuri Bheel Tea	10 1/2%		Dec. 19	Less tax	20	nil
Sungei Karl Rubber	5%		Dec. 17		15	nil
Tuaran Rubber	5 1/2%				15	nil
United Temiang			Dec. 17	Less tax (4/10 in £)	10	10
Mining.						
El Oro	16 p.s.			Tax free		
Ex-Lands Nigeria	10 1/2%		Dec. 21	Tax free	17 1/2	17 1/2
Huelva Copper and Sulphur					3 1/2	
Iphoh Tin	9d p.s.*		Jan. 15	Less tax		
Lonely Reef Gold	10 1/2%		Feb. 14	Less tax 2/3-0/4 in £		
Naraguta (Nigerian) Tin			Dec. 18	Less tax	5	nil
Do	5%		Dec. 18	Less tax		
Oroville Dredging	19 p.s.		Dec. 29	Less tax 4/6 in £		
Rambutan	8 p.s.		Dec. 21	Less tax		
Other Companies.						
A. and R. Thwaites	9 1/2 p.s.			bonus 3/ p.s.)		
Alton and Co.	7 1/2%				10	10
American Cyanamid	8 1/2 p.s.		Jan. 2			
Anglo-American Oil	5 1/2%		Dec. 17	Tax free		
Angostura Bitters	6 1/2%		Dec. 4	Free of Trinidad tax		
Arnstons Coal	4 1/2 p.s.		Jan. 1	Tax free	6 1/2 p.s.	4 1/2 p.s.
Barclay, Perkins, and Co.	22 p.s.		Jan. 1	Tax free		
Benskin's Watford Brewery					7 1/2	5
Bentley's Yorkshire Brewery	11 1/2%				15	12 1/2
Blaenavon Co., Pref.	5		Jan. 1			
Bolover Colliery	5 1/2%			Less tax		
Brazilian Tractin, &c., Cum. Pref.	14%		Jan. 1			
British Oxygen	19 p.s.			Tax free		
British Steamship Inv., Defd.	10 1/2%		Jan. 1	Less tax		
British Tobacco (Australia)	3 1/2%		Dec. 29			
Brooke, Bond, and Co., "A" Ord.	10 1/2%		Dec. 12	Less tax		
Canadian General Electric	12%		Jan. 1	Quarterly		
Carreras, Limited	25 1/2 p.s.		bonus 1/ p.s.)	Tax free	25	15
Carter's Knottingley Brewery				Less tax	14	12 1/2
Cassel Cyanide	16 p.s.				19 p.s.	19 p.s.
Consett Iron Co.	16 p.s.*		Jan. 1			
Constantine			Dec. 13	Less tax 4/9 in £	20	
Continental Union Gas, Pref.				Less tax	7	4
Davy Brothers	24 1/2%			Less tax		
Dorman, Long, Prefd.	8		Dec. 31	Less tax		
Eastern Counties Road Car					10	10
Edison Swan Electric					7 1/2	nil
Equitable Trust of N.Y.	3%		Dec. 31	Quarterly		
Esparto Paper Mills				Less tax	16 p.s.	
Farnham United Breweries	3 1/2%			Less tax	6	6
First Garden City			Jan. 10	Less tax	5	8
Frederick & Co.	3%		Dec. 19	Less tax 4/9 in £	6	12
Fryer, Eloy, &c., Breweries	14 1/2%			Less tax	12	12
Gold Mines Investment	3 1/2%		Dec. 15	Less tax		
Goldsbrough, Mort.	16 p.s.		Dec. 21	Less tax	5 1/4 in £	
Government and General Invest- ment, Def.	8 1/2%				13	12
Grand Hotel, Manchester				Tax free	10	
Hagemann's Creameries, Cum. Pf.	5 1/2%			Arrears		
Haselwood Shipping	16 p.s.		Dec. 17	Tax free	7	7
Imperial Tobacco of Canada	1 1/2%					
International Light, &c., Prefd.	3 1/2%		Dec. 13	Arrears	7	7
J. N. Richardson Sons & Owden	3 1/2%		Dec. 31	Less tax	12 1/2	12 1/2
Lewis and Burrows				Less tax		
Liverpool and N. Wales Steam- ship					10	10
London Cremation Company					7 1/2	
London Scottish American Trust, Def.	10 1/2%				9	10
Metropolitan Fare Register	7 1/2%		(& bonus 10% p.s.)	Tax free		
Mississippi River Power, Prefd.	8 1/2 p.s.		Jan. 2			
Mount Yagshong Exploration	12 1/2 p.s.			Tax free		
Nantyglo and Blaia Ironworks	25			Ar'r's on 8% pref.		
Nippon Yusen Kaisha	10%				12 1/2	12 1/2
Norfolk & Norwich Brewery	7 1/2%		(& bonus 24%)	Tax free		
Oxford, Limited	4 1/2%			Less tax	12	12
P. & O. Steam Navigation, Defd.	6 1/2%			Tax free	4 1/2	
Parson's Foreign Patents, Ord.					23 p.s.	
Do, Defd.						
P. McEvoy, Sons, & Pinnington	10%			Less tax		
Do Bonus	2 p.s.			Tax free	4	6
Power-Gas Corporation				Less tax	4	
P. Phipps and Co., &c.	19 p.s.)		Jan. 1	Tax free	12 1/2	10
Richard Thomas				Less tax	3 1/2	5
Roneo, Limited				Less tax	15	15
Samuel Barlow and Co.	10 1/2%				8	8
Sanuel Investment Trust, Defd.	5%			Less tax	24	
Sena Star Estates			Jan. 1	Less tax		
Sheffield Pure Ice, &c.	6%		(bonus)	Tax free	12 1/2	12
Shorell's Brewery			Dec. 31	Less tax	7 1/2	(n) 6
South-West Africa Co.					10	12
Stoll Picture Theatre	10 1/2%			Less tax		

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.	Rate.				
		£	£	£	£	£	%	£	£	£	%
Banks.											
British Overseas Bank	Oct. 31	57,814	100,968	158,782	..	60,000	6 'A' Ord.	30,000	68,782	75,287	6 'A' Ord.
London and River Plate	Sept. 30	220,993	162,916	363,909	..	163,200	8	..	220,709	107,468	10
Breweries.											
Alton and Co.	Sept. 30	27,143	32,579	59,722	10,000	10,000	10	12,000	27,722	29,744	10
Benskin's Watford.	Sept. 30	30,452	68,838	99,290	19,500	22,800	7½	30,000	26,990	58,635	5½
Bentley's Yorkshire	Sept. 30	22,442	65,555	87,997	14,211	35,250	15	16,000	22,536	67,384	12½
Carter's Knottingley.....	Sept. 30	13,924	10,882	24,806	3,000	7,625	12½	3,000	11,181	14,463	12½
Farnham United	Sept. 30	14,608	11,119	25,807	5,719	4,825	6	..	15,263	17,535	6
Northampton	Sept. 30	27,969	32,800	60,769	8,250	15,625	12½	8,000	28,894	31,227	12½
P. Phipps and Co.	Sept. 30	68,827	89,571	158,398	8,750	83,012	12½	..	66,636	80,784	10½
Showell's	Sept. 29	8,075	29,098	37,173	13,800	10,000	12½	5,000	8,373	24,432	12½
Wolverhampton and Dudley	Sept. 30	41,167	112,230	153,397	5,250	52,500	17½	53,000	42,647	116,104	15
Yates's Castle	Sept. 30	20,162	27,284	47,446	25,500	..	..	5,000	16,946	22,482	..
Financial, Land, &c.											
Bovril Australian Estates.....	Dec. 31	42,852	15,220	58,072	13,688	..	..	..	44,384	15,103	..
Government & General Investmt.	Nov. 30	..	14,370	14,370	3,818	7,505	13	2,520	527	13,837 (f)	..
Scottish Australian Investment..	June 30	46,557	200,138	246,695	32,000	75,000	15	50,000	89,695	133,118	11½
Gas.											
Continental Union.....	June 30	1,172	13,664	14,836	10,588	..	..	3,000	1,248	8,665	..
Iron, Coal, and Steel.											
Blaenavon	Sept. 30	Dr 67,801	72,530	4,729	1,500	..	..	..	3,229	Dr 68,481	..
John I. Thornycroft	July 31	60,758	8,754	69,512	24,380	..	..	..	45,132	35,640	..
Richard Hill and Co.	Sept. 30	6,203	5,266	11,469	5,400	..	..	..	6,069	16,264	..
Richard Thomas and Co.	Sept. 30	163,680	396,322	560,002	228,664	82,281	3½	85,104	163,953	370,463	2½
Motor and Cycle.											
Halford Cycle	Nov. 3	4,617	29,935	34,552	..	19,236	20½	10,000	5,316	22,479	15½
Rudge-Whitworth	Aug. 31	24,670	Dr 30,796	Dr 6,126	4,562	..	..	Dr 14,636	3,948	..	..
Rubber, &c.											
Glen Rubber and Tea	June 30	Dr 1,517	1,292	Dr 225	..	..	..	..	Dr 225	Dr 842	..
Kuala Lumpur	June 30	8,987	10,974	19,961	..	..	..	..	19,961	Dr 6,514	..
New Hayoeep Rubber.....	June 30	..	3,196	3,196	..	..	..	3,196	..	..	..
Rajawella Produce.....	June 30	3,121	62,003	65,124	9,097	26,209	20	25,000	4,818	35,340	5
Sungei Kari	June 30	9,286	4,250	13,536	..	7,800	10	..	5,736	Dr 250	..
Tikam Batu	June 30	..	594	Dr 594	..	..	..	..	..	..	..
United Temiang	July 31	16,526	15,945	32,471	..	16,000	10	..	16,471	2,054	10
Shipping.											
Peninsular and Oriental	Sept. 30	101,799	821,934	923,733	152,000	431,102	12½	238,758	101,873	644,596	12½
Textiles.											
J. and P. Coats	June 30	423,908	2,889,959	3,313,867	330,000	2,581,250	17½	..	402,617	3,270,913	17½
Wm. Fison and Co.	Oct. 31	3,290	20,146	23,436	4,200	16,000	20½ Ord.	..	3,236	53,930	10
Trusts.											
London Scottish-American	Oct. 31	40,710	65,775	106,485	22,500	34,406	9	604	48,575	61,058	9
Scottish Investment	Nov. 1	12,447	40,373	52,820	9,557	15,292	8	16,000	11,971	29,995	8
Other Companies.											
Blyth Shipbuilding, &c.	Sept. 30	4,885	Dr 758	4,127	..	..	..	..	4,127	15,011	6½
Cassell Cyanide	Sept. 30	12,234	55,154	67,388	..	52,875	15	..	14,513	53,431	15
D. Jones, Dickinson, and Co.	Sept. 29	3,393	7,920	11,313	1,830	3,660	6	2,520	3,303	8,407	6
Esparto Paper Mills	Oct. 31 (8 mths.)	35,268	35,268	8,701	5,000	6 p.s.	..	5,000	16,567	..	..
Frederick Sage and Co.	Sept. 30	39,479	5,221	44,700	8,373	16,200	6	..	20,127	35,639	8
Hagemann's Creameries	June 30	5,207	5,478	10,685	6,000	..	..	..	4,685	6,343	..
John Mackintosh and Sons.....	Sept. 30	102,841	176,193	279,034	30,000	87,453	25	6,312	155,269	176,051	25
New Pegamoid	Sept. 30	Dr 39,818	8,216	Dr 48,034	..	..	..	..	Dr 48,034	3,256	..
Power Gas Corporation.....	Sept. 30	10,857	14,198	25,055	..	11,985	4	2,000	11,070	..	..
R. and J. Dick	Aug. 31	..	Dr 31,555	Dr 31,555	..	..	..	20,000	Dr 61,555	Dr 80,989	..
Samuel Barlow and Co.	Oct. 31	1,391	19,533	20,924	1,800	11,250	15	5,000	2,874	13,776	15

† Tax free.

|| This figure was given as £188,138 in error in our issue of December 1, 1923.

(f) Absorbed £6,626.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of November was 64,725 barrels, equal to approximately 9,200 tons, and the oil delivered to Trinidad Leaseholds, Limited, amounted to about 8,800 tons.

CALTEX OIL COMPANY advises having received the following advice from Mexico:—Production for November, 16,524 barrels, 2,622 tons. Wells closed during October.

GENERAL PETROLEUM COMPANY OF TRINIDAD, LIMITED.—The estimated gross production of crude oil for the month of November was 23,086 barrels, equal to approximately 3,298 tons, and the oil delivered to United British Refineries, Limited, amounted to about 5,000 tons. Well No. 10 was brought in under control on November 20th, since when it has produced at the rate of over 500 barrels per day. Production for five weeks to October 31, 1,735 tons.

STEAUA ROMANA (BRITISH), LIMITED, are advised that the approximate fields' gross production of the Steaua Romana Company, Bucharest, for the month of November was 18,190 tons.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during November, 15,450 tons; oil purchased during November from other companies, 8,900 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, November 28, 1923, amounted to 974 tons.

Reports and Notices.

Baring Brothers and Co., Limited, notify that the transfer books of the Commercial Cable Company sterling 4 per cent. 500-year debenture stock will be closed from the 21st to the 31st instant, both days inclusive, for the preparation of the warrants for the interest due January 1, 1924.

The address of the General and Commercial Investment Trust, Limited, is now 31-32 Budge row, London, E.C. 4.

The address of the Cincinnati Breweries, Limited, is now 31-32 Budge row, London, E.C. 4.

GOVERNMENT STOCKS, &c.

3 PER CENT. DIPLOMATIC DEBT OF VENEZUELA, 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft for £17,563 is 6d, being moiety of balance of debt service payable to council in respect of half-year ending December 31, 1923.

REPUBLIC OF NICARAGUA GOLD BONDS, 1909.—The Council of Foreign Bondholders have received a telegram from the bankers in New York notifying payment of November instalment of debt service in accordance with arrangement of May 25, 1912.

RAILWAYS.

BURMA RAILWAYS.—The results of the working (main line only) during the last five years are extracted from the report for the year ended March 31, 1923:—

Year.	Gross Earnings.	Working Expenses.	Percentage on Gross Receipts.	Net Earnings.	Company's Share (Net of Surplus).	Mean Mileage Open.	Average Earnings per Mile per Week.
1918-19	Rs. 2,629,238	Rs. 1,400,350	53.20	Rs. 1,228,888	26,95,395	1,342	Rs. 377
1919-20	2,956,497	1,637,761	55.13	1,318,736	30,63,148	1,448	428
1920-21	2,936,642	1,984,278	67.77	95,23,264	11,56,717	1,348	419
1921-22	3,185,744	2,206,148	69.25	97,95,915	13,95,722	1,342	454
1922-23	3,652,289	2,170,071	59.44	1,48,13,918	28,93,298	1,342	523

† Includes share of surplus from Government branches, if any.

BANKS.

BANK OF TAIWAN, LIMITED (TAIWAN GINRO).—Balance-sheet, June 30, 1923:—

LIABILITIES.	Yen.	ASSETS.	Yen.
Capital subscribed	60,000,000	Cash account—	
Reserve funds	12,580,000	In hand	12,252,086
Notes in circulation	35,215,911	At bankers	13,869,944
Current accounts, fixed deposits, &c.	237,567,561	Bullion and foreign money	7,798,925
Bills payable	213,976,000	Bills discounted, loans, and overdrafts	371,210,857
Bills rediscounted	54,375,124	Interest bills and exchange bought	150,665,240
Exchange sold	20,044,941	Customers' liabilities	142,105,175
Acceptances	142,105,175	Government bonds, &c.	92,088,534
Correspondents' Cr.	23,504,536	Correspondents' Dr.	3,178,846
Suspense accounts	5,897,687	Suspense account	776,220
Net profit	2,624,497	Bank premises, property, furniture, &c.	6,720,762
Dividend unclaimed	52,657	Capital uncalled	7,507,500
Total	808,174,089	Total	808,174,089

A useful review of conditions in Japan during the first half of 1923 is given in the report.

BRITISH OVERSEAS BANKS ASSOCIATION.—At a general meeting of the members of the association, held on November 30, 1923, the following were elected to form the committee for the ensuing year:—Mr Leslie Couper, C.M.G., Bank of British West Africa, Limited; Mr T. J. Finnie, London and Brazilian Bank, Limited; Mr C. H. Hewette, Colonial Bank; Mr E. M. Janion, English, Scottish and Australian Bank, Limited; Mr H. D. C. Jones, Hong Kong and Shanghai Banking Corporation, Limited; Mr E. C. Macleod, Bank of Nova Scotia; Mr S. F. Rogers, Imperial Bank of Persia; Mr Francis Shipton, Standard Bank of South Africa, Limited; Mr T. R. Whitley, Royal Bank of Canada; Mr Arthur Willis, National Bank of New Zealand, Limited. Mr Arthur Willis (National Bank of New Zealand, Limited) was elected chairman of the committee, and Mr Francis Shipton (Standard Bank of South Africa, Limited) was elected honorary secretary and treasurer.

FARMERS' LOAN AND TRUST.—Balance-sheet, November 15, 1923:—

LIABILITIES.	£	ASSETS.	£
Deposits	129,637,324	Cash	27,043,219
Accrued interest, &c.	2,027,246	U.S. Government bonds, &c.	35,124,490
Acceptances	1,817,330	Bills purchased	22,468,293
Capital stock	5,000,000	Call loans	29,997,084
Surplus and undivided profits	16,354,901	Time loans	18,274,206
		Accrued interest	811,752
		Bonds and mortgages	15,288,879
		Real estate	1,804,766
		Acceptances	3,000,000
		Real estate	3,000,000
	154,837,401		154,837,401

LONDON AND RIVER PLATE BANK, LIMITED.—The report for the year ended September 30, 1923, shows that the balance available, after making ample allowance for bad and doubtful debts, income-tax, and £80,687 rebate of interest on bills not due, amounts to £383,909, including £220,993 brought forward from last year. The dividend of 8 per cent. for the year absorbed £163,200, leaving £220,709 to be carried forward. In the preceding year 10 per cent. was paid on the ordinary shares. Arrangements have been entered into for a fusion of interests with the London and Brazilian Bank, Limited.

SUMITOMO BANK, LIMITED.—The half-yearly report to June 30, 1923, has just been issued. The balance-sheet and profit and loss account is shown below:—Balance-sheet (June 30, 1923)—Liabilities—Subscribed capital, 70,000,000 yen; reserve funds, 22,800,000 yen; pension reserve, 1,700,000 yen; deposits, 334,653,462 yen; exchange sold and bills payable, 12,661,939 yen; exchange adjustment, 1,079,915 yen; due to other banks, 8,404,185 yen; foreign credits, acceptances, and guarantees, 10,790,253 yen; dividends not yet paid, 2,738 yen; rebate on bills not yet due and interest accrued on deposits, 5,914,239 yen; balance brought forward from last half-year, 1,106,032 yen; net profit for the half-year, 4,245,897 yen; total, 473,358,660 yen. Assets—Capital unpaid, 20,000,000 yen; loans, bills discounted and exchange purchased, 328,882,403 yen; due from other banks, 4,493,978 yen; customers' liabilities on foreign credits, acceptances, and guarantees, 10,790,253 yen; Government bonds, 50,871,970 yen; municipal and other securities, 19,583,578 yen; foreign currencies, 19,400 yen; bank premises and furniture, 7,663,680 yen; cash in hand, 31,023,308 yen; total, 473,358,660 yen. Profit and loss account—To reserve funds, 1,500,000 yen; to dividends, 2,500,000 yen; to pension reserve, 100,000 yen; to bonus, 120,000 yen; to balance carried forward to next half-year, 1,131,928 yen; total, 5,351,928 yen; by balance brought forward from last half-year, 1,106,032 yen; by net profit for the half-year, 4,245,897 yen; total, 5,351,928 yen.

RUBBER, &c.

KUALA LUMPUR RUBBER.—The report for the year ending June 30, 1923, shows that the profit for the year amounts to £15,974, of which £5,000 has been carried to reserve for taxes, leaving £10,974. To this has to be added £8,986, being £10,444 brought forward from last year, less £1,457 6s 8d loss on investment in the Sipef Oil Mill Syndicate written off. The amount at credit of profit and loss is thus £19,961, which, in the uncertain conditions at present affecting the industry, the directors recommend should be carried forward. The yield of rubber during the year was 1,113,429 lbs, being 65,249 lbs in excess of the combined amounts exportable free up to October 31, 1922, and exportable under licence for the period subsequent to that date. The company's standard production has been fixed at 1,669,928 lbs. Of the whole crop 404,352 lbs were sold in Singapore, and 640,828 lbs were shipped to Europe. The average gross price of the exportable allowance, taking a small quantity unsold at an estimated figure, was 1s 0.36d per lb. There was a further reduction in costs of 1.33d per lb during the past year.

MISCELLANEOUS.

ESPARTO PAPER MILLS.—The first report for the eight months ended October 31, 1923, shows that after maintaining the mills and machinery in an efficient condition, and providing for depreciation, corporation profits tax, directors' fees, and managing director's remuneration, there remains a net profit of £43,099. Deduct debenture interest £8,431, leaving available £35,268. There has been paid: the fixed dividend on the preference shares for the period from the dates of payments of instalments to October 31, 1923, £8,701, leaving available £26,567. A dividend on the ordinary shares of 6d per share (less tax) absorbs £5,000. The sum of £5,000 is allocated to reserve fund, leaving to be carried forward, subject to income-tax, a balance of £16,567. The directors draw attention to the fact that the preliminary expenses and the discount on the debenture issue have been written off from reserve, and the balance of reserve has been

TATE AND LYLE.—The report just issued for three years of September 30, 1923, shows a profit, after deducting provision for income-tax liability incurred up to September 30, 1923, of £2,151,255. Investment revenue amounted to £196,408, and cottage rents to £2,255. Directors' fees amounted to £21,538. Debenture interest amounted to £67,500. Debenture trustees' remuneration amounted to £1,418. The sum of £500,000 has been transferred to reserve fund. The balance of profit is £1,759,462. Out of this amount preference shareholders have received £191,333 in dividends, and ordinary shareholders have received £1,529,479, leaving £38,650 to be carried forward. With regard to the balance-sheet, the total assets are £10,594,770. The chief items constituting this amount are:—Properties, £1,325,824; plant, &c., £2,672,173. Investments at market value, £2,204,628. Stock of sugar, &c., £1,856,785. Sundry debtors, £1,158,219. With regard to liabilities, ordinary share capital is £3,312,000. Preference capital, £1,100,000. Debenture stock, £500,000. Sundry creditors, £2,477,993. Bank overdraft, less cash in hand, £377,206. Reserves total £1,062,367.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Seasonable weather continues to prevail, but night frosts, while of benefit to the rain-sodden ground, tends to retard growth of the young wheat plant. No definite indications have yet been received as to the extent of the acreage under wheat this year, although reports from some districts show a slight decrease. Supplies of native wheat were on a larger scale during the week, and prices the turn in buyers' favour. Suitable milling qualities ranged from 9s 6d to 10s 3d, and inferior 8s to 8s 9d per 112 lbs free on rail. Imported descriptions continued in quiet request, and rates barely steady despite moderate supplies, consisting mainly of North American grades. No. 1 Northern Manitoba quoted 46s 9d, No. 2 ditto 46s, No. 3 44s 6d, Barusso 6½ lbs 46s 6d, all ex ship per 496 lbs. The floating and forward cargo market displayed quiet features, the small inquiry being for white descriptions. Prices displayed a weaker tendency on recent heavy shipments, and large available supplies in North America, though contributions from Russia were on a much lighter scale this week. The Australian harvest is proceeding under favourable weather conditions, but heavy rains are impeding progress in Argentina. Flour in moderate demand, and prices of town milled reduced 6d per sack. London standard straight run quoted at 37s 6d, patents 39s 6d to 40s 6d, town households 35s 6d per sack delivered in. All English country straights 31s to 32s delivered to London stations. Imported dull. Manitoba patents range from 36s to 39s, Minnesota 38s 6d to 40s 6d, and Australian 32s 6d to 33s 6d per 280 lbs, all ex store. Maize and barley cargoes move off quietly, U.K. interests counting for little at the moment, so that shippers mostly confine their offers to the Continent, where a fair demand arises. Millers' offers steady but quiet. Broad bran quoted 7s 6d, ordinary ditto 6s 9d-7s, middlings 8s 3d, fine 9s 9d, bags included ex-mill. Light oats 5s 9d, powdered oat husks 6s 3d, feed oatmeal 9s 3d, ground oats 13s 3d free on rail all per cwt. Barley: English firm, and malting descriptions range from 9s 9d-14s 9d with feeders 9s to 9s 6d per 112 lbs free on rail. Imported, firm for feeders. Californian quoted 42s-46s, Chilean Chevalier 50s-53s per 448 lbs landed. Persian 28s 6d, Danubian 31s, No. 4 Canadian Western 30s 6d, all ex-ship per 400 lbs. Maize continues firm. Plate landed 40s 6d-41s, Gal/Foxonian ex-ship 38s 6d, Bessarabian ditto 39s 6d, all per 480 lbs. Oats: English steady at 9s-10s 4d per 112 lbs free on rail as to sample. Imported, steady but quiet. Plate f.a.q. ex ship 22s 6d, landed 23s 3d, No. 2 Canadian Western ex ship, 26s, No. 3 ditto 24s 9d, No. 2 feed new landed 24s 6d, all per 320 lbs. Oatmeal steady. London made flaked also rolled oats quoted 18s, medium and fine cuts 17s 6d, coarse and medium pin-head 17s 6d, ordinary Scottish oatmeal 18s-19s and American 17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to December 1.....	Cwts. 329,296	Cwts. 657,580	Cwts. 387,168	Cwts. 350,303
13 weeks to December 1.....	5,146,566	5,995,986	5,804,282	5,561,384
Average price of English wheat per cwt.....	s d 9 8	s d 9 11½	s d 10 9½	s d 20 10½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
Nov. 24.....	Cwts. 348,104	Cwts. 684,549	Cwts. 79,286	s d 9 5	s d 10 7	s d 8 9
Dec. 1.....	329,296	653,913	69,549	9 8	10 5	8 9
1919.....	426,840	594,157	65,272	16 11	30 5	20 0
1920.....	350,301	567,286	41,034	20 10	22 9	16 4
1921.....	387,369	488,825	74,894	10 9	13 6	10 0
1922.....	657,579	515,779	74,370	9 11	10 3	9 7

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated December 6th, is as follows:—Pig-iron: The pig-iron market is quite firm, but makers are not in favour of increasing the price at present, as the competition of foreign pig-iron is still severe. Still, the output of pig-iron is being gradually increased in this district. No. 3 Cleveland G.M.B. is 100s per ton. East Coast hematite m/n, 101s 6d per ton. Manufactured iron and steel: There is a fair business in steel and prices are unchanged. Steel ship plates, £9 15s; steel ship angles, £9 10s; iron bars, £12; steel rails, £9. Iron ore: In view of higher freights sellers of ore are asking higher prices for forward delivery. Best Bilbao Rubio is nominally 24s 6d to 25s, but best Mediterranean ores could be bought at rather below these figures.

Our Sheffield correspondent writes:—Conditions in the local iron and steel industries have not changed much on the week, but if no further progress can be recorded it is satisfactory there has been no reaction. The feature of the situation during the last month has been the soaring value of heavy steel scrap, which this week records another advance of 5s, and is now worth more than 100s, representing an appreciation of 20s in two months. This has caused the steel makers to put up the price of soft billets another 5s, bringing the minimum quotation to £9. Other descriptions of billets are firmer, but the quotations are unaltered. While business generally is picking up steadily, the situation still leaves much to be desired, as there is a great amount of slackness about. Plate and cutlery are easing off so far as new bookings are concerned, and the Christmas season has proved unremunerative to the majority of makers. The coal trade maintains a fairly strong position, with some improvement in demand from domestic sources, and prices rule firm. House coal is a brisk market, and the outlook for coke has improved, with prices scarcely so strong for current needs. Prices per ton at pits are: Best hand-picked branch, 31s 6d; Barnsley, best Silstone, 27s 6d; Yorkshire hards, 21s; Derbyshire do, 20s; rough slacks, 12s 6d; smalls, 5s to 8s; best Blythe hards, 26s; blast furnace coke, 24s.

Our Glasgow correspondent writes:—The steel and iron manufacturers' position has further improved this week, and the trade feeling, as expressed, is pretty well convinced that the new state of things has come to stay for a period. From leading quarters the advice comes spontaneously that contracting for material—especially plates, angles, and constructional stuff—has reached in the course of the last week or two to many thousands of tons, which it is calculated will occupy the working time of shipwrights, founders, and engineers for, say, from twelve to, in certain cases, 18 months. Figures dealing with the work put through the West of Scotland shipyards during November show that only 11 vessels

GIRARD TRUST COMPANY

PHILADELPHIA, PENNSYLVANIA.



Equipped to perform all kinds of fiduciary service—under appointment by courts, corporations and individuals.

Correspondence invited.

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of 5,084 tons were launched, the Clyde aggregate amounting to 5,034 tons. For the 11 months of 1923 the Clyde output consisted of 99 boats of 172,275 tons. Last year's figures were 114 steamers, of 369,326 tons, which speaks for the seriousness of the conditions just lately. Scotch hematite has been put up 2s 6d a ton, at £5 7s 6d, f.o.b. makers' works; No. 1 foundry, 1s 3d, at £5 10s; No. 3 foundry, 1s 3d, at £5 5s per ton f.o.b. makers' works. Crown bars remain at £12; steel ship plates, £9 15s; sections, £9 10s; and galvanised sheets, £19 10s. Last week close on 2,000 tons of Scotch pig-iron were dispatched from Glasgow harbour to the West Pacific coast of America.

Our Cardiff correspondent writes:—The Cardiff coal market waxes daily stronger. Collieries are exceptionally well stemmed up to the end of the year, and, with the supply of tonnage abundant, their contract coal is being regularly lifted. Moreover, current inquiries are active, and prices, accordingly, have further advanced. Best Admiralty large coals, which two months ago were selling at 27s 6d, f.o.b., and even less, are now quoted firmly up to 30s, while all other classes of bituminous steam coals have moved up in sympathy. The only quality to lag is that of dry steam, but even the quotations for those coals are now ruling up to 27s 6d. In the anthracite coal market, however, there has been no change, business being comparatively quiet and prices stationary. The current approximate quotations are as follows:—Best Admiralties, 29s 6d to 30s; second Admiralties, 29s to 29s 6d; best drys, 27s to 27s 6d; Black Veins, 28s 6d to 29s; Western Valleys, 28s to 28s 6d; Eastern Valleys, 27s to 28s; best bunker smalls, 21s 6d to 22s 6d; ordinary cargo smalls, 18s 6d to 19s 6d; anthracite Big Vein, large, 40s to 45s; Red Vein, large, 31s 6d to 34s; machine-made cobbles, 50s to 52s 6d; French nuts, 54s to 56s; stove nuts, 52s 6d to 55s; rubble culm, 13s 3d to 13s 9d; inland blast furnace coke at ovens, 30s to 35s; coke for export, 52s 6d to 57s 6d; patent fuel, 29s to 32s; pit-wood, ex ship, 32s 6d to 33s. In the iron and steel trades the position remains strong, notwithstanding the rise in the price of block tin. Business is active and shipments are heavy, but a further rise in minimum prices is likely in consequence of the advance in tin.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—November 30, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island.....	d	d	d	d	d	d	d	d	d	d	d	d
Florida do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do.....	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American.....	Ord	G O L M	Mid	G M M F	G O L M	G M M F	1897	1947	2017	2137	2207	2267
Brazilian.....	Mid	F F	G F	Gd	Fne	Fne	1349	1449	1484	1484	1484	1484
Pernam, Macao, &c.....	..	..	..	..	..	..	1349	1449	1484	1484	1484	1484
Parahyba, Rio Grande, &c.....	..	..	..	..	..	..	1349	1449	1484	1484	1484	1484
Oceania, &c.....	..	..	..	..	..	..	1349	1449	1484	1484	1484	1484
Sg Paulo.....	..	..	..	..	..	..	1374	1449	1484	1484	1484	1484
Egyptian.....	Fr.	G R	For	Gd	Fne	Fr	G R	Gd	Fne	Fr	G R	Gd
Upper.....	..	..	..	..	..	..	1325	1445	1484	1484	1484	1484
Sakellaris.....	..	..	..	..	..	..	1550	1750	1750	1750	1750	1750
Brown.....	..	..	..	..	..	..	1425	1575	1750	1750	1750	1750
Peruvian.....	Mid	F F	G F	Gd	Fne	Mid	F F	Gd	Fne	Mid	F F	Gd
Rough.....	..	..	..	..	..	..	1500	1650	1725	1725	1725	1725
Moderately Rough.....	..	..	..	..	..	..	1500	1650	1725	1725	1725	1725
Smooth.....	..	..	..	..	..	..	1474	1599	1699	1699	1699	1699
Tangus.....	..	..	..	..	..	..	1474	1599	1699	1699	1699	1699
Mitad.....	..	..	..	..	..	..	1300	1550	1650	1650	1650	1650
West Indian, &c.....	..	..	..	..	..	..	1450	1550	1650	1650	1650	1650
Do Sea Island.....	..	..	..	..	..	..	2200	2800	2800	2800	2800	2800
African, East, &c.....	1750	1850	2000	2100	2200	2275	1150	1325	1525	900	1100	1300
Do West.....	Mid	F M	G M	For	M F	Mid	F M	G M	For	M F	Mid	F M
East Indian.....	1262	1272	1282	1282	1282	1282	1312	1399	1399	1399	1399	1399
Machine Ginned Surtee.....	G F	For	Gd	F F	Gd	For	Gd	Fne	For	Gd	Fne	For
Machine Ginned Broach.....	..	..	..	..	..	..	1365	1365	1365	1365	1365	1365
Machine Ginned Bhownagar.....	1780	1820	1860	1860	1860	1860	1195	1235	1315	830	880	930
Machine Ginned Oomra, No. 1.....	1450	1510	1550	1600	1650	1710	980	1030	1110	740	815	915
Machine Ginned Oomra, No. 2.....	1460	1510	1550	1610	1660	1710	990	1040	1120	750	825	925
Machine Ginned Khandesh.....	..	..	..	..	..	..	1015	1095	1095	1095	1095	1095
Machine Ginned Comptah.....	1650	1690	1690	1690	1690	1690	1180	1180	1180	1180	1180	1180
Machine Ginned Bengal.....	1380	1400	1440	1480	1520	1560	755	795	875	690	740	815
Machine Ginned Soinde.....	1350	1390	1430	1470	1510	1550	745	785	865	680	730	805
Tinnivelly.....	1935	1975	2015	2015	2015	2015	1365	1405	1405	1030	1080	1080
Madras, Western.....	1585	1625	1665	1705	1705	1705	1115	1155	1155	745	795	795
Madras, Northern.....	..	..	..	..	..	..	1180	1180	1180	1180	1180	1180
M.G. Coconada, Red.....	Fr.	1665	1665	1665	1665	1665	1140	1140	1140	776	776	776
China, Smyrna, &c.....	..	..	..	..	..	..	..	..	..	..	..	..

MANCHESTER, December 6.

The event of importance in the market this week has been the break in raw cotton prices. Very wide fluctuations have occurred in futures in Liverpool and New York. Business in yarn and cloth has been thoroughly disorganised. On certain days many spinners and manufacturers have refused to quote, and owing to the uncertain outlook numerous buyers have withdrawn all offers. A distinct pause in business, therefore, has been experienced. Shippers of piece goods have reported less inquiry from India, and only scattered sales have taken place. There has been a very limited turnover for China. Some fair contracts have been arranged for Egypt. Customers have been more disposed to purchase fine fabrics than plain goods. American and Egyptian yarn quotations are decidedly easier on the week, and much irregularity has prevailed. The trade passing has been of reduced dimensions.

(I.) Comparative Statement of the Cotton Trade.

	Price, Dec. 6, 1923.	Previous Weeks in 1923.				
		Price, Nov. 29.	Price, Nov. 22.	Price, Nov. 15.	Price, Nov. 8.	Price, Nov. 1.
Raw Cotton—Fully Mid. American .. per lb	19.64	21.99	20.72	20.05	19.60	17.78
— Sakellaridis Fully Good .. per lb	23.65	26.95	25.25	21.60	21.10	18.65
Yarns—32's twist .. per lb	27½	28½	27½	26	25½	23½
— 40's twist .. per lb	27½	29	27½	26½	25½	23½
— 60's twist (Egyptian) .. per lb	37	39	37	33½	33	31
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	39 0	40 6	39 0	37 6	36 0	34 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	42 6	44 0	42 6	41 0	39 6	37 6
32-in. ditto, 38 yds, 18 by 16, 10 lbs.	22 6	23 3	22 9	21 9	21 0	20 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	20 9	21 6	21 0	20 0	19 6	18 6

(II.) Compared with Previous Years.

	Price, Dec. 6, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	19.64	14.22	11.13	12.54	12.10	21.40
— Sakellaridis Fully Good .. per lb	23.65	17.50	19.75	28.00	48.50	27.56
Yarns—32's twist .. per lb	27½	20½	18½	29	52½	41½
— 40's twist .. per lb	27½	20	17½	27½	49½	42
— 60's twist (Egyptian) .. per lb	37	28	32	44	91	69
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	39 0	30 0	31 6	51 0	77 6	67 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	42 6	32 0	31 6	48 0	74 0	64 0
32-in. ditto, 38 yds, 18 by 16, 10 lbs.	22 6	18 0	18 9	27 0	43 6	38 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	20 9	16 6	18 3	22 0	37 0	32 6

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The brisk bidding at the Liverpool wool sales last week afforded a very clear indication of what might be expected in London, and the course of trade during the three selling days in Coleman Street this week has once again emphasised the strength of the raw material position. Continental and American buyers are dominating the merino section, but Yorkshire is making the running in crossbreds. Having regard to the high prices ruling in New Zealand for crossbred wool, and taking into account

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the increasing consumption in this country and in America, still further advances are confidently expected, especially as B.A.W.R.A. stocks are rapidly being absorbed. Here and there the fear is expressed that the rise in crossbreds is being pushed too far, but the general opinion seems to be that the raw material position is so fundamentally sound that buyers are justified in following the market. In this centre demand for merino tops continues on rather restricted lines, and although topmakers are adopting a much firmer attitude, they cannot make prices to harmonise with the cost of wool. There is a considerable turnover in all qualities of crossbred tops, and prices are again higher on the week. In many cases topmakers are quoting protective rates, as stocks are reported to be comparatively light, and they cannot replace on to-day's level of values. Spinners are doing much better, and although the bulk of the business is in crossbred yarns, some fair weights of botanics have also been sold. A weak seller here and there still gives an appearance of irregularity to the market, but most firms are now standing out for prices in keeping with the cost of production, and a general advance in yarn prices is seen to-day. The piece-goods trade is steady, demand leaning almost exclusively to the cheaper fabrics.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

The last series of wool sales in London for this year commenced on Monday, and so far excellent progress has been made, there being every probability of values being maintained right to the finish. It was almost inevitable after the way values moved at the short series held at Liverpool last Thursday and Friday, when about 32,000 bales of crossbreds were offered, and higher values were recorded than at the previous London sales, that the resumption of selling in the latter centre would be marked by at least a maintenance of values. The Liverpool auctions are now too far past to need lengthy comment, but the principal feature was the extensive buying on home trade account, whilst Continental and Boston houses were represented. The general advance in prices was 5 to 10 per cent., the greatest improvement being seen in medium and low sorts, particularly slipes. The fact that medium and coarse crossbred wool still costs less than half what has to be paid for merinos, largely accounts for the great interest which is being shown in it. The general advance in prices may be put at 5 to 10 per cent., though the improvement in medium classes ranges up to 12½ per cent. Merinos show an improvement of 5 per cent., and it is gratifying that the market for these remains so firm, particularly as the firmness now in evidence is expected to continue. Prices for the raw material are well in advance of those ruling in manufacturing centres for partly and fully made goods; indeed, there is not by any means such a response in prices for tops and yarns as corresponds with the present level of wool.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

The market hide position was quite steady at Thursday's Bernondsey auctions, best ox selling from 6½d to 8½d, and seconds from 5½d to 7½d—neither class showing alterations on last prices. Best cows were steady at 6d to 6½d, whilst calfskins, best, sold from 6d to 11½d. Wools were firm from 5s 9d to 12s each, hoggs making from 3s 3d to 15s 6d each. Business in S.A. frigorific hides has much improved, and large sales are reported from the River Plate—100,000 is the figure mentioned, and it speaks well for the vitality of our sole leather tanneries that the bulk of the hides have been bought for this country. Dry hides are also selling better, with the market firm in favour of sellers. Dry B.A. Americanos, which a week ago were offered at 7½d, are now offered at 8½d, bids of 8½d being taken.

The boot section is fairly well employed, Leicester and Norwich turning out women's and sports shoes in quantities, whilst Leeds and Bristol are busy on heavy boots suitable for the Irish market.

VEGETABLE OILS AND OILSEEDS.

Markets this week have not been so active, and have lacked interest. Linseed has declined, and although spot and near positions still command a high premium over seed for shipment, the tendency is to lower values, new Plate crop now offering at £17 for January-February loading. Indian linseed is still too dear to invite crushers' attention. The oil product has been a steady trade, raw oil maintaining its value of £40 10s for spot and December ex Hull mill. Egyptian cottonseed has lost 10s or more per ton, in sympathy with the decline in cotton, black Egyptian now offering freely at £13 for December loading. Trade in cotton oils is still good, and crude Egyptian fully steady at £41. Crude soya oil and palm kernel oil are in better request,

and exports fairly good. Arrivals of oilseeds are improving, and the mills are assured a steady supply from now onwards. Oil-cakes continue in good demand, and late prices rule.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, December 7.

SUGAR.—Marking time sums up the general condition of affairs in this commodity, both buyers and sellers alike following a policy of reserve pending some fresh development. Not only here, but also in America, the market seems to be in abeyance until some definite statement is forthcoming regarding the all-important Cuban crop. Meantime, general movement of European beet sugars is slow and all raw descriptions continue scarce and these factors tend to counterbalance any undue slackness of demand while keeping values at a steady level for all actual parcels. American refiners are still operating with freedom in Brazilian and Peruvian raws. Of British refined, Messrs Tate and Lyle's cubes quoted 63s 6d to 64s 6d, as to quality; crushed, 61s; granulated, stoved, also fine and coarse grain, 61s 1½d; No. 1, 60s 10½d; No. 2, also London and T.L., 60s 7½d; ditto, month forward, 61s; January, 61s 6d; February, 61s; March, 59s 6d; yellow crystals, spot, 56s 1½d; caster, finest, 63s 4½d; A quality, 62s 7½d; and B, 61s 3d; white Java, spot, 57s 6d to 57s 9d; May-June, steamer, 26s, c.f. and i. terms, London. Czech, granulated, spot, 58s to 58s 3d; ready for shipment, 59s; December, 29s; January-March, 28s, f.o.b. Hamburg. West Indian preferential, centrifugal basis, 96 per cent., December-January, quoted 31s; Brazilian basis, 96 per cent., prompt, 27s 9d; Cuban, ditto, March, 24s, c.f. and i., U.K. White terminal market rather quiet, but steady. December quoted 29s; March sold, 27s 1½d, 26s 10½d, 27s 4½d; May, 26s 9d to 26s 10½d, 26s 9d, 27s. August, 26s 4½d, 26s 10½d.

COFFEE.—A good steady demand continued on the part of the home trade, and, with only small supplies available, the market disclosed a very firm tone, being dearer on the week. Bold sizes of Costa Rica sold, 109s 6d to 117s; peas, 12½s. Future delivery market remained slow.

COCOA.—Only quiet trading ensued with regard to spot parcels on about former terms. Accra quiet and easier for shipment, and F/F quality, January-March, sold, 26s, f.o.b. terms.

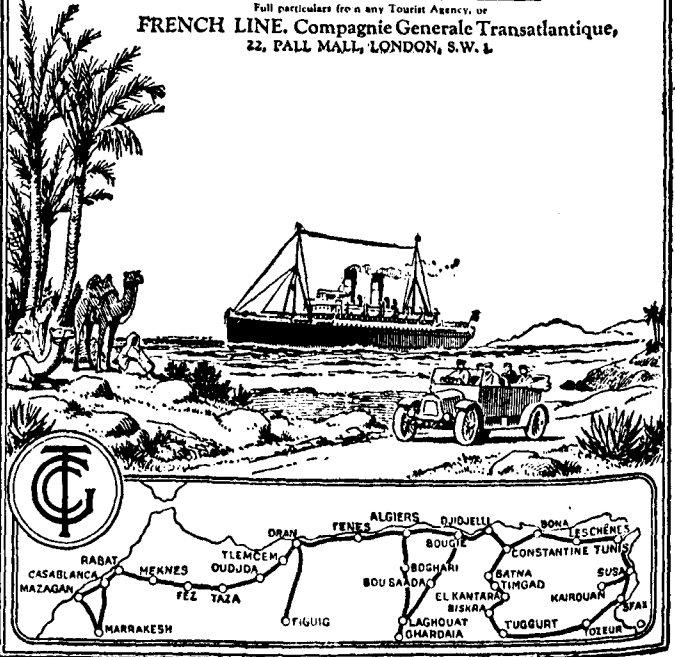
TEA.—During the week about 55,000 packages Indian were brought to auction, and with a good demand for medium and finer qualities these realised steady prices. Inferior descriptions, however, were not so well competed for, and prices, while slightly irregular, frequently ruled in buyers' favour. Only 12,000 packages Ceylon were offered, and met a very good market, all medium to fine liquoring kinds selling in favour of importers. A steady demand was experienced for the 4,250 packages Java and Sumatra offered in auction, and prices in most cases proved steady. Pekoe sold, 1s 4½d; orange pekoe, 1s 5½d to 1s 6d; broken pekoe, 1s 1½d to 1s 5½d; broken orange pekoe, 1s 3½d to 1s 9½d; and pekoe souchong, 1s 4d per lb in bond.

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RICE.—With shippers still offering sparingly, the market is firm with a moderate demand. Two Stars Rangoon, spot, 15s 9d; December, 15s 1½d. Spanish and American quiet, owing to reserve of sellers. Japanese peas, spot, 25s 6d; December-January, 22s per cwt.

SPICE.—A moderate inquiry prevailed for pepper forward, and a steady tone resulted. Black Singapore L.S., January-March, quoted 48½d; Lampung ditto, 48½d; Muntok, January-March, buyers, 61½d; and February-April, sold, 61½d, 7d. Zanzibar cloves rather irregular. January-March, sold, 1s 4½d to 1s 4¾d and 1s 4½d per lb. Tapioca steady. Singapore flake, November-January, to Havre, sellers, 31s 3d; Sago flour, January-March, sellers, 15s 6d; desiccated coconut dull. Spot halves quoted 42s 6d; October-November and November-December, 41s; January-February, 41s 3d per cwt. Pimento, to arrive, 21s per cwt.

JUTE lower, and business proved on moderate dimensions. First grade, December-January, Continent, sold, £26 7s 6d, £25 10s; January-February, £25 15s; February-March, sold, £27 10s, £26 15s per ton.

HEMP.—Manila quiet and easier. J grade, January-March, sellers, £33 10; K, quoted £27; L, £26; and M, £23 10s. African sisal firm. No. 1 Tanganyika, November-January, quoted £37; Kenya ditto, £36 10s. Mexican sisal, £34 per ton, c.f. and i.

SHELLAC.—Market quiet. T.N., spot, 310s; December, 302s 6d; March, 295s cwt.

COPRA was a quiet and rather featureless market. F.M.S. Straits, October-December, Rotterdam, sold, £30 to £29 15s; November-January, £29 15s 3d to £29 6s 3d; January-March, £29, £28 15s, Ceylon, November-December, quoted £31 10s; Java, ditto, £30 5s. Dutch E.I., November-December, £29 16s 3d; Cebu, ditto, £29 5s; South Sea, £28 15s. Palm kernels, January-March, Liverpool, £20 8s 9d, £20 5s.

RUBBER dearer in response to higher Singapore cables, and which recorded increased American orders for prompt, but a quieter tone set in later. Standard plantation crepe and sheet, spot, also December, sold 1s 2½d to 1s 2¾d; January-March, 1s 2½d to 1s 2¾d; and April-June, 1s 3½d to 1s 3d. To New York: Standard estate sheet, January-February, sold, 1s 2½d lb, c.f. and i. Wild sorts steady, unaltered.

EGG PRODUCTS.—Market quiet, unaltered; apart from hen albumen, which is firm and offered sparingly.

FRUIT (Dried).—There is a good demand for most kinds of dried fruits, while supplies are on a liberal scale, with the exception of plums, which are by no means plentiful at present pending new arrivals about the end of the year. Of currants, Pyrgos quarter cases quoted 40s; bags, 39s; Amalia, 44s; Patras, 50s; Vostizza, 65s to 69s. Sultanias: Smyrna, quoted 51s to 54s; good, 62s to 66s; fine, 80s to 85s; finest, 95s to 100s. Valencia raisins remain firm, and half-boxes quoted 62s to 63s; quarters, 67s to 72s; seedless, 42s to 50s. Dates steady, with a fair demand. Hallowee, second-tide quoted 25s 6d; Khredrowie, 18s; Siar, 15s 6d, landed terms, London. Genuine natural figs in bags, quoted 34s to 38s; layers in boxes, 95s to 105s; pulled, 125s to 140s. Evaporated fruits steady, with shortage of supply marked in the case of apricots, Californian choice apricots quoted 74s; fancy, 99s to 100s; ditto plums, 30-40, quoted, 85s; 40-50 at 68s. French plums, quarter-cases, 36s to 70s per cwt.

CANNED GOODS.—There is a fair trade in force, and market in general is very steady. With regard to sardines, the market points to higher prices. Portuguese quarters quoted 2s 6d to 3s; ditto 12 oz, 5s 6d to 6s; 18 oz, 9s 6d to 11s per dozen tins. Lobster generally quiet of sale, but prices steady. Fancy halves quoted 145s to 150s. Salmon is in very short supply respecting 1 lb talls, both red and pink, while there is a good steady demand. 1 lb flat reds, labelled, quoted 53s 6d; ditto tall, 42s; 1 lb flat pink, 25s; ditto tall, 25s; cases of 96 ½ lbs, 28s 6d to 29s 6d per case. Reports of shortage in the new crop stimulate demand for canned fruits. Market consequently is very firm. Singapore pines of fair quality, on the spot, quoted 5s 7½d; Californian apricots, 7s 6d to 11s; ditto peaches, 8s 6d to 11s; pears, 12s 6d to 14s. Tomatoes: Spanish threes quoted 6s 6d and Italian ditto 6s 9d per dozen tins. Steady trading ensued in meats at fully previous prices.

OILSEEDS.—Linseed in fair demand, but prices somewhat irregular with regard to new crop Plate, owing to adverse weather reports from Argentina. Indian: Bold Bombay, loading, sold, £23 15s; small Bombay, ditto, £23 5s; Calcutta, afloat, £23 2s 6d; November-December, sold, £22 10s. Plate afloat, £21; December-January, sold, £17 17s 6d to £17 10s; January-February, £17 5s to £16 17s 6d; April-May, £17 5s to £17. Rapeseed firm. Toria, November-

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.				INDIA RUBBER—lb				PROVISIONS—				SPICES—Pepper, lb—			
0000A—Duty, British grown	£ 4 10 0	£ 4 10 0	£ 4 10 0	Albino, fine R.L. p. cwt	£ 120 0	£ 120 0	£ 120 0	Butter—per cwt.	nom	nom	nom	Singapore, fair White	0 7 0	0 7 0	0 7 0
Es. 4d. foreign 28s. cwt.	£ 105 0	£ 105 0	£ 105 0	Cape, good to fine	40 12 6	40 12 6	40 12 6	Irish creamery	nom	nom	nom	Black Singapore	0 4 0	0 4 0	0 4 0
Do good to fine	110 0	110 0	110 0	Balsam Fern	per lb 2 9 7 0	2 9 7 0	2 9 7 0	Do factory	nom	nom	nom	White Singapore	0 6 0	0 6 0	0 6 0
Do to mid	89 0	89 0	89 0	Capivi	1 4 1 6	1 4 1 6	1 4 1 6	Australian	220 0	220 0	220 0	Pimento	0 2 0	0 2 0	0 2 0
Good to fine	108 0	108 0	108 0	Camphor	3 7 3 8	3 7 3 8	3 7 3 8	Argentine	150 0	150 0	150 0	Olinamom—1st sort	0 11 0	0 11 0	0 11 0
Central American, gd.	78 0	78 0	78 0	Cardamom, refined	3 7 3 8	3 7 3 8	3 7 3 8	Do 2nd	220 0	220 0	220 0	Do 3rd	0 10 0	0 10 0	0 10 0
ord. to mid	68 0	68 0	68 0	Cardamom, Ceylon	3 6 0 0	3 6 0 0	3 6 0 0	New Zealand	220 0	220 0	220 0	Cassia Lignea	0 47 0	0 47 0	0 47 0
Mid. to fine	68 0	68 0	68 0	Canthrid, China prib	4 4 3 3	4 4 3 3	4 4 3 3	Danish	230 0	230 0	230 0	Gloves—Zanzibar	1 5 0 0	1 5 0 0	1 5 0 0
Colombian, ordinary	62 0	62 0	62 0	Canthrid, dry leaf, good	5 0 4 0	5 0 4 0	5 0 4 0	Bacon, engd.—Irish	88 0	88 0	88 0	Peanut	2 8 2 11	2 8 2 11	2 8 2 11
Do gd. ord. to low md	68 0	68 0	68 0	Gun-Bajon-Sum. cwt	6/0 10/3/8	6/0 10/3/8	6/0 10/3/8	Canadian	92 0	92 0	92 0	Madagascar	1 5 0 0	1 5 0 0	1 5 0 0
Do mid. to fine	85 0	85 0	85 0	Oilbaum, drops	10/3/8	10/3/8	10/3/8	American	84 0	84 0	84 0	Ginger—per cwt.	60 0	60 0	60 0
CHEMICALS—				fair to good	68 0	108 0	108 0	Hams—Irish	nom	nom	nom	Oochin small rough	85 0	87 0	87 0
Acid, citric	per lb 1 4 1 5	1 4 1 5	1 4 1 5	Decacantha	7 0 7 3	7 0 7 3	7 0 7 3	Canadian	102 0	110 0	110 0	Do wormy	82 0	82 0	82 0
Nitric	8 24 8 4	8 24 8 4	8 24 8 4	Mus. pod. China	90 0	95 0	95 0	American	88 0	114 0	114 0	Japan	75 0	75 0	75 0
Oxalic	6 8 6 7	6 8 6 7	6 8 6 7	Oil, Cassia	per lb 11 6	11 6	11 6	Lard—Irish	bladders	38 0	30 0	Jamaica, ord. to good	10 180 0	10 180 0	10 180 0
Tartaric	1 14 0 0	1 14 0 0	1 14 0 0	Aniseed	1 9 1 10	1 9 1 10	1 9 1 10	Grade	33 10	33 10	33 10	Mace	4 4 2 6	4 4 2 6	4 4 2 6
Foreign	1 04 1 1	1 04 1 1	1 04 1 1	Peppermint, H.G.H.	22 6 25 8	22 6 25 8	22 6 25 8	N.Z. high point, fair	33 5	33 5	33 5	Nutmegs, good to fine	1 4 1 9	1 4 1 9	1 4 1 9
Alum lump	per ton 15/0 15/0	15/0 15/0	15/0 15/0	Rubbr, China, fr to fa	3 3 3 9	3 3 3 9	3 3 3 9	January-March	33 5	33 5	33 5	Small to medium	1 24 8 0	1 24 8 0	1 24 8 0
Do ground	27 15 29 15	27 15 29 15	27 15 29 15	DYE STUFFS, &c.				Nov. Dec.	25/0 0/0	25/0 0/0	25/0 0/0	Chillies—per cwt.	60 0	60 0	60 0
Ammonia, carb. ton	27 15 29 15	27 15 29 15	27 15 29 15	Galls, China	per cwt 63 0 0	63 0 0	63 0 0	Native first marks	25/0 0/0	25/0 0/0	25/0 0/0	TALLOW—per cwt.	45 0	45 0	45 0
Muriate, White ton	25 15 31 15	25 15 31 15	25 15 31 15	Tarmeric, Benga	60 0	60 0	60 0	Nov. Dec.	25/0 0/0	25/0 0/0	25/0 0/0	Good mutton	45 0	45 0	45 0
Sulphate	per ton 27 15 31 15	27 15 31 15	27 15 31 15	Madras, ginger	60 0	60 0	60 0	LEATHER—per lb	1 2 1 9	1 2 1 9	1 2 1 9	TAPIOCA, fair, spot	8 38 0 0	8 38 0 0	8 38 0 0
Arzene, lump, per ton	80 0	85 0	85 0	Gambler, block	55 0 0	55 0 0	55 0 0	Sole Bends 6/9 lb.	1 2 1 9	1 2 1 9	1 2 1 9	E.I. Flake, fair, lb	8 38 0 0	8 38 0 0	8 38 0 0
Powder	per cwt. 67 0 8	67 0 8	67 0 8	Cutch, ord. to fair	40 0 45 0	40 0 45 0	40 0 45 0	Do 10/12	1 2 1 9	1 2 1 9	1 2 1 9	Medium Pearl	33 0 39 0	33 0 39 0	33 0 39 0
Asbes, pot.	per cwt 70 0 80 0	70 0 80 0	70 0 80 0	DYEWOODS—				Do 12/14	1 2 1 9	1 2 1 9	1 2 1 9	Seed	33 0 39 0	33 0 39 0	33 0 39 0
Pearl do	nom	nom	nom	Brazil	per ton 18 0	18 0	18 0	Do 14/16	1 2 1 9	1 2 1 9	1 2 1 9	FLOUR—280 lbs—	35 0 8 8	35 0 8 8	35 0 8 8
Bleaching pwdr. p. ton	9/0 9/10 9/10	9/0 9/10 9/10	9/0 9/10 9/10	Fastle, Jamaica	10 0	10 0	10 0	Bark Tanned Sole	2 6 3 0	2 6 3 0	2 6 3 0	Eng. straight ex mill	35 0 8 8	35 0 8 8	35 0 8 8
Borax, gran.	cwt 24 10 8 0	24 10 8 0	24 10 8 0	Cuba	28 0	28 0	28 0	Shildrs fm DS Hides	9 1 10	9 1 10	9 1 10	Bangoon No. 2	15 0 0 0	15 0 0 0	15 0 0 0
Do crystals	25 0 0 0	25 0 0 0	25 0 0 0	Lima Wood	28 0	28 0	28 0	Do 17/18	1 2 1 9	1 2 1 9	1 2 1 9	Broken No.	14 0 0 0	14 0 0 0	14 0 0 0
Do powder	26 0 0 0	26 0 0 0	26 0 0 0	Logwood, Campeachy	10 0	10 0	10 0	Do Eng or WS do	1 1 10	1 1 10	1 1 10	ROBIN—per ton—	15/0 16/0	15/0 16/0	15/0 16/0
Cream Tartar	85 0 86 0	85 0 86 0	85 0 86 0	Honduras	9 0	9 0	9 0	Bellies fm DS do	0 6 8 0	0 6 8 0	0 6 8 0	American	15/0 16/0	15/0 16/0	15/0 16/0
Calomel	per lb 4 19 4 11	4 19 4 11	4 19 4 11	Jamaica	8 18	8 18	8 18	Edible refined	0 8 1 0	0 8 1 0	0 8 1 0	French	14/10 15/10	14/10 15/10	14/10 15/10
Iodine, dry	per oz 1 8 1 1	1 8 1 1	1 8 1 1	Red Sanders	12 0	12 0	12 0	Do Eng or WS do	1 6 2 0	1 6 2 0	1 6 2 0	SAGO—Pearl, per cwt	26 0 29 0	26 0 29 0	26 0 29 0
Nitrate of Soda, p. ton	13/10 14/0 14/0	13/10 14/0 14/0	13/10 14/0 14/0	Sapang Ceylon	12 0	12 0	12 0	Dressing Hides	1 6 2 0	1 6 2 0	1 6 2 0	SHELLAC—per cwt—	35 0 39 0	35 0 39 0	35 0 39 0
Potash—				FLAX—spot—c.l.f.	8 0 8 0	8 0 8 0	8 0 8 0	Orange, first marks	320 0 320 0	320 0 320 0	320 0 320 0	Second, fair to fine	320 0 340 0	320 0 340 0	320 0 340 0
Chlorate, net	8 44 9 44	8 44 9 44	8 44 9 44	Riga ZK	8 0 8 0	8 0 8 0	8 0 8 0	Lead, Eng. Pig p. ton	32/0 32/0	32/0 32/0	32/0 32/0	TN Orange	310 0 315 0	310 0 315 0	310 0 315 0</

overcome the basic factor that the banks are well supplied with funds. Money has been freely lent up to—but not over—the year-end at 2 per cent.; loans into the New Year have cost about 3½ per cent. as a rule, though arrangements either side of this rate have been mentioned. Discount rates have shown but little decided tendency, the disposition in these uncertain times being to do as little as possible, and this naturally adds somewhat to the supplies of short money.

	Dec. 14, 1923.	Dec. 7, 1923.	Nov. 30, 1923.	Nov. 23, 1923.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2½	2½	2½	2½	1½ (Jly. 5, '23)
Market rate (3 months' bills) ..	3½	3½	3½	3½	..

The Bank return showed a further slight decline in the Reserve, which was £12,505 lower, despite an increase of £146,030 in the coin and bullion, Christmas trade presumably being responsible for an increase of £158,535 in the circulation. Heavy transfers were shown between Government securities and Other deposits, a decline of £19,125,500 in the former being offset by a contraction of £19,736,800 in the Private deposits, thus indicating very heavy repayments since last Saturday of the Ways and Means Advances required for the dividends. The reduction in the liabilities raised the Reserve proportion from 14.5 to 16.7 per cent. Currency notes outstanding were increased this week by £4,286,700 to £288,679,300, which includes £1,430,900 for notes called in but not yet cancelled. The fiduciary issue is £237,798,400, or £32,385,400 below the maximum.

The monthly statement of average weekly balances of the London Clearing Banks for November, which is printed in detail on a later page, shows very little change in comparison with that for October, as may be seen from the following table, which summarises the figures for the nine English banks:—

	Dec. 1922.	June, 1923.	August, 1923.	Sept. 1923.	Oct. 1923.	Nov. 1923.
Capital and reserves	1160	1163	1163	1153	1163	1163
Acceptances	728	738	727	727	727	727
Deposits (incl. undivided profits, &c.) ..	1,684.7	1,637.7	1,611.2	1,609.6	1,629.2	1,629.2
Total liabilities	1,873.5	1,827.8	1,798.2	1,798.6	1,824.4	1,833.4
Coin, notes, balance at bank, and cheques in course of collection	2530	2407	2310	2302	2366	2333
Money at call	1060	1133	994	1095	1012	1047
Investments	184.5	355.5	328.7	361.2	359.7	361.5
Discounts	298.3	270.8	264.7	260.4	274.7	263.9
Loans and advances	732.7	746.9	742.7	744.3	745.9	750.3
Over for accept., promises, &c.	99.0	100.6	97.7	100.0	106.3	111.7
Total assets	1,873.5	1,827.8	1,798.2	1,798.6	1,824.4	1,833.4

The principal feature is the sharp increase in acceptances to over £87 millions. This increase, which is partly seasonal, is common to all the banks, and brings the total to the highest figure since the publication of monthly figures was resumed. Deposits are practically unchanged. Loans and advances at over £750 millions are at the highest point since January of last year, but discounts, after a heavy increase in October, have again receded.

THE STOCK MARKETS.

Although a moderate rally in prices occurred on the Stock Exchange in the first part of the week, political conditions have for the moment checked enterprise, and depression has overspread most departments. Public selling was responsible for a set-back in quotations in the gilt-edged market towards the end of the week, and this weakness spread to the home railway market. Argentine rails have been one of the few exceptionally steady sections, while Grand Trunk Pacific debentures have been buoyant in the hope of an early statement in regard to the resumption of interest payments. The industrial markets generally have been depressed. Banks have been moderately firm, but the activity in hotel shares has subsided. In the oil market, Anglo-Persians have been noticeably weak. The Kaffir market has been fairly good, but Chartered lost a little on the development of opposition to the proposed cash return to shareholders.

THE COMMODITY MARKETS.

The position of the commodity markets generally appears to be still under the influence of "election excitement," and movements in many cases are rather erratic. After a further decline in raw cotton values, there has been a marked recovery; a better inquiry was noticeable for cloth towards the end of the week. The rapid advance in wool values in London and elsewhere is causing some uneasiness among users; in the wool trade some fair orders have recently been booked, and machinery is fairly well employed. Wheat is firm in tone, but prices have been held in check by large Russian shipments. Jute values were rather weaker. The rubber market was quiet, and prices were easier. Rice moved upwards on account of the crop forecast of the Burmese Government showing a substantial decrease. Coffee prices advanced, and the better classes of tea met with a good demand, but prices of inferior qualities displayed some irregularity. The upward movement of prices on the Cardiff coal market has been checked, and business is slightly less active. The pig-iron market has been very strong, particularly owing to the good demand from consumers at home. Owing to the increasing costs of making steel, manufacturers have advanced their price 10s per ton. Tin had a spectacular market, and went to over £241 per ton, but copper failed to register higher values. The hide market remains steady, and the boot trade is well employed.

FOREIGN EXCHANGES.

The Foreign exchange market has been extremely quiet throughout the week, with few movements of importance. New York quotations have been irregular. From a closing price of \$4.36½ on the 7th, rates have moved between \$4.35½ at one time on the 8th and \$4.39 at one time on the 12th. On the whole, the improvement in the middle of the week has been followed by a slight relapse to \$4.37 yesterday morning. At the same time, there is a general impression that, unless counteracted by political uncertainties here, the beginnings of a quiet upward movement may soon be expected. Forward rates at ½ cent per month over spot have widened ½ cent since last week. In Paris, in spite of optimism as the result of agreement over the proposed Reparation Commission enquiry, the franc has depreciated from 81.72½ on the 7th to 82.20 yesterday morning, after having been as low as 81.20 at one time on the 10th, and as high as 82.80 at one time on the 13th. This somewhat unexpected depreciation would appear to be due in part to certain special transactions in sterling, in part to a general pressure to meet foreign currency engagements before the end of the year, and in consequence some improvement may be looked for in January unless other factors intervene in the meantime. Brussels has followed much the same development, moving over the week from 94.65 to 95. Forward quotations in Paris at 5 centimes per month over spot are one centime narrower than a week ago. In Brussels they have moved from 6 to 4½ centimes over spot. The lira has remained very steady at about 100½, slightly higher than the quotation of a week ago. Amsterdam has this week moved against us rather more sharply than the dollar, being quoted yesterday at 11.45½, as compared with 11.47½ on the 7th. Switzerland, on the other hand, has depreciated slightly from 25.04½ to 25.07½. In Scandinavia Stockholm has moved in sympathy with the dollar from 16.59 to 16.59½. Copenhagen at 24.50½ has not quite maintained its recent recovery, but Christiania has appreciated slightly from 29.20 to 29.09½. Helsingfors at 177 shows little movement at its new higher level. Madrid at 33.49½ is about the same as a week ago, but Portugal at 1½ is again lower on new political trouble. In Central Europe Berlin at 18 billions has kept very steady during the week. The rentenmark is now in general circulation, and there should be no difficulty in withdrawing the earlier Reichsbank notes. Whether, however, the rentenmark itself will be able to maintain its value depends upon the possibilities of the financial reforms upon which the new Ministry is now engaged, and on the settlement of the Ruhr and reparation difficulties. Vienna, reflecting the slight improvement in sterling, has moved in our favour from 309,500 kr to 312,000 kr. Warsaw, still in the

threes of its inflation problems, has risen from 16½ million to 18 million marks. Prague has depreciated slightly from 149 to 149½, but Bucharest at 850 is again rather better than a week ago. In the East the rupee has recovered slightly from last week's fall, being quoted at 15 5 1-32d, as compared with 15 4 31-32d on the 7th. The yen, after falling away, has moved up again slightly to 25 1½d, as compared with 25 1 31-32d a week ago. The silver market has been steady, with a slight upward tendency, as the result of the absence of stocks, which have been cleared in satisfaction of the Chinese New Year demands. Hong Kong at 2s 3½d is the same as a week ago; Shanghai has risen from 3s 3½d to 3s 4d. In South America the recovery of Rio consequent on the announcement of the British financial mission has been followed by a slight reaction, and yesterday morning the rate stood at 4 31-32d, as compared with 5 3-32d a week ago. Buenos Ayres, on the other hand, has appreciated slightly from 39½d to 40½d, and Monte Video has also moved against us from 42d to 43d. Valparaiso, however, has continued to depreciate, and stood at 40.70, as compared with 40.50 a week ago.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended December 8th:—

EXPENDITURE.	Min. £	RECEIPTS.	Min. £
Supply Services	6,953	From Revenue	9,917
Interest, &c., on Debt	17,385	Amount borrowed	15,817
Sinking Fund	402		
Sundries	18		
Local Taxation Account	570		
Added to Exchequer balances ..	406		
	25,734		25,734

Revenue amounted to £9,917,000, against £11,565,200. Customs yielded £3,114,000, against £2,922,000, Excise produced £1,837,000, as compared with £1,746,000. Estate duties, &c., at £1,070,000 compares with £780,000 a year ago. Property and Income-tax produced £1,319,000, and Super-tax £590,000, against a combined total £1,847,000. Special Receipts yielded only £6,800, against £1,005,000, and interest on Sundry Loans amounted to only £107,500, against £1,254,100. The week's operations increased the National Debt by £15,816,850, and caused the following changes:—

	Min. £	National Savings Certificates ..	Min. £
Bank of England Advances ..	+ 250	Treasury Bills	— 300
Public Departments Advances ..	+ 15,579	Sundries	— 496
4% Treasury Bonds	+ 851		— 67
	+ 16,880		— 863

The floating debt was increased by £15,344,000 to £847,270,500.

FINANCIAL YEAR, 1923-24 (April 1 to December 8, 1923).

£	£
Total Expenditure .. 539,510,925	Raised by Revenue .. 495,094,615
	Net Borrowings..... 40,550,961
	Decrease in Balances 3,865,349

Total 539,510,925 Total 539,510,925

ESTIMATES for YEAR 1923-24.

£		£	
Ordinary Expenditure	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure..	15,603,000	Special Receipts....	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—The British Overseas Bank, London and River Plate Bank, P. and O. Steam Navigation, South West Africa Co., Chinese Engineering and Mining, African and European Investment, Van Ryn Gold Mines Estates, Sungei Kari (Sumatra) Rubber, and John I. Thornycroft and Co. Lord Inchcape, at the meeting of the P. and O. Steam Navigation Company, said that he believed a free interchange of commodities with the whole world was the sheet anchor of this country. Mr Edmund Davis (South-West Africa Company) explained the company's position with regard to taxation on profits made on the sale of farms and town lots. At the meeting of the African and European Investment Company Mr C. F. Rowsell said that negotiations were on the way for the development of the iron and steel industries in South Africa. Mr Addinsell at the meeting of Sungei Kari Rubber pro-

tested against the taxation methods employed by the Dutch authorities against English companies. Mr Beaumont Pease, at the London and River Plate Bank meeting, explained the terms of amalgamation with the London and Brazilian Bank. Viscount Churchill at the British Overseas Bank meeting gave an interesting review of conditions in Central Europe.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

THE ELECTION AND AFTER.

FOR the time being Protection as a political issue is dead. We say "for the time being" advisedly, for the late Lord Salisbury was right when he said that it only requires a match to set ablaze the instinctive feeling of a large section of the Tory party for a policy of Protection. So long as trade continues there will always be those who look at the part instead of at the whole, and will argue that trade restriction would be a benefit to the country because it would benefit a particular section. This narrow view is, moreover, always backed up by an appeal to the instinct of nationalism. But the verdict of the Election is so clear that for some years to come the Tory party is likely to avoid the issue like the plague, and if the party leaders read the lessons of this Election aright, they will see to it that they never allow these primitive instincts to get the upper hand in their party again. The truth of the matter is that, whether the campaign be long or short, every appeal on this issue will inevitably meet the fate which has befallen Mr Baldwin. The Prime Minister made the profound mistake of imagining that Free Trade is a theoretical dogma which somehow has managed to survive from the early Victorian era. The fact is that just as Protection establishes particular vested interests which are very hard to move, so 80 years of Free Trade have established a vested interest, on the one hand among the general consuming public and on the other among innumerable special industries and occupations, in favour of unrestricted imports and exports. A country which lives by selling goods and services abroad to the extent of nearly one-third of its annual production and dependent for the greater part of its raw materials, for nearly one-half of its meat supplies and a very large quantity of other foodstuffs upon imports, will not readily give up the right to obtain all or any of its purchases in the cheapest markets. Innumerable industries have been able to hold their own by being able to buy cheap tools, machinery, and semi-finished goods from abroad, while experience has proved again and again that foreign imports have prevented a monopoly or the raising of the price of such products. Finally, the enormous vested interest of our great exporting industries has been unmoved by the attempt to prove that it is possible to alter the character without reducing the volume of our imports. The case of Coventry, which has voted for Free Trade in spite of the attractive arguments that were put forward upon the ground of the protection recently afforded to the motor industry, is one of the most remarkable object-lessons of the Election. In the course of the last 25 years the watch trade, the cycle trade, and now the motor and motor-cycle industry of Coventry have been attacked by strong foreign competition. In each case Coventry has repelled the invasion by enterprise, efficiency, and cheapness, and has learned the lesson that for a country in the position of Great Britain Free Trade supplies us with the best of all weapons for meeting foreign competition.

Mr Baldwin has been blamed for not resigning forthwith; but, on the whole, we think his decision is the right one. It is not a very grateful task to remain in office for a month after a direct appeal to the electorate has been rejected. But the situation resulting from the fact that no party has a majority in the House is so complex that it can only be unravelled on the floor of the House itself. The enthusiasts of the opposition parties will no doubt chafe at the idea of the Tory Government remaining in

change of affairs for another four or five weeks, but it would be futile for either the Liberal or Labour parties to form a Government for such a short period without reasonable expectation that they will be able to maintain their position in the House for some months. The prospect in this direction cannot be determined in a few hours, and it would be much more satisfactory for the country generally that there should be no hole-and-corner arrangement, but that the basis on which a minority Government is to be kept in power should be discussed openly and the terms thoroughly understood by the country. The Conservative party has nothing to gain by attempting to throw the Opposition into tactical confusion by hasty action. An early second appeal to the country would be extremely unpopular, and bad for the party which precipitated it, and in any case, the tide which has risen against Conservatism so quickly is not in the least likely to move with equal rapidity in favour of a party which, by appealing to the country in December on Protection and in January on Free Trade, would have covered itself with ridicule. On the assumption that it is in the interest of the nation as a whole, no less than of each of the separate parties, that we should have a holiday from elections for a while, and that the recently elected Parliament should somehow provide the means of carrying on the King's Government for some months at least, it is better that the present Cabinet should remain at their posts until the new year.

The most probable, and on the whole the most desirable, outcome of the present situation is that the Labour party should form a Government and remain in office for a time with Liberal support. The Liberal party in the House, with most of the National Liberals rejected at the polls, occupies a position rather more to the left than the Liberal party of the late House. In the last Parliament and in the constituencies it has criticised the Government not merely in home affairs, but on the even more important subject of foreign relations, and in both spheres it stands nearer to the Labour party than to the Conservative party. After recent events, it would in any case be uncongenial for the Liberal party to keep a Conservative Government in power, even if its measures were mainly non-controversial. But the agreement would certainly be wrecked upon the Budget; for a Conservative Government can hardly bring in a Budget without embodying its Preference proposals made to the recent Imperial Conference, whereas the Liberal party is equally bound by its election promises to reject them.

On the other hand, it would, on the whole, be a national advantage for the Labour party to try its prentice hand at governing the country. The fact that it relied upon Liberal support would be an absolute guarantee against revolutionary measures, whether in the form of penal taxation, excessive doles from public funds which might sap the incentives to industry, or hasty experiments with the structure of industry. The greater number of the proposals indicated in the Manifesto of the Labour party are shared in common with the Liberal party. Moreover, the Labour party will inevitably repeat the experience of all parties in a similar case, and find that, while it is an easier matter to build attractive Utopias in the rarefied atmosphere of the wilderness of opposition, it is quite another thing to mould them into concrete form in the somewhat stuffy atmosphere of the Government Departments. The Labour party, which with a few unimportant exceptions, is definitely a constitutional party, has neither the backing in the House nor the experience of administration to be able to order a general advance along the road to Socialism. It will find its hands quite full enough for some time to come in learning the art of government and in carrying out those parts of its programme in which it will have wholehearted Liberal co-operation. The quality of the personnel of the Labour party and the extent to which they can control various elements in their own ranks are to a large extent unknown. We agree with the *Times* in thinking that it will be to the public advantage if the capacity of Labour to govern is first tested under conditions in which it will be impossible for them to make serious mistakes or to rush through hasty or ill-advised measures.

We believe, with Lord Inchcape, that the business world may contemplate a Labour Government supported by the Liberal party without misgiving.

Responsibility always has a sobering influence. Here and there might be changes in the use of administrative power—particularly in the Ministry of Labour; but Ministers without experience are always largely in the hands of their permanent advisers, and, judging from past experience during and before the war, this is particularly the case with Labour Ministers. We can, therefore, see no ground for panic at the prospect before the country. During 1923 British trade has been struggling heroically against very difficult world conditions, and since the middle of August it appears to have got the upper hand to the extent of enjoying a modest but definite and steady advance. The disturbance caused by the General Election has not produced a severe set-back, except perhaps in some branches of the retail trade, and at the moment the indications are that the upward movement is continuing. The best national service which business men can render at this stage is to settle down to work again and to exploit to the utmost all the openings that are likely to occur for trade expansion in the new year, without allowing themselves to be depressed by pessimistic forebodings.

In saying this, however, we do not deny that it is important to scrutinise very carefully the proposals that may be made by the Labour party. For the moment the country has delivered an unequivocal verdict on the question of the Capital Levy, which in the form presented to the electorate is as dead as mutton. But at any time it may experience a resurrection in another form. The last word has not yet been said on this subject, for the key to Labour policy, as to that of any party which holds out hopes of social improvement, is the Budget. In our view, however, there is a much more insidious danger to be feared from a Labour Chancellor of the Exchequer. Early this week the secretary of the Independent Labour party declared that the first task of a Labour Government would be to restore the 10 millions a week to wages which had been taken off in the last three years. There is only one way by which 500 millions could be added to the wages bill of the country, and that is by inflation—a process which for the moment is the only easy way of bringing abundant funds to the Treasury. The idea would certainly be a temptation to a party baulked of its Capital Levy and in dire need of finding some way of fulfilling the expectations of the electorate. The prompt repudiation of any such intention would be the surest way for Mr Ramsay MacDonald to dissipate misgivings in the business world.

OUR MONETARY POLICY.

THE problem of reviving British industry on a scale that will absorb Britain's unemployed transcends and overshadows every other public question. The Conservative party have suggested that a change in our fiscal system would do the trick, but the electorate have decided that that remedy would make the patient worse and not better. This decision will intensify the public desire to probe more deeply into the causes of the trouble, and to examine any other proposals that bear upon it. Among the most important of the issues which must now be discussed is that of our currency policy. Is the policy that we have hitherto pursued driving down prices, and if so, is this hastening or retarding the return to normal conditions? If the latter, is there any practical alternative? Such are some of the questions that are being asked wherever public affairs are being discussed. The issues are more difficult and more complex than the points at issue in the fiscal controversy, and Mr Keynes has done great service in making the issues clear in his latest book.* There are many who will differ in varying degree from Mr Keynes' conclusions and proposals, but whatever opinion may be held of Mr Keynes' specific judgments, no one who reads his book will fail to appreciate the marvellous lucidity (marred only in one or two cases by excessive compression) with which he sets out the problem, analyses its causes and marches boldly to his conclusions.

* "A Tract on Monetary Reform." By J. M. Keynes, C.B. Macmillan and Co. Price, 7s 6d.

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There have been such striking object lessons in recent years of the evil effects of violently fluctuating prices that there is to-day a very widespread opinion in favour of any plan which holds out a hope of establishing a stable price level. But this is rather the result of instinct than of reason, and it is certainly not generally realised by the public in this country that gold itself is an unstable standard, and that in the last ten years gold prices have been almost as erratic as prices based upon paper money. Mr Keynes has given a characteristic account of the disastrous effects upon society of these fluctuations, and the way in which they operate upon the incomes of different classes. This part of the story is of far greater importance than as a mere economic theory, for it underlies the great issue of whether or not our existing form of economic organisation can be worked in such a way that it will be acceptable to those who live under it. A few random quotations will illustrate the argument.

No man of spirit will consent to remain poor if he believes his betters to have gained their goods by lucky gambling. To convert the business man into the profiteer is to strike a blow at capitalism, because it destroys the psychological equilibrium which permits the perpetuation of unequal rewards. The economic doctrine of normal profits, vaguely apprehended by everyone, is a necessary condition for the justification of capitalism. The business man is only tolerable so long as his gains can be held to bear some relation to what, roughly and in some sense, his activities have contributed to society.

A violent disturbance of the standard of value obscures the true situation, and for a time one class can benefit at the expense of another surreptitiously and without producing immediately the inevitable reaction.

It is one of the evils of a depreciating currency that it enables a community to live on its capital unawares.

The individualistic capitalism of to-day, precisely because it entrusts saving to the individual investor and production to the individual employer, presumes a stable measuring-rod of value, and cannot be efficient—perhaps cannot survive—without one.

Mr Keynes proceeds to deal with the question of the price level in relation to the Budget, emphasising the point that the question whether a given burden of annual interest is tolerable or not depends upon this price level. But we have not space here to pursue this question, while that of the Capital Levy *versus* alternative methods of dealing with the debt burden is a matter which we will deal with on some other occasion. Nor need we refer here to the chapter dealing with the theory of money and foreign exchanges, but will pass to Mr Keynes' conclusions, which we will venture to summarise—we hope without injustice to Mr Keynes—as follows:—

The amount of bankers' credit in existence bears in practice a more or less fixed ratio to "cash in hand or at the Bank of England" held by the joint-stock banks. The amount of these bankers' reserves are mainly dependent upon and can be controlled by the policy of the Bank of England and of the Treasury, which thus can control the level of prices, and, therefore, also the level of the exchanges.

Under post-war conditions, these reserves and the credit reared upon them bear no relation to gold nor in practice to the rule which lays down a theoretical maximum for our currency notes. The maximum has never, in fact, become operative, and the rule is unlikely to be enforced as a check on the volume of currency or of credit.

The control of the volume of credit which in practice exists should be made more conscious and deliberate than at present, and should

be based not upon the desire for exchange stability, but upon the stability of sterling as its primary object, though this would not prevent an attempt to secure exchange stability as a secondary object by co-operation with the Federal Reserve Board of America in a similar policy.

The use of this power to control credit should, as far as possible, be used in anticipation of and not after price fluctuations have taken effect and altered index prices. It therefore depends upon the study of all relative data and the best informed forecasts of the probable course of prices.

In order to prevent violent temporary movements of the exchange, and to retain gold as a means of international payments, the Bank would fix from time to time the price of gold, leaving a fair margin between its buying price and its selling price. This margin would enable the gold reserve to be used freely to steady minor exchange fluctuations, but if gold prices steadily move away from paper pound prices, the Bank's gold price would be changed.

It is further suggested that the purchase of dollars for the payment of the American debt should be used to balance the seasonal movement of the American exchange.

The Bank's price for gold should be quoted not merely for immediate delivery, but for delivery three months hence, a plan which would help to develop the forward market in exchange, which in its turn would facilitate the movement of funds between London and New York without involving gold shipments.

If the standard value is thus divorced from gold, our gold reserve should be entirely controlled by the Bank of England, and the currency note issue could be left without gold backing; for the amount of notes required in circulation would be a consequence of the level of prices, and not a cause.

By this means it is urged that "it is possible to get the benefit of the advantages of gold without irrevocably binding our legal-tender money to follow blindly all the vagaries of gold and future unforeseeable fluctuations in its real purchasing power."

The premise of these proposals—namely, that gold is an unreliable standard of value, and that it is possible in theory to make a scientific standard based upon the value of commodities generally, is not a new idea, but has been familiar to economists under the name of the "Tabular Standard" for well over a hundred years. Its advantages, if it could be applied, would be immense, for not only does a variation in the standard produce quite unjustifiable changes in the distribution of wealth, but also the absence of a policy which aims at stabilising prices on a scientific standard means that the ordinary ups and downs of trade are exaggerated, instead of being checked, by the machinery of credit. Moreover, the violent disturbance of the world's monetary system caused by the war has produced an atmosphere of great receptivity to new ideas and diminished confidence in our pre-war mechanism. There is therefore more readiness to consider the possibility of a more conscious and more scientific control of the monetary system.

Nevertheless, the practical difficulties in carrying such a plan into effect remain. In the first place, unless we were to attain an international agreement on the subject, or, at all events, some common understanding between England and America, we should, if the plan proved successful, be substituting a system of stable internal prices and fluctuating exchanges for one of stable exchanges accompanied by varying price movements, both internally and externally. To introduce a system which would perpetuate our present exchange fluctuations would be a serious matter for Great Britain, particularly in two respects. In the first place, to buy and sell abroad on a varying exchange involves an element of speculation in our all-important foreign trade. It is true that if the

economic theory of the exchanges worked perfectly smoothly, these movements would not have a very disturbing effect. For example, if American prices on a gold basis increased 50 per cent., the value of the dollar in terms of sterling should automatically fall in proportion, so that the British manufacturer buying cotton would pay the same amount of sterling for cotton as before. But as in practice this adjustment does not work promptly and automatically, it involves instability in the prices at which we purchase food and raw material and sell our manufactures. Again, an unstable exchange would unquestionably affect the extent to which the nations of the world would keep their balances in London or do their international financing here; for a given monetary balance in Great Britain could not be relied upon to purchase a given quantity of dollars or of gold. It will be quite correctly pointed out that any distrust of sterling on this ground would be unjustified, for if the scheme worked a sterling deposit would represent a constant value in terms of commodities. But if the great trading nations of the world did not follow our lead, they would not be likely for a long time to recognise that the pound sterling was the most stable unit in the world, and, in the meantime, London would lose her financial pre-eminence.

A second difficulty is that the proposal places absolute discretion in the hands of the Treasury and the Bank of England, qualified to some extent by the power of the great joint-stock banks to modify the working of this central control of credit. Under existing conditions there would undoubtedly be great suspicion on the part of industrialists and merchants of any authority which exercised so great a power, especially since it would, from time to time, take the form of deliberately checking industry just when manufacturers were beginning to think that trade was getting good and handsome profits were in sight. We may even doubt whether wage-earners would accept this monetary dictatorship, which would necessarily have to be carried out practically without explanation of the reasons for its actions. This objection is the more forceful, seeing that it means ultimately control of monetary policy by the political party in power.

In the third place, even if the principle were accepted, it is doubtful whether any small group of men, however well-informed and public-spirited, could in our present state of knowledge gauge the state of economic conditions with sufficient accuracy to avoid making mistakes, which instead of proving helpful might cause disaster. For Mr Keynes himself points out that, in order to remedy trade fluctuations by credit control, it is not enough to take action after prices have risen. Action must be taken in anticipation of a price movement, and so prevent fluctuations being brought about. In this respect the motto of the *Economist* has long been: "Let knowledge grow from more to more," and we are enthusiastic believers in the immense benefit which will result to the community generally when we have adequate knowledge of the facts of business. But we in this country have unfortunately to admit that at the present time we are only just beginning to obtain the essential data for forming a scientific judgment on economic affairs. In its absence credit control would be an art of a very rough-and-ready kind, and not a science, and under such conditions the objection which we mentioned last has particular force. The instinct of the business world will undoubtedly be to endure the evils of the gold standard, with all its drawbacks, rather than to run the risk of other evils which they know not of. Finally, the only other point which we have space to mention is that there are grave reasons for doubting whether the management of credit in the way proposed would, in fact, save us from periodical fluctuations of trade. Experience alone would prove how far credit control could, in fact, eliminate these fluctuations; but we are disposed to think that the backers of the theory place their claim too high. Drastic credit control can undoubtedly check a violent upward movement of prices. It is more doubtful if it can stimulate sagging prices.

These criticisms are, however, qualifications of a brilliant book which is deliberately intended to make out a case for a definite scheme of price stabilisation. They do not, in our opinion, affect the thesis that, in the long run, if our economic system is to work well, money

and credit must become our servants and not our masters, and that our goal should be to eliminate periodical fluctuations in the value of our monetary unit, and to secure over long periods a steady standard of value. Mr Keynes' book should help to make clear the ultimate objects of our monetary policy, but we are disposed to think that we should approach this goal by a number of intermediate stages, or possibly by another route. In particular, perhaps a more hopeful line of approach is to secure a greater measure of confidence by a return to a gold standard, and to attain stability by gradually securing through international action a slow but effective control over the fluctuations in the value of gold itself.

PROFESSOR CASSEL ON PROTECTION.

In stating the case for Free Trade, we emphasised the fact that the issue was one of importance far beyond this country, and that public opinion abroad would not only follow the contest with interest, but would unquestionably be influenced by the course followed in this country—the home of Free Trade. We therefore consider that it will be of interest to our readers to know the views of Professor Cassel, the most distinguished of European economists, on the subject, who writes as follows:—

The fiscal question having been examined during the last few weeks in some hundred thousand speeches and leading articles, it might seem that not much remains to be said on the subject. However, the great controversy has certainly not come to an end with this election. The British people will still have to give much thought to the relative merits of Free Trade and Protection before the definite choice is made, and the time immediately after the election is perhaps particularly suited for a more unbiased and thorough consideration of the matter. It is only natural that in such a discussion the international character of the problem should be emphasised more than it could be in the electoral struggle. In a discussion on the international aspects of the controversy an outsider may perhaps find some justification for accepting an invitation to take part. Clearly it is an advantage if the problem could be handled at least for a moment as a general economic problem, to the elucidation of which every serious attempt at a contribution should be equally welcomed. Again, in a discussion concerning the advantages and drawbacks of Protection, the present generation of Englishmen cannot claim to have much direct experience. Indeed, much that has been said in the election campaign in favour of Protection is clearly influenced by a desire to try something new and unknown, to "let Protection have a chance" when everything else has failed. In countries with more experience of Protection the expectations of unknown blessings of a fiscal policy have not the same imaginative power, and Mr Baldwin's recommendations will in such countries have no undue advantage of freshness or originality.

Few people deny that Free Trade is right in principle. Advocates of Protection always try to convince people by pointing to "particular circumstances" which "for the time being" make certain Protectionist measures necessary. But having once accepted this argument you will, curiously enough, always be confronted with "particular circumstances," and you will invariably find that the time you live in is just the "time being" which demands extraordinary measures.

Thus Protection has a tendency to an infinite prolongation of itself. The particular reasons which provided the first motive are generally preserved with admirable piety, or fresh reasons are invented. But you will never hear from the side of the protected interests that Protection has fulfilled its function and can therefore be abandoned. In this the Protectionist countries of the world have an accumulated experience which is unknown to modern England, but of which, at the present moment, England would do well to take notice.

Protection also has a very strong tendency to widen its field, as interests which feel themselves damaged by

the protection given to others will ask for compensation in fresh protective measures in their own favour, and so on. This experience, which is quite familiar to old Protectionist countries, seems, indeed, already to have begun to make itself sufficiently felt even in England. It should be particularly observed that industrial protection invariably leads to claims for agricultural protection, and England will not be able to avoid this consequence, even if it is for the moment hidden by being presented in the form of a subsidy to agriculture which, in its economic effects, must practically amount to almost the same as a system of duties on agricultural products.

Among the "particular circumstances" which are today quoted in England in favour of Protection we must first notice the undue advantage on the English market which depreciated currencies give to some of England's competitors. The Protectionists do not always make it quite clear what is meant by "depreciated currencies." In reality, a small currency unit gives no advantage to the exports of a country. An undue stimulus is only created when the currency of a country is undervalued on the international markets, i.e., valued lower than would correspond to its purchasing power parity. Such an undervaluation is a great evil, but the remedy for this evil should lie in endeavours to master the causes of such undervaluation, i.e., to help to create stable monetary conditions in the countries concerned, and to remove at least that instability of exchanges which is caused by arbitrary interference in the conditions of international trade. What the Tariff Reformers in England are proposing to do is just the opposite to the last point. By erecting new tariff barriers against the exports from countries with undervalued currencies, we must obviously increase the undervaluation of these currencies, simply because we make the possession of such currencies less useful. This truth is most easily understood if we imagine the policy of Protection against undervaluation carried to its extreme: If all outside countries applied absolute import prohibition against goods from a country with undervalued currency, the international value of that currency would immediately sink to practically nil, because nobody would be able to make much use of it.

The safeguarding of industries which can be attained by aid of duties against undervalued currencies has already shown itself in England to be restricted within very narrow limits. This must naturally be so in a country whose industries essentially depend on export. What might, perhaps, be possible for a more self-contained country is not possible in the case of England, because of the overwhelming importance of the export trades for the maintenance of the British people. A policy aiming at reserving the home market for home-made products must, in the case of industries which also work for export, generally have the effect of fostering combinations for the exploitation of the home market by high prices, foreign markets being supplied at a cheaper rate. A Government promise to prevent such combinations is not of much worth, as there is hardly any other way in which the export industries could draw any advantage from the duties introduced for their protection. The ultimate effect of the whole tariff system must be to increase the cost of production for the export industries and weaken their power of competition in foreign markets. This is only in accordance with the actual aim of the Protectionist policy, which must always be to make the country more self-supporting, i.e., to diminish its need for export goods serving as payment for imports from abroad. Such a policy may, perhaps, be adopted by a country which still has the choice between a mainly self-supporting economy and a development towards greater dependence on exports and imports. For England this choice was made definitely a hundred years ago, or, at least, by the abolition of the corn laws, and there is now no way back. The population has been allowed to grow up to its present density, and can now only be supported on the basis of a Free Trade system allowing the highest possible development of the international exchange of goods.

If the modern English Tariff Reformer is open to learn anything from other countries' experiences of Protectionism, he will also find out the vanity of the phrase that the Protectionist measures now planned in Great Britain will only pave the way for a greater amount of real Free

ROTTERDAMSCHЕ BANKVEREENIGING.

Rotterdam, The Hague, Amsterdam.

Capital ... fl. 75,000,000
Surplus ... fl. 36,500,000

Collections.

Letters of Credit. Foreign Exchange.
Purchase and Sale of Stocks and Shares.

Including its affiliated institution the Nationale Bankvereeniging, Utrecht, the Rotterdamsche Bankvereeniging is represented in about 100 places in the Netherlands.

Trade. The increase of duties in one country has always a very strong tendency to cause a corresponding increase in other countries' duties. The concessions made later on in international trade treaties are under such circumstances often more illusory than real. There is certainly not much experience to support the idea that the advancement of real Free Trade can be furthered effectively by aid of duties introduced as weapons in a tariff war.

The most probable effect of England's return to Protectionism would be that a fresh and strong wave of Protection would flow over the world. This would mean a very serious restriction of international trade. A policy which is calculated to make every country more self-supporting must—whatever advantages it may conceivably bring the different countries—result in a diminution of international trade. This disadvantage may, perhaps, be regarded as negligible by a country whose normal part of, or interest in, the world's trade is insignificant. But certainly the effect cannot be neglected by Great Britain. Even if it could be shown that the usual arguments against and in favour of Protection balance one another fairly well, as far as British production is concerned, the question is not decided for Great Britain. This country's interest in international trade is so great that every weakening of the world's commerce falls upon Great Britain with far more than proportional weight. The commerce, banking and carrying trade of Great Britain have their life interest bound up with a continual development of the international exchange of commodities, a development from self-supporting conditions to greater dependence of nations on one another. Therefore, any reasoning and any considerations which would conceivably be acknowledged as convincing for the adopting of Protection by another country are not convincing in the case of Great Britain.

The present state of unemployment in England is undoubtedly a very serious "particular circumstance," and it is natural enough that all sorts of prescriptions promising help should be willingly accepted under such conditions as are now prevailing in England. But here again it would be wiser to try to analyse thoroughly the causes of the present unemployment. The policy of exhaustion and destruction which has been allowed to take the lead in Europe is, as everybody knows, the first cause of the general depression of the world's trade. The second is the continual unsettlement of the world's monetary conditions, and the consequent instability of currencies and exchanges. It would be better to concentrate all energies on overcoming these fundamental evils than to waste time on futile efforts to cure particular symptoms of the world's sickness. There are also factors particularly responsible for the high degree of unemployment in England: the long suspension of emigration which has allowed the population to grow faster than the resources for its support could be increased; and the lack of a rational redistribution of the population in different occupations according to after-war requirements. In both these cases the remedy has to be sought in a greater mobility of the population, in the overcoming of the frictions which prevent a change of domicile and of occupation, and more particularly in removing the obstacles which a shortsighted trade unionist policy piles up against the free movement of labour from one occupation to another. Protective measures work in the opposite direction when they induce people to remain in their old positions, even though it is clear that they are unable to support themselves there without outside assistance.

The idea that more employment can be created by Pro-

tection is a typical outcome of a false application of arguments of *private* economy on *social* problems. For an employer or a workman in a particular trade it may be plain enough that he can get more employment by being protected from foreign competition. He looks on the matter from the point of view of his private economy, and he does not take any account of the more remote effects of such protection. But if we sum up all these more remote effects for the community as a whole, we shall find them to be very important and, perhaps, to far outweigh the sum of advantages secured by private individuals. The latter will, in all probability, be the case in England: If England's export trades are handicapped, and if the world's commerce is restricted, the loss of employment for the British people as a whole is likely to be very much greater than the additional employment which may be created by aid of protective devices.

OIL AND INTERNATIONAL POLITICS.

A QUESTION which was suspended by the lightning arrival of the General Election was whether the Government should or should not take advantage of an opportunity which has arisen to sell out their shares in the Anglo-Persian Oil Company. Everyone knows that the nation first acquired an interest in this company before the war at the instigation of Mr Winston Churchill, whose object in advising the purchase of shares was the desire to acquire control at the source of supplies of the fuel oil which our Navy would require in quantities which, he foresaw, would increase rapidly as fleets were converted from the coal to the oil basis. Most people to-day would decide the question whether the British Government's interest should now be sold solely on their views as to whether or not naval safety demanded their retention; some others would attach great weight to the principle whether Government participation in an industrial enterprise was right or wrong. Few, probably, have realised the immense importance of the decision. In the last 20 years one of the new factors that has emerged in international politics is oil. Of that fact public opinion is vaguely suspicious, but largely ignorant. It is as well that that ignorance should be dispelled, and we therefore welcome without hesitation a little volume* on the part played by oil in international politics, which has been published this week. The traditional conception of oil is that of a substance which lubricates, which supplies motive power, which, when poured on troubled waters, produces calm. Those who read this little volume will gain a very different idea of its effect when poured on the troubled waters of international politics. No one, for instance, can deny that in the recent relations between Great Britain and the United States oil has been not a lubricant, but an irritant.

Mr Davenport and Mr Cooke are oil experts, and it is therefore not unnatural that they should tend to over-emphasise the international importance of oil problems. When, for instance, they speak of two, if not three, of the great international conferences of 1922 being ruined by oil, we may beg leave to recall that other powerful forces were at work to render abortive those conferences through which Mr Lloyd George so fondly hoped to reach the road of European salvation. But this inclination towards over-emphasis does not really detract from the value of a book which not only examines with a wealth of statistical and geographical detail the present potential oil production of the world, but also gives the reader a peep, which will horrify him, into some dark corners of diplomacy. The public are dimly aware that oil policy has produced friction and suspicion between Washington and London. When the facts set out in this volume are examined, few will fail to understand the American point of view, or to feel that this obstacle to Anglo-American friendship should never have been raised, and ought to be finally removed, in so far as it lies in the power of the British Government to do so.

"The Oil Trusts and Anglo-American Relations." By E. H. Davenport and S. Russell Cooke. Macmillan. 7s 6d.

Mr Churchill's initial conception of a national oil policy, based on considerations of naval safety, took strong hold during the war and after, and in 1918, under the Premiership of Mr Lloyd George, was formed a secret Cabinet Committee, known as the Petroleum Imperial Policy Committee, whose object was to secure greater British participation in the oil-producing companies of the world, "and particularly," as our authors put it, "in the Royal Dutch-Shell." The existence of this Committee, and exaggerated rumours regarding its work and intentions, were sufficient to arouse criticism and suspicion in America. Subsequent events added further fuel to the flames of misunderstanding, and nothing perhaps contributed more than the agreement signed at San Remo between Sir John Cadman and M. Berthelot, on behalf of their respective Governments, and the part which the Mosul question played in the deliberations at Lausanne. The San Remo agreement has been interpreted in many ways, and in some respects is a perplexing document, but its principal meaning is clear: by it Great Britain and France proceeded to divide up among themselves oil interests in important ex-enemy territories. "It is hard to deny the claim," write Mr Davenport and Mr Cooke, "that, having admitted France, alone of our partners in the war, into the Mesopotamia oil monopoly, we were in fact slamming that door in the face of America." We do not propose to trace in detail the whole story of American reprisals against a British oil policy which she conceived to be aimed at her, of Sir John Cadman's subsequent offer to American interests of a half-share in Mesopotamian exploitations—in fact, of oil on the back stairs of diplomacy during the past five years.

The story may be read in detail in the little volume before us. It is the central fact about the story with which we are concerned. This fact is that the adoption of a definite and aggressive oil policy by the British Government has poisoned, and will if continued, poison again the relations between the two great Anglo-Saxon nations. We have on the one side Washington taking the Standard Oil view, and on the other Downing Street following an Anglo-Persian policy. We are not concerned to condemn or approve or even to assess the influence of the oil trust on American policy, except to point out that that influence was inevitably strengthened by British policy and American belief of what that policy meant. But a question which calls for the urgent attention of this country is whether Great Britain should not abandon all idea of an oil policy at all, and so remove a dangerous irritant from the realm of international politics. The only possible justification for a policy of stock control by the Government in producing companies is the argument that such control is necessary to assure supplies of oil fuel for our fleets in time of war. But is it necessary? We are inclined to agree with Mr Davenport and Mr Cooke that this argument, which has been the basis of British oil policy with all its harmful results, is a fallacy. What is vital in war is not control over production at the source, but a sufficient command of the sea to enable us to obtain oil fuel from the most convenient quarters. It would avail us nothing to own the whole of the shares of all the oil-producing companies of the East, if we had not the ability to guard the trade routes by which the oil has to be carried. That is a cardinal naval principle which was clearly grasped by Lord Fisher, and it means that it is necessary to keep large tank-stores at home. "If," as our authors put it, "the Anglo-Persian Oil Company had been controlled by Germans, or had been from first to last German, would not the British Navy have had Persian oil just the same?" In any case, in the late war it was American and Mexican oil, more than Persian, that kept the British fleets under steam.

If this line of argument is right, as we believe it to be, then no justification remains for continued participation by the British Government in the oil production industry. For if strategical arguments do not justify it, the principle of Government investment in industry will have few supporters. There is no possible danger of any potential enemy country gaining a monopoly of oil supplies, the progress of private investment of British capital in the oil industry being sufficient safeguard against any such anti-British monopoly. "The relative oil yield of the United States and the British Empire may be about 32 to 1," write our authors, "but there is hardly an oilfield in any

country in the world where British companies are not working. With the command of the seas, what more could be desired? How unnecessary for the national defence is this policy of State participation in an oil-producing company!"

When Parliament dissolved last month the British Government were in possession of an offer to purchase their Anglo-Persian shares. In our opinion, the offer, provided it is in all respects a reasonable, proper offer, should be accepted. Such action would tend to sweeten Anglo-American relations at a very important juncture; it would remove from post-war diplomacy a sordid and harmful element of intrigue; it would lead the way to the policy of the "open door," and to complete freedom of competition between privately-owned companies, which, as is pointed out in the volume under notice, is the only ultimate alternative to the impracticable and unpalatable policy of "a thorough international control of oil production, with its concomitant of internationalised zones, where oilfields or oil pipe-lines lie situate in unsettled territory, and of an international prorating of expenditure and profit."

LONDON HOTELS AND RESTAURANT COMPANIES.

If the published accounts of companies interested in London's hotels and restaurants are any guide, there is ample evidence that this section of the catering industry is showing reasonable signs of improvement. Most of the big representative concerns are now giving a return on their ordinary capital, after having provided for maintenance and redecoration—two substantial drains upon the revenue of any well-equipped modern hotel. We confess that we are not altogether satisfied with the progress made since the war by the hotel industry as a whole. There is, of course, the fact that the progress of the industry was very much impeded in some cases by Government occupation of premises and the difficulties in connection with compensation. With those who suffered from these drawbacks we have every sympathy. On the other hand, however, there is the fact that those hotels which were occupied by the Government served to accentuate the scarcity of hotel accommodation at a period when London was admittedly overcrowded. Economic conditions made it impossible to build competitive hotels. Most hotels were full to overflowing. Thus hotel companies should have been able to enjoy at least three years of boom prosperity followed by a year of depression and a year of partial recovery. But apparently directors in many cases were not able to abstract from "bumper" business years that distilled essence—more commonly referred to as profits—so necessary to please shareholders. We have often wondered if overhead charges in connection with many of our hotels are not carried too far—if money does not necessarily go to waste in the overpayment of many decorative and even dignified, but certainly useless (from a utilitarian point) officials.

As usual, to survey the industry we have selected a batch of representative undertakings, and compiled a number of comparative statements. Our first table shows dividends declared over a period of years upon shares of a number of companies:—

	1913-14	1914-15	1915-16	1916-17	1917-18	1918-19	1919-20	1920-21	1921-22	1922-23
Burlington	nil	nil	nil	nil	nil	nil	nil	nil	nil	10
Carlton	6	nil	nil	nil	nil	15	8	8	10	10
Frederick	nil	nil	nil	nil	nil	nil	6	6	10	10
Gordon	11	8	23	23	11	11	11	11	11	11
Holborn & Frascati	11	8	23	23	11	11	11	11	11	11
Hotel Cecil	50	25	75	133	150	150	133	nil	nil	nil
Piccadilly	10	nil	5	6	7	7	7	nil	nil	7
Romano's	5	nil	nil	nil	nil	nil	10	10	10	10
Savoy	12	17	12	12	17	12	12	12	12	12
Smedley's	9	9	9	9	9	10	10	11	11	11
Strand, pref. ord.	6	3	nil	nil	nil	10	10	11	11	11
Waldorf, 6% pref.	6	3	nil	nil	nil	10	10	11	11	11

* Free of tax. † Ordinary. ‡ Year 1922. § For 7 months to end of 1922.

It is interesting to observe the gradual process of improvement. The Piccadilly is an outstanding feature as an exception; it must, however, be remembered that the high dividend was upon a very small amount of capital. The Carlton is noteworthy for its larger distribution, while the Cecil makes a bid for favour. The Savoy looks as if it

intended to maintain 10 per cent. as a standard, and nothing would appear to be able to stem the prosperous course followed by the Strand.

In the next table we set out the gross profit and net profit of these companies for the past three years, adding comparative figures for 1913-14:—

Company.	1913-14.		1920-21.		1921-22.		1922-23.	
	Gross Income.	Net Profit.	Trading Profit or Income.	Net Profit.	Trading Profit or Income.	Net Profit.	Trading Profit or Income.	Net Profit.
Burlington	£ 44,285	£ 1,750	£ 72,705	£ 13,088	£ 67,410	£ 6,350	£ 171,273	£ 19,753
Carlton	75,797	35,441	80,601	46,966	78,557	45,793	77,864	46,064
Frederick	339,549	31,906	162,883	46,172	141,165	51,350	145,395	61,995
Gordon	161,665	81,690	138,682	48,018	146,457	5,451	116,939	130,525
Holborn & Frascati	171,068	39,348	322,062	66,411	297,519	46,522	269,150	133,534
Hotel Cecil	230,634	33,771	71,282	41,295	76,210	49,780	77,500	51,320
Piccadilly	246,492	22,220	43,239	7,621	51,972	11,802	54,761	17,456
Romano's	23,460	5,065	24,065	Dr 2,319	21,453	Dr 2,373	27,561	5,480
Savoy	182,891	42,239	248,393	165,099	220,067	126,398	120,445	112,328
Smedley's	50,938	10,072	91,949	6,554	92,886	10,145	92,300	12,846
Strand	69,507	28,376	104,314	92,954	106,229	94,939	107,746	96,386
Waldorf	36,512	17,165	44,235	34,194	45,725	36,672	43,944	38,474

* Trading profit. † Year 1922. ‡ For 7 months to end of 1922.

Considered as an industry, profits have been well maintained. The Gordon shows a gratifying increase, while the Piccadilly is once again taking the upward path. The Savoy and Waldorf Hotels have, we hope, definitely joined the lists of prosperous undertakings; Smedley's, as an efficient provincial undertaking, demonstrates what can be done in combining good hotel service with profit-earning. The position of Romano's is an interesting one. It has assets valued at £114,326, including valuable freehold premises in the heart of London. There is a mortgage of £18,700, it is true, in existence, but we would point out that there is also a reserve of £20,000. Gross profits have varied from £23,995 in 1921 to £21,388 in 1922 and £27,492 in 1923. In 1921 and 1922 trading resulted in a loss; in 1923, however, with profits only a little higher, it was decided to distribute a dividend of 7½ per cent. on ordinary capital.

Our next table shows comparative figures of principal assets and liabilities for the past three years:—

Name and Year.	Principal Liabilities.			Principal Assets.		
	Total Capital.	Reserves.	Creditors.	Properties.	Cash & Investments.	Debtors & Stocks.
Burlington—						
1920	291,340	10,000	8,520	228,802	30,065	2,422
1921	231,005	11,168	9,599	221,132	88,235	2,499
1922	285,920	nil	9,599	221,132	82,692	2,013
Carlton						
1920-21	1,081,624	30,000	106,935	596,825	518,076	27,406
1921-22	1,060,096	40,000	88,994	589,961	545,242	18,226
1922-23	1,039,234	55,000	69,955	581,984	543,266	12,985
Frederick						
1920-21	1,606,250	20,000	117,958	1,646,436	81,443	112,260
1921-22	1,606,250	20,000	79,379	1,646,489	71,295	74,877
1922-23	1,606,250	30,000	80,331	1,646,489	124,216	63,623
Gordon						
1920-21	3,846,000	430,336	229,636	3,735,267	280,645	38,668
1921-22	3,809,815	468,954	346,650	3,735,267	227,523	39,711
End of 1922	3,786,356	492,037	313,782	3,735,267	259,508	36,520
Holborn & Frascati						
1920	607,000	220,275	102,295	525,000	130,195	14,328
1921	607,000	243,735	85,805	525,000	140,245	14,995
1922	607,000	262,012	80,871	525,000	155,987	14,962
Hotel Cecil						
1920-21	1,510,000	53,079	112,207	1,562,075	125,812	20,905
1921-22	1,510,000	53,079	93,018	1,562,075	105,980	19,330
1922-23	1,510,000	53,079	53,448	1,562,075	69,577	16,164
Piccadilly						
1920-21	440,641	123,686	51,727	514,526	53,217	14,026
1921-22	436,105	139,563	45,270	514,526	66,096	10,458
1922-23	431,197	161,839	39,023	520,526	75,364	11,313
Romano's						
1920-21	60,000	20,000	7,334	79,458	741	492
1921-22	60,000	20,000	8,451	79,458	5,146	759
1922-23	60,000	20,000	6,252	79,458	12,622	1,174
Savoy						
1920	2,270,934	53,317	393,340	2,239,211	246,721	329,946
1921	2,269,134	52,601	351,885	2,163,579	221,625	375,494
1922	2,265,534	104,910	264,326	2,161,743	245,946	315,616
Smedley's						
1921-22	75,000	10,000	9,006	55,246	8,348	8,582
1922-23	85,000	nil	7,784	54,141	9,886	2,987
Strand						
1920-21	963,333	107,413	121,362	913,901	131,398	198,049
1921-22	959,544	132,250	119,913	940,171	140,371	177,542
1922-23	955,504	137,561	163,968	921,811	210,039	183,486
Waldorf						
1920-21	468,389	60,754	33,026	437,081	32,192	4,023
1921-22	457,429	65,837	38,189	437,081	39,713	1,865
1922-23	452,389	76,851	33,819	437,081	43,939	2,302

† Includes claim against Government for expenses of reinstatement and loss of goodwill.

This is a useful analysis, and provides a reasonable safeguard to those who are considering hotels as an investment proposition. Other information is difficult to obtain. Hotel directors in reports, in the majority of cases, have reduced brevity to a fine art. Yet we find that shareholders of one company are enjoined at the end of a bald statement of profits, "Should

you be unable to attend the meeting, the board will be obliged if you will kindly fill up the enclosed form of proxy and return it to the company's office at your early convenience." The trustfulness of the average shareholder is, we must confess, beyond our measure. The Carlton Hotel mentions that "the hotel and its contents have been well maintained and are in good order and condition." The Piccadilly Hotel, Limited, and Gordon Hotels, Limited, are two companies which are slightly more informative in their report than others. The Gordon's report, however, is somewhat ancient history now, but the directors of the Piccadilly in October last pointed out that "since the close of the financial year they have been able to arrange for a reduction to $5\frac{1}{2}$ per cent. in the rate of interest on the first mortgage debentures, which have been increased by £50,000. They have also been able to purchase large blocks of the 6 per cent. participating debentures, reducing the amount held by the public to £94,000"; the original amount was £250,000.

The little group of hotels under the control of the Strand Hotel, Limited, made excellent progress. Major Gluckstein, presiding at the annual meeting of the company, mentioned that "in September, 1922, they reduced the tariff for bedrooms, so that these reductions had operated throughout the whole of the year now under review. As previously explained, they did not lower these prices with a view to attracting more visitors; that would have been impossible, as the hotels had always been, and were now, fully occupied. The reductions were made in pursuit of the policy of the board to supply the public at the lowest price, and to get back as near as possible to pre-war rates." With regard to "the catering side of the business, there had been some slight reductions in the cost of foodstuffs during the year, and expenses in one or two instances had been lower. The benefit of these lower costs had been passed on to the public in the form of reduced charges. It was natural, therefore, to find that the average amount spent per head had been less."

Our final table shows price movements of representative hotel shares for 1922 and 1923, and present yields:—

	Prices of 1922.		Price of 1923 to Nov. 30.		Price End of Nov. 1923.	Present Yield.
	Hgst.	Lwst.	Hgst.	Lwst.		
Burlington, ord. (£1)	7 30	5 10	7 10	5 10	7 10	7 5
Do 5% cum. pref. (£1)	7 30	5 10	7 10	5 10	7 10	7 5
Carlton, ord. (£1)	7 30	5 10	7 10	5 10	7 10	7 5
Do 5% cum. pref. (£10)	7 30	5 10	7 10	5 10	7 10	7 5
Frederick, 5% cum. pref. (£10)	7 30	5 10	7 10	5 10	7 10	7 5
Gordon, ord. (£10)	7 30	5 10	7 10	5 10	7 10	7 5
Do 5% cum. pref. (£10)	7 30	5 10	7 10	5 10	7 10	7 5
Holborn and Frascati, ord. (£1)	7 30	5 10	7 10	5 10	7 10	7 5
Hotel Cecil, 5% cum. pref. (£5)	7 30	5 10	7 10	5 10	7 10	7 5
Savoy, ord. (£1)	7 30	5 10	7 10	5 10	7 10	7 5
Strand, pref. ord. (£1)	7 30	5 10	7 10	5 10	7 10	7 5

† Dividend in arrears. Yield calculated on 5% basis.

There has recently been a considerable activity in hotel shares, due to a greater interest being taken in their future, as a result of the possible large influx of visitors to London for the forthcoming British Empire Exhibition at Wembley Park. The chairman of the Hotel Cecil pointed out at the annual meeting held on November 20th that "since the close of the financial year (August 31st) the business continued good, and showed a satisfactory increase over the previous year." Many hotel managers expect to be able to report similar conditions for next year.

ELECTION STATISTICS.

WHEN the General Election of November, 1922, returned a large Government majority elected by a minority of the electorate, we expressed the hope that this disquieting anomaly would turn out to be a blessing in disguise and serve to impress upon the minds of all lovers of constitutional government the urgent necessity for the amendment of electoral law. We also ventured to hope that that House of Commons would be the last to be elected under the old system. That hope was doomed to disappointment, and last week's election has provided us with a new series of statistics which emphasise the shortcomings of the existing system of Parliamentary election. It is true that the voting has not produced quite so glaringly anomalous a result, but the fact that "the luck of the electoral

table," as Mr Lloyd George described it, has not been so overwhelmingly in favour of one party will, we hope, enable all parties to approach the question of reform without bias. Each of the three great parties has suffered in varying degree in the last election from "three-cornered" contests, and the Conservative party which benefited to some extent in 1922, did not reap the same advantage last week. Indeed, although the Conservative party polled practically the same percentage of the total votes, the proportion of contested seats won by the Conservative party has dropped from 54 per cent. to 39 per cent., the latter figure approximating very closely to the 38 per cent. of the total votes cast in favour of the Conservative party. An examination of the table below shows that while the total vote increased by nearly 200,000, the Conservative party lost 41,000 votes, and Independent candidates 202,000, the Labour party gaining 304,000 and the united Liberal party 134,000. These figures show very little correspondence with a loss of 82 contested seats by the Conservative party and gains of 51 and 41 seats by the Labour and Liberal parties respectively. But it will be seen that the division of seats corresponds more closely with the voting than was the case twelve months ago:—

	November, 1922.				
	Votes.	Candidates.		Seats.	
		Contest- ing.	Unop- posed.	Won.	Total.
Conservative	5,551,648 (39 %)	449 (83 %)	42 (74 %)	304 (54½ %)	346 (56 %)
Labour	4,202,516 (29½ %)	407 (80 %)	4 (7 %)	138 (25 %)	142 (33 %)
Independent	2,663,390 (18½ %)	325 (64 %)	6 (10½ %)	59 (10½ %)	65 (10½ %)
Liberal	1,467,263 (10 %)	135 (26 %)	4 (7 %)	48 (8 %)	50 (8½ %)
Other	4,130,653 (28½ %)	460 (84 %)	10 (17½ %)	105 (18½ %)	115 (19 %)
% of total	466,664 (3 %)	46 (8 %)	1 (1½ %)	11 (3 %)	12 (3 %)
	14,354,481	1,362	57	558	615

	December, 1923.				
	Votes.	Candidates.		Seats.	
		Contest- ing.	Unop- posed.	Won.	Total.
Conservative	5,514,103 (38 %)	500 (86 %)	35 (70 %)	222 (39½ %)	257 (43 %)
Labour	4,506,935 (31 %)	420 (80 %)	3 (6 %)	189 (33½ %)	192 (31 %)
Liberal	4,265,462 (29½ %)	443 (84 %)	11 (22 %)	146 (26 %)	156 (25½ %)
Other	265,420 (1½ %)	30 (8 %)	1 (2 %)	7 (1 %)	9 (1½ %)
	14,551,920	1,393	50	564	614

Election statistics are very elusive, and it is difficult to find any two authorities which agree. The figures in the above table are taken from the *Morning Post*. The most striking feature is the large turnover in seats which has occurred with a relatively very small turnover of votes. The explanation of this lies in the fact that in 1922 a considerable number of Conservative votes—probably not less than half a million—were given to National Liberal candidates, and to a much smaller extent National Liberal votes were given to Conservative candidates. The effect of this was to keep out the opposition candidate, whether Independent Liberal or Labour. If allowance is made for this, the Conservative poll shows a larger fall—due largely to abstentions—and the Liberal poll a larger increase than the figures show. The effect of this readjustment of votes was to let in Labour where there were three candidates, by dividing more equally the votes given to the other two candidates.

The vote given for Labour and for Independent candidates is the same as the percentage of members elected, but the Conservative party, thanks to the large proportion of unopposed candidates, has 42 per cent. of the

total seats, having polled 38 per cent. of the votes, while the Liberal party has 25½ per cent. of the seats with a poll of 29½ per cent. Under the system of Proportional Representation the composition of the House of Commons would have been, roughly, as follows:—Conservatives, 234; Labour, 191; Liberal, 181; Others, 8—a result which, while still further increasing the Conservative minority, would not produce a situation very different from that which now obtains.

A further analysis of the figures shows that of the three large parties the Liberals had the greatest percentage of rejected candidates, the smallest vote per candidate and the largest number of votes per seat won, namely, over 27,000. The Labour and Conservative candidates rejected were in about the same proportion, but the Labour vote per seat obtained was some 2,000 more than the Conservative at 23,500. The Conservative party contested 246 seats in the boroughs and 246 seats in the counties, the Liberals 227 seats in the boroughs and 213 in the counties, and Labour 234 seats in the boroughs and 182 in the counties. The number of "three cornered" contests was 249 as compared with 253 in November, 1922, when, of course, many seats were contested by both Independent and National Liberals. Last week there were 141 "three-cornered" contests in the boroughs and 108 in the counties.

THE STOCK EXCHANGE AS PUBLIC PROTECTOR.

THE Stock Exchange Committee have taken vigorous steps in regard to certain Chinese loans, the coupons on which have been refused payment by the Chinese Government unless special declarations are signed. These declarations fix the responsibility of ownership upon the signatories. Agents, stockbrokers, and others have found it practically impossible to comply with the requirements, owing to the difficulty of tracing back the ownership of bonds in such cases as those where it has changed hands during years covered by the war and afterwards. The Roumanian Government is also included in the Committee's strictures, in respect of the London issue of the Roumanian 4½ per cent. Gold Loan of 1913, the full coupon service of which has not yet been resumed. The Stock Exchange Committee have issued a formal notice to the agents of the loans that unless the terms of the bonds in question are carried out in full, the Committee will not, in future, grant a quotation to any new issue of these Governments. Moreover, unless satisfactory answers are received, the Committee will consider the advisability of removing from the Stock Exchange Daily Official List such loans already quoted as contain bonds whose coupons have not been met in accordance with the terms of the issue. Investors of all kinds will note with lively satisfaction the pressure which the Stock Exchange Committee are bringing to bear in these two cases. Those who are not directly interested, either in the Chinese or Roumanian loans affected, will see in the present action a strong hint that the Stock Exchange Committee intend to exercise, more vigorously than they have done before, the powers which they undoubtedly possess in the direction of affording assistance to holders of securities. The Stock Exchange Committee have been, and still are, accused of adopting an attitude too negative and parochial in respect of their responsibilities. The power of the Committee is great; greater, in fact, than is generally assumed by the public, who are in the habit of considering the Stock Exchange Committee as a body that pays but occasional attention to matters outside the immediate jurisdiction of the House.

Arising out of the present action, it will be asked whether the threat of the Stock Exchange Committee to remove bonds from quotation in the Official List is of sufficient consequence to carry weight with the borrowers, and here, again, the outsider may not realise how great is the importance attached to a quotation in the Stock Exchange Official List. The borrowers themselves know well enough. They recognise that the refusal of the Stock Exchange Committee to allow securities to be officially quoted is a blow to the prestige of any loan. The cachet which an issue acquires by its admission to the Stock Exchange Official List may appear very sentimental and trivial;

but, from the monetary point of view, it is of solid value. Few responsible issuing houses would care to risk the chance of their loans being refused inclusion in its pages. The practical result of such a refusal is not only to limit the market in the particular security, but to render the price lower as compared with others that enjoy this official recognition—which, by the way, has nothing to do with the security, as such. The outsider can take a block of shares from a vendor and peddle these out to members of the public, who, not knowing that any difference exists between quoted and unquoted shares, assume that the block of vendor shares is on all-fours with the issue quoted in the Stock Exchange Official List. Nor is it until they come to sell that they find themselves left with shares which, in the Stock Exchange phrase, are bad delivery; either unnegotiable, or else saleable at a lower price than the quotation ruling in the market for quoted shares. The Stock Exchange Committee can protect investors in many ways, and their present action in respect of Chinese and Roumanian loans shows they are alive to the responsibility. It is not unreasonable to assume that the London Stock Exchange Committee will be encouraged by public appreciation of their present attitude. With such encouragement they might go on to extend the exercise of their undoubted powers into other directions where these would save the public money and afford additional protection to investors and speculators alike.

Notes of the Week.

The German Problem.—Once again we have reached a stage at which hopes of progress with the hitherto insoluble European problem are again dawning. Such hopes have been so frequently dashed to the ground that they are to-day rather timorous. But there appears to be present at least one favourable factor, the absence of which has wrecked previous efforts, namely, something more like a genuine desire on the part of France to approach the economic and financial problems on business lines. We have in the past few weeks seen French policy move for various reasons somewhat in the direction of accommodation to world opinion; and in the matter of a Reparations settlement this movement is facilitated because the collapse of Ruhr resistance has given M. Poincaré just enough grounds on paper for claiming "success" to enable him at once to save his face, and to proceed on more practical lines. As regards the immediate present, there are three or four main factors that claim attention. The first is the expectation that in the course of a few weeks a committee of international experts (including American) may be entering on an examination of the German position on terms of reference going far beyond those to which M. Poincaré would have restricted the Conference proposed a month or two ago. According to the correspondence between M. Barthou, the French delegate on the Reparations Commission, and Mr J. A. Logan, the American unofficial representative, the Committee would in the first place aim at finding (a) the means of balancing the budget, and (b) the measures to be taken to stabilise the currency. An inquiry is also to be held into the means of tapping German capital that has gone abroad. To reach well-founded conclusions on those problems the scope of enquiry must obviously be very wide. Of equal importance are two intentions with which Dr Marx, the new German Chancellor, is credited, namely, to send a note to France enquiring what is the exact status of the Ruhr and the Rhineland, and possibly also to appeal for her problem to be brought under the purview of the League of Nations on the Austrian and Hungarian models. Either step would put British policy to an immediate and acid test. For five months ago the British Government definitely declared the Ruhr occupation to be illegal, and seven months ago induced Germany to make an offer to the Allies, which still remains without an answer. Should the German Chancellor take these reported steps, then the time will have passed in which the British Government can possibly "go pottering along" without a definite policy. Supreme issues of international justice would immediately be raised in a

form in which no British Government could avoid it. As regards the proposed appeal to the League, the tone of the French Press is much more hopeful than could have been expected a little while ago. The *Temps*, for instance, would not close the doors of the League to Germany, and points out that recourse to the League would not dispossess the Reparation Commission of its authority, for that body has fixed the conditions of the League's intervention in the case of Austria and in the case of Hungary. The success of the League's Austrian experiment has not been without its effect upon Paris opinion, and the League's dealings with Hungary will be even more carefully watched, for Hungary's problem includes, as Austria's did not, an obligation to pay reparations. In all these developments there is the seed of hope. Meanwhile, Dr Marx appears to be more firmly fixed in the saddle than had been anticipated, and the very long and slow process of setting Ruhr industry working again is beginning. Next week the diplomatic situation may be clearer, but those who read the letters of our Berlin correspondent will realise that time is an essential factor.

The Civil War in China.—Sun Yat-Sen's claim to a share in the Customs revenues of the province of Kwangtung, to be enforced either by actually intercepting them, or by declaring their abolition, was promptly met last week by the landing at Canton of marines from the naval squadrons of the four Powers most concerned with China. His action suggests that he disregarded the warnings of their diplomatists, and so provoked an intervention which he must have known he could not resist, chiefly in order to "save his face" before his Yunnanese troops, who, like the armies of the Northern Tuchuns, are really mercenaries rather than political revolutionists. His contention that the Customs revenues collected in the treaty ports of a province belong primarily to that province, and that the Powers have no right to interfere with their application unless and until there is a default in the service of the loans secured on them, while sufficiently specious to appeal to uninstructed Western sympathisers with the right of the Chinese to "self-determination," is utterly untenable. The surplus is that of the Customs' revenues of all the treaty ports taken together, and collected by the Maritime Customs Administration for the central Government at Peking. The service of the foreign loans is the first charge on this total, and it is only after this is provided for that the surplus, if there is one, can be released—not to the provincial Governments separately, but to the Central Government at Peking. Sun Yat-Sen, who has earned British sympathy in the past as a patriot and an ultra-democrat, apparently still regards himself as the distinct saviour of China. But his hints at a possible alliance with Soviet Russia can only estrange such sympathy, his many vicissitudes have shown that his prospects are hopeless, and the breaches between his own supporters, the Peking Government, and the Northern Tuchuns, are too wide to be closed. Apparently peace is likely to be obtained only by bringing all the leaders into a conference, and effecting their voluntary retirement, and the payment and disbanding of their troops: and the prospect of such a solution is remote. The only encouraging feature in the situation is the amazing vitality of Chinese foreign trade, in spite of the closing of the markets of the interior by the obstacles to transit set up by anarchy, brigandage, and the multiplied civil war.

Overseas Trade in November.—The Board of Trade returns for November are at first sight disappointing, for they show a fall of £5.6 millions in British exports, and of nearly £1 million in re-exports as compared with the previous month. However, November had one less working day than October. Moreover, in spite of the fall in exports, the total was the fourth highest of the year, while imports at £101 millions (the largest figure since January, 1921) presage better exports to come. The comparison with November of last year is vitiated by the Irish factor, but for what it is worth we give it below:—

MONTH OF NOVEMBER.				
	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	95,556,652	101,584,990	+ 6,028,338	+ 6.3
British exports	66,490,784	65,768,155	- 722,629	- 1.1
Re-exports	9,148,128	10,171,110	+ 1,022,982	+ 10.2
Total exports	75,638,912	75,939,265	+ 300,353	+ 0.4
Excess of imports over total exports	19,917,740	25,645,725	+ 5,727,985	+ 28.7

ELEVEN MONTHS ENDED NOVEMBER 31st.				
	1922.	1923.	Increase or Decrease in 1923.	
	£	£	£	%
Imports	908,555,435	988,836,527	+ 80,281,092	+ 8.8
British exports	661,613,394	703,213,467	+ 41,600,073	+ 6.3
Re-exports	95,298,805	108,175,962	+ 12,877,157	+ 13.5
Total exports	756,912,199	811,389,429	+ 54,477,230	+ 7.2
Excess of imports over total exports	151,643,236	177,447,098	+ 25,803,862	+ 17.0

It will be seen that the import surplus for the eleven months is nearly £26 millions more than for the corresponding period of 1922. The comparison of imports and exports in November and October reads as follows:—

	October.	November.
	Million £.	Million £.
Imports	99.9	101.6
British exports	71.3	65.8
Re-exports	11.1	10.1
Total exports	82.4	75.9

Taking the exports first, we find the principal individual contributors to the decline as follows:—Coal nearly £1 million, cotton goods £1.1 million, woollen and worsted manufactures £1.1 million, chemicals, &c., £1.1 million, apparel £400,000. In many other categories there is a small decline. In reading these figures it must be remembered that they are an indication, not of the present state of trade demand, but of the state ruling a while ago. For instance, the recent improvement in the demand for Lancashire cotton goods is so far from being reflected in the figures that cotton piece goods exports in November were only 349.6 million square yards, as against 371.3 millions in October. November coal exports were 6.7 million tons against 7.4 millions in October, France, Germany, Italy and Argentina all taking less. On the other hand, iron and steel exports continued to rise, the November total being 394.9 million tons, against 388.6 millions in October. The increase in November imports of £1.6 millions over October was accounted for by a rise of more than that amount under the head of food, drink and tobacco, a small increase in takings of raw materials being practically offset by a similar decline in imports of manufactures. If the import figures be compared with November, 1922, among items which show striking change are wood and timber (+£879,307), raw cotton (+£1.3 million), wool (-£1.1 million), non-ferrous metals (+£1.1 million). A sudden substantial rise in imports of tin and of sheet bars and tinplate bars is worth noticing in connection with the recent growth of activity in the South Wales tinplate industry. The following figures of shipping tonnage engaged in carrying our overseas trade reveal a drop in November, but a large increase over the figures of one or two years ago:—

(In Million Tons.)				
	Oct., 1923.	Nov., 1923.	Oct., 1922.	Nov., 1921.
Entered, with cargoes	4.8	4.3	3.8	3.1
Cleared, with cargoes	6.5	6.1	5.7	3.9

Detailed comparisons of trade by various categories in November and the eleven months of this year and last will be found on a later page.

Irish Public Revenue.—Our Dublin correspondent writes:—The latest Exchequer returns show that revenue is coming in well. From April 1 to December 8, 1923, total revenue receipts amounted to £20,534,128, against £16,795,874 for the corresponding period (less by one day) for last year. Of course, the increase is due in large measure to the collection of arrears, but there are certain items which are very satisfactory in their import and promise. Thus, an increase in Post Office receipts from £700,000 to £1,200,000, and of stamps from £161,000

to £312,000, and the maintenance of Customs and Excise receipts at their previous level are excellent symptoms of increasing business. Having regard to insurrectionary troubles and the prolonged dock strike, it is most satisfactory that the last of these figures show no falling off. Materials are not available as yet to show how far income-tax, &c., receipts are going to be affected by the expatriation of a not insubstantial section of property-owners who have left Ireland from political causes. There will probably be a strong move made to have Free State income-tax brought down at least to the British level next year, in order to check further migrations of those to whom sixpence or a shilling in the £ income-tax is a matter of real moment.

Iron, Steel, and Coal Output in November.—The production figures just issued by the National Federation of Iron and Steel Manufacturers show that the improvement recorded in October has been maintained in November. Although there is one day less in November, the production of pig-iron rose slightly from 595,700 tons to 597,600 tons, an increase in the daily rate of 3.5 per cent.; the increase in steel production from 702,200 tons to 749,500 tons was more marked. Since there was a net addition of ten to the number of furnaces in blast during the month—making 199 in blast on November 30th—the December figures for pig-iron should show still further improvement, but the steel figures will, of course, be affected by the Christmas holidays. The Government's Protectionist proposals were not announced early enough to affect the imports of iron and steel, which dropped from 106,300 tons in October to 97,500 tons in November; but doubtless subsequent months will reveal the extent to which buying forward was resorted to by those who feared the proposals might prove acceptable, and a tariff be placed on imported iron and steel. Exports of iron and steel rose from 388,600 tons in October to 394,900 tons, with the exception of May last the highest total since the war. The following table, in which the production for the year 1923 is based on the figures for the first ten or eleven months, shows that Great Britain for the first time for many years takes second place among the world's producers of iron and steel; this is partly due to the check caused to production in France and Germany as a consequence of the occupation of the Ruhr, though France is now producing in excess of the pre-occupation rate:—

	1913.	1922.	1923.
	Tons.	Tons.	Tons.
Pig-iron—			
United Kingdom	10,260,300	4,902,300	7,450,000
United States	30,966,200	27,219,900	40,000,000
France	5,126,000	5,146,800	5,200,000
Belgium	2,445,600	1,578,000	2,100,000
Germany	16,492,000	(6,500,000)	?
Steel—			
United Kingdom	7,663,900	5,880,600	8,500,000
United States	31,300,900	35,602,900	43,400,000
France	4,614,000	4,463,600	4,800,000
Belgium	2,427,600	1,540,000	2,200,000
Germany	17,349,000	(9,000,000)	?

The output of coal during November averaged 5,637,000 tons per week, compared with 5,626,000 tons per week in October. Exports of coal fell from 7,433,000 tons in October to 6,670,000 tons in November, of which 1,668,000 tons went to France, 1,046,600 tons to Germany, 800,800 tons to the Netherlands, 572,700 tons to Italy, and 571,000 tons to Belgium.

Lord Inchcape and Business Secretiveness.—The public owes an immense debt to Lord Inchcape not merely for his great public service during and since the war, but also as one of the most successful organisers and leaders of British enterprise in banking, shipping, and many other spheres. His great standing makes us regret the more that he should adopt what we cannot but regard as a reactionary attitude towards the growing demand on the part of shareholders, wage-earners, and the public for a franker disclosure of the financial results of great enterprises. One of a number of aphorisms which Lord Inchcape quoted from Balzac was, "Trust no one farther than you can see him." Whether Lord Inchcape was thinking of his shareholders, the public, or financial journalists we do not know, but the quotation is surely double-edged. Dealings on stock, produce and other

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markets of the City of London would be impossible if this doctrine were acted upon. But there is a more serious consideration even than this. The unwillingness to trust, unless the grounds of confidence are fully revealed, is, in our judgment, the root cause of the discontent with our economic system as it exists to-day. The wage-earner, the consumer and the public see all too little—far less than in the United States of America—of the workings of our industrial concerns. That is why they trust them so little. Lord Inchcape tells us that if he gave any more figures he might be urged to make a larger distribution to the shareholders, which would deplete reserves and prove inconvenient not only to the board, but in a few years' time to the shareholders themselves. There is a tendency at company meetings for one or two shareholders with a grievance to make a good deal of noise. But we do not for one moment believe that shareholders in general are disposed to distrust the judgment of their directors in matters of reserve policy, &c., especially when the latter have established a claim to confidence by successful administration. But even if Lord Inchcape's fears were justified, it is a curious doctrine that it is the duty of directors to conceal facts in order to save the proprietors of the company from themselves. Their duty is surely completed when they have laid the facts before the shareholders and given them their best advice as to what the conditions of the business require in regard to distribution of net profits.

The New Revolution in Mexico.—Just as arrangements had been finally made to begin the partial resumption of the service of the External Debt a fresh civil war has been initiated in Mexico through the conduct of the chief civilian agent in its pacification after the fall of Carranza, and in the election of President Obregon. Señor de la Huerta, Provisional President between Carranza's death and Obregon's inauguration, and till three weeks ago Finance Minister, was then suddenly offered a Presidential nomination by the convention of the "Co-operatist" party, representing the majority in Congress and more than 2,500 local political associations. He accepted, resigned his office, and was at once charged by his successor, Señor Alberto Pani, with gross malversation of public funds. Of about 20 other candidates his only formidable rival was General Plutarco Elias Calles, the "Radical" leader, who has strong agrarian and Nationalist tendencies, and is backed by President Obregon. Following Obregon's example when Carranza was preparing to interfere with his candidature, Señor de la Huerta at once left the capital. He went to Vera Cruz, long a focus of revolutionary agitation and Anarchist disorder, and won over the military chiefs there and in other districts, who proceeded to advance on Mexico City and on the oilfields of Tampico. His candidature has split the "Co-operatist" party, but he has the support of most of the central and western States—among them Oaxaca, long disaffected by its association with President Diaz and his family—and by Chihuahua and Sonora, both of them theatres for the past twelve years of revolutionary activity, the latter the native State of President Obregon and the leading factor in his triumph over Carranza. The Federal officials in these States have been ousted, and the Federal troops, whose pay is alleged to be in arrears in some districts, have gone over in large numbers to the insurgent cause. But the revolution is by

no means so exclusively military as President Obregon maintains. A Provisional Government has been set up in Vera Cruz, and is attempting to raise money on the security of the local Customs; and it has notified all the Mexican representatives abroad that it is the *de facto* Government of Mexico. Congress has adjourned after hastily ratifying the Claims Convention with the United States, the delay of which had been a leading obstacle to the recognition of President Obregon's Government, and has accorded him full powers to suppress the rebellion, so that its De la Huertist members must have repented or fled. But the conflicting and extensively censored reports of the military movements foreshadow a prolonged struggle. Obregon, Calles, and De la Huerta have hitherto formed a triumvirate on whose cohesion foreign observers have based their hopes of a durable peace; but it has been foreseen that the election of General Calles might again estrange American opinion, inasmuch as he stands for "Mexico for the Mexicans" and for the literal interpretation of the "confiscatory" Carranzist Constitution of 1917. De la Huerta is the leader of the Liberal Conservatives, who include the "intelligentsia" and the well-to-do urban population, and recognise that Mexico cannot prosper without foreign capital. It remains to be seen if they are permanently stronger than the masses, and if the latter are really, as they have seemed, weary of revolution.

American Cotton Crop.—Our Manchester correspondent writes:—The Department of Agriculture of the United States Government has this week published its final report on the cotton crop for the 1923-24 season, the estimate of the yield being 10,081,000 bales, exclusive of linters. If linters are added the growth will probably be about 10,650,000 bales. The carry-over from last season was 2,570,000 bales, so the supplies available for users during the current twelve months amount to about 13,200,000 bales. Last season the consumption was 12,600,000 bales. Since the beginning of August deliveries to spinners have been smaller than last year, and it looks as though the requirements of users will be about 11,800,000 bales. In round figures, therefore, stocks throughout the world at the end of next July will be about 1,400,000 bales, against 2,570,000 bales a year earlier, and over 9,000,000 bales at the same time in 1921. In view of these figures there seems to be no probability of lower prices in the near future, and on the publication of the official report there was a rise in the New York and Liverpool markets of about 1d per lb. Since the beginning of December there has been heavy liquidation of future contracts. Speculators have rushed to sell, with the result that the spot quotation for fully middling in Liverpool declined from 21.99d on November 29th to 18.59d on December 11th. Since then there has been a marked recovery in values, the figure on Thursday last being 20.83d. The recent gambling in the article has been very freely discussed in Lancashire trade circles, and dealings of this character are undoubtedly very injurious to those engaged in the spinning and manufacturing industry. It is probably true that speculation has been more rampant in the Liverpool market during the last five or six weeks than in any similar period for several years back. Certain operators have come out fairly well, but some of the gamblers have burnt their fingers very badly, and individual losses of £40,000 are not unknown. It is understood, however, that a syndicate of London financiers with some connections in Lancashire have made about a quarter of a million pounds.

Lloyd's Coming Removal.—The business of marine insurance has so long been associated with the Royal Exchange that the decision taken at a general meeting of the members of Lloyd's on Wednesday to remove the headquarters of the Corporation to Leadenhall street sounds altogether revolutionary. Indeed, that was the word applied by Mr A. L. Sturge, the chairman, to the proposal he made to terminate an occupation which has lasted for 150 years. Long before Lloyd's moved to the Royal Exchange an office at which policies had to be registered existed there. Lloyd's itself developed out of the gathering of shipping men at the famous coffee house

which in 1692 was removed from Tower street to Lombard street. The latter was the earliest home of the system of marine insurance which passed into English hands after being established by the Hanseatic Merchant and the Lombards. The traditional and still current form of Lloyd's policy declares, it will be recalled, "that this writing or policy of assurance shall be of as much force and effect as the surest writing or policy of assurance heretofore made in Lombard street, or in the Royal Exchange, or elsewhere in London." Since 1774, when on the initiative of John Julius Angerstein, Lloyd's moved into the Royal Exchange, its occupation has been unbroken except during the rebuilding after the fire of 1838. Its system of collecting and distributing shipping intelligence and all its varied functions have been developed there, including the issue of its daily publication, *Lloyd's List and Shipping Gazette*, which, first established in 1726, is, with the exception of the *London Gazette*, the oldest newspaper in existence. Lloyd's has, as "Arnould on Marine Insurance" pointed out, "a ramified system of agency radiating everywhere to the ports of the world, which is now become of imposing magnitude, essential to the business of marine insurance, whether in the hands of individuals or of companies, and to the general interests of British commerce." Mr Sidney Doulton, in a lecture delivered a couple of years ago when he was chairman of Lloyd's, mentioned that there were nearly eleven hundred underwriting members, besides non-underwriting members, subscribers, associates, and substitutes, with 1,400 agents and sub-agents all over the world. Lloyd's is the largest insurance institution in the world, though the members, and not the Corporation itself, are, of course, the insurers. The removal of such a body, after its lengthy tenure of one building, will necessarily be a most notable event in world business. The need for more space to allow of continuing development is the reason for the coming change, further expansion within the Royal Exchange not being practicable. Lloyd's will, however, move rather towards than away from the shipping business centre of London. In Leadenhall street it will occupy a historic site which was once that of the East India House, the home of "John Company." A contract has been entered into for the purchase of a site nearly an acre in extent, with frontages to Leadenhall street, Lime street, and Leadenhall place, and steps towards the erection of a new building will, it is understood, be commenced as soon as vacant possession can be obtained. On the same day that the general meeting sanctioned this scheme the Committee of Lloyd's elected Mr Ernest E. Adams as chairman and Mr Percy G. Mackinnon as deputy-chairman for next year.

The Dutch East Indies.—The report (to June, 1923) of H.B.M. Commercial Agent at Batavia, just issued by the Overseas Trade Department, shows that the severe trade depression which began in 1921 is virtually over. Business conditions have been made sounder by the elimination of the weaker among those European firms which had made no provision for the retrospective tax on overdue war profits, imposed unexpectedly in 1921. Stronger concerns have taken their place and employ their staffs, and so will profit by their experience. Exports have been stimulated by higher prices, notably for sugar—of which the whole of this year's crop and part of next year's have been sold—rubber, coffee, and tea. But the resultant purchasing power takes time to pass to the import merchants along the chain of capitalist producer, native employees and consumers, and Chinese retailers, so that the corresponding growth of imports has only begun. Consumption is also kept down by high taxation, which is thought to have reached its limit; and it is pointed out that the islands attained their present development when taxes were very low. The Government has appointed a Commission to study the fiscal question, but recurrent Budget deficits—now, however, decreasing—have necessitated stringent retrenchment, especially in official salaries, and business firms have followed suit, so that, as the cost of living for Europeans is 135 to 140 per cent. above pre-war level, and for natives 95 to 110 per cent., there is little demand for luxury goods. Budget equilibrium, it is hoped, will be reached in 1925; meanwhile, the loans issued in New York, London, and Holland, and rapidly

over-subscribed, are absorbed by the discharge of existing indebtedness, and development is all but suspended, especially in the outer islands. A final loan of 300 million guilders (£25 millions) had been sanctioned by the Dutch Parliament, and was to be placed in Holland, abroad, or locally, wherever the best terms seemed obtainable; apparently this covers the loans issued last summer in Holland and London. Money has been plentiful, banking and plantation shares have gone up, and municipal loans have been obtained at 6 per cent. in Holland. Full information is given as to banking, insurance, exchange, communications, and import and export trade. We can only note the refusal of the Government to restrict rubber export, followed by a voluntary limitation on the part of many plantation companies; the export to the United States of liquid latex; the speculation in coffee, accompanied, however, by a *bona-fide* demand at higher prices; the embargo on the import of inferior coffee for blending, which would have gravely endangered the trade; the large increase in the export of tea to Australia and Great Britain, and the arrangements for the import and distribution of chilled foodstuffs from Australia; the slump in tobacco and the increased export of cinchona, quinine (after a heavy decline), and spices, except white pepper. For imports, as explained above, the demand has been retarded; but hardware, cutlery, and piece goods are among the promising lines suggested, and it is noted that the cheaper textiles are now supplied from Japan instead of Great Britain. British exporters are advised to see that their Dutch agents are directly represented in the islands, and not only in Java. The agricultural outlook is good: more land is tilled, and oil palm cultivation is increasing in Sumatra. The Government mining service has been reorganised and its research side developed; petroleum is promising, but the export from Java is diminished, as the oil, to avoid the export duties, is sold locally. Industrial development is still remote, but will be favoured by cheap labour and abundant sources of electric power. The report exhibits effectively the vast resources of the Dutch East Indian Empire.

Anglo-Persian Oil.—The profits of the Anglo-Persian Oil Company for the year ended March 31st last shows a drop in profits of over £720,000, and this follows a decline of £1,289,000 in the previous year. The profits for 1922-23 are shown as £3,266,300, as compared with £3,988,200 for 1921-22, but owing to a reduction of £105,000 in the estimated royalty payable to the Persian Government, and a drop from £181,900 to £9,700 in income-tax, the net profit of £2,689,100 is only £441,000 below that of the previous year. The following table shows profits and appropriations for the past six years:—

March 31.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Profit	£1,517,215	£2,287,886	£3,577,607	£3,771,627	£3,988,164	£3,266,300
Fees and legal expenses	11,095	9,909	10,626	15,176	11,310	13,820
Debt interest and other interest	116,560	86,575	152,500	245,312	242,187	235,937
Income-tax	125,179	125,179	430,387	500,632	181,935	9,699
Royalty to Persian Government	81,002	55,418	322,479	463,484	422,351	317,670
New issue expenses, &c.	42,839	..	233,302	135,543	..	..
Special appropriations	175,547	..	50,000	25,000	..	..
Net profit	£1,090,172	£2,010,805	£2,378,313	£3,892,479	£3,130,381	£2,689,143
Brought forward	19,537	454,723	275,528	56,313	1,648,792	1,739,173
	£1,109,709	£2,465,528	£2,653,841	£3,948,792	£4,779,173	£4,428,316
Excess Profits Duty reserves	1,200,000	..	..	..	..	1,402,764
Debt interest redemption reserve	80,000	80,000	80,000	80,000	100,000	100,000
Preference reserve	50,000	50,000	50,000	50,000	50,000	50,000
General reserve, &c.	200,000	400,000	675,000	555,000	800,000	495,000
Preference dividend	120,000	160,000	310,000	400,000	795,000	875,000
Ordinary dividend	204,986	300,000	627,863	1,215,000	1,245,000	777,764
	(8%)	(10%)	(20%)	(20%)	(20%)	(10%)
Carried forward	454,723	275,528	919,978	1,648,792	1,739,173	1,777,788

* E.P.D. 1919-20, £854,665, deducted. † Corporation Profits Tax, 1921 and 1922.

The past year's profits have to bear Corporation Profits Tax for the two years 1921 and 1922, and £495,000 is appropriated for "extra depreciation," but no allocation is made to general reserve. The directors, however, have applied £1,830,000 which stood at the credit of general reserve as to £964,000 in writing down certain investments and expenditure in respect of prospecting and testing certain areas outside of Persia which have now been abandoned, and as to £866,000 as a specific provision against expenditure on other outside areas which are still in course of examination. They consider that these provisions will "cover any further writing down that may be necessary in connection with the company's

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current operations outside of Persia." All the 8 per cent. preference shares ranked for dividend in the past year, and this accounts for the increase of £80,000 in the preference dividend. A call of 19s per share was made and paid during the year on the £1,500,000 ordinary shares issued in December, 1919, and the reduced dividend of 10 per cent. thus requires considerably more than half the amount disbursed a year ago, when 20 per cent. was paid. An issue was also made in January last of £850,000 ordinary shares of £1 each at £3 15s per share. The total reserves amount to over £5 millions, of which £3,710,200 consists of premiums on issue of shares. The balance-sheet contains a new item of £2,829,000 for a loan from bankers, while deposits by associated companies have increased by £202,900 to £1,659,600, but sundry creditors have been reduced by £141,900. The property item, including shares in and advances to associated companies, shows an increase of £6,038,500 at £28,061,200. Here is another case of a balance-sheet which hides considerably more than it discloses. We are told that there is a contingent liability of just under £2 millions for uncalled capital on certain shares included in this enormous total, but the report is silent as to depreciation of post-war expenditure, which we imagine ought to be on a very heavy scale. Refineries, tank installations, &c., have been increased by £1,070,700 to £6,456,100. Debtors and cash have declined by £909,200 and £676,400 respectively, cash standing at £561,200. The output of the refinery in Persia, says the report, has been disappointing owing to the effects of a fire towards the end of 1922 and to defects in the plant owing to continuous running during the war. The output of the refinery at Llandarcy shows a steady increase. The results of drilling operations outside the original Persian concession "have so far proved unsatisfactory."

Dorman, Long's Report.—There has been some recovery in the profits of Dorman, Long and Co., from the low figure to which they sank in the year 1921-22, but the increased figure of £272,500 compares, as may be seen from the table below, with £397,700 in 1920-21 and £716,000 in 1919-20:—

Year Ended Sept. 30.	1919-20.	1920-21.	1921-22.	1922-23.
Profit	£716,013	£397,711	£157,369	£272,454
Brought forward	205,852	248,540	239,488	201,173
	£921,865	£646,251	£396,857	£473,627
Debt interest	37,371	36,286	35,684	88,189
Redemption of 5% debts	20,954	10,477	..	..
Reserve	200,000	..	40,000	50,000
Preference dividend	..	..	..	12,771
Preferred ord. dividend	120,000	120,000	120,000	120,000
Ordinary dividend	295,000	240,000	(nil)	(nil)
	(10%)	(5%)	..	..
Carried forward	248,540	239,488	201,173	202,667

The past year's relatively small profits have been earned on a very much larger capital. The share capital has been increased from £7,499,600 to £8,018,100 by the issue of £508,100 in 6 per cent. preference shares, and the debt interest capital from £793,600 to £3,900,000. The new preference shares only rank for three months' dividend, but interest on the new 5½ per cent. debenture stock requires £58,400, and after payment of 8 per cent. on the preferred ordinary shares, and a transfer of £50,000 there remains only £1,500, which is added to the balance carried forward, the ordinary shares getting no dividend for the second year in succession. The past year's ac-

counts include for the first time the accounts of the Allied companies—Bell Bros., Limited, Sir B. Samuelson and Co., Limited, Carlton Iron Company, Limited, and North-Eastern Steel Company, Limited, which went into voluntary liquidation for the purpose of amalgamation with Dorman, Long and Co., Limited, on May 2nd last. This accounts for some substantial alterations not only in the figures, but also in the form of the balance-sheet. Capital expenditure is increased by that of the absorbed companies, the total increase amounting to £6,084,900. The auditors point out that no depreciation in respect of the past year has been written off the capital expenditure, apart from the £50,000 transferred to reserve. Total reserves now figure at £596,000, and capital expenditure at £9,462,000. Investments, which last year included shares in and advances to allied companies, have dropped from £5,022,300 to £766,200. Stocks have increased by £1,813,700, and debtors by £342,100. Creditors have also risen by £1,067,900. The directors mention that there are still questions remaining to be settled with the Government involving large sums in respect of taxation, but that they are satisfied that adequate provision has been made to cover all contingencies.

Bolckow, Vaughan, and Co.'s Report.—Very disappointing results are disclosed in the report of Bolckow, Vaughan and Co., Limited, for the year ended June 30th last. After providing £83,700 for depreciation, but before payment of debenture interest, there is a loss on the year's working of £269,200. This compares with a loss of £85,300 for the preceding year, and a gross profit of £441,600 for 1920-21. A summary of results since 1906 is appended:—

	Gross Profit.	Depreciation and Extensions, &c.	Deb. Int. and Pref. Div.	Balance.	Written Off Cap. Expenditure.	Ordinary Div.	Rate.
1906-7	£68,010	£135,734	£45,545	£501,731	£150,000	£274,630	% 10
1907-8	444,201	140,523	48,220	285,468	80,000	164,778	6
1908-9	320,035	173,790	51,311	96,984	nil	137,315	5
1909-10	390,485	135,317	55,477	198,691	nil	164,778	6
1910-11	403,664	173,472	56,618	123,574	nil	164,778	6
1911-12	318,861	159,887	56,119	101,855	nil	137,315	5
1912-13	642,235	161,850	54,368	436,017	160,000	274,630	10
1913-14	371,261	146,432	51,551	173,278	nil	164,778	6
1914-15	338,119	132,413	50,759	154,947	nil	164,778	6
1915-16	*623,631	272,967	58,099	292,565	nil	302,903	11
1916-17	*771,408	371,382	54,091	345,935	nil	329,556	12
1917-18	*715,100	324,041	46,896	344,163	nil	329,556	12
1918-19	*696,785	207,050	42,796	446,939	nil	397,687	12
1919-20	*805,264	308,415	40,197	456,752	nil	450,677	12
1920-21	*441,541	77,654	29,164	291,464	nil	300,451	8
1921-22	Dr34,800	50,569	103,604	Dr188,973	nil	nil	nil
1922-23	Dr185,480	83,753	124,801	Dr394,034	95,684	nil	nil

* After allowing for War taxation.

To meet this heavy loss the directors have transferred £500,000 from general reserve. Debenture interest requires £101,200, as against £80,000 a year ago, and the preference dividend absorbs £23,600. A further sum of £95,700 is required for payment of interest and preliminary expenses in connection with the purchase of Redpath, Brown and Co., Limited, leaving a balance of £24,800 to be carried forward. In the balance-sheet the principal change is an increase in investments from £348,000 to £1,687,000, presumably owing to the purchase mentioned above. The auditors mention in their report that the investments are mainly in subsidiary and connected companies, and are taken at their book values, which are below cost. Capital expenditure during the year was £217,900. The bank overdraft has increased from £89,800 to £838,700, but sundry creditors have declined by £163,000. The reserve by the withdrawal of £500,000 is reduced by half, while debentures outstanding have been increased by £1,000,000.

The Amalgamated Cotton Mills Trust.—With book assets amounting to £8,495,476, the position of the Amalgamated Cotton Mills Trust, Limited, compels notice. This is a holding company controlling a number of Lancashire and other concerns interested in many branches of the cotton industry. We welcome the complete list of companies given at the end of the annual report under the guidance of the parent undertaking, and we hope that the time will not be far distant when instead of having the details of these interests compressed into the cryptic riddle of "investments in cotton mill companies," at £7,854,571,

we are furnished with a composite balance-sheet showing actually what these figures represent in property, plant, goodwill, and stock—not forgetting details of liabilities. We are told in a note that "investments in cotton mill companies are taken at cost, and no provision has been made in respect of losses incurred by these companies since the shares were acquired." What does this really mean? The auditor states that the "balance-sheet is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs." But is this so? The company's revenue for the year ended October 31st last is given as £207,206, which, after deducting expenses amounting to £53,322 and adding the balance brought forward, leaves £165,746 available for distribution; preference dividends absorb £149,026, and £16,720 is carried forward to next year's accounts. Meanwhile holders of ordinary shares to the extent of £4,650,000 again wonder when they may hope to receive a distribution. It is perhaps fair to add that the directors in their report state that: "During the 11 months under review the stagnation in trade referred to in the last two directors' reports has unfortunately continued, and in certain branches of the trade, especially the coarse spinning trade, the depression has been more acute than ever. The directors, however, are gratified in being able to report that, although certain of the subsidiary companies have made losses, the combined results of the whole of the subsidiary companies for the period of 11 months show a net profit which is in excess of the amount required to cover the dividend on the preference and 'B' preference shares of this company for a full period of 12 months." If optimism will help shareholders, we might add that the report concludes with the statement that the directors "feel that, having regard to the very depressed state of the cotton trade and to the broken time worked by the mills which your company owns, the result of the last 11 months' working is not unsatisfactory, and wish to record once more their absolute confidence in the future of the company." The balance-sheet will be found fully analysed in another column.

Orient Steam Navigation.—The substantial increase in profits secured by the Orient Steam Navigation Company in the year ended June 30, 1922, has been practically maintained, the profit for the year ended June 30th last amounting to £280,100, as against £282,600 for the preceding 12 months. The following table summarises results for the past five years, and for 1913-14:—

June 30.	1913-14	1918-19	1919-20	1920-21	1921-22	1922-23
Profit	£227,454	£162,062	£218,699	£164,656	£282,578	£280,093
Brought forward	56,717	115,073	63,912	118,678	50,167	72,909
Deb. int. and fees	284,171	277,135	282,611	283,334	332,745	353,002
Reserve	23,383	22,561	21,265	18,014	15,123	10,468
Repairs and renewals	75,000	150,000	100,000	70,440	100,000	125,000
Pref. div.	25,000					
Ord. div.	10,176	14,603	14,603	14,603	14,603	14,603
Def. div.	63,701	26,059	78,065	130,110	130,110	130,110
Carried forward	(55 %)	(15 %)	(15 %)	(12 %)	(12 %)	(12 %)
	86,911	63,912	68,678	50,167	72,909	72,821

* Includes £50,000 transferred from Underwriting Account.

Debenture interest required £4,500 less, but £25,000 is allocated to underwriting account, in addition to £100,000 transferred to general reserve. The dividend is maintained at 12½ per cent., free of tax, leaving the balance forward practically unchanged. The balance-sheet shows increases of £123,600 in creditors, and of £165,100 in debtors. The first item on the credit side includes the fleet and investments, and has increased by £215,600 to £3,662,500, but cash has been reduced by £36,600. An analysis of the balance-sheet will be found in a later column.

Chartered's Proposed Distribution.—The British South Africa Company has issued a circular referring to the proposed distribution of 5s per share to shareholders as a return of capital, the distribution to be made when the company has received from the Government the sum of £3,750,000 recently awarded to it. The circular describes the legal steps that have to be taken before such distribution can be made, and announces the directors'

decision to take them. Meanwhile opposition to the proposal has developed from holders of two securities guaranteed as to principal and interest by the Chartered Company—namely, Mashonaland Railway 5 per cent. mortgage debentures and Rhodesia Railways and Rhodesia Railways Trust 10-year Joint Secured Notes. A circular issued to the holders of these guaranteed securities protests against the weakening of the value of the guarantee which the proposed return of capital by the Chartered Company would entail. "It is difficult to believe," runs this circular, "that the Privy Council would sanction the dissipation of a large proportion of the company's assets without making some proper provision for the protection of the creditors, such as would be made in the case of a joint-stock company under the Companies Act." The proposed Chartered distribution requires, of course, the sanction of the Privy Council, and the appearance of this opposition caused a set-back in Chartered shares.

The Mexican Railway Report.—Ten days ago, when the report of the Mexican Railway Company for the half-year ending last June went to the printers, the directors were able to express their hope that the existing dullness of the trade of the country would be relieved by the favourable harvest prospects, and by the recognition accorded by the United States, France, and Belgium to President Obregon's Government. That hope has now been deferred by the revolutionary outbreak, which specially affects the districts served by the line. For the half-year in question the gross receipts were \$7,441,965, against \$7,274,584 for the corresponding period of 1922, but the slight increase is due merely to the higher goods tariff which came into force just a year ago. The tonnage of goods carried was practically the same; the passenger, express, and miscellaneous receipts declined. A decrease in the number of first-class passengers was only partially made up by an increase in the second-class numbers; the working expenses increased by about 3.4 per cent., owing to the higher wages paid for less work; and the balance transferred to net revenue account is \$1,491,700, or \$30,206 less than in the first half of 1922. Converted into sterling, it has been further decreased by "differences in exchange" amounting to £3,173, due to losses on the conversion of Mexican silver currency into gold, and to the discount on exchange to the United States. After adding interest and transfer fees, and deducting debenture interest and reserves for taxation, there is a surplus for the half-year of £36,860, reducing the net revenue debit balance to £434,463. The company has had to pay the 10 per cent. tax on gross railway earnings imposed last January, and has only been permitted to recoup itself partially (and perhaps temporarily) by raising its rates. On account of the indemnity due from the Government, £108,244 was collected during the half-year, making a total of £358,855. Traffic was delayed in June by a landslide on the mountain section, and subsequently by a conflict—in which the company was not involved—between two labour unions at Vera Cruz. During the current half-year gross receipts have gone down and wages up, so that the board cannot recommend a further redemption of debenture stock under the scheme of 1921. The mountain section of the line was to be electrified before next June, and an extension, 29 miles in length, of the Huajuapam branch has been opened recently. Work on the Tampico extension is suspended, pending a final decision as to the last part of the route. So, by this time, is everything else in Mexico connected with the company, except a claim for a further indemnity from whatever Government may emerge from the civil war.

Sulphide Corporation.—Fate has been somewhat unkind to the shareholders in this Broken Hill mining and treatment enterprise. Owing to labour troubles no dividend was paid on either class of capital for the year ended June 30, 1920, while for 1920-21 the preference merely got 5 per cent. In respect of the following year the preference received 10 per cent. and the ordinary 5 per cent., while the balance dividends of 5 per cent. apiece just announced bring the total for the past year up to 15 per

cent. upon both classes of capital. The prospects for the current period are, however, far from hopeful, owing to the fire which broke out in the Central mine last July. Even now water is being poured into the mine, and after the fire is extinguished "there will be considerable delay and heavy expense before productive work can be resumed." For the purpose of enabling the mill to be restarted earlier than would otherwise have been possible the company has purchased a neighbouring mine; the ore from this, with the slimes from the Central mine dump, will "leave a margin of profit." At the Cockle Creek works (Newcastle, N.S.W.) operations last year were confined to the production of reduced quantities of superphosphates and sulphuric acid; a cement plant is to be added. The smelting and acid works at Seaton Carew (Durham) were fully employed, and are also to be extended. Last year's net profit amounted to £221,000, as against £82,800 for 1921-22—in each case after providing for taxation; the latter amount just covered the dividends. On the present occasion £50,000 is placed to reserve for contingencies, thus strengthening the financial position. Allowing for the sums required to cover the dividends, the balance-sheet shows surplus cash assets to the tune of £680,000.

The Strength of Tin.—There was a very sharp break in the price of standard tin early this week owing to heavy selling on the surprising result of the General Election, and values dropped under £230. Naturally, many operators wished to take their profits, but the weakness proved very short-lived. Both dealers and users of the commodity came into the market at the lower level, and with good general buying a fresh advance was started, which carried forward tin up to £243 on Thursday, this being equal to the best of the year. Eastern sellers were very reticent, and the demand from the United States seems insatiable. The U.K. stocks have increased to about 4,250 tons, but a lot of the tin in Liverpool warehouse is ear-marked for shipment to America, and while the coming holidays will put a break on the advance, there is no denying the underlying strength of the market. The visible and "invisible" surplus will probably be worn down more during the next few months, and if the demand for consumptive purposes continues on the present scale, it is certain that values will work to a much higher level towards the early part of 1924. Late in the week both cash and forward were very firm at £240 per ton to a little over, and sentiment was decidedly bullish, the earlier set-back having been more than recovered. In tin mining circles a feeling of optimism prevails, and had it not been for the general wave of depression seen in Stock Exchange circles after the Baldwin defeat, there would have been a good deal more life in tin shares, which as it is have responded well to the rise in the commodity. The Straits shipments for December will be on a very moderate scale again, and a good monthly statement is expected, with American deliveries again satisfactory.

Transvaal Gold Output.—The November output of gold of the mines of the Transvaal amounted to 780,639 fine ounces, as compared with 793,842 fine ounces produced in October. The output for November, 1922, was 764,476 fine ounces. The following table shows the outputs for the first ten months of each year since 1917, together with the totals for each completed year:—

	1917.	1918.	1919.	1920.	1921.	1922.	1923.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January	782,634	714,182	676,059	670,503	651,593	639,728	64,469
February	781,321	659,759	636,728	625,530	558,137	538,137	704,970
March	787,094	696,281	712,379	707,036	671,193	681,382	741,586
April	742,778	717,000	694,944	686,979	681,776	629,786	786,564
May	759,385	741,317	724,995	699,041	687,776	675,697	755,309
June	759,794	727,696	702,379	715,957	678,400	675,697	755,309
July	757,839	736,199	725,497	736,099	689,555	730,635	754,306
August	756,658	740,210	706,669	702,083	711,526	752,490	769,371
September	738,731	708,206	698,558	682,173	691,026	747,089	739,504
October	751,290	679,764	723,722	662,472	707,825	778,159	793,842
November	722,839	658,701	677,970	633,737	704,236	764,476	780,639
Total (11 months)	8,359,793	7,779,315	7,679,900	7,521,410	7,432,669	6,229,398	8,354,211
December	722,419	641,245	650,191	632,215	681,847	730,712	...
Total (12 months)	9,082,212	8,420,560	8,330,091	8,153,625	8,114,516	7,020,110	...

The following table shows the number of natives employed at the end of last month by members of the Wit-

watersrand Native Labour Association and Contractors :—

	April, 1923.	May, 1923.	June, 1923.	July, 1923.	Aug., 1923.	Sept., 1923.	Oct., 1923.	Nov., 1923.
Gold mines	178,137	175,591	170,865	166,443	167,600	174,406	177,017	177,674
Coal mines	15,040	15,176	15,598	16,020	16,156	16,225	16,216	16,246
Diamond	1,860	2,668	3,063	2,893	3,107	3,134	2,911	2,997
	195,237	193,435	189,526	185,356	186,863	193,765	196,174	196,917

There has been a slight improvement in the number of natives employed at the gold mines during the month.

Oversea Correspondence.

UNITED STATES.—OCTOBER EXPORTS—COST OF RAILROAD VALUATION—WESTINGHOUSE—JAPANESE DEAL—COTTON.

(FROM OUR CORRESPONDENT.)

NEW YORK, November 30.

FOREIGN commerce returns show that exports from the United States in October reached a greater value in the aggregate than in any month since February, 1921. The total amounted to \$402,000,000, representing an increase of \$21,000,000 over September, and of \$32,000,000 over October of last year. Imports last month had a total value of \$303,000,000. The balance of trade, therefore, in favour of this country for October was \$99,000,000. The heaviest increase in any single item was in raw cotton exports, which gained \$23,000,000 in value over October a year ago. Meats, dairy products, and animal oils increased some \$5,000,000, and mineral oil exports \$1,300,000, whereas grains and preparations thereof fell off \$19,500,000, compared with October, 1922, and exports of coal and coke were \$3,000,000 less.

Mention has heretofore been made, in this correspondence, of the railroad valuation work in which the Interstate Commerce Commission has been engaged under authority conferred by an Act of Congress in 1913—regarded in many quarters as one of the most ill-advised and expensive measures ever enacted by the national legislature. That work has now been under way ten years. It is still far from finished, and when completed the valuations will be practically useless because out of date, to say nothing of the endless litigation which will result from the Commission's findings. Some idea of the enormous expense involved may be had from figures compiled by the committee on public relations of the eastern railroads, and based on information supplied by the Interstate Commerce Commission. The work to date, it is shown, has cost upwards of \$90,000,000, of which more than two-thirds has been borne by the railroads. The Government has spent some \$23,200,000, while the additional work required of the railroads has cost them approximately \$66,900,000. Those figures do not include sums expended by the carriers and the Government since January 1st of this year. Furthermore, the totals take no account of the amounts spent by the railroads in contesting and preparing to contest the valuations arrived at by the Commission. The Union Pacific, for instance, will probably begin court proceedings in the near future to test valuations placed by the Commission on subsidiaries of the Union Pacific, which officials of the latter company believe are about 100 per cent. too low. Many other carriers are likely to take similar action before accepting valuations which, when finally determined, will be virtually worthless by that time for rate-making or any other purpose.

Cable advices, received here from Japan, confirm recent reports that Westinghouse and Japanese electrical interests have completed a co-operative business arrangement. For several years the Westinghouse Company has been promoting the use of electricity in Japan, with the result that electrical apparatus has come to be one of that country's chief imports. Since Japan's principal exports—silk, copper, and works of art—cannot be increased to a corresponding degree, the Japanese, according to the Westinghouse interests, thought it advisable to begin manufacturing electrical machinery and supplies in their own country, so as to prevent, if possible, continuance of an

unfavourable foreign trade balance. Accordingly the Mitsubishi interests, which are engaged in banking, ship-building, and steel-making, have made a co-operative agreement with the Westinghouse Company, under which the latter will supply technical skill and experience to a Japanese manufacturing company, which has been formed and is known (in English) as the Mitsubishi Electrical Manufacturing Company. By this arrangement, it is explained, the Japanese expect to benefit through employment which will be given to Japanese workmen, and through improvement in Japan's foreign trade situation, as indicated, while the Westinghouse Company hopes to receive a steady revenue from services and royalties, instead of exports which it felt it was likely to lose within a few years.

Reports are current that leading silver interests and many of the smaller producers contemplate instituting mandamus proceedings to compel the Treasury Department to purchase additional silver, the quantity being variously stated at from 8,000,000 to 12,000,000 ounces, which the Government, it is claimed, was obligated to buy under the Pittman Act at the stipulated price of \$1 an ounce. The proposed action is said to have been discussed at recent conferences held primarily to organise a silver export association, and to devise ways and means for relieving the depression in the silver industry, caused by the termination of the Government's purchases last June. A successful outcome of such litigation, it is thought, would bring about more satisfactory conditions in the silver market, for a while at least. The main point at issue lies in the construction placed on certain provisions of the Pittman Act regarding the Government's purchase of silver for use in the manufacture of subsidiary coins, including the quarter and half dollar. It is contended that the Secretary of the Treasury, in effect, saved the Government 35 cents an ounce on the eight or twelve million ounces involved, or between \$3,000,000 and \$4,000,000, as a result of the Government's interpretation of the law. Silver producers interested in the proposed litigation maintain that the Government's construction was contrary to the intent of the Pittman Act.

The outstanding feature in the commodity price situation is the continued rise in raw cotton, which advanced this week to 37.60 cents a pound for spot. That price is 15 cents above the low level recorded last July, 12 cents above a year ago, and the highest reached since August of 1920, when the staple was declining from the highest point recorded since the civil war—namely, 43.75 cents in July of that year. The further upturn has served to increase the difficult problems of cotton goods manufacturers, who have found it impossible to sell merchandise in any volume, even at prices based on cotton costs far below current levels. Despite the plain indications of an exceptionally small crop this year and the sensational advances in the staple, buyers, with few exceptions, have stubbornly refused to place orders covering even a portion of their probable normal requirements. Consumption of cotton goods continues heavy at wholesale and retail, but sales have consisted mostly of stock merchandise acquired at much lower prices than those now prevailing in primary markets. This is the inventory period for wholesale dry goods houses, and they are accordingly keeping stocks as low as possible, rather than make fresh commitments at the advanced prices. But a serious situation will confront them when they start to replenish stocks, for much higher prices will have to be paid than those now ruling, and in many lines they will be unable to procure goods for immediate or early deliveries, because mills generally have not been accumulating stocks, and supplies on hand have been well cleaned up. Manufacturers, as for some time past, are confining operations entirely to orders actually in hand. Many plants in New England have greatly curtailed production or closed indefinitely, owing to lack of business offered at prices they could afford to accept. One of the largest producers of percales and other printed cottons withdrew all lines from the market this week because buyers refused to operate to any extent, although the prices, named some time ago, were far below replacement costs then prevailing. Present indications are that a marked shortage of cotton goods in numerous lines will develop within the next month or two.

FRANCE.—BRITISH ELECTIONS—RUHR MESURES DE GRACE—METALLURGICAL OUTPUT—COST OF LIVING TROUBLES.

(FROM OUR CORRESPONDENT.)

PARIS, December 12.

THE anti-English section of the French Press has already seized upon the new situation that has been set up by Mr Baldwin's defeat on the Protectionist issue to hint that France, now her British Ally is immobilised, shall take the control of the European problem into her own hands and proceed to independent decisions which, once they have become a *fait accompli*, would be very difficult to upset. That this is not the wish of the Poincaré Government may be taken for granted. It has always been realised here that the future peace of Europe depends fundamentally on Anglo-French co-operation, and so far as the only sections of French opinion that really count are concerned, there is no suggestion of any inclination to depart from that principle, even in what may be regarded as the present tempting situation.

The policy of appeasement and *mesures de grace* announced last week as being about to be applied in the Ruhr has apparently come definitely into operation. Down to yesterday 213 decrees of expulsion had been withdrawn, and a large number of sentences of imprisonment for various offences arising out of passive resistance had been cancelled and the condemned persons released. Out of 192 decrees of expulsion that had been withdrawn down to last Saturday, 87 were in regard to public officials of various kinds and the rest in regard to private persons. The majority of the persons under sentence of imprisonment who have been released are manufacturers, while many of the rest are officials, and a few are workmen or employees. Production figures, according to statistics published here, are increasing rapidly, but so far, in spite of the better spirit prevailing between the population and the Franco-Belgian authorities in the Ruhr, it cannot be claimed that any serious reduction has been made in the amount of unemployed labour in that area. It is now more or less clear that the industrialists who are pressing for power to extend the working day from eight to ten hours have a certain amount of reason on their side. It is equally clear that the workers, who are resisting any increase in hours on the ground that, if they give in and the Reich carries out its repeated threat to stop the unemployment doles, at least 150,000 men and their families will be reduced to immediate starvation, have also a sound excuse for their resistance to the proposal. When all is taken into consideration, however, it is evident that the real crux of the whole Ruhr problem, as it stands to-day, lies in the inability of the Ruhr industrialists to secure orders for their metallurgical products unless they are able to reduce costs to such an extent as to enable them to quote below their French, British, American, and other competitors.

In theory, the agreements that have been recently entered into in the Ruhr provide for the delivery to the Allies of 18 million tons of combustibles per annum, in the form of payments in kind, and for the payment of a tax of 10f per ton on the whole of the rest of the Ruhr output of coal. There is abundant available labour, and transport can now be assured. Neither labour nor transport count as serious factors in the situation, however, unless the manufactured goods resulting from the utilisation of the coal can be sold. Under normal conditions the metallurgical industries in the Ruhr (which alone exceeded the metallurgical industries of the whole of France, including Lorraine) absorbed 60 per cent. of the total local output of coal. None of the Ruhr metallurgical concerns at present have any orders worth speaking of in hand, and it is very doubtful whether they will be able to obtain any for some time to come. The cost of living, calculated in gold marks, has quadrupled during the past twelve months. The problem to be solved by the German industrial in the Ruhr is as to how he is to quote competitive prices that will secure the desired orders, when he now has to face a quadrupled labour cost and to provide for the coal tax and other reparation burdens. It is satisfactory that facts of this kind are now being made public here and are receiving careful attention by the French public. The average French citizen, as everybody knows, is an investor to a much

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greater extent than are people in any other country, and is accustomed to give reasoned consideration to all kinds of financial propositions. He is now, perhaps for the first time, beginning to weigh carefully the hard facts of the economic situation in regard to reparation payments, and the outcome of his meditations—although it will certainly not be quite on the lines that is hoped in England—will be well worth considering by all who are interested in the solution of the problem.

The unfortunate situation of the large army of French public service officials, owing to the difficulty the vast majority of them find to make their meagre incomes meet the ever-increasing cost of living, is likely to prove a serious thorn in the flesh to the Minister of Finance in the immediate future. In view of the rapid rise in commodity prices after the Armistice, extra allowances to meet the higher cost of living were given to all members of the public services, the minimum grant being 720f per annum. Two years ago, it will be remembered, it was proposed, in view of the then fall in prices, to withdraw these extra allowances, as a means of further relieving the Budget, but the class interested had no difficulty in proving that it would be impossible for them to carry on unless they continued to receive these grants, and the proposal was dropped. Geneva statistics, published some time ago, showed that, whereas real wages in this country are now in many instances higher than before the war, the pay of the average French public servant is really below the level at which it stood in 1914, even when the allowances in question are included. There has been a very general movement in progress for some time past to bring about an increase in the "extra allowance" from 720f to 1,800f, and very strong pressure is now being brought on the Treasury to accede to this demand. The most striking manifestation of the feeling that exists among public servants in this connection was revealed in a demonstration organised yesterday by some 3,000 members of the Paris police force, who made a vain attempt to reach the Chamber of Deputies, in procession, for the purpose of emphasising their demand for

the extra allowance to be increased. Speaking in the Senate last week, M. de Lasteyrie stated that to grant the request would involve an increase in national expenditure of 1,200 million francs per annum, which could only be met by a further increase in the issue of paper money, in which case the remedy must speedily prove worse than the disease.

GERMANY.—POLITICS—CURRENCY—FINANCES—REICHSBANK—BUSINESS.

(FROM OUR CORRESPONDENT.)

BERLIN, December 12.

THE Marx Cabinet has succeeded in putting through the "Empowering Law," renewing the economic dictatorship without which, owing to the urgency of issues, the confusion of parties and the slowness of Reichstag procedure, no Cabinet could be expected to work. This time the Cabinet's dictatorship powers are limited by compulsion to submit projects in advance to an advisory Reichstag Committee. The law remains in force until February 15th. Judging by official and semi-official pronouncements, practically all legislation of moment, including taxation, will be put through under the Empowering Law, the Reichstag having no power except to revoke, and then only by two successive votes. For the moment the Ruhr question largely revolves around the length of the working day. Some of the big steel and iron works have declared themselves willing to resume production only on condition that ten hours are worked. The mineowners declared that without reintroduction of pre-war hours the burden imposed by the agreement with the French Commission could not be borne. The eight hours' day in underground mining, instead of the seven (sometimes seven and a-half) hours of post-war times, is now a fact. Ruhr reports state that, with increased production of coal, selling difficulties are being met with; this is in part due to transport difficulties in part to prices. The Rhenish-Westphalian Coal Syndicate will be replaced by a "Distribution and Selling Corporation," with headquarters at Essen, which will come into existence if 94 per cent. of production in the old Syndicate comes in by the 14th. The Thyssen group and some other mineowners have refused to join. Negotiations are under way for a long-term agreement for exchange of Ruhr fuel against Lorraine ore. The agreements with France have raised a number of problems which can be solved, the proprietors say, only by elaborate reorganisations, mainly aimed at separating concerns in occupied from those in unoccupied territory, and here the Stinnes group leads. The constituent companies in this group have summoned shareholders' meetings with this aim. The Essen *Bergwerks-Zeitung*, which is the chief organ of the heavy industry, publishes figures to show that the financial burden of the French agreements, including the arrears of coal tax, cannot be borne, in view of the attitude towards compensation of the Berlin Government. Further, although the Ruhr concerns are mostly in technically good condition, they lack wood; and are weak financially owing to the disappearance of their stocks of ammonia, benzol, tar, and other by-products.

The currency condition has distinctly improved, owing to a further price-fall, now followed by relative stability, which creates the impression in the public mind that the Rentenmark, "gold-loan" currency, and even paper mark are, for some reason not known to the science of currency, really stable. This view cannot be held. The dominating influence is that for the moment the same view seems to be held abroad (as far as there is any dealing in German currency), and that so long as foreign Bourses do not depress the paper mark, causing a paper-mark price-rise, necessarily accompanied by a (so-called) "gold-mark" price-rise, and therefore by a Rentenmark price-rise, the stability will be maintained. The fact that German inflation is proceeding as rapidly as ever need not at once upset the new stability; experience of earlier post-war years shows that foreign Bourses have bulled the mark (e.g., early 1920) when inflation was very rapid, and that they have beared it (e.g., second part of 1921) after a long period of no inflation, the governing factor both times being foreign beliefs about Germany's general prospects. The present home and foreign belief that the

Rentenmark reform has removed the past causes of depreciation is beneficial, but not well founded. The financial newspapers point out that the fundamental trouble is as bad as ever; and Württemberg's Finance Minister, Herr Schall, says truly that, in view of the fact that the Cabinet has already, for covering of deficits, taken up more than half of its legal maximum credits from the Rentenbank, the Rentenmark must collapse if the finances are not at once put in order. The Finance Minister, Dr Luther, has also again spoken gloomily about the financial situation.

The mortgage bonds into which Rentenmarks are convertible have not yet appeared. Rentenmark credits to industry are now being given through the Reichsbank at an interest rate of 10 per cent. per annum, of which seven-tenths go to the Reichsbank and three-tenths to the Rentenbank. The latest report states that one milliard Rentenmarks have been printed, and that the production rate is 100 millions a day. According to the law, 3,200 millions are to be printed, of which 75 per cent., or 2,400 millions, will be put into circulation. Rentenmarks are now generally used in trade, but no preference whatever is shown for them; even the farmers, since the new stability was reached, are willing to take paper marks. This is a strange feature, in view of the fact that the Rentenmark was specially designed as "wertbeständig," to supplant the paper-mark, and the fact shows that the reform is indeed a façade similar to Russia's denormalisations, but undoubtedly so far beneficial in its effect. A by-result is the improved supply of foreign exchange. The illegal "black Bourse" rate for dollars and sterling has actually at times fallen below the official rate, and the inflow of exchange through legitimate quarters has increased; the Reichstag has even been able to raise the ration to from under 1 to 3 or 4 per cent. of the demand.

Despite the price fall, the Rentenmark must, if tested by the official design to make it an effective gold-mark, be considered depreciated. Rentenmark, or "gold-mark," prices are still above world-market gold prices, though this is more marked in retail than in wholesale trade, because the retail dealer imposes heavier "depreciation-risk premiums." How extraordinarily "gold-mark" and Rentenmark prices rose—how baseless is the official theory that there has ever been any gold-mark pricing—is shown by the following list issued by the Prussian Statistical Bureau:—

Pfennigs per kilo.	1913-14.	30.11.23.	6.12.23.
Beef	175 ..	560 ..	280 ..
Pork	155 ..	860 ..	440 ..
Home Bacon ..	185 ..	1,600 ..	880 ..
Butter	270 ..	600 ..	520 ..
Cheese	160 ..	600 ..	500 ..
Haddock	60 ..	280 ..	160 ..
1 Egg	8.5 ..	40 ..	28 ..

In reality prices at the last two dates were much higher, the above list being considered more or less "legitimate" prices, which were seldom observed. As practical stability has now been reached, and as a further fall in the exchanges is not likely, it is hard to see how the Rentenmark can be raised in purchasing power to full gold-mark value, except by means of deflation; and inflation is the present process.

The Cabinet is doing its rather bad best to get in taxes. The third instalment of the Rhine-Ruhr Levy is to be got in this month, instead of next; the gold rate being 50 pfennigs for every 1,000 pm of income-tax paid for the calendar year 1922. The next sales tax instalment will be on a gold basis. It is proposed further to complicate the income-tax by giving the local finance offices a right to require increased advance payments where the taxpayers' outlay, as tested by a declaration, is in excess of the past year's income upon which the advance payments are based. This is one more instance of the bureaucratic ingenuity with which the Finance Ministry tries to meet every trouble. Much may be said for basing income-tax on outlay. But already, being unable to require the heavily multiplied income-tax advance payments from those classes which are supposed not to have increased their incomes in proportion to the currency depreciation, the Ministry has created two classes, which distinction is dreadfully complicated by the fact that many thousands of citizens belong partly to one class, partly to another;

and now the Finance Offices, which are months late with everything, are expected to judge whether a citizen, by reason of his outlay, ought to be removed from the favoured class into the unfavoured class, and to require from him statements of outlay which can seldom be tested. The whole taxation system is, apart from the weird multitude of taxes, vitiated by elaborations, qualifications, and scholastic distinctions between identical things; and the result, to repeat, is that one-thousandth of the expenditure, and therefore only a small fraction of the cost of tax collection, is covered.

An official declaration states that the reform of the Rents Law of July, 1922, by raising rents to pre-war level, is not yet decided on in detail. In principle it is decided on, and is to be carried through in connection with a measure expropriating gains made by repayment of mortgages with depreciated money. The Reichsgericht has given a clear decision that a mortgagee may reject such repayment. At the same time will be passed a law dealing with the gains made through repayment in paper marks of industrial bonds; and possibly a law prescribing partial restoration of the gold value (*Aufwertung*) of certain kinds of debts. It is added that State debts will not be treated in that way. Thereby speculations based on increase in the gold value of Federal, State and Municipal loans, against which warning has often been sent from here, are made riskier than ever. Rents will be raised gradually, and, it seems, not on a gold, but on a cost-of-living index. The selling values of houses (a modern five-storey flat-house with 60 rooms may still be had for £1,000) have not increased since this announcement, and it is doubtful whether landlords will be any better off.

The Reichsbank's statement for November 15th (much belated) shows, as usual, that each week's totals swamp almost entirely all the vast accumulated totals of the past nine years. In one week private discounts rose by 31½ to 39½ trillions, Treasury bills discounts by 164 to 190 trillions, and circulation by 73½ to 93 trillions. The report for the week ending November 22nd will see a continuation of inflation for State purposes, although no Treasury bills have been discounted since the 15th. An official report shows that at the end of October, in addition to Reichsbank and private note-bank circulation, 539,565½ billion marks of emergency currency, mostly local, but including that issue by the Federal Railway administration, were in circulation. The gold value of the whole circulation was 176,300,000 gm, whereof 31,240,000 gm was emergency money. A great part of the newest emergency money is "wertbeständig," either really so by virtue of gold security and ultimate convertibility, or fictitiously so, like the Federal "gold-loan" currency, but much is pure paper.

Employment reports are much belated; but, apart from resumption of work on the Ruhr, there is no improvement. The automobile industry is reported active, on the basis of home purchases by bourse speculators and landowners. The condition of all winter crops in Prussia is better than at the same date of 1922. Prices formerly controlled by the Steel Syndicate are now free. Of late these prices have been "guiding prices," binding the members among themselves; formerly they were legal maximum prices. The Steel Syndicate is now practically dead; and the official Iron Industry Union almost dead.

BELGIUM.—RUHR EXPENSES—BUDGET FOR 1924—REVISED EXPECTATIONS OF GERMAN PAYMENTS—STOCK MARKETS.

(FROM OUR CORRESPONDENT.)

BRUSSELS, December 11.

Now that a practical arrangement has been arrived at in the Ruhr, there is talk in Government circles of endeavouring to reduce the military requirements at various points in Germany. At any rate, that is what the Belgian Cabinet is advising, apparently only too glad of the chance to seize the opportunity afforded by the official success of the Poincaré policy of lightening the burdens and charges which this policy imposes; for it must not be forgotten that, in addition to the financial sacrifices which have resulted, the Belgian Government has been obliged to prolong the length of military service for certain

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regiments for a further three months. This policy of reduction is much disapproved by the Francophile Press, which does not hesitate to hint to its readers that this attitude is dictated by the desire for a closer understanding with Great Britain, with a view to finding a favourable market for the issue of a Belgian loan which, in spite of official denials, the Government is endeavouring to negotiate in London.

The Franco-Belgian Commercial Treaty, which has been much talked of for some time, and which is unsatisfactory to the majority of Belgian manufacturers, is once more in the foreground. It has not yet been ratified by the Belgian Parliament, and will be submitted to them in the course of a few days. One must admit that for a Treaty, the terms of which have been discussed since 1919, the results achieved are very insignificant, amounting only to an average reduction of from 5 per cent. to 15 per cent. on the tariffs in force on certain articles, and this certainly does not open the French markets to Belgian industry. On the other hand, the French benefit by a number of concessions accorded them in respect of duties imposed on French goods imported into Belgium. It is fortunate for the Belgian Government that the Treaty is only for a period of one year, eventually renewable every six months; for, by shielding itself behind the fact that it is only temporary, the Government will avoid the defeat it might otherwise have suffered. The Parliamentary Committee formed for the purpose of examining this Treaty concluded its report, adopting the proposal with a few remarks to the effect that it was preferable to sign a Treaty, even only slightly beneficial, rather than have the maximum tariffs erected against Belgian industry. The report of this Committee also draws attention to the large deficit of Belgium's commercial balance with France, which amounted to, roughly, 600 million francs for the first nine months of this year. It pointed out, in connection with imports into this country from France, that a large proportion consists of luxury articles, quoting the following figures:—100 million francs for silks, 100 million francs for wines and liqueurs, 75 million francs for chemical products, of which a certain quantity could certainly have been manufactured in Belgium, as is also the case of the 85 million francs' worth of cotton fabrics.

On the other hand, the Prime Minister, Mr Theunis, has just submitted his proposal for the Budget for 1924. The anticipated receipts from taxation amount to 2,800 million francs, or, roughly, 38 per cent. more than the corresponding amount expected for 1923. Taxation in 1913 only brought in something under 400 millions, and Mr Theunis has, therefore, pointed out that the Belgian taxpayer has not shrunk from his duty, and that for the present the increases in receipts to be obtained in the immediate future must be realised from the stricter application of existing laws rather than from new sources of taxation. It is necessary to bear in mind that the small agriculturalists and the working class have contributed in a very small degree to the increase in taxation receipts, as the majority of the taxes scarcely touch them at all, whilst, in so far as the labouring class is concerned, wages have risen in almost direct proportion to the cost of living. Further, they now work less and enjoy numerous advantages, the cost of which has to be borne by the other classes of society. Among such advantages we might cite cheap dwelling-houses (actually very dear to build) constructed by means of State and local subsidies. Weekly tickets on the State railways are also issued to the labouring classes at prices which are ridiculously cheap in comparison with railway fares abroad.

The ordinary Budget, taken as a whole, shows a very small deficit of eight million francs, which means that it is practically balanced, in spite of the fact that it has to support a definite charge of 477 millions to meet interest and charges on roughly eight milliards borrowed for the purposes of reconstruction. Further, the expenses of the

State, called "after-war expenses"—including bonuses in respect of the cost of living—amounting to roughly 157 millions, have been transferred from the extraordinary to the ordinary Budget. Therefore, had the Budget been compiled on the same lines as in the preceding years, it would have balanced with a surplus of 620 millions. All this proves that the country has taken one more step on the long road to the restoration of its finances, and it is comforting to see that the people are realising more the realities of the state of affairs. Germany will not be able to pay in full, and in this connection the Prime Minister stated in submitting his annual report on the Budget: "We have to set against an item of 37½ milliard francs spent on direct reconstruction a contra item to be received the amount of which is unknown, but which at any rate is certainly considerably inferior to its theoretical maximum value of 10½ milliard gold marks, with the result that it is evident that all our reconstruction work will not be entirely repaid by Germany."

It is certainly much better to hear the situation discussed in this manner, and it is reassuring to see that measures are being taken in consequence, rather than to hear it repeatedly said that the country will be ruined unless Germany pays. This attitude reveals some change in the Ministerial language and in public opinion in Belgium.

The extraordinary Budget shows a deficit of 495 millions, and the Budget for recoverable expenditure amounts to 2,354 millions, being 600 millions less than for 1923, and here again Mr Theunis says that he does not anticipate any payment from Germany for some time, which probably means for a very long time. Thus we shall not be without new loans again next year. Fortunately, they are not too close at hand for the present quotations of Government stocks on Bourse would make it very difficult for the Government at the moment. Sellers predominate, and it is not easy to find buyers and the last issues of "Dommages de Guerre" have fallen to from 10 to 15 per cent. discount, after standing at a premium for a long time. The Consolidated 6 per cent. has fallen to 92, after having remained at about par for several years. Nevertheless, one must not attribute this fall to a distrust of Government securities, but rather to the often exaggerated rise in industrial securities. The public prefer to buy stocks which are appreciating rapidly, and do not hesitate to sell their Government securities, even with a loss, in order to speculate to the full in industrials. So long as this speculation lasts they are rapidly compensated for the losses sustained by selling stocks bearing fixed interest.

NORWAY.—ATTEMPTS TO BALANCE THE BUDGET —INDUSTRIAL CONDITIONS—COST OF LIVING.

(FROM OUR CORRESPONDENT.)

CHRISTIANIA, December 8.

THE Finance Minister (who is also the Prime Minister) is making energetic efforts to balance the budget. A very important measure was introduced by him into the Storting, and carried against the votes of the Socialist and Communist members, namely, a temporary enactment that the customs duties be paid at the present gold rate of the krone. It is calculated that this arrangement will yield, at the present rate of importation, 42 millions for the exchequer, but on the assumption of a reduction of importation, only 35 millions are estimated for. Strenuous efforts at reduction of expenses, it is believed, with this increased income, will suffice to make both ends meet.

The threatening lock-out fortunately was averted at the last moment, so that production in most branches of industry is now going on. Still, there is a small increase of unemployment, which may, however, be said to be seasonal. There is, however, unrest in the iron industry, 4,500 having gone out on strike. Naturally the high rate of money (7 per cent.) is felt by the trade rather keenly. The Finance Minister is credited with the statement that he hopes the Bank of Norway will be able to make a reduction shortly.

The calculation of the cost of living issued by the Statistical Central Bureau, at November 15th, shows an increase in the total of two points, and now stands at 231.

Most of the food-stuffs have advanced. The *Farmund's* wholesale index for November shows a still greater advance, viz., 6.7 points, or 3.1 per cent. The textile group (especially cotton) is responsible for the main rise, but on the whole most articles have advanced. This, of course, was to some extent due to the low exchange of the krone ruling during November. An improvement in that respect has set in which will influence prices, unless other adverse forces set in.

AUSTRALIA.—MONEY RATES AND GOVERNMENT BORROWING—WOOL CLIP—ELECTROLYTIC ZINC.

(FROM OUR CORRESPONDENT.)

MELBOURNE, October 31.

THE money market in Australia has shown some hardening owing largely to the pressure of Governments in borrowing locally. Some months ago the Commonwealth and State Governments agreed that after the end of this year the States would discontinue the issue of securities within Australia free of income-tax, the Commonwealth having taken a similar step some years ago. In the meantime the States are pushing to obtain money on existing tax-free terms, and are offering 5 per cent., 5½ per cent., and in some cases 5½ per cent., free of both income-taxes, thus forming active competitors for available supplies of money. From the investors' point of view, as the creation of fresh tax-free securities will finish at the end of the year, this will tend to give a special value to those already in existence, the amount of which will diminish in future years as the redemption dates are reached. Another reason for hardening has been the active private demand for accommodation for some time past, and although the banks have increased their advances, applications from borrowers have been on a larger scale than the banks have at all encouraged. A substantial part of the borrowing demand has been for employment in the cities, where the erection of houses, factories, and business premises has been active. Another form of demand has been due to increased import trade this year. At present the financing of the wool export season is causing the usual demands upon the banks, and, as was the case a year ago, the restricted currency (gold being unobtainable for the purpose while at a premium) does not facilitate the process.

The wool clip is less than last year, and this is reflected in the smaller quantities coming forward from various growers, especially in New South Wales. The prices ruling, however, mean that the aggregate value of the clip will be large. The Australian wheat crop appears likely to turn out a little better on the whole than that for 1922-23, which has resulted in an export of over 54,000,000 bushels (inclusive of flour) since last December. Butter production in Australia is less than last season, but New Zealand promises well for butter and cheese.

The Electrolytic Zinc Company of Australasia, Limited, which has contracts with the British Government, has issued its report for the year ended June 30, 1923, showing a profit of £285,405, against a profit of £76,593 for the seven months ended June 30, 1922. In addition to dividend on the 8 per cent. preference shares for the year, dividend at the rate of 8 per cent. per annum is declared on ordinary shares for the half-year ended June 30, 1923. At the annual meeting the chairman stated that the British Government had expressed a desire (in furtherance solely of its policy of relinquishing trading activities) to be relieved of its obligations under the spelter contract, in return for an equivalent consideration in the direction of the concentrates purchase contract. As explained in the company's report, an additional 400,000 tons of Broken Hill zinc concentrates has been purchased from the British Government, making the total 1,150,000 tons. The contract for the purchase of zinc by the British Board of Trade for a period of years provided for the purchase of the full output on the present scale of production, the payment of a premium over and above the average official price for G.O.B. spelter, and a satisfactory guaranteed minimum price. Under the revised arrangements, the provision for the minimum price still stands.

Letters to the Editor.

EGYPTIAN CURRENCY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The author of the article on "Egyptian Currency since 1914," in your issue of November 17th, though he gives a fairly accurate account of the actual facts, exhibits an extraordinary confusion of ideas in his discussion of the situation.

He endeavours to show, by comparison of the respective index numbers in the United Kingdom and Egypt, that there was a difference in the two price levels of some 20 per cent. in favour of Egypt in 1916, and that the exchange on London was prevented from falling in a corresponding degree by the official stabilisation of the exchange at par, thereby assuming that the price levels worked independently of the fixed exchange.

Yet he goes on to attribute the rise in prices to the fixing of the exchange, a conclusion which is in direct conflict with his former assumption.

It need only be added that the so-called index numbers in Egypt are compiled from the prices of local products only, and afford no indication of the general purchasing power of money comparable with those of the United Kingdom.

It is difficult to follow your correspondent in his further divagations, for he does not explain what currency policy he would have adopted, with a "free" exchange, to prevent the rise in prices, and profiteering, which he says might have been avoided.

It is regrettable that such hazy and unscientific notions should have found publicity in your columns, for they can serve only to encourage the ill-informed elements in Egypt, which, in a spirit of misdirected patriotism, would, by a premature reversion to the gold standard, violently dislocate the Egyptian monetary system, and cause ruinous losses to banks and others who are under heavy liabilities in Egypt, covered by investments in England, made on the strength of the stable exchange.—I am, Sir, yours faithfully,

FINANCIER.

Cairo, November 28th, 1923.

TO THE EDITOR OF THE ECONOMIST.

SIR,—There is no confusion of ideas in the article to which "Financier" takes exception. The discrepancy exists only if one neglects the "time factor," as he does. Nothing in the article suggests that the rise in the price level of one of two countries, linked by a fixed rate of exchange, must take place simultaneously with that in the other. On the contrary, there must be some time-lag. The rise in prices to its 1916 level, in Egypt, was the result of causes operating over the interval between 1914 and then, the chief of these being the fixation of the rate of exchange. The time-lag explains the 20 per cent. difference. But once the level reached a particular point, that value, in relation to the corresponding level in the United Kingdom, would have been effective, and almost immediately effective, in determining the rate of exchange, if that rate had been set free in 1916. If the rate had not been fixed in August, 1914, Egyptian prices would have remained at about their 1914 level, and the rate of exchange would have fallen steadily, in proportion as the general level of prices rose in the United Kingdom. By 1916, the rate would have fallen to some 630 millimes to the pound sterling, by 1920 to some 337. The principle involved is accepted by the vast majority of economists. Does "Financier" deny it?

In his third paragraph, on index numbers, "so-called" or otherwise, there is indeed confusion of thought. When he writes of the "general purchasing power of money," does he mean that the index numbers of the United Kingdom measure the value of currency over a wider area than this country? Germany or France, for example? And how does he propose to measure the pur-

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chasing power of Egyptian currency, except by means of "an index number compiled from the prices of local products?"

He asks for an alternative policy. India, with a problem analogous to that of Egypt, indicates one that might have been adopted, but it would have been better still to have left the rate of exchange to be fixed by the free play of supply and demand, as India does now.

The article was an attempt to discuss some aspects of the problem not touched on in the official accounts. It followed scientific method by citing current theory and applying that to observed facts. To seek to discredit it by stigmatising it as unscientific is merely misuse of the name of science.

Finally, the last paragraph of "Financier's" letter amounts to an invitation to suppress the truth because of possible ill effects on "ill-informed elements in Egypt." If there should be such ill effects, they must be laid at the door of those who have had during the past 40 years and have now the informing of Egypt. We are not back in the days of Galileo and the Inquisition.

THE WRITER OF THE ARTICLE.

ALCOHOL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Having read Professor Starling's book on Alcohol, and your own review of it, I find it difficult to understand why you should think that the book—or rather the weighing of such evidence as is contained in it—would not make for a decision on the matter of prohibition.

You will perhaps pardon me if I express the opinion that you are not quite correct when you say that Professor Starling frankly allows his own outlook to escape. At one time the Professor was inclined to range himself on the side of the prohibitionists—such at any rate is the opinion I formed after reading his "Principles of Human Physiology."

If a man of science goes into the question of alcohol thoroughly—or, for that matter, into any other question—and finds that an examination of the evidence before him justifies him in saying definitely that he is opposed to prohibition of the use of the article he has examined, it would surely be more just to give his opinion its proper scientific weight.

Extended study has changed Professor Starling's opinion somewhat; the evidence which has influenced him may fairly be put before others.—Yours faithfully,

ALF. W. WILLIAMSON.

33 Alpha street West, Seedley, Manchester,
November, 1923.

[Our correspondent is under a misapprehension if he thinks we underestimate the value of Prof. Starling's presentation of the evidence in regard to the effects of alcohol on the human body. On the contrary, such work is of the greatest importance in helping to form a judgment. But Prof. Starling himself is leaving the region of scientific deduction for that of political philosophy when he says that if Prohibition were enforced against the conviction of a large proportion of the members of the community, he believes it would be little short of a calamity. Our comment upon Prof. Starling's book was in effect that before the final decision is taken there are other considerations to be weighed which are equally outside the realm of questions to which science can give a precise answer. The balancing of so much human suffering against the disadvantages of certain restrictions upon individual liberty is a task which cannot be carried out in the scales of any scientific laboratory.—Ed. Econ.]

Books and Publications.

THE ULSTER BOUNDARY QUESTION.*

THIS very ably edited volume belongs to a class which has become familiar before, during, and after the various attempts at a resettlement of the map of Europe in consequence of the European War. Let it be said at once that it is a very superior example of its kind. The present reviewer, who has had a certain experience of this branch of literature, does not remember to have met with so good-tempered and well-reasoned an exposition of such a theme, unless, perhaps in the documents put out by the Tchecho-Slovak Delegation to the Peace Conference at Paris in 1914. The good temper is the most notable feature of the book. Its authors are not concerned to crush or scarify their adversaries, but to persuade them by rational argument. They are not seeking to justify in advance a forcible solution, but are attempting to lay foundations for an agreed settlement in the spirit which has prevailed in the case of other British Dominions—a parallel which is discussed in detail in the concluding section and which is obviously present to the writers' minds throughout.

The volume is divided into four main sections. (i.) Historical and Political. (ii.) The wishes of the inhabitants. (iii.) Economic and geographical conditions. (iv.) Analogous problems in other countries. It is a good sign that the first section occupies only 44 pages out of 152, and that the third is slightly the largest of the four; while the inclusion of the fourth—which contains some of the most acute and interesting argument in the book—shows a welcome breadth of view, in contrast to the morbid concentration of vision upon his parochial problem which is the besetting sin of the nationalist in all continents and centuries.

The first section is perhaps, as might be expected, the weakest. It begins, rather ominously, with the year 350 B.C., and advances two main theses. First, that the Scots settlers planted in Ulster during the 17th century were largely homogeneous with the native Irish in their racial origin, and even in the retention, in many cases, of their original Gaelic speech at the time of settlement. Second, that the dissenting Protestants among the Ulster settlers were during long periods so badly treated by the Episcopalian Ascendancy as were the native Catholics themselves. These theses are weak, not because they are untrue (as regards the exact degree of their accuracy the reviewer is incapable of passing any valuable judgment), but because they are in the nature of historical curiosities which have little relevance to the political problems of Ireland in our own time. Physical race and language are of no account from the political point of view as compared with will and sentiment—a point which is taken by the authors of the work in another passage, in which they argue from cases like that of Switzerland, that the absence of objective homogeneity is no obstacle to political unity of feeling and action. Nor, again, are past divisions between Ulster dissenters and Episcopals of account compared with the solid front presented by the Ulster Protestants ever since there has been any question of reversing the Union of 1800. On the other hand, the stress laid upon the remarkable unanimity between Catholics and Protestants in 1798 is entirely relevant to the present issue. There is an important instance, at a date when social and religious conditions were not incomparable to those of our own generation, in which Northerners and Southerners, Protestants and Catholics, did act together under the influence of a great issue. On that occasion the issue was the political one of self-government; but it is by no means inconceivable that the economic issues explained in Section 3 of this book might exercise a similar unifying effect at a not very distant future—the precedent of 1798 proving that this is not a psychological impossibility.

The second section, dealing with the wishes of the inhabitants, illustrates its subject by implication in eight tables, in which the figures of "Catholics" and

"Others" in the six counties are given under different administrative groupings and divisions. The editors not unfairly argue that, although these tables do not represent any direct expression of opinion on the question of partition, there are practically no Catholics in the six counties who are in favour of their exclusion from the Free State, while a certain number of non-Catholics are opposed to it. Three further tables show the results of the voting at the General Election of 1918, the Election for the Northern Parliament in 1921, and the Election for the British Parliament in 1922. Readers should follow carefully the comments on this last table, in which the substantial anti-partition majority in Tyrone and Fermanagh is underlined.

The economic section, however, is the most interesting and instructive. On page 94 there is a clever appeal to the interests of the British taxpayer, to the effect that the Northern area is not paying more than about an eighth of its fair share towards Imperial liabilities and expenditure, and that the missing seven-eighths are presumably being absorbed in artificially maintaining an unnecessary Government in an unworkable administrative area. It is adroitly argued that the ratio of taxable capacity in Ulster and Great Britain ought to be calculated simply per head of the population, since Ulster's whole claim to exclusion rests on the claim that in civilisation and standard of living her people are at a British as contrasted with an Irish level. There is also an illuminating discussion of the commercial position of Belfast, the value to her of Southern Ireland as a market, and the practical possibilities of obviating the disadvantages which she fears if she transfers from the British to the Irish Customs area.

The best passage in the book is the advocacy, in the last section, of some form of union between North and South in the interests, not of States, but of human beings:—

"Union may be considered either from the point of view of the inhabitants of the disputed area, or from that of the two States or communities by which the area is claimed. Here we are concerned merely in the former. From their point of view there can be little doubt that union possesses very great advantages. Even granting that the union formed may not be complete, but that each party which claims the territory may retain its own individuality, yet the fact that the parties are no longer completely apart will greatly help the interests of the inhabitants and conduce to their welfare. To be the citizen of a State entirely separate from or even hostile to the State to which you wish to belong may be a very difficult and sometimes an intolerable position. To be the citizen of a State which is closely bound to the State of your choice is far more pleasant and advantageous. Federations or unions are, in fact, found to be the best means of protecting and serving the interests of minorities."

This is political humanism, or, in other words, political common sense.

SOUTH AMERICA IN BRIEF.*

THIS year-book was originated by Mr W. H. Koebel, whose recent and lamented death has deprived South America of the most active exponent of her great possibilities for British enterprise. It now appears at a reduced price and in a handier and more readable form. It has become not only a storehouse of information—geographical, statistical, and commercial—concerning all the South and Central American countries, with the addition of Mexico, Cuba, Porto Rico, and the Falkland Islands, but a guidebook for intending travellers, and so it gives particulars of the ports of call on the voyage from Southampton to Buenos Aires, lists of hotels in the principal South American cities, with their prices, and advice concerning travel in the more backward districts, with attractive accounts of the Transandine Railway and the journey up the Amazon. Each country is described comprehensively, even such comparatively neglected areas as British Honduras and Dutch Guiana, and full particulars are given of the soil, climate, products, fauna, and

* "Handbook of the Ulster Question." Issued by the North-Eastern Boundary Bureau. (Dublin) [Free State] Stationery Office. 1923. 2s 6d net.

* "The South American Handbook, 1924." (London) South American Publications, Limited. 7s 6d net.

even of the possibilities of sport with rod and gun, chiefly in Argentina and British Guiana. The commercial information is most comprehensive and practical, and the descriptions of scenery, and occasionally of native races and customs, make the book much more readable than most of its class. The total British capital invested in South American countries is estimated at £830,900,000, ranging from £395 millions in Argentina to £400,000 in Bolivia. In its new form the book should have a wide circulation, and should stimulate British travel and enterprise in a continent which has exercised a special attraction on Englishmen from the reign of Elizabeth to the present day.

A SHIPPING ANALYSIS.*

THE analysis of the shipping industry, which has been prepared by the Labour Research Department, would have been more useful had those who compiled it been less anxious to make out a case for the need to wage an international class war. Though the little book brings together many interesting particulars, the way in which they are presented produces a feeling that this is neither one thing nor another. The fruits of so-called "research" really are sheer propaganda. Inflation of capital, the book suggests, where it does not lead to definite collapse, involves a continual struggle, so far as shipping companies are concerned, to maintain high rates of freight and passenger fares, and at the same time to reduce the numbers and pay of men employed. Capital losses, when insolvency does occur, seem to be merely passing incidents of no particular consequence. Attention is concentrated on dividends paid on inflated capital, bonus shares being merely camouflage to prevent the workers from realising what is being paid out to shareholders. The relation of capital inflation to currency inflation is not touched upon. The capital levy automatically inflicted by the debasement of our currency during the war is not brought into account. These things are beyond the scope of the research which is directed towards demonstrating the need of uniting "workers in the struggle against international capitalism." While no one of fair mind wishes seafarers to work for unreasonably low wages, or in objectionable conditions, the militant style of this book may prevent its enlisting the interest of impartial readers.

BOOKS RECEIVED.

The Pre-War Business Cycle, 1907 to 1914. (Vol. CVIII. No. 1.) By Wm. C. Schluter, Ph.D. (London) P. S. King and Son, Limited. 8s.

Company Law—Principal Distinctions Between the Laws of England and Scotland. By G. Wilton Wilton. (London) Wm. Hodge and Co. 2s 6d net.

Germany in Transition. By M. Philips Price. (London) Labour Publishing Co. 5s.

Roads to Success. By W. T. Maxwell. (London) Williams and Norgate. 1s net.

Records of the Borough of Leicester. Edited by Helen Stocks, assisted by W. H. Stevenson. (London) Cambridge University Press. 50s net.

Workmen's Compensation Legislation of the United States and Canada, 1920 to 1922. (Labour Statistics No. 332.) By Lindley D. Clark. (Washington) Government Printing Office.

Chinese Migration, with Special Reference to Labour Conditions. (Labour Statistics No. 340.) By Ta Chen, A.M. (Washington) Government Printing Office.

International Seamen's Union of America: A Study of its History and Problems. (Labour Statistics No. 342.) By A. E. Albrecht, M.A. (Washington) Government Printing Office.

The Economic Journal, December. By F. Y. Edgeworth and J. M. Keynes. (London) Macmillan and Co. 6s net.

* "Shipping: Studies in Labour and Capital." No. VI. Prepared by the Labour Research Department. (London) The Labour Publishing Company, Limited. 1923. 2s 6d cloth; 1s paper.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.
December 27.

ACCOUNT.
December 28.

Stock Exchange markets cannot be said to have recovered from the effects of the General Election. In some cases, a moderate rally occurred from the lowest prices touched immediately after the issue of the fight became known. The War Loan has been down to 100 sellers, Courtaulds to 59s 6d, and the only market which was not affected to any particular extent by the political upheaval has been that for South African mines. The decision of the Labour Party to form a Government, if called upon to do so, led to a bout of public selling after the markets had started to improve. Political conditions are such as to render the investor hesitating and the speculator timid, the consequence being that neither feels any particular enterprise so far as operations in stocks and shares are concerned. Business fell away to a very low ebb, and depression deepened in nearly all the markets on Thursday last.

A good many options on Conversion stock and the War Loans fall due for settlement this week, and at the end of the month, on behalf of speculators who have given money for the put or the call of stock, according to their views of the way in which the election would eventuate. These had some effect in keeping the price of the War Loan about par. Conversion and other British Government securities rallied immediately after the election excitement had passed, but the market is undecided, and fell back on the public selling mentioned above. Various recently-issued script stocks in this market lean to the lower side.

With the possibility of America entering the arena of the Ruhr question, confidence revived a trifle in the possibility of peace becoming established, and this caused a short-lived rise in French issues, more particularly in the Government and railway bonds. Austrian scrip and Turkish Unified advanced, though temporarily, on what appeared to be bear repurchases. Chinese bonds are a slightly better market. Brazilians, after their improvement, are showing a disposition to halt; other South Americans remain neglected. Mexicans have been flat, on the news of more revolutions in that distressful country.

Home Railway stocks, which had recovered from their spasm of flatness, gave way incontinently as the weakness of the Consol market spread to more speculative departments. The fall caught the Heavy stocks as well as Undergrounds. It spread to the prior-charges and left the market weak. Grand Trunk Pacific debenture has shown remarkable buoyancy, gaining several points on the hope of an early favourable statement in regard to resumption of interest payments. Argentine Rails managed to show a tolerably steady appearance in the face of the prevailing depression.

Rubber at 1s 2d per lb offers no inducement to the public to take a hand in the share market, and accordingly stagnation rules in this section. Mexican Eagles dropped at one time to 19s 9d on the cables reporting fresh outbreaks on the part of the rebels, but a brief rally occurred in sympathy with the firmer tone that made itself felt amongst the higher-priced shares. The dividend declarations of the Royal Dutch, Shell, and Lobitos companies served to steady the market as a whole, but the list turned down again on the capital levy fears. Anglo-Persians have been noticeably weak. The tea market remains uncertain, a good deal of caution being shown by prospective purchasers. In the textile group the destruction of Protection hopes led to an all-round fall in prices. Buyers from the North, with supporting orders, put a more cheerful complexion upon the market aspect, which was subsequently dimmed by the depression that spread from other quarters.

Tobacco shares were sold fairly heavily by the speculative brigade. The bears, however, regretted their temerity, for prices rallied sharply. Then came public sales, and the market gave way. Associated Portland Cements have been flat. In the insurance market, Motor Unions and United British have been the two shares most closely watched. These, after a heavy fall on announcement that the absorption negotia-

tions had fallen through, recovered substantially as bargain-hunters picked up the stock which disappointment had thrown on the market. Most of the other shares show falls on the week. A placid tone characterises shipping, gas, and electric lighting issues, where changes are few.

Banks remain moderately firm, the Eastern group, however, being scarcely so good as it was a week ago. Wireless and cable shares are steady. Radio Corporations improved, on fresh buying from New York. The newspaper varieties have been flat. The eagerness to buy hotel shares on the strength of optimistic expectations regarding next year's Exhibition has subsided; modest improvements occurred in shares of the stores and shopping companies. In Egyptians there is little doing.

The feature amongst South Africans is the strength of Robinson Deep shares, where demand from the Cape forced up the prices of the "A" and "B" in lively fashion. The rest of the market awaits with eager attention the declaration of the December dividends, and these, as previously mentioned, are expected to be unusually good owing to the high price of gold. Chartered put on a few pence by reason of the anticipation that at the forthcoming meeting something will be said as to a possible cash return in connection with the Government's recent payment to the company. Opposition to this has developed, however, and Chartered went back. Tin, the metal, has been behaving in an extraordinary manner, falling £8 in one day and recovering the loss on the day following. Such meteoric movements discourage rather than stimulate speculation. Tin shares fail to attract public interest. Copper and diamond shares are lower. Mexican mining shares gave way because of the revolutionary troubles, and Russians are scarcely mentioned.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£268,545,108			
Adjusted figure.				

ISSUES OF THE WEEK—

4% Treasury Bonds, by public tender, Dec. 7, £1,200,000, average price, £94 10s

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED DEC. 8, 1923.

	Dr	£	Dr	£
April 1, 1923, to Dec. 8, 1923, £13,650,000	Dr	300,000	Dr	300,000
To the Public—				
East Ham Palais de Danse 8,750				
Ord., 1s. at par	437	..	437	..
Do 17,500 7½% Cum. Ptg. Pref., £1, at par	17,500	..	17,500	..
Kuala Lumpur Rubber Estate, Ltd., 500,000 Shares, 2s. at par	60,000	..	60,000	..
La Campana Chilena de Salitres, £125,000 7% First Mort. Reg. Debts. £100 (red. 1934 by ten ann. drawings at £102) issued at 98%	125,000	..	122,500	..
Total to the public	..		200,437	..
To Shareholders only	..		29,587	..
Anglo-Ecuadorian Oilfields, 250,000 Shares, £1, at £1 5s (Dec. 8)	250,000	..	312,500	..
Kerala Tea, 25,000 Shares, £1, at par (Dec. 8)	25,000	..	3,125	..
Total to shareholders	..		337,500	..
Total offered for subscription to date in—				
1923	£269,927,045		1922	£273,875,650
1922	571,887,650		1921	388,978,303
1921	370,141,418		1920	367,549,656
1920	362,893,297		1919	1,036,059,951
1919	1,034,267,477		1918	1,393,381,441
1918	1,344,019,647		1917	1,318,596,010
1917	1,595,369,653		1916	585,436,853

Plymouth Corporation.—Issue of £250,000 4½ per cent. redeemable stock, 1929. This issue has the sanction of the Ministry of Health, and is authorised by the Public Health Acts Amendment Act, 1890. Interest is payable half-yearly on June 30th and December 31st. The stock will be redeemed at par on January 1, 1929, unless previously cancelled by purchase in the open market, or by agreement with the stockholder. It will be registered and transferable in any amount by deed (free of transfer stamp duty), at the office of the Borough Treasurer and Registrar of the stock, the Old Guildhall, Plymouth. The stock will be charged "indifferently" upon all the revenues of the Corporation. Proceeds of the issue will be applied to the extension of the waterworks, electricity, gas and tramway undertakings, and other public works of a capital nature. The population of the county borough of Plymouth was, according to the Census of 1921, 209,857, and was estimated by the Registrar-General at mid-year, 1922, at 211,500. The total net outstanding debt at March 31, 1923, was £3,958,106, of which £2,645,548 was in respect of reproductive undertakings. The total rates for 1923-24 are 13s 4d in the £. A rate of 1d in the £ will produce £4,600. A City house has purchased the stock from the Corporation at the price of 99 per cent., less an allowance of ½ per cent. for brokerage. These details are taken from an advertisement

made in the Press to comply with London Stock Exchange regulations. A well-secured stock.

La Campana Chilena de Salitres.—Incorporated under the laws of the Republic of Chili. The issued and fully paid share capital is £202,000. This is an offer for sale of £125,000 7 per cent. first mortgage registered debentures of £100 each at 98; they are redeemable before 1934 in annual drawings at 102 per cent., by a sinking fund of £12,750 per annum, but the company reserves the right of redemption on any interest date at 102 per cent., on giving six months' notice. It is stated that profits for the eight years to December 31, 1922, averaged £43,468 per annum. For the first year the interest will be reduced every year by £875 until the final extinction of the debt. Of the proceeds of the debentures £100,000 will be applied in paying the balance of the purchase-money for the company's "Florescia" and "Vicente Bañados" grounds. The issue will be secured by a trust deed, and, according to a statement of assets and liabilities, a surplus of £529,894 is available, if the proceeds from the present issue are taken into consideration. A rather speculative security.

Kuala Lumpur Rubber Estate, Limited.—Share capital £70,000, divided into shares of 2s each. The company has been formed to acquire and work a rubber estate in the State of Kedah, Malaya. It comprises approximately 1,320 acres, of which 700 acres consist of rubber in bearing (9 to 14 years). The purchase consideration, payable in cash by the company to the vendors, is the amount payable by the vendors to the former owner, namely, £390,000 (equal to, say, £49 per planted acre). The company grants to the vendors the right to subscribe at par for 88,620 shares of 2s each in the company up to December 31, 1926. As the vendors to the company, it is stated, are making no promotion profit on the resale, the company will repay the costs of the report upon the property and those incurred by the vendors in relation to its acquisition. A speculative proposition.

East Ham Palais de Danse, Limited.—Authorised capital £22,500, divided into 20,000 7½ per cent. cumulative participating preference shares of £1 each and 50,000 ordinary shares of 1s each. This is an issue of 17,500 7½ per cent. cumulative preference and 8,750 ordinary shares, all at par. Applicants for preference shares have the right to apply for ordinary shares in the proportion of one ordinary for two preference shares. The business to be carried on by the company is indicated by its title. The prospectus states that "after payment by way of dividend to the holders of the ordinary shares of a sum equal to the amount of the fixed preference dividend, one-fourth of any surplus profits of the company available for distribution will be divided among the holders of the participating preference shares, and the remaining three-fourths will be divided among the holders of the ordinary shares." This appears to be a reasonable distribution of profits. Moreover, the position of preference shareholders is, as usual, secured by the articles of association, which provide that upon a winding-up the surplus assets are to be applied first in payment of the capital paid up on the preference shares, and in the next place, in paying the capital paid up on the ordinary shares. Any assets remaining are to be distributed as to one-fourth among the holders of the preference shares, and as to the other three-fourths among the holders of the ordinary shares. These handsome provisions are excellent in theory, but we feel bound to point out to our readers that in actual practice preference shareholders, when troubles overtake a concern, are frequently asked to forfeit a substantial proportion of their preferential claims. As an investment, the company does not possess much attraction.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Latest	Price	Latest	Price	Latest
	Week.	Week.	Week.	Week.	Week.	Week.
War 4½% 1925-28	96	..	95	..	95	..
Loans 4½% 1925-45	97	..	97	..	97	..
5% 1929-47	100	..	99	..	99	..
6% 1929-47	100	..	100	..	100	..
Funding Loan 4% 1925-47	88	..	87	..	87	..
Victory Bonds 4% 1925-47	91	..	91	..	91	..
Consols 2½% 1925-47	75	..	75	..	75	..
Irish Land Stock 2½% 1925-47	58	..	57	..	57	..
Local Loans 3% 1925-47	65	..	64	..	64	..
Aust. 6% 1931-41	100	..	100	..	100	..
Canada 4½% 1920-25	100	..	100	..	100	..
India 3½% 1926-31	115	..	114	..	114	..
Do 5% 1932	102	..	102	..	102	..
Do 4% 1932	87	..	86	..	86	..
N.S.W. 5% 1922-32	100	..	100	..	100	..
Nigeria 6% 1949-79	112	..	112	..	112	..
U. of S.A. 6% 1930-40	105	..	105	..	105	..
Victoria 5% 1924-34	101	..	101	..	101	..
W. Aust. 6% 1930-40	103	..	103	..	103	..

Banks.

Barclays B (L. 1. p.d.)	244	..	244	..	244	..
Chartered Bk of India	193	..	193	..	193	..
Lloyds (£5 with £1 paid)	3	..	3	..	3	..
Midland (£12, with £2½ paid)	8	..	8	..	8	..
Nat. Bank of Egypt (£10)	24	..	24	..	24	..
Nat. Bank of S. Africa	5	..	5	..	5	..
Nat. Prov. & Union of England & Wales (£4 paid)	11	..	11	..	11	..
Standard of S. Africa (£20, with £5 paid)	10	..	10	..	10	..
Westminster Bank (£20, with £5 paid)	17	..	17	..	17	..

Telegraphs.

Anglo-American "A"	23	..	23	..	23	..
Marconi Wireless	2	..	2	..	2	..
Marconi Canada	1	..	1	..	1	..
Marconi Marine	1	..	1	..	1	..

Foreign Government Securities.

	Price	Latest	Price	Latest	Price	Latest
	Week.	Week.	Week.	Week.	Week.	Week.
Argentine 5% 1886-7	100	..	100	..	100	..
Austrian 6% Guar. 84x	83	..	83	..	83	..
Belgian 3% 1905	69	..	70	..	70	..
Brazil 5% Fund, 1914	70	..	70	..	70	..
Chilian 4½% 1895	85	..	85	..	85	..
Do 7% 1905	106	..	106	..	106	..
Chinese 5% 1912	67	..	67	..	67	..
Egyptian 4% 1905	73	..	73	..	73	..
French 5% 1905	25	..	25	..	25	..
Do 4% 1905	21	..	20	..	20	..
Greek 4% 1884	45	..	45	..	45	..
Japanese 4½% 1905	108	..	108	..	108	..
Do 4% 1910	69	..	69	..	69	..
Mexican Cons. 1899	59	..	59	..	59	..
Peruvian Corp. Pref.	27	..	26	..	26	..
P.L.M. 6% 1905	87	..	87	..	87	..
Portuguese (New)	33	..	33	..	33	..
Russian 5% 1906	30	..	30	..	30	..
Spanish 4% 1905	62	..	63	..	63	..
Seine (Dept.) 7% 1905	100	..	100	..	100	..
Siamese 7% 1905	106	..	106	..	106	..

Colonial and Foreign Railways.

Antofagasta Cons.	87	..	86	..	86	..
B.A. and Pacific	73	..	72	..	72	..
B.A. Gt. Southern	51	..	51	..	51	..
Buenos Ayres West.	72	..	72	..	72	..
Canadian Pacific	167	..	166	..	166	..
Central Argentine	67	..	67	..	67	..
Leopoldina	21	..	20	..	20	..
Mexican Railway	54	..	54	..	54	..
Do 1st Pref.	30	..	26	..	26	..
Do 2nd Pref.	18	..	18	..	18	..
San Paulo	134	..	134	..	134	..
United Havana	81	..	79	..	79	..

British Railways.

Great Western, Ord.	111	..	109	..	109	..
Do Def.	86	..	86	..	86	..
London & North-Eastern	86	..	86	..	86	..
5% Pref. Ord.	86	..	86	..	86	..
Do Def. Ord.	34	..	32	..	32	..
London, Mid., and	105	..	103	..	103	..
Scottish, Ord.	75	..	74	..	74	..
Metropolitan	56	..	55	..	55	..
Metropolitan District	56	..	55	..	55	..
Southern, Ord. "A"	35	..	35	..	35	..
Do "B"	12	..	12	..	12	..
Do Pref. Ord.	86	..	86	..	86	..
Do Def. Ord.	40	..	38	..	38	..
Underground Electric	101	..	101	..	101	..
Do "A" (1)	101	..	101	..	101	..
Do Inc. Bds. (£100)	101	..	101	..	101	..

American Railroads.

Chesapeake & Ohio	85	..	80	..	80	..
Erie	25	..	24	..	24	..
Do 4% 1st Pref.	35	..	33	..	33	..
Southern	44	..	43	..	43	..
Do Non-cum. Pref.	77	..	77	..	77	..

Miscellaneous.

Aerated Bread (L)	1	..	1	..	1	..
Amal. Cottons (L)	1	..	1	..	1	..
Anglo-Persian Oil (L)	2	..	2	..	2	..
Armstrong (Sir W.G.)	1	..	1	..	1	..
Ass. Phos. Cement (L)	1	..	1	..	1	..
Barker, John (L)	1	..	1	..	1	..
B'ham & Co. (L)	1	..	1	..	1	..
Brazil Traction (L)	46	..	45	..	45	..
British-American Tobacco Co. (L)	51	..	51	..	51	..
Burmah Oil (L)	4	..	4	..	4	..
Costs (J. and P.) (L)	3	..	3	..	3	..
Courtauld (L)	3	..	3	..	3	..
Cunard (L)	1	..	1	..	1	..
Dorman, Long (L)	1	..	1	..	1	..
Dunlop Rubber (L)	1	..	1	..	1	..
Fine Cotton Spinners (L)	1	..	1	..	1	..
Forestal Ltd (L)	2	..	2	..	2	..
Furness, Withy (L)	1	..	1	..	1	..
Highlands and Lowlands Rubber (L)	1	..	1	..	1	..
Hudson's Bay (L)	5	..	5	..	5	..
Imperial Tobacco (L)	3	..	3	..	3	..
Linggi Plantations (L)	1	..	1	..	1	..
Lipton (L)	1	..	1	..	1	..
Lever Bros. (L)	1	..	1	..	1	..
Do 8% Cum. P. Pref. (L)	1	..	1	..	1	..
Do 20% Cum. P. Pref. (L)	1	..	1	..	1	..
Lister (L)	1	..	1	..	1	..
Lobbs Oilfields (L)	1	..	1	..	1	..
Lyons (J. & Co.) (L)	1	..	1	..	1	..
Magadi Soda (L)	1	..	1	..	1	..
Mexican Eagle (L)	1	..	1	..	1	..
Pekin (L)	1	..	1	..	1	..
Rubber Plantations Investments (L)	1	..	1	..	1	..
Shell Transport (L)	1	..	1	..	1	..
Smithfield & Argentine Meat (L)	1	..	1	..	1	..
United Dairies (L)	1	..	1	..	1	..
United Berdang (L)	1	..	1	..	1	..
United Tobacco (L)	1	..	1	..	1	..
Vallambrosa (L)	1	..	1	..	1	..
Vickers (L)	1	..	1	..	1	..
Watney Def. Shk.	17	..	17	..	17	..

Mines.

Brakpan (£1).....	38	..	38	..	38	..
Broken Hill Prop. (8/)	1	..	1	..	1	..
Chartered (£1).....	32	..	32	..	32	..
Cons. Gold Fields (£1)	32	..	32	..	32	..
Crown Mines (10/)	34	..	34	..	34	..
De Beers Def. (£24) ..	11	..	11	..	11	..
East Rand Prop. (£1)	38	..	38	..	38	..
Geduld (£1).....	34	..	34	..	34	..
Gov. Gold Areas £1	6	..	6	..	6	..

COMPANY MEETINGS, &c.

BRITISH OVERSEAS BANK, LIMITED.

RAPID DEVELOPMENT OF THE BUSINESS.

SUCCESSFUL RESULTS OF LONDON AND LIVERPOOL BANK OF COMMERCE PURCHASE.

REVIEW OF CONDITIONS IN CENTRAL EUROPE.

ALTERATIONS TO ARTICLES APPROVED.

The fourth annual general meeting of the shareholders in the British Overseas Bank, Limited, was held, on the 14th instant, in the bank premises, 33, Gracechurch street, London, the Rt. Hon. Viscount Churchill, G.C.V.O., governor of the council, presiding.

The Chairman: I will ask the secretary to read the notice convening the meeting and the auditors' report.

The secretary, Mr A. E. Thorne, having read the notice convening the meeting and the report of the auditors,

The Governor said: Gentlemen,—With regard to the report and accounts, these have been circulated, and perhaps it will be your pleasure to take them as read. (Agreed.)

It is hardly necessary for me to-day to dwell on the conditions under which our business has been conducted during the past year. Another twelve months of depression have once more emphasised the dependence of this country on political order and prosperity abroad, and, unfortunately, for the greater part of the period conditions, especially on the Continent of Europe, have been growing steadily worse.

FRANCE AND THE RUHR.

The attempt made by France to effect a settlement of the Reparation problem by the seizure of the Ruhr has, for the time being at least, put out of action one of the most important industrial areas in Europe, and has hurried Germany into complete financial collapse. So far little result has been secured, and the conflict of views on this question between our own Government and M. Poincaré has strained the Entente almost to breaking point. Fortunately, there would seem now to be faint hopes of some understanding, but much time must inevitably pass before the harm that has been done can be made good.

RUSSIA.

In Russia the Soviet Government is gradually realising the vital need of building up normal relations with the outside world. But it cannot yet bring itself to adopt a different attitude towards the pre-war creditors of Russia, and it still refuses to admit any satisfactory recognition of the private rights of foreigners. Conditions, therefore, show little improvement, and the vast Russian market remains substantially closed.

In the Near East peace has at last been achieved, but the economic policy of the new Turkish State does not appear favourable to the recovery of trade in those regions.

NECESSITY OF EUROPEAN MARKETS.

As a whole, Europe remains more or less disorganised. It continues to suffer from serious under-production of the necessities of life, and the resulting poverty of so many of our former customers is a serious handicap to our own recovery. For it reacts not only directly on our trade with Europe itself, but on our exports to other regions, such as South America and the East, which depend so largely for their prosperity on finding in Europe a market for their raw material products.

During the last month or so there have been signs of a slight improvement. But so many disappointments during the last few years have taught us the necessity of extreme caution, and we must only expect, even at best, a very slow and hesitating recovery in foreign trade.

BANK'S DEVELOPMENT.

In spite of these adverse conditions, I am happy to say that our bank has shown an increasingly rapid development. The earlier work of organisation and preparation is now already bearing satisfactory fruit, and on the basis of this preliminary work we are confident that we are now sufficiently tested and equipped to deal efficiently with the new business which is continually being offered to us.

Apart from this development of regular business, the bank has continued to play a prominent part in the efforts to reconstruct ordered conditions of development in Central Europe.

ROUMANIA.

The consolidation of the Roumanian Government's external debt has been brought to a successful conclusion, but many questions

connected with the various interests concerned continue to come up for settlement. The bank, also, took an active part in an advisory capacity in the protracted negotiations which led ultimately to an agreement being signed between Roumanian private debtors and their creditors in this country. In this way the bank has assisted the Roumanian Government in a matter which will enable that Government to proceed under more favourable conditions with the development of the great national resources of their country.

The many difficulties still to be settled with those countries which have not yet recovered from the disorganisation of war would be greatly lessened if a more sympathetic and understanding attitude were visible among those more happily placed. It is, of course, natural that the losses of the individual are more evident to him than the troubles of others. But in the painful process of reconstruction a broader view and a longer vision on our part would be of material advantage, not only to the countries concerned, but also ultimately to creditors and others in our own.

POLAND.

These remarks apply to almost all countries of Central and Eastern Europe, and to none, perhaps, to a greater extent than to Poland. It would be unwise to overlook the mistakes that have been made there. But I am glad to be able to say that already our own country is showing a greater comprehension of the difficulties that have to be met and more sympathy for the attempts that are being made to meet them. As I have said already at these meetings, the fundamental trouble in Poland has been the failure to balance the Budget, and this failure has been due for the greater part to both insufficient taxation and the faulty collection of existing taxes. As was inevitable, recourse to the printing press has resulted in an ever-widening gap between expenditure and revenue. The Government has at last realised the true nature of its problem, and has introduced taxation on a gold basis. But, in the meantime, depreciation has gone so far that the struggle to restore financial order is bound to be an extremely painful one.

RIGOROUS ECONOMY AND SOUND FINANCE.

It is, however, a matter for sincere congratulation to the Polish Government that it has faced this problem on its own initiative, and is attempting, by rigorous economy and sound finance, to secure its own salvation. In this effort, I am glad to say, it is being assisted by a Financial Mission from this country, consisting of Mr Hilton Young, Mr Trotter, the late deputy-governor of the Bank of England, and Mr Nixon, the late secretary of the Economic Section of the League of Nations, who have proceeded to Warsaw at the invitation of the Polish Government. Time must elapse before the results of these efforts can be seen, but we look with confidence to the determination and the power of the Polish Government to solve their problem.

DEVELOPMENT OF POLISH ELECTRICAL POWER.

Our own participation in the economic reconstruction of Poland has remained a close one, and we hope that some of its fruits will shortly be seen. For a long time past complicated negotiations have been in progress, with our assistance and advice, for the development of the Polish electrical power system. These negotiations have now been completed by the formation of a powerful British group, which will act in conjunction with Polish electrical interests. The equipment and extension of the already important system of Polish power stations with British machinery will form another close link between the two countries, with promise of many mutual advantages.

FREE STATE OF DANZIG.

Turning to Danzig, the Free State which acts as the port of Poland, I am glad to be able to say that a definite improvement has taken place in political feeling between this small State and its larger neighbour, and that trade through the port of Danzig continues steadily to develop. No doubt, all of you present have seen that the Free State of Danzig has completed plans for the introduction of a new currency at the beginning of next year in order to free itself from the incubus of the German mark. In the meantime, a provisional currency based on sterling has been introduced. The actual results of these first temporary measures

have exceeded all expectations, and they give rise to the hope that when the new Central Bank, with its permanent currency is introduced full stability will be re-established, with favourable reactions on the trade both of the port of Danzig and of Poland. In the discussion and preparation of these changes the bank has played an important part, and it is accordingly unbecoming for me to refer in greater detail to these matters.

LITHUANIA AND ESTHONIA.

In Lithuania quiet and steady progress has been made. About a year ago this country also freed itself from the German mark and established a currency which it has maintained from that time on a constant ratio with gold. A growing trade with Great Britain shows that its political and economic stability is becoming increasingly appreciated, and Lithuania's agricultural exports, together with its excellent market for our goods, give promise of further satisfactory intercourse. Interesting developments in this region may shortly be expected in the close co-operation of British enterprise in the extension of Lithuanian transport facilities. Unfortunately, political misunderstandings with its neighbour, Poland, have been the cause of constant trouble, but we have reason to expect a satisfactory settlement of these difficulties in the near future.

With friends in other countries our relations have continued satisfactory, and many new connections have also been formed. In Esthonia satisfactory progress has been made, although lack of capital in that country and the continued difficulty of trading with Russia make development slow.

LONDON AND LIVERPOOL BANK OF COMMERCE.

As has already been announced, in the early part of this year we made an offer to purchase the shares of the London and Liverpool Bank of Commerce, Limited. The appreciation of our offer by the shareholders of that bank is shown by the fact that every share was sold to us. Indeed, their satisfaction at the transaction can only have been exceeded by our own, as the expectations on which our offer was based have been more than realised, not only with regard to the assets of the bank, but also on account of the business connections that have developed from the transfer.

On completion of the purchase, Mr Lawford, manager of the bank, visited most of its customers on the Continent and in America. As the result, the cordial relations previously existing with the London and Liverpool Bank of Commerce, Limited, have continued with ourselves, while our wider organisation has permitted further developments which, we hope, will be continued in the future. Unfortunately, on his return from America, Mr Lawford experienced a severe attack of pneumonia and, on the recommendation of his medical adviser, sent in his resignation, which we were regretfully compelled to accept.

THE NEW OFFICES.

In view of the increase in our own business, and of the accession of business from the London and Liverpool Bank of Commerce, Limited, our removal to our new building did not take place a moment too soon. It is not, indeed, going too far to say that the results of the year would have been impossible under the old conditions. The new offices have had an excellent effect on the conduct of our business, facilitating, as they have done, the proper distribution of work and the efficient co-ordination between departments, which the unsuitability of our old premises made it impossible to deal with adequately.

With regard to the cost of our new building, it is satisfactory to note that the original estimates not only were not exceeded, but that it has been possible to furnish and equip completely within the original estimates for the cost of the structure alone. The premises themselves have fulfilled our expectations. They are well-lit and airy, and have proved convenient, and the lack of ornate decoration has proved not only a saving of expense, but a definite advantage in appearance and dignity.

CHANGES IN BANK'S CONSTITUTION.

From the circular which accompanies the report and balance-sheet you will have seen that certain changes are contemplated in the constitution of the bank. Our experience of the past few years has shown us that it is difficult for the governing council to maintain sufficiently close relations with the business, and this difficulty has been the subject of serious consideration by the council itself. Recently they have come to the conclusion that the best solution of this problem would be to strengthen the board, and to allow the governing council to disappear as an administrative body. The members of the council, however, will maintain their connection with the bank, and will be available for consultation in their individual capacity. Except in so far as it makes for greater efficiency in the conduct of the bank's business, this change is not one that affects the interests either of the "A" shareholders or of the general public.

These are the broad outlines of the proposals, but copies of the new articles may be seen here and at our lawyers, Messrs Linklaters and Paines, by any shareholder who wishes to acquaint himself with the details.

BALANCE-SHEET ITEMS.

With the exception of one or two items, the figures in the balance-sheet before you require little explanation. A year ago acceptances and endorsements for account of customers reached a total of £932,400. On the present occasion acceptances alone amount to £2,081,955. This increase is due mainly to two factors. On the one hand, the London and Liverpool Bank of Commerce, Limited, whose business we acquired, had some £700,000 of acceptances current at the time when we took it over, and these figures gave a welcome fillip to our business in the direction in which we were most anxious to develop. On the other hand, after we had settled down in our new building our own steadily increasing activities brought a rapid expansion on our own account. At the same time, we have still felt it incumbent on us to follow a very conservative policy, and, however good the risk might appear, to restrict severely the limit which we were prepared ourselves to accept. When, therefore, we have had to handle large business, we have made a practice of forming small groups from among our associated banks and, on occasions, from among friendly banks and accepting houses as well, in order to deal with such larger credits. On the discounting of bills connected with such participations we have to incur a liability as endorsers, but, since the liability on bills carries the acceptance of a leading London bank or accepting house, it is purely nominal, and has been dealt with by means of a footnote in the balance-sheet. From this you will see that our technical liability in such matters amounts to £1,212,000. Fluctuations in other items of the balance-sheet represent normal changes, and do not appear to call for any particular comment.

YEAR'S PROFITS.

Profits for the year show a substantial improvement over those from the preceding twelve months, namely, some £25,000. In view of the extremely difficult conditions prevailing during the period which has just closed, I think these results are a subject for congratulation. I have already referred to the difficulties which we, in common with other banks, have had to face during the past year, and, indeed, they are so well known that it is unnecessary for me to dwell again on this point.

ALLOCATIONS.

As you will see from the report, the governing council recommend that a further £15,000 should be written off investments in other banks, £10,000 off premises, and £5,000 off furniture account. This would leave our furniture account standing at a merely nominal figure, and the provision for premises account, together with that already made, shows a substantial writing down on account of an asset which we consider very valuable.

I think gentlemen, these are all the points that I have to bring before you, but I shall be very happy, before putting the resolution, to answer any questions to the best of my ability, with the help of my colleague on my left and my other friends. I now beg formally to move the following resolution:—

"That the report and accounts, as audited and certified by the bank's auditors, now before the meeting, showing the position of the bank's affairs as at October 31, 1923, be approved and adopted; that the final dividend recommended to be paid by the governing council at the rate of 6 per cent. per annum on the "A" ordinary shares for the half-year ended October 31, 1923, be approved; that the dividend be paid to shareholders on the register of members at the closing of the books on December 1, 1923."

Mr R. T. Hindley: Mr Chairman and gentlemen,—As a member of the council, I should like to associate myself with the note of congratulation that the governor has made in his speech to our chairman, the board of directors, and the executive officers of the bank. Those of us who have the conduct of banking affairs know how difficult they have been during the past twelve months, and still are, and I feel from that standpoint I can very heartily congratulate Mr Gairdner and his colleagues on the results that have been shown to you. I do not wish to add anything more except to thank the governor for what he has said in commenting on these results. I have very much pleasure in seconding the resolution which he has put to you.

The Chairman: Now, gentlemen, I shall be very happy to answer any questions or criticisms if any shareholder wishes to make any before I put the resolution to the meeting. (After a pause.) Very well, gentlemen, if no one has any remarks to make with regard to the resolution, I beg formally to put it to the meeting.

The resolution was carried unanimously.

The Chairman: Now I would like one of you to kindly move the re-appointment of the retiring auditors.

Mr Sidney Baker: I beg to move the following resolution:—

"That the retiring auditors—Messrs A. W. Tait, C.B.E., and A. S. Macharg, chartered accountants—be re-appointed as auditors of the company for the current year at the same remuneration, viz., a collective fee of five hundred guineas."

Mr A. C. Balloch: I have much pleasure in seconding that.

The resolution was carried unanimously.

EXTRAORDINARY GENERAL MEETING.

The Chairman: Now, gentlemen, the proceedings so far as our general meeting is concerned are at an end, and if you will be so kind, by the wave of a magician's wand, to turn yourselves into an extraordinary general meeting, I will ask the secretary to read the notice calling the extraordinary general meeting.

The secretary read the notice.

The Chairman: Gentlemen, you have heard what I have had to say at the previous meeting regarding the proposed change in the constitution of the bank, and the circular letter issued with the report will have made you familiar with the nature and extent of these proposals. I, therefore, now beg to move:—

"That the regulations contained in the printed document submitted to this meeting, and signed for identification by the chairman of the meeting, be, and the same are hereby adopted as the articles of association of the company in lieu of the whole of the existing articles of association."

I will call upon Mr Laurence Currie to second the motion.

Mr Laurence Currie: I have great pleasure in seconding the resolution. I do not think it is necessary for me to say anything about it, because the arguments have all been put before you. I think this will add to the fortunes of the bank, and must be in its interests.

The Chairman: Has any gentleman any remarks to make?

Mr C. J. Brand: I should like to support the board in what they propose to do. I am a retired banker, and quite appreciate the desirability of having a board that is able to discuss things rapidly and come to a decision, which has often to be done in these days.

The resolution was carried unanimously.

MEETING OF "A" SHAREHOLDERS.

The Chairman: Gentlemen, we have once more, I will not say to change our coats, but to turn into something else, that is, to resolve ourselves into a meeting of the "A" shareholders. I will ask the secretary to read the notice.

The secretary read the notice.

The Chairman: Gentlemen,—This meeting of the "A" ordinary shareholders of the bank follows upon the meeting just concluded, and is supplementary to it. As has been explained, your rights as regards voting at general meetings or as regards participation in profits or assets are unaffected by these proposals, but to comply with the provisions of our existing articles your sanction is required to the adoption by the company in general meeting of the new articles of association. I now beg to move:—

"That this separate meeting of the holders of the "A" ordinary shares of the British Overseas Bank, Limited, hereby sanctions the adoption by the company in general meeting of the new articles

of association contained in the printed document submitted to the extraordinary general meeting held to-day, and signed for identification by the chairman of the meeting, as the articles of association of the company in lieu of the existing articles of association."

I will ask Brig.-General A. Maxwell to second the resolution.

Brig.-General A. Maxwell: Mr Chairman and gentlemen, I have very much pleasure in seconding the resolution which has just been read to you. In view of the passing of the general resolution, it does not require any further remarks, but I will only say that if this is good for the whole of the shareholders, it must be good for the "A" shareholders.

Mr Brand: I am afraid I spoke too soon. I am an "A" shareholder, and not a "B," but I support the resolution now.

The Chairman: I am much obliged to you for that remark. I have to take you absolutely into my confidence; in putting the resolution I do not know who are "A" shareholders, and have to leave the "A" shareholders to vote. I now put the resolution to the "A" shareholders.

The resolution was carried unanimously.

The Chairman: That, gentlemen, terminates the business.

VOTE OF THANKS TO THE CHAIRMAN.

Mr Norman L. Hird: Gentlemen, before we separate I have a very pleasant duty to perform; I should like to propose a vote of thanks to our chairman, Viscount Churchill, for presiding at our meetings to-day. It is quite unnecessary for me to tell you how much we who have been associated with Viscount Churchill appreciate what he has done for the British Overseas Bank. It is common knowledge to all of you that anything Viscount Churchill is associated with he takes up with great energy. That is so with regard to the Great Western Railway, and likewise the British Overseas Bank, and I ask you to give him a very hearty vote of thanks to-day.

The vote was unanimously accorded.

The Governor: I am extremely obliged to you. It is a very great pleasure and honour for me to preside over these meetings, and to see the implicit confidence the shareholders have in the bank. I should like to express a word of thanks to Mr Gairdner and the board, and also the council, for their courtesy and assistance and the kind way in which they have helped me, I not being a banker, in the various matters which come up for discussion. I hope, little by little, to learn, but I am told that perhaps the less I know of practical banking the more I shall have an open mind on the broad subject of policy which we have to consider here.

The proceedings then terminated.

At a subsequent meeting of the "B" ordinary shareholders a similar resolution to that passed by the "A" ordinary shareholders was duly carried.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.

LORD INCHCAPE ON FREE TRADE AND THE REVIVAL OF INDUSTRY. A REMEDY FOR UNEMPLOYMENT. IMPORTANT ADDITIONS TO THE FLEET.

The eighty-third annual meeting of the Peninsular and Oriental Steam Navigation Company was held, on the 12th instant, at the offices, 122 Leadenhall street, London.

Lord Inchcape, who presided, said that with few exceptions every P. and O. voyage during the past twelve months had shown a loss.

DIVIDEND.

They were able to recommend the same dividend as last year, but it was derived more from dividends on investments and from other sources than from surplus on the working of the ships.

THE INSURANCE FUND.

The insurance fund had not done badly. They had added to it £105,000, bringing it to a total of £3,200,000. The fund had had to make good the value, £51,000, of one steamer lost during the year which had belonged to one of their associates. Their risks were well spread, covering 549 ships, but with so many ships at sea they were never altogether free from anxiety, notwithstanding the skill and prudence of their captains, officers, and engineers.

A METAPHOR.

He had been in considerable anxiety lately regarding their most valuable ship, caught without warning in a typhoon. Fortunately, she was in charge of the veteran skipper, Captain Asquith, and Chief Officer Lloyd George. That ship, well found, like all P. and O. ships, had come through undamaged. Her name was Free Trade.

NEW STEAMERS.

Four new mail steamers for the Australian trade had been commissioned during the year—"Moldavia," "Mongolia," "Mooltan," and "Maloja," the first two each of 15,800 tons, the two last each of 20,800 tons gross. They had large cargo and frozen meat capacity and accommodation for, in all, 2,093 first and second saloon passengers in airy and comfortably-fitted cabins. Four steamers each of 15,200 tons, and one of 10,000 tons gross had been ordered for the Indian mail service, and three passenger and cargo steamers of 15,000 tons each for the Australian trade, all of which, like the "Mongolia," "Mooltan," and "Maloja," would burn oil fuel. The increased size of their vessels had enabled them to place practically the whole of the accommodation on the upper, spar, and promenade decks. Passengers would welcome the greater number of single and two-berth cabins, many with private bathrooms, for which there was an increasing demand.

WAGES ADJUSTMENTS.

They had been reluctantly compelled to reduce wages from the high levels to which Government Boards had raised them during the war. These reductions had been accepted in the best spirit, their captains, officers, engineers, and lower-grades realising the need to reduce working expenses more nearly to the level of earnings.

LABOUR DIFFICULTIES.

Owing to the national strike of dock labourers in July last, work was at a standstill in all London docks but Tilbury Dock for seven

weeks. The strike was a breach of a national agreement endorsed by the men. He wished the men could realise how seriously such stoppages retard the revival of trade, and how much they increase unemployment. They heard a good deal in these days about the cost of living and a better standard of life. He was satisfied every employer of labour in the country desired to improve the condition of the workers, but it was patent that unless people were prepared to work harder, and thus help the revival of our foreign trade, unemployment would tend to increase.

UNBROKEN REGULARITY OF MAIL STEAMERS

To such a company as the P. and O., working under a Government contract, the withdrawal of quayside labour was a greater loss than to owners free to leave their ships idle. Mail steamers must sail to time, strike or no strike, and he was glad to say that they had at considerable sacrifice maintained their mail sailings without a break.

THREATENED RENEWAL OF THE STRIKE.

The Unions now threatened to demand higher wages from February, 1924. Shipowners had, he said, to choose between closing down their business or conceding the men's demands. If the shipowners and the Port of London Authority refused the increase, the old story would be repeated, and men willing to work for the present rate of 10s a day would be prevented by picketing. In resisting these demands they were merely fighting for the public, who eventually had to pay.

A REMEDY FOR UNEMPLOYMENT.

In his (the speaker's) judgment the remedy for unemployment lay in the hands of the trade unions. If the unions would relax their rules and for a year or two give economic conditions free play, diminished production costs would find world markets for an increased output of manufactured goods. Real wages would not be reduced, as the purchasing power of money would be increased. To earn twenty shillings which will buy only ten shillings' worth of goods at pre-war value was, he said, of no advantage to anybody. It was folly to keep up nominal wages, shorten hours, and restrict production at a time when a million idle people were costing 50 millions a year—the whole of it, in effect, a tax on the workers. To get rid of unemployment would be to exchange 50 millions of money which is unproductive for 50 millions of productive money, with a reaction upon the welfare of our population which it would be difficult to assess.

TRAFFIC.

The steamers of the P. and O. Company and its associates had, during the year, covered over 16 millions of miles, they had made 29,000 entries into ports, they had carried nearly fourteen million tons of cargo, 215,551 animals, 1,800,000 passengers, and on board their ships the average daily number of men employed was 40,000.

THE FLEET.

The average age of their tonnage was about seven years; it stood in the books at £23 a ton, £11 deducting reserves, and at an even lower figure if they took into account the market appreciation of their investments. It could not be replaced to-day for less than £36 to £40 a ton. This, of course, meant very little if their voyages produced nothing beyond the operating costs. Some of their allies had done better than they, perhaps because they were free from mail contract obligations. He did not begrudge that, as any advantage eventually accrued to the P. and O.

THE DEBENTURE ISSUE.

The recent issue of £3,500,000 5 per cent. debenture stock had brought in applications exceeding 13 millions. They were fortunate to have made the issue just before a then Minister of the Crown had recommended the inflation of the country's currency system by a resort to the printing press.

THE DANGER OF INFLATION.

Continuing, Lord Inchcape said he had on various occasions expressed his views on Free Trade, and while he did not propose to embark on an economic dissertation, he would put his views once more very briefly. Many distinguished men honestly regarded Protection as a remedy for unemployment, but he believed a free interchange of commodities with the whole world was the sheet anchor of the country, and that now the ground tackle would hold for many a long day. He imagined that any political leader who again raised the issue of Protection in Great Britain would be taken charge of and firmly locked up by his followers. He maintained we should continue our policy of reducing expenditure and paying off debt, with a speedy return to the gold standard. He rejoiced that a further resort to inflation had been promptly ruled out by Mr Baldwin. With any contrary policy London would soon cease to be the world's financial centre.

IMPERIAL CONFERENCES.

It was of great value to the Empire that Imperial Conferences should be held every few years, although they had had a some-

what disturbing influence on our domestic affairs. The Dominions were Protectionist countries; they had for many years advocated Imperial Preference, but so far we had not adopted their proposals. The Prime Minister's recent appeal to the country for a mandate had been turned down, just as it was 17 years ago.

He hoped, when the next Imperial Conference was being arranged, any mention of Imperial Preference or tariffs would be excluded. He would not rule out Free Trade within the Empire, but as the Dominions depended upon tariffs for a large part of their revenue that would for many years not be a practical proposition. He believed each of the countries under the Crown should be free to choose its own way without any attempt by either side to influence the other's fiscal policy.

COMPETITION AT THE TAXPAYERS' EXPENSE.

Continuing, his Lordship said they were still faced with Government competition; there was competition by the Government of the United States, and the legacy of government ownership left by Mr Hughes, the late Premier of Australia, who, with no experience as a shipowner, had started a Government Shipping Department, which had cost his country millions which it would never see again.

To supplement deficits on voyages and provide for depreciation from the taxpayers' pockets was not business, and he thought the taxpayer would get tired of it. Governments should leave business to the business community, and so would have the genius and energy of the commercial classes working not only for themselves, but also for the State. This had been abundantly proved by the results of every commercial undertaking upon which the Government had embarked.

A WORD FOR THE LABOUR PARTY.

He would add one word more. The leader of the Labour Party had proposed, whenever he got into power, to nationalise many of our private enterprises. He, the speaker, did not share the apprehensions with which many people regard the possible advent of the Labour Party to power. If they ever formed the country's Government, they would have reached that position by strictly constitutional means, and would be entitled to the fair play which British Ministers expect and deserve. He did not agree with their programme, and he knew their programme would not agree with him, but no section of the community had more interest in the welfare and stability of the country's institutions than the great body of weekly wage-earners. Any blow to trade, anything that weakened our credit, that checked private enterprise or hindered the adventure of capital would react upon the workers and menace their livelihood. He thought they could trust the Labour leaders to recognise this, and to keep their wild men from playing the wrecking game. He, the speaker, had great faith in the sobering effect of responsibility. He had experienced it himself.

THE VALUE OF CO-OPERATION.

He agreed that the agricultural interests of this country lost much by non-co-operation. He had seen the value of co-operation between the P. and O. and its associated companies—in comparing costs, in the purchase of all their requirements, and in helping one another with tonnage. This spirit of co-operation was not confined to the administration, it extended to the whole of their staff afloat and ashore.

THE STAFF.

Men entered the service of the P. and O. with a life's career before them, and the board endeavoured to set up conditions in which good service could be rendered in acceptable surroundings. Their engineer staff had now, in most ships, airy, quiet quarters on the boat deck. The engineers and their assistants had readily adapted themselves to the change from coal to oil fuel, and he would like to express his thanks to the White Star Company for allowing some of them to gain experience of oil furnaces in the "Majestic" and "Olympic," and for the instruction and assistance derived from the engineers of the White Star vessels.

He desired to say a word in acknowledgment of the good and efficient service of their sea-staff—purser, stewards, boatswains, carpenters, and quartermasters. Many of their Indian deck and engine-room serangs and ratings had spent their lives in the P. and O. He inquired recently of one old man on the "Maloja" how long he had served in P. and O. ships. He replied, with a salaam, "Sahib, chalis chae burras" ("Sir, forty-six years"). No more loyal and efficient service was given by any body of men afloat than by the commanders and officers of the P. and O. Company.

SEA TRAINING.

Some little time before he retired, the late Sir Thomas Sutherland had instituted a scheme of training, mainly at the company's expense, of carefully-selected cadets on board the "Worcester," with a view to their entry into the P. and O. as junior officers. Under the training of the late Commander Sir David Wilson Barker, and his successor, Captain M. B. Sayer, many young cadets had passed from the "Worcester" to sea-training, and were now serving on the P. and O. as navigating officers.

He felt sure they, the stockholders, would wish to be associated in the expression of grateful thanks of the directors to their agents and staff ashore, and to their captains and officers of all departments afloat. He was constantly meeting their men, and it was a source of great pleasure to him to work with them. Loyalty, ability, devotion and integrity characterised the service which it was the good fortune of the P. and O. directors to enjoy at the hands of their staff, at home, afloat, or serving far removed at the other ends of the earth.

CONFERENCE AGREEMENTS AND MARKET STABILITY.

He had been accused lately by a correspondent of the *Times* of being a Protectionist because of the associated companies' participation in conference agreements, the charge being that these agreements led to monopolistic rates of freight. This idea was without foundation. Shipowners, shippers, merchants, and consignees all recognised that the effect of these agreements was to free rates from violent fluctuations upwards or downwards, with a minimum of disturbance and of uncertainty in the marketing of valuable merchandise.

A contrary example was afforded by the effect of a sudden and great reduction in Atlantic freights shortly after the war, which made earlier consignments at the higher rates unprofitable, and led to repudiations of bargains as the sudden drop in freights had spoiled the market. It was claimed by all concerned for these agreements that they produced stability of rates, regulation of tonnage and sailings, and punctuality of delivery. In an entirely irregular freight market they would have cargoes delayed by the waiting of half-filled ships, parcels coming in too great abundance or not at all, and alternate glut and starvation of supplies.

THE ACCOUNTS—NEED OF RETICENCE.

There were, doubtless, he continued, some people outside that room who would like more information of the company's affairs than was given by the report and accounts and by his, the chairman's, speech. To say much more might lead to their being urged to increase the dividend, and to a depletion of their resources, which would be a departure from the conservative policy which had guided the P. and O. Company throughout its existence. The precepts of Balzac still held the field in business. He would quote five of them:—

"Don't beat the bush for others."

"Trust no one farther than you can see him."

"Never say what you do, but always do what you say."

"Keep your hands to yourself, and the same with your purse."

"Sell your jewels for more than they cost you."

The first four they could carry out, but at the present time there was a difficulty about the fifth. Their jewels were space in ships, comfortable passenger accommodation, good food—well cooked, well served—courteous attendance, good speed and safety at sea, with regularity in departures and arrivals. It was not by any means easy at the present time to dispose of these jewels for more than they cost.

In fact, they might still be said, to a great extent, to be living on their losses.

PROSPECTIVE.

There was no greater fallacy than that shipowners had made money out of the war. Those who sold their ships and retired probably did well. They had to consider their great organisation and their staff, and to carry on until things improved. But they were not downhearted; they had a magnificent fleet, and were adding to it; the P. and O., he said, stands high with shippers and passengers, and no endeavour would be wanting to retain the public goodwill. Come good times or bad, he confidently hoped the company would continue to give satisfaction to the public in its services to India, the Far East, and Australia.

A PERSONAL NOTE.

He would, before sitting down, ask them to allow him to make a brief personal statement. A shipping paper had lately displayed some concern as to the fate of the P. and O. Company when—as the writer kindly put it—"Lord Inchcape, in the fulness of years, comes to relinquish his position." He, the writer, had surely forgotten that the indispensable man had not yet been born. He appeared to imagine that the manipulation of two million tons of shipping was kept entirely in his, the speaker's, hands, and suggested that he curbed initiative on the part of his staff. This writer showed complete ignorance of the facts. He welcomed, from high and low, suggestions for forwarding the company's interests, and none of his colleagues would endorse the idea that his disposition was to curb initiative. It was, he was afraid, more frequently the other way round, and that his own suggestions were often sat upon. They worked together as a band of brothers, but that he required to be consulted before any step of high importance was taken he regarded as his duty to them, the stockholders. He

was recently in India, with their approval, for six months; he spent a good deal of time on board P. and O. steamers, but the business of their great organisation went on whether he was there or whether he was not. If they, the shareholders, passed the accounts to-day and confirmed what the board had done during the year, he would slip away in a P. and O. next month to the Sunny South, to play deck quoits and sometimes to recline in a deck chair, cheered by the consolation that Protection is dead and Free Trade survives.

The Chairman concluded by moving the adoption of the report and accounts.

Sir Walter R. Lawrence, Bart., G.C.I.E., G.C.V.O., C.B., seconded the resolution, and, no questions being asked, it was carried unanimously.

The dividends, as recommended, were approved, and the retiring directors, Mr H. N. Gladstone and the Right Hon. Lord Kilbracken, G.C.B., were re-elected.

VOTE OF THANKS TO THE CHAIRMAN, MANAGEMENT AND STAFF.

Sir Charles Stewart-Wilson proposed a cordial vote of thanks to the chairman, management and staff for their continued successful management of the company's business.

Sir Fortescue Flannery, seconding, said he would like to express on behalf of the shareholders their strong hope that the anticipations of the writer referred to would be many, many years before they were realised. They were accustomed to two good things at the meeting of the P. and O. Company. One, the declaration of the dividend, the other the speech from the chair. Some of them might not entirely agree with everything his lordship had said, but they all thought the lucidity, comprehensiveness, and impartiality of the address most illuminating and of the greatest possible public advantage. He would add one word. The report showed in the strongest manner not only the company's stability, but its enterprise. Three and three-quarter millions of funds available for insurance losses was an immense item of stability; they had heard that no less than nine ships of different sizes and character were in process of building. The existing ships had gone from coal to oil, and they saw that the good old P. and O. Company, with all its conservatism—he hoped Lord Inchcape would excuse him for that word—was as enterprising as any company in existence.

In welcoming Lord Inchcape back again from public labours in India, which had been so successful, the shareholders were proud to belong to the company.

The motion was carried unanimously, and acknowledged by the chairman.

LONDON AND RIVER PLATE BANK, LIMITED. FUSION WITH LONDON AND BRAZILIAN BANK. CHANGE OF NAME.

The sixty-first ordinary meeting of the London and River Plate Bank, Limited, was held, on the 13th instant, at the offices of the bank, 7 Princes street, London.

Mr J. W. Beaumont Pease (chairman of the company) presided.

The secretary (Mr George E. Smith) read the notice convening the meeting and the report of the auditors.

TRIBUTE TO MR DUFFIELD.

The Chairman said: Gentlemen,—Before coming to the report and balance-sheet which I have to present to you for the past year, it is my sad duty to refer to the loss which this bank has sustained by the death of one who has for very many years been closely identified with our business. Mr Edward Ross Duffield died on May 2nd this year at the ripe age of 84. During 40 of these years his time, his experience, and his loyal regards for the interests of the London and River Plate Bank were all placed at its service without stint or wavering in every position in which he was connected with it. He was appointed manager at head office in 1883; six years later he was elected as managing director, and after 20 years of constant work in that capacity he was elected chairman in 1909. We have, therefore, a debt of gratitude extending over an unusually long period which we have to acknowledge, and it is only right and fitting that I should try to express our high appreciation of his unremitting attention and unfailing duty to the bank.

The directors last June, as you will see stated in the report, elected Mr Lambert W. Middleton a member of the board. Mr Middleton, who was a former partner in the private banking firm of Messrs Lambton and Co., has thus a thorough knowledge of practical banking. Since his election he has shown special attention to and interest in our business.

BANK'S NEW TITLE.

This bank, which Mr Duffield served so well and for so long, has been hitherto known under the title of the London and River Plate Bank, Limited, and it is under this name, which, I think I may claim, has deserved well both of its shareholders and customers, that you have received notice of this meeting. Since then, however, by resolution of your shareholders, confirmed on Decem-

ber 7th, the title has been changed to Bank of London and South America, Limited.

It is not without genuine and sincere regret, which will, I am sure, be shared by many of our friends, that we have seen the old name pass. Of the events which led up to this necessity you are all aware. In the early part of the year negotiations between this board and that of the London and Brazilian Bank, Limited, were entered into with a view to the consolidation of the two businesses into one. They were broken off for a time, only to be renewed later on, and they were finally concluded by the meeting of the London and Brazilian Bank shareholders held to-day to confirm the resolution agreeing to the absorption of their business into ours.

It would not have been convenient, on account of its cumbrous length, to have added this title to ours to mark the alliance, and, further, it would not even so have been sufficiently comprehensive to include all the seats of our combined activities. We therefore chose an entirely new name. It is one which has this advantage, in that it does not interfere with the continuance of the colloquial title under which we have each of us been known both in Portuguese and Spanish speaking countries—namely, the Banco de Londres. May I be permitted to hope that the honourable tradition for right dealing and sound banking which has been associated for many years with both of the parties to this partnership may be continued through an even longer period of successful co-operation in our combined business?

TERMS OF AMALGAMATION.

I have referred to this alliance as a partnership, and this word truly describes the terms of our coming together. No goodwill is paid on either side. We each bring in all our assets, and out of the common stock we take out an amount in shares in proportion to what we bring in. The terms are, as you know, that for every five £20 shares, of which £10 is paid up, of the London and Brazilian Bank, we give two of our shares of £25 fully paid, or, now that our shares have been divided into £5 shares fully paid, we give ten shares of this new denomination. What immediate value the market will put upon the shares when they are quoted I cannot, of course, prophesy. It will depend upon a variety of causes; the return which the declared dividends will yield; the internal and external strength; the estimate of our prospects and the elimination of the uncalled liability; but this much, at any rate, it is safe to say, that the shares which we shall both hold in the combined company will be more valuable than the aggregate of the shares in the two separate institutions.

We shall both continue to earn our proper proportion of profits, and we shall both have the benefit of the many economies which as a combined concern we ought to be able to effect. I believe, further, that the amalgamation will be of benefit not only to the shareholders, but also to the customers of both banks, and here let me say a word of welcome to the customers of the London and Brazilian Bank. They will continue exactly as they have done in the past. They will for the most part go to the same individuals whom they have been accustomed to see as managers, and to the same premises, and except for the new name which they will see on the door plate, or on their cheques and correspondence, they will hardly realise that any change has taken place.

ADVANTAGES TO CUSTOMERS.

But they will have the advantage of dealing with a larger and more powerful bank, of enhanced importance and prestige, with greater connections and capacity for extending fuller facilities than either of the two banks could have furnished separately. In process of time, no doubt, some of our branches will be amalgamated into one; in some places the old London and River Plate premises will be abandoned and the combined business done in the London and Brazilian Bank premises; in other cases the reverse process will take place, or new premises for the combined business be obtained, and in some places both branches may continue as they are at present.

It is early yet to say what economies and conveniences in this respect may be effected, but what I do want to emphasise is that the customers of the London and Brazilian Bank may look with confident assurance to no less favourable treatment in the future than that which they have hitherto enjoyed. I would like also to extend the same assurance to members of the staff of the London and Brazilian Bank. The tradition and methods of both banks are, I think, very similar, and I do not believe that anyone connected with either bank will ever have cause to regret the amalgamation which we have carried through. I would like to add that I do not think any similar amalgamation can have been arranged with a greater desire on both sides to arrive at a fair and just business conclusion, and it is a pleasure for me to testify to the reasonable and harmonious spirit in which the whole negotiations were discussed.

BALANCE-SHEET ITEMS.

The figures we put before you to-day are the results of a difficult year's trading, but they reflect, as I ventured to prophesy last

year, slightly more profitable conditions. I see no reason why this upward movement should not be continued in the forthcoming year.

Our capital and reserve figures remain as before. On the liabilities side you will notice a welcome increase in our acceptances figure, which is nearly one and a half million pounds higher. Merchandise credits are also up, and the amount of bills advised, &c., standing at £1,891,645, is about half a million pounds higher. The amount of our current accounts, deposits, &c., standing at £24,309,583, appears to be lower as compared with our last year's figure. This reduction, however, as in many other items, is the result of the lower rates of exchange at which currency has been converted into sterling. The currency figures themselves, converted at last year's rate, show an increase of nearly £3,000,000.

There is not much change in the next two items, but when we come to bills for collection, &c., we see the figure of £6,030,435, showing an increase of £1,000,000 over last year. Rebate, &c., shows practically no change, and profit and loss account as entered in the balance-sheet is almost identical with the figure presented last year.

I will say more on this head when we come to the profit and loss account.

ASSETS.

On the assets side, cash in hand, &c., £7,995,613, shows a reduction of about £3,000,000, largely due to the depreciated value of currency as expressed in sterling. The next item is of an omnibus character. Including bills, advances, securities, &c., it stands at £28,345,843, and is £2,400,000 higher than it was last year. This seems a large amount as compared with our credit accounts, but apart from our bills and advances it includes, amongst other things, short-term and other Government investments and acceptances to the extent of over £6,000,000, the *per contra* figure which we have already seen amongst the liabilities. Bills for collection are at the *per contra* figure on the liabilities side, and bank premises show a small increase. In the profit and loss account you will see that the gross profit for this year, after providing for bad and doubtful debts, amounts to £811,681, an increase of £38,578 over last year, and the charges, standing at £648,764, show a reduction of £16,871. Our net profits, therefore, at £162,917 are £55,449 greater than they were last year, and this further fact must be remembered—that last year's profits were swelled at the expense of the carry forward.

THE DIVIDEND.

You will see that we propose to recommend the payment of a final dividend of 4 per cent. and carry forward £220,709, which is within a small amount of the figure brought in. You will notice that the amount of depreciation on our capital employed abroad at current rates of exchange is entered in our balance-sheet at £792,383. This is always rather an embarrassing item, which is only of a somewhat theoretical importance, but which, of course, has to be taken into account because our balance-sheet gives the actual position of our business on September 30th, if it were to be liquidated on that date.

While we continue to trade the appreciation or depreciation, owing to variations in the rate of exchange, of our capital employed abroad, is an unrealised figure on paper only, and does not affect our trading profit any more than the annual fluctuations in the estimated value of our premises would if we were to go to the trouble of revaluing them each year, if that were possible. In any case, of course, it is much more than covered by our reserves and carry forward.

Finally, the Chairman passed in review, by way of commentary, the main conditions, financial and commercial, of the various South American Republics served by the bank, and, in conclusion, moved the adoption of the report and accounts.

Mr Herman B. Sim seconded the resolution, which was carried unanimously.

The Chairman: My next duty, always a pleasant one, is to propose a hearty vote of thanks to the managers and staff for their loyal work through the year and for their continued efforts in your service. I should like to commence by congratulating Mr Simmons on the acknowledgment on the part of the board of the zeal and ability which he has displayed in the interests of the bank in appointing him general manager. The work with which he has had to deal has been intricate, diversified, and difficult. In many cases, especially in regard to the arrangements attending our fusion, it has been unusual, and in all his duties he has brought a cheerfulness, ability, and energy to his task which have contributed largely to the success with which he has handled it. It is always a little invidious to refer to individuals when all, I am sure, have done their best, and I hope other managers and officials will take to themselves personally these remarks and our appreciation of their untiring and loyal efforts to further the interests of the bank.

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

CHINESE ENGINEERING AND MINING COMPANY, LIMITED.

SUCCESSFUL RESULTS—INCREASED DIVIDEND.

REMARKABLE RECOVERY IN COAL SALES.

INCREASED TONNAGE IN SIGHT.

The eleventh annual ordinary general meeting of the Chinese Engineering and Mining Company, Limited, was held, on the 10th instant, at Winchester House, Old Broad street, London, Mr. W. F. Turner (the chairman) presiding.

The secretary (Mr Alfred W. Berry) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—You will remember that on the occasion of our last annual general meeting, December 11, 1922, the position in regard to the working of the current year ending June 30, 1923, was not altogether satisfactory. Owing to exceptional circumstances, the sales of coal by the Kailan Mining Administration had fallen considerably below those of the same period for the preceding year, and the outlook for the moment was uncertain.

INCREASED DIVIDEND.

A remarkable recovery took place, however, in the last five months of the year, and the result is that we have the satisfaction of being able to recommend the declaration of a balance dividend of 8½ per cent., making 16 per cent. for the year, as against a dividend of 13½ per cent. for the preceding year.

The net profit of the Kailan Mining Administration, after providing for interest on the 6 per cent. Kailan bonds, redemption of bonds for the year, reserve for depreciation, and the proportion to which the Chihli Government is entitled, was \$6,109,768.

Our share of the profit amounts to \$3,313,180, against \$2,528,683 in the preceding year. The credit to our profit and loss account, including interest in China, and after making certain adjustments, is £422,101, the average rate of exchange for our remittances for the year being about 25 3/4d per dollar. Interest in Europe amounts to £5,044, against £25,734 in the preceding year, the reduction being caused by the fact that the funds in hand were considerably less, and the rates of interest obtainable for money on deposit having continued very low. The agency fee and other receipts amount to £6,145. The total to the credit of the profit and loss account is therefore £433,291. The expenses in Europe amount to £23,380, an increase of about £3,000, which is due entirely to the cost of new talons and coupons for the share warrants to bearer. The debit on the exchange account shows a reduction of about £7,000. The net balance of profit carried down is £397,467, against £354,686 for the preceding year.

ALLOCATIONS.

The profit and loss account on pages 10 and 11 shows the disposal of the balance at June 30, 1922, in accordance with the resolutions of the last general meeting. The final balance brought forward from that year was £5,945, which makes a total credit to the account at June 30, 1923, of £403,412. Of this, income-tax absorbs £140,113, and corporation profits tax is estimated at £24,100; the interim dividend of 7½ per cent., free of tax, paid on May 30th last, amounted to £105,000, which leaves an available balance carried to the balance-sheet of £134,199. The further remuneration to which the directors are entitled amounts to £4,662. The balance dividend of 8½ per cent., free of tax, which we propose to declare to-day, amounts to £119,000; this will leave a balance to be carried forward to the current year of £10,537.

BALANCE-SHEET ITEMS.

As regards the balance-sheet, there is only one feature of interest. The creditors, £90,662, consisting mainly of income-tax, unpaid dividends and debenture interest, show a reduction of about £5,000 compared with the preceding year. The reserve for corporation profits tax, £45,414, is the provision for two years to June 30th last. The reserve account for redemption of debentures has been increased by the annual drawing of £24,000, making a total of £252,000. On the other side of the balance-sheet the cash stands at £389,000. The debtors consist chiefly of the Kailan Mining Administration current account, including the balance of our share profits to June 30th last. The Kailan working capital account has been increased from £96,801 in the previous balance-sheet to £283,620. This is due to the fact that in order to provide the additional permanent capital required by the Kailan Mining Administration it was arranged that the Lanchow Mining Company, Limited, and ourselves should each provide a sum of \$1,650,000 by transfer of that amount from the credit of the current and loan accounts of the two companies with the Administration. Our Kailan loan account is consequently reduced from £152,893 last

year to £50,143. The other items of the balance-sheet do not require any comment.

INCREASED SALES OF COAL.

The fifth paragraph of the report describes the course of the business of the Kailan Mining Administration during the past year. At last year's meeting we described at some length the after-effects on the year's business, so far as it had gone, of the political troubles which had occurred in the spring of last year, and we also gave you particulars of the strike which had occurred at the Kaiping mines in the month of November; so I need not go into further detail. The consequence of these adverse influences was that at the date of the meeting there had been a decrease in the sales of 517,000 tons compared with the same period of the preceding year. This deficiency continued to increase to the end of the first week in January last, when it amounted to 568,000 tons. From that time it began to diminish; by the middle of June it had disappeared, and the year ended with an increase in the sales of 176,897 tons compared with the preceding year 1921-1922. I should point out, in passing, that the figures of the preceding year include the two months May and June, 1922, when the sales were quite abnormally low.

IMPROVED RAIL FACILITIES.

We made it quite clear at the meeting last year that the serious, though temporary, falling off in the sales of the Kailan Mining Administration was due to special causes, and we concluded by saying that all that was required was an adequate supply of rolling stock on the part of the railway to enable us to keep pace with the increasing demand for our coal and to ensure the future prosperity of the enterprise, in which our confidence was unabated.

Early in the year an opportunity arose for the Kailan Mining Administration to purchase 100 coal wagons which were in China. This was done, and the wagons were sold to the Pekin-Mukden Railway under a hire-purchase agreement satisfactory to both parties. These wagons only came into service in the last two months of the working year, but they were used exclusively for the coal traffic from the mines to the port of Chinwangtao, and thus rendered invaluable service. Another factor which contributed still more powerfully to the increase of sales during the second half of the year has been the assistance rendered by some of the staff of the Kailan Mining Administration in rearranging the handling of the coal traffic on the Chinese Government railways. The benefit of both these factors will be felt over the whole period of the current year's working.

Another important factor in considering the future of the business is the doubling of the railway from the mines to the Port of Chinwangtao. It was expected that this would have been completed and in operation by the end of this year. The track is finished, but we are informed that the signalling service will not be ready before next spring. The traffic is, therefore, still being carried on the single line, but it is hoped that by close co-operation with the railway it will be possible to move the whole of the output from the mines.

COAL IN SIGHT.

The coal in sight at June 30, 1923, amounted to 26,505,000 tons—that is, nearly 2,000,000 tons more than at the same date in the preceding year. Nearly 4,000,000 tons of coal were extracted during the year; therefore, as the chief engineer's report states:—"Our preparatory work during the financial year just finished has brought to sight nearly 6,000,000 tons of coal." It is interesting on looking back to find that at June 30, 1917, the coal in sight amounted to 15,400,000 tons, and that the figure has risen year by year in varying degrees to the one before mentioned—an increase of about 70 per cent.

THE CURRENT YEAR.

As regards the current financial year to June 30, 1924, the sales for the 22 weeks to December 1st show an increase of 520,000 tons over the same period of last year, and, given a continuance of settled conditions, the result of the year's operations should be a very satisfactory one. I do not wish to enlarge upon it, because I think the figures quoted speak sufficiently for themselves.

TRIBUTE TO MAJOR NATHAN.

There are one or two other matters to be mentioned. This year, 1923-24, will be remarkable in the history of the Kailan Mining Administration for the retirement of Major Nathan, which took

place on November 3rd last, after 20 years' service, first with the Chinese Engineering and Mining Company, Limited, the predecessor of this present company, and since 1912 with the Kailan Mining Administration, which, as you know, combines the interests of this company with those of the Lanchow Mining Company, Limited, of Tientsin. Perhaps the best way to appraise the services of Major Nathan will be by giving you a few figures. Major Nathan arrived in China in December, 1903, and took charge on January 6, 1904. The sales for the year ended February 28, 1905, amounted to 843,000 tons; for the year ended June 30, 1912, they amounted to 1,317,000 tons. That year witnessed the formation of the Kailan Mining Administration for the purpose of amalgamating the interests of the old Chinese Engineering and Mining Company and the Lanchow Mining Company of Tientsin. This was done by means of the agreement dated June 1, 1912, mentioned in the second paragraph of the directors' report which is before you to-day. That arrangement, which, as you know, had the formal approval of the British Government and of the Government of China, was due mainly to the initiative, the tact, and the conciliatory spirit exhibited by Major Nathan. Following upon that agreement, the Chinese Engineering and Mining Company, Limited, went into liquidation, and the present company was registered on June 27, 1912. Major Nathan became general manager of the newly formed Kailan Mining Administration. In the first year of its operations the sales amounted to 1,728,000 tons. In the year before us, as you have already heard, they were nearly 3,750,000 tons, in spite of some adverse circumstances, and for the current year I think we may expect a total of about 4,500,000 tons.

HIGHLY EFFICIENT ORGANISATION.

The organisation of the business of the Kailan Mining Administration has been brought to a state of the highest efficiency, and the organisation of the mines will compare with the best in Europe. The scheme of amalgamation of the interests of the two companies has worked with perfect smoothness, Major Nathan having won and retained the confidence of the board of the Lanchow Mining Company to the fullest degree. Indeed, I should doubt if it were possible for anyone to have been more uniformly successful in his dealings with the business community of China than Major Nathan has been during the 20 years of his residence there. It is, I think, appropriate to quote here from the conclusion of Major Nathan's annual report. He says:—

"The new financial year has started well, and given anything like settled conditions throughout the Far East I anticipate the year's trading will be an extremely profitable one. The prestige of the Administration stands high. The quality of its products is known and appreciated throughout the Far East, and I venture to predict that when the long-delayed era of prosperity dawns in this part of the world the Administration will be found well equipped and able to reap the full benefits."

That paragraph might almost be taken as expressing, in the most succinct form, the achievement of Major Nathan at the close of his long career in China.

NEW GENERAL MANAGER.

I have only to add that Major Nathan's successor as general manager of the Kailan Mining Administration is Mr. Patrick Charles Young, C.B.E. He is a member of the Institute of Civil Engineers, who has had a successful career in India and served with great distinction in France during the war. Mr Young, moreover, has had the great advantage of having served under Major Nathan for four years past as his chief assistant, and during that time he has shown himself to be possessed of the abilities and qualities which are necessary to the position he now holds.

As regards the current year, I may mention that Japan is one of the large customers for Kaiping coal, and our business there was to some extent dislocated for the time being by the effects of the terrible earthquake which occurred in September last, but there seems every reason to expect an early recovery. This company has subscribed 500 guineas to the Lord Mayor's Fund for the relief of the sufferers in Japan.

The only other item I have to mention is that since the date of these accounts we have recovered a net sum of about £100,000 in respect of excess profits duty. This will appear in our accounts for the current year, but, of course, it relates to the profits of the years from 1914 to 1920.

I move: "That the directors' report and accounts to June 30, 1923, be and they are hereby received and adopted, and that a final dividend be declared of 8½ per cent., free of income-tax, making 16 per cent. for the year, free of income-tax, payable December 11, 1923."

Colonel H. A. Micklem, C.B., C.M.G., D.S.O., seconded the resolution, which was carried unanimously.

Mr Edmund Davis proposed the re-election of the retiring directors—namely, Mr Emile Franquai, the Rt. Hon. Lord Southborough, G.C.B., and Mr W. F. Turner.

This resolution was also seconded by Colonel Micklem, and unanimously adopted.

On the proposition of Mr Fidge, seconded by Mr Dixon, Messrs Annan, Dexter, and Co. were reappointed auditors.

The proceedings then terminated.

SUNGEI KARI (SUMATRA) RUBBER ESTATE, LIMITED. DUTCH TAXATION CRITICISMS.

The fourteenth annual general meeting of the shareholders of the Sungei Kari (Sumatra) Rubber Estate, Limited, was held, on the 13th instant, at the registered offices, 7 Martin's lane, Cannon street, London, Mr W. Arthur Addinsell (the chairman) presiding.

Mr J. Lewis, on behalf of the secretaries (Messrs Bright and Galbraith, Limited), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: It is a pleasure to your directors to find themselves in a position to recommend the payment of a dividend of 10 per cent. for the past year.

You will notice in the profit and loss account a sum of £1,770 for depreciation of mature areas. The Nederland Indies Government have, I think, done a wise thing in admitting the potentialities of allowing depreciation of a wasting asset. Indeed, we can only wish that the authorities at Somerset House will follow such an excellent precedent.

In the same account you will find an item of £1,222 10s, which has been claimed as an additional assessment for war profits tax in connection with the years 1915 and 1916. We had originally paid approximately £1,000 on this account, leaving any further sum in abeyance upon the result of an appeal which was lodged against the assessment. After a lengthy delay the appeal has been decided against the company. We propose, however, to take the matter to a still higher authority. One of the points of our appeal is to be allowed to include, as revenue expenditure, the cost of landing and warehousing our rubber in London. The Dutch authorities have hitherto rejected this, presumably on the grounds that as the produce can be sold to a ready market locally it is therefore unnecessary for the producer to send it to a foreign market.

I feel constrained to comment on what seems to me to be a selfish attitude—indeed, it would appear to be an attempt to extinguish the British rubber producer as a competitor.

As regards the future for rubber, it is very difficult to forecast the probable turn of events, but so far as this company is concerned, we have an area under rubber well equipped, efficiently managed, and in a high state of cultivation. If there is no serious or sustained set-back in the market price, the company should at least maintain the current dividend. I contend, however, that an economical minimum price, both from the point of view of the consumer and producer, is 16d per lb, and it is to be hoped that the state of the world's trade and the restriction scheme will in due time maintain the price at that level, thus releasing larger quantities from the restricted areas.

The report and accounts were unanimously adopted.

THE SOUTH-WEST AFRICA COMPANY, LIMITED. COMPANY'S PROSPECTING POLICY JUSTIFIED.

The annual general meeting of this company was held, on the 12th instant, at Winchester House, Old Broad street, London.

The secretary (Mr C. Launspach) having read the notice convening the meeting and the report of the auditors,

The Chairman (Mr Edmund Davis), in moving the adoption of the report and accounts, said that at the last meeting the directors referred to the necessity of prospecting, which they considered was warranted by the mineralisation of the territory covered by the company's Demaraland Concessions, and they had continued their expenditure for this purpose. The greater the outlay they had made the more they had become satisfied that this policy was the right one, and the results of the year's operations were satisfactory evidence of this.

On a previous occasion he had referred to the extension obtained of the company's exclusive right to search for and win minerals in the 20,000 square miles which they had always controlled. This was an extension for two years, which expired on the 17th of last month. The Government, realising that the prospecting was in good hands, extend their exclusive right for a further two years—till November 17, 1925. The board had no doubt that the Government rightly considered that the company would leave nothing undone to prove the existence of payable mineral deposits in their area during the extension of their rights. For this purpose, owing to the nature of the work, it might be necessary later on to apply for a still further extension, and the directors trusted that their operations would be of such a nature as to satisfy the authorities that the

exploring of the large portion of the territory covered by their concession could not be in better hands.

The directors did not like to make forecasts as to future profits, but they looked to satisfactory results from the company's operations during the present financial year. These should be reflected in the next profit and loss account.

COMPANY'S INVESTMENTS.

The company's British, Colonial, and foreign (other than German and Hungarian) investments, which stood at June 30th last at £473,762, were at the previous day's date worth at middle market prices £485,213. The value of the German and Hungarian investments had been reduced by a small amount owing to realisations. These realisations were necessary in order to make sure that the Inland Revenue authorities would recognise for income-tax purposes the loss which had been made on them. It appeared to him strange that it should be necessary for the company gradually to dispose of these investments for practically nothing, and actually to realise a loss before it was allowed to set it against profits for income-tax purposes. The State, through such securities being sacrificed, would not at any time have an opportunity of obtaining the benefit of any improvement in values which might take place. In their own particular case the sale of investments costing £42,000 for £5 appeared to be a ridiculous transaction, but the board had been practically forced to carry it through in order to save the company a large amount of income-tax by showing a permanent loss; whereas had the securities been retained and depreciation allowed as a loss for income-tax purposes, the loss might have eventually proved to have only been a temporary one.

QUESTION OF PROFITS FROM FARMS AND TOWN LOTS.

The position of the company regarding profits made on the sale of farms and town lots was still the subject of legal proceedings between the company and the Inland Revenue. It was a question as to whether, in computing for the purposes of income-tax, the profits arising from the trade, adventure, or concern in the nature of trade exercised by the company profits derived from sales of land ought or ought not to be taken into account. When their case was originally heard the Commissioners decided that they were bound by the decision of the Court of Appeal in the case of the Hudson's Bay Company to hold that their profits from the sale of land were not assessable to income-tax as profits or gains derived by it by carrying on their trade or business. Judgment of the Court of

Appeal was given in the Hudson's Bay case in 1909, when it was held that the profits derived from the sale of land by the Hudson's Bay Company could not be regarded as profits or gains derived from carrying on a trade or business, and that they were not carrying on the trade of selling land, but were doing no more than a private landowner did who was minded to sell, from time to time, as opportunity offered, portions of his property; and that therefore such profits were not liable to income-tax. The directors felt confident as to the result of their case, and trusted that the Inland Revenue authorities would leave nothing undone to secure that the matter be dealt with at an early date.

Sir Henry Birchenough, Bart., K.C.M.G., seconded the resolution.

The Chairman having replied to questions, the retiring directors, Mr Edmund Davis, Sir Henry Birchenough, Bart., K.C.M.G., and the Rt. Hon. E. S. Montague, were re-elected. The auditors, Messrs Cooper Brothers and Co., were reappointed, and the proceedings terminated with a vote of thanks to the chairman and directors.

AFRICAN AND EUROPEAN INVESTMENT COMPANY, LIMITED.

CHAIRMAN ON COMPANY'S VALUABLE SHARE INTERESTS.

The nineteenth ordinary general meeting of the African and European Investment Company, Limited, was held, on the 11th instant, at the Cannon street Hotel, London.

Mr C. F. Rowsell, who presided, said that as that was the first meeting at which the directors presented accounts which reflected the very important additions made to their interests by the agreement entered into with Messrs Lewis and Marks, Limited, he proposed to review somewhat fully the position of the company. It would be seen that they received by way of dividends £41,580, and for rentals and farm revenue £39,915, a total of about £81,000, which met the interest on their debentures and loans amounting to £79,891. He had been very carefully through the position of the earnings which might be anticipated during the current year, and he was glad to say that they could look forward with assurance to a very substantial increase in the revenue from these sources, so that he was quite confident that the profit and loss account next year would show a substantial margin, after providing for all outgoings. At the credit of the profit and loss account they had £119,560, and they had used that to meet the loss of £12,652 for

the past year, £7,886 expenses of debenture issue and increase of capital, and £66,067 had had to be applied to writing off to a figure—which was now a very small one—their interest in the East Rand Extension Company, which went into liquidation during the year. He wished to make it quite clear that, although a debenture issue had been created of £1,500,000, the only debentures which had actually been issued were £596,000. The total issue of £1,500,000, however, was secured by substantial and valuable assets. Taking the present value of their assets, they could safely add from £600,000 to £700,000 to the book figures, so that the total assets would work out at about £4,000,000. This would cover the company's liabilities by more than £2 for every £1 of liability.

IMPORTANCE OF INVESTMENT IN VAREENIGING ESTATES, LIMITED.

Dealing with the company's share interests, the Chairman stated that there was one company in which they held to day no less than 590,000 shares, namely, the Vereeniging Estates, Limited. He thought the company was to be congratulated upon that holding, because he knew of no company in South Africa which had more varied or more valuable interests. Its properties were situated on both sides of the Vaal River, partly in the Transvaal and partly in the Orange Free State, and had an area of 127,000 acres. An enormous sum had been spent during the past twenty years or so in the development of this property, and there were now established many industries upon the company's land. It was a great coal producing company, not only from its own estates, but from its control of two collieries, one in the Witbank, and one in the East Rand district. The output of coal now controlled by the company was well over 1½ million tons per annum, and very substantial profits were being earned. The Vereeniging Company was fortunate in having very close relations with the Victoria Falls and Transvaal Power Company, whose greatest station was erected upon their land. Further, it was upon its land that some of the most important industries in South Africa were being developed—he particularly referred to the steel industry. The Union Steel Corporation of South Africa—in which the African and European Investment Company had a very substantial interest—had its works at Vereeniging, and had overcome all the early difficulties of a newly-established industry.

DEVELOPMENT OF SOUTH AFRICAN IRON AND STEEL INDUSTRY.

In association with some of the leading iron and steel people of this country, negotiations were well on the way for the establishment of a great industry in South Africa for the development of the iron and steel industry in all its ramifications. When those negotiations resulted, as he hoped they would do very shortly, in the formation of a company to absorb the Union Steel Corporation of South Africa and develop it on the lines he had indicated, a further great step forward would be made in the productive value of the Vereeniging Estates. In his opinion, the present market value of the Vereeniging Estates did not by any means represent their intrinsic value. In fact, he was confident that it would be quite impossible to acquire any South African assets of anything like equal value to those owned by that company for three times the price at which the shares now stood in the market. There was every indication of very much higher dividends being paid by the Vereeniging Estates Company, and he saw nothing to prevent this increase continuing until profits were earned which would justify the valuation of these shares at the price at which they stood some years ago—namely, £3. Another very important holding which is not quoted on the market here is the holding in the Delagoa Bay Land Syndicate, Limited. In the Milnerton Estates, Limited, they had nearly a half interest. This company owns an estate of about 1,000 acres on the eastern shore of Table Bay, about 2½ miles north of, and in direct railway communication with, Cape Town. The estate has been developed for residential purposes, and is in every way the most attractive suburb of Cape Town. The present value of the land is indicated by the fact that although its whole estate of about 1,000 acres stands in the books at a cost of £30 per acre, an area of 19 acres has recently been sold at the price of £135 per plot, which represents about £800 per acre.

The report and accounts were unanimously adopted.

JOHN I. THORNYCROFT AND CO., LIMITED.

RESULTS OF DIFFICULT YEAR'S TRADE.

The twenty-second annual general meeting of John I. Thornycroft and Co., Limited, was held, on the 12th instant, at Winchester House, Old Broad street, London.

Sir John E. Thornycroft, K.B.E., M.Inst.N.A. (managing director), presided, and said that the profit for the year amounted to £22,253, and they were proposing to pay a dividend of 5 per cent. on the preferred ordinary shares. For the past two years there had been a most unprecedented slump in both shipbuilding and commercial motor vehicles. The accounts of their competitors showed, with few excep-

tions, a record of severe losses. They counted themselves very fortunate in having been able to show any profit at all under the conditions. As to the future, although there were indications of slight improvement in business, they did not see such a position developing as would lead them to anticipate very substantial profits in the immediate future. For that reason they considered it necessary to keep their resources intact as far as possible. A large proportion of their sales had been made abroad, and in the development of their present policy their investment item might have to be increased, as it seemed to them that no permanent business could be looked for unless they could provide facilities for the holding of stocks and giving of service both at home and in the overseas markets.

As regarded the shipbuilding side, in common with other firms their yards had been practically empty during the early part of the year. In the spring they had secured a number of orders for vessels of special types, but the boilermakers' strike had made progress impossible. They had at present eight vessels in hand, but it must be remembered that, at a time of such severe depression, the competition to secure orders was so great that to get work it was necessary to quote without any proper margin of profit or even charges.

With regard to the motor vehicle side, sales, especially in the home market, had been adversely affected by competition from countries with depreciated currencies and the sales of surplus War Department vehicles. A duty on imported vehicles would undoubtedly greatly benefit their industry, but American manufacturers would continue to be very severe competitors both at home and in the foreign markets. They believed they had secured a fair share of the orders placed, and sales showed an increase over those for the previous year.

The report was unanimously adopted.

VAN RYN GOLD MINES ESTATE, LIMITED.

MATERIAL REDUCTION IN WORKING COSTS.

The twenty-eighth ordinary general meeting of the Van Ryn Gold Mines Estate, Limited, was held, on the 12th instant, at Winchester House, Old Broad street, London, Mr L. B. Burns (the chairman) presiding.

The Chairman, in the course of his address, said: A year ago both Mr Leopold Albu and I commented on the improvement which had already taken place, and we expressed our belief that still further improvements were in store. These anticipations have been justified by results.

The balance carried forward from appropriation account, £46,995, is nearly £10,000 larger than last year, notwithstanding the fact that dividends of 15 per cent. were distributed, as compared with 10 per cent. for the preceding year. The profit and loss account shows a gross mining profit of £102,788. A considerably larger figure than usual is shown under the heading of additional revenue, as the company's 5 per cent. War Loan was realised during the year at the satisfactory profit of £10,194 and reinvested in the equivalent amount of tax-free 4 per cent. War Loan—namely, £60,000. Taxes show a rather large increase to £33,392, the inevitable result of larger profits. The resultant net profit of £89,577 has been appropriated by the payment of dividends to the amount of £75,000, £5,224 for depreciation of permanent works, &c., and the large balance, referred to previously, carried to the balance-sheet.

The outstanding feature of the mining operations is the material reduction in working costs at the mine. In the past three years

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank).

ESTABLISHED 1889.

Head Office: HELSINKI (Helsingfors), FINLAND.

Capital and Reserves - - - Fmk. 252,000,000

Deposits and Cheque Accounts

(30/6/23) - - - Fmk. 1,587,000,000

129 BRANCHES AT ALL IMPORTANT BUSINESS CENTRES IN FINLAND.

Telegraphic Address: Kansallispankki.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
69, Market St., Bradford.

LANCASHIRE BRANCH:
39, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.,
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

GREAT BRITAIN
BRADFORD
MANCHESTER
LONDON
PARIS
FRANCE
VIGO
BILBAO
MADRID
SEVILLE
BARCELONA
VALENCIA

UNITED STATES
SAN FRANCISCO
NEW YORK
MEXICO
MEXICO

CENTRAL AMERICA
GUATEMALA
SALVADOR
MANAGUA
SANTA MARTA
BARRANQUILLA
PUERTO CABELLO
CARTAGENA
CARACAS
MEDELLIN
BOGOTÁ
GUAYAQUIL
IQUITOS

SOUTH AMERICA
LIMA
IQUIQUE
ANTOFAGASTA
COPIAPÓ
COQUIMBO
VALPARAISO
SANTIAGO
TALCAHUANO
CONCEPCION
PERNAMBUCO
BAHIA
RIO DE JANEIRO
SAO PAULO
SANTOS
PORTO ALEGRE
PELOTAS (GRAND)
RIO GRANDE DO SUL
MERCEDES
ROSARIO
MONTE VIDEO
BUENOS AIRES
BUENOS AIRES
MENDOZA
SAN RAFAEL
BAHIA BLANCA
TRELEW
COMODORO RIVADAVIA
PUERTO DESEADO
SAN JULIAN
SANTA CRUZ
RIO GALLEGOS
PUNTA ARENAS

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

the figures were:—Year ended June 30, 1921, 25s 9d per ton; 1921-22, 26s 2d; 1922-23, 19s 10d.

Recently, in the course of development in the No. 3 section a reef was opened up which for want of a better name was described as the "intermediate reef," but which your technical adviser is now inclined to think can be correlated with the South Reef of the Central Rand. Initial development work in the No. 7 level showed highly satisfactory values—8.7 dwts over the first 100 ft driven—and the management were naturally encouraged to continue the drive energetically. The latest information is that 835 ft have been driven and sampled in the No. 7 level, showing an average value over that distance (and on the satisfactory width of 42 ins) of about the same as that of the developed payable ore reserves. A surface trench in the No. 3 mine has also disclosed the outcrop of this reef with higher values over the same width, and cross-cutting and drilling have been started to test its presence in other parts of the mine.

The report and accounts were unanimously adopted.

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

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from April 1, 1923, to Dec. 8, 1923.	Receipts. Week Ended Dec. 8, 1923.	Week Ended Dec. 9, 1923.
Balances in Exchequer on 1st April:—				
Bank of England....	..	5,442,665	9,963,494	..
Bank of Ireland....	..	1,375,502	1,210,106	..
REVENUE.				
Customs.....	116,900,000	88,414,000	3,114,000	2,922,000
Excise.....	143,850,000	98,290,000	1,837,000	1,746,000
Motor Vehicle Duties ..	13,250,000	4,470,000	3,493,000	115,000
Estate, &c., Duties.....	52,000,000	38,210,000	4,011,000	780,000
Stamps.....	20,000,000	13,060,000	1,722,000	490,000
Land Tax, House Duty & Mineral Rights Duty ..	3,000,000	540,000	630,000	10,000
Property & Income Tax ..	261,000,000	130,510,000	1,319,000	1,847,000
Super-Tax.....	58,000,000	24,690,000	590,000	..
Excess Profits Duties, &c.	12,000,000	..	954,000	..
Corporation Profits Tax ..	20,000,000	14,820,000	12,247,000	400,000
Post Office.....	52,600,000	35,400,000	36,600,000	1,000,000
Crown Lands.....	900,000	690,000	630,000	..
Interest on Sundry Loans.....	12,500,000	8,505,923	7,887,226	1,254,145
Miscellaneous—				
Ordinary Receipts.....	12,500,000	9,402,653	297,727	111,023
Special Receipts.....	40,000,000	28,092,039	34,602,689	6,769
Revenue.....	818,500,000	495,094,615	545,756,733	9,916,967
Total, Inc. Balance ..	..	501,912,782	556,930,263	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Bullion.....	..	65,000	800,000	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..
Under the Unemployment Insurance Act, 1921.....	..	4,800,000	2,910,000	50,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1921 and 1922.....	3,370,000	3,360,000	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922.....	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904.....	520,000	..	520,000	..
(b) Under the Unemployment Insurance Act, 1921.....	820,000	2,510,000	..	..
(c) For other Issues:—				
By Treasury Bills.....	1,726,870,000	2,041,579,000	54,684,000	59,872,000
By National Savings Certificates ..	37,500,000	45,868,000	350,000	850,000
By Exchequer and National War Bonds.....	..	20	..	..
By Treasury Bonds—				
5-15 year, 1925-35.....	..	61,655,154	..	..
5%, 1927.....	..	70,907,535	..	..
4%, 1931-33.....	30,895,452	..	850,575	4,962,625
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	25,259	..	..
(d) Ways and Means Advances ..	585,555,000	594,664,000	26,300,000	10,250,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired ..	50,081	243,012	..	..
Repayments—				
In respect of Cunard Loan ..	130,000	130,000	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921 ..	208,959	270,252	13,271	..
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	..	6,827,960	..	..
Interest received under Section 59 (5) of the Finance Act, 1920.....	..	162,425	..	..
Total.....	2,892,283,056	3,391,542,958	97,584,813	87,499,793

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from April 1, 1923, to Dec. 8, 1923.	Issues. Week Ended Dec. 8, 1923.	Week Ended Dec. 9, 1923.
EXPENDITURE.				
National Debt Services—				
Interest, &c.....	310,000,000	249,093,117	17,385,209	10,025,425
Sinking Fund.....	40,000,000	24,727,762	402,101	..
Road Fund.....	12,650,000	3,754,044	2,943,999	..
Payments to Local Taxation Authorities, &c.....	10,348,000	7,227,205	5,802,990	579,000
Payments to Northern Ireland Exchequer ..	3,000,000	2,608,729	1,229,152	..
Land Settlement.....	1,500,000	596,422	768,512	..
Other Consolidated Fund Services.....	2,972,000	1,614,357	1,721,802	17,468
Supply Services.....	440,565,000	250,089,289	271,237,499	6,952,871
Expenditure.....	821,035,000	539,510,925	555,593,672	25,327,649
OTHER ISSUES.				
Temporary Advances—				
Bullion.....	..	5,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	169,818	..
Under the Unemployment Insurance Act, 1921.....	..	820,000	3,940,000	180,000
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922.....	4,670,000	4,060,000	..	..
Under the Post Office (London) Railway Act, 1913.....	10,500	..	..	..
Under the Housing Act, 1914.....	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904.....	..	1,553,300	..	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off.....	520,000	..	520,000	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed ..	4,750,000	2,110,000	..	..
Redemption of Debt—				
Treasury Bills.....	1,697,175,000	2,189,549,000	55,180,000	61,650,000
Principal of National Savings Certificates.....	23,850,000	18,350,000	650,000	500,000
Principal of Exchequer Bonds paid off.....	..	19,612,208	..	..
Principal of National War Bonds paid off.....	32,222,296	44,384,182	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	7,463,440	14,220,672	..	..
Ways and Means Advances Repaid ..	578,012,000	528,437,000	10,471,000	8,960,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	..	50,081	243,012	..
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments ..	130,000	130,000	130,000	130,000
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4).....	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 15 (1) (b) of the Finance Act, 1911.....	55,214	59,656	..	..
Balances in Exchequer—				
Bank of England.....	Dec. 8, '23.	Dec. 9, '23.	Inc. or Dec. for Week.	..
Bank of Ireland.....	2,136,421	1,955,467	+ 213,164	84,476
Total.....	2,962,818	3,153,478	+ 406,164	+ 235,000

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, December 10, 1923.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914.	Mar. 31, 1918.	Dec. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Dec. 8, 1923.
Funded Debt.....	588	318	315	315	315	315	314	314	314
Term Annuities.....	30	22	20	19	18	16	15	14	14
4% War Stock.....	..	63	63	63	63	63	63	63	63
4% War Stock.....	..	16	13	13	13	13	13	13	13
4% & 5% War Stock ..	2,091	2,047	2,040	1,996	1,963	2,071	2,095	2,095	2,095
National War Bonds ..	649	1,509	1,476	1,413	1,201	971	953	924	924
4% Funding Loan ..	..	409	409	405	401	401	400	400	400
4% Victory Bonds ..	..	360	367	348	335	335	325	325	325
5% Conversion Loan ..	..	..	..	..	266	690	684	683	683
5% Treasury Bonds ..	..	..	..	..	23	24	24	24	24
5% Treasury Bonds ..	..	..	..	..	381	166	165	165	165
Do by tender 5%.....	..	..	..	..	40	40	40	40	40
Do by tender 4%.....	..	..	..	..	8	69	70	70	70
Do 4%, 1931-33.....	..	..	..	..	..	94	110	110	110
Treasury Bills.....	15	961	1,107	1,107	1,121	878	719	616	646
Exchequer Bonds ..	30	392	323	319	289	185	150	150	150
Nat'l. Savings Certs. ..	..	138	267	274	285	342	350	354	367
War Expend. Certs. ..	..	23	..	..	..	..	..	..	..
Other Debt ..	..	944	1,306	1,181	1,133	1,087	1,071	1,157	1,149
American Loan ..	..	51	51	51	..	..	..	..	..
Temporary Advances ..	1	204	243	205	154	147	222	194	202
Unfunded Debt ..	854	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,785
Total Liabilities ..	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,855

POSITION OF THE FLOATING DEBT.

	Dec. 9, '22.	Mar. 31, '23.	Dec. 8, '23.	Week ended Dec. 8, '23.
Ways and Means Advances ..	Dec. 9, '22.	Mar. 31, '23.	Dec. 8, '23.	..
Outstanding—				
Advances by Bank of England ..	12,250,000	..	14,250,000	+ 250,000
Advances by Public Deptmts. ..	201,278,500	193,897,500	197,390,500	+ 15,579,000
Treasury Bills outstanding ..	734,125,000	616,045,000	645,730,000	+ 485,000
Total Floating Debt ..	947,653,500	809,942,500	847,270,500	+ 15,341,000
* Includes £26,000, the proceeds of which were not carried to the Exchequer within the period of the Account.				

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills dated from Dec. 17-Dec. 22 were opened on Dec. 14, 1923, and the total amount applied for was £52,925,000. For bills at three months, dated Monday to Saturday at £99 4s 2d, about 89 per cent., above in full. The amounts allotted were as follows:—In bills at three months, £34,200,000; in bonds, £800,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
Nov. 2.....	35,000,000	51,350,000	3 1 6-3	..
Nov. 9.....	35,000,000	53,200,000	3 3 8-13	..
Nov. 16.....	35,000,000	46,275,000	3 5 9-32	..
Nov. 23.....	45,000,000	61,235,000	3 5 7-39	94 10 0
Nov. 30.....	45,000,000	52,835,000	3 5 2-97	94 10 2
Dec. 7.....	45,000,000	59,635,000	3 4 3-53	94 10 0
Dec. 14.....	35,000,000	52,925,000	3 3 4-52	94 10 0

Tenders will be received on Dec. 21, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
1922.								
Mar. 29.....	300,351	14,255	5,000	28,500	19,450	15-9	261,479	177
June 28.....	295,374	13,338	8,000	28,500	19,650	16-3	254,312	250
Sept. 27.....	289,127	12,848	7,000	27,000	21,150	16-6	246,456	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15-9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17-3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17-3	242,446	123
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17-5	236,595	140
Nov. 29.....	281,581	11,901	7,000	27,000	22,450	17-6	236,882	150
Dec. 6.....	284,393	12,139	7,000	27,000	22,450	17-4	239,946	136
Dec. 13.....	288,679	12,075	7,000	27,000	22,450	17-1	244,181	123

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

HEAD OFFICES: LIVERPOOL AND LONDON

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

	Bank of Liv'p'ol and Martins, Limited.	Barclays and Limited.	Coutts and Co.	Glyn, Mills, Currie, and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Provincial and Union Bank of Eng'nd, Limited.	National Bank, Limited.	West- minster Bank, Limited.	Will's Bank, Limited.	Total.
Average Weekly Balances, November, 1923.											
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	6,898	33,909	1,237	2,553	34,027	51,840	28,244	3,803	26,667	4,225	193,403
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,777	6,881	453	935	7,471	9,809	6,967	175	8,365	1,047	43,880
Items in transit ..	4,273	21,753	1,419	4,815	17,115	15,150	14,557	3,778	23,346	2,297	108,503
Money at call and short notice ..	3,886	44,372	833	778	60,738	52,840	40,224	2,852	63,097	2,109	271,729
Bills discounted ..	10,300	68,382	4,200	8,999	91,344	40,261	51,997	18,170	55,616	6,199	355,468
Investments ..	39,051	130,219	8,637	6,244	134,777	189,360	124,214	16,894	98,115	19,670	767,181
Advances to customers and other accounts ..	4,881	6,835	58	1,895	15,301	36,337	8,882	175	10,907	2,209	87,480
Liabilities of customers for acceptances, endorsements, &c.	1,533	5,069	346	445	5,568	5,351	4,361	718	4,065	738	28,194
Bank premises account ..	..	7,706	..	..	7,676	3,559	2,240	..	2,992	..	24,173
Investments in affiliated banks ..	72,599	325,126	17,183	26,664	374,017	404,507	281,686	46,565	293,170	38,494	1,880,011
Ratio of cash to current, deposit, and other accounts ..	10.80	11.51	7.96	11.09	10.17	14.96	11.09	9.21	10.09	12.70	11.58
LIABILITIES.											
Capital paid up ..	2,349	15,592	800	1,060	14,373	10,861	9,309	1,500	9,004	1,875	66,723
Reserve fund ..	1,500	8,250	800	530	10,000	10,861	9,000	1,125	9,004	1,150	58,220
Current, deposit, and other accounts ..	63,869	294,449	15,525	23,016	334,344	346,448	254,495	41,254	264,243	33,260	1,670,903
Acceptances, endorsements, &c.	4,881	6,835	58	1,895	15,300	36,337	8,882	175	10,907	2,209	87,479
Notes in circulation ..	..	..	..	..	..	..	..	2,511	12	..	2,523
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	163
	72,599	325,126	17,183	26,664	374,017	404,507	281,686	46,565	293,170	38,494	1,880,011

BANK OF FRANCE.—In francs (000's omitted).

	Dec. 15, 1923.	Dec. 6, 1923.	Nov. 29, 1923.	Dec. 14, 1923.	Position May 31, 1914
ASSETS.					
Gold coin and bullion ..	5,540,047	5,539,876	5,539,702	5,534,531	3,730,626
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion ..	296,352	296,352	296,352	296,352	296,352
Discount and advances ..	5,636,032	5,604,357	5,604,357	5,604,357	5,604,357
Advances to the State ..	23,100,000	23,100,000	23,100,000	23,100,000	23,100,000
LIABILITIES.					
Notes ..	37,547,493	37,939,333	37,939,312	36,070,029	5,811,875
Government deposits ..	24,592	16,417	20,247	17,355	183,700
Private deposits ..	2,005,611	2,097,671	2,183,365	2,124,288	845,950

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

	Dec. 6, 1923.	Nov. 29, 1923.	Nov. 22, 1923.	Nov. 15, 1923.	Dec. 7, 1923.	Position May 28, 1914.
ASSETS.						
Coin (gold & silver and bullion) ..	354,799	353,566	350,905	351,146	338,620	322,650
Securities ..	1,027,383	1,051,602	1,010,271	1,007,680	591,185	697,600
LIABILITIES.						
Notes in circulation ..	7,275,571	7,277,557	7,184,857	7,209,446	364,150	364,150
Current accounts ..	364,358	364,351	387,480	401,601	509,508	112,126

NETHERLANDS BANK.—In florins (000's omitted).

	Dec. 10, 1923.	Dec. 3, 1923.	Nov. 26, 1923.	Nov. 19, 1923.	Dec. 11, 1923.	Position May 31, 1914
ASSETS.						
Gold ..	581,786	581,786	581,786	581,786	581,786	163,092
Silver ..	7,475	7,701	8,181	8,031	8,851	8,436
Discount & advances ..	399,468	405,133	387,515	385,552	396,162	163,504
LIABILITIES.						
Notes in circulation ..	1,028,447	1,043,444	1,005,961	1,012,088	976,289	318,632
Deposits ..	25,854	31,542	40,981	33,737	28,989	5,016

SWISS NATIONAL BANK.—In francs (000's omitted).

	Dec. 7, 1923.	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 15, 1923.	Dec. 7, 1923.	Position May 31, 1914
ASSETS.						
Gold ..	537,186	537,283	537,364	537,428	533,012	171,176
Silver ..	87,269	88,098	88,935	89,074	108,946	18,350
Discount & advances ..	16,648	16,648	16,648	16,690	11,688	103,000
LIABILITIES.						
Notes in circulation ..	898,812	919,630	873,326	884,358	955,079	976,926
Deposits ..	102,935	88,760	112,863	109,212	110,631	33,750

BANK OF NORWAY.—In kroner (000's omitted).

	Nov. 30, 1923.	Nov. 22, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Position May 31, 1914
ASSETS.					
Coin and bullion—Gold ..	147,286	147,286	147,286	147,291	44,224
Balances abroad and foreign bills ..	21,362	20,295	20,394	36,303	88,533
Norwegian & Foreign Govern- ment securities ..	9,052	9,052	9,052	9,415	8,816
Discounts and loans ..	454,464	454,096	453,410	446,269	76,911
LIABILITIES.					
Notes in circulation ..	383,614	376,680	382,548	371,650	113,484
Deposits at notice ..	106,885	112,398	107,686	141,437	7,188

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

BANK OF SWEDEN.—In kronor (000's omitted).

	Dec. 8, 1923.	Dec. 1, 1923.	Nov. 24, 1923.	Nov. 17, 1923.	Dec. 9, 1923.	May 24, 1914.
ASSETS.						
Gold ..	872,042	872,108	872,170	872,226	872,978	104,918
Balance abt. and foreign bills ..	34,781	34,284	34,242	32,747	90,213	112,179
Swedish and for- gov. securities ..	104,850	104,979	105,099	110,189	94,420	28,486
Discount and loans ..	451,523	378,219	337,121	340,019	464,634	112,688
LIABILITIES.						
Notes in circulation ..	520,069	576,001	525,643	533,239	521,776	226,555
Deposits at notice ..	296,447	165,240	165,722	165,236	363,531	369,660

BANK OF FINLAND.—In F. marks (000's omitted).

	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Position May 31, 1914
ASSETS.					
Gold ..	42,704	42,704	42,704	43,733	35,051
Balance abroad and foreign bills ..	599,871	646,828	720,485	939,431	90,379
Finnish and Foreign Govern- ment securities ..	571,765	571,762	571,500	613,897	21,286
Discounts and loans ..	663,489	648,165	608,875	478,060	105,151
LIABILITIES.					
Notes in circulation ..	1,333,031	1,298,107	1,327,589	1,343,333	123,941
Deposits at notice ..	215,520	276,403	266,114	516,860	21,286

BANK OF LATVIA.—In lats (gold francs) (000's omitted).

	Dec. 5, 1923.	Nov. 28, 1923.	Nov. 21, 1923.	Nov. 14, 1923.	June 6, 1923.	Position May 31, 1914
ASSETS.						
Total cash ..	14,971	15,293	12,898	10,930	3,085	3,085
Gold coin & bullion ..	15,765	15,766	15,789	15,200	12,195	12,195
Of which held abroad ..	2,506	2,506	2,506	1,947	1,947	1,947
Foreign banks ..	56,133	57,477	60,651	51,043	24,486	24,486
Discounts and loans ..	35,555	34,810	31,112	17,485	9,551	9,551
LIABILITIES.						
Notes in circulation ..	23,000	23,000	23,000	23,000	4,005	4,005
Capital paid up ..	10,214	10,214	10,214	10,000	16,687	16,687
Government deposits ..	41,793	40,081	39,931	26,956	16,687	16,687
Other deposits ..	42,975	42,879	42,704	29,210	17,995	17,995

BANK OF LITHUANIA.—In lt. (000's omitted).

	Nov. 30, 1923.	Nov. 15, 1923.	Oct. 31, 1923.	Oct. 15, 1923.	Sept. 30, 1923.	Nov. 3, 1923.
ASSETS.						
Gold ..	16,394	16,393	16,392	16,391	16,389	16,389
Silver ..	43,926	43,927	40,371	40,241	37,185	2,972
Dollars & sterling, &c. ..	..	..	..	..	..	2,972
Other foreign currency ..	..	..	..	..	..	2,972
Discount and credit ..	15,916	14,614	14,142	13,923	13,616	2,580
Other assets ..	12,713	8,698	9,672	9,012	7,451	..
LIABILITIES.						
Capital ..	12,000	12,000	12,000	12,000	12,000	10,934
Banknotes in circulation ..	59,010	60,021	56,292	56,784	53,564	18,063
Deposits ..	12,400	8,371	9,088	5,735	6,795	1,049
Other liabilities ..	5,791	3,560	3,447	5,313	2,546	..

AUSTRIAN NATIONAL BANK.—In krone (000's omitted).

	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Nov. 1, 1923.
ASSETS.					
Gold ..	62,116,639	62,116,639	62,116,639	62,116,639	62,116,639
Foreign bills ..	3,504,651,906	3,462,559,848	3,389,552,616	3,419,263,995	3,419,263,995
Bills discounted ..	1,092,589,464	1,097,859,891	1,120,340,592	1,123,913,496	1,123,913,496
Treasury bills ..	2,535,546,861	2,535,546,861	2,535,546,861	2,535,546,861	2,535,546,861
LIABILITIES.					
Notes in circulation ..	6,577,616,340	6,302,663,954	6,335,954,031	6,410,338,374	6,410,338,374
Deposits ..	617,321,036	854,839,150	770,729,246	732,221,139	732,221,139

HUNGARIAN BANK.—In krone (000's omitted).

	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Nov. 30, 1923.
ASSETS.					
Gold coin and bullion, bills ..	22,998	23,304	23,481	23,131	14,9
Silver coin, &c. ..	596	596	596	596	596
Bills, warrants, drafts, &c. ..	531,403,392	512,837,467	488,233,793	500,568,714	49,246,5
Loans ..	1,047,126	1,057,692	1,107,038	1,061,057	1,061,057
LIABILITIES.					
Notes in circulation ..	853,988,589	816,349,489	780,374,558	754,232,390	720,011
Deposits ..	74,963,585	81,340,560	90,375,594	76,495,280	6,007,9

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

MONTHLY DATA OF THE SERIES, &c.—in dinars (000,000)					
	Nov. 30, 1923.	Nov. 22, 1923.	Nov. 15, 1923.	Nov. 8, 1923.	Nov. 1, 1923.
ASSETS.					
Gold ..	68,759	68,755	68,755	68,755	68,755
Other coin and notes ..	21,404	21,516	20,605	19,466	19,466
Foreign credits ..	355,297	357,048	357,032	367,086	367,086
Bills ..	1,367,657	1,381,362	1,401,229	1,406,436	1,406,436
Govt. advances ..	4,576,739	4,576,739	4,576,742	4,570,944	4,570,944
LIABILITIES.					
Notes in circulation ..	5,826,454	5,797,475	5,880,685	5,917,217	5,917,217
State credits ..	379,040	379,040	379,043	373,845	373,845
Deposits ..					1,000,000

Rates of Exchange. New York on—	Par Level.	Dec. 7, 1922.	Nov. 22, 1923.	Nov. 30, 1923.	Dec. 6, 1923.
London—					
80 days		4-5425	4-35	4-3025	4-36
Cable		4-5425	4-35	4-3025	4-36
Cheques		4-5425	4-35	4-3025	4-36
Paris—					
80 days		19-30	7-075	5-425	5-40
Cable		19-30	7-075	5-425	5-40
Cheques		19-30	7-075	5-425	5-40
Brussels—					
80 days		19-30	6-51	4-67	4-64
Cable		19-30	6-51	4-67	4-64
Cheques		19-30	6-51	4-67	4-64
Vienna—					
80 days		20-26	0-0014	0-01425	0-014125
Cable		20-26	0-0014	0-01425	0-014125
Cheques		20-26	0-0014	0-01425	0-014125
Madrid—					
80 days		19-30	15-52	13-01	13-03
Cable		19-30	15-52	13-01	13-03
Cheques		19-30	15-52	13-01	13-03
Amsterdam—					
80 days		40-196	39-94	38-05	37-95
Cable		40-196	39-94	38-05	37-95
Cheques		40-196	39-94	38-05	37-95
Copenhagen—					
80 days		26-80	18-96	14-77	14-99
Cable		26-80	18-96	14-77	14-99
Cheques		26-80	18-96	14-77	14-99
Stockholm—					
80 days		27-00	26-35	26-22	26-34
Cable		27-00	26-35	26-22	26-34
Cheques		27-00	26-35	26-22	26-34
Athens—					
80 days		19-30	1-15	1-56	1-85
Cable		19-30	1-15	1-56	1-85
Cheques		19-30	1-15	1-56	1-85
Montreal—					
80 days		100	99-99	137-75	134-00
Cable		100	99-99	137-75	134-00
Cheques		100	99-99	137-75	134-00
Yokohama—					
80 days		49-85	48-65	48-2	47-85
Cable		49-85	48-65	48-2	47-85
Cheques		49-85	48-65	48-2	47-85
Hong Kong—					
80 days		5-625	50-7	50-95	50-90
Cable		5-625	50-7	50-95	50-90
Cheques		5-625	50-7	50-95	50-90
Shanghai—					
80 days		71-625	72-0	72-70	72-50
Cable		71-625	72-0	72-70	72-50
Cheques		71-625	72-0	72-70	72-50
Calcutta—					
80 days		30-24	30-9	31-10	31-94
Cable		30-24	30-9	31-10	31-94
Cheques		30-24	30-9	31-10	31-94
Buenos Aires—					
80 days		103-65	117-00	140-5	141-00
Cable		103-65	117-00	140-5	141-00
Cheques		103-65	117-00	140-5	141-00
Rio de Janeiro—					
80 days		32-42	12-35	8-75	8-95
Cable		32-42	12-35	8-75	8-95
Cheques		32-42	12-35	8-75	8-95
Valparaiso—					
80 days		20-50	12-20	10-8	11-62
Cable		20-50	12-20	10-8	11-62
Cheques		20-50	12-20	10-8	11-62

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	Year, 1923.	Rate.
Buenos Aires—				
80 days	10-00	Sight London	Dec. 7	17-71
Cable	25-25	"	Dec. 12	23-30
Cheques	100	"	Dec. 4	90
Colombia (Bogota)—				
80 days	4-8665	"	Dec. 12	4-80
Cable	9-75	"	Dec. 8	8-90
Cheques	9-23	"	Dec. 7	8-77
Costa Rica—				
80 days	10-45	"	Nov. 8	20-45
Cable	19-20	"	Dec. 3	16-4
Cheques	19-20	"	Dec. 3	16-4

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

Union of South Africa.		Union of South Africa.	
From Dec. 8, 1923.		From Dec. 8, 1923.	
London on South Africa.		South Africa on London.	
Buying.	Selling.	Buying.	Selling.
T.T.		T.T.	
80 days	1 1/2 % prem.	2 1/2 % prem.	2 1/2 % dia.
30 days	1 1/2 %	2 1/2 %	1 1/2 % dia.
60 days	1 1/2 %	2 1/2 %	1 1/2 %
90 days	1 1/2 %	2 1/2 %	1 1/2 %
120 days	1 1/2 %	2 1/2 %	1 1/2 %

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

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

London on Australia and New Zealand.		Australia and New Zealand on London.	
Buying.		Buying.	
Aus- tra- lia.	New Zeal- and.	Aus- tra- lia.	New Zeal- and.
T.T.		T.T.	
80 days	100	100	100
30 days	98	98	98
60 days	97 1/2	97 1/2	97 1/2
90 days	97 1/2	97 1/2	97 1/2
120 days	97 1/2	97 1/2	97 1/2

INDIAN TREASURY BILLS.

	March 31, 1923.	December 8, 1923.
Outstanding with public	21,58,90,000	3,12,50,000
In paper currency reserve	49,65,00,000	49,65,00,000
Total	71,23,90,000	52,77,50,000

India Office, December 13, 1923.
The Government of India have announced that the total remittances to the Secretary of State for India from April 1 to November 30, 1923, are as follows:—

	£
Council Bills and Telegraphic Transfers	7,622,000
Sterling purchases in India	9,635,000
Sterling taken over in London	1,303,000
Transfer through Paper Currency Reserve	3,848,000
Total	24,408,000

The total includes £1,000,000 remitted on account of the paper currency reserve.

INDIA COUNCIL BILLS AND TRANSFERS.

The following is a summary of applications and allotments for India Council bills and transfers in London on Tuesday, December 11, 1923:—

	Rate.	Applica- tions.	Allot- ments.	%
Bills	1 5/8	50,000	...	...
Def. T.T.	1 5/8	3,00,000	...	...
Imm. T.T.	1 5/8	3,00,000	...	...
	1 4 1/2	5,00,000	...	...
Total		31,50,000		

Next week 100 lacs will be offered.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended December 12, 1923.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
British South Africa	750,319	Norway	402
British West Africa	31,124	Germany	20,262
		Netherlands	157,269
		France	60,800
		United States of America ..	590,000
		British India	127,571
		Straits Settlements	11,440
		Other countries	768
Total declared value of imports	781,443	Total declared value of exports	968,506

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on November 30, 1923:—

	£
In India	Nil
In England—	
Cash at the Bank of England	1,507
British Government securities—	
Value as on September 30, 1923	24,486,224
British Government securities since purchased (cost price)	15,612,352
	40,100,083
	40,100,083

SIDNEY TURNER, Accountant-General.

India Office, December 11, 1923.

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

GOLD.

Fairly substantial supplies of gold came on offer this week, the bulk of which will be absorbed by the United States of America, as Indian and Continental requirements were only moderate. Gold valued at \$2,700,000 has arrived in New York from London. We hear from Bombay that the bullion market there was very excited over the announcement of the Government sales of gold, and that there was strong opposition on the part of the Indian Chamber and the Bullion Merchants' Associations to the conversion of gold to sterling securities, notwithstanding the cogent reasons which actuate the action of the Government.

SILVER.

Again the market has remained fairly steady. The clearance of supplies involved by the large shipment last week to the East naturally rendered it rather difficult to cover "bear" transactions falling due, even though orders from India have not been much in evidence. Yesterday's sharp rise was an indication of a market depleted to a large extent of available stocks. Silver shipments are still being made on a large scale from San Francisco, whence consignments have left for China, and are still on the way—amounting to 7,500,000 ozs—in addition to the very heavy shipments which have been despatched to Shanghai during the last month or so. In present conditions any marked improvement in the value of the pound sterling is bound to be reflected in a lower London price for silver.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Nov. 22 1923.	Nov. 30, 1923.	Dec. 7, 1923.
Notes in circulation	17,878	17,830	18,220
Silver coin and bullion in India	9,698	9,650	9,340
Silver coin and bullion out of India	2,232	2,232	2,232
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India	5,748	5,748	5,748
Securities (Indian Government)	200	300	900
Securities (British Government)			

No silver coinage was reported during the week ending 7th inst. The stock in Shanghai on the 8th inst. consisted of about 21,800,000 ozs in sycee, 29,000,000 dollars, and 820 silver bars, as compared with about 20,900,000 ozs in sycee, 29,000,000 dollars, and 3,430 silver bars on the 1st inst.

GOLD AND SILVER PRICES.

1923.	Gold. Per Ounce.	Silver—Per Ounce.	Date.	Silver. Cash.
		Cash.		
		Forward.		
Dec. 8..	94 9	33 1/2	Dec. 21, 1917..	43 1/2
10..	94 7	33 1/2	21, 1918..	48 1/2
11..	94 5	33 1/2	19, 1919..	78 1/2
12..	94 1	33 1/2	17, 1920..	41
13..	94 6	33 1/2	16, 1921..	35 1/2
14..	94 5	33 1/2	15, 1922..	30 1/2

NOTICES.

The Royal Bank of Australia, Limited, head office, Melbourne, announce the retirement of Mr. Hugh Thurburn years. The directors have appointed Mr. A. Adamson Laing to Wilson, who has been general manager of the bank for many succeeded Mr. Wilson as general manager.

The National Provincial and Union Bank of England, Limited, announce that a branch of the bank is now open at Church street, Wellington, Salop, under the management of Mr. C. A. Lewis.

Barclays Bank, Limited, announce that they have opened a new sub-branch at Ashwear House, Tintern, under the management of Mr. C. A. James, who is also manager of Chepstow Branch.

Lloyds and National Provincial Foreign Bank, Limited, announce that a branch has now been opened at 4, Rue de la République, Mentone.

Mr. James Steuart, London manager for the past ten years, has now been appointed chief manager of the Mercantile Bank of India, Limited.

In conformity with the decision of the extraordinary general meeting of the shareholders of the Banco di Roma, held on September 29, 1923, ratified by the Tribunal of Rome under date of October 3, 1923, the share capital is being increased from Lit. 150 million to Lit. 200 million, by means of an issue at par of 500,000 shares of nominal value of Lit. 100, with dividend coupon January 1, 1924, attached, which issue has been reserved to the present shareholders at their option and on the basis of one new share for each three shares held.

ANALYSIS OF BALANCE-SHEETS.

AMALGAMATED COTTON MILLS TRUST.

October 31, 1923.		October 31, 1923.	
LIABILITIES.	Amount.	ASSETS.	Amount.
7 1/2 % pref. shares ..	800,000	Invests. in cotton mill cos. at cost ..	7,854,571
7 1/2 % "B" pref.	1,800,000	Other investments ..	88,324
Ord. shares	4,650,000	(at book value) ..	6,849
Premium on shrs.	391,482	Loans & accrued interest ..	542,402
Loan	175,863	Sundry debtors ..	10,178
Sundry loans	461,954		
Sundry creditors ..	20,447		
Bank overdraft	179,009		
Profit and loss	16,790		
Total	8,495,475	Total	8,495,475

BALDWIN'S, LIMITED.

June 30, 1923.		June 30, 1923.	
LIABILITIES.	Amount.	ASSETS.	Amount.
5 1/2 % pref. shares ..	250,000	Properties	3,559,020
Ord. shares	4,154,155	Stock	1,328,050
5 % cum. "B" pref.	1,543,693	Investments	4,250,443
4 1/2 % deb. stock ..	500,000	Loans to sub- sidiaries	439,319
7 1/2 % deb. stock ..	2,250,000	Sundry debtors ..	774,715
Sundry creditors ..	1,147,847	Cash, War bonds, and bills	764,911
on trading acc.	95,625	Premium	199,709
Deb. int. accrued ..	45,467		
Prof. dividend	833		
Outstanding deb. warrants	199,709		
Sinking fund	11,250		
Reserve for re- demption of 7 1/2 % deb.	389,835		
Premiums on ord. shares	295,613		
Profit and loss	424,140		
Total	11,306,167	Total	11,306,167

ANGLO-PERSIAN OIL COMPANY, LIMITED.

LIABILITIES.		Compared with Mar. 31, 1922.	ASSETS.		Compared with Mar. 31, 1922.		
	Amount.	£		Amount.	£		
Ord. shares	8,828,767	.. +	2,204,309	Purchase price of concessional shrs. on advances to associated cos.	28,061,243	.. +	6,038,412
8% cum. pref.	7,000,000	.. +	11,620	Refineries, &c.	6,456,071	.. +	1,070,600
9% cum. pref.	3,500,000	.. +	—	Stocks of stores, &c.	1,162,481	.. +	185,011
5% deb. stock	4,625,000	.. —	125,000	Stocks of crude oil, &c.	612,058	.. —	42,020
Int. accrued	57,813	.. —	1,562	Sundry debtors	2,392,490	.. —	909,119
deb. stock	57,813	.. —	1,562	Cash	561,182	.. —	676,336
Deposits by associated cos.	1,659,619	.. +	202,898	Investments in Govt. stocks	594,428	.. —	—
Sundry creditors	2,449,736	.. +	141,884				
Employees' pension fund acct.	816,778	.. —	257,112				
Loan from bankers	2,829,000	.. +	2,829,000				
Reserves	5,080,188	.. +	488,451				
Profit and loss	2,933,052	.. —	426,621				
Total	38,839,953	.. +	5,296,336	Total	39,839,953	.. +	5,296,336

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Dec. 7, 1923.	(c) Week ended Dec. 8, 1923.	Miles Oper.	Week Ended Dec. 9, 1923.			Aggregate 49 Weeks 1923.		
			Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,745	197,000	335,000	532,000	1,200,000	29,962,000	29,962,000	29,962,000
London & North-Eastern	6,702	346,000	709,000	1,055,000	2,166,000	57,016,000	57,016,000	57,016,000
Do same period 1922	6,657	338,000	738,000	1,196,000	2,568,000	60,535,000	60,535,000	60,535,000
London, Mid., & Scottish	6,363	472,000	888,000	1,360,000	3,071,000	74,677,000	74,677,000	74,677,000
Southern.....	2,127	261,600	111,500	373,100	1,618,000	47,423,000	47,423,000	47,423,000
Metropolitan (c).....	794	31,906	3,690	35,596	1,573,000	181,663	1,754,665	1,754,665
Underground E.R. (c).....	..	..	..	221,786	..	..	..	..
Lon. & Sub. Group (c).....	..	..	..	7,330	..	..	..	..
Belfast & Co. Down (b).....	80	3,663	1,239	4,902	257,008	61,521	318,529	318,529
Dublin and B. East (b).....	150	6,034	3,568	9,602	306,628	167,610	474,238	474,238
Gt. Northern (Ireland) (b).....	562	18,400	19,650	38,050	..	..	..	..
Midland Gt. West. (b).....	538	7,841	16,594	24,435	486,486	713,687	1,200,173	1,200,173

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
INDIAN.					
Assam Bengal.....	32 weeks	Nov. 10	1,072	3,111,000 + 5,666	79,145,611 + 1,535,567
Barsi Lt. Ry.....	33 weeks	17	118	39,000 + 13,900	9,741,100 + 1,237,000
Bengal & N. Western	7 weeks	17	2,062	5,055,510 - 1,245,377	30,956,220 - 6,655,530
Bengal Nagpur.....	32 weeks	10	2,738	13,810,000 - 1,840,000	4,501,432 + 7,046,649
Bombay, Bar. & C.I.	35 weeks	Dec. 1	2,994	25,466,000 + 3,699,000	7,263,000 - 4,097,000
Burma.....	32 weeks	Nov. 10	1,342	7,130,086 + 987	2,066,500 - 2,877,000
Delhi, Umballa & Kalka	9 weeks	Dec. 1	239	1,135,000 + 4,965	9,877,715 + 62,557
East Indian.....	36 weeks	8	2,856	32,255,000 + 29,000	11,173,380 - 4,822,000
G. Indian Peninsula	36 weeks	8	3,164	32,707,000 + 57,300	8,802,221 - 50,81,007
Madras & S. Mahr.....	33 weeks	Nov. 10	3,029	11,755,000 - 1,167,878	4,470,493 + 3,26,872
Rohilkhand & Kumaon	6 weeks	17	259	39,027 - 4,929	3,024,331 + 19,187
Do Lucknow-Breilly	6 weeks	17	314	48,187 - 4,929	2,739,917 + 36,071
South Indian.....	33 weeks	17	1,877	9,213,761 + 28,551	3,222,760 + 10,29,135

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Argentine N.E.	22 weeks	Dec. 8	753	11,500 + 1,400	258,800 + 26,500
Argentine Trans.	23 weeks	8	4,324	148,000 + 17,000	3,141,030 + 11,000
B. A. and Pacific.....	23 weeks	8	3,948	210,000 + 16,000	5,875,900 + 271,000
B. A. Gt. Southern.....	23 weeks	8	1,882	94,000 + 10,000	1,838,000 + 51,000
B. A. Western.....	23 weeks	8	1,882	94,000 + 10,000	1,838,000 + 51,000
Central Argentine.....	23 weeks	8	3,305	184,000 + 8,000	4,639,000 + 251,000
Cordoba Central.....	23 weeks	8	1,206	50,000 + 7,000	1,356,600 + 12,400
Entre Rios.....	23 weeks	8	729	22,300 + 3,900	439,300 + 42,400

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Canadian National.....	48 weeks	Dec. 7	22,680	5,521,725 + 331,350	237,681,170 + 19,694,497
Canadian Pacific.....	48 weeks	7	13,539	4,557,000 + 402,000	180,964,000 + 7,500,000

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
St. West. of Brazil.....	49 weeks	Dec. 8	1,250	12,500 - 3,100	469,100 - 155,700
Leopoldina.....	49 weeks	8	1,831	25,190 - 4,310	1,278,379 - 176,010
San Paulo.....	49 weeks	8	1,534	28,531 - 1,938	1,439,149 + 60,931

CHILEAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Antofagasta.....	49 weeks	Dec. 9	838	46,350 + 11,190	1,779,230 + 591,145
Nitrato (4-monthly)	47 weeks	Nov. 29	366	29,654 + 2,008	696,747 + 266,138

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Havana Central.....	23 weeks	Dec. 8	1,210	12,765 + 1,708	271,826 + 48,616
United of Havana.....	23 weeks	8	1,210	58,767 + 10,421	1,320,796 + 238,022

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Central Uruguay.....	23 weeks	Dec. 8	273	32,636 + 1,364	570,318 + 9,247
Q. Urug. (East Ext.).....	23 weeks	8	311	6,197 - 255	107,984 - 850
Q. Urug. (North Ext.).....	23 weeks	8	186	3,784 + 512	61,571 + 2,426
Q. Urug. (West Ext.).....	23 weeks	8	211	3,165 - 216	51,892 - 2,180

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
Alcoy and Gandia.....	49 weeks	Dec. 8	33	32,000 + 2,000	1,019,300 + 69,850
Egyptian Delta.....	35 weeks	Nov. 30	675	15,002 + 3,021	210,312 - 20,335
Gt. Southern of Spain	48 weeks	Dec. 1	104	107,951 + 11,913	4,644,591 + 660,160
Mexican Railway.....	22 weeks	7	432	204,000 - 22,200	5,180,600 - 707,000
New Cape Central.....	48 weeks	Nov. 17	305	2,668 + 31	120,700 + 3,029
Paraguay Central.....	23 weeks	Dec. 8	274	3,770 + 2,760	85,460 + 56,860
Salvador.....	23 weeks	8	100	2,399 - 574	56,112 - 4,000

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1923. + or -	1923. + or -
Anglo-Argentine.....	49 weeks	Dec. 8	329	489,296 - 3,605	4,142,327 - 35,154
Burnley Corporation	1 week	8	12	3,017 - 307	..
Calcutta Tramways.....	49 weeks	8	354	1,337,640 + 12,397	.. + 208,630
Obanham & District.....	48 weeks	Nov. 29	15	11,212 - 198	74,623 - 4,242
Egyptian Markets.....	49 weeks	Dec. 6	..	2,809 + 197	93,915 + 5,603
Glenshaw Corporation	27 weeks	8	106	444,374 + 867	1,199,539 + 37,478
Isle of Thanet.....	4 weeks	4	..	2,474 - 50	6,763 - 203
Lancashire United Tramways	44 weeks	Oct. 30	39	22,840 + 4	126,075 + 7,463
Do Omnib. receipts.....	44 weeks	30	..	21,503 + 346	43,378 + 13,552
Liverpool Corporation	35 weeks	Dec. 8	124	223,519 - 4,682	970,344 - 86,826
L.O. Tramways.....	36 weeks	12	163	483,317 - 9,621	3,133,064 - 277,831
Madras Elec. (2 wks).....	47 weeks	Nov. 30	..	48,702 + 7,717	11,517,786 + 95,814
Pernambuco Trams.....	48 weeks	Dec. 9	..	63,799 - 555	177,588 - 4,744

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1922.	1923.	1923.	Increase or Decrease.	1923.	Increase or Decrease.
April.....	235,839	234,970	521,387,412	+ 105,578,442	118,627,158	+ 38,240,343
May.....	235,472	235,186	545,503,898	+ 97,510,054	126,175,540	+ 32,573,715
June.....	236,783	236,739	540,054,165	+ 66,903,501	124,046,578	+ 14,427,896
July.....	235,813	235,477	534,634,552	+ 91,678,679	121,044,775	+ 18,392,282
Aug.....	235,696	235,357	563,292,105	+ 90,181,967	136,519,553	+ 49,897,384
Sept.....	236,525	235,611	544,270,233	+ 44,549,658	128,300,309	+ 37,441,385

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Mon'h.	Total Receipts.
				1922-23. + or -	1922-23. + or -
INDIAN.					
Southern Punjab.....	5 mths	Aug. 31	717	8,77,566 + 1,13,017	54,56,927 + 13,03,453

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Mon'h.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Canadian National.....	10 mths	Oct. 31	31	Gross \$263,911,935 + 140,768,666	207,950,226 + 186,835,771
Canadian Pacific.....	10 mths	31	31	Net 5,163,470 + 186,777,778	12,021,285 + 8,198,377
Temiscouata.....	1 mth	31	31	Gross \$23,770,000 + 708,000	154,455,000 + 6,568,000
				Net 8,161,000 + 358,000	27,412,000 + 301,000

BRAZILIAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Mon'h.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Brazil Gt. Stnrm.....	10 mths	Oct. 31	..	Ma.50,500 - 6,500	631,150 + 166,400
State of Bahia.....	7 mths	Nov. 30	52	26,620 + 2,690	30,329 + 10,052

CHILE AND PERU.

Name.	Period.	Ending.	Present Mileage.	Receipts for Mon'h.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Peruvian Corp.....	5 mths	Nov. 30	1,056	\$ 1,103,300 - 223,800	6,359,400 - 107,860
Taital.....	5 mths	30	172	\$24,322 + 4,567	97,905 + 21,876

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Receipts for Mon'h.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Midland Uruguay.....	5 mths	Nov. 30	319	\$ 20,000 + 1,538	76,201 - 2,811
N.W. Uruguay.....	5 mths	30	113	11,276 + 1,151	33,549 - 802
Uruguay North.....	5 mths	30	73	5,396 - 84	12,637 - 69

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Mon'h.	Total Receipts.
				1922-23. + or -	1922-23. + or -
Algoma Cent. & Hudson Bay	1 mth	Oct. 31	31	Gross \$244,858 + 69,741	..
Belra and Masho Island.....	1 mth	Sept. 30	810	114,272 + 3,549	..
Bilbao.....	10 mths	Oct. 31	15	1,786 - 93	19,763 + 8,434
Bolivar.....	11 mths	Nov. 30	136	8,700 + 655	115,014 + 17,147
Costa Rica.....	3 mths	Sept. 30	183	21,730 + 4,136	71,539 + 14,647
Dorado Extension	10 mths	Oct. 31	70	16,000 + 4,250	189,000 + 58,500
Dorado Rope, Ex. International of	10 mths	31	45	6,750 + 500	92,450 + 34,200
Central America	10 mths	31	Net	56,671 - 755	720,834 + 4,996
La Guaira & Car.	10 mths	31	233	14,317 + 3,742	302,539 + 51,260
Mexican Railway	4 mths	31	31	11,060 + 2,050	114,620 + 14,670
Mid. of W. Aust.	4 mths	31	31	Gross \$94,700 - 199,100	4,082,200 - 456,500
Nassau Oceania	9 mths	Sept. 30	277	\$15,032 + 372	47,511 - 648
Nassau Oceania	9 mths	Sept. 30	277	11,087 + 212	108,724 + 10,458
Puerto Caballo, &c.	12 mths	Nov. 30	35	3,750 - 250	49,250 + 3,000
Rhodesia Rail'ry	1 mth	Sept. 30	1,397	141,013 + 592	..
Samana & Sant'ago	11 mths	Nov. 30	..	3,810 - 631	70,820 - 17,266
Santo Fe Prov.	1 mth	Oct. 31	..	145,200 + 1,752	..
Zafra and Huaila	10 mths	31	112	12,942 + 412	114,796 + 5,210

TRAMWAY & OTHER RECEIPTS.

Argentine Light and Power (a)...	7 mths	Oct. 31	..	39,976	+	3,505	274,664	+	24,877
Barcelona Trac.	10 mths	31	Gross	P237,390	+	257,640	41,430,358	+	3,715,313
Barcelona Trac.	10 mths	31	Net	P237,390	+	94,974	23,544,691	+	651,862
Brasilia Trac.	10 mths	31	Gross	22,083,000	+	5,854,000	20,936,000	+	1,182,000
Brasilia Trac.	10 mths	31	Net	13,272,000	+	1,372,000	12,876,000	+	208,000
Brit. Columbia Electric, &c...	4 mths	31	Gross	\$883,365	+	21,553	3,440,242	+	64,781
Brit. Columbia Electric, &c...	4 mths	31	Net	\$257,833	+	594	984,840	+	36,504
Burmah Electric	1 mth	Nov. 30	..	R\$71,860	+	7,666	..	+	23,165
Cape Elec. Trams	1 mth	Oct. 31	Gross	\$32,895	..	..	..	..	..
Carthagena and Herrerias Trams	11 mths	Nov. 30	12	Ps1,362	..	822	21,808	..	4,367
Cien. Serv. of Vich	1 Year	Oct. 31	Gross	\$1,049,916	..	65,021	16,592,772	+	2,034,148
Cien. Serv. of Vich	24 weeks	Sept. 9	Net	24,105	..	307	26,381	..	1,947
Havana Elec. R. & Light	9 mths	30	Gross	\$111,130	+	82,501	9,979,638	+	306,470
Havana Elec. R. & Light	9 mths	30	Net	\$21,552	+	54,800	5,171,350	+	256,725
International Light & Power	4 mths	Oct. 31	Gross	\$21,832	+	85	97,159	+	3,134
International Light & Power	4 mths	Oct. 31	Net	\$6,083	+	1,645	24,284	+	..
Kalgoorlie Elec. Tramways...	8 mths	Aug. 31	Gross	\$2,616	..	..	18,332	..	..
Kalgoorlie Elec. Tramways...	8 mths	Aug. 31	Net	\$1,011	..	..	..	..	..
Keystone Tele.	10 mths	Oct. 31	Gross	\$152,136	+	10,075	1,485,366	+	93,822
Keystone Tele.	10 mths	Oct. 31	Net	\$69,832	+	7,252	667,355	+	95,977
La Guaira Harb. La Plata Electric	1 mth	Nov. 30	..	\$6,790	+	845	..	..	..
La Guaira Harb. La Plata Electric	11 mths	30	..	\$7,810	+	434	78,578	..	4,718
Lima Plata Electric	9 mths	Sept. 30	Gross	\$75,827	+	16,468	644,375	+	40,590
Lima Plata Electric	9 mths	Sept. 30	Net	\$21,786	+	9,533	183,184	+	8,100
Manila Electric Railroad, &c...	10 mths	Oct. 31	Gross	\$359,303	+	4,640	2,949,165	+	5,498
Manila Electric Railroad, &c...	10 mths	Oct. 31	Net	\$155,975	+	1,335	1,243,861	+	20,998
Para Electric....	1 mth	Oct. 31	Gross	\$50,207	+	3,594	183,462	+	12,671
Para Electric....	1 mth	Oct. 31	Net	\$14,935	+	2,402	125,994	+	..
Puebla Tram., &c.	1 mth	Oct. 31	Net	\$8,000	..	..	..	..	..
Rangoon Electric	9 mths	Sept. 30	Gross	R\$3,48,275	+	24,050	30,20,325	+	19,605
Rangoon Electric	9 mths	Sept. 30	Net	R\$1,78,925	+	17,100	16,00,100	+	36,305
Shanghai Electric	11 mths	Nov. 30	Mex.	\$191,270	+	767	2,103,827	+	93,881
United Electric T. of Montevideo	1 mth	Oct. 30	Gross	\$55,187	+	3,190	..	..	..
United Electric T. of Montevideo	1 mth	Oct. 31	Net	\$3,500	+	34,900	241,600	+	221,900
Venez. Falls & Transvaal Pwr.	Quarter	Sept. 30	Net	\$235,338	..	..	..	..	..
Winnipeg Electric	10 mths	Oct. 31	Gross	\$437,039	..	22,058	4,360,236	..	97,365
Winnipeg Electric	10 mths	Oct. 31	Net	\$139,316	..	1,791	1,515,312	..	5,170

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

CARDAMOMS continue in demand, and market very firm owing to dearth of supplies. Indian green sold, 5s 3d on the spot, and Bombay seeds, 6s 3d lb.

CITRONELLA OIL—Java, December, buyers, 4s 6d; and sellers, 4s 7d; January-March, done and buyers, 4s 4d lb. c.f. and i. terms.

EGG PRODUCTS steady at previous level of prices, but trade quiet apart from a moderate demand for hen albumen.

FRUIT (Dried)—With generally sustained inquiries, there was a good amount of business in progress during the week, and prices disclosed steadiness. Of currants, Pyrgos, 4-cases, quoted 40s; bags, 39s; Amalia, 44s; Patras, 50s; Vostizza, 65s to 69s. Sultanias: Smyrna, quoted 51s to 54s; good, 62s to 66s; fine, 80s to 85s; finest, 95s to 100s. Valencia raisins, 4-boxes, quoted, 62s; quarters, 75s to 105s. Genuine natural figs in bags quoted, 34s to 30s; layers, in boxes, 95s to 105s; pulled, 125s to 140s. Evaporated fruits formed a steady market. Californian choice apricots quoted 74s; fancy, 99s to 100s per cwt.

CANNED GOODS—General steadiness predominated, and a moderate business was in progress. Of sardines, Portuguese quarters quoted 2s 9d to 3s 3d; ditto 12 oz, 6s to 7s; 18 oz, 9s 6d to 11s per dozen tins. Lobster steady, but rather quiet of sale. Fancy halves quoted 145s to 150s. Salmon, in small supply, meets a good demand at full rates. 1 lb flat reds, labelled, 54s 6d; ditto tall, 42s 6d; 1 lb flat pink, 2s; ditto tall, 26s; cases of 96½ lbs, 29s to 30s per case. Canned fruits received steady support. Singapore pines, fair quality, spot, quoted 5s 7½d. Californian apricots, 7s 6d to 11s; ditto peaches, 8s 6d to 11s; pears, 12s 6d to 11s. Tomatoes: Spanish threes quoted 6s 6d; Italian ditto, 6s 9d per dozen tins. Meats steady, but demand at the moment is quieter.

OILSEEDS—Linseed in fair demand, and prices firmer on adverse Argentine weather reports. Indian: Bold Bombay, December, sellers, £23 10s; small Bombay, ditto, £22 15s; Calcutta, afloat, £23 5s; November-December, sold, £22 10s to £22 15s. Plate afloat, £21 5s; December-January, £18; January-February, sold, £16 17s 6d to £17 7s 6d; April-May, £17 5s to £17 17s 6d. Rapeseed firmer. Toria, November-December, £19 5s; real bold Ferozepore, ditto, £19 5s; Jamba, £14 12s 6d. Cottonseed firmer for Egyptian, with a fair demand. Egyptian black, December, quoted, £13 7s 6d. Sakellariadis, £12 12s 6d Hull. Bombay, January-February, sold, £10 2s 6d; February-March, £10. Gingly seed firm. East African November-December, £25 5s. Chinese, December-January, £25 10s. Groundnuts steady. Coromandel, machine-dried, December-January, £24 10s; Chinese, decorticated, f.a.q., December-January, sold, £23; East African, afloat, £24 2s 6d, sellers. Soya beans steady. Manchurian, December-January, £12 5s. Castor-seed firmer. Bombay, December-January, £26; February-March, £24 per ton.

OILS—Linseed firmer, with a fair demand. Spot, net, naked 43s 6d; December, 42s 3d; January-April, 39s; May-August, 36s 1½d. Rape firmer. Crude, spot, 43s 6d; refined, 46s 6d. Castor-oil firm. First pressure, spot, quoted 60s; second pressure, 59s; and pharmaceutical, 65s per cwt. Hull, with London 2s cwt extra. Cotton quiet. Crude Egyptian, spot, 41s; Bombay, 40s; common edible, 46s; deodorised (in barrels), 49s 6d. China-wood steady. Hankow, spot (barrels), 91s 6d; December-January, 91s 6d. Coconut steady. Ceylon, spot, 48s; November-December, 47s; Ceylon, ditto, quoted 60s. Soya quiet. Oriental, barrels, November-December, 39s 6d. Cod steady. English, spot, 36s 9d. Groundnuts firmer. English, crushed, naked, spot, 52s; deodorised, barrels, 59s. Turpentine inactive. American, spot, 72s 6d; January-April, 73s 6d. Rosin quiet. American, grade B, 13s 3d; F, 13s 6d; G, 13s 6d; H to I, 13s 9d; WG, 15s 9d; WW, 16s 3d per cwt. French WW, 16s per cwt. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon.

METALS—Tin: Market opened quiet, and values eased slightly on lower Eastern advices. Subsequently, however, a much firmer tone prevailed on a good demand for distant positions and improved Eastern cables. Standard, cash, sold from £229 to £236 10s, and three months £229 10s to £238 12s 6d. Sales in the East were made from £233 15s to £234 15s. At Thursday's session, after a firmer opening, gave way somewhat, though on balance prices were 50s per ton dearer. Standard, cash, quoted at £239 15s to £240, and three months sold at £242 to £243 10s to £240 10s to £241 10s, while finally registered at £241. Rates moved in a downward direction on the following day, though some irregularity was noticeable with regard to three months. Cash sold at £236 5s, and three months £238 to £237 to £238 15s to £237 12s 6d. English ingots, £237 to £237 10s. Copper opened firm, with a good demand for all positions, but later movements were attended by slight irregularity, though dealings continued on a liberal scale. Standard, cash, fluctuated between £62 17s 6d and £62 7s 6d, and three months £63 10s and £63 2s 6d. The turn easier on Thursday, with moderate sales. Standard, cash, sold at £62 5s to £62 3s 9d to £62 5s, and three months £63 2s 6d to £62 18s 9d. The tendency was barely steady at Friday's market. Standard, cash, sold at £62 5s, and three months sold at £63 2s 6d to £62 17s 6d. Electros, £67 10s to £68. Best selected, £66 to £67 5s. Strong sheets, £95; and wire bars, £68 per ton. Lead firmer, with a good demand at £31 10s to £30 15s, as to position. Spelter steady at £32 8s 9d to £32 13s 9d, according to position. Antimony firm. English specials, quoted £44 10s to £45. Aluminium quiet. Home trade, £115; export, £120 per ton.

TALLOW—Messrs Colchesters and Woolner write on December 12th as follows:—The tallow market was firm during the week, and prices were 9d dearer to-day for full and inferior kinds, of which the

catalogues largely consisted. The few lots of good quality showed no advance. At auction to-day 1,145 casks tallow were offered, and 1,045 were sold. Quotations are:—Australian mutton: Fine, 48s 9d; good to fair, 46s 6d to 45s; dull to dark, 42s 9d to 37s 6d; hard, 45s. Australian beef: Fine, 45s; good to fair, 43s 6d to 41s; dull to dark, 38s 6d to 37s 3d; sweet, 45s 3d. Present shipment from Australasia: Good mixed, 42s 6d. Present shipment from South America, 42s 6d to 41s 6d. The market letter is dearer. Tallow, 1s; stuff, 1s. Town tallow, 38s 6d per cwt. Rough fat, per 8 lbs, 3d; melted stuff, 29s 6d per cwt. Quotations are:—Town, 38s, net cash, naked, ex works. Country: Frail casks, 38s; home melted, shipping casks, net, f.o.b., good coloured, 40s; fair to dull, 38s 6d to 37s 6d. Bone fat: White, none; pale, none; benzine, 35s; melted stuff, 35s, f.o.b.

METROPOLITAN CATTLE.—DECEMBER 13.									
British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.									
		s	d	s	d			s	d
Beasts—Herefords	.....	7	0	7	6	Beasts—Heavy Bulls	.....	nominal	
Shortboms	.....	6	6	6	10	Canadian	.....	6	4
Devons	.....	0	0	0	0	Sheep—Downs	.....	11	0
Norfolks	.....	nominal				Ewes	.....	7	0
Scottish	.....	nominal				Crossbred	.....	11	0
Irish	.....	0	0	0	0	Scottish	.....	10	8
Fat Cows	.....	nominal				Lamb—Downs	.....	nominal	

LONDON POTATO MARKETS.—DECEMBER 13.									
Per Cwt.									
		s	d	s	d			s	d
English (new) Arran	.....	8	0	6	6	British Queens	.....	6	0
Chief	.....	6	0	6	6	Majestic	.....	6	0
King Edwards	.....	6	6	8	0	Blackland	.....	5	0

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.									
COTTON—Duty, British grown									
4s 4d foreign 2s cwt.		4	0	8	0				
Trinidad, per cwt.		4	0	8	0				
Grenada		3	6	0	0				
Ceylon, plantation		15	0	10	0				
Guayquil		60	0	70	0				
Bahia, finest		41	0	42	0				
COFFEE—British grown									
2s 4d foreign 2s cwt.		10	0	12	0				
Do good to fine		11	0	12	0				
Do fine to mid		11	0	12	0				
Do mid to fine		11	0	12	0				
Do good to mid		11	0	12	0				
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Do mid to fine									

As the end of the year approaches there is a tendency for money to become cheaper for any period up to the end of the year, and dearer for any period extending into the New Year, because it is then rendered unavailable for balance-sheet purposes. During the week money to be repaid within the year has seldom commanded more than $1\frac{1}{2}$ per cent. But the rate for loans into January has hardened from 3 per cent. to $3\frac{1}{2}$ per cent. Treasury bills, too, have been more offered, and March dates have

changed hands at $3\frac{3}{8}$, with comparatively few buyers even at this figure. The three months' Bank bill rate remained at $3\frac{1}{2}$ per cent. until yesterday, when it hardened to $3\frac{3}{8}$ per cent., after the announcement of the unexpectedly high rate at which the Treasury bills were allotted.

	Dec. 21, 1923.	Dec. 14, 1923.	Dec. 7, 1923.	Nov. 30, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount/Call	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$1\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	$3\frac{3}{8}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	..

Owing to heavy seasonal withdrawals of currency, the Bank return showed a decline of £1,911,000 in the Reserve, notes to the amount of £1,913,700 having been taken out, while only £3,800 of coin and bullion had come in. On the other hand, the liabilities were lower, as the result of further repayments of the Ways and Means Advances necessitated by the December 1st dividends, Other deposits showing a loss of £2,174,300, against which Public deposits were higher by £3,777,400, and Government securities had been reduced by £3,190,000. Other securities rose by £1,725,600, a movement, however, which is not a reflection of any "market" borrowing, as commonly understood. The contraction of the liabilities was insufficient to offset the effect of the lower reserve, as far as the proportion was concerned, the ratio being 1.1 lower at 15.6 per cent. Currency notes outstanding increased by £7,137,900 to £295,817,200, which includes £1,429,900 for notes called in but not yet cancelled. The fiduciary issue is £244,937,200, or £35,246,600 below the maximum.

THE STOCK MARKETS.

A bout of selling in nearly all departments caused severe depression in prices in the stock markets in the early part of the week, and although a cessation of selling in the last two days produced a mild recovery, prices are substantially lower all round on balance. The gilt-edged market has suffered quite as much as any other, nor has the brighter outlook on the Continent so far affected foreign bonds. Nationalisation fears are said to be responsible for flatness in Home Rails, and Foreign have shared in the depression. A long list of declines is recorded in the industrial markets, the exceptions being very few and far between. Mining markets as a whole have been hesitating, and Kaffirs are lower.

THE COMMODITY MARKETS.

With the approach of the turn of the year business appears to be restricted to immediate requirements. There has been very little change in the position on the Cardiff coal market this week. The tone in the pig-iron market is quiet but firm, better prices being anticipated in the first quarter of the New Year. Tin opened easier, but a recovery took place; copper showed no marked change. Fluctuations in raw material have had the effect of producing a scarcity of orders in the cotton trade. Demand for wool continues to be well maintained, and competition has been general. Jute was slightly dearer. The rubber market hardened owing to advices from New York, but eventually it assumed a quieter aspect. Wheat was among steady commodities. Sugar quotations are unchanged; prices for coffee show a hardening tendency, while tea values were maintained. The hide market is firm, and the boot trade fairly well employed. Conditions in the vegetable oils and oilseed markets have been steady, but our Hull correspondent mentions that the prevalence of cattle disease has put a severe check on the demand for oil cakes.

FOREIGN EXCHANGE.

The foreign exchange market has again been quiet during the week, the principal feature being the weakness of the French franc, which fell from 82.25 on the 14th to 84.60 yesterday morning, after touching 84.90 at one time on the 20th. This new low record, in spite of the

better news regarding the Reparation problem, is due, among other causes, to some nervousness regarding the financial position in France, which an increase in the note issue of eight millions and the Government's decision to repay only 800,000,000 of its advances from the Bank of France, instead of the required two milliards, have magnified. A further fall would scarcely be unexpected. Brussels has moved in the same direction from 94.80 to 96.10. Forward quotations in Paris remain steady at 5 centimes per month above spot, while in Brussels they are narrower at 2 centimes per month above spot. The New York rate has shown a slightly sagging tendency, but this market is now so dominated by political considerations that the future is very obscure. The rate remained steady around 4.37½ until the 18th, but then gradually relapsed till it touched 4.36½ yesterday morning. Forward rates are unaltered at ½ cent per month above spot. The variations in the Italian rate have been negligible, and confined between 100½ and 101, but Amsterdam has shown a somewhat surprising reaction in our favour, moving from 11.45 last Friday to 11.46½ by the 19th, 11.48½ on the 20th, and 11.50½ on the 21st. The Swiss rate has shown little variation, and stands at 25.04 as against 25.08 a week ago. In the Scandinavian exchanges, the main feature has been the movement against us at the end of the week in Copenhagen and Stockholm. The former rate, after remaining at 24.52 till Monday, had moved to 24.45 by yesterday, while in Stockholm the quotation is now 16.57, as against 16.61 a week ago. Christiania, on the other hand, rose from 29.09 on the 14th to 29.25 on the 21st. Helsingfors has not varied much from last week's rate of 177. In Madrid the rate, after moving from 33.47 to 33.49 on Monday, reacted again to 33.35, while the Lisbon rate has fallen ½ to 2d on the formation of a new Cabinet. In Central Europe, the official rate in Berlin has remained steady at 18 billions, but the fresh issue of Treasury bills by the Government after a refusal by the Rentenbank to grant credits to the Government beyond the legal limit is not calculated to inspire confidence in the currency. Vienna has been steady round 311,000, but Warsaw has risen from 18 millions to 26 millions as a result of the new political crisis, and even at this rate sellers predominate. Prague fell ½ point at the end of the week and now stands at 149, while Bucharest is steady at 850. In the East the rupee, after a fall of 1-32d on Tuesday, now stands at 1s 5 3-32d, an improvement of ½d on the week. The yen at 2s 1½d is slightly weaker as compared with 2s 1¾d a week ago. The silver market has been steady, chiefly owing to purchases by the Indian bazaars. Hong Kong, after touching 2s 4d in the earlier part of the week, reverted to the earlier rate of 2s 3½d, while Shanghai showed a similar movement from 3s 4d on 15th to 3s 5d on 18th, and back to 3s 4d at the end of the week. In South America, Rio has recovered from its reaction to 4 31-32d last Friday, and now stands at 5 5-32d. Buenos Aires, after moving from 40½d to 39½d on Tuesday, recovered again to 40½d, while Monte Video has moved from 43d to 43½d. Valparaiso, after falling from 40.70 to 40.90 on Wednesday, has once more reacted, and is now given as 40.40, while in Lima the premium has moved from 8 per cent. to 6½ per cent. yesterday.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended December 15th:—

EXPENDITURE.		RECEIPTS.	
(000's omitted.)		(000's omitted.)	
Supply Services	5,855	From Revenue	12,677
Interest, &c., on Debt	16,207	Amount borrowed	14,459
Sinking Fund	4,777	Decrease in Exchequer balances	27,168
Sundries	19		
Local Taxation Account	310		
	27,168		

Revenue shows an improvement on the corresponding period last year amounting to £12,676,800, against £9,986,800. Customs reached £2,446,000, against £1,826,000, but Excise was lower at £2,218,000 as compared with £2,790,000. Estate, &c., duties produced £790,000, against £550,000. Property and Income-tax amounted to £1,704,000 and Super-tax £460,000, compared to a combined total of £2,369,000. Special Receipts were higher at £1,186,200, against £41,800, and interest on sundry loans yielded £1,762,800, against nil. The

week's operations increased the National Debt by £14,459,000, and caused the following changes:—

(000's omitted.)		(000's omitted.)	
Public Departments	+ 20,700	Bank of England Advances ..	— 10,500
Treasury Bills	+ 3,405	National Savings Certificates ..	— 100
Treasury Bonds	+ 1,134	Sundries	— 180
	+ 25,239		— 10,780

The floating debt was increased by £13,600,000 to £860,870,500.

FINANCIAL YEAR, 1923-24 (April 1 to December 15, 1923).

£		£	
Total Expenditure ..	566,678,739	Raised by Revenue ..	507,771,381
		Net Borrowings	55,009,961
		Decrease in Balances ..	3,897,397
Total	566,678,739	Total	566,678,739
ESTIMATES for YEAR 1923-24.		£	
Ordinary Expenditure ..	801,013,000	Ordinary Receipts ..	778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Bank of Montreal, Imperial Bank of Persia, National Bank of Scotland, Orient Steam Navigation, Anglo-Persian Oil, British Burmah Oil, Johannesburg Consolidated Investment, Sulphide Corporation, Amalgamated Cotton Mills Trust, Baldwins, Edison Swan Electric, Carreras, and Showell's Brewery. Sir Vincent Meredith at the Bank of Montreal meeting reviewed the conditions of trade and finance in Canada. At the Orient Steam Navigation meeting Sir Kenneth Anderson commented on the findings of the Imperial Shipping Committee's report. The Earl of Kintore at the Sulphide Corporation meeting described the serious effects of the fire at the Central Mine. Sir Charles Greenway at the meeting of the Anglo-Persian Oil Company announced further extensions of proved territory in Persia, and also refuted the rumours as to the company's losses.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of Argentina's balance of indebtedness and an analysis of Germany's present economic situation with reference to her Reparation-paying potentialities.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

We regret to announce the death, at the end of last week, after a long illness, of Mr Charles Duguid. Mr Duguid, who was in his 60th year, had a long career as a financial journalist, which he began as assistant editor of the *Daily Economist*, and ended in 1920 as City Editor of the *Daily Mail* and other papers controlled by the late Lord Northcliffe.

THE OPENING DOOR.

In millions of hearts the Christmas spirit will have an uphill fight this year. Unemployment, though substantially lessened and still declining, haunts hundreds of thousands of homes. Eyes cannot be shut to the spectre of misery and starvation which is stalking over large areas of Europe. Political confusion infects the minds of many with an exaggerated anxiety; and altogether 1923, despite its measure of progress and betterment, dies without bringing fulfilment of the high hopes with which it was ushered in. Yet those who seek, as all should try to seek at this season, for reasons for thankfulness and hope,

may legitimately claim, as a ground for their optimism, the present signs that the door to European salvation, so long barred by the folly of statesmen, is now ajar, and may soon yield to new-born efforts to throw it open wide. The hinges of the door may be rusty and stubborn, but at long last it really seems as if goodwill may oil them and that all the janitors will be pushing the same way.

Chief among the new elements of European hope is the narrowing of the gulf between the French and British attitudes towards the whole problem of German finance and reparations. The gulf may still be wide, but the twelve months' deadlock has been broken by the relentless march of circumstances which have led M. Poincaré to modify an intransigent policy and to allow world experts a latitude in surveying the wide field of these problems, which he denied them a short while ago. There are those, perhaps, who would add to the list of the signs of a change of heart in France the defeat which M. Poincaré suffered in the French Chamber on Thursday. To take that view, however, is a mistake. The defeat was on a matter of internal policy, and in the realm of purely domestic matters M. Poincaré's position has long been weak. It has, as all careful observers of French politics must admit, been the "strength" of his foreign policy which has kept him so firmly in the saddle. This defeat, it is true, symbolises the insecurity of his position in relation to domestic affairs, and, in view of the approach of the French elections, may quicken his desire to produce some solid achievement in foreign affairs, and lead him to adopt a less intransigent attitude. But this week's incident in the French Chamber is of more immediate interest to this country in so far as it teaches us a lesson applicable to our own political problem. M. Poincaré's Government, which still appears to interpret the will of France on vital foreign matters, was defeated on a minor, if important, aspect of domestic policy; and it did not resign. In Great Britain we face in the new House of Commons a position, which may for many years and in future Houses prove to be a normal position, in which any Government will have a majority against it, and will be liable to frequent defeat on matters that are not vital. In such circumstances we must obviously discard the old tradition that a Government when defeated on any substantial point should resign. In the present conditions subservience to that tradition would bring about an impossible position. In a House consisting of three powerful groups, the only basis on which the business of Government can be properly carried out is that resignation should only follow a vote of "no confidence," and that in defeats on specific points of legislation the Government of the day should bow to the expressed wishes of the House and amend their legislation accordingly.

To return to the European problem and the new attempts that are being made to approach solution, the first point to emphasise is that speed is the essence of the whole matter. The experts, if their opportunity is not to fade before their eyes, must buckle to their task at once, and work with an eye on the clock. Every day warnings accumulate of the urgency of the time factor. The German Government has already exhausted its Rentenmark credits, and on Thursday Dr Luther, the German Finance Minister, applied without success for an extension. The situation with which the Berlin Government is thus faced spells danger. The paper mark as the currency of business no longer functions; the Government must have the means of carrying on; and if the experts delay long, a grave depreciation of the Rentenmark may raise yet another immense obstacle in the path of setting German finances in order. No one would, therefore, underrate the formidable nature of the task which faces the experts. The belief that they will be able to "deliver the goods" is based on three main grounds. First, the wide terms of reference, to which we referred last week, which permit adequate and comprehensive handling of the main problems. Secondly, the growing eagerness for solution in all quarters. Thirdly, the personnel of the committee. So far, at any rate, as the representatives of this country are concerned, no better choice could have

been made. In Mr Montagu Norman, Mr McKenna, and Sir Josiah Stamp we are sending to Paris the strongest team that could be selected, and one which is entirely competent to grapple with the international problem in its broad aspects. Their choice will strengthen the hope and confidence of the City in the forthcoming inquiries.

Important as the work of the experts may be, it would, however, be a mistake to suppose that their committee will lift from the shoulders of statesmen the onus of vital and pressing decisions. To realise that one has only to consider the position regarding the agreement signed at the end of November between the Ruhr industrialists and the French. The main heads of that agreement were as follows:—

(1) The arrears of coal tax from January 1st to October 1st are to be paid to the extent of \$15,000,000.

(2) A tax of 10 per cent. is to be paid on every ton of coal sold.

(3) Eighteen per cent. of the net output of coal is to be delivered free to the Allies.

(4) Stocks of coal accumulated up to October 1st become the property of the Allies.

(5) The export licensing system is to remain in force. All stocks of iron and steel products are to be released only against payment of taxes due, and may be exported only in quantities equal to the average amount expected during 1922.

(6) By-products of coal—sulphate of ammonia, benzol, tar, and cresote—are to form the subject of a special agreement.

The practical objections to this agreement quickly became apparent, and in the last few days further evidence has accumulated as to the difficulties which the German signatories will have in carrying on under its terms. But the really important point about this agreement is the French claim that receipts under it should be devoted by the Reparation Commission in the first place to meet the expenses of the French and Belgian occupation of the Ruhr. This claim at once puts British policy to the test on a fundamental issue, for if we maintain that the occupation is *ultra vires* under the treaty, we cannot possibly admit that German payments can be used to cover the costs of occupation. Another outstanding question is that of the pending answer by France to the German note inquiring exactly what is the status of the Ruhr. Here there seems to be some hope that France may incline towards a recognition of an independent Ruhr State within the Reich. An influence tending in that direction is, perhaps, being provided by the fear that if separation of the Ruhr remains the French policy, the relief of heavy and prolonged unemployment in that great industrial area would fall on the French Exchequer. Such a burden could hardly be met otherwise than by inflation. In fact, one of the most difficult problems of the moment is, who is to bear the burden of Ruhr unemployment. Of other pressing questions there is no lack, such, for instance, as the German claim for priority for foodstuff credits over reparation obligations. The mere mention of these problems is a reminder that it would be folly to swing over from the black pessimism of the past few months to the facile belief that the European problem is now moving on a smooth path to a quick and easy solution. Nevertheless, as we have said, the door which has long been closed is now ajar. Surely no statesman or Government can again face the world-responsibility of closing it again. On the contrary, we believe a combination of circumstances exists which will at least open it wide enough to give practical economic measures the opportunity of creeping through.

THE OFFER TO THE DOMINIONS.

THE attempt is being made in some quarters, as we foresaw would happen, to argue that whatever the opinion or wishes of the electorate of this country may be, Great Britain is bound by the proposals which were brought forward by the British representatives at the Imperial Conference, and that any Government which may come into power must for the honour of this country impose a duty in the coming Budget upon tinned salmon and tinned and dried fruits, and denounce our Treaty with Greece on the subject of currants. Disappointment has undoubtedly been felt in many circles of Empire opinion at the result of the election, and both General Smuts and Mr Massey have voiced the opinion that if proposals brought forward at Empire Conferences are to be subject to a popular vote the inclination of the Dominions to take part in such dis-

cussions in the future will be diminished. A truer understanding of the position is reflected in the opinions which come to us from Canada, where it is honestly recognised that Canada will not allow her fiscal policy to be bound by decisions at an Empire Conference, and that the Dominions cannot expect British policy to be governed in the same way. Perhaps also Canadian publicists remember that not very long ago a reciprocity Treaty negotiated between Canada and the United States was overthrown by their electorate after the terms had been agreed upon by their representatives and President Taft. We might add that none of the representatives at the Conference has made any commitments which bound any one of the Dominions for a single week. Any one of them is free to alter their tariffs or the amount of their preferences tomorrow, and it is sheer nonsense for the *Times* to pretend that the proposals brought forward by Mr Baldwin in October have something like the sanctity of an international treaty. Indeed, as we may remind our readers, we called special attention at the time to Mr Arthur Henderson's clear statement that the Labour party did not regard itself as in any way bound by promises of preferential and differential duties of any kind that the Government might make, even if it succeeded in passing them through the House of Commons. Our own comment on the situation (*Economist*, October 20th) was more prophetic than we knew:—

If the Dominion Prime Ministers return to their respective homes with the impression that they take with them a promise of a preferential policy in Great Britain carrying that degree of sanctity which is associated with international agreements, there will most certainly be disappointment and trouble ahead. In this connection it is only necessary to remark first that whenever the policy of either Protection or Imperial Preference has been submitted to the British Electorate it has been overwhelmingly defeated at the polls; secondly, that the present Government secured its majority largely as a consequence of Mr Bonar Law's pledge that he would not modify our fiscal system (the almost clean sweep of Lancashire by the Conservative party was mainly due to the existence of this pledge); and thirdly, that a substantial majority of votes cast in the country last November were obtained by the Labour and the two Liberal parties, all of which stood on a quite definite Free Trade platform.

In the interests alike of Britain's economic progress and of political policy, as well as of good relations within the Empire, we have no doubt that the Liberal and Labour parties, when either or both of them come into power, will do so with the avowed intention of making a clean sweep of all protective and preferential duties.

This situation was well known and understood by the Colonial Premiers, and we do not think that any one of them would ask this country to take a step which by a majority of nearly two to one the electorate has declared to be contrary to its interests, on the ground that an offer made by a Government which was promptly defeated at the polls is binding on the country as a whole. After all, even the *Times* would hardly argue that Great Britain is committed to the policy of imposing these duties in perpetuity, but it is not yet told us for how many years Mr Baldwin's proposals of October are binding on Great Britain. Certainly it cannot be argued that they must be maintained as long as the Dominions care to retain their preferences, for Mr Bruce has frankly told us that they are in his view a quite inadequate counter to the preferences which Great Britain enjoys in the Australian market. The Baldwin Government had no mandate to promise to impose additional taxes for the benefit of the Dominions, and there is not the least chance that either the Liberal or the Labour parties would support any such proposals; the whole episode will, however, take us a step farther forward in the matter of Imperial relations. In particular two points emerge. The first is that the wider range of discussion at Conferences of this kind the more clearly must it be recognised that any decisions taken are subject not merely to confirmation, but to revision by the respective Parliaments. The most fruitful of the Imperial discussions in the past have been those of a preparatory character, after which a Dominion Statesman has gone home with the idea of trying to persuade his public of a particular course, and with varying success. The second point is that statesmen must learn to realise the advantage of adequate discussion in their own Parliament of the subjects to be raised at Imperial Conferences before these Conferences meet. In the present instance the British Government was earnestly engaged in trying to formulate a definite agenda

right through August and September, long after Parliament had risen. The whole proceeding was carried out by the Government in the manner so reminiscent of our war activities and Conferences. It will be an advantage gained if the present episode recalls to our rulers the necessity of consulting Parliament and the electorate on matters of first-rate importance on which they have no mandate.

From a perusal of the Conservative Press, we imagine that this question of sanctioning Mr Baldwin's preference offers was regarded in some quarters as one of the points on which Mr Asquith might have come to some agreement with Mr Baldwin by which one of the two parties would maintain the other in office. We are glad to see that Mr Asquith, in his address to his Parliamentary supporters at the National Liberal Club on Tuesday, emphatically repudiated any idea of such an alliance, which, were it workable, would entail the backstairs bargaining away of pledges which are still warm on the lips of the respective leaders. The confused position of home politics is in many respects unfortunate; but it will not be ended or cleared up by insincere agreements behind the back of the electorate on questions with regard to which the lesson of the polls is clear.

THE INDIAN ELECTIONS.

THE results of the Indian elections to the Provincial Councils and to the Central Legislature mark the end of the political lull which followed the arrest of Mr Gandhi and the practical collapse of the Non-Co-operating Movement. This renewal of political activity has long been foreseen. Mr Das, of Bengal, a former leader in Mr Gandhi's party, launched his new policy of co-operation for the sake of obstruction without loss of time, from the moment when the previous policy had become obviously abortive. Mr. Das is a hard worker and an able politician, and the present marked success of the Swaraj or Self-Government party, as his new organisation is called, is the monument of his labours during the last few months.

Thus Obstruction replaces Abstention as the watchword of the Extreme Opposition in India. It may be noted, in passing, as a curious fact, which may be not without significance, that this is a reversal of the order in which the two policies have generally been taken up by opposition movements in Europe. In the British Parliament the Irish Nationalists tried obstruction for two generations before Sinn Féin brushed them aside and introduced the policy of abstaining altogether. In the Austrian Parliament, again, during the same period, the Old Tchechs obstructed before the Young Tchechs held aloof. Were we to attempt an interpretation of what passed in the Irish and the Tchech political mind, we might guess that they tried co-operation first (of however negative a kind), because they had in them the concrete and practical instincts displayed by *Homo Occidentalis* in his political life, and that they eventually adopted the more negative but more radical tactics, because they had found by experience that even the most subversive form of co-operation, when continued over a long period without success, had the effect of in some degree committing them morally to the political system which it was their object to destroy. If this interpretation is correct, it has some bearing upon the interesting correspondence between the Governor-General of Bengal and Mr Das that has followed the elections. In Bengal the success of Swaraj in the polling for the local council was so sweeping that Lord Lytton felt it his constitutional duty to invite Mr Das and his friends to form a Ministry for the transferred Departments. In his reply, Mr Das expressed regret at his inability to accept this offer; recalled the fact that Swaraj was pledged to put an end to the Diarchy, and added that the party would not consider it honest to accept office in order to turn it into an instrument of obstruction. He concluded with an appreciation of the spirit of constitutionalism which had actuated Lord Lytton in making the offer. Lord Lytton has, indeed, done a signal service both to England and to India by his bold and patently honest action, and Mr Das has likewise shown honesty and good feeling in his reply. The incident suggests, however,

that Mr Das might do well to re-examine the foundations of his policy, for if Obstruction is incompatible morally with taking office, is it really compatible with standing for election? This is a very difficult question of degree. Mr Das draws the line between membership of the Council and of the Ministry; others might draw it at a point which morally would preclude persons of Mr Das's persuasion from entering the Councils at all. In taking the former view, as he does, there is no question but that Mr Das is perfectly sincere, and yet, with the Irish example before him, he might ponder whether expediency itself (considered in relation to his ultimate political aims) might not be on the side of abstention, if abstention and obstruction were the only alternatives to which he is able to reconcile himself.

At the moment, however, this is not practical politics, since Mr Gandhi is in prison and Mr Das in a majority. The immediate question is: Will Swaraj succeed in paralysing the constitutional operation of the present first instalment of Indian self-government? In favour of success, the party can count on the signal rout of their Moderate opponents, the energy and ability of several of their leaders, and the strength in which they have been returned. In the Legislative Assembly there are 40 official and nominated members and 105 elected members. Of these 105 places, it appears that 82 have just been filled, that of these, again, 39 have been won by Swaraj. Undoubtedly this puts Swaraj in a strong position. From the point of view of their influence in the country, what counts is the proportion of their gains to the total number of elective seats, and in these they have only just failed to secure a majority. Of course, from the practical point of view of making the Assembly operative, it is their proportion to the total membership that has to be taken into consideration, and here they only constitute a strong minority of 33 per cent. On the other hand, in all Parliamentary bodies the Government has a proportionately more difficult task than the Opposition; Indian politicians have had an unhappily long and wide experience of opposition tactics and possess the intellectual and psychological qualities favourable to pursuing these tactics with success, and therefore the possibility must be faced that in the near future they may succeed in their object. Should they succeed, that would mean the temporary suspense of the Diarchy, but not, of course, the collapse of the Government of India. Under the present régime provision has been made for the executive in the last resort to carry on independently, and the Viceroy has already intimated that this would be the consequence if the Swaraj party did their worst. We should, however, have little cause to congratulate ourselves if we were manoeuvred into carrying on under these conditions. The vista of special administrative decrees, arrests, imprisonments, outbreaks, and embitterment which lies beyond this exit from constitutionalism is a quite deplorable prospect. Unless and until this prospect is realised, however, it would be unprofitable to enlarge upon it, and at the present stage it is perhaps more useful to remind ourselves and our Swaraj fellow-subjects that there are still other political forces in the field.

At this moment the conflict between the British Raj and the Indian Swaraj movement fills the foreground of the stage, but that is only another way of saying that, beneath their acute differences, these actors have their feet planted on certain very fundamental common ground. Both parties look forward to a united India destined to govern herself on the Western plan; and, however much they may disagree as to the rapidity with which this consummation can be reached, that disagreement is only possible within a common framework of expectation. While they are girding themselves for the combat, and before they have actually come to blows, it might, therefore, be salutary for the adversaries to remind themselves that, severally or combined, their numbers are infinitesimal compared not only with the still passive masses of the total population of India, but with other "politically-minded" elements on the Indian continent who are every bit as energetic and as determined, if not as vocal, as they are. They are far, indeed, from being the only actors on the stage, and the front plane which they are monopolising for the moment has plane after plane behind it, fading away gradually into an infinite background. Or, to use another metaphor, the twentieth century India in which

both the British Raj and the Swaraj party live and move and have their being is a thin and brittle crust, beneath which the India of the eighteenth century A.D., if not of the eighteenth century B.C., heaves and quakes like molten lava. The ancient fanaticisms and feuds are not yet exorcised. In Bengal, it is profoundly satisfactory to note that the Hindus and Muslims have drafted a practical working agreement, however much we may dislike the common objects which they have set themselves to pursue, as far as we are concerned. In the Punjab, however, Hindu-Muslim relations are reported to be tense, and whatever may be the outcome of the present crisis over the Caliphate in the Muslim world, its effects in India must almost certainly be adverse to Hindu-Muslim unity. The Indian Muslims, being a scattered minority among the Hindus, have always instinctively looked for extraneous support, and if they see the prospect of obtaining it from their co-religionists abroad diminishing, owing to the destruction of the principal symbol of Islamic unity, they are likely to turn again to a quarter to which they have turned before—the British Raj. Add the troubles between Sikhs and non-Sikhs in the Punjab and between Brahmans and non-Brahmans in the south, and you obtain a picture of an India for which the twentieth century is non-existent, and in the foreground of which Lord Lytton and Mr Das precariously hover.

What is the moral of this situation? Certain sections of opinion in England are tempted to take a malicious pleasure in it, and to console themselves for the nuisance which non-co-operators and obstructors are causing to the British Raj by picturing what is in store for these enthusiasts at the hands of fellow-Indians, if they are unlucky enough to succeed in eliminating the British factor from the scene. English people with this outlook sometimes almost go so far as to express satisfaction at the survival, in the background, of the old evils of India, with a confused idea that this survival renders the maintenance of the British ascendancy a justifiable necessity. Nothing, surely, could be more short-sighted than such a point of view? No Empire ever has been or can be maintained in being by the maintenance of the abuses which it is its purpose to remove. The British Raj would be lost twice over if it stultified itself before being overthrown by its former subjects. The facts in question have a moral, but one of a different order, which is this: If Englishmen interested in India and Indians interested in the unity and self-government of their country genuinely desire to see their respective ideals realised, they cannot possibly afford to poison one another, and so to leave the stage again to its ancient possessors.

THE MINERS' WAGE AGREEMENT.

(FROM A CORRESPONDENT.)

MR LLOYD GEORGE, with his characteristic gift for hyperbole, hailed the coal agreement of July 1, 1921, as being the last word in industrial negotiations. Among other things, he claimed that it would ensure "peace for a very long period," that it would give the miner "a direct individual incentive to effort," and that it would stand as an ideal arrangement worthy of imitation by other industries. "I believe," he said, in the House on June 28, 1921, "that when the workmen see the benefits which they themselves will derive from this arrangement..... we shall attain a condition of harmony which never prevailed before in the coal industry."

Events, we may hope, have not falsified his conclusions, but only postponed them; for the truth is that the workmen have hardly yet seen the benefits referred to. Immediately the agreement was signed, wages in most districts climbed down the ladder of reductions embodied in it, and continued to fall when in November, 1921, the permanent clauses of the settlement came fully into operation, until they finally settled, in every one of the 13 districts by August, 1922, on the solid ground of the irreducible minimum wage. It is indisputable that in many districts—for each of the 13 is a self-contained unit—this minimum wage has been much above what the industry could bear. The reduction of prices from an average of £1 6s 2d per ton in 1921 to only 17s 8d in 1922, so diminished proceeds as to leave the owners with a

debit balance after they had paid other costs and the minimum wages. Towards the end of 1922 matters improved somewhat, and slight increases in wages were given in some districts. This continued until the March, 1923, ascertainment was made.

The wages for March and April depended on the proceeds for November and December, and as December was a holiday month, naturally proceeds, and therefore wages, showed a decline. The January and February results determined the wages for May and June, but as the improvement in trade did not become fully operative until March and April, it was not until July and August that wages rose in proportion. In those two months the average earnings per shift for all classes was 10s 8½d, being 65.73 per cent. over 1914 earnings at a time when the cost of living was 69 per cent. over 1914. Since August wages have declined while the cost of living has advanced, to the inevitable accompaniment of renewed agitation against the agreement.

Such, then, is the position. It is natural, under the circumstances, that the miners should be concerned mainly with the only part of the agreement that has had a full run—the minimum wage. With this they are dissatisfied, as the minimum wage of to-day represents in real value less than did the wage of 1914. The present minimum is only 43 per cent. over the pre-war wage, while the cost of living is 77 per cent. Even with his share of the meagre surplus proceeds, the miner is to-day being forced to accept a lower standard of life than in 1914. Now the openness of the present calculations proves beyond a doubt that the coal-owners have, on the average, no surplus available to increase this wage. If they had, the men would automatically receive 83 per cent. of it. During the last two years profits have been low, in many districts the owners have had to give up a large part of their standard profit—i.e., 17 per cent. of standard wages—to pay the minimum wage, while in others, as, for instance, in North Wales, the owners have actually been encroaching on their capital to pay wages.

It is no sufficient answer to say that these deficits are recoverable in the fat years. It is true that they were meant to be, but in actual fact they are not, in consequence of a pure oversight made in the final drafting of the agreement. As it stands, this distinctly states that any deficits incurred in making up standard wages are recoverable, but no mention is made of the treatment of deficits due to paying the 20 per cent. extra on standard wages required to make up the minimum wages. This is only one of the many puzzles with which the agreement bristles, and one has the greatest sympathy with Sir William Plender, the independent chairman of the National Board, whose ingenuity has been so frequently taxed in explaining the agreement to its authors! The Secretary of the Mining Association has recently given the following explanation, amply corroborated from other sources, of the recoupment anomaly:—

"Clause 4 of the agreement (the recoupment clause) remains in the form in which it stood before Clause 8, providing for a minimum of 20 per cent. above standard wages, was inserted in the agreement."

"Prior to the insertion of that clause, 'standard wages' constituted the minimum, and full provision was accordingly made for recoupment under Clause 4. The substitution of a minimum of 20 per cent. was made at a late stage in the negotiations, and the final drafting of the agreement was performed very hurriedly immediately after the conclusion of the negotiations and under pressure from the Government, who insisted that the completed agreement must be in their hands the same afternoon, before the meeting of the House of Commons, at which the Prime Minister proposed to ask the House to agree to the subsidy. The failure to adjust the wording of Clause 4 in the hurried drafting of the final document was a pure oversight."

When the owners brought the matter up before the National Board, the men's side refused to consider any amendment, and on the independent chairman being called in, he naturally ruled in strict conformity with the text of the agreement. Thus the anomaly, and in many districts the resulting injustice and hardship, persists. In this regard many of the owners would like to see the present agreement revised.

The miners are not nearly so badly off as is commonly

believed. Indeed, if the railwaymen, the builders, and the other trades catering for the home market had accepted similar reductions to the miners and others catering for exports, we should have heard little of the present agitation. The miners have always been the toughest fighters in the industrial field, and with 45 members in the House of Commons, all more or less pledged to nationalisation, continuous agitation would seem to be inevitable. Yet the following are the facts with regard to wages. Although the minimum wage is only 43 per cent. over the level of June, 1914, yet it is 70 per cent. over the average for the five pre-war years. Moreover, as in pre-war years, this wage carries with it free coal and free houses in Northumberland and Durham, and in most other districts coal at reduced rates.

But more important are the new concessions granted since the war, of which the most notable are:—

1. The reduction of hours in 1919 from eight to seven.
2. The same wage was paid to day workers, and a compensating increase for the lost hour of 14.2 per cent. was made in piecework rates.
3. An increase in real wages through the use for the benefit of the miners of the statutory Welfare Levy of one penny per ton.
4. Subsistence allowances are granted in nine districts to the lower paid day-wage men.

5. In spite of the demise of Part 2 of the 1920 Act, the present agreement gives the miner some degree of democratic control over the industry, and, through the publicity applied to the accounts, gives him facts to work upon.

Moreover, the miner's income is frequently in excess of his wages owing to the unexampled opportunity provided for his dependents to find work in the industry. Further, in no staple industry did wages drop so drastically during 1921 and the first half of 1922, and no industry, as a consequence, has had so little unemployment. The figure of unemployment for December this year is only 2.5 per cent., and, as even in the best years we seldom get below 2 or 3 per cent., the position from this angle is entirely satisfactory. About 70,000 more men are employed than in 1913.

At its recent meeting the miners' conference decided to ballot its members, and to recommend them to vote in favour of terminating the agreement. The fundamental question involved is whether the worker is entitled to a wage, irrespective of the capacity of the industry to pay it, sufficient to maintain a given standard of life, or only to such a wage as his energy, and the fortunes heaven sends his industry, can produce. If the former consideration be upheld, then the industry must be mortgaged or even ruined to supply that wage, or the taxpayer must supplement. Both alternatives are equally fatal to true efficiency and economy. We are then driven back on the productivity theory of wages, and it is this theory that is worked out in practical detail in the threatened Coal Treaty. Profits and wages are automatically correlated. This has the enormous advantage of making the industry take the strain of abnormally bad times, not in the wholesale dismissal of workers, but in the lowered remuneration of both capital and labour.

While the principle of the agreement is sound, the details are faulty, as a result both of false anticipations and of careless drafting. It is well known that many of the miners' leaders think highly of the principle, and it is probable that they see in the power to end the agreement a useful megaphone to voice their demands for its revision. But no impartial observer would agree that all the revision should be in favour of the men.

It is possible that the standard profit of the owners is fixed at too high a figure. Their claim to 17 per cent. of the standard wages as a minimum profit is based on the average profit for the 15 pre-war years. But why should the average pre-war profit be made their present minimum profit? In addition, any surplus is divided between owners and workers in the ratio of 17 to 83, which means that were the agreement in full operation, their returns would be considerably above pre-war. It is, of course, the case that the owners in many areas have not received this profit, and, further, that the "agreement" profits are not the same thing as commercial profits, but still it is perhaps reasonable to consider the possibility of reducing the owners' percentage share, and the owners themselves are prepared to discuss this question. But if they are to

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accept a reduced profit they must be guaranteed it as far as is possible. The present operation of the recoupment clause is almost comic, and it says little for the men's sense of fairness that they have refused to consider its amendment. Undoubtedly, therefore, the recoupment provisions should be made effective, and this can be done by a very small alteration in the text of the agreement.

It would surely be little less than disastrous that the principle of the agreement should be scrapped at this juncture, though any amendments should hold in view the supreme need for creating some kind of fund in good years for the equalisation of wages and profits in bad times.

THE TRUST MOVEMENT IN GREAT BRITAIN.—I.

SUSPICION of rings believed to control prices of materials, fear that combines, or at least trade agreements, in certain branches of distributing were unduly raising food prices, to the detriment of both consumer and farmer, and, in general, anxiety at the danger of exploitation by monopolies, has brought to the fore the question of the control of trusts. The problem figured in the manifestoes of both Tories and Liberals, and it is clear that until something is done to remove this suspicion the road to industrial goodwill and confidence is blocked. We have therefore arranged to publish a series of articles on the subject by a highly qualified expert, who commences in the following article a survey of the "trust" situation in Great Britain.

The movement of British trade and industry towards combination in one form or another, which had become very marked towards the close of the nineteenth and in the early years of the present century—a process described and examined with a wealth of detailed knowledge in Macrosty's "Trust Movement in British Industry" (1907)—continued, though at no very rapid pace, until the European war, and then received an impetus which is still far from spent. And latterly public opinion in this country has undergone a change, the extent of which it is not yet possible to measure. Long disposed to regard all combination among manufacturers and traders as essentially inimical to the economic well-being of the community, it appears now to be not so hostile to the principle of combination, and disposed to judge each application of that principle on its merits, if, that is, it is afforded adequate opportunities for forming a reasoned opinion.

The increased rapidity of the movement towards combination (using that term in its widest sense), and its widening range, have been due to a variety of causes. The war, with its demonstration of certain relative weak-

nesses in our pre-war industrial equipment and trade methods, and the realisation of the need of preparation for the even more strenuous international competition expected after the war, led to a wide and searching survey of the conditions of world trade. One of the most obvious conclusions (familiar indeed to students of economics, and to many of those more practically concerned, but not generally appreciated in its full significance) was that our British industries, still predominantly individualistic in outlook and organisation, were faced with increasingly severe competition from foreign industries, which were operated each under a common direction and pursuing a co-ordinated policy in production and distribution alike.

The organisation of modern industry presents three characteristic features. The first is *Concentration*, the development of large scale production, so that the number of separate undertakings in any branch of manufacture increases less rapidly than the total output, and the average output per productive unit shows a marked increase. The second feature is *Integration*—or what is often called “vertical combination,” which has been described as “the bringing under a single business control of a series of operations, contributing to a final result, which had previously been conducted entirely apart.” This result, exemplified mostly, though not exclusively, in the engineering and iron and steel trades, is obtained either by a company's purchasing outright, or securing controlling interests in, other undertakings which are producers of its raw or semi-finished materials or engaged in the further working-up of its products, or by the formation of a new company to acquire control of a number of companies engaged at various stages in the production of a particular finished commodity or group of related commodities. And the third feature is what for want of a better term (for the terminology of this subject is still unfixed) may be called *Combination*, meaning thereby the bringing together of a number of concerns engaged in the same line of production. These combinations may be terminable, that is, formed for a limited period, so that it is open to their members to withdraw at any time, with or without notice, and with or without penalty; in these the members retain their independence in respect of processes of production and commercial management, and the scope of the combination is generally very limited—it is, in fact, often confined to the regulation of prices or output. Or the combinations may be permanent, in which case the production and marketing of the output of a number of concerns engaged in the same branch of industry are brought under an unified direction, their financial independence (though often continued in form) comes, in fact, to an end, and managerial independence continues only to such an extent as may be conducive to the maintenance of the goodwill of an old clientèle and of competition in efficiency within the combination. It is to this third characteristic feature of modern industry, finding expression in price-fixing conventions and monopolistic or quasi-monopolistic controls of production, that public attention and criticism has been mainly directed.

All these three features were manifest in British industry before the war, though in varying degrees. Concentration and integration had made some substantial progress, chiefly in the engineering, iron and steel, and coal industries. The principle of permanent combination was exemplified by such great concerns as the United Alkali Company, the Salt Union, the Associated Portland Cement Manufacturers, Borax Consolidated, the Imperial Tobacco Company, J. and P. Coats, the English Sewing Cotton Company, the Bradford Dyers' Association, the Calico Printers' Association, the British Cotton and Wool Dyers' Association, the Bleachers' Association, the Wall Paper Manufacturers' Association, and a number of other similar organisations formed and carrying on their operations with very varying measures of success—so varying, in fact, that there had been a distinct halt in the movement. As regards terminable combinations—generally concerned in each case only with the regulation of the price of a particular product or limited group of products, doing this either directly or by the regulation of output, and with or without a pooling system—these were very numerous, and occurred in almost all branches of production and distribution, covering sometimes the whole country and sometimes only a particular locality. A large

proportion were shortlived, but new ones were constantly being formed. Some of these terminable combinations were parties to agreements of an international character, dealing with the regulation of prices or the delimitation of markets, as, for instance, the International Rail Convention and the conventions between the British and German makers of various chemicals. Finally, there were a number of bodies to which the term “Association” is applied in a sense different from that given to it by some of the combinations mentioned above; that is, they were bodies formed to promote the general interest of a particular trade or industry, and to watch all matters likely to affect it, but not concerned as associations with price-fixing or the regulation of output. No doubt they often afforded, however innocently, opportunities which might otherwise not have arisen for such arrangements, and consequently they also were viewed with much the same public suspicion as other forms of combination. Such bodies, though fairly numerous, were not as a rule very effective.

But in no one of these three directions had the movement gone nearly so far in the United Kingdom as in the United States and Germany. In both those countries concentration and integration had been carried out in the iron and steel industries on a scale far beyond anything known, or indeed possible, in this country, whilst in the United States permanent combinations (largely owing to the operation of the anti-trust legislation), and in Germany terminable combinations in the form of Kartells, which, though formed primarily for regulating prices and distribution, largely directed production also, had become the dominant form of industrial organisation. There were many in this country who believed that only by the remodelling of our own organisation on one or other of the lines adopted in the two countries which had been and seemed likely to be our chief competitors could British industry hold its own in the post-war struggle. This belief found expression particularly in the reports of the various committees constituted by the Board of Trade to consider the probable position of various staple industries after the war and, by way of preface to some illustrations of this which will be given in a succeeding article, we may remark that the committees were composed solely of persons directly concerned in the particular trades under review in each case, and the opinions expressed and recommendations made were, therefore, to be regarded as criticisms of their own past actions and advice as to their own future course.

THE STOCK MARKET DEPRESSION.

EVENTS in the outside world have developed rapidly since the beginning of this month, and the factors which the investor has to take into consideration in endeavouring to gauge the future course of prices have become more complicated than ever. In regard to the slump in security prices which has taken place this week, a Stock Exchange correspondent writes:—

“Conditions have been a little different from those which generally rule at a time of market stress. In the ordinary way prices are put down automatically by jobbers, who read the public as probable sellers if the outlook, for one reason or another, is threatening. Several times during the war, however, a different plan was followed. Prices were left unchanged, or lowered but slightly, though when people came to deal they were informed that buyers were lacking, and that, if they cared to leave selling limits, every endeavour would be made to ‘negotiate’ their business. In other words, the practice of price-making was left in abeyance for the time being, and the fact of quotations being continued at about their current levels had the effect of staving-off any feeling of panic that might have arisen amongst investors had there been a wholesale marking-down of Stock Exchange securities. It may be said that once or twice this week the market has drifted very close to the condition just described. It has never been impossible, however, to dispose of good stock. In the majority of cases where a free market exists as a rule the practice of price-making

continued, jobbers standing up courageously to the sellers, although, of course, as stock poured in so prices were lowered. And a great deal of stock has been sold this week. Short selling is blamed for having accelerated the slump. But it may be shrewdly surmised that on such a fall as each day witnessed, the bear brigade—most timid of all speculative bodies—hesitated to sell a bear at a time when any unexpected item of favourable news would have undoubtedly caused a sharp recovery. The bulk of the sales have been on behalf of holders, investors, and speculators alike, who are genuinely alarmed at the prospect of a Capital Levy and Nationalisation. Fear of the latter operated more particularly in such stocks as those of the Home Railway market, but it also had its effect upon shares in companies that partake in any degree of the nature of trusts. The Capital Levy fear influenced everything. People who held perfectly sound stocks and shares grew fidgety, and became increasingly nervous at the constant drop in prices. They felt that they must do something in order to satisfy this restless anxiety. By way of easing their minds they have turned out securities with which no fault could be found other than the fear that they might some time have to be sold at forced prices in order to satisfy the maw of the vague but terrifying Capital Levy. Further sales took place, concurrently, on behalf of people who had been left weak bulls of stock in active issues, and of those who were gambling with money obtained from the banks on the security of shares put into the names of the latter. These shares having come down in price with the rest, the margin required by the banks has run off, and more money is demanded, in the ordinary course of business, for keeping the accounts open. In order to supply this, sales of more stock have had to be made, and these added to the volume of realisations.

“The last fortnight in December is never a time to expect that people will put substantial sums into stocks and shares. They prefer to keep capital at the banks for window-dressing purposes over the New Year. The slump came, therefore, at the most unfortunate period of the year which is possible, and in the haste to get out of anything and everything, the favourable factors which developed have been completely ignored. Otherwise, attention would have been paid to the slightly better aspect of affairs on the Continent, while, to take a single market as an illustration, the South African list could hardly have failed to respond to the good showing made by most of the dividends declared during the past few days. There were a few disappointments, and their effect outweighed everything else. Favourable factors were lost in the welter of weakness caused by Labour party fears, and it is asked whether the bottom has yet been reached in the range of values to which Stock Exchange prices have dropped. Experienced men in the House are cautious in their estimates of what is likely to happen next. Latent bullishness is held in check by the feeling that it is impossible to tell how far the public mind will be further influenced by the outlook for the new session of Parliament which begins on January 8th. Up to that time, it is probable, according to sound Stock Exchange views, that the markets will remain in a condition of uncertainty and hesitation. There may be abrupt recoveries in some of the speculative counters where a bear account prevails, and it is conceivable that investment, recognising the cheapness which characterises scores of prices as compared with those of a couple of months ago, will take its courage in one hand and money in another, and bring both into the Stock Exchange markets. Broadly speaking, however, the outlook is too confused and obscure for optimism to allow itself anything like free play, and the House will break up on Monday for its Christmas celebrations in a mood less appropriate to the festive season than would have been the case had there been no General Election this month.”

Home investors will probably not be greatly perturbed in the event of the formation of a Labour Government. As things are at present the introduction of a Capital Levy is only a very remote possibility. But the fact that the foreign investor in British securities is not in a position to appreciate the niceties of the situation, and is quite likely to take alarm at the formation of a Labour Government in Great Britain, is a possibility which should be borne in mind. To what extent foreign selling can affect the market it is impossible to say. The greater part of the

foreign holdings of British securities are probably in gilt-edged stocks, and prices in the gilt-edged market would be bound to suffer. Some part of the present depression is possibly due to selling on the part of British investors who argue that improving trade may necessitate the liquidation of some of their own holdings in the not distant future, and in view of a possible bout of foreign selling later on are attempting to forestall such a development. Industrial shares are differently situated. They are mostly immune from the influence of foreign selling, and their future course will much depend upon the rapidity or otherwise with which the already visible improvement in trade develops.

Notes of the Week.

Budget Prospects.—The returns up to date of revenue and expenditure have led a number of commentators in the Press to take a rather dismal view of the prospects of the current year's accounts and of next year's Budget. But these pessimistic forebodings arise from a misunderstanding of the position. A deficit between revenue and expenditure is normal at Christmas time, for in the first nine months expenditure usually amounts to about 70 per cent. of the year's total, while revenue amounts to little over 60 per cent. of the final amount, the balance being made up by the heavy receipts in the last quarter of the year. It will be more possible to make a reasoned forecast when the complete returns to the end of December are available, but on the evidence up to date it would seem probable that there will be this year a surplus of something between £40 to £50 millions on the Budget, due to the fact that expenditure has been kept down to scale, while revenue has been coming in rather in advance of the estimate. If this happens, it means that this year, some £80 millions, instead of £40 millions, of debt will have been repaid. This probable surplus has an important bearing on the coming Budget, since the remissions of taxation made by Mr Baldwin last April have only partially come into effect this year. The Chancellor of the Exchequer stands to lose a further £23 millions in 1924-5 by tax remissions already made, in addition to a loss of revenue from the fact that “special” receipts will yield less next year. If our forecast is realised, the Chancellor of the Exchequer should see his way to square next year's Budget on conservative lines. But it is a very different thing to find new revenue if fresh forms of expenditure have to be provided for.

Mr Bruce on Australian Finance.—Mr Bruce, the Premier of Australia, was entertained to dinner last week by the Westminster Bank. Here he faced a representative City audience, and made good use of his opportunity by delivering a considered statement on the present financial position in the Commonwealth. He gave the following figures relating to the total of Commonwealth and State debts:—

	£
Gross Commonwealth debt.....	410,996,316
State debts	523,489,389
Total	934,485,705
Deduct amounts included in both Commonwealth and in the State debts.....	55,182,665
Total debt of Commonwealth and States	879,303,040
Deduct sums repayable, or cash in hand	73,337,463
Total debt of Commonwealth and States	805,965,577

It is no use to deny that uneasiness has been caused by the idea that Australian States, if not the Commonwealth Government itself, have been over-borrowing, and spending the proceeds on works that were not always of an essential or reproductive character. Mr Bruce's audience was, therefore, glad to hear that he had summoned a Conference of State Treasurers, and established a permanent Commission to co-ordinate borrowing policy; and also that borrowings for public works are to be restricted to essential purposes, and that on all Australian loans a cumulative sinking fund shall be established providing for amortisation in 50 years. Mr Bruce was also able to point to a Commonwealth Budget balance, to proclaim a

policy of ruthless retrenchment in public expenditure, to claim that Australia was one of the few countries that has really carried out the Brussels Conference resolutions, and to dilate upon the immense natural resources of the country. At the same time he made it clear that Australia's capital requirements for some years to come will be heavy. If London financial circles and the British investor generally are assured that Mr Bruce's zeal for sound finance is being translated into action not only by his Commonwealth colleagues, but also by the State Treasurers, then Australia will continue to find in London the ready reception for her frequent loans which she has found in the past.

Railway Rates.—A matter of considerable public interest is the discussion which is now taking place before the Railway Rates Tribunal on the claim of the coal industry that the flat rate increase of 2d per ton, which still continues in addition to the 50 per cent. increase, should now be removed. It will be remembered that when the Rates Tribunal was set up it was hoped that it would judge the important issues involved in railway charges not on legalist lines, but in accordance with broad economic considerations. The Rates Tribunal does not yet seem to have reached in its discussion the high expectations that were formed of it, and this week's hearing illustrates the vagueness and, in some cases, the unsound character of the economic principles which are being used in argument. Thus the coal trade argues with force that the flat rates additions, which were imposed in addition to the percentage increases, were in respect of the excessive increase in engine costs, but that these costs now only show an increase in the same proportion as other costs. This reasoning, however, applies to all flat rate increases, and we have not yet seen any sound argument from the coal owners on this point which is not equally valid in respect of the flat rates increase on all goods. Again it is pointed out that the rate reductions which the coal trade has been granted in the last two years are proportionately less than any other class of goods has enjoyed. But this ignores the fact that the coal rates went up less than any other rates, and that in coming back to normal these other classes are entitled to a larger reduction than coal. Underlying the whole argument is the idea that coal is entitled, on economic grounds, to some special consideration because it is so important a raw material. But the fact of the matter is that these considerations have long since been embodied in our railway tariffs, under which short-haul coal, and particularly export coal, enjoys extremely low rates in comparison with other goods. As against this coal contention there is the fact that the railway problem of the future of the British railways is to retain traffic against the competition of road transport, which means in the main competition with high-grade traffic. The railways must of necessity find ways of reducing these charges if they are to retain high-grade traffic on the railways, and they cannot afford to give too much away on the cost of carrying heavy traffic. On the other hand, with trade steadily increasing, it is evident that the railways are getting to a financial position where they can afford to make concessions—a consideration which illustrates once more the ridiculous principle embodied in the Railways Act. The doctrine that the railways must earn a fixed revenue implies that rates must fall when trade is booming—i.e., when both passenger and freight traffic could afford higher rates, but must rise when trade is bad. Rate concessions two years ago would have been of immense public value. They lose half their merit when they come too late. We hear much nowadays of the importance of steadying trade, and every public corporation should endeavour to stimulate production when we are in the trough of the wave, and to check excessive optimism when things are going well. Our present system of railway rates produces the directly opposite effect.

The Foot and Mouth Disease Problem.—When about 35 years ago the Board (now the Ministry) of Agriculture was established, one of the chief duties entrusted to it was that of keeping the flocks and herds of the country free from contagious disease. Up to the last two or three years this duty had been most efficiently performed—as proved by results. Foot and mouth disease, with which the

countryside is now ravaged, made an occasional appearance, but these sporadic outbreaks were immediately suppressed and localised. It is stated that the average annual cost of eradicating outbreaks of foot and mouth disease—and of keeping the country practically free from it—from 1892 to 1922 was about £9,000. The cost of dealing with the outbreaks in 1922 was about £1,250,000, and in the present year the total cost will apparently be still greater. It is not surprising, under these circumstances, that public attention should be aroused and the methods adopted by the Ministry of Agriculture challenged. Not only the general public, but also many farmers, are asking whether the system of ruthless slaughter, and the heavy cost thereby involved, can be justified. The question naturally arises whether the remedy is not worse, or at any rate more expensive, than the disease. It must be admitted that if it were to be assumed that a charge of from 1 to 1½ millions—in addition to the cost of administration—would fall annually on the Exchequer as the price of failing to suppress foot and mouth disease, the House of Commons would very soon become interested. In the discussion of this question public attention is generally fixed upon a wrong issue. Active debate takes place as to the efficacy of the slaughter method of combatting the disease, and it is suggested that curative methods would be cheaper and equally efficacious. Of course in one sense curative methods would be cheaper to the State, because the cost would fall on the owners of the animals, and compensation for animals compulsorily slaughtered would not, as at present, be paid out of the public funds. But if the object is, as it should be, to keep the cattle in the country free from the disease there cannot be two opinions. The efficacy of the slaughter method has been demonstrated by 30 years' experience in this country; the failure of the curative system has been demonstrated in other countries. The real issue to be faced is what is the new factor, or factors, in the problem. Why have the methods which were successful for 30 years failed during the past two or three years? Conveyance of infection by birds, about which much is heard, or by foxes, is nothing new. Outbreaks of the disease, from this or other causes, are probably inevitable from time to time. The isolation of the farm and the prompt slaughter of all animals is a comparatively simple administrative act. The administrative difficulty arises in the instant discovery and speedy tracing of all media of infection. This is work which requires no technical skill, and could probably best be done by police and detective agencies. There is every reason to believe that the disease is efficiently dealt with on the scientific or veterinary side, but the question which arises is whether the police or detective work—which is even more important to prevent the spread of the disease—is equally well done. It is, at any rate, on that side of the problem that attention should be concentrated. An inquiry by trained administrators, with the help of experienced police officers, would be the best means of investigation into this aspect of the subject.

The Civil War in Mexico.—A correspondent writes:—The strength of the revolutionary movement is shown by the negotiations, reported in London on Thursday, for an armistice, following President Obregon's announcement a few days earlier that "the rebellion would be suppressed with an iron hand"; still more by its extension to parts of Chihuahua where the populace a year or two ago helped to put down revolutionists, to Tabasco, never prominent in the disturbances of the past 12 years, and to Yucatan, which has always stood apart from the rest of Mexico, and whose wealthy sisal planters kept it virtually independent even of the veiled despotism of Porfirio Diaz. All this indicates that the rising is partly a political effort to maintain State rights against a possible military despotism at the Federal capital, partly a protest by the propertied middle and upper classes against the ultra-Nationalist "Radicalism" represented by General Calles, which would renew the difficulties with the American oil interests and frighten away foreign investors. While the allotment of land to the peasantry, who were largely deprived of it under the rule of Diaz, is the surest method of averting future risings, it is certain that Mexico cannot recover her prosperity without the aid of foreign capital, and there is always the possibility that, as in Cuba in

1898, the continuance of disorder may set up a demand for American intervention, both among the classes interested in Mexican enterprises and those who, like the late Mr Walter H. Page, believe that it is the mission of their country to ensure that the Spanish-American States shall have real Republican Governments.

The Status of Tangier.—As Great Britain for many years has demanded, Tangier, the chief gateway to North-West Africa, is to be permanently neutralised, and the open door for the trade of all nations secured. The settlement, which only awaits the approval of the Spanish Government, is a corollary of the agreements entered into in 1912 respecting the status of Morocco, following on the Anglo-French Agreement of 1904 and the Act of the Algeiras Conference in 1906. Tangier is to be placed under an international administration consisting of the Consuls of the Powers which signed the Act of Algeiras and an assembly containing four representatives of France, four of Spain, three of Great Britain, one (eventually) of each of the other signatories of the Act of Algeiras, and ten native members, of whom six will be Moslems, three Jews, and one a representative of the Sultan of Morocco, with considerable power over the natives, independently of the Administration; he will also supervise the collection of the taxes imposed on them by his sovereign. The present Consular courts will be replaced by mixed tribunals. The Assembly will ultimately nominate all administrative officials, but for the next six years there will be a French chief of the Administration, with one British assistant and one Spanish, all nominated by their respective Governments. The gendarmerie will be commanded by a Belgian, and the officers will be French and Spanish. The Caisse de la Dette will be abolished, but the service of the four foreign loans secured on the Customs will be guaranteed by the Sultan's Government, which will, therefore, collect the Customs revenue, subject, however, to the supervision of the international administration, which will also control the management of the port. Tangier should now recover its ancient prosperity and secure its position as the most important city in Northern Africa. The settlement seems to be a satisfactory compromise between widely divergent views. The Spanish representatives have signed it subject to the approval of their Government. Spanish opinion, apparently, is dissatisfied with the result; but in some quarters the reservation is ascribed to the new Spanish friendship with Italy, which, as a Mediterranean Power for whose emigrants North Africa affords an obvious outlet, considers that she should have been invited to aid in framing the settlement. But delay will be prejudicial to Spanish interests. Germany, Austria, and Russia, all signatories to the Act of Algeiras, are not at present in a position to co-operate at Tangier.

Employment in November.—No evidence is available that the General Election produced upon trade and industry the restrictive effect that had been predicted in some quarters, and a sign of the steady upward movement is found in a further drop in the unemployment totals. This drop is the more significant, because it is occurring at a season when an increase in unemployment is a frequent phenomenon. According to the *Ministry of Labour Gazette*, the trade union percentage of unemployment fell in November from 10.9 to 10.5, following a drop from 11.3 at the end of September. The monthly movements of this percentage over a number of years are shown below:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.								
	1913.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	0.3	1.0	2.4	2.9	6.9	16.8	13.7
February ..	2.0	0.3	0.9	2.8	1.6	8.5	16.3	13.1
March	1.9	0.3	1.2	2.9	1.1	10.0	16.3	12.3
April	1.7	0.3	0.9	2.8	0.9	17.6*	17.0	11.3
May	1.9	0.4	0.9	2.1	1.1	22.2*	16.4	11.3
June	1.9	0.4	0.7	1.7	1.2	23.1*	15.7	11.1
July	1.9	0.4	0.6	2.0	1.4	16.7	14.6	11.1
August	2.0	0.5	0.5	2.2	1.6	16.3	14.4	11.4
September ..	2.3	1.3	0.5	1.6	2.2	14.8	14.6	11.3
October	2.2	1.1	0.4	2.6	5.3*	15.6	14.0	10.9
November...	2.0	1.1	0.5	2.9	3.7	15.9	14.2	10.5
December...	2.6	1.4	1.2	3.2	6.0	16.5	14.0	..

* Excluding coal miners.

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Among all workers coming under the scope of the Unemployment Insurance Acts in Great Britain and Northern Ireland the percentage unemployed at November 26th was 11.5, as compared with 11.7 at October 22nd. The total number of registered unemployed at November 26th was 1,257,000, as compared with 1,296,000 at October 29th. The principal industries showing an improved demand for labour last month were pig-iron manufactures, iron and steel manufactures, and the Lancashire cotton trade. The latest figure of 1,257,000 for the unemployment total compares with 1,437,000 a year ago.

Cost of Living.—After remaining stationary in October the cost of living, as computed by the Ministry of Labour index number, resumed in November the rise that began in July. At December 1st the average level of retail prices was 77 per cent. above the level of July, 1914, having been 75 per cent. above a month previously. As will be seen from the following table, the latest level is slightly below that in force at the beginning of 1923. In the early months of the year a decline took place, which took the percentage increase as low as 69 in May and June:—

ALL ITEMS: AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.
(Food, Rent, Clothing, Fuel, and Light, &c.)

	1918.	1919.	1920.	1921.	1922.	1923.
January 1st..	% 85.90	% 120	% 125	% 165	% 92	% 78
February ..	90	120	130	151	88	77
March ..	90	115	130	141	86	76
April ..	90.95	110	132	133	82	74
May ..	95-100	105	141	128	81	70
June ..	100	105	150	119	80	69
July ..	100-105	105-110	152	119	84	69
August ..	110	115	155	122	81	71
September ..	110	115	161	120	79	73
October ..	115-120	120	164	110	78	75
November ..	120-125	125	176	103	80	75
December ..	120	125	169	99	80	77

For food alone retail prices at December 1st were 76 per cent. above the pre-war level, the percentage increase having risen 3 points during November. The advance of last month was due to higher average prices for eggs, butter, sugar, and potatoes, the rise in these articles more than offsetting a slight cheapening of fish and bacon.

The Chester Concession.—A correspondent writes:—The report from Angora that the Chester Concession has been annulled does not apparently refer to the whole project. The Ottoman-American Development Company claims that it holds a number of separate concessions, and that only the first has lapsed by agreement with the Turkish Government. This first concerns the Samsun-Sivas Railway. The Angora Minister of Works had not been satisfied with the explanation given by the company of the delay in commencing the work. Mr Kennedy, the company's representative, had wired from London that a cargo of rails, wagons, and machinery was on the way, but he was met with the ultimatum that unless his company complied with the terms of the contract by November 25th the contract would be annulled. And so it happened. If this is not the last we shall hear of this

flamboyant concession that fluttered the Lausanne Conference, it is the beginning of the end. Indeed, it might fairly be said that the beginning of the end came some time ago, when all the responsible people, whose names lent dignity and seriousness to the Chester speculations, severed their connection with the Ottoman-American Development Company. It may be recalled that early in November there was an outrageous proposal to sell 10,000 shares of the company to the public at 100 dollars the share, and that General Goethals and Mr H. C. Sheridan, representing Messrs Vickers, left the company in protest. Since that time the company has struggled on without any American financial backing, and Mr Kennedy has been searching the capitals of Europe for cash equally in vain. There were great possibilities in the Chester Concession, from an oil rather than from a railway point of view, but it was an apt illustration of how things are not done in the capitalistic world. The Angora Government is learning its Western lessons.

Bankruptcy in 1922.—The report of the Board of Trade on Bankruptcy for the year 1922 has recently been published. It shows that the total number of cases of insolvency under the Bankruptcy and Deeds of Arrangement Acts was higher in 1922 than in any of the last ten years, while the liabilities were also greater and the assets less than in 1921. The following table gives the relevant particulars for the last four years:—

	Number of Cases.	Liabilities. (As estimated by Debtors).	Assets.
1919	910	2,373,798	949,691
1920	2,016	6,853,308	3,048,993
1921	4,840	21,887,373	8,898,253
1922	6,580	24,918,995	7,503,086
Increase during past year .	1,740	3,031,622	..
Decrease ..	..	..	1,395,167

The position in 1913 provides an interesting comparison with these figures. The number of cases was then 5,769, with estimated liabilities of £7,857,194 and assets of £3,303,382. During the post-war boom it was really difficult to be insolvent, but the reaction has since come, and the painful but necessary shake-down to more normal credit conditions has been proceeding apace. It is to be hoped, however, that this process is nearing completion, and that the return to more normal conditions will not be delayed much longer. The largest increases in 1922, as compared with the previous year, occurred among commission and general agents, bankers, publicans, stock and share brokers, lace manufacturers, grocers, general merchants, shipbuilders and owners, and timber merchants. On the other hand, the chief decreases came from among the following groups: wine and spirit merchants, wool and silk manufacturers, produce merchants, metal brokers, and printers and publishers. Of failures with unsecured liabilities above £40,000, "ordinary trade failures" accounted for 32 cases, while the other 18 cases were apparently due to "financial and speculative enterprise apart from ordinary trading." The tables given in this report are of considerable interest as a record of a not unimportant aspect of commercial and industrial activities in this country during a period of very great difficulty.

Cotton Trade Control and Gambling.—Our Manchester correspondent writes:—After an adjournment for several weeks there has been another meeting in Manchester this week of the special committee of cotton employers and trade union officials, which was formed to devise means for the betterment of the industry. It was announced at the close that the principle of control for the whole of the trade had been abandoned, because of its impracticability. Since the committee was appointed early in October all the attention of the members has been centred on formulating a scheme whereby production of yarn and cloth could be restricted according to the state of demand. Those in the best position to know the opinions of employers have always held that unanimity on a proposal of this kind would never be possible. It is, therefore, no

surprise to hear that the matter has been dropped. It is true that a sub-committee has been appointed to consider the question of control in the American section of the spinning industry, but it is doubtful whether anything more will be heard of control in any form. The committee has also discussed the effects upon trade of speculation in cotton futures by outsiders, but it has been decided not to take any action at present. Although gambling during the last couple of months in futures in the Liverpool cotton market has been very extensive, some of the stories which are about exaggerate the situation. Many people who have had a flutter have learnt their lesson, and now the bubble has burst we shall probably hear less of strangers to the industry speculating in raw cotton.

North of Scotland Bank Acquired.—It is announced that the directors of the North of Scotland Bank, Limited, have entered into a provisional agreement with the directors of the Midland Bank, Limited, for a fusion of interests of the two banks, upon the following terms and conditions:—

1. The Midland Bank, Limited, offers to purchase from the shareholders of the North of Scotland Bank, Limited, their individual holdings at the rate of £24 15s for each share of the North of Scotland Bank, Limited, which will be paid and satisfied by the exchange of 11 shares of the Midland Bank, Limited, of £2 10s each, fully paid, for every four shares of the North of Scotland Bank, Limited, £20 each, £4 paid. For the purpose of this calculation the fully-paid shares of the Midland Bank, Limited, have been taken at the market value of £9 per share. Fractions of a Midland Bank share will be settled either by the issue of certificates of fractions of shares, or in cash on the above basis of market value as may be determined hereafter by the Midland Bank, Limited.
2. The shares of the Midland Bank, Limited, issued to the shareholders of the North of Scotland Bank, Limited, will carry dividend as from January 1, 1924.
3. The directors of the North of Scotland Bank, Limited, will pay to the shareholders on the register on December 31, 1923, an interim dividend in respect of the three months ending at that date at the rate of 18 per cent. per annum, less income-tax.
4. The purchase is subject (a) To the consent of the Treasury and of the Board of Trade. (b) To the consent on or before January 21, 1924, of shareholders of the North of Scotland Bank, Limited, holding in the aggregate 75 per cent. of the issued capital of the bank, or such lesser proportion as the Midland Bank, Limited, may determine.

The North of Scotland Bank, Limited, will retain its name and continue its existence as a separate entity in all respects as heretofore. The directors will continue their services on the board of the bank. Two of the directors will be invited to join the board of the Midland Bank, Limited, and it is intended to invite two of the directors of the Midland Bank, Limited, to join the board of the North of Scotland Bank, Limited. The directors of the latter have already agreed to exchange their own shares on the terms mentioned, and recommend the shareholders to adopt the same course, which they are satisfied will materially contribute to the further successful development of the business of both banks. The shares offered by the Midland Bank, Limited, are fully paid, and the shareholders of the North of Scotland Bank, Limited, who agree to the exchange will be relieved of the liability of £16 on each North of Scotland Bank share. The market price of the shares of the North of Scotland Bank is in the neighbourhood of £15, and the apparent generosity of the terms now offered is perhaps explained by the exceptionally strong position disclosed by the last published balance-sheet, namely, that for the year ended September 30th last. With deposit liabilities of £20½ millions there was cash and money at call amounting to £3½ millions, and investments in British Government securities of over £13½ millions, the ratio of the two to deposit liabilities being 83 per cent., and to total liabilities 70 per cent. The North of Scotland Bank was established in 1825, and until recently was known as the North of Scotland and Town and County Bank, an amalgamation with the Town and County Bank having taken place in 1908. This will not be the first affiliation with a Scottish bank on the part of the Midland Bank, for in 1920 it acquired the shares of the Clydesdale Bank, whose deposits in January last stood at over £30 millions. The Midland Bank also acquired, a few years ago, all the shares of the Belfast Banking Company, whose deposits at the last balance-sheet were about £18 millions.

Baldwins' Report.—The profits of Baldwins, Limited, for the year ended June 30th last show a substantial increase, but the total is still well below that of the boom year 1919-20. Although £70,000, as compared with £50,000, is allowed for depreciation, and £44,000 more is required for debenture interest and redemption reserve, the net profit is £114,000 higher than last year at £200,900, as may be seen from the summary below:—

	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Trading profit..	£ 442,900	£ 554,997	£ 683,405	£ 410,758	£ 306,132	£ 484,760
Net profit	359,043	471,139	567,023	325,167	86,993	200,902
Brought fwd.	156,969	255,139	285,799	291,325	303,479	309,178
Reserve	516,012	726,270	852,822	616,492	390,472	510,080
Preference div.	75,000	75,000	75,000	25,000	..	..
Ordinary div..	13,750	13,750	45,667	80,476	81,294	85,940
	(11½ %)	(12½ %)	(12½ %)	(5 %)	..	..
Carried forward	273,473	285,799	201,325	303,479	309,178	424,140

The dividend on the 5 per cent. preference shares requires over £4,000 more owing to an increase in the paid-up capital, and the ordinary dividend is again passed owing to the "special circumstances of the present time and the uncertain conditions of trade." The property item stands at £3,559,000, the total depreciation written off to date being £695,000. Unlike many recent balance-sheets this item does not include holdings in subsidiary companies, but the latter are, however, hidden in an item of £4,250,400 headed "Investments at cost or under, including shares and debentures in subsidiary and other companies." This item shows an increase of £127,200 in comparison with last year, and stock-in-trade has also increased by £174,700. Cash, war bonds, and bills have also risen by £312,500.

Ind. Coope's Year.—The brewery industry continues to flourish. This week we have to deal with two prominent undertakings interested in this trade, namely, Ind, Coope and Co. and Allsop and Sons. It may be remembered that Ind, Coope and Co. was reconstructed under an arrangement sanctioned by the Court in 1912; this company holds all the issued capital of the Leeds and Batley Breweries, and has a controlling interest in Bindley and Co., Robinson's Brewery, and B. Grant and Co. As will be seen by the following table, the advent of the war and post-war events were both very favourable to the progress of the concern:—

Year Ended Sept. 30th	Gross Profits.	Interest on Debenture Stocks and Mortgages.	Depreciation.	Ordinary Dividend.	To Reserve &c.	Carried Forw'd.
1914..	£ 110,821	£ 58,332	£ 28,516	..	..	£ 14,290
1915..	146,238	54,300	34,375	..	40,000	680
1916..	152,906	53,625	36,084	..	50,000	2,484
1917..	204,717	58,186	34,186	14,026	50,000	23,277
1918..	392,575	55,686	29,991	20,671	185,000	57,281
1919..	474,202	55,722	39,373	49,594	285,000	103,872
1920..	415,249	53,814	45,863	91,341	85,000	139,613
1921..	375,657	53,504	49,783	168,000	10,000	106,345
1922..	349,982	55,986	48,879	137,000	60,000	104,482
1923..	347,880	60,482	48,534	90,375	50,000	109,226

The dividend of 15 per cent. is maintained, but the bonus is slightly lower at £22,875, which a year ago was £21,750. In 1919 the capital of this company was increased from £400,000 to £600,000, and in December, 1922, to £1,000,000. The issued capital at present is £600,000. As we could not obtain a copy of the accounts until after the meeting had been held in this particular case, we have the benefit of the chairman's comment upon the balance-sheet in examining the accounts. This gentleman, after pointing out that properties showed an increase of £99,000, accounted for by the fresh purchases, &c., proceeded to state that sundry debtors were less by £64,000, "due almost entirely to the decreased selling price of 24s per barrel brought about by the last Budget." He went on: "Cash and War Bonds are practically identical with last year. You will notice that stocks on hand show a considerable decrease. At the close of the financial year 1921-22 there were some rather

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heavy commitments for materials, which have since been liquidated, and we are carrying considerably smaller stocks this year, which, together with the reduced duty on stocks of beer, accounts for the difference." We certainly agree with the board of directors in their laudable object to increase reserves, and notice that total reserves now amount to £450,000. If the proceedings of the meeting were correctly reported in the daily Press, it would surely seem that some gentlemen allow their political feelings to prejudice the dignity of their position.

Allsopp's Results.—A better year is shown in the report of Samuel Allsopp and Sons for the twelve months ended September 30th last, and the net profits of £90,141 now given remind us that the brewery industry is enjoying a remarkable run of prosperity. The following table shows how the undertaking has fared over a period of years:—

	1914-15.	1917-18.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.
Trading profit	£ 120,717	£ 307,268	£ 355,434	£ 346,918	£ 251,125	£ 239,927	£ 253,774
Debiture interest, &c.	71,201	97,915	100,058	102,365	101,160	104,355	91,783
Red. of Certs. of Rights	42,736	42,736	42,736	42,736	42,736	42,736	42,736
Depreciation & repairs	45,917	82,246	104,964	114,916	92,140	77,780	71,850
Net profit	3,599	84,311	150,414	129,637	57,825	57,792	90,141
Brought forward	13,048	20,930	19,324	19,324	19,324	19,324	20,714
Reserve	16,647	105,241	169,738	148,961	77,149	77,116	110,855
Preference dividend ..	..	50,000	72,061	51,871	47,107	47,107	53,913
Ordinary dividend	..	33,917	58,413	58,413	10,030	10,030	15,514
	..	..	(5½ %)	(5½ %)	(3 %)	(3 %)	(4½ %)
Carried forward	16,647	21,324	21,116	19,661	20,013	19,979	19,954

It may be recalled that in 1913, under a scheme of arrangement, the authorised and paid-up capital of this company was reduced from £1,870,000, consisting of £770,000 ordinary and £1,100,000 preference stock, to £742,500, made up of £19,250 ordinary and £55,000 preference stock; in other words, the two classes of capital were reduced by 97½ and 95 per cent. respectively. Preference stocks were then consolidated into £74,250 ordinary stock, and the capital was increased to £1,200,000 by the creation of 651,500 ordinary and 1,600,000 participating preference shares of 10s each. In January, 1922, ordinary stock was converted into £1 shares. Another scheme of arrangement was entered into with the 4½ per cent. debenture holders, which was sanctioned in 1915. The history of the company has not been altogether happy, and the present harvest for the brewing industry is no doubt gladly welcomed by those with financial interests in the concern. The participating preference shares receive, in addition to their 5 per cent., a further 2½ per cent., as against an additional 1½ last year, while a 4½ per cent. distribution is made on ordinary capital, as against 3 per cent. for the previous year. On one point at least the directors must be complimented, and that is the informative nature of accounts. The balance-sheet and profit and loss account give much interesting detail. Indeed, we must confess that in many ways we like the balance-sheet. There are, of course, items which should be reduced. We refer to goodwill account, which continues to stand at £700,000. It seems to us somewhat unwise to increase the ordinary distribution without attempting to reduce this; it is true that the reserve obtains £20,000, bringing it up to £220,000. But a reserve account of £220,000 is not a very large provision against total assets of £3,608,560, of which goodwill represents £700,000. An analysis of the balance-sheet will be found in the usual column.

Russo-Asiatic.—In their report the directors of this important consolidation intimate that negotiations for the return of the company's "nationalised" properties have again been entered upon with the Soviet Government—under conditions which would appear to be moderately hopeful. It may be noted that representatives of another group—the Lena—are also treating with the *de facto* Government of Russia for a like purpose. The Russo-Asiatic, however, possesses interests of considerable importance outside Siberia—particularly in the Villemagne silver-lead concession in the South of France. Development here has been attended with encouraging results, and arrangements for the installation of a mill are proceeding. It is estimated that the ore will show a profit of about £2 per ton on the basis of present values. The cash position of the Russo is a strong one, there being a surplus of some £576,000 at the end of December last.

Scuttled Ships and Mortgages.—The judgment given by the House of Lords on Tuesday, in the case of the *Ioanna* (Graham Joint Stock Shipping Company, Limited v. Merchants' Marine Insurance Company, Limited), was of considerable interest to bankers, as well as underwriters. The question was whether, when a ship has been scuttled, mortgagees who are not implicated at all in the casting away of the ship are entitled to claim against the underwriters under an insurance policy on the ship. The decision hitherto regarded as determining the position of mortgagees was given by the Court of Appeal in 1897. In that instance the mortgagees succeeded. That this earlier decision might be overruled in the *Ioanna* case—the first of the series of recent scuttling actions to be carried higher than the Court of Appeal—appeared to be possible, but in the result the judgment of the House of Lords rested on different considerations. In the earlier case the mortgagees' interest was distinct from that of the mortgagor, and the mortgagees who there succeeded did not claim through the mortgagor. In the latest case the mortgagees, though innocent of the scuttling at which the Greek owner had connived, were held, in the circumstances, to be claiming under or through the shipowner. The contention that the policy had been effected on behalf of the mortgagees as well as on behalf of the owner, so that the mortgagees were directly insured, was rejected. The alternative view of the facts—namely, that the policy was effected on behalf of the shipowner, and by his authority assigned or made over to the mortgagees, was unanimously taken by their lordships, and consequently the claim of the mortgagees was finally dismissed. As the facts differed from those with which the earlier decision of the Court of Appeal was concerned, that decision was neither confirmed nor overruled.

Cotton-Growing in Brazil.—A correspondent writes:—A considerable amount of foreign capital, mainly British and North American, has found its way recently into Brazil in connection with cotton cultivation, the prospects of which appear to be bright. Both Federal and State Governments are interesting themselves in some of the projects submitted, encouragement being offered to foreigners to take up tracts of country for this industry. The Federal Administration has despatched a party of young men to the United States to learn American methods, and has set up laboratories in several of the Departments where the services of experts have been engaged. No doubt exists that the visit of the Empire Cotton Growing Committee last year, and the International Cotton Conference held in Rio de Janeiro towards the close, are commencing to show results. It is stated officially that practically "the whole of the country" is suitable for cotton-growing, and that it is possible to obtain in some districts two crops annually. This statement, however, must be accepted with caution, since certain parts of Brazil are still unsuitable for settlers owing as much to climate as to uncertain tribal influences. On the other hand, it is thought that Brazil should be able to supply a considerable part of Lancashire's requirements in the future, provided certain rules for picking and ginnings are carefully adhered to. The remarkable growth of Brazilian cotton cultivation is seen in the fact that already 1,551,160 acres of land out of

7,500,000 acres, upon which cotton can be profitably cultivated, are under crop, producing over 306,000,000 kilos of unginned cotton, 92,000,000 kilos of ginned cotton, and 215,170,000 kilos for seed. The manufacturing industry has shown an advancement hardly less marked. Whereas in 1913 Brazil exported no more than 186 kilos of cotton piece-goods, in 1921 the total attained was 556,427 kilos, valued at 4,956,310 milreis. Imports of cotton manufactures have shown a corresponding decline, the chief sufferer being the United Kingdom, which formerly supplied Brazil with the greater part of its textile requirements. In regard to cotton piece-goods, the proportion of British manufactures imported in 1921 fell to 2,016,000 kilos from 13,026,000 kilos in 1913; but, owing to the vagaries of exchange, the value increased from 38,545,000 milreis in 1913 to 55,775,000 milreis in 1921. Notwithstanding the diminution in British exports of cotton goods to Brazil, the United Kingdom still contrives to hold the leading place among foreign shipments.

Oversea Correspondence.

UNITED STATES.—PRESIDENT COOLIDGE'S MESSAGE—COMMODITY PRICES ADVANCE—OCTOBER RAILROAD EARNINGS.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 7.

PRESIDENT COOLIDGE'S Message to Congress this week is generally regarded as exceptionally straightforward and business-like. It recommends constructive measures that strongly appeal to financial, railroad, and industrial interests and the public at large, as is evidenced by the almost unprecedented popular approval with which it has been received. While the Message embodies some matters that may, and probably will, precipitate political controversies, it is free from any trace of partisanship, and, so far as the main issues are concerned, outlines a programme that seems likely to win increasing support regardless of party affiliations. The more important features of his Message will, of course, have been summarised in the British Press.

There is considerable uncertainty as to just how much of the legislation urged by President Coolidge will be accomplished. There now appears to be good prospect for the adoption of the tax-reduction programme, but the situation and outlook are complicated by the presence in Congress of a Radical element, who may at least obstruct legislation. Furthermore, it is proverbial that few new laws of consequence are enacted by Congress immediately preceding a Presidential election campaign.

Commodity prices showed a substantial advance last month in the average level. *Bradstreet's* index number as at December 1st, namely, \$13,4358, marked a gain of 2.2 per cent. over the number recorded on November 1st, and is the highest reported since May 1st of this year. Compared with the low level of the current year, reached on August 1st, the increase is 4.8 per cent., but the December 1st index is 2.5 per cent. below that of the corresponding date last year. It is 26 per cent. above the low point registered on June 1, 1921, but 35.6 per cent. under the peak price of February 1, 1920. As compared with the pre-war level of August 1, 1914, the present index number is 54.3 per cent. higher. Textiles, particularly raw materials, were mainly responsible for the sharp rise in the general index figure last month. Raw cotton led in the upturn, although wool, hemp, and jute also were firmer, and cotton goods were advanced considerably.

For the first time this year net earnings of Class I. railroads of the United States for the month of October crossed the \$100,000,000 mark, the total amounting to \$102,746,000. That, in fact, is the largest amount earned by the carriers in any one month for more than two years, and compares with \$98,238,000 for September of this year, and with \$85,205,000, approximately, for October of 1922. The net operating income was equivalent to a return at the annual rate of 4.72 per cent. on the tentative

property valuation of the carriers. A large part of the increase, compared with October of last year, was due to the gain of about 7 per cent. in gross earnings, which totalled \$586,694,200. Operating expenses, aggregating \$444,937,800, showed an increase of \$17,013,400. Railroads in the western district showed a return of 5.36 per cent., while the rate earned by roads in the eastern district was 4.02 per cent., and in the southern territory 5.26 per cent.

FRANCE.—PUBLIC FINANCE—THE DEBT TO THE BANK—OUTLOOK FOR 1924—OVERSEAS TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, December 19.

THE difficulties facing the French Treasury are now publicly confirmed by the announcement, in the form of a Bill which the French Minister laid before the Chamber yesterday, that on Saturday last he came to an agreement with the Bank of France under which the advances made by the Bank to the State will at the end of the current year be reduced by 800,000,000 only, instead of by the sum of two milliards stipulated for in the law adopted in 1919. It will be remembered that last year, instead of reducing its debt by two milliards, the State compromised by diminishing it by a single milliard. It had been hoped that, by the aid of the large amount of fresh money that flowed into its coffers as the result of the last issue of Treasury bonds, the State would be able to do at least as well as last year in this regard. It is now evident that this money has been more urgently required elsewhere, and that, but for the fact that the 800 millions has been steadily accumulating for some time past, under the scheme for the amortisation of the debt due to the Bank, and is actually in hand, the good intentions of the Treasury in this direction would have proved completely instead of only partially vain. Comparatively small as is the amount by which this debt is to be reduced, however, the decision that has been taken must still be regarded as a step in the right direction, as it will probably permit of some equivalent and compensating reduction in the note circulation. Still, the outlook for the coming year remains distinctly threatening.

The twin ordinary Budget for 1923 and 1924 was balanced, as everybody knows, without involving any additional taxation, theoretically speaking, but it is now every day becoming more clear that it will be impossible to get through the coming financial year without a good deal of money being furnished by some means or other. The reform of the pensions law, when it is finally carried through, which must be in the near future, will mean that an additional 200 to 300 millions at least will be required under this heading. Increased allowances which are being pressed for by members of the public services and which it is difficult to see the possibility of refusing, in view of the serious increase in the cost of living, will call for an additional sum that may, according to expert opinion, amount to anything between 750 and 1,250 millions during 1924, and which certainly cannot be less than the former figure. In 1924, also, this country will be called on to face the problem of making some arrangement for the payment, which will then become due, of the \$400,000,000 (or 7½ milliards of francs), representing the cost of the American war material sold to France after the armistice. That the United States will insist on the money being paid forthwith is, of course, unthinkable, and undoubtedly some mutual arrangement will be come to; nevertheless, the problem will have to be taken up in some way. There are other factors in the situation, also, which contribute to the difficulties to be faced in the near future, and which make it evident that M. de Lasteyrie will have to accomplish practically the impossible if the present programme of getting through the coming year without either increased taxation or another great loan is to be adhered to.

Taxation returns for November show that the revenue

is continuing to come in well ahead of Budget estimates. The total yield from all sources during the month that has just expired was 2,089,145,700f, of which 1,969,713,000f was from normal and permanent sources, the balance being from "exceptional" channels, such as the special tax on war profits, which yielded 93,767,200f during the month. Income-tax during November yielded 464,666,900f, or an increase of 137,996,800f on the corresponding month of 1922. The most satisfactory feature of the return is again the yield from the tax on turnover, which last month produced 289,464,000f, or 29½ millions more than was expected by the Finance Minister, and 79,759,000f more than this tax yielded in November, 1922. Registrations and stamp duties produced over 39 millions more than Budget estimates during the month, and the duties on sugar and saccharine over 15½ millions more than had been expected. Customs duties, as usual, were a black spot, and yielded over 20½ millions less than Budget estimates, and over a million less than last November, and for this the depreciation in the purchasing power of the franc is, of course, responsible. Demand notes have been issued for income-tax this year down to November 30, for a total of 3,786,138,000f, of which 2,859,471,000f has been in respect of assessments for incomes received during 1922, the balance being for taxation due in respect of previous years. Out of the total income-tax due in respect of incomes earned in 1922 and payable during this year, the revenue authorities had received down to November 30th 1,276,196,000f, or rather less than 50 per cent., in spite of the more stringent methods of collection adopted latterly. It should be stated, however, that no demand notes for the current year began to be issued before September.

The French foreign trade returns for the first 11 months of the year which are issued this evening, show that the value of the imports and exports was as follows, as compared with those for the corresponding period of 1922 :—

	First Eleven Months of		Increase.
	1922.	1923.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	5,150,577,000	6,671,846,000	1,121,269,000
Raw materials	12,122,359,000	18,210,093,000	6,087,734,000
Manufactured goods ..	3,644,621,000	3,899,236,000	254,615,000
Total	20,917,557,000	28,781,175,000	7,863,618,000
Exports—			
Foodstuffs	1,633,954,000	2,884,834,000	1,250,880,000
Raw materials	5,160,117,000	8,296,178,000	3,135,061,000
Manufactured goods ..	11,073,573,000	14,685,129,000	3,611,556,000
Postal parcels	1,192,245,000	1,462,495,000	260,250,000
Total	19,059,069,000	27,317,636,000	8,257,747,000

The tonnage returns show that while the weight of imports during the 11 months has increased by 3,365,394 tons, that of exports has increased by only 1,888,737 tons, this being due to the fact that, so far as weight is concerned, the principal increase has been in connection with raw materials that have been imported. These include coal and other combustibles, of which 27,888,688 tons, valued at 3,289,166,000f, were imported during the 11 months, as compared with 26,062,083 tons, valued at 2,134,289,000f during the corresponding period of 1922, and with 20,682,000 tons, valued at 528,455,000f during the first 11 months of 1913. The figures for imported combustibles disclose that while the quantity imported during the present year has increased by only 7 per cent., the value of the coal purchased has increased by 54 per cent., the reason being chiefly due to the high rate of exchange against this country. Both imports and exports again increased in value, last month's imports being valued at 3,160,504,000f in November, as compared with 3,068,974,000f in October, and exports at 2,941,386,000f, as compared with 2,813,539,000f in the preceding month. On balance, the returns show that this country, during the first 11 months of 1923, purchased 1,491,542,000f worth of foreign goods more than it sold abroad, this being the smallest adverse balance ever recorded. Against this must, of course, be placed the large amount of money spent by tourists during their stay in France, which is classed under the head of "invisible exports."

GERMANY.—REPARATIONS—FINANCES—CURRENCY
—BOURSE—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, December 18.

The Cabinet has appealed to the Reparations Commission to enable the Republic to get a food credit, and at the same time has sought to open direct negotiations on general questions with France. On the latter matter the reply of M. Poincaré is not very promising. The Reparation Commission's powers, says M. Poincaré, must not be infringed, and nothing must be proposed which is not in accord with the Peace Treaty. The Franco-Belgian authorities in the Ruhr district and the Rhineland must retain their powers. M. Poincaré also complains that the Inter-Allied Military Control Commissions have not yet been able to resume their work. This answer is unpromising for the good reason that the Versailles Treaty in no way determines present conditions; the French claim and practice is that they can do anything they like in or with Germany. The Note to the Reparations Commission states that 1½ million tons of breadstuffs must be imported before August, 1924; also 10,000 tons of fats per month are needed. Foreign credits of between 50 and 70 million dollars can be had on condition that the precedence claim for Reparations is abandoned.

The Marx Cabinet looks fairly stable, but only because the Reichstag is not sitting and because the Cabinet's whole activities are extra-parliamentary. The finances are in a desperate condition; so desperate that the Cabinet was obliged to postpone payment of part of the official salaries due on the 17th. The Finance Ministry is now living from hand-to-mouth, this being a result of the policy of abandoning the infallible system of paper-mark Treasury bill discounting and paper-mark printing before provision was made for balancing the Budget. The Rentenmark credit of a mere 1,200 million Rentenmarks has, of course, proved hopelessly inadequate.

The provisional gold-mark Budget drafted for the term between November 15th, when the Reichsbank credits ceased, and the end of the financial year (March 31, 1924) shows expenditure of 1,966 million gold-marks, receipts from taxes of 1,381 millions, and Rentenbank credits of 585 millions. This is relatively favourable, if realised; but the Government gives no data to enable a judgment whether it can be realised. In order not to cause a panic it has not issued the usual decade reports since November 10. The Railways Budget for the term mentioned shows expenditure of 520 millions, the subsidy from the general Budget being 100 millions, while the figures for posts, telegraphs, and telephones show expenditure of 140 millions, and a subsidy of 50 millions. The Cabinet's policy is still to get in taxes rapidly by emergency decree; but so far only the first of three decrees, that dealing with the Rhine-Ruhr levy and the sales tax, has appeared; while the second, dealing with income, property, succession, and other taxes, is held up by the Reichstag Commission, to which, according to the new form of the Empowering Law, Government decrees must be submitted. A third emergency decree has been prepared by the Cabinet, but is also not yet issued. It seems settled that the Government intends to take 50 per cent. of gross rents of dwellings as soon as these are raised to pre-war level, and that it will expropriate the profits made by paying off bonds in depreciated money; but the plan to restore mortgages in the interest of the mortgagees will not be carried out. The tenants' organisations and officials' associations have protested against the restoration of pre-war rents. Concerning the financial position of the railways, the Minister of Communications reports that railway receipts are already again covering the cost of wages and fuel; but there is no money for new locomotives, cars, railway extensions, &c., and before April 1st next 200 million gold-marks are required for these, as well as 100 millions for special expenditure in connection with the Ruhr. For material, &c., a credit will be given by industry.

How the Government intends to pay its way if sufficient taxes do not come in before the Rentenbank's credit is exhausted is not known. Inflation by the Rentenbank or a reversion to paper-mark inflation via the Reichsbank is not to be thought of. It is suggested that short-term gold Treasury bills be issued, on the lines of those of

Prussia, which has issued 50,000,000 gold-marks of 5 per cent. three months' gold Treasury bills, to be met when taxes really come in. It is believed that the money market, which is now liquid, could take such bills up. The form of the first Federal "gold loan," the scrip of which in the end became currency, could not be adopted without causing new inflation.

The unfavourable reports concerning finances have not shaken the new currency. Abroad and here the paper-mark, which ultimately determines the value of the Rentenmark, maintains its stable value. After the fall in food prices there has been a marked fall in prices of manufactured goods. Outwardly, Germany has a completely stabilised currency. All business is now done in "marks," payment being made indiscriminately in Rentenmarks or in billions of paper-marks. No longer is any desire shown to convert "instable" paper-marks into "stable" Rentenmarks. This is not what was foreseen; for it was expected that citizens would rush to convert. In fact, the paper-mark is for any purpose—and for any prospect—as good as the Rentenmark. While according to plan the Rentenmark was to maintain its (wholly artificial) value as a gold-mark, even if the paper-mark continued to fall, it now seems clear that any new fall in the paper-mark will inevitably bring down the Rentenmark. Dealers would simply raise their prices in both, keeping the old ratio of one to one billion. This seems to arise necessarily from the fact that the Rentenmark is not really convertible into any stable security. For practical purposes the circulating paper-marks may be considered small change for Rentenmarks, and not, as was planned, an inferior and in principle different currency. The risk of the paper-mark starting a new crash is reduced by the fact that the buying power represented by this currency is very small compared with that represented by the Rentenmarks now circulating, and the declared aim of Dr Schacht, the Commissary Commissar, of making the paper-mark scarce has been attained.

Weekly returns from the Rentenbank will soon be published. Dr Schacht has declared in favour of hastening on the foundation of a gold-mark bank. Many banks have opened Rentenmark deposit accounts. The first German company with gold-mark capital has been registered in Hamburg. The capital is subscribable in foreign high exchange currencies. A Bill requiring the compiling of balances in gold-marks has been prepared, the gold-mark here being 10-42 of a dollar. It should be noted that, though Germany has no physical gold-marks or gold-mark notes, she has two kinds of calculation "gold-marks," only one of which is a reality. The Bill last mentioned, and the company capitalisation, refer to real gold-marks, in that equality with foreign currency of stable gold value is aimed at. The "gold-mark" used for price quotations, and in tax assessing is, however, an entirely different thing; it has neither physical existence, nor is it in a fixed ratio to gold, or to a foreign gold currency; it is a thing of entirely varying value, which, for the moment, by official decree, is identical with a Rentenmark, which in turn represents nothing stable in gold or goods. Hence a real dollar in Germany will always (if a free exchange rate can be obtained) buy more or less the same quantity of goods, whereas the quantity that 4.2 calculation gold-marks (officially one dollar) will buy has varied probably 300 per cent. during the past month.

The Reichsbank has again not issued its statement; the last, for November 15th, is now more than a month old, though formerly the statements seldom appeared more than ten days late. The enormous price fluctuations actually seen during the past month do not appear in indexes covering long periods; the *Frankfurter Zeitung's* index for December 13th only shows, for instance, a drop from 1,649,600,000 (times the peace level) to 1,565,200,000. This puts gold prices (at official exchange) at only 56.52 per cent. above those of 1914. While gold prices of some goods are enormously higher than in 1914, those of other kinds of goods are cheaper. Average prices of bread-grains, per metric ton, were, in gold-marks or Rentenmarks:—

	Average, 1909-13.	Average, Dec. 1, 1923.	Average, Dec. 14, 1923.
Rye	169.4	174-178	142.5-144
Wheat	213	194-200	162-164

For this the abolition of Agrarian duties is partly responsible. Meat in the past week continued to fall. The police have managed to compel wholesale dealers to abstain altogether from charging "currency depreciation premiums"; in other words, compelled them to admit that the Rentenmark and the paper-mark are now finally stabilised. The Ruhr Mineowners' Association has consented to cut coal prices by around 17 per cent., the price of standard Ruhr (Foerderkohle) being brought down from 28.42 gold-marks to 23.50 gold-marks a metric ton, or to under twice the 12.50-13 marks charged before the war. There is so far no sign of a price fall in such services and goods as have more or less rounded prices refixed at long periods; newspapers with practically no news services, other than agency, and containing half the paper of an English newspaper, cost 3d, sometimes more; the foreign letter rate is 4d; and railway charges are still very high. A cut in iron and steel rates is likely.

Stocks last week recovered, but are well behind the figures touched on November 30th. The *Frankfurter Zeitung's* index is:—December 14th, 625,500,000; December 7th, 554,100,000; November 30th, 746,750,000. Most of last week's gains were made on the 14th, when the Berlin Bourse was active and firm. On the 17th the Bourse was again very active and firm. Favourable influences were statements by the Exchange Commissary, reports from abroad of more optimistic judgments on German conditions, and very large foreign buying orders, mainly, it is reported, English and Dutch. The home public also bought heavily. Federal bonds were yesterday mostly slightly weaker, being (in milliards of paper marks): War Loan, 5 per Cents., 41; Fours, 350; 3½ per Cents., 189; Threes, 890; Colonial Fours, 1,100; Prussian 4 per cent. Consuls were 230; 3½, 195; Threes, 300; Bavarian Fours, 650.

AUSTRIA.—STATE FINANCE—COST OF LIVING—
ECONOMIC POSITION—MONEY AND STOCKS.

(FROM OUR CORRESPONDENT.)

VIENNA, December 1.

THE enormous improvement in the Austrian financial situation is clearly shown by the Budget estimates for 1924, brought before Parliament last week. The following table shows the most important items:—

	Milliard Kronen.
A. Public Administration—	
Gross expenditure	8,065.0
Gross revenue	6,818.0
	Deficit 1,247.0
B. State enterprises—	
Post and Telegraph, Mines, Forests, Ammunition Works, Mint, State Printing Office, Theatres, &c.	38.3
C. Railways	831.9
	Deficit A, B, C 2,137.2
D. Monopolies	1,300.5
	Net profit
	Total deficit 836.7

Since the deficit in the Budget for 1923 was estimated at 2,664.2 milliard kronen (in reality it will amount only to about 1,500 milliard kronen), the above table shows that it has been reduced by 1,827.5 milliard kronen, and even the Finance Minister expressed the hope that he might be able further to reduce it, by economy and increased taxes, to 146.7 milliard kronen—i.e., the figure as estimated in the League of Nations' scheme for the end of 1924.

The Treasury has further made considerable savings out of the League of Nations' Loan, which are reserved, under the control of the Commissioner-General, for unforeseen expenses. No exact figures are available as to the amount of the unused balance of the League of Nations' Loan. Since, however, the Finance Minister stated in August last that about 5,000 milliard kronen were still in reserve, and calculating that of this amount 1,500 milliards will be necessary to cover the deficit of 1923 and 837 million to cover the deficit of 1924, one can assume that in the beginning of 1925 about 2,600 milliard kronen of the loan will still be available.

However satisfactory this improvement may be, it must not be overlooked that the recovery in the Budget is mainly due to the large increase in public revenues and

not to the cutting down of expenses. To what extent the taxes have been, and will further be, raised is shown by the following comparisons:—

	Revenue Deriving from Budget, 1923.	Budget, 1924.
	Milliard Kronen.	
Income-tax	509	950
General tax on profits	40	145
Joint stock companies tax on profits	113	400
Tax on liquors	139	160
Tax on beer	114	190
Tax on sugar	33	42
Tax on turnover of goods	450	1,400

If it is further considered that at the beginning of 1924, railway fares will be increased by 25-30 per cent., postage by 50 per cent., and telephone fees doubled, one can judge that the cost of living in Austria will continuously rise. The following table shows the increase in the cost of living during this year:—

Month.	Inc. or Dec. as Compared with the Previous Month in %.	Month.	Inc. or Dec. as Compared with the Previous Month in %.
January	+ 1	July	— 5
February	+ 2	August	— 4
March	+ 6	September	+ 3
April	+ 7	October	+ 2
May	+ 5	November	+ 1
June	+ 1		

The adaptation of taxes and tariffs to pre-war standard causes the tension between the price of goods and wages to become more accentuated. In consequence of this, first, State officials, then bank clerks, then industrial employees and workmen raise claims for higher wages and salaries, which are mostly granted under high pressure. At the present moment, for instance, all workmen and employees of the metal industry are asking for an increase in wages, and threaten a general strike if their claims are not considered. The Government, which has already granted an increase in salaries to State officials, is trying to act as intermediary in order to avoid a general strike, which would seriously endanger the improvement already begun in the economic situation. The situation in industry is, generally speaking, fairly good. Factories are, on an average, employed to at least 60 per cent. of their capacity; some industries—as, for instance, the electric industry—even to a better degree. This is mainly due to the elimination of German competition; especially Solingen steel goods, German agricultural and other machines are lacking. A number of German firms are endeavouring to transfer their businesses to Austria, since they will not be able to work under existing conditions in Germany for some time.

In the summer session of the last Parliament the new Tariff Bill had to be set aside because it raised serious dissent between industrialists, agriculturists, and the ruling parties in the Parliament. At present the Government is preparing a new Bill which will certainly be Protectionist. The difficulty is that the farmers will agree to Protection for industries only if they also receive Protectionist concessions. On the other hand, however, some countries with which negotiations for commercial treaties are pending—especially Jugo-Slavia—are against Protection of Austrian agriculture, which would sap their imports. However, the Protectionist movement in Austria has been strengthened of late owing to various reasons; the Swiss cement industry, for instance, which enjoys considerable reduction in fares by the Swiss railways, is exercising a dumping activity against Austria which is becoming more and more marked.

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IX. PEREGRINGASSE 2.

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The process of liquidation, which set in on the Vienna Stock Exchange in the middle of August, seems to have come to an end. Although there was very little business during the past month, the last few days showed an unmistakable tendency for the better, and nearly all quotations went up slightly. It seems that foreign buyers are again taking an interest in Austrian securities; also the casiness of money ($\frac{1}{2}$ to $\frac{3}{8}$ per cent. per week) offers good chances for a possible recovery of the market. It is even said that within the last few days a credit of one million pounds sterling has been granted to a leading Vienna bank for several months, which, if true, will, of course, make money conditions still easier. Western currencies have fallen during last month. The English exchange, which at the end of October was 318,500 kronen, went back, in accordance with the fluctuation of the pound on foreign markets, to 301,000 kronen on November 20th, and stood at 310,000 kronen at the end of November.

ROUMANIA.—NEW EXPORT POLICY—EXPORTS—TRADE BALANCE IN 1922—PAYMENT OF COMMERCIAL DEBTS—NEW BUDGET.

(FROM OUR CORRESPONDENT.)

BUCHAREST, December 13.

THE past month has marked an important step forward in the changing economic policy of the Government. The export of wheat, wheaten flour, rye, and bran, which has been regarded as a Government monopoly since the war (i.e., exported only by the Government, and chiefly for the purpose of liquidating certain external obligations), has now been declared free—subject, of course, to export taxes, which are payable in "strong currencies." The new régime came into effect yesterday, the tax on wheat being fixed at £35 (or \$152) per carload of 10 metric tons, which, however, is subject to revision on the basis of Lei 25,000 per carload. Concurrently with the removal of export restriction on the principal grains, lucerne seed, sunflower seed, and sunflower seed oil have also been declared "free," the export taxes on these being respectively on the basis of Lei 10,000, 30,000, and 80,000 per carload.

Government officials have recently stated that there are at present 10,000 carloads of wheaten flour available for sale abroad, but the latest crop returns have scaled down the earlier estimates of this year's production of wheat. The following table gives the figures published a few days ago by the Ministry of Agriculture:—

GREATER ROUMANIA.		
	Areas Sown to Wheat. Hectares.	Production. Hectolitres.
Year 1923.....	2,640,262 ..	34,874,602
" 1922.....	2,649,640 ..	32,687,407
" 1921.....	2,488,335 ..	27,648,749
" 1920.....	2,022,710 ..	22,050,034

As last year's wheat crop was only about sufficient for internal needs, there cannot be any very considerable surplus of the present crop available for export, and, in any event, the Danube will no doubt freeze over within a week or two, thereby practically shutting off the movement of grain until March or April. In spite of the fact that the only probable immediate effect of the new policy will be to raise the internal cost of living, it is important in that it will undoubtedly stimulate production next year. The Government has announced that the next commodity to be "freed" will be petroleum.

The following table, which is taken from official figures, shows a much improved situation in regard to exports:—

(In Thousands of Lei.)

	Declared Value of Exports.		Export Taxes Collected.	
	1922.	1923.	1922.	1923.
For the month of October	978,446	1,583,468	354,236	555,933
January 1 to October 31...	6,480,363	9,819,975	806,476	3,381,700

It is worth adding that the lei exchange has depreciated by about 15 per cent., as compared with the corresponding period last year. These figures thus show that considerable real improvement has been made this year.

That the general economic situation is improving is further testified to by the figures of Roumania's foreign trade for the year 1922, which have also just been made public. Reducing the total volume of trade (valued in paper lei at 23,962 million) to a gold basis at the average rate of exchange for 1922, exports are valued at 433 millions gold lei, and imports at 420 millions. This "active" balance of 13 millions compares very favourably with the adverse balances of 1919, 1920, and 1921, which—again reduced to a gold basis—were respectively 1,105,379, and 268 million lei.

A noteworthy feature of trade in 1922 was the further substantial decline in imports. In paper lei, these were valued at 11,706 millions in 1921 and 11,799 millions in 1922; but, reduced to gold lei, the respective figures are 840 and 420 millions. The imports of the Old Kingdom alone in the last pre-war year were valued at 590 millions. The principal reasons for the striking decline in 1922 imports were probably the development of domestic sources of supply, Government restrictions on imports, business uncertainty caused by the fluctuating exchanges, and the curtailment of foreign credits to Roumanian merchants.

On December 10th the Chamber of Deputies voted a new law modifying the law of June 3, 1923, for "regulating the payment of commercial indebtedness contracted in foreign currencies prior to January 1, 1922." The new law cancels those provisions of the law of June 3rd which are in contradiction to the so-called British Conventions dated February 15th and March 9th, and also provides for a further three months' "term of grace" on the payment of trade debts, so that funding agreements can be negotiated with other foreign creditors. Swiss creditors have already accepted an agreement similar to the British.

The Minister of Finance has announced that his Budget estimates for the fiscal (and calendar) year 1924 will total 24,000 million lei. The present Budget (from April 1st to December 31, 1923) totals 15,406 million lei—or about 20,100 millions calculated on a yearly basis. In his preliminary outline the Minister has stated that the new Budget estimates will create a fund of 1,360 million lei for the payment of interest and amortisation on the State's internal and external funded indebtedness, particular attention being paid, apparently, to the £35 million sterling loan consolidated in 1922.

Letters to the Editor.

EGYPTIAN CURRENCY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—On inquiry I find that there exists in Egypt an important party which is agitating for an immediate return to a gold basis on the pre-war parity between the sovereign and the piastre. I desire, therefore, to point out that nothing in the article on the above subject in the *Economist* for November 17th can be construed into an argument in favour of such a policy. If the wrong turning was taken in August, 1914, no doubt with the best intentions on behalf of Egypt, the remedy does not necessarily lie in an immediate reversal of the path. The consequences of a sudden return to the gold basis could not fail to be extremely serious to both the external and internal trade of the country. For example, the price of cotton and its products would immediately fall by 12 per cent., the present premium on gold. Rents of agricultural land, which in Egypt largely depend on the price of cotton, and the price of land, would also drop. The real value of the external debt of the Government would be automatically increased by about ten million Egyptian pounds, and the interest by about £400,000 annually. At the same time the Customs dues would automatically fall by about 12 per cent., or, say, half a million pounds. These are some of the results which would follow quite independently of any compensation that might have to be paid by the Government for damage arising from its change of policy, and on the assumption that no kind of panic ensued when prices began to fall. They are enough to show that the idea of a sudden reversion to a gold basis is impracticable.

Further, I believe the desire for such a monetary policy to be founded in error. A currency connection does not

necessarily imply a political bond. Two recent cases may be cited in contradiction of the idea that it does. Poland is introducing a gold coinage, the unit of which, the zloty, is based on the Swiss franc, and Dantzig has actually based its new currency on sterling, though in the one case there is no political bond with Switzerland, and in the other none with Great Britain.—I am, &c.,

THE WRITER OF THE ARTICLE.

CHINESE BONDS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—There are possibly one or two considerations which may be overlooked in connection with the communique issued by the Stock Exchange reflecting upon the policy adopted by the Chinese Government with regard to the German issues of certain of their bonds, and hence, perhaps, you will allow me to point out that the doctrine of seizing private property for the payment of public debts was not initiated by the Chinese Government, but that in this respect they have merely followed the example of their European Allies. In pursuance of such a doctrine the Chinese Government is, it seems to me, clearly right in treating German issued bonds as enemy property until the contrary is proved.

It is not suggested, apparently, as a measure of retaliation, that the Stock Exchange here should remove from its lists certain other Chinese bonds. Whilst such a step might limit the dealings here and possibly militate against the interest of English holders of such bonds, it would hardly in any way injure either the good name or the credit of the Chinese Government. I can well imagine that this suggestion would be welcomed by those who, without due inquiry, have been purchasing enemy-held bonds at low prices in the hope of realising a big profit.—Yours faithfully,

CHARLES WATNEY.

London Correspondent of the

North China Daily News and Herald.

Courtfield House, Courtfield road, London, S.W. 7.

December 15th, 1923.

Books and Publications.

A MONOGRAPH ON SHIPS.*

IN "The Ship and Her Work" Sir Westcott Abell, who is chief ship surveyor for Lloyd's Register of Shipping, gives the substance of lectures he delivered at the London School of Economics. Sir Westcott deals with the physical principles involved in the construction and operation of ships, and, while economic and navigational aspects are by no means neglected, the standpoint throughout is primarily that of the naval architect rather than that of the man of business or the mariner. A number of diagrams and tables help to make clearer to the non-technical reader the discussion of sea work, risks, structures, discipline, and engines. Under discipline are included registry and tonnage measurement regulations, ship classification, and rules as to loadlines.

On the matters of which he treats the author has had wide experience, and he has also the faculty, which those who are masters of their subjects do not always possess, of describing essential features in simple terms. The book is, therefore, interesting and useful, though some points of criticism may be taken. The style, though clear, suffers from the repetition in excess of such phrases as, "It is fairly obvious that," "It may be said that," "It is well known that." This frequent use of sentences beginning with "it" deprives the work of grace, which, after all, helps the sense.

In addition, one or two points which go beyond form call for remark. The suggestion that, in calculating the risks passengers incur in sea travel certain exceptional casualties should be excluded, would probably surprise an actuary. Insurers, when considering premiums, could hardly afford to exclude even exceptional cases from their calculations. Again, the reference to the carriage of wood

* "The Ship and Her Work." By Sir Westcott Abell, K.B.E. London) Gee and Co. (publishers), Limited. 1923. 7s 6d net.

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TEA — RUBBER — COCONUTS.

EASTERN PLANTATION FINANCE UNDERTAKEN.

NEW ISSUES UNDERWRITTEN.

SECURITIES PURCHASED.

ADVANCES UPON APPROVED SECURITIES.

1-4, GREAT TOWER STREET - - LONDON, E.C.3.

deck cargoes is open to question. This is a matter on which opinions have been very divided. There has been much controversy. The subject was considered, as Sir Westcott Abell states, by shipowners, who recently put forward certain proposals for regulations, but those have not advanced beyond the stage of proposals emanating from one section only of the people concerned. Consequently the statement in the book that "the master of the ship is made responsible" for certain things, and that "apart from this, there are special regulations" as to some other matters, misrepresents the existing state of affairs. The regulations which have been suggested may or may not at some future time be brought into force.

DICTIONARY OF POLITICAL ECONOMY.*

IN this new edition pages 1 to 843 remain practically the same as in the first edition of Sir R. H. Inglis-Palgrave's classic reference book. But 80 pages have been added as an appendix, and the new material brings the volume in line with the requirements of the up-to-date student. Into the new pages is packed an immense amount of information and abundant statistics brought up to recent years, bearing, among others, on such subjects as French and German post-war finances, British taxation and food supplies, gold production, index numbers, unemployment insurance, and international law. Mr Higgs appears to have combined the virtue of brevity with the art of clear exposition of big developments, and this volume will be found well up to the expected high standard.

BOOKS RECEIVED.

A *Factor in India's Progress.* By George Pilcher, B.A.Oxon. Foreword by Sir Robert Watson Smyth. Preface by J. C. Coyajee, M.A. (London) Longmans, Green and Co. 2s net.

Canada: *Natural Resources and Commerce.* Department of the Interior. (Canada) Natural Resources Intelligence Service, Ottawa.

New Industrial Era. By Sir Charles W. Macara, Bart. (Manchester) Sherratt and Hughes, 34 Cross street. 5s net.

Problem of the Rupee: Its Origin and its Solution. By B. R. Ambedkar M.Sc.(Econ.). (London) P. S. King and Son. 15s net.

Les Co-opératives de Consommation en France. By Bernard Lavergne. (Paris) Librairie Armand Colin, 103 Boulevard Saint-Michel. 5f.

Report of the International Peace Congress, December 10-15, 1922. (London) Trade Union Congress, 33 Eccleston square, S.W. 1. 2s 6d net.

Liberals and Labour. (London) St Clement's Press. 1d.

Lloyds' List Review of Shipping, Shipbuilding, and Commerce for 1923. Supplement to Lloyd's List and Shipping Gazette, December 21, 1923.

Contains 21 special articles by well-known writers, including Sir Ernest Glover, Sir Alan Anderson, Mr Edw. P. Farley, chairman of the United States Shipping Board; Sir Peter Rylands, and Sir Frederick Lewis.

Accounts of the Corporation of London, Year ending March 31, 1923, as Rendered by the Chamberlain of London (Treasurer). (London) Charles Skipper and East.

The Stock Exchange Official Intelligence, 1924. We are informed that the published price of the above work has been reduced from £4 to £3, and that if ordered by the 31st instant it can be obtained at the further reduced (subscription) price of £2 15s by members of any Stock Exchange, or by anyone who has assisted in the compilation of the work. Orders should be sent to Messrs Spottiswoode, Ballantyne and Co., Limited, 1, New street square, E.C. 4, by whom the volume will be published on March 25 next.

* "Palgrave's Dictionary of Political Economy." Vol. II. F to M. Edited by Henry Higgs. (London) Macmillan and Co., Limited. Price, 36s net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET.

December 27.

ACCOUNT.

December 28.

TOWARDS the end of the week, Stock Exchange markets took on a calmer aspect than they wore on Monday and Tuesday, when stock was turned out in quantities at a time, and the atmosphere of the House grew more and more tense with every hour that passed. The lifting of the clouds came about in natural sequence to the severity of the fall, which was overdone in a good many markets, and served to attract a few bold buyers, whose efforts to pick up stock at bargain prices helped to stem the tide of flatness.

The War Loan has been down nearly to 99, and practically everything in the Consol market went acutely flat. Half-a-million pounds, in a single line, changed hands of the new South Australia 5 per cent. scrip, the sale causing weakness, not in this stock alone, but in others of the same sort. A good deal of Conversion stock was also marketed. The mild recovery which occurred came about as a result of the cessation of selling, rather than from an inrush of new buyers. The market as a whole is hesitating; it is what the Stock Exchange calls tender.

Foreign bonds have been depressed, in spite of the greater hopefulness which develops on the Continent in the Franco-German relations. Chinese Sixes of both issues fell several points. Other Chinese bonds are lower. Peruvian preference fell abruptly, on closing by stale bulls disappointed at there being no revival after the dividend announcement. The French issues moved downwards, and Rio Tintos became conspicuously depressed on Paris realisations.

Home railways gave way because of Nationalisation fears should the Labour party be returned to power. Recovery ensued from the worst, but prices have given way on balance, the Undergrounds with the Heavies. The extensive programme of development outlined by the North-Eastern Railway had no effect upon the prices of the company's stocks. Grand Trunk Pacific debenture rose to 50 before it lost 2½ points. Argentine Railway stocks hardened, but fell back as real stock came to market. Brazilian Rails shared in the depression, and Mexicans further fell, in consequence of the insurrectionary movements, added to which the meeting on Wednesday did not throw much immediate light or consolation upon the outlook.

Rubber shares gave way, by reason of the inability of the market to resist the general conditions. Oil shares have been weak, a good deal of actual stock coming in. Tobacco and textile shares fell, by reason of the idea that, with a Labour party in power, any sort of trust or combination would be a mark for its attentions. Moreover, the British American dividend is well below anticipation. Hotel shares are lower, and breweries gave way. Wireless kept tolerably steady, though cable stocks shared in the all-round heaviness. Long strings of falls took place in banking and insurance shares.

The shipping market is dullish, though movements in this section have been comparatively light. Iron and steel shares showed a monotonous list of falls; prices here, however, as in various other industrials, finished the week well above the lowest levels touched during the period. Vickers, for example, enjoyed a smart recovery.

Kaffirs kept up tolerably well until the Rand Mines dividend, proving very disappointing, came as a wet blanket upon the market. Prices fell sharply, and although a rally occurred on Thursday, the result of the week's work is adverse to holders. Mining markets, as a whole, have been hesitating and shaky. The preliminary carry-over, which started on Thursday in the mining market, and yesterday in the general markets, gave indications of an increase in the bear account open in most speculative parts of the House. Members are disposed to think that the bulk of the selling by frightened folk has now been concluded, but that between now and the re-opening of Parliament markets will move uncertainly, though narrowly.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	..	269,927,045 ..	..	..
ISSUES OF THE WEEK—				
4% Treasury Bonds, by public tender, Dec. 14, £800,000, average price, £94 10s ..	..	756,000 ..	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WERE ENDED DEC. 15, 1923.

April 1, 1923, to Dec. 15, 1923, £13,550,000 .. Dr 100,000 .. Dr 100,000

To Shareholders only—				
North-n General Transport, 41,211 Pref. Shares, £1, at par ..	41,291 ..	41,291 ..	5,161 ..	36,130
Do 22,886 Ord. Shares, £1, at par ..	22,886 ..	22,886 ..	2,861 ..	20,025
Total to shareholders ..	..	64,177 ..	8,022 ..	56,155
Total offered for subscription to date in—				
1923 ..	£270,647,222			£573,675,680
1922 ..	573,375,650			388,978,303
1921 ..	377,741,985			367,548,656
1920 ..	365,672,862			1,036,069,951
1919 ..	1,035,734,130			1,393,381,441
1918 ..	1,358,840,901			1,318,596,030
1917 ..	1,318,596,010			585,436,853
Total offered for subscription for whole year—				
1922 ..	..	..	..	£573,675,680
1921 ..	..	..	..	388,978,303
1920 ..	..	..	..	367,548,656
1919 ..	..	..	..	1,036,069,951
1918 ..	..	..	..	1,393,381,441
1917 ..	..	..	..	1,318,596,030
1916 ..	..	..	..	585,436,853

Navarino Recovery, Limited.—Authorised capital £50,000, divided into shares of 2s each. This company was incorporated in November last to acquire a concession granted by a Greek Government for the salvaging of the contents of the Turco-Egyptian Fleet "which were sunk in 1827 at the Battle of Navarino." Apparently the company is going to pay £40,000 in cash for this concession "from the Greek Government and the contract with Mr Contos." The terms arranged with the salvage contractor are interesting. We are told that "a contract has been concluded with Georges Contos under which he undertakes at his own expense or with the co-operation of third parties to carry out the salvage operations under the concession so that the capital required for salvage operations is to be provided by the contractor subject to the right to call upon the company to make advances up to £4,000 against security of articles raised, such advances to carry interest at 10 per cent. per annum. After first deducting the Greek Government Royalties, as stated above, Mr Contos will retain 62½ per cent., 3½ per cent. is payable to certain parties in Athens, and the company will receive 34 per cent. of the value of all salvaged materials." These details appear in the Press in connection with an application to the London Stock Exchange for a share quotation. We should like to know how much of the £40,000 paid goes to Mr Contos. Since first good English pounds were expended in attempts to save the treasures of another lost Armada—that of 1588—we have learned by experience that propositions of this nature, however hopeful, are inherently speculative.

Redfern's Rubber Works, Limited.—Authorised and issued capital £200,000, divided into 80,000 7½ per cent. cumulative "A" £1 preference shares, 40,000 7½ per cent. cumulative "B" £1 preference shares, and 320,000 ordinary shares of 5s each. The company was incorporated in 1905 with a capital of £5,000 to take over the business of Messrs Redfern, manufacturers of rubber heels and soles for boots, &c. The consideration was £4,992, payable in 4,992 fully-paid shares. By special resolutions in 1913, the company was converted into a public company and acquired from T. C. Redfern the benefit of the provisional protection of three patents connected with a new fibrous product, the consideration being £25,000 payable in cash. In 1918 the cumulative dividend on the preference shares was increased from 6 per cent. to 7½ per cent., and the capital was increased in October of that year to £100,000 by the creation of 20,000 preference shares which were issued at par. In 1920 60,000 7½ per cent. cumulative preference shares of £1 each and 160,000 new ordinary shares of 5s each were created. Of these shares 40,000 7½ per cent. cumulative preference shares and 160,000 ordinary shares were issued to the existing ordinary shareholders by way of bonus, and the remaining 20,000 7½ per cent. cumulative preference shares were issued for cash between the months of February and December in 1920. By special resolution passed on August 8-24, 1921, the 80,000 preference shares created in 1918 and 1920 were in future to be known as "A" preference shares, and the remaining 40,000 preference shares as "B" preference shares; the "B" preference shares ranking for dividend next after the dividend on the "A" preference shares. These and other details are given in connection with an application for a London Stock Exchange quotation. Other information as to profits and assets and liabilities is, however, necessary before an investor can take an interest in the undertaking.

Sabie (Transvaal) Gold Mining Company, Limited.—Authorised capital £70,000, divided into shares of 5s each. Shares to the number of 160,000 have been issued, and are fully paid; another 84,000 shares are to be issued as fully paid in part payment of purchase price. The company has been

formed to take over precious metal claims in the Transvaal. The remainder of the purchase money is the sum of £4,000, payable in cash. We notice, amongst other details, that "the sum of £15,000 is payable to Guests Trust, Limited, as commission for placing the shares," and that "such sum has, in fact, been paid." This and other information is given in the Press in connection with an application to the London Stock Exchange. A very speculative proposition.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Week.	Latent Price.	Rise or Fall.		Price Week.	Latent Price.	Rise or Fall.
War 4½% 1925-28 ..	95½	95½	—	Aust. 6% 1931-41 ..	105	105	—
Loans 4½% 1925-45 ..	97	96	—	Canada 4½% 1920-25 ..	100	100	—
4½% 1923-42 ..	99½	99½	—	India 3½% Stock ..	65	65	—
Funding Loan 4% ..	87½	87	—	Do 7% 1926-31 ..	114½	114½	—
Victory Bonds 4% ..	91½	91½	—	Do 5½% 1932 ..	102½	102½	—
Conversion Loan 3½% ..	75½	75½	—	Do 4½% ..	86	86	—
Consols 2½% ..	56	55½	—	N.S.W. 5½% 1922-32 ..	100	100	—
Irish Land Stock 2½% ..	57½	56½	—	Nigeria 6% 1949-79 ..	112	112	—
Local Loans 3% ..	64½	64½	—	U. of S.A. 6% 1930-40 ..	105	104	—
				Victoria 5½% 1924-34 ..	101	101	—
				W. Aust. 6% 1930-40 ..	103	103	—

Banks.

Barclays B (£1, f.p.d.) 2½ ..	22½	22½	—	Nat. Bank of S. Africa 5½ ..	5½	5½	—
Chartered Bk of India 19½ ..	19½	19½	—	Nat. Prov. & Union of England (£20, with £4 paid) ..	11	10½	—
Lloyds (£5 with £1 paid) 3 ..	2½	2½	—	Standard of S. Africa (£20, with £5 paid) ..	10½	10½	—
Midland (£12½, with £2½ paid) ..	8½	8½	—	Westminster Bank (£20, with £5 paid) ..	17½	17½	—
Nat. Bank of Egypt (£10) ..	24½	24½	—				

Telegraphs.

Anglo-American "A" 23½ ..	23½	23½	—	Marconi Canada ..	1½	1½	—
Marconi Wireless ..	2	2	—	Marconi Marine ..	1½	1½	—

Foreign Government Securities.

Argentine 5% 1886-7 ..	100	100	—	Japanese 4½% ..	108	103	—
Austrian 6% Guar. 81x ..	82	82	—	Do 4½% 1910 ..	69	69	—
Belgian 3% ..	69	69	—	Mexican Cons. 1899 ..	59	55½	—
Brazil 5% Fund. 1914 ..	70½	70½	—	Peruvian Corp. Pref. ..	27	25½	—
Chilian 4½% 1895 ..	85½	85½	—	P.L.M. 6% ..	87	87	—
Do 7½% ..	106½	106½	—	Portuguese (New) ..	35	35	—
Chinese 5% 1912 ..	73	73½	—	Russian 5% 1906 ..	62½	62½	—
Egyptian 4% ..	75	75	—	Spanish 4% ..	100½	100½	—
French 5% ..	21½	21½	—	Seine (Dept.) 7% ..	100½	100½	—
Do 4% ..	21	20½	—	Siamese 7% ..	106	105	—
Greek 4% 1884 ..	45½	45½	—				

Colonial and Foreign Railways.

Antofagasta Cons. ..	86½	84½	—	Leopoldina ..	20½	20	—
B.A. and Pacific ..	72	71½	—	Mexican Railway ..	9	9	—
B.A. & Gt. Southern ..	80½	80	—	Do 1st Pref. ..	26	26	—
Buenos Ayres West. ..	72½	71	—	Do 2nd Pref. ..	17	17	—
Canadian Pacific ..	166	167	—	San Paulo ..	137½	135	—
Central Argentine ..	67	67	—	United Havana ..	79	79½	—

British Railways.

Great Western, Ord. ..	109½	108½	—	Southern, Ord. "A" ..	35	35½	—
London & North-Eastern ..	86	84½	—	Do "B" ..	11½	11½	—
5% Pref. Ord. ..	86	84½	—	Do Pref. Ord. ..	86	84½	—
Do Def. Ord. ..	32½	32½	—	Do Def. Ord. ..	38½	38½	—
London, Mid. and ..	103½	103½	—	Underground Electric (£10) ..	3	3½	—
Scottish, Ord. ..	103½	103½	—	Do "A" (1) ..	100½	100½	—
Metropolitan ..	75½	71½	—	Do Inc. Bds. (£100) ..	100½	100½	—
Metropolitan District ..	55	55	—				

American Railroads.

Chesapeake & Ohio ..	80x	80x	—	Southern ..	43	42	—
Erie ..	24	25	—	Do Non-cum Pref. ..	77	76	—
Do 4% 1st Pref. ..	33	34½	—				

Miscellaneous.

Aerated Bread (£1) ..	1½x	1½x	—	Imperial Tobacco (£1) ..	3½	3½	—
Amal. Cottons (£1) ..	1½x	1½x	—	Linggi Plants (£1) ..	1½x	1½x	—
Amal. Persian Oil (£1) ..	2½	2½	—	Lipton (£1) ..	1½x	1½x	—
Armstrong (Sir W.G.) and Co. (£1) ..	1½x	1½x	—	Lever Bros 7% Cmp (£1) ..	1½x	1½x	—
Ass. Ptd. Cement (£1) ..	1½x	1½x	—	Do 8% Cn A Pr (£1) ..	1½x	1½x	—
Barker, John (£1) ..	2½	2½	—	Do 8% Cn A Pr (£1) ..	1½x	1½x	—
B'ham Small Arms (£1) ..	1½x	1½x	—	Lister (£1) ..	1½x	1½x	—
Brazil Traction (£100) ..	45	45	—	Lochite Oilfields (£1) ..	1½x	1½x	—
British-American Tobacco (£1) ..	5	5	—	Lyons (J.) & Co. (£1) ..	48	48	—
Burnah Oil (£1) ..	4½	4½	—	Magadi Soda (£1 Ord.) ..	1½x	1½x	—
Castle (J. and P.) (£1) ..	3½	3½	—	Mexican Eagle (£10) ..	1½x	1½x	—
Courtaulds (£1) ..	3½	3½	—	Pekin (2) ..	8½	8½	—
Cunard (£1) ..	1½x	1½x	—	Rubber Plantations Investment (£1) ..	14	14	—
Dorman, Long (£1) ..	1½x	1½x	—	Shell Transport (£1) ..	3½x	3½x	—
Dunlop Rubber (£1) ..	1½x	1½x	—	Smithfield Argentine Meat (£1) ..	1½x	1½x	—
Fine Cotton Spinners (£1) ..	2½	2½	—	United Dairies (£1) ..	1½x	1½x	—
Forestal Land (£1) ..	1½x	1½x	—	United Berdang (2) ..	1½x	1½x	—
Furness, Withy (£1) ..	1½x	1½x	—	United Tobacco (£1) ..	3½x	3½x	—
Highlands and Lowlands Rubber (£1) ..	1½x	1½x	—	Vallambrosa (2) ..	1½x	1½x	—
Hudson's Bay (£1) ..	5½x	5½x	—	Vickers (£1) ..	1½x	1½x	—
				Watney Def. Stk. ..	172½	165½	—

Mines.

Brakpan (£1) ..	3½x	3½x	—	Knights ..	1½x	1½x	—
Broken Hill Prop. (8) ..	1½x	1½x	—	Modderfontein (10) ..	4½x	4½x	—
Chartered (£1) ..	1½x	1½x	—	Modderfontein "B" (5) ..	1½x	1½x	—
Crown Gold Fields (£1) ..	1½x	1½x	—	Modderfontein Deep (5) ..	2½	2½	—
De Beers Mines (10) ..	1½x	1½x	—	Premier Def. (26) ..	5½	5½	—
De Beers Def. (£2½) ..	1½x	1½x	—	Rand Mines (5) ..	3½x	3½x	—
East Rand Prop. (£1) ..	1½x	1½x	—	Selukwe ..	1½x	1½x	—
Geduld (£1) ..	1½x	1½x	—	Rio Tinto (£5) ..	31½	308	—
Gov. Gold Areas (£1) ..	6½x	6½x	—	Spring Mines (£1) ..	2½x	2½x	—

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

MINING OUTPUT STATISTICS FOR NOVEMBER, 1923.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Abbontiakoon.....	6,500	..	..	..	..	a) 14,146	..
Associated Northern— Iron Duke	666	..	..	..	..	2,000	135
Boulder Perseverance	..	..	..	..	..	..	5,333
El Oro	36,550	..	..	..	..	\$157,600	7,800
Globe and Phoenix	6,357	..	..	..	5,806	..	b) 11,853
Great Boulder Prop.	9,398	..	..	..	..	(a) 25,844	..
Ivanhoe	12,255	..	..	..	4,811	..	..
Junbo—Tip-Top	1,390	..	..	..	373	..	271
Lake View and Star	5,311	..	..	..	..	(a) 14,812	..
Mexican Corporation	105,822	..	..	..	..	..	\$107,191
Oriental Cons. (Oct.)	20,876	..	..	..	..	\$108,958	\$38,035
Oroville Dredging— Pato (14 days to Dec. 3rd) ..	..	..	..	..	..	\$17,002	..
Oroya Links	3,567	..	..	..	..	(a) 17,615	..
Planet-Arcurus	3,300	..	..	..	1,397	(a) 5,927	..
Prentess	7,000	3,192	..	..	..	(a) 13,900	..
Santa Gertrudis	7,455	..	..	..	..	..	\$17,335
Do Inversiones	42,810	..	..	..	..	..	\$18,600
Shamva	53,000	..	..	..	..	(d) 36,112	11,422
Sheba	5,114	..	..	..	1,306	..	..
South Kalgurli (Oct. & Nov.) ..	10,510	..	..	..	..	(a) 23,976	4,987
Taguach and Abosso	7,844	..	..	..	4,170	(c) 19,599	..
Tomboy	16,000	..	..	..	..	\$58,500	..
Transvaal and Rhodesian— Fred	1,500	..	..	..	..	5,283	..
Waibi Grand Junction	6,400	..	3,566 silver	..	2,145 gold	..	..

COMPANY MEETINGS, &c.

BANK OF MONTREAL.

SIR VINCENT MEREDITH'S REVIEW OF TRADE AND FINANCIAL CONDITIONS IN CANADA.

The 106th annual general meeting of the shareholders of the Bank of Montreal was held, on December 3rd, in the board room at the bank's headquarters.

On motion of Lord Shaughnessy, Sir Vincent Meredith, Bart., was requested to take the chair.

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

THE PRESIDENT'S ADDRESS.

Sir Vincent Meredith, in moving the adoption of the report, said:—

Our banking year has been one of many perplexities. Our profits, in common with banks at home and abroad, are not so large as during the war and succeeding years, but I feel sure it has been a gratification for you to know we have been able to pay our usual dividend as well as a 2 per cent. bonus.

The lessened profits are due partly to the fact that our customers have leaned less heavily upon us, but chiefly because we felt that in view of the possibility of untoward developments in the banking world, our cash reserves should be kept exceptionally strong to enable us to lend aid if and when called upon to do so.

There is also the incidence of much heavier taxation to be considered in connection with the balance-sheet. Our resources, however, are so large and our earning power so constant that I have no misgivings as to the maintenance of substantial profits.

THE BANK ACT REVISION.

The banking system of Canada has received an unusual degree of attention since our last meeting, partly in consequence of the failure of a small institution in the neighbouring province, and principally in connection with the decennial revision of the Bank Act.

It is unnecessary at this time to traverse again the denunciatory comments of creditless critics, the illusory schemes for enriching the country by unlimited printing press currency, or the peculiar tenets which regard banking as the instrument of capital and a public menace. Of all the radical remedies proposed to Parliament, practically none was new, nor had survived the test of experience, either in our own or other countries, and it was perhaps fortunate that at the very time currency inflation was urged, Germany presented impressive proof of the confusion, loss and privation occasioned by such policy.

The revised Bank Act embodies no novel principles. The powers and privileges of the banks remain very much as before, but provision has been made in the way of wider authority of auditors and heavier responsibility of directors, by which means it is hoped to strengthen the safeguards for depositors and shareholders. It is trite to say that however rigid the law, the solvency of banks—as, for that matter, of all business—depends upon the integrity, diligence and perspicacity of the management.

The amended Act continues to the banks scope for wide and helpful operation in finance and commerce, restrained by considerations of safety, but not so hampered as to prevent fair profits under prudent direction. In this connection it may be observed that despite the notion held in some quarters respecting the profitable nature of banking, capital has not greatly sought this source of investment. In the quarter century, from 1876 to 1901, the capital of Canadian banks remained stationary, and in the subsequent twenty years of rapid commercial development, less than \$60,000,000 was added. Banking resources, apart from deposits, have been derived for many years past more from accumulated reserve of profits than from the investment of new capital, a condition which it may become desirable to correct when trade expands, in order to maintain an adequate note circulation.

BUSINESS IN CANADA.

I regard the state of trade in Canada as having improved during the year. Statistical evidence supports this conclusion. Bank clearings, railway receipts, foreign commerce have all increased. Stability of commodity prices has been a favourable factor, encouraging confidence and inducing freer buying. The substantial decrease in unemployment—which has virtually reached the zero mark—is an unerring sign of better business.

AGRICULTURAL CONDITIONS

To crown all, a bountiful harvest has been reaped, the wheat crop greatly exceeding any former yield. In a country so vast

as Canada, variation in production is inevitable both in quantity and quality, but taking the harvest as a whole, it has been both abundant in yield and excellent in quality.

It is true that prices of cereals continue low, giving scant profit to grain growers, but even at prevailing quotations the enormous store of wheat gathered represents an amount of money the circulation of which should stimulate business, not alone in the West, but throughout the Dominion, and permit much liquidation of debts in agricultural areas.

With the relatively low price prevailing for wheat, a condition that may persist for some time, it seems imperative that our western farmers should at once proceed to diversify their crops and enter upon dairying, hog, and poultry raising, if only for their own needs, a course now followed in many of the Western States with marked success.

With our vast, sparsely settled areas, where the lack of companionship is keenly felt, I believe that if a trial were given by the colonising companies to placing settlers in communes or villages, as practised in France and other foreign countries, it would prove a popular as well as a successful venture.

IMMIGRATION.

There has come since we last met a little hope that the problem of immigration is in the way of successful solution. This is generally acknowledged to be the most important question confronting the country. This year a relatively large increase in the number of newcomers has occurred, and though the figures are still small, I am not without hope that the coming year will witness a material enlargement.

THE BURDEN OF TAXATION.

I make no apology for stressing again the desirability, one might even say the imperativeness, of moderating public taxation, federal, provincial, and municipal, in order to lighten the load pressing upon business and deterring development of resources. The margin of profit in all business is seriously curtailed by the accumulation of taxation, a condition that retards enterprise and discourages thrift. In making this remark, I am not unmindful of some recent signs of improvement. The rising revenue of the Dominion Government promises a balanced Budget at the close of the fiscal year, and if out of this, with further reduction in expenditure, comes some remission of direct taxation upon trade, it will undoubtedly operate to the general advantage.

THE RESERVE OF READY MONEY.

The prompt response to the recent appeal of the Finance Minister for a loan to retire the maturing Victory Bonds is gratifying evidence of the ready resources of the Canadian people. Subscriptions aggregating \$200,000,000 made within a week is an event scarcely less notable than the successful launching of large loans during the war; yet even this formidable amount represents less than one-half the investment made during this year in public securities by the people of Canada, more than \$400,000,000 of which have been absorbed. We are beginning to do our own financing, though possibly the reluctance to engage in new business enterprises may have been a factor in the large accumulation of ready money available for investment.

OUR FOREIGN TRADE.

Despite the disorganised state of European markets, the foreign trade of Canada has been gradually expanding. In the seven months ending October 31st, the aggregate of this trade amounted to \$1,094,564,000, a gain of \$172,864,000, or about 18 per cent. over the corresponding period last year. The enlargement of imports began in August of 1921, and has since continued without interruption, while in lesser degree exports have followed the same course. This healthy and hopeful sign of recovered trade derives additional significance from the fact that it is not the consequence of rising prices, but of augmented quantity movement. A satisfactory aspect of our foreign trade is the sustained excess of exports over imports, the favourable balance in the last seven months having been \$13,222,000, and for the year \$82,000,000.

THE NATIONAL RAILWAY.

It is a satisfaction to learn from the published reports that under the new management the National Railway's earnings show a surplus over working expenses in the operations of the first nine months, which may be appreciably increased by the close of the year.

This surplus is chiefly derived from improved earnings on the American branches of the railway.

It must not be overlooked, however, that the company has issued bonds during the year, guaranteed by the Dominion Government, amounting to many millions, which constitute an obligation of Canada for interest as well as principal, so that a material portion of surplus operating revenue will be absorbed by new capital charges.

THE QUESTION OF INFLATION.

The relative prosperity of business in the United States and Canada in the last year or two is both a cause and effect of the greater stability of prices. A falling market is fatal to trade. Manufacturers will not extensively produce, nor merchants freely purchase when prices are declining, of which fact there was abundant evidence during the late deflation. Criticism is sometimes made that restriction of bank credits produced the sharp reaction from the post-war boom, and the opinion has been expressed that an extension of these credits would give impetus to business. I may point out that the recurring cycles of commercial ebb and flow are not regulated by credits or currency but by a higher economic law. It is as impossible to obviate trade depression by persistent emission of currency as to quench a conflagration with oil, of which truth Germany affords an illuminating example. Bankers restrict credits under compulsion of circumstances, not less in their own interests than in that of their customers. When, however, prices have become stabilised in the world's markets and there is reasonable assurance of the continuance of that condition, no undue restriction is placed upon credits, nor dependable borrowers turned empty-handed away.

In my opinion, further deflation would incur the risk of depressing industry and would not be in the interests of the country at this juncture. The ultimate goal to which our financial policy must be directed should be the gold parity, but under existing conditions we must make haste slowly.

THE BUSINESS OUTLOOK IN CANADA.

The outlook in Canada, as I see it, is for a continuance of reasonably satisfactory conditions, with possibly some further revival in trade, but we cannot hope for substantial and permanent betterment until world-wide conditions show a marked improvement, and this is likely to take time.

THE GENERAL MANAGER'S ADDRESS.

Sir Frederick Williams-Taylor, the general manager of the bank, then made his annual address as follows:—

Mr Chairman and Gentlemen:—

The one hundred and sixth annual balance-sheet of the bank is now before you for your consideration, and, in accordance with custom, I shall comment upon the changes therein during the year, also upon the conditions under which we have operated, and which have had a bearing on our affairs and affected our welfare.

It has been a trying year for Canadian bankers, probably as trying as any year since Confederation in 1867. In Canada, as elsewhere, as a consequence of the loss and distress resulting from the disorganisation of business and industry, a spirit of unrest has developed among groups of individuals, inclining them to listen to the vain pretensions of agitators promising quick relief from ills which only time and adherence to sound business principles can cure. Nevertheless, we are better off in this respect than is the case with others in many countries; it is a passing phase, nothing more.

Also, at this particular juncture economic and political confusion abroad necessarily reacts upon this country to an important extent, while it seems more than ever apparent that for all time our economic welfare must be under the special influence of conditions in the United States of America. It is so important to bear this in mind that I may be excused if I repeat the remark contained in my address to you a year ago: Canada cannot progress as she should until our cost of living and our taxation are less than across the line.

Canada's economic position will not be satisfactory until we succeed in balancing our public revenue and expenditure, including railways.

For the time being we are handicapped in three distinct respects, two of which are common to all countries engaged in the war from the beginning, and at present endeavouring to balance their budgets, viz., high cost of living and high taxation. Further, Canada is suffering from lack of adequate population.

As the first two handicaps diminish we shall doubtless attract a greater volume of immigration, and, what is still more important, we shall retain the people who come, as well as our natural increase. Therein lies economic salvation for the Dominion. The remedy is in our own hands, and is practicable. We have only to conduct our personal and public affairs more economically than do our neighbours in that most wealthy and free-spending of all countries, the United States.

Adversity is a severe teacher, but out of our trials of the last two years surely good will come.

CANADA'S PRICELESS ADVANTAGES.

Meanwhile we must not lower our Flag, nor is there any occasion for doing so. Canada has priceless advantages as a place to live in, to work in, and to play in. These should be obvious to all—as indeed they are to our friends in the United States, who now have \$850,000,000 or more commercially invested in Canada—and they will without question attract to us in the fullness of time the people we need.

Prosperity in full measure cannot, however, return to this country until agriculture, our chief industry, becomes again more profitable. The lot of the farmer in the last few years has been hard, owing to low prices for products and high cost of requirements. This unfortunate state of affairs still persists. It is the result of world-wide, not local, conditions, and is by no means confined to Canada. Agriculture, however, cannot be permanently depressed. In the nature of things an improvement is bound to ensue, but the burden in the meantime bears heavily upon this vital industry. For your information, of this bank's current loans in Canada upwards of \$33,000,000 are to the agricultural community.

Quite apart from bad debts, however, the commodity in which banks deal, viz., money, commands no better price in Canada than before the war, while the price paid the depositor is the same. The margin, therefore, between what money costs us and what we receive for it is unchanged, while the cost of operating has increased greatly. For these reasons net banking profits are necessarily diminished.

FEWER FAILURES.

Business failures in Canada and Newfoundland during the year ended October 1st last numbered 3,482 with liabilities of \$71,500,000, as compared with 3,571 failures with liabilities of \$73,500,000 during the previous twelve months.

As a result of lessened business activity our own current loans in Canada are less by \$8,000,000 than a year ago. This means a lower earning power, because the funds so released have to be invested in gilt-edged securities, or employed in call loans in New York and London, upon which we receive a lower rate of interest.

I may say that the loaning department of our business is scrutinised with unremitting care by the bank's executive and by our board, and, so far as can be judged, specific and full provision has been made for all revealed and possible losses.

Our total deposits show a net decrease for the year of \$26,000,000. This is accounted for by the withdrawal of certain large Government and corporation balances, which were required during the year for special purposes. I am pleased to report a steady and satisfactory growth in our savings deposits, which have increased by some \$22,000,000 since our last annual meeting.

Interest-bearing deposits of all the banks, which for the most part represent personal savings, have gained \$10,000,000 in the same period, this notwithstanding the flotation in Canada of a new \$200,000,000 Dominion Government refunding loan, and the activities in some districts of provincial savings banks.

INCREASED INVESTMENTS.

Our investments now stand at \$103,000,000, an increase of \$45,000,000 during the year. This increase is in the form of gilt-edged securities readily realisable, so that we shall be in a position to meet the borrowing requirements of our customers when the country enjoys a return of industrial activity.

As an indication of the expenses your bank is under in the matter of taxation I may say that our Dominion, provincial and municipal taxes in Canada during the bank year amounted to no less than \$1,300,000, in addition to which we paid full income-taxes on our earnings in New York and London and elsewhere abroad.

In order to provide better facilities for a number of influential customers, and at their earnest request, we opened a branch at Puebla, the capital of the State of Puebla, and the centre of a rich agricultural district and headquarters for a number of important industries.

The growth of our business in Mexico City has necessitated the moving of our branch to larger and more commodious quarters in the centre of the financial district. The staff now numbers 122.

In September last the Mexican Government was accorded formal recognition by the Governments of both the United States and France.

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

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

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

ANGLO-PERSIAN OIL COMPANY, LIMITED.

INTERESTING REVIEW OF COMPANY'S POSITION AND PROSPECTS.

CONTINUED INCREASE IN PRODUCTION.

CHAIRMAN'S REPLY TO CRITICS.

The fourteenth ordinary general meeting of Anglo-Persian Oil Company, Limited, was held, on the 17th instant, at Winchester House, Old Broad street, London, Sir Charles Greenway, Bart. (the chairman), presiding.

The secretary (Mr John Clark) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Ladies and gentlemen,—When I last had the pleasure of addressing you I was hopeful that we would at least be able to maintain our previous dividend. Unfortunately, however, owing to disappointments we have had in connection with the throughput of our refinery at Abadan, this is not the case. Nevertheless, the results shown by our accounts may, I think you will agree with me, be regarded as satisfactory, bearing in mind these disappointments and the fact that we have—following our usual conservative policy—made very full provision for depreciation and for any writings down that are necessary in connection with our prospecting and testing operations, both in Persia and in other parts of the world, in our search for further sources of supply.

The dividend on the ordinary shares that we have recommended is 10 per cent. The profits made might have justified a higher dividend, but in view of the desirability of conserving our financial resources as much as possible, owing to the smaller revenue resulting from the failure of our Abadan refinery to realise its estimates, we have come to the conclusion, after full consideration, that the dividend we have recommended is all we should, with prudence, pay.

CURRENT YEAR'S PROSPECTS.

As to prospects for the current year, prices of our main products have, as you are all aware, declined materially, and our Abadan refinery has, as I have already mentioned, so far failed to obtain the throughput for which it was designed. On the other hand, we shall gain some benefit from increased production, which, though not up to original estimates, will be substantially in excess of the year for which the accounts are now before you, and also there will be some set off against the lower prices consequent on the reductions which we have been able to effect in our costs of distribution—partly as the result of the larger turnover, and partly owing to the general decline in costs of all kinds which has taken place during the past 12 months. So far as it is possible to judge, however, I am afraid that we cannot look for any improvement in results for the current year. In the following year, however, we may, I think—subject, of course, to there being no further decline in the prices of our products—look for a very substantial improvement, as the Abadan refinery should then be on a full working basis, and the refineries which are being erected in Scotland and Australia by associated companies will, as mentioned in the report, be completed and in full operation.

COURSE OF MARKETS.

As to the future course of the markets for petroleum, it is, of course, always dangerous to prophesy. Last year when I addressed you there was every indication of a speedy recovery in prices because of the serious falling off in the production in Mexico, but this was later on more than counterbalanced by a very large increase of production in the United States, the country which only quite recently was predicting the speedy exhaustion of its fields, and claiming on that score a large participation in every other known oilfield in the world. Now again, however, the production in that country has begun to fall off, and it would seem pretty certain that we are not far off the point at which demand will again overtake supply. If one follows the course of the world's production and of prices over a long period of years, it will be seen that there is in oil, as in most other commodities, an automatic action and reaction, accounted for by the fact that a period of high prices gives a stimulus to production in the poorer fields, where producing costs are high, which for a time causes the supply to overtake demand, and that a period of low prices has the contrary effect. The over-production of to-day is the direct result of the abnormally high prices current during and immediately subsequent to the war. The low prices current to-day must inevitably, in their turn, lead to the cessation or reduction of drilling in these poorer fields—the oil from which forms in the aggregate a large proportion of the world's total supply—and to the consequent reduction of the quantity of oil produced to a point at which supplies will again be overtaken by demand. This swing of the pendulum in oil is a

certainly, but whether the return swing, in the direction of demand overtaking supply and consequent higher prices, has now commenced or not is largely a matter of opinion. My own is that it has, and that the unexpected increase of production in the United States resulting from the stimulus given by the abnormally high prices of three or four years ago was only a temporary check, which is now nearly, if not quite, exhausted, while the fact that the world's consumption of oil products is yearly increasing by leaps and bounds must necessarily accentuate the reaction towards a recovery in prices.

BALANCE-SHEET ITEMS.

In the balance-sheet the amount of capital issued shows an increase on the previous year of a little over £2,200,000—the proceeds of the recent issues of ordinary shares, less calls previously paid. The amount of debenture stock outstanding is reduced by £125,000, the amount redeemed during the year. The employees' provident pension and insurance fund shows an increase of about £260,000, and now stands at the very gratifying figure of over £816,000. The loan from bankers shown in the balance-sheet is a temporary floating loan which we have arranged as an alternative to issuing further capital. I will refer to this later on, but in the meantime I may mention that the amount outstanding to-day in respect of this loan is only about one-third of the sum shown in the balance-sheet. The reserves, which have been augmented by the premia realised on the last issue of ordinary shares and by a further allocation of £100,000 to the debenture redemption fund, show a net increase of about £500,000, after withdrawing from them £1,830,000 for the purpose explained in the report.

DIVIDENDS.

The balance at the credit of profit and loss account, after paying dividends on the preference shares for the half-year ended September 30, 1922, was £2,993,051. Out of this we have since paid a further £437,500 in respect of preference dividends for the half-year ended March 31, 1923, and the dividend of 10 per cent. on the ordinary shares will absorb £777,763, leaving a balance of £1,777,788 to be carried forward. This balance is again a very large one, but it is, as before, subject to such excess profits duty as we may be liable to pay for the year ended March 31, 1921, and also to corporation profits tax for the year ended March 31st last. What the ultimate liability in regard to the first of these items may be is still uncertain, but whatever it may be both it and the corporation profits tax are much more than covered by the balance carried forward.

We have made no further allocation from profit and loss account this year for concession amortisation reserves, because the cost of the concession has already been written down to a very low figure. Neither have we made any appropriation to general reserve, because this fund has now been applied to the main purpose for which it was originally created—namely, to the writing down of certain investments and expenditure connected with our prospecting and drilling operations outside of Persia, and to making a special provision against others which are still in course of examination and may not prove to be capable of successful commercial exploitation.

On the assets side, the first item—namely, "Purchase price of concession, shares in and advances to associated companies, &c."—shows an increase for the year of about £6,000,000, this representing principally further advances to associated companies to meet capital outlay which has been incurred during the year in connection with additions to our fleet, refineries and distributing organisations. The contingent liability of £1,961,904 referred to in small type will to a large extent disappear in the near future, as the principal item included therein is no longer a real liability, and steps are being taken to extinguish the bulk of it. The next item, "Refineries, tank installations, pipelines, &c.," shows an increased capital outlay for the year in respect of these assets, after allowing for depreciation, of about £1,100,000.

FALSE RUMOURS.

A good deal of loose talk has, I am sorry to say, been current during the past few months as to the financial position of the company. Statements have been made in the Press—and even under cover of the sanctity of Parliamentary privilege—as to "colossal losses" which we are supposed to have made. The past and present published accounts of the company and the full information

which I have given you from time to time, and which I am continuing to-day, as to the policy of the company are, and should have been to those who made them, whether innocently or for ulterior motives, sufficient refutation of these ridiculous suggestions.

Colossal expenditure, both of a capital and revenue character, there has, of course, been, because this is a colossal company—the biggest British industrial concern, I believe, measured by the widespread extent and value of its assets, which exists in the Empire to-day, notwithstanding that we have only been in existence for 14 years, and that our chief developments have been made during a period of difficulty without a parallel in commercial history, but the whole of this expenditure was legitimate and absolutely essential to the building up and maintenance of our business as a self-contained organisation, in accordance with the policy laid down when the Government entered into partnership with us.

The basis for some of these attacks upon us has, no doubt, been the common knowledge that we have incurred a considerable amount of expenditure in connection with our prospecting and drilling operations in the Argentine and other countries outside of Persia, and that a good deal of our recent capital expenditure in additions to our fleet, pipelines, refineries, &c., was incurred at a time when costs were much higher than they are to-day.

The expenditure we have incurred in respect of the first of these two items can, so long as it is met out of current profits from year to year, and so long as it does not bear an undue proportion to the amount of the profits earned—a principle which we have invariably strictly followed—no more be regarded as "losses" than can the money which a farmer expends in putting manure on his land or seed into the ground. No prudent business man—be he merchant, manufacturer or tradesman—takes all of his profits year by year out of his business, since in most cases if he did so it would quickly die of inanition, but retains some portion of them in the business for the purpose of endeavouring to maintain or expand his operations. This, gentlemen, is the policy we have been following, in common with every other considerable oil undertaking, in regard to our search for further oilfields, both inside and outside of Persia, and it is, I am sure you will all agree with me, an absolutely sound one and essential to our future welfare.

"A NECESSARY FORM OF INSURANCE."

In this connection I would like to point out that the expenditure which we have incurred in prospecting and drilling outside of Persia is no different in character from that which we have been incurring in similar operations inside the area of our Persian concession ever since our company was formed. Both were for the purpose of augmenting our reserves of crude and of making the future of the company more secure, and in respect of our Persian prospecting and testing operations, some of which have also been barren of result, we have in past years expended, and are still expending, very large sums, all of which are, of course, duly written off from year to year out of profits, just the same as is being done in the case of the expenditure incurred in connection with our outside operations. Expenditure of this nature is inevitable in the oil business if properly conducted and if carried on. It is, in effect, a necessary form of insurance against the falling off in production or exhaustion of any particular proved field, but to avoid misunderstandings I would add that our search for oil in other parts of the world has not been undertaken through any want of faith in the potential life or richness of the fields we are now working in Persia—which year by year give increased indications of productivity—or in the existence in Persia of other fields of equal extent and richness, but owing to the desirability of securing supplies of crude in other parts of the world and thereby broadening the basis of the company, having in view the worldwide character of the refining and distributing organisations which we have had to create in order to dispose of our present Persian production.

No one who has had the least experience of the oil business would ever dream of expecting that every prospecting and drilling operation carried out in the search for additional sources of supply would lead to the finding of a paying field. Everyone knows that the only real test of the value of a field is the drill. As most of you are aware, geology is not an exact science, so far as defining whether oil is, or is not, present in commercial quantities in any given area of supposed petroliferous territory, and we should consider ourselves very fortunate indeed, and the expenditure connected with them as amply justified, if only one out of every ten of our test drilling operations resulted in the proving of a remunerative field; but you will be pleased to learn that, as a matter of fact, the operations which we have been carrying on have, so far, considerably exceeded this proportion of successes, and that the new territory so far proved as the result of these operations is of a value far in excess of the amount expended on the whole of our testing operations since our company first came into existence.

TANKERS AND REFINERIES.

I will now deal with the other direction in which it has been suggested that we have made enormous "losses"—namely, in our capital expenditure on tankers and refineries. It is true that we could replace some of these to-day at a much lower cost, but to describe this difference as a "loss" is ludicrous, because they were, and are, essentials of our business, just as much as the plough which a farmer buys to till his land or the carts to carry his crops, and had we delayed ordering them until now in order to avail ourselves of to-day's lower costs, we should have been still worse off; for, in the case of the tankers, we should either not have been able to produce the oil that they have carried at all, and, therefore, have lost the profits we have made on it, or have had to pay ruinous rates of freight on it to other tanker owners; and, in the case of the refineries, not have been able to refine the oil at all, and also have been minus the profits we have made on it. In both cases we should undoubtedly have been in a worse position financially than we are to-day, and, moreover, our whole scheme of creating a self-contained organisation capable of carrying on the oil business in all its branches would have been upset and delayed for three years or more.

Our tanker fleet is, in effect, only an extension of our pipelines, both being for the purpose of transporting our oil from the wells to the consuming markets. And our fleet of tankers is just as much an essential of our business as a whole as our pipelines, our refineries, our distributing organisations, our motor lorries, or even the tins in which we deliver our petrol to the consumer. As a matter of fact, however, even looking at the cost of our fleet from the point of view of a shipowner, the position is by no means unsatisfactory, for not only have we always written off the customary depreciation, but we have from year to year written off large sums of extra depreciation, with the result that its cost (and it is practically a new fleet) now stands in our books at a very moderate figure, and any difference between this figure and the probable replacement cost to-day is fully covered by our reserves.

VALUE OF THE ASSETS.

With these explanations you will see how unsubstantial are the rumours to which I have referred, but as they appear to have gained a certain amount of credence, and not unnaturally have caused some uneasiness among shareholders, I will go further and say with confidence that the balance-sheet now before you is one of the finest and most conservative ever placed before any body of shareholders, and one of which we have every reason to feel proud. All assets which have depreciated in value have either been written down or reserved against to their replacement value, and, following the practice of all soundly conducted industrial concerns, not a single one of the assets which have appreciated has been written up by one penny. And were the whole of the assets of the company taken at their true value to-day they would, in my opinion—at a modest computation—stand at from two to three times the figures represented in the balance-sheet now before you.

One other explanation which I think it my duty to give you is this. The expenditure of a capital nature during the past three years by the Anglo-Persian and its subsidiary companies has amounted to a total of about £32,000,000—not the modest £10,000,000 which we are accused of having laid out in that period, but £32,000,000, which sum is represented by a vast amount of property all essential to the proper and economic working of our business—wells, pipelines, pumping stations, whole towns occupied by our employees, refineries, a railway, our tankers and a large flotilla of smaller steamers, tugs, barges and other river and harbour craft, a vast amount of tank storage, ocean and inland bunkering and distributing installations, &c., &c., in all parts of the world. Out of this amount only £12,000,000 was provided for by the new capital issues (including premiums) made during those years. Of the remainder, no less than £20,000,000 was met out of earnings during that period, and £6,000,000 out of funds which we had in hand at the beginning of the period. The remainder has been financed on terms much more favourable than those on which we could have raised new capital. This proof of the extent to which we have been building up our present vast concern out of revenue will, I am sure, be a pleasing surprise to most of you, and be a further confirmation of all I have said as to the sound position of the company and the conservatism of the policy which we have been following in regard to our finances.

RECORDS REFUTE RUMOURS.

With regard to the attacks which have been made upon the administration of the company, I do not think it necessary to enter into any defence beyond the explanations I have already given to you. The object of these attacks is self-evident, but the successful records of the company and the facts I have given to you to-day more than refute the gross mis-statements and criticisms of our would-be detractors. All successful concerns arouse the jealousy and envy of others—the more so an oil company such as ours, which, in the fact of great difficulties and opposition, has made itself a potent influence in the world's markets. That it has shown such satisfactory results as it has, notwithstanding these difficulties, and despite the fact that it is supplying the Navy with a large

proportion of its fuel oil requirements at a very favourable rate, are evidences which speak for themselves.

SALE OF GOVERNMENT SHARES.

I might here also refer to another rumour affecting our company, confirmation of which has actually been given in the House of Commons by the Chancellor of the Exchequer. I refer to the rumour that the Government are considering the disposal of their Anglo-Persian shares, and thereby of their control of the company. We, of course, would not normally be interested in such a daily occurrence as a transaction in our shares, and no more in this case than in any ordinary case have we any control over the sale of his shares by one of our shareholders. You will recognise, therefore, that we are in no way parties to such a proposal, nor have we as a board been consulted, or need we be consulted, by this particular shareholder any more than by any other ordinary shareholder contemplating a sale of his shares. I am consequently not in a position to give you any information of a definite nature in the matter. I understand, however, that no decision in the matter has yet been arrived at, but you can take it, I think, that no sale of this nature will be effected without the interests of the other shareholders in the company being fully protected.

Some curiosity has been expressed as to whether or not we shall require to make any further capital issues. As mentioned last year, and as I have further explained to-day, we have been, and still are, meeting our capital requirements to a large extent out of revenue, and we see no reason at present for anticipating that this source will not suffice for all our requirements. In any case, should any further finance be required in connection with the carrying out of our present programme, it will be only of a temporary nature, and to meet this it is not considered necessary by the board to commit the company to any further permanent obligations of a burdensome character. It is, however, open to us under the articles of association, should the need at any time arise, to create an additional £5,000,000 of debenture stock.

REFINERIES.

As you will have seen from the report, the refinery at Llandarcy continues to give satisfactory results, and the throughput shows a steady increase. Mention is made of the plant which has been installed there for the purpose of full refining—that is, not only for the manufacture of petrol, kerosene and fuel oil as at present, but also for the manufacture of lubricating oils, wax and other by-products. We have delayed installing the necessary plant until our research chemists had been able to advise us, after thorough investigation and many practical experiments, as to the products which would give the best results and the best types of plant for the purpose. These investigations have recently been completed, and the plant necessary for dealing with a portion of the throughput on this basis has been installed, and is to some extent now working.

The refinery which has been erected by one of our associated companies in France has been completed, and is working satisfactorily, and the refineries which are being erected in Scotland and Australia by other associated companies are also on the point of completion, and will shortly be affording us further outlets for our supplies of crude.

So far the record of our refineries is satisfactory, but at our Persian refinery—Abadan—I regret to say that we have, as I have mentioned before, again had some serious disappointments.

With regard to the operations of Scottish Oils, Limited, I regret to say that the heavy fall which has taken place in the prices of products has seriously affected the position of the shale industry, which at the moment is being conducted at a heavy loss. This loss is offset to some extent by the profit which is being made on the refining of Persian crude oil.

PRODUCTION.

I now come to the most important branch of our business—namely, production—on which the whole future prosperity of our company is based, and in this connection I am pleased to say that I have again nothing but good news to give you.

So far as our original producing areas in Persia are concerned, I can only confirm my statements at these meetings in previous years as to the wonderful manner in which the production of the wells is standing up. With increased pipeline facilities, which are now fully completed to handle the 5,000,000 tons per annum referred to by me on previous occasions, we have been able gradually to open out other wells with most gratifying results. These wells, I should explain, are not by any means opened out fully to the pipelines, and I hesitate to place any figures on maximum capacities if they were allowed to produce "all out." It may suffice if I say that in several cases the capacity of F7 (to which I have frequently referred and which is still producing 12,500 barrels daily, and has now produced a total of no less than 5½ million tons) has been largely exceeded.

The development of production is best shown by continuing the table of figures which I gave you last year, namely:—

	Tons.
Production for 1918-19 was	1,106,415
" 1919-20 was	1,385,301
" 1920-21 was	1,743,557
" 1921-22 was	2,327,221
" 1922-23 was	2,959,028

as compared with my estimate last year of 2,900,000 tons.

For the current financial year it will probably amount to 3,775,000 tons, and for the following year it should amount to well over 4,500,000 tons.

TEST DRILLING RESULTS.

During the year we have in Persia been continuing our policy of putting down test wells on the confines of our proved areas, with the result that we have again considerably extended the area of our proved territory in Maidan-i-Naftun and Maidan-i-Naftek, and a test well which we have put down in an adjoining valley called Maidan-i-Bibian has, we have been advised during the past few days, proved a further considerable area, by bringing in a well which is reported to have a capacity of at least 5,000 barrels a day. This development is of the first importance, as it has opened up an extensive addition to our present reserves, and it is quite conceivable that it will add another area to our producing territory in this part of our concession at least as large as Maidan-i-Naftun.

In the report now in your hands reference is made to the discovery of a new oilfield in an entirely different area. This field is a considerable distance from any of our existing working fields, and as it would require the laying of a new and costly pipeline it is not intended to work it until we have ascertained more exactly its extent and productivity. The first test well which was put down in the field is giving daily production of 1,000 barrels under heavy pressure—which most producers would consider ample testimony of a proved field justifying immediate development—but we prefer a more cautious policy and shall await the result of some further test wells which we are putting down before embarking on any large expenditure in connection with it.

At present we have altogether 17 test wells drilling on outside areas in Persia on structure considered by our geologists to be externally promising and conveniently adjacent to our existing pipeline system on to the seaboard. If extensive seepages and favourable structures can be regarded as potential oilfields, these should add largely to our crude oil reserves; but in oil drilling predictions are dangerous, and, as I have already indicated, we may consider ourselves fortunate if only a small proportion of these result in proving the existence of paying fields.

As regards our testing operations outside of Persia, our tests in Hungary and Croatia have so far both failed to confirm geological predictions, but we have not yet decided upon abandonment.

In the Argentine two of our tests—namely, those at Santa Cruz and Neuquen—have also not fulfilled our geologists' anticipations, and have been abandoned. At the Comodoro Rivadavia the small wells referred to in my speech last year are still producing, but not in sufficient quantity to lead us to hope that production on a scale that would justify commercial exploitation under existing conditions in the Argentine will be obtained. We are, however, now awaiting the results of drilling in five wells after cementation. In the event of these wells being satisfactory producers, the whole question of our holdings and of the regulations now in force will be discussed with the Argentine Government, who have, I am pleased to say, shown us every courtesy and consideration. On the other hand, if the five wells above referred to fail to find oil in satisfactory quantities, we shall reluctantly be compelled to withdraw from our testing operations in that country, and, as you will have seen from the report, we have made due provision for this contingency.

Test drilling still continues under difficult working conditions in Papua on behalf of the Commonwealth Government, who are naturally keenly desirous of developing the oil resources of the island. So far operations have been impeded by heavy gas pressure and a heaving mudstone formation, but we are not without hopes that these difficulties will be eventually overcome.

During the year the British Tanker Company's fleet has been working very satisfactorily. Seven new tankers have been added to the fleet, and one old boat has been sold. The total fleet belonging to the company and its subsidiaries, including river steamers, barges, launches, &c., now numbers 240 vessels of all sizes and descriptions.

The Rt. Hon. Lord Inchcape, G.C.M.G., K.C.S.I., K.C.I.E., seconded the motion.

A brief discussion followed, during the course of which the chairman, in reply to a question raised, said that the payment of half-yearly dividends would be taken into consideration by the board.

The motion was unanimously approved.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

SATISFACTORY YEAR—INCREASED PROFITS.

The annual general meeting of the proprietors of the National Bank of Scotland, Limited, was held, on the 20th instant, in the bank's head office in Edinburgh, His Grace the Duke of Montrose, K.T., presiding.

In moving the adoption of the report, as published, His Grace said:

It is a pleasure to my board, and to myself, to submit a balance-sheet which I am sure you have again found satisfactory. The past year, however, has been a difficult one, on account of the continued trade depression which has extended over the whole country.

The settlement of the long-drawn-out dispute with the boiler-makers came as a welcome relief last month, not only to the ship-building industry, but to all allied trades, and now evidence is abroad of the beneficial effect of the agreement. There are apparently more enquiries by prospective builders, which gives an optimistic feeling.

As regards the balance-sheet, it is satisfactory to note that your directors have again increased the reserve fund by £50,000 on this occasion.

The note circulation, £2,476,487, shows a decrease of £178,142, and we observe somewhat similar decreases by other Scottish banks.

The bank's deposits, which have also again shown a contraction, are lower by £3,323,562, the amount at November 1st being £32,314,689.

Coming to advances to customers, you will note that the loans on Stock Exchange securities stand at £1,959,000, being a slight increase of £74,100 during the year.

The advances on working account have been increased by £765,456, which in a way would indicate that more money is being required for trade purposes, but the total amount is still considerably under the figures taken for similar purposes in 1920.

The increase of £5,166 in profits was not sufficient to warrant your directors in making any increase on the dividend, which they have resolved to continue at 16 per cent., less income-tax, this rate having now been maintained for the last eight years.

The question of the future of the staff is always prominently before your directors, and they have seen their way to allocate £75,000 towards the bank's pension fund and £10,000 to the bank's annuity fund.

His Grace, after making fitting reference to the resignation of the most Hon. the Marquess of Zetland, K.T., from his position as deputy-governor of the bank, moved that the report as printed be adopted, and this was seconded by Mr J. A. Cook, and agreed to.

Mr R. K. Blair, W.S., moved that the present governor be re-elected, and that the Right Hon. the Earl of Ronaldshay, P.C., G.C.S.I., G.C.I.E., be elected deputy-governor, and that the extraordinary directors, as noted on the report, be elected for another year.

Mr J. A. Cook and Mr James Mylne, who retire from the board at this time, were re-elected ordinary directors.

Mr Wm. Home Cook, C.A., Edinburgh, and Mr D. Norman Sloan, C.A., Glasgow, were appointed auditors for the current year.

IMPERIAL BANK OF PERSIA.

SUCCESSFUL YEAR—INCREASED BUSINESS.

CONDITIONS IN PERSIA—THE NEW PRIME MINISTER.

The thirty-fourth ordinary general meeting of the Imperial Bank of Persia was held on the 21st instant, at the Cannon Street Hotel, London, Sir Hugh S. Barnes, K.C.S.I., K.C.V.O., chairman of the company, presiding.

The manager and secretary (Mr Sydney Rogers) having read the notice convening the meeting, and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—I do not think I need delay you very long to-day. The report and accounts we have submitted to you, and which I assume you will take as read, show that we have had another successful year. The figures of the balance-sheet, so far as they differ from those of a year ago, indicate an increase of business; the profit and loss account is almost identical with that of last year, and you will see that we have again been able to announce a final dividend of 6s a share. There is, therefore, not much room for comment.

Events in Persia also, so far as the bank is concerned, have been of a more usual and ordinary character during the year under review; that is to say, up to September 20th last, but since that date there has occurred a political development which may have very important consequences. You will remember that when I addressed you last December, the Ghavam es Saltaneh was still

in power as Prime Minister, and it was expected he would hold his position for some time. His tenure of office did not, however, last very long. He resigned in the following February, and a new Cabinet was formed with Mostofi ul Mumalik as its head. This gentleman was in turn succeeded in June by Mushir-ed-Dowleh, who had been Premier in the early months of 1922.

THE NEW PRIME MINISTER.

Throughout these rapid changes of Government, which unfortunately have not been uncommon in Persia, the Sirdar Sepah, the Commander-in-Chief known to us as Reza Khan, was able to retain his position as Minister of War, and when, in October last, Mushir-ed-Dowleh decided to resign, His Majesty the Shah, who was about to leave for Europe, appointed the Sirdar Sepah to be Prime Minister in his place.

I alluded last year to the success which had attended the Sirdar Sepah's organisation of the army, and to the tranquillity throughout the country, which had resulted from his control of the military department. He will now have a far wider sphere for the exercise of his administrative ability, and though it is unwise for us to indulge in prophecies about Persia, especially at such a distance from the scene, still it does seem possible that with a loyal and popular soldier at the head of the Government, who is also in control of the army, Persia may look forward to a much more stable administration than she has possessed for a very long time. Much I expect will depend upon the support which the new Prime Minister is able to give to the reforms initiated by the American Financial Adviser. It seems to me that the military and financial departments are equally interested in these reforms, for unless law and order are maintained no improvement can be hoped for in the collection of revenue, and unless the revenue is largely increased it will be difficult to maintain the army at its present strength. With the Army Commander at the head of affairs, there is reason to hope that the two departments will heartily co-operate in the task of improving the finances of the country.

DR. MILLSPAUGH'S WORK.

So far as we have been able to ascertain, Dr. Millspaugh and his staff have made considerable progress during the past year. Expenditure has been cut down and brought under stricter control; all the sources of revenue have been explored, and the methods of collection revised, revenue inspectors have been appointed in most of the provinces, and efforts are being made to bring the assessment of the land revenue up to date. It will be interesting to see whether Dr. Millspaugh is able to balance his budget for the coming year. I have no doubt he will ultimately be able to do so if he is given adequate support and time to permit of the development of his reforms. We have not failed to shoulder our share of responsibility, for the bank has been able to give valuable assistance to the Government in the way of advancing them, on good security, fairly large amounts, repayable at fixed intervals, so as to enable the Financial Department to tide over the difficult period before the reforms come fully into operation.

It has been stated at previous general meetings that the Persian Government have always scrupulously kept their engagements to us, and my experience since I became chairman of the bank enables me to endorse the statement made by my predecessors.

You will probably have noticed that we have opened during the year two new branches in Persia, one, a small branch on the Caspian Sea at Barfrush, which we hope will assist in the re-opening of trade with Russia, of which there are indications; the other at Maidan-i-Naftun, that is to say, at the oilfields of the Anglo-Persian Oil Company. Both these branches were opened at the request of the financial adviser, who is anxious to make greater use of our provincial branches as Government treasuries in connection with the collection of revenue.

Another item of interest is that we have obtained rather freer powers outside of Persia by the grant of permission from the Government of India to open branches of the bank in India instead of acting through agents. A corresponding arrangement with the Colonial Office and the Iraq Government has enabled us to transform our two agencies in Mesopotamia into branches of the bank.

It is satisfactory to note that the trade of Persia for the year ended in March last has been well maintained. According to the returns received from the Customs department, the total imports for the year amounted to £12,368,228—a slight increase over the previous twelve months. The exports for the year were £14,678,456, a very considerable improvement. The oil exported by the Anglo-Persian Company, of course, figures largely among the exports.

BALANCE-SHEET AND PROFIT AND LOSS ACCOUNT.

With regard to the balance-sheet, you will, I think, agree that the figures show steady progress, and a return to a more normal employment of the bank's funds. You will notice that there are increases in the liabilities of the bank, namely, in the note issue under deposits, and in bills payable. On the assets side our cash

in hand, &c., has fallen to £2,275,000, or £460,000 less than last year, and the amount of our investments is also lower by £306,000. This means, of course, that we have less idle money, and that larger amounts are employed in our business. This is also shown by the increase under bills discounted, loans and advances to £2,982,623, an advance of nearly one and a-quarter millions over the figures of last year.

The profit and loss account needs no comment. We have again been able to put £30,000 to the reserve, which now stands at £370,000, and to pay a final dividend of 6s a share, making altogether 9s a share for the year, free of tax. This represents a gross return of 11s 9d per share, or just over 9 per cent., less tax, on the par value of our shares.

NEW FINANCIAL YEAR.

There is one paragraph of our report in regard to which you will probably be glad of some further explanation, namely, that which refers to our decision to close the financial year in future on March 20th instead of September 20th. I daresay all of you know that the Mohammedan New Year's Day, the Naurouz, is March 21st, and it has always seemed to me a little odd that the financial year of the State bank of Persia should not coincide with the Persian Government's financial year. The explanation is that our charter and deed of settlement were granted in September, 1889, with the provision that the first general meeting should be held in 1890, and thereafter once in every calendar year. The directors of that day, therefore, decided to begin from September 20th, the Persian half-year, and no change has been made since that time. Before the war this did not occasion much difficulty, but you will remember that during the war we more than once found it impossible to get our accounts home in time to hold the meeting before the end of the calendar year, and on one occasion our general meeting was actually deferred until the following March. Since the war, owing to the increase of our business, and the opening of additional branches both in Persia and also in Basra, Bagdad, and Bombay, we have again found our staff in Persia and ourselves very hard pressed in the matter of preparing our accounts for audit and completion in time to enable us to hold our meeting before the Christmas holidays. The advantages of the change we are about to make will be that in future the bank's year will coincide with the Persian financial year; it will also closely correspond with the English financial year, which will simplify the calculation of income-tax, and we shall have plenty of time to get home and complete our accounts, and to hold our general meeting some time towards the end of June or beginning of July; I feel sure, therefore, that you will approve of the change, and find it convenient.

NEW PREMISES.

There is one other matter I may mention. You will receive formal notice of it by a slip which will accompany your dividend warrants. We have at last decided, with some reluctance, to move to another office. The bank has been in Abchurch lane for the past twenty-seven years, and we shall make the change in our address with regret, but for some time we have been hopelessly overcrowded in our present office, to the great discomfort of the staff, and there is no possibility of obtaining extra room in the building we now occupy. We have been looking for a suitable new office for some time, and have at length decided on Imrie House, in King William street, not far from, in fact, nearly opposite, the Monument Station, where we have obtained a lease of the spacious ground floor and basements, which have recently been vacated by one of the overflow departments of the Bank of England. This will give us a light, airy and commodious office of modern construction, which will accommodate easily the whole of our staff and give us room for expansion if necessary, for the

lease includes the sub-basement and basement as well. We move to our new quarters on January 14th.

Mr V. A. Caesar Hawkins seconded the motion, and it was carried unanimously.

ORIENT STEAM NAVIGATION COMPANY, LIMITED.

AUSTRALIAN TRADE—SERVICE ACCELERATED.

The twenty-fourth ordinary general meeting of the Orient Steam Navigation Company, Limited, was held, on the 18th instant, at the company's offices, 3 and 5 Fenchurch avenue, London, Sir Kenneth S. Anderson, Bt., K.C.M.G. (chairman of the company), presiding.

The secretary (Mr R. T. Garrett) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that the profit on the year's working was £279,964, as compared with £275,015 for 1922, and the disposable balance was £342,533, as compared with £317,621. The directors proposed to pay a dividend at the same rate as in the previous year—namely, 12½ per cent., free of income-tax—transferring £100,000 to general reserve and £25,000 to underwriting account.

The running of the mail and passenger line to Australia in the year under review and in the previous year was not strictly comparable, since in 1922 they had only 12 mail voyages, as against 14 in 1923. Taking the average of the voyages, however, he was glad to record a fairly well distributed fall on the expenditure side, but unfortunately those economies had been accompanied by a decline in revenue affecting every section. The volume of outward cargo had, indeed, shown improvement during the past 18 months, but their rates were on a lower level, and the total number of despatches of all the lines engaged in the Australian trade remained far in excess of its requirements. Homewards also they had carried less and at lower rates all round.

PASSENGER TRAFFIC.

In passenger traffic the first saloon numbers had been fairly satisfactory, but the second saloon exhibited a noticeable falling off and the third-class a complete absence of elasticity. Whatever the measure of success attending the Imperial Conference in other regards there had not emerged from its deliberations any scheme which assured in the near future a marked quickening in the flow of migration. That was a great source of disappointment. Migration, though it could not provide a complete remedy for the unemployment problem in this country, might provide a material alleviation by enabling those who were perforce an obligation at home to become an asset in other parts of the Empire.

RATES REDUCED.

Passenger rates in every class had been substantially reduced during the year, and it was possibly a consequence of those reductions that some increased movement of first-class traffic began to be perceptible. They had lately given consideration to the design of their two new steamers and had decided to carry out a change of policy long contemplated by consolidating the entire saloon accommodation into one first class. The resulting economy in organisation and space, combined with a wider range of fares, would enable them to extend a higher standard of comfort without increased cost. The entire fleet would eventually conform to that change.

They had within the last month, spontaneously and without asking for an increase of subsidy, accelerated their ocean section of the Australian mail transit both outward and homeward. The service they gave was now in point of time the same as it had

been before the war, if allowance were made for the substitution of Toulon for Taranto and Fremantle for Adelaide as the ports of mail embarkation. With regard to their two new ships, the delivery of which had been delayed by the boilermakers' strike, their size was such that Tilbury would at present be unable to accommodate them. The Port of London Authority, however, had prepared plans for new wet and dry docks, locks and entrances at Tilbury for the accommodation of the new ships. The improvements projected there, combined with the new landing stage, would make London an adequate passenger port, but its geographical disadvantages, for which there was no remedy, rendered it doubly imperative that it should in other regards offer facilities equal to those afforded by other United Kingdom ports.

IMPERIAL SHIPPING COMMITTEE REPORT.

There had lately appeared a report by the Imperial Shipping Committee upon the economic size and speed of vessels in the Australian trade, and upon the subsidies necessary to maintain speeds in excess of such economic speed. That document, besides being of great general interest, had a peculiarly intimate bearing on the business of the company. While confirming the view that a mail service involved a cost incommensurate with the advantages accruing, it foreshadowed the possibility of securing the desired acceleration by means of an air mail between Great Britain and Egypt. The Committee's recommendations suggested a basis upon which the Government line could participate in the trade, while the Conference lines could acquiesce without sacrificing essential safeguards.

The Hon. Kenneth Mackay seconded the resolution, which was unanimously approved.

The report and accounts were unanimously adopted.

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY.

PROFITABLE YEAR—INCREASED DIVIDEND.

COMPANY'S SOUND AND STRONG POSITION.

The annual meeting of the Johannesburg Consolidated Investment Company was held in Johannesburg on November 20th.

The Chairman (Mr John Munro), in moving the adoption of the report and accounts for the year ended June 30, 1923, said: Gentlemen,—Our permanent chairman, Mr S. B. Joel, had hoped to preside at this general meeting of shareholders, but regrets he is unable to leave England. In his absence, it is my pleasant duty to preside, and I feel sure I am voicing the view of all shareholders in expressing our great regret at his absence from the chair and the deepest sympathy in his recent sad bereavement.

12½ PER CENT. DIVIDEND.

I beg to submit for your approval the report of the directors and the balance-sheet and profit and loss account for the period ended June 30th last, copies of which were distributed among shareholders, both here and in London, on September 18th. Despite the difficult times we have passed through, the company has had a profitable year, and the directors were able to recommend the payment of a dividend of 12½ per cent., compared with 7½ per cent. paid last year. This is the largest dividend yet paid on the present capital of the company, though for the year ended June 30, 1920, a dividend of 10 per cent. was paid, plus a bonus of 2½ per cent.

Following the practice of former years, I shall now proceed to deal with the various accounts.

ACCOUNTS.

The issued capital of the company—namely, £3,950,000—remains unchanged, and the reserve fund of £250,000 also remains unaltered.

The decrease of £264,026 in your share investments represents the difference between shares purchased and shares realised during the year, plus the usual depreciation written off certain of your shareholdings to bring their book value down to their market value at June 30. No credit has been taken in your accounts for the appreciation of certain shareholdings over their book value at the close of the financial year. The increase of £110,725 in mining properties, including advances to mining companies, represents for the most part advances made by the company to the New State Areas to tide that company over the initial difficulties of the producing stage.

Loans to South African companies, £284,343.—The large amount due by the Randfontein Estates Company which appeared under this heading last year has been paid. The figure now shown includes the company's proportion of advances to the Delagoa Bay Lands Syndicate to complete the capital expenditure in connection with the erection and equipment of the Polana Hotel, and also the amount at which the Carlton Hotel now stands in your books.

Loans at short call on market and other securities, £390,285.—An increase of £171,022 is shown under this heading. As you are aware, only a small proportion of this business is done in South

Africa. It is a safe and profitable means of employing surplus funds.

STRONG POSITION.

The shareholders may reasonably congratulate themselves on the exceptionally sound and strong position of the company when they are reminded that its total liabilities to the public are only £1,079,582, while the book value of its assets amounts to £5,945,575—a surplus of assets over liabilities of £4,865,993. I would emphasise the point that the figure I have quoted is the book value of the assets. As you are aware, your directors carefully from year to year write down any of your assets which stand in the books above market values; but they do not write up such assets as stand in the books below market values; consequently the aggregate appreciation of your assets to-day represents a large amount which does not appear in the accounts. This applies more particularly to your investments in stocks and shares.

PROFIT AND LOSS.

The profit for the year, after provision had been made for income-tax in South Africa and England, depreciation and bad and doubtful debts, amounted to £535,973. The total expenses amounted to £31,232, leaving a net profit for the year of £503,841, an increase over the previous year of £229,850. With the balance of £162,152 carried forward from last year, there was thus available a total of £665,993. Of this amount dividend No. 26 of 12½ per cent. absorbed £493,750, leaving the sum of £172,243 to be carried forward to the current year. To have achieved such a result during a period of difficulty and of world-wide unrest, when the opportunities of safely utilising the company's resources were greatly limited, is a source of satisfaction to everyone connected with the company.

THE JOHNNIES INTERESTS.

After complaining of the increasing burden of taxation in South Africa, the Chairman said: I propose now to review the operations of some of the more important concerns in which your company is interested, and first of all I shall deal with the gold-mining companies which come under our control. The commencement of the financial year of your company saw the beginning of a new era in the mining industry. It was not until July, 1922, that the position on the mines became normal after the upheaval in the early part of that year. Working costs from this time began to fall, the reduction being due to the reorganisation of underground work and the marked increase in efficiency. Against this reduction in working costs there has been a heavy fall in the average price of gold. For the 12 months ended June 30, 1922, the average price per fine ounce amounted to £5 2s 5d, as against £4 10s 4d for the year ended June 30, 1923.

With regards to working costs, there is, no doubt, some room for further improvement, more particularly in regard to stores, which are still on a high level compared with pre-war days. Also, further help may still be looked for in the direction of mechanical improvements and better organisation.

GOVERNMENT AREAS.

In spite of the dislocation which took place in the early part of 1922, owing to the general strike, the working profit made for the year ended December 31st amounted to £1,508,026, and after the deduction of £72,591 expenditure in connection with the strike and sundry items for income-tax, employers' tax, &c., not charged to working costs, and adding the amount received for rents, interest, sundry revenue, and the balance brought forward from the previous year, there was an available balance of £1,617,980, which was appropriated as follows:—

The Government's share of profits totalled £737,839. Two dividends of 20 per cent. and 30 per cent. declared at June 30 and December 31, 1922, respectively, absorbed £700,000. Expenditure on capital account amounted to £39,086, and a balance of £141,056 was carried forward to the current year.

Excellent profits have been maintained throughout the current year, and a dividend of 30 per cent. was again declared in June last. The development of the mine continues to be satisfactory, large areas of highly payable ore are being opened up, and the ore reserves are being maintained at over 10,000,000 tons, of an average value of 8.8 dwts over a stoping width of 76 inches.

When the sinking of the ventilation shaft is completed the conditions underground will be materially improved, and the ventilation of the underground workings should be secured for the rest of the life of the mine.

The amount of ore crushed has steadily increased, but this has led to a somewhat unbalanced position, and additions are being made to the slime treatment plant which will have the effect of lowering the gold contents of the residues. As has been explained before, the question of a substantial increase in the plant will be delayed until the ventilation shaft nears completion.

I can only repeat what I said at the last annual meeting of this company, that the position of the mine is excellent, and a long and prosperous future is assured.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.



Capital and Reserves
exceed £13,000,000

Head Office:

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

AFFILIATED INSTITUTIONS:

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

LANGLAAGTE ESTATE.

Since we met last year this company absorbed the Consolidated Langlaagte Mines, and the combined properties are now being worked as one. The two mines have now been connected by an electric railway, and a siding from Langlaagte railway station has been arranged for. Already substantial advantage has resulted from the amalgamation, and when the various alterations are completed further advantages will accrue. The work of extending the Consolidated Langlaagte Mines' reduction plant is in hand, and when it is completed it will be possible to close the old Langlaagte Estate mill. There is no doubt that this amalgamation was a wise step, and will add materially to the profits which the two companies would have made if worked separately.

In June last a dividend of 10 per cent. was declared upon the increased capital of the company.

RANDFONTEIN CENTRAL.

The profit at this mine for the calendar year 1922, in spite of the results being obtained from practically only nine months' work, amounted to £328,428, a considerable improvement on the profit for 1921.

Profits since the beginning of this year have been regular, though they have been on a smaller scale than could have been hoped. This, of course, has been chiefly due to the low grade of the ore milled, and this was affected by two factors of a temporary nature. One was that the grade of the north vertical section of the old mine fell considerably owing to the intrusion of a shoot of low-grade rock on the Randfontein leader. Such a shoot has been met with before, and has been succeeded by good-grade ore, and there are encouraging signs of this occurring again, so that there is every hope that the grade of the north vertical will improve. The other factor was that only a comparatively small tonnage of rock could be got from the Battery reef series, owing partly to the position of development and partly to the fact that there was no direct railway siding to the mill. It is expected that the connecting siding will be completed by the end of this month, when it will be possible to substantially increase the contribution to the mill from the Battery reef series. This should have a good effect on the grade. So that, although progress has not been rapid during the past year, it has been steady, and it is confidently anticipated that when certain structural alterations to the plant now nearing completion are finished a considerable improvement in profits will result.

We have been fortunate in the matter of native labour, and it is very gratifying to know that the mine is now more popular with the natives than it has been for years. This is largely due to the improved conditions obtaining underground.

The development is satisfactory, and, should no unforeseen adverse circumstances arise, there is every reason to hope that the mine will continue to earn substantial profits for many years to come.

RANDFONTEIN ESTATES.

The interests of this company are linked up with those of the Central Company, and any improvement in the Central Company is reflected in this company.

Referring to the case which the company had against Sir J. B. Robinson, the amount awarded under the judgment of the Supreme Court, Transvaal Division, has now been determined at £89,371, and the interest will bring this up to about £165,000.

The finding of the Supreme Court was brought under review at the Appeal Court at Bloemfontein on September 25th last, but the judgment of the Appeal Court has not yet been delivered.

Sir J. B. Robinson has brought a case against the company for £196,000 in connection with certain share transactions, and the company has counterclaimed for a sum of £94,000. This case is being heard in the Supreme Court, and judgment will be awaited with interest.

There would appear to be every reason to hope that this company is nearing the dividend-paying stage.

VAN RYN DEEP.

A total profit of £497,697 was made at this mine for the calendar year 1922, and two dividends of 10 per cent. and 30 per cent. were distributed to shareholders registered at June 30th and December 31st respectively.

Excellent profits were made during the first six months of the current year, and a dividend of 25 per cent. was declared in June.

The working profit for the third quarter of this year amounted to £188,537, which was an improvement of £11,559 on the preceding three months.

This mine, with an ore reserve of over three million tons of high-grade rock, is in a strong position. The Western section of the mine is opening up well and the prospects are encouraging. There is no doubt that the company has many prosperous years to which to look forward.

WITWATERSRAND GOLD.

The profit earned by this company for the year ended December, 1922, amounted to £79,317, and the directors declared two dividends of 5 per cent. and 15 per cent. in June and December respectively. A dividend of 15 per cent. was also declared last June.

This mine is largely dependent upon hand labour, and a sufficient supply of native labour is necessary for the profitable working of the mine. The fall in the number of natives employed in the first few months of this year resulted in a decrease in the monthly profits earned. However, latterly the supply of natives has been more satisfactory, and an improvement in the profits has resulted.

In addition to the area of Knights Deep ground leased from that company, a further area has been taken over by arrangement with the Government. This should be helpful in prolonging the life of the mine.

NEW STATE AREAS.

Crushing commenced at this mine last May, and considerable difficulties were met with in the early stages. There is always a certain amount of trouble experienced in getting a new plant going. Now, however, the various difficulties encountered have been overcome. For the month of October the profit declared amounted to £12,065, and we anticipate that the monthly profit will steadily and considerably increase from this month onwards.

When crushing commenced, it was estimated that the payable ore reserves stood at 2,437,800 tons, of an average value of 8.6 dwts over a stoping width of 67 inches. The development work is being pushed forward, and the mine is in a position to keep the reduction plant fully supplied.

The report and accounts were unanimously adopted.

SULPHIDE CORPORATION, LIMITED.

EFFECTS OF THE FIRE.

STRONG FINANCIAL POSITION.

The twenty-seventh annual ordinary general meeting of the Sulphide Corporation, Limited, was held, on the 20th instant, at Winchester House, Old Broad street, London, the Right Hon. the Earl of Kintore, K.T., G.C.M.G. (the chairman), presided.

The secretary (Mr C. R. Fisher) having read the notice convening the meeting and the report of the auditors,

The Chairman, in the course of his speech, said:—Ladies and gentlemen, when our financial year ended on June 30th last, everything pointed to my being able to put before you at this meeting a most cheerful and satisfactory statement, not only as to the results of the past period, but also as to our prospects for that now current. A successful year had been completed. A profit not so large as we have achieved in some past years, but still a very satisfactory profit, had been earned, and, with the probability before us of a further improvement in metal prices, the indications for the new year appeared in all respects to be favourable. Our financial position was so strong that there seemed to be no reason why we should not distribute our earnings freely, and we had felt no hesitation in declaring a 10 per cent. interim dividend on both classes of our shares, while a final dividend of at least another 10 per cent. appeared to be assured.

That was our happy condition when the present financial year began on July 1st. Within a few days, however, of that date we were fated to experience a very severe and unexpected blow, and on July 10 the news reached us that in the afternoon of that day an outbreak of fire had been discovered on the 400ft. level of the Central Mine. Hopes were at first entertained that this fire might be quickly mastered, and everything that experience could suggest to achieve this was done by our manager and staff at Broken Hill, who in their difficult task had the assistance of the managers of the other Broken Hill mines and of the Government inspectors. Their efforts, however, I regret to say, proved unavailing, and although, under the influence of the vast quantities of water poured into the mine, and the steps taken to stop the influx of air, the fire is now only smouldering, the output of ore is still suspended, and we cannot yet say definitely how soon a resumption of underground operations will be possible.

I need not tell you that this most regrettable occurrence has altogether changed for the worse our outlook for the current year, and in consequence, instead of recommending, as we certainly should have done, a final dividend of at least another 10 per cent. on the earnings of last year, we now think it prudent to recommend a final dividend of only 5 per cent., and to conserve our cash resources to an extent that otherwise would have been unnecessary.

OUTBREAK AT BROKEN HILL.

At Broken Hill our output of crude ore was again on the restricted scale, which has been brought about by the limitation of working hours under the Edmunds Award, but it was continuous, and happily was not interrupted by strikes. The total raised from

the mine was rather less than in the previous year, having been 114,685 tons, against 120,603 tons, while the production of lead concentrates was 26,908 tons, against 26,657 tons, of zinc concentrates 33,725 tons, against 35,953, and of slime zinc concentrates 8,688 tons, against 9,971 tons, while in addition to these we produced this year a new product, consisting of 1,280 tons of special slime concentrates, which we disposed of with our lead concentrates.

The tonnage of slimes from our dump treated with the crude ore raised from the mine was 26,958 tons, against 27,131 tons treated in the previous year, and we have still on our dump more than 120,000 tons of this material, constituting a very valuable asset for future working. The mill recoveries were again excellent, and further progress was made in the direction of throwing more of the lead and silver into the lead concentrates instead of leaving it in the zinc concentrates, where it is practically valueless. The ore reserves now amount to 1,255,590 tons, which at last year's rate of extraction represents just upon 11 years' supply to our mill, apart from anything that may be won below the 1,400 ft. level. The average price of lead for the period from October 1, 1922, to September 30, 1923, which, after allowing for adjustments, governed the price we obtained for our year's product, has been £25 19s 4d per ton, and of silver, on the same basis, 34½d per ounce, while to-day's prices of the two metals are £30 3s 9d per ton and 3s per ounce. Unfortunately, owing to the fire, we are not able to raise ore from the Central Mine to take full advantage of these improved prices, but we shall very shortly be in a position to derive some benefit from them owing to our purchase of the Junction Mine.

IMPORTANCE OF COCKLE CREEK.

At our Cockle Creek establishment, owing to the suspension of smelting, productive work has been confined to the manufacture of superphosphates and sulphuric acid, both of which were produced last year on a considerably smaller scale than in the previous year. As regards superphosphate, we started the past year with a considerable stock on hand, and, owing to a severe drought, which affected the agricultural districts of New South Wales, the demand was on a much reduced scale. We therefore closed down our plant for a portion of the second half-year, with the result that on June 30 last our stock was considerably reduced, our sales during the year having amounted to 20,984 tons.

It has always been our policy to make the Cockle Creek works an important industrial concern, which would be a permanent source of revenue independent of the mine, and in pursuance of this policy we had, as I mentioned last year, been considering for some time past the establishment there of cement manufacture. For this important and growing industry we possess at Cockle Creek special facilities owing to our having on our land a large quantity of shale and clay suitable for cement making. This shale deposit has been fully tested, and is estimated to contain at least 820,000 tons, or enough for 50 years' work with an annual output of 60,000 tons of cement a year. The other main requisite for cement production is limestone of pure quality, and to provide this we have purchased an area of 215 acres at Attunga, in the Tamworth district of New South Wales, which is estimated to contain several million tons of very high-grade limestone, and is connected by rail with our works at Cockle Creek. With regard to the marketing of cement, we are also favourably situated, as we are only 94 miles from Sydney, and command the whole of the Newcastle and North Coast districts. In these circumstances we decided some months ago to construct works for the production of 30,000 tons of cement annually, which will be capable of quick increase to 60,000 tons, and contracts were placed in June last in this country for the necessary machinery, while preliminary work for its erection was commenced in Australia.

THE ENGLISH WORKS.

Our English works at Seaton Carew have had quite a satisfactory year, and our manager, Mr Moulden, in his report, rightly describes it as having been "one of continuous progress and activity." Construction work has been on a considerable scale. Last year we produced 3,791 tons of zinc, as against 967 tons in the previous year, 2,365 tons of silver-lead residue concentrates against 528 tons, and 11,462 tons of sulphuric acid against 3,139 tons. In the current year we expect to see our production of zinc and residue concentrates again largely increased, while, as soon as the new sulphuric acid unit is available, our sulphuric acid production will be doubled, and our hydrochloric and salt-cake plant, the starting of which has been delayed owing to our present output of sulphuric acid being all required to supply the needs of our local customers, will at once be put into operation.

POSITION OF EXCEPTIONAL STRENGTH.

The balance-sheet shows a position of very exceptional financial strength. In respect of our cash assets represented by cash and investments, you will, I am sure, be well satisfied with the progress made during the year, and with the position we occupy, which is

one of exceptional strength for such a company as ours. Taking "cash," "investments," "products in hand," "purchased ores," and "stores on hand" as representing our liquid assets, and deducting from this total the excess of "sundry creditors" over "sundry debtors," we have this year a total surplus of £835,980, which compares with a similar total of £718,084 in the previous year, and shows a headway of £117,905 after providing for the dividend of 10 per cent. on our preference shares and 5 per cent. on our ordinary shares which we distributed last December. With the final 5 per cent. on both classes which we now recommend, our company will have paid just upon three millions in dividends, and the average of 13 per cent. on the preference shares and 10½ per cent. on the ordinary shares, which I mentioned last year as having been paid over the 23 years since the payment of dividends commenced, will be now slightly increased over 24 years. This is a record of which no company need be ashamed, especially as we have pursued such a conservative policy in our dividend distribution that we have accumulated the large surplus of liquid assets which I have just indicated.

After referring to the serious effects of the fire upon the current year's accounts, and adding that there were signs of the fire coming to an end, the Chairman said that to supply the mill with ore, which could not be obtained from their own mine, they had purchased the Junction mine. The probable reserves of ore and zinc tailings down to the 10th level of that mine were estimated at not less than 500,000 tons, and the board hoped that the purchase would prove satisfactory on its merits, while it would be a special benefit during the time that must elapse before Central Mine ore again became available. He hoped that at the next meeting he would be able to say that the company was on the way to a complete return to prosperous conditions.

Mr Andrew Williamson seconded the resolution, which was carried unanimously.

AMALGAMATED COTTON MILLS TRUST, LIMITED.

PROFIT EARNED DESPITE UNSTABLE WORLD CONDITIONS.

The fifth annual general meeting of the Amalgamated Cotton Mills Trust, Limited, was held at the registered offices of the company, Yard Works, Stanley street, Preston, on the 17th instant, the Right Hon. Lord Fairfax (chairman) presiding.

The secretary (Mr S. Hutchinson, F.C.A.) having read the notice convening the meeting and the auditors' report.

The Chairman, in moving the adoption of the report and accounts, said: Ladies and Gentlemen,—The directors' report and the audited accounts, covering the financial year of the company ended October 31st last, have been in your hands for the prescribed period, and with your permission I propose to take them as read.

The accounts before you cover only eleven months' trading, and I think we are entitled to congratulate ourselves upon the fact that, for that period, the combined results of the companies owned by the Trust show a profit of £647,013. Bearing in mind that these profits are arrived at after deducting losses sustained by certain of our companies during the same period, I think you will agree with me that, considering the extremely difficult times through which we have passed, the result is a good one. Of this amount £378,388 has been appropriated for depreciation, taxation, and the payment of debenture interest and preference dividends on shares held by outside interests, leaving the net earnings due to this company at £268,625.

There is one other point in relation to this result which will bear emphasising. Our stock was taken on August 31st, and on that date the price of raw cotton was not only very much below to-day's price, but also substantially lower than it was on September 30th, the date on which we should have taken stock in the ordinary way. Consequently, the high price at which cotton stands to-day is not reflected in the stock figures of the balance-sheets of the various subsidiary companies. Had we taken our stock on the same date as in previous years, viz., September 30th, the net result of the year's trading would have been very substantially higher.

PREFERENCE DIVIDEND.

The directors are desirous that the shareholders should understand that, in view of the fact that the preference shares of this company are cumulative, and having in mind the fact that the companies' earnings more than cover the preference dividend, they have declared the dividend out of the dividends paid to this company by such of its subsidiary companies whose profit and loss accounts are in credit. Owing to this process, some of the profit and loss accounts now stand at a lower figure than they did when the companies were acquired. In reference to this matter, however, some of you will remember that at the time certain of our companies were purchased, I referred in my speech to the balances standing to the credit of the profit and loss accounts of those companies, and stated that they had been specially ear-

marked for dividend purposes, but apart from this, we had very large claims indeed for the return of Excess Profits Duty, which claims were similar in every respect to those which have been paid by the Government in other cases, except for one technical detail, and that was, that, unfortunately, the legal constitution of the business was changed before the duty was taken off. No one could foresee the effect of this action at the time; but had the present company been constituted on the same basis, the benefit to us in the amount of Excess Profits Duty recoverable would have run into very large figures indeed. In one only of our companies, I may say, approximately £260,000 could have been recovered. It is true we are not the only sufferers; but I venture to suggest we are far and away the heaviest losers in this respect in the whole of the cotton trade. I would ask you to bear this in mind when comparing the result of our company with others that were lucky enough when the slump in values came to recover large sums previously paid to the Government in respect of E.P.D. I have not given you this information before because we still consider, and are advised, that our claim is not to be given up readily.

I have to refer to the note in the balance-sheet under the head of "Investments." It is quite true no provision has been made in the accounts for any depreciation in our investments, but such depreciation, if it exists, is of a capital nature.

LOW COST OF COTTON SPINDLE.

As I stated at our last meeting, to arrive at a valuation of our share-holdings is a matter of considerable difficulty, but from the consolidated balance-sheet of the companies, which has been prepared for the information of your board, after allowing for the combined liquid assets of the companies, less all liabilities, and after, of course, cancelling all inter-company loans, our share capital represents a price per spindle less than the value at which mills have changed hands quite recently, which price is again very considerably less than present-day replacement cost.

I cannot disclose details which would not be in the interests of our subsidiary companies, but I should, however, like to tell you that more than half of the spindles purchased by this company were bought at an exceedingly low price even if calculated on a pre-war basis, such purchases having been made before the enormous rise in cotton mill plant values, which took place in 1919 and 1920.

You will, therefore, observe that the cost of our plant cannot, by any stretch of imagination, be placed in the category of boom purchases.

The report and accounts were unanimously adopted.

BALDWIN'S, LIMITED.

IMPROVED RESULTS.

The annual general meeting of Baldwin's, Limited, was held, on the 21st instant, at Birmingham. In the absence of the chairman (Colonel Sir John Roper Wright, Bart.), due to a chill, Sir Robert Horne, M.P., deputy-chairman, presided.

In moving the adoption of the report, Sir Robert Horne read a speech prepared by the chairman, in which it was stated that the profit and loss account showed that the amount brought in to credit was £484,759, an increase of £178,627 as compared with the previous year, a result upon which the shareholders were to be congratulated when the depressed character of the times was taken into account.

QUESTION OF DIVIDEND.

The directors had anxiously considered the question of paying a dividend on the ordinary shares, but after careful deliberation, and having regard to the uncertain conditions of trade and the necessity for conserving the company's resources, they were unable to recommend one. The heavy steel trade, in which so large a part of the company's capital was embarked, was being carried on at present under great difficulties, and for the moment the future contained no brighter prospect. Indeed, the conditions of competition with the Continent were likely to be rendered much more difficult when the arrangements at present being made between France and the German industrialists of the Ruhr were completed. Much, therefore, as it was desired to make some distribution to the shareholders, many of whom must be otherwise oppressed by the ill-fortune of the times, it would be imprudent to dissipate resources which might be needed to carry the company through the obscure and anxious circumstances of the immediate future. The balance of £114,962 on the profit and loss account had, therefore, been added to the £309,178 brought forward from last year, making a total carry forward of £424,140.

SHEET AND TINPLATE DEPARTMENTS.

Whilst a too optimistic note was carefully avoided in last year's speech, it was a source of gratification that some of the anticipations then given expression to had been realised. The sheet and

tinplate departments, for instance, had given fairly satisfactory results, and the prospects for the present year were favourable, but the depression in the heavy steel trade had adversely affected the works belonging to the company, which were mainly engaged in these trades. An important illustration of this fact was to be found in the Margam Works, in which a great capital was employed. It had been impossible to operate this plant with any regularity, although the works were of the very latest type, built, like others, at the request of the Government, for increased steel production during the war; it had been impossible to manufacture heavy steel goods in competition with the cheap products of the Continent, favoured, as the latter were, by the present rates of exchange. In the result, one of the most modern works in the country had cost the company a loss of £100,000 per annum during the last two years. He was glad to say that, at present, there was some improvement compared with the previous year, owing to the work now being placed by the British railway companies to help the trade of the country. Orders had been booked which would materially affect these works in the immediate future, but it was useless to conceal the fact that in our present defenceless condition, as soon as conditions on the Continent were settled, grievous competition from both Germany and France must be anticipated. The collieries of the company, although primarily acquired to safeguard supplies to the company's own works, at present produced about 50 per cent. above the company's requirements, so that there was a large surplus for disposal on the outside market.

COAL TRADE.

The history of the year, so far as the coal trade was concerned, although better than that of the year preceding, was, nevertheless, a rather chequered one. Looking at the situation generally, there were some grounds for satisfaction in the fact that we had recovered practically all the overseas markets from which we were ousted by foreign competitors during the disastrous strike of 1921. This had only been done, however, by tremendous sacrifices on both sides, by the owners of profits, and by the workmen in the shape of wages. One effect of the efforts made and of the German troubles which had suspended the output of coal from the German coalfield had been to raise our exports practically to pre-war level. In fact, he was informed that the figure of May, 1923, constituted a record. As a result of the discontent arising from the reduction of wages, there was a possibility that the ballot now being taken would result in the national agreement, under which wages had varied with profits, being discarded. He hoped with all his heart this would not be the case, as a serious dispute at this stage would be a greater calamity, if such a thing were possible, than the 1921 strike.

The motion was seconded by Sir William Charles Wright, and agreed to.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.

INCREASED PROFIT DESPITE DIFFICULTIES.

The thirteenth ordinary general meeting of the British Burmah Petroleum Company, Limited, was held, on the 18th instant, at Cannon street Hotel, London.

The Hon. Lionel Holland (chairman of the company) presided. The Chairman, in moving the adoption of the report and accounts to July 31, 1923, said that the period had been one of much difficulty and heavy depression in the oil trade. The profits of nearly all companies producing and refining petroleum were adversely affected, and, although it happened in their case that their revenue was a shade higher than during the corresponding period of 1921-22, those adverse conditions were sufficiently apparent in their trading results. With a refinery throughput and sales as large as in the year 1919 their revenue from sales, owing to the fall in prices, was not one-half of the revenue then realised. Nor could they hope for any material improvement until those conditions were relieved.

Oil prices in especial had been depressed, and a return to healthy conditions in the oil business had been delayed by the prodigious and unexpected excess of crude oil production in America. The conditions generally prevailing in the oil business had of necessity operated to the prejudice of the company's sales revenue during the last twelve months.

In spite of prices having sagged away, in some cases even below the reduced standard ruling during the preceding year, the trading profit of the company was £224,253, against £208,892 for the year ended July, 1922. Certain other receipts brought their total profit for the twelve months up to £250,281—an improvement of some £21,500. The directors recommended a final dividend of 4½d per share, which, with the interim dividend already paid, represented a total sum of £77,834 as the dividend distribution for the year, or at the rate of something over 7½ per cent., free of tax—the same as last year. Including the dividend now proposed, the company had distributed since 1917 the substantial sum of over £1,080,900. It had besides contributed out of its profits an amount

of over £370,000 to the sinking funds established to redeem its debenture issues, and had provided over £530,000 to meet the regular interest on its debentures.

The report was adopted.

EDISON SWAN ELECTRIC COMPANY, LIMITED.

INCREASED CURRENT YEAR'S SALES.

The fortieth ordinary general meeting of the Edison Swan Electric Company, Limited, was held, on the 18th instant, at the Cannon street Hotel, London, Mr C. F. Spencer (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, first dealt with the balance-sheet. He said that the stocks (including work in progress) had been valued by the company's officials at £334,065. They had endeavoured to value the stocks on a very conservative basis, having due regard to the character of the stock and the susceptibility of some part of it to change in fashion. Figures taken out showed that 35 per cent. of the total stock, &c., represented work in progress and raw materials for use in manufacture, while the balance was made up of finished units ready for sale. The item of loans, &c., £314,150, was the amount of debt due to their bankers at June 30th last, but this had since been reduced to £289,450, and would be further reduced by a repayment of £30,000 on December 31, 1923. During the next half-year they hoped to make other substantial repayments.

Proceeding, the Chairman said: The policy of the board may be summed up quite shortly as follows:—

(1) Having carried through a scheme of reorganisation which has effected economies, speeded up and properly regulated output, increased sales, and withal maintained the high quality of our products, we are now engaged in reviewing the whole position so as to secure even greater efficiency in every section.

(2) To discharge the temporary loan obligations of the company as rapidly as circumstances will admit.

(3) To build up an adequate reserve fund, and if you adopt our recommendations to-day, as I am sure you will, the first contribution to such a fund will have been made.

With respect to current trading profits, our sales for the five months up to November 30th have increased appreciably over those of the corresponding period of last year, notwithstanding the average reduction—not less than 10 per cent.—in the selling prices of our products, and we have every reason to believe that our profit for the five months is as good as, and perhaps a little better than, that which resulted from trading in the corresponding period of last year. Your company is now well equipped to deal efficiently with every branch of its business, and may I be allowed to express the hope that your company has now entered on a period of prosperity.

Mr A. F. Berry (deputy chairman) seconded the motion, which was carried unanimously.

CARRERAS, LIMITED.

TWENTY YEARS' CONTINUOUS PROGRESS.

The twentieth annual general meeting of Carreras, Limited, was held, on the 18th instant, at Arcadia Works, City road, London, Mr Bernhard Baron (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said that he would like to congratulate the shareholders on the results of the past year, and to tell them that they could look forward with confidence to the future. The history of the company had shown a gradual and progressive building up of their business. They had determined to lay their foundations on good value, realising that only in that way could they hope to secure and maintain the support of the public. After 20 years their leading brands had attained a world-wide reputation, and it was recognised that goods bearing the name of Carreras, or its subsidiary companies, represented a standard of value which could not be excelled. In the year just completed the sales of each one of their well-known proprietary brands had reached a higher point than ever before, and, judging by the way they had opened their new financial year, there was every prospect of their becoming the favourite smoke of a still larger number of the public, as their business during the two months since October had shown a very large increase over the corresponding period of last year. They, therefore, looked forward to the future with renewed confidence.

The balance-sheet would show that the company was in an excellent position. They had a large cash balance, which enabled them to take full advantage of the market, and they were now running the business entirely with their own money. They had never missed paying a dividend during the 20 years of their existence. During the past ten years their net profits had amounted to over £864,000, and they had actually distributed to the share-

holders nearly £400,000. The dividends paid on the ordinary shares during that period had averaged 12 per cent., several of them having been paid free of income-tax, which made the return considerably higher than that. They had added to their reserve fund in the ten years £175,000, started a pension fund, wiped out all expenses of issuing new capital, written down their investments, and made adequate reserve for everything, and still had undivided capital to carry forward of nearly £146,000. That was a record of which any company might be proud, and there was no firm in the tobacco trade, taking into account the amount of capital employed, which was in a sounder position than Carreras, Limited, and which could show a more satisfactory rate of progress or a greater future.

The report and accounts were unanimously adopted.

SHOWELL'S BREWERY COMPANY, LIMITED.

SOUND AND SATISFACTORY POSITION.

The annual meeting of shareholders of Showell's Brewery Company was held at the Queen's Hotel, Birmingham, on the 19th instant, Mr James Davenport, chairman, presiding.

Mr Davenport, in moving the adoption of the report and accounts, said he thought they would agree that the year's results were not unsatisfactory. The balance-sheet showed a sound and even a strong financial position, while their revenue account, notwithstanding the depression, showed a considerable improvement over the previous year's figures.

The revenue for the year amounted to £48,443, as against £43,777 last year, and he might add that the allocation for repairs, maintenance, and depreciation of their properties was between £3,000 and £4,000 higher this year than in the previous accounts. They proposed a dividend of 12½ per cent. on the ordinary shares, and they were carrying to reserve account £5,000, which would increase the open reserve to the substantial sum of £55,000. They would then be left with £8,372 to carry forward to next year.

During the year they had discharged the balance of the specific mortgages which previously existed on certain of the company's properties. He thought this must be as gratifying to their shareholders and debenture-holders as it was to them. When he told them that when their present board took control of the company's affairs there were specific mortgages outstanding amounting to £110,000, all of which had now been discharged, he thought they would agree that they had some justification for their feelings of satisfaction. During the year certain properties had been disposed of at handsome profits over book values. These profits, they would understand, were capital profits as distinct from trading profits, and the proceeds had gone to increase an internal reserve—the property reserve account—which had been built up since 1914. They had also during the year availed themselves of opportunities of acquiring the freeholds of certain leasehold houses in their occupation, which had also materially improved their position. They had also expended approximately £30,000 in important structural alterations and the rebuilding of licensed houses. They had retained their important holdings of British Government stocks, which stand in the balance-sheet at over £103,000, and were worth considerably more than this figure. They proposed to strengthen the reserve by a further £5,000, so the figure in next year's accounts would be £55,000.

Mr J. J. Calder seconded the resolution, which was unanimously adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Dec. 24-Dec. 29 were opened on Dec. 21, 1923, and the total amount applied for was £46,220,000. For bills at three months, dated Monday, Thursday, Friday, and Saturday at £99 3s 1d, about 69 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £41,000,000; in bonds, £500,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.			£ s d	£ s d
Nov. 9.....	35,000,000	53,200,000	3 3 8-13	nil
Nov. 16.....	35,000,000	46,275,000	3 5 9-32	nil
Nov. 23.....	45,000,000	61,235,000	3 5 7-39	94 10 0
Nov. 30.....	45,000,000	52,835,000	3 5 2-97	94 10 2
Dec. 7.....	45,000,000	59,635,000	3 4 3-53	94 10 0
Dec. 14.....	35,000,000	52,925,000	3 3 4-52	94 10 0
Dec. 21.....	45,000,000	46,220,000	3 6 11-35	94 10 0

Tenders will be received on Dec. 28, 1923, for Treasury Bonds and Bills to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Redemption Account.				
				Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28, 1922.	295,374	13,338	5,000	28,500	19,650	16.3	254,312	250
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27, 1923.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140
Nov. 29, 1923.	281,581	11,901	7,000	27,000	22,450	17.6	236,882	150
Dec. 13, 1923.	288,679	12,075	7,000	27,000	22,450	17.1	244,181	123
Dec. 20, 1923.	295,817	12,138	7,000	27,000	22,450	16.7	251,367	138

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £390,500,000, for 1921 at £317,555,200, for 1922 at £309,988,400, and for 1923 at £270,183,800.

NATIONAL DEBT.—(Million £.)

	Apr. 1, 1914.	Mar. 31, 1916.	Dec. 31, 1918.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Dec. 31, 1922.	Mar. 31, 1923.	Dec. 15, 1923.
Funded Debt	588	318	315	315	315	314	314	314	314
Term Annuities	30	22	20	19	18	15	14	14	14
4% War Stock	63	63	63	63	63	63	63	63	63
4% War Stock	16	13	13	13	13	13	13	13	13
4 & 5% War Stock	2,091	2,047	2,040	1,995	1,953	2,071	2,095	2,095	2,095
National War Bonds	649	1,509	1,476	1,413	1,201	971	953	924	924
4% Funding Loan	409	409	405	401	401	400	400	400	400
4% Victory Bonds	360	357	348	335	335	325	325	325	325
3% Conversion Loan	26	26	26	26	26	24	24	24	24
5% Treasury Bonds	23	23	23	23	23	23	23	23	23
5% Treasury Bonds	381	381	381	381	381	381	381	381	381
Do by tender 5%.	8	8	8	8	8	8	8	8	8
Do by tender 4%.	84	84	84	84	84	84	84	84	84
Do 4%, 1931-33	110	110	110	110	110	110	110	110	110
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	649
Exchequer Bonds	30	392	323	319	289	185	150	150	150
Nat'l. Savings Certs.	138	267	274	285	342	350	354	367	367
War Expnd. Certs.	23	23	23	23	23	23	23	23	23
Other Debt	514	1,306	1,181	1,132	1,087	1,071	1,157	1,149	1,149
American Loan	51	51	51	51	51	51	51	51	51
Temporary Advances	1	204	243	265	154	147	222	194	212
Other Capital Liabilities	654	5,872	8,033	7,269	7,574	7,655	7,743	7,800	7,800
Total Liabilities	711	5,921	8,079	7,776	7,823	7,721	7,835	7,813	7,869

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Dec. 15, '22.	Mar. 31, '23.	Dec. 15, '23.	Week ended Dec. 15, '23.
Outstanding—				
Advances by Bank of England	4,250,000	3,750,000	—	10,500,000
Advances by Public Deptmts.	210,228,500	193,897,500	207,995,500	20,700,000
Treasury Bills outstanding	733,000,000	616,045,000	649,130,000	3,400,000

Total Floating Debt . . . 948,178,500 . . . 809,942,500 . . . 860,870,500 . . . + 13,600,000
 * Includes £21,000, the proceeds of which were not carried to the Exchequer within the period of the Account.

PUBLIC INCOME AND EXPENDITURE

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from		Receipts.	
		Apr. 1, 1923, to Dec. 15, 1923.	Apr. 1, 1922, to Dec. 16, 1922.	Week ended Dec. 15, 1923.	Week ended Dec. 16, 1922.
Balances in Exchequer on 1st April:—					
Bank of England	..	5,442,665	9,963,424	..	..
Bank of Ireland	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs	116,900,000	90,860,000	90,510,000	2,446,000	1,826,000
Excise	143,850,000	100,508,000	112,600,000	2,218,000	2,790,000
Motor Vehicle Duties	13,250,000	4,470,000	3,599,000	106,000	106,000
Stamps, &c., Duties	52,000,000	39,000,000	41,561,000	790,000	550,000
Land Tax, House Tax, &c.	20,000,000	14,000,000	13,702,000	940,000	980,000
Land Tax, House Tax, &c.	3,000,000	540,000	640,000	..	..
Property & Income Tax	261,000,000	132,214,000	180,594,000	1,704,000	10,000
Super-Tax	58,000,000	25,150,000	25,150,000	460,000	2,369,000
Excess Profits Duties, &c.	12,000,000	..	954,000	..	..
Excess Profits Tax	20,000,000	15,180,000	12,567,000	360,000	320,000
Post Office	52,600,000	36,150,000	37,400,000	750,000	800,000
Crown Lands	900,000	690,000	630,000	..	..
Interest on Sundry Loans	12,500,000	10,268,748	7,887,236	1,762,825	..
Miscellaneous—					
Ordinary Receipts	12,500,000	9,462,383	18,454,818	59,730	194,000
Special Receipts	40,000,000	29,278,250	34,844,521	1,186,211	41,832
Revenue	818,500,000	507,771,381	555,743,565	12,676,765	9,985,832
Total, Inc. Balance	..	514,589,548	566,917,095	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	..	65,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	..	..	..	..
Under the Unemployment Insurance Act, 1921	..	4,870,000	2,910,000	70,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1921 and 1922	..	3,370,000	3,360,000	..	..
Under the Housing Act, 1914	..	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	..	950,000	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	..	1,553,300	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904	..	..	520,000	..	..

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ESTABLISHED 1824.

ASSETS EXCEED £12,000,000
FIRE. LIFE. ACCIDENT. MARINE.Edinburgh: 35, St. Andrew Square.
London: 5, Walbrook, E.C.4 and 4, St. James' Street, S.W.1.

	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1923, to Dec. 15, 1923.	Apr. 1, 1922, to Dec. 16, 1922.	Week ended Dec. 15, 1923.	Week ended Dec. 16, 1922.
(b) Under the Unemployment Insurance Act, 1921	820,000	2,510,000	..	..
(c) For other issues:—				
By Treasury Bills	1,782,460,000	2,104,441,000	55,590,000	62,862,000
By National Savings Certificates	37,950,000	46,668,000	450,000	800,000
By Exchequer and National War Bonds	..	..	20	..
By Treasury Bonds:—				
5-15 year, 1925-35	..	61,655,154	..	..
4%, 1927	..	70,907,535	..	..
4%, 1931-33	31,429,452	..	1,134,000	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	25,259	..	..
(d) Ways and Means Advances	612,455,000	606,264,000	26,800,000	11,600,000
Anglo-Persian Oil Company—				
Dividends on Shares acquired	50,081	243,012	..	..
Repayments—				
In respect of Cunard Loan	130,000	130,000	..	..
Do Issues under Land Settlement (Facilities) Act, 1919 and 1921	208,959	270,252	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920	..	6,827,960	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	..	162,425	..	..
Total	2,989,003,822	3,476,791,830	96,720,766	85,248,836

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24. (Including Supplementary Grants.)		Total Issues out of the Exchequer to meet Payments from	
	Apr. 1, 1923, to Dec. 15, 1923.	Apr. 1, 1922, to Dec. 16, 1922.	Week ended Dec. 15, 1923.	Week ended Dec. 16, 1922.
EXPENDITURE.				
National Debt Services—				
Interest, &c.	310,000,000	265,299,455	273,535,543	16,206,338
Sinking Fund	40,000,000	29,504,946	3,754,044	4,777,184
Road Fund	12,650,000	..	3,049,999	106,000
Payments to Local Taxation Authorities, &c.	10,348,000	7,537,205	5,802,990	310,000
Payments to Northern Ireland Exchequer	3,000,000	2,608,978	1,479,152	249
Land Settlement	1,500,000	415,465	794,127	19,043
Other Consolidated Fund Services	2,972,000	1,614,357	1,723,302	1,500
Supply Services	440,565,000	255,944,289	279,217,499	5,855,000
Expenditure	821,035,000	566,678,739	565,602,612	27,167,814
OTHER ISSUES.				
Temporary Advances—				
Bullion	..	5,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	73,782	169,818	..
Under the Unemployment Insurance Act, 1921	..	820,000	4,130,000	190,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1921 and 1922	..	4,920,000	4,660,000	250,000
Under the Post Office (London) Railway Act, 1913	..	10,500	..	..
Under the Housing Act, 1914	..	12,000	27,000	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922	..	..	950,000	..
Under Capital Expenditure (Money) Act, 1904	..	..	1,553,300	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off	..	520,000	..	..
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed	..	4,750,000	2,110,000	..
Redemption of Debt—				
Treasury Bills	..	1,749,360,000	2,253,549,000	52,185,000
Principal of National Savings Certificates	..	21,400,000	18,300,000	550,000
Principal of Exchequer Bonds paid off	..	..	19,612,208	..
Principal of National War Bonds paid off	..	..	44,484,182	..
Other Debt under the War Loan Act, 1914 to 1919	..	7,463,440	14,220,672	..
Ways and Means Advances Repaid	..	594,612,000	538,387,000	16,600,000
Anglo-Persian Oil Company—				
Issued to the National Debt Commissioners	..	50,081	243,012	..
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	..	130,000	130,000	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4)	..	..	5,000,000	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	..	55,214	88,065	..
Balances in Exchequer—				
Bank of England	..	2,986,083,052	3,473,716,869	96,720,766
Bank of Ireland	..	1,941,621	1,961,359	194,800
Bank of Ireland	..	979,149	1,113,602	162,752
Total	..	2,920,770	3,074,961	32,048

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, December 17, 1923.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, December 19, 1923.

ISSUE DEPARTMENT.

	£	Government debt	£
Notes issued	145,947,455	11,015,100	145,947,455
Other securities	..	8,734,900	..
Gold coin and bullion	..	126,197,455	..

BANKING DEPARTMENT.

	£		£
Proprietors' capital ..	14,553,000	Government securities	47,408,532
Rest.....	3,287,939	Other securities.....	75,920,100
Public deposits*	15,375,173	Notes	17,762,285
Other deposits	109,690,229	Gold and silver coin..	1,825,628
Seven-day & other bills	10,204		
	142,916,545		142,916,545

BANK OF SWEDEN.—In kronor (000's omitted).

Assets.	Dec. 15, 1923.	Dec. 8, 1923.	Dec. 1, 1923.	Nov. 24, 1923.	Dec. 16, 1923.	May 24, 1924.
Gold	871,935	272,042	272,108	272,170	273,963	104,918
Balance abn. and foreign bills	49,812	34,781	34,284	34,242	119,448	112,178
Swedish and for. Gov. securities	105,888	104,850	104,979	105,029	55,392	55,466
Discount and loans	481,598	451,523	378,219	337,121	503,168	112,668
LIABILITIES.						
Notes in circulation	524,786	520,069	576,001	525,643	529,574	226,556
Deposits at notice	321,089	296,447	165,240	165,722	401,733	369,660

BANK OF LATVIA.—In lats (gold francs) (000's omitted).

Assets.	Dec. 12, 1923.	Dec. 5, 1923.	Nov. 14, 1923.	June 13, 1923.	Nov. 22, 1923.
Total cash	15,456	14,971	14,119	11,412	3,085
Gold coin & bullion	15,767	15,765	15,791	15,203	12,195
Of which held abroad	2,506	2,506	2,506	1,947	2,466
Foreign banks	51,195	54,533	58,538	50,839	24,466
Discounts and loans	35,284	35,555	32,859	17,700	9,551
LIABILITIES.					
Notes in circulation	23,000	23,000	23,000	23,000	4,005
Capital paid up	10,214	10,214	10,214	10,000	8,000
Government deposits	38,533	41,793	40,408	28,035	16,697
Other deposits	42,304	42,975	43,441	29,399	17,995

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

Assets.	Nov. 30, 1923.	Nov. 20, 1923.	Nov. 10, 1923.	Oct. 31, 1923.	Nov. 30, 1923.
Gold	54,258	54,219	54,178	54,179	33,810
Silver	19,546	19,412	19,250	19,093	44,193
Foreign coin	(a)2,307	(a)2,821	(a)2,804	(a)2,558	232,476
Foreign bills	(a)36,094	(a)35,398	(a)33,772	(a)26,816	2,999,416
Advances to the Govt.	428,540,000	292,120,000	213,730,000	190,805,000	519,500,000
Private loans & discounts	124,181,559	9,344,879,777	7,708,467,408	5,777,137,052	148,928,225
LIABILITIES.					
Notes in circulation	532,149,679	369,482,746	280,542,275	230,804,022	661,092,353
Deposits	117,116,197	11,783,987,231	9,291,491,876	4,666,944,349	116,320,193

(a) Gold marks.

BANK OF CZECHO-SLOVAKIA.—In Cz. K. (000's omitted).

Assets.	Dec. 7, 1923.	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Dec. 7, 1923.
Liabilities of the Austro-Hungarian Bank to the Bank of the Czechoslovak Republic	10,096,964	10,096,961	10,096,961	10,096,949	10,096,949	10,096,715
Discounts & advances	1,637,403	1,678,343	1,445,770	1,467,581	1,554,510	2,061,595
Gold & silver held	1,045,711	1,052,393	1,060,895	1,065,448	1,076,124	816,577
Foreign bills and balances abroad	1,400,466	1,497,008	1,653,249	1,783,411	1,930,709	1,347,422
Other assets	405,225	439,490	370,725	404,257	363,423	334,095
LIABILITIES.						
State notes circ'tn	9,025,216	9,250,688	8,789,662	9,001,381	9,127,987	9,785,675
Deposits	443,647	4,371,952	4,710,444	4,757,002	4,815,887	3,527,803
Other liabilities	1,125,912	1,141,555	1,127,494	1,059,263	1,069,841	1,340,926

* Resulting from banknotes, current accounts, cheques and bills issued by the Austro-Hungarian Bank and taken over by the Banking Office.

AUSTRIAN NATIONAL BANK.—In kronen (000's omitted).

Assets.	Dec. 7, 1923.	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 15, 1923.	Nov. 7, 1923.	Dec. 7, 1923.
Gold	62,116,638	62,116,639	62,116,639	62,116,639	62,116,639	62,116,639
Foreign bills	3,546,317,756	3,504,651,926	3,462,559,818	3,389,552,816	3,389,552,816	3,389,552,816
Bills discounted	1,070,480,045	1,092,589,461	1,097,859,891	1,122,340,592	1,122,340,592	1,122,340,592
Treasury bills	2,534,490,383	2,535,546,861	2,535,546,861	2,535,546,861	2,535,546,861	2,535,546,861
LIABILITIES.						
Notes in circulation	6,502,232,212	6,577,616,340	6,302,663,954	6,335,954,031	6,335,954,031	6,335,954,031
Deposits	711,085,682	617,321,036	854,839,150	770,729,246	770,729,246	770,729,246

NATIONAL BANK OF THE SERBS, &c.—In dinars (000's omitted).

Assets.	Dec. 8, 1923.	Nov. 30, 1923.	Nov. 22, 1923.	Nov. 15, 1923.	Dec. 8, 1923.
Gold	68,813	68,759	68,755	68,755	63,996
Other coin and notes	19,868	21,404	20,605	20,605	17,190
Foreign credits	363,526	355,297	357,048	357,032	270,331
Bills	1,359,837	1,367,657	1,381,364	1,401,229	1,391,168
Govt. advances	4,576,825	4,576,739	4,576,739	4,576,742	4,593,958
LIABILITIES.					
Notes in circulation	5,847,308	5,826,454	5,797,475	5,880,685	4,955,110
State credits	379,126	379,040	379,040	379,043	325,711
Deposits	446,300	482,249	557,724	501,313	1,069,030

NATIONAL BANK OF ROMANIA.—In lei (000's omitted).

Assets.	Dec. 1, 1923.	Nov. 24, 1923.	Nov. 17, 1923.	Nov. 10, 1923.	Dec. 1, 1923.
Gold	549,237	549,235	549,085	549,085	533,054
Silver, &c.	634	538	593	607	443
Government loan	11,914,099	11,916,688	11,928,990	11,924,035	12,568,581
Other advances	6,724,634	6,681,121	6,588,694	6,519,915	4,203,810
LIABILITIES.					
Notes in circulation	18,014,059	17,936,666	17,911,096	17,796,982	15,353,200
Deposits	6,628,249	6,641,995	6,585,907	6,594,043	6,613,730

RUSSIAN STATE BANK.—Note-Issuing Department.
(In Tchervonetz—000's omitted).

Assets.	Dec. 16, 1923.	Dec. 1, 1923.	Nov. 16, 1923.
Gold in coin and bullion	8,753	8,741	8,729
Silver in bullion	110	90	73
Foreign bank notes	4,877	4,677	4,109
Drafts in sterling (less 10%)	447	447	461
Bills (less 10% discount)	6,720	6,720	6,720
Securities covering advances on goods (less 10%)	6,572	6,286	5,910
LIABILITIES.			
Bank notes	27,200	26,776	25,850
Balance to which notes may still be issued	280	185	152

BANK OF ITALY.—In lire (000's omitted).

Assets.	Nov. 20, 1923.	Nov. 10, 1923.	Oct. 31, 1923.	Oct. 20, 1923.	Nov. 20, 1923.	Position May 31, 1914
Total cash	1,501,867	1,506,634	1,556,614	1,553,690	1,340,619	1,221,876
Inland bills	5,668,080	5,732,480	5,433,831	5,305,014	4,502,025	418,400
Foreign bills	15,653	15,652	13,904	13,360	9,534	81,300
Advances to the Treasury	5,839,060	5,839,095	5,839,095	5,839,710	6,111,994	all
Other advances	2,576,634	2,738,527	2,821,880	2,528,072	2,034,570	79,175
Securities	385,015	382,604	381,481	370,876	395,066	805,700
LIABILITIES.						
Notes in circulation	12,634,330	12,870,346	12,975,313	12,807,359	13,940,734	1,556,925
Deposits & drafts	1,508,820	1,393,826	1,486,331	1,545,244	1,647,294	193,975

HUNGARIAN BANK.—In krona (000's omitted).

Assets.	Dec. 7, 1923.	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 15, 1923.	Dec. 7, 1923.
Gold coin and bullion, bills	22,842	22,938	23,304	23,461	15,348
Silver coin, &c.	598	596	596	596	596
Bills, warrants, drafts, &c.	558,159,140	531,403,392	512,837,467	488,233,793	48,897,568
Loans	951,613	1,047,126	1,057,694	1,107,038	1,093,308
LIABILITIES.					
Notes in circulation	865,269,610	853,988,589	816,349,489	780,374,558	72,007,176
Deposits	81,425,767	74,969,595	81,340,560	90,375,594	5,534,673

(NOTE: 1 Tchervonetz = 10 gold roubles.)

BANK OF SPAIN.—In pesetas (000's omitted).

Assets.	Dec. 15, 1923.	Dec. 8, 1923.	Dec. 1, 1923.	Nov. 24, 1923.	Dec. 16, 1923.	Position May 31, 1914
Gold	2,527,630	2,527,618	2,527,621	2,527,581	2,523,863	521,778
Silver	650,761	648,390	652,356	650,184	646,396	728,600
Loans and discounts	2,295,281	2,305,813	2,267,387	2,276,538	2,216,763	803,786
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	150,000
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,272,922	4,285,538	4,255,230	4,263,276	4,095,714	801,580
Deposits	973,539	966,581	966,463	970,638	1,053,324	477,500

NATIONAL BANK OF EGYPT.—In £ (000's omitted).

Assets.	Oct. 31, 1923.	Sept. 30, 1923.	Aug. 31, 1923.	Oct. 31, 1922.	Position May 31, 1914
Gold	3,369	3,363	3,363	3,359	1,571
Government securities	46,211	39,165	36,880	41,389	2,084
LIABILITIES.					
Notes in circulation	33,530	27,100	23,377	32,781	2,400
Government deposits	9,896	8,890	8,663	6,088	2,315
Other deposits	12,332	12,365	12,382	12,113	2,660

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

LONDON RATES.

	Dec. 14, 1923.	Dec. 15, 1923.	Dec. 17, 1923.	Dec. 18, 1923.	Dec. 19, 1923.	Dec. 20, 1923.	Dec. 21, 1923.
Bank rate (changed from 3% July 5, 1923)	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—							
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
4 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months' do	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount (Treasury Bills)	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
3 months' do	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Loans Day to day	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Short	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2
Deposit allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

† Additional to those offered by tender in the preceding week.

Comparison with previous weeks:—

Short Loans.	Bank Bills.			Trade Bills.		
	3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Nov. 9....	2 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
16....	2 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
23....	2 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
30....	2 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
Dec. 7....	2 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
14....	2 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2
21....	2 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	Dec. 22, 1922.	Dec. 14, 1923.	Dec. 21, 1923.	
Paris	francs to £1	T.T.	25/22	62/30-35	82/13-18	84/60-65
Berlin	marks to £1	T.T.	20/43	29000-30000	17-20 bills	17-20 bills
Vienna	krone to £1	T.T.	24/08	310/330,000	307/312,000	307/312,000
Prague	krone to £1	T.T.	24/08	155-157	149 1/2-149 1/2	148 1/2-149 1/2
Warsaw	zloty to £1	T.T.	20/43	80/85000	17 millions	125 millions
Bucharest	lei to £1	T.T.	25/22	765-780	845	845-858
Budapest	kr. to £1	T.T.	24/02	110/1500	805	805-858
Constantinople	piastres to £1	T.T.	24/02	110	550-600	600-635
Sofia	levas to £1	T.T.	25/22	550-600	600-650	600-635
Belgrade	dinas to £1	T.T.	25/22	375-400	380-395	380-395
Amsterdam	florin to £1	T.T.	19/107	11-63.64	11-44.45 1/2	11-44.49
Brussels	francs to £1	T.T.	25/23	67-98-68.93	95-105	96/10-15
Christiania	kroner to £1	T.T.	18/155	24-36.41	29-10.15	29-26.33
Stockholm	kroner to £1	T.T.	18/159	17-17.20	16-60.63	16-54.57
Copenhagen	kroner to £1	T.T.	18/159	22-45.50	24-50.53	24-45.48
Helsingfors	F. marks to £1	T.T.	25/23	184-186	176 1/2-177 1/2	176 1/2-177
Greece	drachmas to £1	T.T.	25/23	370-390	945	255
Italy	lire to £1	T.T.	25/23	903-91	1008-1008	1000-1005
Switzerland	francs to £1	T.T.	25/23	24-49.52	25-08.09	25-07.34
Madrid	pesetas to £1	T.T.	25/23	29-46.49	33-43.46	33-39.39
Lisbon	pence to escu.	T.T.	53/4	28-34	17-13	17-18 1/2
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4/68 1/2	4/68 1/2	4/37-37 1/2	4/36 1/2
Montreal	dollars to £1	Cable	4/68 1/2	4/67 1/2-68 1/2	4/48-48 1/2	4/47 1/2
Buenos Ayres	pence to peso	T.T.	47/62	44 1/2-44 1/2	40-40 1/2	40 1/2
Rio de Janeiro	pence to mills.	30 days	16	6 1/2	5 1/2	5 1/2
Montevideo	pence to peso	T.T.	51	44-44 1/2	42-43 1/2	43 1/2-43 1/2
Valparaiso	pence to £1	30 days	13/33	36-20	40-70	40-40
Calcutta	Rs. to Par. £1	90 days	par	11% prem.	8% prem	6 1/2% prem.
Bombay	ster. to rupee	T.T.	10	1s 4d-4 1/2d	1s 5d-5 1/2d	1s 5d-5 1/2d
Madras	ster. to rupee	T.T.	10	1s 5d-5 1/2d	1s 5d-5 1/2d	1s 5d-5 1/2d
Hong Kong	ster. to rupee	T.T.	10	1s 4d-4 1/2d	1s 5d-5 1/2d	1s 5d-5 1/2d
Shanghai	ster. to taels	T.T.	..	2s 2 1/2d-3d	2s 4d-4 1/2d	2s 3 1/2d-3d
Singapore	ster. to dollar	T.T.	..	3s 0d-0 1/2d	3s 1 1/2d-3d	3s 1 1/2d-3d
Cebu	ster. to yen	T.T.	24/58 1/2	3s 4 1/2d-5d	3s 4 1/2d-5d	3s 4 1/2d-5d
Manila	ster. to dollar	T.T.	24/68 1/2	1s 10 1/2d-1 1/2d	1s 10 1/2d-1 1/2d	1s 10 1/2d-1 1/2d
Mexico	pence to dols.	T.T.	24-24 1/2	24 1/2-24 1/2	25 1/2-27 1/2	25 1/2-27 1/2

NOTICES.

The Hon. Alexander Shaw has been elected a director of the Bank of England, in place of the late Sir Henry Babington Smith. Mr Shaw is a director of the Peninsular and Oriental Steam Navigation Company and the Peninsular and Oriental Banking Corporation, and is also on the board of the United Kingdom Temperance and General Provident Association.

An agency of Unley Branch of the Bank of Adelaide is now open at Marion on Fridays, and an agency of Ceduna branch is open at Penong on the first and third Thursday in each month.

A branch of the Commercial Banking Company of Sydney, Limited, has been opened at Barellan, in the State of New South Wales.

ANALYSIS OF BALANCE-SHEETS.

SAMUEL ALLSOPP AND SONS.

September 30, 1923.

LIABILITIES.	Amount.	Compared with Sept. 30, 1922.	ASSETS.	Amount.	Compared with Sept. 30, 1922.
Ord. stock	315,707	..	Breweries	566,927	.. - 12,061
Prof. stock	753,710	..	Freehold, leasehold, and copyhold properties	1,036,099	.. + 58,041
44% lat. deb.	13,499	..	Trade and other investments	286,797	.. - 2,166
Int. accrued	13,499	..	Debtors	17,352	.. - 17,352
5% deb.	443,582	..	Stocks	284,624	.. - 61,415
Deb. sinking fund	62,668	..	Cash	362,090	.. - 2,478
Creditors, &c.	493,492	..	War Loan, &c.	131,852	..
Contingent account	36,821	..	Deb. dep. & invest.	82,538	.. + 9,611
Reserve account	200,000	..	Goodwill	700,000	..
Ord. shs. div. acct.	811	..			
Prof. shs. div. acct.	2,660	..			
Profit and loss	90,235	..			
Total	3,608,563	.. - 27,820	Total	3,608,563	.. - 27,820

IND, COOPE, AND CO., LIMITED.

September 30, 1923.

LIABILITIES.	Amount.	Compared with Sept. 30, 1922.	ASSETS.	Amount.	Compared with Sept. 30, 1922.
Ord. shares	6,000,000	..	Properties, &c.	1,586,110	.. + 88,195
5% deb. stock	509,587	..	Fixtures	191,611	.. - 16,096
4% deb. stock	710,850	..	Sundry debtors	254,101	.. - 54,147
4% inc. deb. stock	421,961	..	Inv. in Gov. sec.	320,000	..
Sundry creditors	308,369	..	Trade investments	535,668	.. - 15,133
Beer duty	446,631	..	Cash	166,700	.. - 9,108
General reserve	400,000	..	Stocks	193,698	.. - 81,240
Deb. red. fund	110,000	..	Ins. premiums	1,417	.. - 2,615
Profit and loss	216,976	..	Goodwill	375,000	..
Total	3,624,474	.. - 90,144	Total	3,624,474	.. - 90,144

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per Annum, except where marked % or stated in Coln.	Interim Div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Last Year.
Railways.						
Bengal and North-Western	6% p.a.	Feb. 4	Less tax 2/5 in £	11	11	
Delhi-Umbera	7% p.a.	Jan. 23	Less tax 2/4 in £	..	..	
Bank of New Zealand	1/4 p.a.	Dec. 18	& bonus 1/2 p.a.	7	(b) 7	
Ionian	3% p.a.	Jan. 2	Quarterly	..	..	
National City Bank	4%	Jan. 2	Quarterly	..	..	
National City Co.	4%	Jan. 2	Quarterly	..	..	
Ulster Bank	2 1/2%	Dec. 21	Less tax	..	..	
Western Australian	1/9 p.a.	..	..	..	..	
Insurance.						
Eagle Star and B.D.	30%	..	Tax free	..	..	
National of New Zealand	2 1/2 p.a.	& 3d p.a.	Jubilee bonus	3/6 ps	3/9 ps.	
Tea and Rubber.						
Ampat Sumatra	7 1/2%	..	..	12 1/2	nil	
Bagroote Tea	7 1/2%	..	..	..	..	
Drainage Tea	10%	Dec. 19	Less tax	..	..	
British Indian Tea	10%	..	Less tax	..	..	
Chulsa Tea	7 1/2%	..	..	..	..	
Dejoo Tea	5 1/2%	Jan. 11	Less tax	..	..	
Galatia Ceylon Tea, Pref.	6%	Jan. 1	Less tax	..	..	
Hanzie Tea	10%	..	Less tax	..	..	
Jokai Tea	13%	..	Less tax	..	..	
Jorehaut Tea	15%	Jan. 8	Less tax	..	..	
Kinta Kellas Rubber	5%	Jan. 11	Less tax	..	..	
Lamut Rubber	10 1/2%	Jan. 12	Less tax	15	10	
Lendu Rubber	3%	Dec. 31	Less tax	..	..	
Makum (Assam) Tea	1 1/2 p.a.	..	Tax free	..	..	
Standard Company (Ceylon)	10%	Jan. 2	Tax free	..	..	
Mining.						
Anaconda C. p. r.	80.75 p.a.	Jan. 21	..	..	..	
Aurora West	10 1/2%	..	..	15	nil	
Broughton Copper	24%	..	..	..	..	
City cop	25%	Feb. 4	Free of Union tax	45	27 1/2	
Clydesdale Collieries	24%	..	..	..	..	
Consolidated Main Reef	..	Feb. 4	Free of Union tax	61	61	
Crown Mines	40%	Feb. 4	Free of Union tax	67 1/2	64	
De Beers, Pref.	20%	..	Less tax 3/ in £	..	..	
Durban Roadport	5%	Feb. 4	Free of Union tax	..	..	
Geduld Proprietary	16 1/2%	..	..	27 1/2	16 1/2	
Goldenfields Deep	..	Feb. 4	Free of Union tax	5	nil	
Gopeng Consolidated	9 p.a.	Jan. 7	Less tax	..	..	
Government G.M. Areas	30%	Feb. 4	Subject to tax	60	50	
Kamunting Tin	..	..	Tax free	5	nil	

DIVIDEND ANNOUNCEMENTS.—Continued.

Name of Company.	Rate % per Annum, except where marked % or stated in Coln.	Interim Div.	Date of Payment.	Method of Payment.	Dividend for Whole Year.	Last Year.
Kinta Tin	1/6 p.a.	Dec. 29	Less tax	..	..	
Lake View Investment	6 1/2%	Jan. 24	Less tax 4/5 in £	17 1/2	7 1/2	
Layang Estate	7 1/2%	..	Subject to tax	100	100	
Meyer and Clouston	50%	..	..	110	85	
Modderfontein B	60%	Feb. 4	Free of Union tax	140	120	
Modderfontein Deep	7 1/2%	..	..	10	12 1/2	
Natal Navigation	2 1/2%	..	..	..	..	
New Kleinfontein	2 1/2%	Feb. 7	Subject to tax	50	50	
New Modderfontein	..	Feb. 4	Free of Union tax	5	5	
New Primrose Gold	..	..	Subject to tax	5	5	
New Unified Main Reef	..	..	Subject to tax	5	5	
Nourse Mines	..	Feb. 4	Free of Union tax	..	..	
Ouro Preto (Brazil)	5%	Jan. 9	Less tax 4 7/8 in £	..	..	
Premier Transvaal Diamond (Df)	400%	..	Less U.K. tax	..	..	
Rand Mines	60 1/2%	Feb. 11	Free of Union tax	120	100	
Rezende	20%	..	..	..	..	
Robinson Deep, "A"	6 1/2 p.a.	Feb. 7	..	17 1/2	11 1/2	
Rosa Deep	11 1/2%	..	Free of Union tax	15	..	
Sa Francisco de Mexico	2 1/2%	Dec. 29	..	10	10	
South African Coal	2 1/2%	..	..	..	..	
South African Townships, &c.	..	..	..	..	..	
South Crofty	5%	Jan. 1	Less tax	..	..	
Sub-Nigel	3 1/2%	Feb. 7	..	40	40	
Van Ryn Deep	27 1/2%	..	Subject to tax	52 1/2	7 1/2	
Village Deep	..	Feb. 4	Free of Union tax	..	..	
Witwatersrand Deep	7 1/2%	..	Tax free	27 1/2	20	
Witwatersrand Gold	12 1/2%	..	Subject to tax	..	..	
Other Companies.						
American Telephone & Telegraph	2 1/2%	Jan. 15	Quarterly	..	..	
Asbestos Corp. of Canada, Pref.	1 1/2%	Jan. 15	Quarterly	..	..	
Australian Pastoral	4%	..	Tax free	7	6	
Bell and Co.	20%	..	Less tax	12 1/2	10	
Benn Brothers	5 1/2%	Jan. 1	..	25	25	
British American Tobacco	9%	Jan. 17	Tax free	4/16/2	4/15/8	
Do	4%	Jan. 17	Tax free	6/9/5	6/4/8	
British Columbia Electric, Pref.	18 1/2 p.a.	..	Tax free	..	..	
Do Def.	2/11/11%	..	Tax free	..	..	
Brian Steamship	..	..	Tax free	..	..	
Do	..	..	Tax free	..	..	
British Tea Shares Trust	2%	Jan. 1	Less tax	..	..	
Bullard and Sons	5%	..	..	10	..	
Canada Landed Invest.	3 1/2%	Jan. 2	..	11	..	
Capa Town and District Gas	6 1/2 p.a.	Dec. 28	Less tax	..	5	
Carsons, Defd.	..	..	Tax free	5	5	
Central Canada Loan	2 1/2%	Jan. 2	Quarterly	..	..	
Chili Telephone	3/ p.a.	Jan. 15	Tax free	..	..	
Cities Service	..	Jan. 2	Tax free	..	..	
Clarendon A. H. Pref.	1%	Dec. 31	Less tax	..	..	
Cochran & Co.	4%	Jan. 1	Less tax	..	..	
Consolidated London Properties	..	..	..	..	..	
Columbia Gramophone	5%	Jan. 11	Less tax	..	..	
C. & E. Morton, Cum. Ptg. Pref.	6%	Jan. 14	..	..	..	
Dunington Main Coal	1/ p.a.	Dec. 28	Tax free	..	..	
Dominion of Canada Invest.	5%	..	..	..	..	
Dundee Shipping	4%	..	Less tax	..	..	
Eastern Extension Telegraph, &c.	5/ p.a.	Jan. 15	Tax free	..	..	
Edinburgh, Dundee, and Aberdeen Inv.	4 1/2%	..	Less tax	..	..	
Edward and John Burke	6%	..	Less tax 5/ in £	..	..	
Explosives & Chemical Products	2 1/2 p.a.	Dec. 27	Tax free 5 years to June 30, '23	30, '23	10(A)	
Finlay and Co.	..	..	Less tax	7 1/2	7 1/2	
First Garden City	..	..	Less tax	..	..	
General Billposting	..	..	..	10	10	
G. B. Keir, Cum. Ptg. Pref.	5 1/2%	Jan. 1	..	..	..	
Godfrey Phillips, Pref.	6%	Jan. 17	..	..	..	
G. Yarmouth Waterworks	4%	Jan. 1	Less tax	..	..	
Hallamshire Coal Supplies	1/ p.a.	..	Tax free	..	..	
Hills' Dry Dock	..	..	..	..	..	
Huggins and Co.	1/6 p.a.	& bonus 1/ p.a.	Less tax	..	10	
Imperial Colonial Finance	2 1/2%	Jan. 1	Less tax	15	..	
Imperial Property Invest.	..	..	..	6	..	
Imperial Tobacco of Canada	1%	Dec. 31	Also 1 1/2%	..	..	
International Petroleum	10-25 p.a.	Jan. 2	..	..	..	
John Bland	5%	..	Less tax	..	..	
John Crossley and Sons	3/ p.a.	& bonus 2/ p.a.	Less tax	..	..	
Joseph Nathan and Co., "A" Pref.	5 1/2%	Dec. 31	Tax free	10	10	
Kapoor and Gerson	10%	Dec. 16	Less tax	..	..	
Khedival Mail Steamship	..	..	..	..	..	
Leeds and Wakefield Breweries	..	..	Tax free	..	..	
Leeds City Brewery	..	..	..	..	..	
Lochelly Iron and Coal	1 1/3 p.a.	..	Tax free	..	..	
London-American Maritime, Pf	..	..	..	..	..	
Marconi International Marine	5%	Jan. 14	Less tax	..	..	
Manila Electric Corporation	2%	..	..	..	..	
Mexican Petroleum	4%	Jan. 20	Quarterly	..	..	
Mid-Kent Water, Orig. Ord.	8 1/2%	..	Less tax	..	..	
Do 7 1/2% Ord.	8 1/2%	..	Less tax	..	..	
Montana Power	25 1/2 p.a.	..	Less tax	5/15/6	..	
Newcastle Breweries	1%	Jan. 2	Quarterly	..	..	
New Hudson	1/6 p.a.	Jan. 1	..	..	..	
North-Eastern Breweries	..	..	Tax free	1/ p.a.	1/ p.a.	
North-Eastern Imp. Dwellings	4 1/2%	Jan. 1	..	..	..	
Ogilvie Flour Mills	3%	Jan. 2	Quarterly	..	..	
Osaka Shosen Kabashiki Kaisha	7%	..	..	..	..	
Pan-American Petroleum, "A" and "B"	4%	Jan. 20	Quarterly	..	..	
Parkinson and W. and B. Cowan	2 1/2%	Jan. 2	Less tax	..	..	
Pontgibaud Mines, &c.	15/10 p.a.	Dec. 20	..	..	..	
Royal Brewery, Brentford, Prof.	..	..	Less tax	4 1/2	3	
Samuel Allsop, Ord.	..	..	..	4	3	
Do Funding Costs	..	..	..	..	..	
Santa Rosa Milling	5%	Dec. 30	Less tax	..	..	
Scottish American Mortgage	5 1/2%	Dec. 24	Less tax	..	..	
Scottish Heritable Trust	6 1/2%	..	Less tax	..	..	
Second Industrial Trust	5%	Jan. 15	Less tax	..	..	
Shawinigan Water	1 1/2%	Jan. 10	Quarterly	..	..	
Sheepbridge Coal and Iron	1/6 p.a.	Feb. 1	Less tax	..	..	
Sheffield Land and Mort.	..	..	Tax free	2 1/2	..	
South American Stores, Pref.	12%	..	Past two years	..	..	
Do Ord.	..	..	..	..	..	
St Anne's Well Brewery	..	..	..	..	..	
Sussex Brick and Estates	7 1/2%	Jan. 1	..	10	22 1/2	
Swift and Co.	2%	Jan. 1	Quarterly	..	..	
Tarslag, Ltd., Pref.	8%	Jan. 1	..	..	..	
Third Scottish American Trust	..	Jan. 1	Less tax	..	..	
Transvaal and Delagoa Bay Inv.	2 1/2 p.a.	Dec. 29	Less tax 4/5 in £	..	17 1/2	
United Indigo and Chemical	5%	..	..	..	..	
United Tobacco Cos. (South)	..	..	..	..	..	
Ord. and Def.	5 1/2%	& bonus 1/ p.a.	..	20	..	
Do	2 1/2%	Dec. 31	..	..	..	
Victoria Falls, &c., Pref.	6%	Jan. 15	Less tax	..	..	
W. and A. Bates	..	..	..	..	..	
Wyman and Sons	5%	..	Less tax	..	..	

a) Including bonus 2 1/2%, tax free. (b) 8 months

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Dec. 14, 1923.	Miles Open.	Week Ended Dec. 15, 1923.			Aggregate 50 Weeks 1923.		
(c) Week ended Dec. 15, 1923.		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
		£	£	£			£
Great Western.....	3,745	210,000	356,000	576,000	13119000	17419000	30,538,000
London & North-Eastern	6,702	371,000	833,000	1,204,000	21938000	36282000	58,220,000
Do same period 1922	6,657	407,000	838,000	1,245,000	24092000	37688000	61,780,000
London, Mid., & Scottish	6,963½	506,000	932,000	1,438,000	23165000	44899000	76,115,000
Southern	2,127	281,600	126,400	408,000	16426800	5,869,700	22,325,300
Metropolitan (a) (c).....	79½	32,361	3,666	33,027	1,605,363	185,329	1,790,692
Underground (E.R.) (c) ..	..	..	..	253,080	..	..	11,376,470
		..	..	240	..	..	151,266
London & Sub. Group (c) ..	..	..	..	38,434	..	..	1,987,954
		..	..	4,941	..	..	214,128
Belfast & Co. Down (b) ..	80	3,653	1,197	4,850	260,661	62,718	323,375
Dublin and S. East. (b) ..	160	5,363	4,071	9,434	311,991	171,681	483,672
Gt. Northern (Ireland) (b) ..	562	15,650	26,750	42,400	..	..	2,088,000
Midland Gt. West. (b) ..	538	7,592	19,070	26,663	494,078	732,758	1,226,836

is put to reserve, making total reserve £100,000. There is also a special reserve for loss on property and loans, &c., amounting to £42,147. The sum of £27,952 is carried forward, against £32,273 brought in. Total assets amount to £1,206,095, of which cash and notes amount to £72,039. Goodwill stands at £34,741. Investments at mid-market prices or less, £127,980. Book debts are at £25,601, and stock stands at £32,330. Loans, &c., are given as £74,075. Properties and plant stand at £839,320. With regard to liabilities sundry creditors stand at £225,398 and deposits at £15,910.

MORUMS ORIENTAL STORES.—After charging London office expenses, interest and discount charges, and directors' remuneration, making provision for depreciation of furniture and fittings, &c., and writing off a loss on realisation of fixed assets, there is a loss for the year ended June 30, 1923, of £42,707. The reorganisation of capital, approved by the shareholders at the last annual general meeting and confirmed at a subsequent extraordinary general meeting, received the sanction of the court in February, 1923. Arrangements were thereafter concluded to issue the 200,000 preference shares of 10s each and 60,000 ordinary shares of 1s each, created by the reorganisation scheme, and these shares were offered and subscribed in May last. The accounts now submitted consequently show the revised capital of the company. The report points out that difficult trading conditions again have been prevalent throughout the whole of the year, and no substantial improvement of the trade stagnation has manifested itself in Egypt or Palestine. The board are advised that the company has obtained a substantial proportion of the trade passing, while the turnover since the termination of the financial year shows improvement.

STOLL FILM COMPANY.—The net profit for the year ended October 31, 1923, amounts to £9,309, as compared with £36,076. The ordinary dividend has been reduced from 15 per cent. to 10 per cent. The sum of £8,539 is carried forward. Liabilities total £317,272. Creditors stand at £71,693. Reserve account is £51,000. With regard to assets, investments at cost and loans stand at £88,152; foreign agencies, establishment expenditure, £79,394; sundry debtors, £35,516. Cash is at £16,001.

STOLL PICTURE THEATRE, KINGSWAY.—The net profit for year ended November 3, 1923, amounts to £25,337, as compared with £32,858 in preceding year. The ordinary dividend is 10 per cent., against 12½ per cent. The sum of £5,000 is set aside for redemption of debenture stock, and £8,069 is carried forward, subject to excess profits duty, corporation profits tax, and managing director's remuneration. Liabilities total £468,286. Reserve stands at £10,632, and creditors at £48,865. The principal assets are leasehold land and theatre, £328,053; investments at cost and loans, £126,191; cash, £8,661.

UNITED STRIP AND BAR MILLS, LIMITED.—In the report for year ended June 30, 1923, the directors point out that the plant as originally projected has been completed during the past year. With the exception of the first three months in 1923, however, the level of prices obtainable for the company's products has been so low, and the volume of trade obtainable so restricted, as to offer no opportunity of securing sufficient business to operate the mills continuously at more than about 50 per cent. of their capacity. Considerable headway has been made in establishing the sales organisation in this country and abroad, and the company is now actively in touch with all those markets in which it expects to sell on the restoration of normal trade conditions. The works organisation has also been advanced during the year. The accounts show a loss for the year amounting to £36,280, which the directors consider is not unsatisfactory having regard to all the circumstances. They are glad to state that at the date of this report there is some evidence of a revival in trade, and that both mills have shown better results since the commencement of the current year. With extreme regret the directors record the loss sustained by the company in the death of Mr William Tozer.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Cold and frosty weather experienced during the week again rendered field operations difficult. Work has proceeded on light soils, but on heavy land drilling was almost impossible. There is still a certain quantity of wheat to be sown, as seeding is much behind this season, but a spell of mild weather will allow of arrears being made good, otherwise same may have to be left over until the spring. English wheat continues in quiet request, and prices were again the turn easier at most of the statute markets. Suitable milling grades range from 9s 4d to 9s 8d, and inferior 8s to 8s 6d per 112 lbs, free on rail. Imported in moderate request, and prices fully steady for North American descriptions. No. 1 Northern Manitoba arrived quoted 47s 3d, ditto afloat 47s, No. 2 ditto afloat 47s, No. 3 ditto 44s 3d, and No. 2 mixed Durum arrived 45s 6d, all ex ship terms per 496 lbs. In the floating and forward cargo section Canadian descriptions were rather more firmly held on improved advices from the other side, combined with a better demand.

Steamers of No. 1 Northern Manitoba afloat, shipment from Atlantic port, sold at 44s, two steamers of No. 2 ditto, shipment from Vancouver, February, 43s 6d, ditto afloat 42s 9d, and a part cargo Rosafe, 63½ lbs, shipping/shipped, at 43s 1½d, all per 480 lbs. Barley and maize firm but inactive, U.K. buyers being still indifferent. Flour in fair demand at late rates. London standard straight run quoted 37s 6d, patents 39s 6d-40s 6d, town households 35s 6d per sack delivered in. All English country straights 30s 6d-31s 6d per sack delivered to London stations. Imported slow. Manitoba patents range from 36s-39s, and Australian 32s 6d-33s 6d per 280 lbs, ex store. Millers' offers quietly steady. Broad bran quoted 7s 6d, ordinary 6s 9d-7s, middlings 8s 3d, fine 9s 9d, bags included, ex mill. Light oats 6s 3d, powdered oat husks 6s 9d, feed oatmeal 9s 3d, ground oats 13s 3d, free on rail, all per cwt. Barley: English steady, with malting kinds ranging from 10s-14s 6d, and feeders 9s 3d-9s 6d per 112 lbs, free on rail. Imported fully steady. Californian 42s-46s, Chilean Chevalier 50s-53s per 448 lbs, landed. Persian 28s 3d, Danubian 30s 6d, No. 4 Canadian 30s, all ex ship per 400 lbs. Maize quiet and easier. Plate, ex ship, 38s 6d, landed 39s 6d, Gal/Foxanian 37s 9d, and Bessarabian 38s 9d, both ex ship all per 480 lbs. Oats: English quiet at 9s-10s 4d per 112 lbs, free on rail as to sample. Imported dull and easier. Plate, ex ship, 21s 3d, landed 22s 3d, No. 2 Canadian Western, ex ship, 24s 9d, landed 25s 9d, No. 3 ditto ex ship 23s 6d, landed 24s 9d, No. 2 Canadian feed, landed, 23s 9d, all per 320 lbs. Oatmeal steady but quiet. London-made flaked, also rolled oats, 17s 6d, medium and fine cut 17s, coarse and medium pinhead 17s, ordinary Scottish oatmeal 17s 6d-18s 6d, and American 15s 6d-17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to December 15	Cwts. 442,203	Cwts. 577,954	Cwts. 455,350	Cwts. 157,388
15 weeks to December 15	5,968,707	7,182,550	6,751,938	6,046,664
Average price of English wheat per cwt.	9 10	9 7½	10 8½	10 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Dec. 8	Cwts. 379,938	Cwts. 688,675	Cwts. 82,566	9 10	10 7	9 2
15	442,203	545,362	66,999	9 10	10 7	9 2
1919	382,384	345,086	52,795	16 11	28 11	20 2
1920	157,389	375,932	40,644	20 0	20 9	15 2
1921	455,349	302,700	77,000	10 8	12 9	10 2
1922	577,954	420,911	74,710	9 8	9 6	9 6

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated December 20, 1923, is as follows:—Pig iron: With the approach of the turn of the year, business is restricted. The tone, however, is firm, and better prices seem to be anticipated for the first quarter. Two more hematite furnaces are to be relighted very shortly. The price of No. 3 Cleveland G.M.B. remains at 100s per ton, and whilst mixed numbers of East Coast hematite can be obtained at 102s 6d for December delivery, makers are asking 103s 6d for January. Manufactured iron and steel: The restarting of the shipyards and railway material orders have been very welcome to local steel works, and steel prices are firm. Steel ship plates, £10 5s; steel ship angles, £10; iron bars, £12; steel rails, £9. Iron ore: Foreign ore prices are firm, sellers quoting best rubio at 24s 6d to 25s per ton, and best Mediterranean ores at 23s 6d.

Our Sheffield correspondent writes: A considerable tonnage of steel work is accumulating for execution in the new year. Among other things orders have been placed with local firms for rails which will last for two months, and other contracts are on the way. The improvement in trade has laid bare the shortage of railway wagons and locomotives, and the resulting congestion of traffic at a number of places is causing the British companies to hurry forward new construction. A considerable quantity of work has been placed locally for railway axles and tyres, but not much work of this kind is coming from South America or the colonies.

OIL OUTPUTS.

STEAUA ROMANA (BRITISH), LIMITED, have received telegraphic advice from Roumanie to the effect that a decree establishing liberty of the oil trade in Roumania has been signed, and will be made public.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefer.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
Royal Bank of Australia	Sept. 29	£ 32,163	£ 61,643	£ 93,806	£ ..	£ 37,500	10	£ 20,000	£ 36,306
Ulster Bank	Nov. 30	90,397	203,588	293,985	..	81,430	21½	120,000	92,555
Breweries.									
Chicago Breweries	Nov. 30	Dr ..	Dr 2,078	Dr 2,078	..	..	..	Dr 2,078	Dr 9,059
Huggins and Co.	Sept. 30	32,273	46,012	78,285	..	32,625	15	17,708	27,952
Ind. Coope, and Co.	Sept. 30	104,482	145,114	249,596	..	90,375	20	50,000	109,226
Newcastle Breweries	Oct. 31	52,776	34,209	86,985	12,000	20,000	5	..	54,985
Samuel Allsopp and Sons	Sept. 30	19,324	90,141	109,465	53,913	15,514	4½	20,714	19,324
Canals and Docks.									
Hills' Dry Docks, &c.	June 30	17,200	Dr 16,720	480	..	..	..	480	Dr 807
Financial, Land, &c.									
Oilfields Finance	June 30	Dr 31,951	Dr 2,956	Dr 84,909	..	..	..	Dr 84,909	..
Iron, Coal, and Steel.									
United Strip and Bar Mills	June 30	Dr 6,418	Dr 36,280	Dr 42,698	..	..	..	Dr 42,698	Dr 22,559
Rubber, &c.									
Majedie (Johore)	Sept. 30	(15mths)	2,964	2,964	..	..	..	156	2,808
Permas	June 30	4,591	1,662	6,253	..	..	..	1,000	5,253
Shops and Stores.									
Morum's Oriental Stores	June 30	..	Dr 42,707	Dr 42,707	..	..	..	Dr 42,707	Dr 170,679
Tramways.									
British Columbia Electric	June 30	26,272	284,457	310,729	72,000	83,296	(n)	..	43,337
Other Companies.									
Stoll Film Company	Oct. 31	9,953	9,309	19,262	7,766	2,957	10	..	8,539
Stoll Picture Theatre (Kingsway)	Nov. 3	13,788	25,337	39,125	12,750	13,306	10	5,000	8,069

(n) Represents dividend of £6 9s 5d per cent., free of income-tax, on deferred ordinary stock, against £6 3s, free of tax, in preceding year, and £4 16s 2d per cent., free of tax, on preferred ordinary stock, against £4 17s per cent., tax free, in preceding year.

Buying and selling in the iron and steel market have fallen off owing to the approach of the holidays, but the position generally is on a much sounder basis than at any previous time this year. The majority of the works will close for ten days at Christmas, but in a few cases the firms are so busy that only a couple of days' respite will be permitted. Prices of all materials are distinctly firm, and the recent advances are being maintained. Steel scrap, however, which had been soaring to impossible figures, is now obtainable at 95s, or 5s to 7s 6d below the highest figures paid. Iron and steel foundries, forges, crucible furnaces, and tool factories are all ending the year in an improved position as regards orders on work compared with twelve months ago, although the number is few which can report sufficient output to make their trading operations remunerative. Export trade is fully holding its own, and some special Japanese work is coming through. The coal trade is strong in all sections, there being a heavy demand for house and gas coal. Steam coals are in active request for home and export. Quotations per ton at pits are:—Best hand-picked branch, 33s; Barnsley best Silkstones, 27s 6d; best Blyth steams, 24s; Yorkshire steams, 22s; rough slacks, 12s 6d; smalls, 5s to 8s; blast furnace coke, 24s; foundry coke, 27s.

Our Cardiff correspondent writes:—There has been very little change in the position on the Cardiff coal market this week. The pressure of holiday stems has been strong enough to prevent any spot weakness in prices. Although the third shift is being worked, the supply of tonnage is far in excess of the coal shipment capacity of the docks, and towards the end of the week upwards of 70 vessels were waiting for berths. The bunker demand has accordingly been exceptionally active, and prices for bunker smalls have been quite strong. Large coal have remained practically stationary at last week's levels, and the following are the current approximate quotations:—Best Admiralties, 29s 6d to 30s; second Admiralties, 28s 6d to 29s 6d; best drys, 27s 6d to 28s; black veins, 28s 6d to 29s; western valleys, 28s to 28s 6d; eastern valleys, 27s to 28s; best bunker smalls, 21s 6d to 22s 6d; ordinary cargo smalls, 18s 6d to 19s 6d; anthracite big vein large, 40s to 45s; machine-made cobbles, 31s 6d to 34s; French nuts, 53s to 56s 6d; stove nuts, 54s to 56s; cubby culm, 13s 6d to 14s; inland blast furnace coke at ovens, 30s to 35s; coke for export, 55s to 57s 6d; patent fuel, 31s to 32s 6d; pitwood, ex ship, 29s to 30s. In the iron and steel trades there has been a slightly easier tendency during the past week, and shipments have been nothing like as heavy as in the preceding weeks.

CUMBERLAND IRON.

Business in the Cumberland and North Lancashire hematite pig-iron trade so far improved in the last few weeks of the year that makers sold their output two months ahead, and are assured of maintaining on present production throughout the first quarter of next year. It is more than probable that they will be required to increase their make, since sufficient steel orders have been booked to make it necessary for the rail mills to roll at least two weeks in four. In these circumstances prices are very firm, and Bessemer mixed numbers are quoted at £5 15s per ton delivered at Glasgow and Sheffield, and £6 at Birmingham. It is disappointing, however, that there has not been the broadening of demand that is wanted to restore normality to the hematite pig-iron trade. The needs of Scotch and South Wales steelmakers are not considerable, and most of the make continues to be absorbed by consumers in the Midlands and in the West of this country and in the Furness district, though of late there has been a little renewed

buying by Italy, France, and Belgium. Low phosphorus iron is in fair request only, and manganese alloys are quiet, the comparatively low prices not having tempted any American buying on a substantial scale. Still, makers possess good delivery orders, and no diminution of the output is likely to take place before March. Ferro commands £17 per ton, f.o.b., and spiegel is £9 per ton, f.o.b. The new business that has come to rail makers is chiefly that from home railways, and is on the top of that from the Colonies and Dependencies and South America. With but 14 furnaces in draught between Workington and Carnforth, the iron ore industry is not fully employed, and the consumption of native ore is mainly local. Superior sorts of low phosphoric ore are quoted at 24s to 26s, and ordinary kinds 18s 6d to 20s 6d.

The coal trade is very heavily engaged, demand being much bigger than can be met. The chief pressure is in the Irish market, the cross-channel requirements of best round at the higher figure of 27s per ton being very large. House nuts for shipment are almost unprocurable at 26s. The call for industrial fuel is brisk, and best steam is 30s, and washed steam 29s at works. Best house is a brisk market at 38s 2d at pit. Coke is a fairly big make, and it is all going to the local smelters of ordinary iron at 25s to 26s 6d per ton according to carbon content. East Coast coke supplies to the district average nearly 10,000 tons per week.

THE COTTON TRADE.

MANCHESTER, December 20.

The conditions prevailing in the market at the moment are not at all favourable to active business. The many ups and downs in raw material rates are very disconcerting, and a steadier feeling will have to prevail before buyers are likely to be in the mood to place orders with any freedom. In small lots, towards the close of the week there has been a slight improvement in the turnover. Bids in standard cloths for India remain scarce, and only scattered transactions have been put through in bleaching and printing descriptions. There are no signs at the moment of a revival of buying for China. Shippers to Egypt, the Near East and South America have not been altogether idle, and finishing styles have attracted some attention. Fancies have been in moderate request for the Continent. Something has been done in stock lots for the home trade. American yarns for home use have moved off slowly at irregular rates. There has not been much activity in Egyptian counts. Bids as a rule in export numbers have been impracticable. Most spinners are now producing more than they are selling.

(I.) Comparative Statement of the Cotton Trade.

	Price, Dec. 20, 1923.	Previous Weeks in 1923.				
		Price, Dec. 13.	Price, Dec. 6.	Price, Nov. 29.	Price, Nov. 22.	Price, Nov. 15.
Raw Cotton—Fully Mid. American .. per lb	20 05	20 83	19 64	21 99	20 72	20 05
— Sakellaridis Fully Good .. per lb	22 90	24 40	23 65	26 95	25 25	21 80
— Fair Egyptian	28	28½	27½	28½	27½	26
Yarns—32's twist	24½	28½	27½	29	27½	26
— 40's twist	37	38	37	39	37	35½
— 60's twist (Egyptian)	s d	s d	s d	s d	s d	s d
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	39 0	40 0	39 0	40 6	39 0	37 6
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	42 6	43 6	42 6	44 0	42 6	41 0
38-in. ditto, 38 yds, 18 by 16, 10 lbs	22 6	23 0	22 6	23 3	22 9	21 9
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	20 6	21 3	20 9	21 6	21 0	20 0

(II.) Compared with Previous Years.

	Price, Dec. 20, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	20.05	15.08	11.30	11.26	27.31	22.20
Sakellaridis Fully Good .. per lb	22.90	17.80	20.75	25.00	49.00	27.30
Yarns—32's twist .. per lb	28	21	18½	25	52½	41
40's twist .. per lb	28½	20½	17½	25	49½	41
50's twist (Egyptian) .. per lb	37	28	32	40	91	68
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	39	0	30	0	31	0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	42	6	32	3	31	0
38-in. ditto, 38 yds, 18 by 16, 10 lbs. ..	22	6	18	3	18	6
38-in. ditto, 37½ yds, 16 by 15, 8½ lbs. ..	20	6	16	9	18	0

LIVERPOOL OFFICIAL QUOTATIONS—December 14, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island ..	d	am	d	d	d	d	d	d	d	d	d	d
Florida do ..	am	am	am	am	am	am	am	am	am	am	am	am
Georgia do ..	am	am	am	am	am	am	am	am	am	am	am	am
American ..	Ord	G O L M	Mid	G M M F	G O L M	G M	G O L M	G M	G O L M	G M	G O L M	G M
Brasilia ..	Mid	M F	G F	Gd	Fne	M F	M F	Gd	M F	M F	Gd	Fne
Pernam, Macao, &c. ..	1968	2058	2143	..	..	1331	1431	..	851	1101	..	..
Parahyba, Rio Grande, &c. ..	1968	2058	2143	..	..	1331	1431	..	851	1101	..	..
Oceara, &c. ..	1968	2058	2143	..	..	1331	1431	..	851	1101	..	..
São Paulo ..	1943	2013	2068	..	..	1356	1431	..	..	..	..	..
Egyptian ..	Fr	G F	For	Gd	Fne	Fr	G F	Gd	..	..	..	..
Upper ..	2135	2195	2215	2235	2285	1425	1525	1615	..	1425	1725	..
Sakellaridis ..	2220	2295	2345	2405	2455	1430	1690	1915	..	..	..	..
Brown ..	2185	2245	2265	2310	2380	1425	1550	1725	..	1450	1850	..
Caravian ..	Mid	Fr	G F	For	Fne	Mid	Fr	Gd	..	..	..	..
Rough ..	..	..	2200	2350	2400	..	..	1725	..	..	1375	..
Moderately Rough ..	..	..	2150	2250	2300	..	..	1500	1650	..	1100	1300
Smooth ..	2093	2168	2218	2243	2268	1456	1581	1681	876	1201	1376	..
Tanguis ..	2118	2168	2193	2243	2318	1456	1581	1611	..	..	..	..
Mitafid ..	..	..	2250	2350	2450	2500	..	1300	1550	..	..	..
West Indian, &c. ..	..	..	..	1975	2075	2150	..	1475	..	..	..	..
Do ..	..	..	2200	2400	2600	2700	..	2100	2700	..	2630	3200
African, East, &c. ..	1575	1675	1825	1925	2025	2100	1125	1300	1500	925	1125	1325
Do ..	Mid	FM	GM	For	M F	Mid	For	..	..	..	..	..
East Indian ..	1993	2003	2013	2093	2143	..	1306	1381	..	..	..	..
Machine Ginned Surtee ..	G F	For	Gd	Fne	For	Gd	For	Gd	..	..	1055	..
Machine Ginned Brooch ..	..	..	1630	1670	1710	1750	1130	1170	1250	855	905	1005
Machine Ginned Bhowanagar ..	1350	1400	1450	1500	1550	1600	955	1005	1085	755	830	930
Machine Ginned Comra. No. 1 ..	1360	1410	1460	1510	1560	1610	965	1015	1095	765	840	940
Machine Ginned Comra. No. 2 ..	..	..	1435	1485	1535	1585	..	990	1070	..	..	..
Machine Ginned Khandeish ..	1360	1410	1460	1510	1560	1610	915	965	1045	690	765	865
Machine Ginned Comptah ..	1503	..	1540	..	..	..	1155	..	..	925	..	..
Machine Ginned Bengal ..	1260	1300	1340	1380	1420	1460	770	810	850	675	725	825
Machine Ginned Soinde ..	1250	1290	1330	1370	1410	1450	760	800	840	665	715	815
Tinnivelly ..	1785	1825	1865	..	..	..	1090	1130	..	850	900	..
Madras, Western ..	1435	1475	1515	1555	..	..	1100	..	..	885	..	..
Madras, Northern ..	..	..	1540	..	..	..	..	..	..	..	..	..
M.G. Coconada, Red ..	Fr	1515	..	..	..	..	..	..	..	..	..	..
China, Smyrna, &c. ..	..	..	..	..	..	..	..	..	..	..	..	..

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The last series of colonial wool sales for this year have closed in London to-day with values at the highest point touched during the season. Demand has been well maintained throughout, and competition has been general. A hardening tendency is still in evidence in the colonies, and while many members of the trade profess to be amazed at what is being done with all the wool, there is a general disposition to view the future with full confidence. It is realised that any improvement in conditions on the Continent would inevitably bring about a greatly increased volume of trade, and the statistical position of wool is considered to be so fundamentally sound that no serious set-back is expected unless something totally unforeseen occurs to check consumption. The recent advances in wool and tops have undoubtedly checked demand to some extent, and the market to-day is not quite so active. At the same time, topmakers are so convinced of the strength of their position that they are in many cases quoting frankly protective prices. Even with the recent advances in tops, it is still impossible to replace at current values, and there does not appear to be much prospect of cheaper wool being obtainable. Spinners are much better employed than they were a month or two ago, and some fair weights of yarn have been sold during the last fortnight. Demand favours crossbred types, and quotations are firmer all round. It is impossible, however, to make prices correspond to those ruling for wool and tops. There is a better feeling in the piece goods trade, and demand on home and export account shows an expanding tendency. Home-grown wools are very firm, and alpaca and mohair are exceedingly healthy.

COLONIAL WOOL.

FROM OUR SPECIAL CORRESPONDENT.

The final series of London wool sales for the year came to a finish on Thursday, and will go down to history as by far the best held during 1923. From first to last there could not possibly have been a better buying spirit, all qualities of wools being distinctly dearer than the previous series. Merinos appreciated 7½ to 10 per cent., while crossbreds advanced from 15 to 20 per cent.—

in some cases even 25 per cent.—compared with the October-November series. Many are wondering if the advances have been too rapid, particularly in crossbreds, and whether they can be sustained. The increased buying of merinos by the home trade has been one of the most satisfactory features of the series, and clearly shows the changed attitude of the West Riding, but the price of the raw material is very much in advance of what can be made for tops, yarns, and pieces.

The way crossbreds have sold clearly shows the big change which has come over that section of the market. The home trade has taken the lion's share, but a topmaker said during the series that the clean cost of wool was practically Bradford's selling price for tops. America has certainly been a leading buyer of all the best merinos and crossbreds, and many have been surprised with the purchases of the former for that country, but it indicates that America is expecting a good all-round trade next year. America has paid up to 67d clean for good 80's combing wool, 64d for super combing 70's, and 62d to 63d for warp 70's, these being the wools favoured. Practically speaking all the new clip super lines of merino combing grease have gone to the United States. One lot of Geelong greasy 64's (a few 70's and a few 64's in the parcel), 64 per cent. clean yield has made 37d, so that the new Geelong clip of 70's ought to make up to 40d in the grease.

THE TIMBER TRADE.

FROM OUR OWN CORRESPONDENT.

Since the result of the Election has become known, the demand, which generally was very fair before Mr Baldwin threw his boomerang, has recovered to some extent, but the close approach of the Christmas holiday and the termination of the last quarter of 1923 has prevented any satisfactory call for timber, at least until the opening of the New Year. The heavy imports of building and packing case woods into this country have continued with unabated persistency, but we are so close to the end of the year that the closing of navigation in the Baltic must be a matter of a few days only. The most pronounced features of the returns are the very heavy imports from Finland, the increased receipts of wood from Russia, and, to a less extent, but very welcome, from Latvia and Poland, all of which have done much to swell the stocks in consumers' favour. With the glut of wood on the market there should be no question of plentiful supplies of building material to cope with schemes already on hand for the erection of houses. We do not know at the moment, but it is likely that the Labour Party may, in the near future, be called upon to form a Government, and

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that houses are extremely likely to be one of the first matters that will claim their serious attention. If that be the case, there should be a very fair demand for timber at reasonable rates if the market is left to function normally.

The situation of the market for hardwoods—for furniture and decorative fittings—is similar to that of the softwood type of our timber supplies, but the volume of trade in the former is not nearly so large, and the fluctuations are not so heavy and do not promote such anxiety as is experienced in the softwood department. Regarding American furniture woods, it appears that supplies of certain descriptions for the cheaper kinds of cabinet work have been landed here from the United States at little above, if not absolutely at, cost of production. Imports of sawn hardwoods so far this year amount to 17,487,000 cubic feet (cost £4,765,000), against 11,603,000 cubic feet at a cost of £3,343,000 for the eleven months ended November last year.

Mahogany logs continue to be in great favour, prices keeping very firm, and are more likely to go higher than to suffer any easement.

All shipbuilding timbers show an improved demand, and prices generally are firming up.

The pitwood trade is importing much larger quantities of colliery timber—3,523,700 loads, valued at £7,440,800, against 2,620,800 loads, value £5,142,800, for the eleven months ended November last year. The much heavier import and consumption is due to the very busy state of the collieries.

VEGETABLE OILS AND OILSEEDS.

Markets generally have been steady throughout the week. The scarcity of linseed on spot and afloat is causing stringency in the supply of oil, which has met with a good demand from consumers, the market being firm round £41 for spot and December delivery. Some business continues to be done in new Plate seed, the earliest shipments of which are expected at the end of the month, or the first week in January, current value being round £18 2s 6d for this position, and £17 10s for January-February loading.

Cotton oils more than maintain late values, crude Egyptian having advanced to £42 per ton naked, ex Hull mill, while £43 is asked for soap makers' grade of refined. Demand has been fair, but the market has been most influenced by the firmness of Egyptian seed. All other soft oils are fully steady, and inclined dearer. The prevalence of cattle disease has put a severe check on the demand for oilcakes, which are somewhat cheaper to buy, though supplies are not excessive. Meals are firm, and in steady request.

HIDE, LEATHER, AND ALLIED TRADES.

BY OUR OWN CORRESPONDENT.

The hide market is very firm, and at the most important provincial sales this week prices of best ox advanced ½d per lb. Prices were also very firm at the Bermondsey sales on Thursday last, several classes advancing ½d to ¼d per lb. Best ox made from 6½d to 8½d, and this is all the more surprising, as hides are in a very bad condition at this time of the year, and usually fall in price. The prevalence of foot and mouth disease amongst cattle is, however, causing some anxiety amongst the hide traders, as supplies will soon be shorter in consequence of the slaughter of stock which has been going on of late. All classes of foreign hides are sharing in the advances, and tanners both here and on the Continent are buyers of fregorifics at enhanced prices. American tanners are also buying heavily, as they believe the outlook is better for the new year. New York cables that the packer hide market is firm, with best heavy steer hides selling at 13½ cents.

Trade in leather has fallen away this week, business being only for small parcels of bends for filling-up purposes. Prices all round are firm, and there is little to be had in "stocktaking bargains." Dressed leathers are selling also in small lots, but sampling is going forward in a way which bodes well for the New Year's business. Chrome leather tanners are looking forward to better times, as the German Government has definitely refused to pay the reparations duty on exported calf and side leathers, which have been such a bugbear to our tanners.

The boot trade is steadily improving, and large clearances have been made this week for the Christmas trade. Export business is also good, the colonies taking large quantities of British boots and shoes.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, December 21.

SUGAR.—The market failed to produce any new noteworthy feature, general trade being conducted on quiet lines, but with available supplies of manageable dimensions, previous quotations were repeated for all spot lots of refined. The awaited Cuban crop forecast is to hand, and by Mr Guma amounts to 3,750,200 tons, as compared with an output last season of 3,603,000 tons. Market conditions were not influenced thereby, as general expectations hovered around such figures with an increased yield looked forward to owing to greater care being given to general cultivation in the island. Apart from the disturbing factor of political unrest, it is to be hoped that Nature will be kind enough to respond to the increased endeavour of mankind and ensure a full reaping of the harvest. Cuban receipts last week, 625 tons old crop, against 1,150 last year; new crop nil, against 18,202. Exports: Old, 5,866, against 18,796; new, nil, against 4,571. Stocks, 5,934 tons, against 25,251. Centrals working total 20, against 31.

There is nothing fresh to add with regard to general development of European beet crops. Moderate quantities continue to find their way to the U.K. market from Czechoslovakia, but in the case of Holland and Belgium offers are very reservedly made, and then at prices above above parity. Raw refining kinds still scarce, and quotations somewhat nominal. Of British refined, and in which a moderate clearance took place, Messrs Tate and Lyle's cubes quoted 63s 6d to 54s 6d; crushed, 61s; granulated, fine and coarse grain, 61s 1½d; No. 1, 60s 10½d; No. 2, also London and T.L., 60s 7½d; ditto, month forward, 61s; February, 61s; March, 59s 6d. White Java, spot, 57s 3d; white Mauritius crystals, 57s 3d. Czecho, granulated, spot, 58s 6d; ditto, December shipment, 30s; January-March, 29s 6d, f.o.b., Hamburg. Belgian granulated, December, 29s 3d, f.o.b., Antwerp. White terminal market opened quietly, but improved later on increased buying orders circulating. December delivery, sold, 29s 7½d to 30s 6d; March, 28s to 28s 10½d; May, 27s 10½d to 28s 7½d; August, 27s 4½d to 27s 9d per cwt.

COFFEE.—The market continues poorly supplied, and prices show a hardening tendency, particularly with regard to all mild qualities, and which are dearer on the week. Good to fine bold colory Costa Rica sold, 122s to 133s; fine bold Nyassaland sold, 112s 6d.

COCOA.—Market steady, with moderate spot inquiries. Trinidad sold, 49s, and fine Accra, 32s. Accra, F/F quality, January-March, sold, 28s 3d; February-April, 28s 3d, f.o.b. terms.

TEA.—17,330 packages Ceylon were brought forward this week, and though general run of quality was not attractive, full recent rates were secured under brisk support accorded. 52,380 packages Indian were offered, and while all the finer sorts sold steadily, inferior in some cases disclosed slight irregularity. No Java or Sumatra offered.

RICE.—Market generally firm, as shippers offer sparingly, but actual trade proceeds quietly. Two Stars, Rangoon, spot, 16s 6d; afloat, parcels of ditto sold, 15s 6d; new crop, February-March, sellers, 15s 6d, c.f. and i., London. Spanish, December-January, 19s 3d; Italian, 18s 6d, c.f. and i., London. Japanese peas, spot, 25s 6d; afloat, sold, 21s; January-February, sellers, 21s 10½d, c.f. and i., London/Liverpool. Rangoon beans, also Madagascar butter beans, quiet, unaltered.

SPICE.—Pepper firm, especially for white, and a fair demand prevailed. Black Singapore, January-March, L.S., quoted 4½d; Lampung, 4½d; Muntok, white, January-March, 7½d; March-May, sold, 7½d, Zanzibar, cloves, November-January, sold, 1s 4½d; January-March, 1s 4½d per lb. Tapioca quiet, unaltered. Sagor flour, January-March, 15s 3d. Desiccated coconut, fine cut, spot, 42s 3d; medium, 42s 6d; forward, 41s 9d per cwt, c.f. and i.

JUTE in request, and market dearer. First grade, December-January, Continent, sold, £26 12s 6d; January-February, £27; February-March quoted £28 per ton.

HEMP.—Manila firm, with dealers in local markets cabled as very reserved, but buyers in the London centre are reluctant to pay any advance. J grade, January-March, quoted £34 5s; K, £28 10s; L, £27; M, £24 15s per ton. African, Sisal, December-February, No. 1, Tanganyika, £38; Kenya, ditto, £37 10s per ton.

SHELLAC quiet. T.N., spot, 305s; March, 287s 6d, 290s paid. **COPRA** met with quiet support, and prices tended weaker. F.M.S. Straits, October-December, to Rotterdam, sold, £29 18s 9d; November-January, £29 13s 9d; January-March, value, £29 2s 6d. Dutch East Indies, November-December, buyers, £29 12s 6d; South Sea quoted £28 17s 6d; Cebu, £29; Ceylon, £31 10s; Java, £29 15s, for December-January. Palm kernels, January-March, Liverpool, quoted £20 8s 9d ton.

RUBBER firmer, in response to higher advices from New York, but assumed a quieter tone later. Standard plantation, crepe and sheet, spot, also December, sold, 1s 2½d to 1s 2d; and buyers, January, 1s 2½d; January-March, 1s 2½d to 1s 2½d and 1s 2½d; April-June, 1s 2½d. To New York, standard, European, estate, sheet, January-February, sold, 1s 2½d per lb, c.f. and i. terms. Wild sorts quiet, unaltered.

EGG PRODUCTS.—Market remained slow, at previous level of prices.

CARDAMONS.—Very firm, but business kept down by smallness of available supplies.

FRUIT (Dried).—The wholesale side of the article presented quiet features throughout the week, but prices disclosed a firm tendency, in fact, in some cases, same were rather dearer. Of currants, Pyrgos, 4-cases, quoted 42s; bags, 39s; Amalia, 44s; Patras, 50s; Vostizza, 65s to 69s. Sultanias: Smyrna quoted 51s to 54s; good, 62s to 66s; fine, 80s to 85s; finest, 95s to 100s. Demand for raisins proved very slow. Valencia 4-boxes quoted 50s to 60s; quarters, 52s to 95s. Dates

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firm at recent level of prices. Figs: Genuine naturals, in bags, quoted 34s to 38s; layers, in boxes, 95s to 105s. Evaporated fruits formed a steady market. Californian choice apricots quoted 74s; fancy, 97s 6d to 100s; old crop peaches, choice, 42s; extra choice, 46s cwt.

CANNED GOODS.—There was a fair amount of business stirring, and, in the aggregate, prices were maintained. Of sardines, Portuguese quarters quoted 2s 9d to 3s 3d; ditto 12-oz, 6s to 7s; 18-oz, 9s 6d to 11s per dozen tins. Lobster steady, but there is really no demand. Fancy halves, 14s to 15s. Salmon commanded sustained support, while available supplies are on a light scale. 1-lb flat tins, labelled, quoted 54s 6d; ditto tall, 42s; 1-lb flat pink, 26s; ditto tall, 25s 6d; and cases of 96 3-lbs, 29s to 30s per case. Canned fruits received steady patronage, and prices manifest a hardening tendency, Singapore pine being dearer. Fair quality Singapore pines, on spot, 5s 10s 3d, Californian apricots, 7s 6d to 11s, ditto peaches, 8s 6d to 11s; pears, 12s 6d to 14s; tomatoes, Spanish threes, 6s 6d; Italian ditto, 6s 9d per dozen tins. Canned meats continue to be well supported, and prices of late have moved against the buyer.

OILSEEDS.—Linseed market opened firm but quieter since; white new crop, La Plata, displayed slight irregularity. Indian: Bold Bombay, December, sellers, £23 5s; small Bombay, ditto, £22 15s; Calcutta, afloat, £23 5s; November-December, £22 15s. Plate afloat, £21 5s; December-January, £18 2s 6d; January-February, sold, £17 7s 6d to £17 12s 6d; April-May, £17 7s 6d to £17 12s 6d. Rapeseed firmer. Toria, November-December, £19 7s 6d; real bold Ferozepore, ditto, £19 7s 6d; Jamba, £14 15s. Cottonseed steady for Egyptian, with a fair demand. Egyptian black, December, quoted £13 7s 6d. Sakellaris, £12 7s 6d Hull. Bombay, January-February, sold, £10 2s 6d; February-March, £10. Gingly seed quiet. East African November-December, £25. Chinese, December-January, £25 5s. Ground nuts, dull. Coromandel, machine-dried. December-January, £24 2s 6d; Chinese, decorticated, f.a.q., December-January, £23; East African, December-January, £24 5s, sellers. Soya beans steady. Manchurian, December-January, £12 5s. Castor-seed easier. Bombay, December-January, £24 10s; February-March, £23 per ton.

OILS.—Linseed irregular. Spot, net, naked 43s; December, 42s; January-April, 39s 6d; May-August, 36s 4d. Rape firmer. Crude, spot, 44s 6d; refined, 47s. Castor-oil firm. First pressure, spot, quoted 60s; second pressure, 59s; and pharmaceutical, 65s per cwt. Hull, with London 2s cwt extra. Cotton firm. Crude Egyptian, spot, 42s; Bombay, 41s; common edible, 47s; deodorised (in barrels), 49s 6d. China-wood firmer. Hankow, spot (barrels), 94s; December-January, 96s 6d. Coconut steady. Ceylon, spot, 47s 6d; November-December, 47s; Ceylon, ditto, quoted 60s. Soya firm. Oriental, barrels, December-January, 42s. Cod quiet. English, spot, 36s. Groundnuts firm. English, crushed, naked, spot, 52s; deodorised, barrels, 60s. Turpentine dull and

easier. American, spot, 72s; January-April, 73s. Rosin quiet. American, grade B, 13s 3d; F, 13s 6d; G, 13s 6d; H to I, 13s 9d; WC, 15s 9d; WW, 16s 3d per cwt. French WW, 16s per cwt. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon.

METALS.—Tin opened easier, a sharp decline being registered, but subsequently the downward movement was arrested, and the drop was mostly recovered under better buying orders, combined with higher cables from the East. Standard cash sold at £233 5s, £235 5s to £233 5s; and three months, £234 12s 6d to £236 10s to £234 12s 6d. Eastern cables reported sales at £235 to £238 10s, c.i.f. At Thursday's market rates moved in buyers' favour, while somewhat irregular forward. Standard cash sold at £231, and three months, £234 to £232 10s to £233 5s, while finally at £232 15s. Further sales occurred in the East at £235 15s, c.i.f. By the end of the week values tended firmer. Standard cash sold at £234 10s to £235, and three months, £236 to £236 10s to £236 12s 6d. English ingots quoted at £235 10s to £236. Copper commenced with a firm tone, but later values gave way on selling pressure, though offers were well absorbed. Standard cash was dealt in from £62 10s to £62, and three months £63 5s to £62 17s 6d. The downward movement was continued at Thursday's session while a good demand prevailed. Standard cash sold at £61 12s 6d, and three months £62 15s to £62 10s to £62 13s 9d. Copper was again easier on Friday, while in quiet demand. Standard, cash, sold at £61 7s 6d to £61 10s, and three months, £62 12s 6d to £62 6s 3d to £62 7s 6d. Electors, £67 15s to £68 5s; best selected, £66 to £67 5s; strong sheets, £95; wire bars, £68 5s per ton. Lead. Easier at £30 12s 6d to £29 15s, as to position. Aluminium quiet. Home trade, £115; export, £120. Spelter: Active, and dealer at £32 12s 6d to £33, according to position. Antimony firm. English special, £44 10s to £45.

METROPOLITAN CATTLE.—DECEMBER 20.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	d
Beasts—Herefords	nominal		
Shorthorns	6	8	7 6
Devons	8	0	8 2
Norfolks	8	0	8 2
Scottish	nominal		
Irish	0	0	0 0
Fat Cows	5	0	5 6
Beasts—Heavy Bulls	s	d	d
Canadian	4	6	5 0
Sheep—Downs	11	0	11 6
Ewes	7	8	8 0
Crossbred	11	0	11 4
Scottish	12	0	0 0
Lamb—Downs	13	4	0 0

LONDON POTATO MARKETS.—DECEMBER 20.

Per Cwt.			
	s	d	d
English (new) Arran	6	0	6 6
Chief	6	0	6 6
King Edwards	6	6	8 0
British Queens	6	0	6 6
Majestic	6	0	7 0
Blackland	5	0	6 6

Commercial Times.—Weekly Price Current.

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

LONDON, FRIDAY.			
0000A—Duty, British grown	4	1	4
254d foreign 25s cwt.	4	1	4
Trinidad, per cwt.	4	1	4
Grenada	4	1	4
Ceylon, plantation	75	0	108 8
Guayquil	56	8	75 8
Bahia, best	41	8	42 8
OFFERS—British grown			
254d foreign 25s cwt.	106		
E. India 25s cwt.	106		
Do good to fine	110		
Costa Rica, ord. to mid	8	105	0
Good to fine	108		
Central American, ad.	128		
ord. to mid	78		
Mid. to fine	90		
Columbian, ordinary	66		
Do ad. ord. to low mid	72		
Do mid. to fine	90		
CHEMICALS—			
Acid, citric	1	4	1 5
Nitric	8	2	4 4
Oxalic, net	8	2	4 7
Tartaric, English	1	0	1 1
Foreign	1	0	1 1
Alum lump, per ton	13	10	15 0
Do ground	12	10	14 0
Ammonia, cas. ton	27	15	25 15
Muriatic, White, ton	28	15	25 15
Sulphate	217		
Argentine, lump, per ton	80		
Powder, per cwt.	70		
Asbes, pot., per ton	78		
Pearl do	nom		
Bleaching pwr. p. ton	9	10	9 10
Borax, gran.	24	10	8 8
Do crystals	25	0	8 8
Do powder	25	0	8 8
Cream Tartar	86		
Sulph powder	86		
Alomol, per lb	4	18	4 11
Iodine, dry	1	0	1 1
Nitrate of Soda, p. ton	13	10	14 0
Potash—			
Chlorate, net	8	4	8 4
Permutate	1	0	1 1
Do foreign	15		
Sulphate	15		
Sal-Ammoniac, p. ton	57		
Soda Bicarb., per ton	28	10	18 0
Crystals, per ton	50		
Alkali, 10/10	60		
Caustic	15	10	18 0
Sugar of Lead white ton	0	0	0 0
Foreign white	41		
Sulphate Quinine—			
English Brand	2	3	0 0
Foreign do	2	2	2 3
Sulphate Copper, p. ton	26	0	26 0
Zinc, cut	nom		
Sulphur Flour	10	0	11 0
Do Roll	9	10	10 0
Vermillion, Chinese, p. lb	4		
English	4		
Oil Peppermint, H.G.H.23	0	33	6
OFFERS—per ton, c.i.f.	s	d	d
Malabar, Oct./Dec.	nom		
Ceylon	32		
F.M. Singapore	32		
F.M. Straits	39		
COCHINEAL, per lb	2	0	3 6

The Economist,

WEEKLY COMMERCIAL TIMES,

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A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. XCVII.

SATURDAY, DECEMBER 29, 1923.

No. 4,192.

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THE MONEY MARKET.

The market's anticipations of year-end stringency have been realised during the past week. Daily money is almost a drug, and has been freely offered down to 1 per cent. until the last day of the year. But weekly loans have commanded 3½ per cent. readily, and large amounts were borrowed from the Bank of England, both before and after the Christmas holidays, and there was also some discounting of bills there. The Bank return did

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CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY
Every description of Banking business transacted.

not show market borrowings to the extent expected, and the suggestion has been hazarded that some other operations, such as a clearing-up of pre-moratorium accounts with the Bank, may have partly offset the increase which otherwise would have been shown in Other securities. The discount market has remained firm, though the March Treasury bills have changed hands at $3\frac{1}{8}$ per cent., and have been dealt in for January delivery nearly $\frac{1}{2}$ per cent. lower. Three months' bank bills have been practically $3\frac{1}{8}$ per cent. for March paper and $3\frac{1}{2}$ per cent. for early April maturities. The new Treasuries, which, with the exception of those to be paid for on Monday, are also April bills, were offered at $3\frac{1}{8}$ per cent. after allotment.

	Dec. 28, 1923.	Dec. 21, 1923.	Dec. 14, 1923.	Dec. 7, 1923.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	3 (Jly. 5, '23)
Banks' Deposit Rate	2	2	2	2	1 (Jly. 5, '23)
Discount (Call)	2	2	2	2	1 (Jly. 5, '23)
Houses (Notice)	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	1 $\frac{1}{2}$ (Jly. 5, '23)
Market rate (3 months' bills)	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	3 $\frac{1}{8}$	..

The Bank return showed a decrease of £42,400 in the note circulation and of £3,700 in the coin and bullion, so that the Reserve was £38,700 higher. Government securities rose by £2,196,000, and market borrowing was reflected in a rise of £5,152,900 in Other securities, and Other deposits were swollen to the extent of £7,089,700, as Public deposits were only £306,900 higher. The increase in liabilities reduced the ratio of Reserve by 0.8 to 14.8 per cent. Currency notes outstanding showed a further increase of £3,253,000 to £299,070,200, which includes £1,429,200 for notes called in, but not yet cancelled. The fiduciary issue is £248,190,900, or £21,992,900 below the maximum.

THE STOCK MARKETS.

Business in the Stock Exchange was on a very meagre scale on Monday, and when the House reassembled on Thursday after the Christmas break the attendance was small, and business still restricted. The tone, however, was surprisingly good, and gains predominated. There was a slight general improvement in the gilt-edged market, and in the Foreign bond market Brazilian and Russian bonds were better, the latter on speculative buying, but French issues were inclined to be dull. Home Rails have been under the shadow of the impending wages ballot, and prices have been irregular. Industrials have, on the whole, been firm, in the belief that trade is improving, and in the speculative markets both oils and rubbers are a little better, but mines have been irregular.

THE COMMODITY MARKETS.

Owing to the Christmas holidays markets have been generally quiet all round. In the cotton trade the turn-over in yarn and cloth has been on a small scale. From Bradford our correspondent makes similar comment with reference to the wool trade. Our Sheffield correspondent writes that the year has ended with a distinct improvement in the steel trade, both as regards work on hand and prospects for the future. Tin is slightly higher, and copper is in good demand. There has been practically no coal market on the Cardiff Exchange this week. Sugar and coffee are steady. Rubber remains firm, but dealings are not numerous. Business in vegetable oils and oilseeds has made a slighter recovery after the holidays.

FOREIGN EXCHANGES.

With only three business days over the holiday week, the foreign exchange market has been very quiet. The outstanding feature has been the weakness both of sterling and of the French franc. From \$4.35 $\frac{1}{2}$ on the 21st, the dollar was quoted as low as \$4.33 $\frac{1}{8}$ on Saturday, and after a recovery to just under \$4.35 on Monday,

opened on the 27th as low as \$4.33 $\frac{1}{2}$. During the day, however, there was a sharp recovery, though the closing rate of \$4.34 $\frac{1}{8}$ was above the highest. Yesterday morning the rate was about \$4.34 $\frac{1}{2}$. End of the year covering and general political uncertainty are sufficient to account for this movement, and an improvement may be expected with the new year, unless New York is frightened by changes in the Government here. At $\frac{3}{8}$ cent per month above spot forward rates remained unchanged on the week. The Paris rate, which closed at 85.15 on the 22nd, was as high as the record figure of 86.70 on Monday. On Thursday afternoon there was a sharp recovery down to 84.80, and yesterday morning the rate was quoted at 84.55. The apparently favourable course of the present German-French negotiations is suggested as an explanation for this recovery, but it is more probably due to relief at the covering of seasonal requirements. The Belgian rate, which for once has not followed these sharp movements, was quoted yesterday morning at 96.15, as compared with 96.40 a week ago. The lira at 100 $\frac{1}{2}$ showed a slight improvement over the quotation of 100 $\frac{1}{2}$ a week ago. Amsterdam, in sympathy with New York, has also moved against us from 11.48 $\frac{1}{2}$ to 11.45, while Switzerland has also appreciated from 25 to 24.84 $\frac{1}{2}$. Madrid, on the other hand, has moved up a little from 33.38 to 33.40 $\frac{1}{2}$. In Northern Europe, Stockholm and Copenhagen have both moved slightly against us, but Christiania has experienced a slight further depreciation. Helsingfors at 175 $\frac{1}{2}$ shows the beginning of an improvement from recent high levels. It is interesting to note that of the remaining Baltic States Riga now receives a daily quotation on the London market. The unit of currency is the lat (equivalent to the franc), which, as it has been maintained since its introduction on a parity with the dollar, stands at a considerable premium over sterling, the last quotation being 22.45. In Central Europe the mark, in spite of fears as to the future of the Rentenbank, remains at its temporarily stabilised figure of 18 billion. In Vienna the krone has moved against us with the dollar from 311,000 to 310,000. Warsaw, at 25,000,000, also remains about the same as a week ago. Prague at 149 is slightly higher, while Bucharest at 850 shows little change. Athens, where new plans for exchange stabilisation are being developed, has improved from 245 to 210. In the East, the rupee has moved slightly against us from 15 13-64d to 15 5 $\frac{1}{4}$ d, and the yen at 25 1 $\frac{1}{4}$ d is also $\frac{1}{4}$ d dearer. Silver has been very quiet, with some demand from India. Hongkong at 25 3 $\frac{1}{4}$ d is $\frac{1}{4}$ d cheaper, and Shanghai has fallen from 35 4d to 35 3 $\frac{1}{4}$ d. In South America, Rio has made a sharp recovery from 5 $\frac{1}{4}$ d to 5 17-32d, but Buenos Ayres at 40d is 7-32d cheaper. Monte Video has risen from 43d to 43 3-32d, and Valparaiso has also appreciated from 40.40 to 39.40.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended December 22nd:—

EXPENDITURE.		RECEIPTS.	
Supply Services	8,074	From Revenue	14,518
Interest, &c., on Debt	2,339	Decrease in Exchequer balances	185
Sinking Fund	1,645		
Supplies	1,066		
Reduction of Debt	979		
	14,703		14,703

Revenue, at £14,517,700, shows a decline of about £4,000,000, as compared with a year ago. This reduction is primarily due to the yield from Special Receipts being as low as £14,100, against £1,647,300. Receipts from Customs and Excise are about £600,000 lower at £2,685,000 and £7,326,000 respectively. Property and Income-tax and Super-tax yield £936,000 and £470,000, which shows little variation on the combined total last year. The week's operations reduced the National Debt by £979,000, and caused the following changes:—

EXPENDITURE.		RECEIPTS.	
Public Departments	£ 3,382	Treasury Bills	£ 517
Treasury Bonds	756	Telegraph Money	600
		Bank of England Advances ..	3,780
		National Savings Certificates ..	250
	4,138		5,117

The floating debt was reduced by £898,000 to £859,972,500.

FINANCIAL YEAR, 1923-24 (April 1 to December 22, 1923).			
Total Expenditure ..	£ 580,402,754	Raised by Revenue ..	£ 522,289,100
		Net Borrowings	54,030,961
		Decrease in Balances ..	4,082,693
Total	580,402,754	Total	580,402,754
ESTIMATES FOR YEAR 1923-24.			
Ordinary Expenditure ..	£ 801,013,600	Ordinary Receipts ..	£ 778,500,000
Special Expenditure ..	15,603,000	Special Receipts	40,000,000
Total	816,616,000	Total	818,500,000
		Surplus	1,884,000

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—British Columbia Electric Railway; Dorman, Long, and Co.; and Samuel Allsopp and Co. At the meeting of Dorman, Long, and Co. Sir Arthur Dorman referred to the arduous times ahead of us, and strongly advocated the need for closer co-operation between employers and employed. Mr J. Davidson at the meeting of the British Columbia Electric Railway spoke of encouraging prospects.

ECONOMIST INTELLIGENCE BRANCH.

In order to meet a demand from many of our readers, we have made arrangements which will enable us to supply statistical or other information from our records, and to answer economic inquiries. A small charge will be made (with a minimum of half-a-guinea) to cover the cost of any special work involved.

A YEAR OF SLOW PROGRESS.

Two years ago we described the conditions existing at the end of 1921 as the darkest hour that precedes the dawn. The implied prophecy was a hopeful one, but though the morning has been wintry, the light has been steadily growing. The record of the last two years is one of steady recovery from one of the deepest depressions this country has ever known. We have unfortunately no simple index of the total production of the country, but the figures which are available indicate a steady increase in the nation's economic activities. The number of unemployed workpeople on the Insurance Register, which reached the high figure of 2,045,000 in June, 1921, was 1,886,000 at Christmas, 1921, 1,542,000 at Christmas, 1922, and 1,137,000 a week ago. These figures understate the number of people who have been absorbed into industry during these two years, for there has at the same time been a steady increase in the adult population. The same story is told by the production statistics in the iron and steel and coal trades. Making estimates for the last weeks of the year, for which figures are not yet available, it looks as though the total production of the country will show the following changes:—

	(In Million Tons.)		
	Coal.	Pig-iron.	Ingot Steel.
1913	287	10.3	7.7
1921	164	2.6	3.7
1922	234	4.9	5.9
1923	280	7.5	8.5

The coal figures are a very good index of general conditions, including as they do a very large amount for ordinary household consumption, a large quantity of coal consumed in industry, and a very considerable export. The iron and steel figures are an even more sensitive barometer of the ups and downs of trade, for they refer not to a commodity which is regularly consumed by the public, but to one the demand for which represents to a very large extent the investment of fresh capital or the replacing of existing plant and machinery. In other words, it reflects the attitude of the business world towards industrial expansion.

These figures are encouraging. At the same time, they do not imply that conditions are satisfactory. There are perhaps one million more workpeople available for employment in this country than before the war. But production has only recovered to something like the pre-war level, and we have therefore a considerable road to travel before we can hope to absorb the large number of work-

people out of work. The numbers still to be dealt with are abnormally large. They imply a condition of economic stress and uncertainty in hundreds of thousands of homes. The dependence of the unemployed upon State support is an unhealthy condition in our national life, and their maintenance involves an expensive tax upon profits, upon the wages of their fellow-workers, and upon the funds of the State. Anyone who looks at the prospect in the new year will hesitate to forecast how rapidly the process of absorption can be carried on in 1924. We certainly are not prepared to risk our reputation as a prophet. There are, however, one or two points which are relevant. In the first place, Great Britain is the only country in the world which has anything like complete statistics of unemployment. That incidentally is why our figures look so large in comparison with other countries. But our figures for the last few years have been practically complete for most industrial employments, and we think it will be found, after making allowance for the intermittent character of many occupations, for the local ups and downs of employment, and for the fact that so many have next to no suitable training for work, that not far short of half a million workpeople would in normal times be on the register as seeking employment. This may seem a very large reserve for industry to carry, and one which is larger than would be suggested by the trade union statistics which existed before the war. But the trade unions—or at least those trade unions which made returns to the Board of Trade—are in a sense selective, and tend to leave on one side the less competent, the improvident, the young people who have made a false start in industry, and those who for various reasons drift from one occupation to another. For the first time in history our unemployment insurance figures will give us some measure of this floating residuum of our industrial system, and we do not think that the figure we have mentioned overestimates it. In the second place, the numbers of workpeople in various occupations have been put badly out of balance by the war. There are not enough workers in the building trade for the normal requirements of that industry, but the war forced an undue proportion of the population into the engineering and metallurgical trades. Until this disproportion has been adjusted the large volume of unemployment in the metallurgical trades will keep the unemployment figures unduly high. These two considerations mean that we cannot expect in the near future to write off the bulk of the million names which still appear on the register of the labour exchanges.

On the other hand, the experience of America, which had a colossal amount of unemployment in 1921, shows that when trade prosperity comes there may be a very rapid absorption into industry, and there are some grounds for thinking that a fairly brisk demand for labour may arise in Great Britain next year. The economic situation of many countries of the world, though still difficult, is more satisfactory than at any time since the war, and there is a brisk demand from countries which have been enjoying good harvests in 1923. Australia is prosperous, the condition of South America is slowly improving, and even the stagnation of Indian and Far Eastern trade is reported to be lifting. Germany is in a condition of having to build up her economic life from its foundations afresh, but her buying power may be revived if some sort of agreement is arrived at which will make it possible for her to resume productive activity. America might, in certain circumstances, prove a serious competitor to Great Britain in meeting the world's demand such as it is. But under the stimulus of great internal development and prosperity, with her price level maintained by the Fordney Tariff, and wages kept high by artificial restriction of immigration, America's high cost of production prevents her from being at present an effective general competitor with Great Britain in foreign markets. Foreign trade prospects are therefore not unpromising. Home trade, which has withstood the temporary competition created by the depreciation of European exchanges, shows increasing signs of vitality. Without undue optimism, therefore, we may hope to see a very considerable reduction in unemployment after the turn of the year. The early spring is traditionally the time for trade improvement.

In the political sphere 1923 has certainly not been a year of great achievement. The problem of the future of Germany and her relations to her neighbours seems to be

no nearer solution than a year ago. But as Christmas is the time for putting the best face on things, it may at least be said that during the year the stage of make-believe has been replaced by a more frank expression of the points of view of England and France respectively. British policy has had little influence on the course of events, and the best that can be said is that France has passed through a stage which was perhaps sooner or later inevitable, and has had an opportunity of seeing what results can be achieved by the policy of force. Next to no reparations have been received, and the French Government will apparently make an attempt to charge against the receipts of the near future the cost of its Ruhr adventure. But if 1924 opens without very high hopes either of obtaining reparations or a reasonable understanding with Germany, there is at least in France to-day a clearer realisation of facts and of economic possibilities. German economic life has been reduced to a very disordered condition, but fresh attempts are beginning to be made to find a way out, and America is once more lending the benefit of her advice. The year has not, moreover, been altogether without achievement. The League of Nations' régime in Austria has been an example of successful reconstruction; the shadow of a new war in the Balkans has passed, and as the year closes a large majority of the Greek people have invited M. Venizelos to come home and put their house in order; the signing of the Irish Treaty has been followed by a year in which peace and good government have been slowly re-established in Ireland, and in spite of one or two minor diplomatic breezes the relations between England and America—perhaps the most important factor for the peace of the world—have markedly improved. The Imperial Conference has come and gone, and though the electorate has rejected the policy of tariffs and Imperial preference, on which some of the Dominions had set their hearts, the Conference has helped to achieve a better understanding of the problems of the various parts of the Empire, and afforded an opportunity for the display of Imperial solidarity on some of the major issues of international politics.

In home affairs the year has not been one of large legislative achievement, the outstanding event being the regrouping of parties in the House of Commons as a result of the election. The effect has been to make the House much more representative of the balance of opinion in the country than was the case with the Parliament elected twelve months ago, and though the new House presents our statesmen with the difficult problem of discovering how to govern when no party has a majority in the House, the electorate has returned a majority of members, who, along one road or another, desire to achieve some measure of social reform. Whatever the outcome may be, the period of political tranquillity has passed. The next few months will make history, and determine for some time to come the lines of Britain's political development.

The year 1923 will pass with few regrets. The new year may be expected to be one of economic progress and enterprise, of political excitement, and of intellectual activity in many spheres of life and thought.

A CALIPH AND A KING.

BOTH Turkey and Greece are still in trouble, but on this occasion the trouble in either case is internal, and does not proceed from the two countries' relations with one another, which have so often been the source of their misfortunes in the past. Turkey is in trouble about a caliph and Greece about a king; but Turkey's difficulty is the more serious, because the quarrel between the Turkish Nationalists and Unionists over the status of the Commander of the Faithful is imposing a strain upon the friendship between the Turkish Republic and other important sections of the Islamic world.

The question of the Caliphate has recently taken a dramatic turn, as the result of a letter written jointly by the Agha Khan and Mr Ameer Ali to the Government at Angora. These two distinguished representatives of Indian Muslim opinion expressed, in courteous and moderate language, a view regarding the minimum status and prerogatives of the Caliphate, which is undoubtedly

held by the bulk of their Indian co-religionists, so far as they are "politically minded" at all. The Angora Government's attitude towards the contents of the letter itself has not yet transpired; but Angora immediately took both offence and alarm when the text of the letter appeared in print in the leading opposition organs of the Constantinople Press—and this, so Angora declares, before the letter itself had reached the Turkish Government's hands. The explanation is that duplicate copies were sent to the Press and to the Government by the authors. The three implicated editors maintain that they had every right to publish a document sent to them in this direct fashion, and that they had no *arrière pensée* or intention of disloyalty in doing so, and at this point Angora would have been wise to let the matter drop. There was nothing offensive in the letter itself, and the views expressed in it were matters of public knowledge, which had been published before in Turkey as well as in other parts of the Islamic world, and were bound, whether the Government liked it or not, to be published there again. Angora, however, had just proclaimed a Republican Constitution; it had been doing its best during the past months to stifle discussion upon the Caliphate issue, and it realised that this issue was the strongest point in the Opposition's programme. For these reasons Angora took a high line. A special tribunal was instituted in the Constantinople area with wide terms of reference for the suppression of treason, with the power of inflicting the death penalty, and with the right to summon before it anyone whom it chose. Before this tribunal the editors of the offending newspapers, as well as the leaders of the Turkish Bar, have been this week on their trial. The last-named has already received a drastic sentence, and this and the other verdicts may have momentous effects upon the course of Islamic history. At this stage it is, of course, less easy for Angora to draw back than it was before the tribunal was created; but it is to be hoped that, even at the eleventh hour, the counsels of moderation will prevail. After years of war, depopulation and impoverishment, accompanied by social and political revolutions of a shattering kind, Turkey is in a state of exhaustion, and although she is not merely alive, but has the will to renew her vitality, she can only do this by the united efforts of her own people supported by the sympathy of their co-religionists abroad. Severe sentences passed upon the four prisoners would open a breach between Turk and Turk, and between Turk and Indian Muslim, during the most critical years of reconstruction, and this could do nothing but harm to all parties affected. It would be of no real benefit, even to opponents to Islam in general and of Turkey in particular, for, while weakening them both, it would add one more potent factor to the forces of disintegration in an already sufficiently embarrassed world.

This dramatic situation has not arisen suddenly, and is not primarily due to doctrinal disagreements. Its origins are social, or, rather, geographical, and the cleavage of opinion has been apparent to close observers at any time during the last four years. The Caliphate was bound to possess a different value in the eyes of Muslims dispersed among the Gentiles, as they are in India and China, and in those of compact Muslim populations like the Turks and the Egyptians. For the present generation of Indian Muslims the Caliphate is a symbol which admirably expresses their sentiments and ambitions. The Indian Muslims are as much afraid as ever of being engulfed in the Hindu majority; and, at the same time, the reaction against Western ascendancy, which is sweeping through them as it is through so many other non-Western communities all over the world, is making it increasingly distasteful to them to look for British support against the Hindu superiority of numbers. The solidarity which the Caliphate promised (in the Indian Muslim mind) to create between Indian Islam and the rest of the Islamic world appeared to offer an issue from this dilemma by robbing a breach with the British Raj and an alliance with Hindu political forces of their principal dangers. Hence the zeal with which the Caliphate movement has been promoted in India by moderates and extremists alike, however different their language and their methods.

The position of the Caliph, however, had a much more direct bearing upon the interests of the Turks, for whom

he was a very present and incarnate sovereign instead of a vague and distant symbol. Up to the present there has been little commercial or social contact between Turkey and India, and consequently very little interchange of public opinion; and by a curious fatality the attitudes of the two communities towards the Caliph were not only bound, for the reason just given, to evolve almost independently of one another, but were also bound to evolve in diametrically opposite directions, owing to radical differences in the local conditions. Whereas geography had condemned the Indian Muslims to the weakness inherent in dispersal and isolation, for which the Caliphate was expected to be a remedy, the Turks possessed a compact national home in the Peninsula of Anatolia, and therefore found their Sultan-Caliph nothing but a superfluous tax upon their limited resources. His expenses ate a hole in their budget, whilst his despotism (typified to the modern Turkish mind by the régime of Abdul Hamid) paralysed the national energies and destroyed the happiness and security of individuals. Thus, for every patriotic or progressive Turk, the reality of the Sultan-Caliph came to be the exact antithesis of the ideal figure which the Indian Muslim mind was simultaneously and quite independently evolving; nor did the Caliph even possess in Turkey itself the undisputed sanction of religion. Not a few Sultan-Caliphs at Constantinople have been deposed in pursuance of a *fetwa* from the Sheikh-ul-Islam pronouncing them unfit for office; it was a *fetwa* in this sense that turned the balance against Abdul Hamid himself in 1908; the ecclesiastical element (being till lately the nearest thing to an intelligentsia) has been on the side of reform in a number of important crises (conspicuously in 1876); and when, in 1920, the ex-Sultan-Caliph Wahy-ed-Din Efendi threw his religious prestige into the scales against the men of Angora, he failed to incline the hearts of the Turkish peasantry. Indeed, the Turkish people, from the doctors and soldiers and journalists down to the ploughmen and shepherds, have been engaged in exchanging the familiar yoke of their Islamic past for the unknown yoke of a Western future, until to-day it is not the Caliph but the nation, and not Islam but economics, that make the grand appeal to their imagination. Like their Indian co-religionists, they, too, have been moving rapidly in the direction indicated by their local conditions; and while the Indians have found their adjustment by recasting the conception of the Caliphate in a new mould, the Turks have found theirs by casting it aside and substituting another order of ideas.

In this difficult situation, what policy ought Angora to pursue? An English mind would jump towards a compromise, and would take refuge in some such formula as "Constitutional Monarchy." Unfortunately, however, the Indian Muslims, in the course of their Caliphate campaign against the British Government, have brought into relief the features of the Caliphate that are enshrined in the orthodox Islamic tradition, and these features cannot possibly fit the face of a constitutional monarch in a Turkish national state. The traditional Caliph is a "temporal" and not a "spiritual" power; he must be the effective head of a strong Islamic State, and his dominions must include—not necessarily Turkey, but the holy cities of the Hijaz, if not the entire "Island of Arabia." It is difficult to see any possibility of compromise between this ideal and the Turkish national programme, and the present makeshift of "Vaticanisation" can be satisfactory to neither side. Rome during the last half-century has found a single Vatican awkward enough; but at this moment Constantinople actually harbours two distinguished but unwanted denizens in the persons of the Caliph and the Patriarch. Sooner or later, both of them may find it more comfortable to live abroad, like the King and Queen of Greece.

The Greek Dynasty has been forced into provisional retirement by a Republican party which, as a result of the recent elections, can command only a third of the votes in the Chamber, as against the two-thirds possessed by the Venizelist Liberals. It is a point gained that the King's withdrawal has been effected in a peaceful and dignified way; and it is only fair that his personal and dynastic interests, in regard to his future position, should be subordinated to national expediency. The same principle applies to the position of Mr Venizelos, as he himself has proclaimed more emphatically than anybody; and in



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Greece, at this moment, all expediency is concentrated in the word "oblivion." The parties and factions in Greece are suffering from an inability to forget the past. Nothing but an amnesty, in the literal Greek sense of the word, can guide the country's feet into the way of salvation; and if angry hearts are to forget, flags must cease to be waved and contentious figures must fade into the background.

How, meanwhile, are the possibilities of reconciliation likely to be affected by the return to Athens of Mr Venizelos? The urgent invitations which he has received, not only from the *de facto* Revolutionary Government, but from three-quarters of the newly-elected Chamber of Deputies, are a dramatic sequel to his rejection three years ago, and it is a testimony to his character that he has given neither the response of Solon nor yet that of Pisistratus. He has returned, but returned without violence, and even without pomp or triumph, for a limited period, and he has again announced his unalterable intention of once more retiring from Greek politics as soon as his services in this crisis have been rendered. This is the decision of a great man, and we cordially wish him success in his endeavours.

MONEY IN 1923.

At home the monetary history of the year that is now ending has been uneventful. Bank rate has moved but once—on July 5th, when it was raised from 3 to 4 per cent.—so that if tranquillity means happiness and prosperity, bankers and bill brokers should have but little cause for complaint; but, as a matter of fact, stagnant trade and low money rates make the earning of profits the more difficult. The one movement in our Bank rate was dictated less by considerations of international trade, formerly the main factor in Bank rate, than by the suspicion that easy money here was being used to build up an unhealthy Stock Exchange speculative position both on domestic and foreign account, and the fall in securities which followed the movement rather suggested confirmation of the suspicion and justification for the movement. Our level of money rates was, of course, below that of the United States, where the New York Federal Reserve rate had been raised to 4½ per cent. in February; but, apart from this incident, the home money position has remained remarkably oblivious to fluctuations of foreign Bank rates, a circumstance which to some extent goes to prove the contention that under inconvertible paper currencies the influence of Bank rates does not extend much beyond frontiers, whatever may be their uses internally. If Bank rates could influence exchanges by affecting other money markets, London, still the most sensitive in the world, despite the paper pound, would have paid some attention to the fantastic rates indulged in by a few of the European Central Reserve Banks in rather futile endeavour to stem the tide of inflation.

Germany, for example, went by rapid stages to a Bank rate of 90 per cent.—a rate unprecedented in monetary history—yet even this rate was an inadequate charge from the point of view of the lender, so rapid was the depreciation of the principal. Poland followed a similar course, and achieved a Bank rate of 48 per cent. in November. Finland raised her Bank rate to 10 per cent. at the beginning of December, though 10 per cent. is not unduly high for Finland. Below is a list of the changes in various foreign Bank rates during the year:—

CHANGES IN OVERSEAS BANK RATES, 1923.

1923.				
Jan.	11	Indian Bank Rate	raised	1% to 8%
	13	Prague " "	reduced	2% to 5%
	14	Greek " "	raised	1% to 7½%
	18	German " "	"	2% to 12%
	22	Belgian " "	"	1% to 5½%
Feb.	10	Polish " "	"	5% to 12%
	21	New York Federal Reserve Rate	"	4% to 4½%
March	23	Spanish Bank Rate	reduced	1% to 5%
April	23	German " "	raised	6% to 18%
	25	Hungarian " "	"	4% to 12%
May	1	Danish " "	"	1% to 6%
	1	Norwegian " "	"	1% to 6%
	1	Portuguese " "	"	1% to 8%
	26	Indian " "	reduced	1% to 7%
	28	Prague " "	"	1% to 4½%
	31	Indian " "	"	1% to 6%
June	7	Indian " "	"	1% to 5%
	28	Indian " "	"	1% to 4%
July	5	Hungarian " "	raised	6% to 18%
	14	Swiss " "	"	1% to 4%
Aug.	2	German " "	"	12% to 30%
Sept.	12	Portuguese " "	"	1% to 9%
	13	Finnish " "	"	1% to 9%
	15	German " "	"	60% to 90%
Oct.	10	Polish " "	"	12% to 24%
	27	Finnish " "	reduced	1% to 8%
Nov.	9	Swedish " "	raised	1% to 5½%
	10	Norwegian " "	"	1% to 7%
	12	Polish " "	"	24% to 48%
	15	Indian " "	"	1% to 5%
	29	Indian " "	"	1% to 6%
	29	Prague " "	"	1% to 5½%
Dec	3	Finnish " "	"	2% to 10%
	12	Dutch " "	"	1% to 4½%
	20	Indian " "	"	1% to 7%

The rise in our own Bank rate in July naturally affected the price of money here, but not its supply or volume. The supply has still been dependent upon Government finances, the position at any particular moment being determined by the extent to which Government disbursements have been offset by sales of Treasury Bills, or the collection of Government revenues liberated by repayment of Treasury Bills or their purchase in the market. For it is now an open secret that such purchases have provided the means to prevent extremes of ease or stringency in the money market resulting from temporary want of balance between Government revenue and outgoings. During 1922 the Government, on the whole, received much more than it paid out—hence the large realised surplus. The surplus was used to pay off Treasury Bills in the hands of the banks, while at the same time the banks and private investors took up Treasury Bonds, the proceeds of which were applied to the same purpose. Hence, the Treasury Bills in the hands of the banks were reduced from two sources; some were paid off from the banks' deposits which were withdrawn by investors for the purpose of taking up Treasury Bonds or paying taxes, and some were, in effect, merely exchanged by the banks for Treasury Bonds. The latter operation was encouraged by the very much higher return on Treasury Bonds as compared with Bills.

In the first quarter of 1923 repayment of Treasury Bills in the hands of the banks was continued from the proceeds of the tax collections. With the turn of the Government's fiscal year this process of "Deflation" practically ceased on both accounts. The following figures showing the position of the Floating Debt at the end of each quarter illustrate the movement in the Treasury Bills:—

FLOATING DEBT.

	December 31, 1922.	March 31, 1923.	June 30, 1923.	Dec. 22, 1923.
B. of Eng. Advca.	£ 16,500,000	£ None	£ 4,250,000	£ None.
Pub. Dept. Advca.	205,511,500	193,897,500	210,720,500	211,372,500
Treasury Bills ..	719,040,000	616,045,000	604,360,000	648,600,000
	941,051,500	809,942,500	819,330,500	859,972,500

Probably the banks would have continued to exchange their bills for bonds but for their desire to maintain a high degree of "secondary" liquidity in case of heavier demands for trade accommodation. For the Treasury Bills give the banks the power to increase the supply of money by forcing the Government to borrow from the Bank of England to meet maturing bills when not renewed by their holders.

The possession of short-dated investments only gives the banks power to sell them at the expense of drawing down their own deposits, in the aggregate, because the buyers will either have to do this or borrow from the banks. In the mass, the quantity of cash available to the banks will not be increased by such sales. Deflation by the replacement of Treasury Bills by Treasury Bonds, therefore, came to a natural end, at any rate for the time being.

One very important incidental result of the heavy reduction which has occurred in bank deposits during the past two years, however, is the enhancement of the relative weight of the half-yearly payments of interest upon the Five per cent. War Loan. While bank deposits have been shrinking, the half-yearly interest payments have actually increased slightly, owing to the conversion of National War Bonds into the War Loan. By the exercise of great skill, the effect of the disbursement of 50 or more millions of money each half-year had been so minimised as hardly to provoke a ripple on the surface of the short loan market. But the narrowing of the margin of free money in the market has brought them into prominence again, and the last two payments have been marked by slightly more stringency in advance and greater prolongation of easy conditions in their wake.

The reduction in the floating supply of money in the market has been reflected in an average rate of allotment for the weekly Treasury Bill offerings, which is rather nearer to bank rate than was the case in the first half of the year. The average bank rate, as will be seen from the table of average money market rates given below, was £3 19s 7d per cent., and the average rate realised for the Treasury Bills was £3 3s per cent., a difference of 16s 7d per cent. In the first half of the year the bank rate was 3 per cent. throughout, and the Treasury Bills realised £2 2s 4d per cent., a difference of 17s 8d per cent., so that the 4 per cent. was distinctly more effective than the 3 per cent. rate.

Appended are our usual tables of average money rates:—

DAILY AVERAGE OF MONEY RATES.
BANK RATE.

	1918.	1919.	1920.	1921.	1922.	1923.
1st half..	£ s d 5 0 0	£ s d 5 0 0	£ s d 6 8 7	£ s d 6 16 0	£ s d 4 7 1	£ s d 3 0 0
2nd half..	5 0 0	5 6 0	7 0 0	5 8 9	3 0 7	3 19 7
Whole y'r	5 0 0	5 3 0	6 14 4	6 2 4	3 13 10	3 9 9

MARKET RATE—THREE MONTHS' BILLS.

	1918.	1919.	1920.	1921.	1922.	1923.
1st half..	£ s d 3 13 0	£ s d 3 10 0	£ s d 6 2 2	£ s d 6 2 7	£ s d 2 19 0	£ s d 2 4 0
2nd half..	3 10 5	4 7 9	6 13 8	4 6 0	2 7 0	3 4 3
Whole y'r	3 11 9	3 18 10	6 7 11	5 4 3	2 13 0	2 14 1

DEPOSIT RATE—BANKS.

	1918.	1919.	1920.	1921.	1922.	1923.
1st half..	£ s d 3 2 6	£ s d 3 0 0	£ s d 4 8 7	£ s d 4 16 0	£ s d 2 7 1	£ s d 1 0 0
2nd half..	3 0 0	3 7 9	5 0 0	3 8 9	1 0 7	1 19 7
Whole y'r	3 1 3	3 3 10	4 14 4	4 2 4	1 13 10	1 9 9

SHORT LOANS.

	1918.	1919.	1920.	1921.	1922.	1923.
1st half..	£ s d 3 6 2	£ s d 3 4 7	£ s d 4 16 0	£ s d 5 7 2	£ s d 2 18 0	£ s d 1 10 1
2nd half..	3 4 11	3 14 7	5 11 2	3 18 2	1 13 10	2 3 4
Whole y'r	3 5 6	3 9 7	5 3 7	4 12 8	2 5 11	1 16 8

It is rather notable that the three months' Treasury Bill allotment rate rose slightly more than did the ordinary market rate for three months' bills, the difference between bank rate and the market rate being 15s 4d per cent. in the second half of the year and 16s per cent. in the first half; even so, however, the rise of 1 per cent. in bank rate was fully reflected in the bill rate. On the other hand, the price of short loans to the discount market only showed a rise of 13s 3d per cent., although bankers had to pay £1 19s 7d per cent. on their deposits, against only 1 per cent. in the previous half-year. But on the year bankers have only paid £1 9s 9d per cent. on deposit money, against £1 13s 10d per cent. in the previous year, while the average Treasury Bill allotment rate for the year was about 2s per cent. higher than that of the previous year, a factor which has probably gone some way towards compensating for the fact that short loans to the market earned about 9s 3d per cent. less than in 1922. There are many other factors in bankers' profits besides money rates, but it is probable that, taken as a whole, and allowing for savings in respect of income-tax and corporation profits tax, bank profits do not make an unfavourable comparison with those of the previous year.

THE HOUSING PROBLEM.

Now that the fiscal controversy has been cleared out of the way, the need and the opportunity returns for constructive statesmanship to resume its frontal attack upon the problem of poverty. It is natural that among all the facets of that complex problem, the instability of employment should be that which in recent months has attracted the lion's share of public attention; and those of us, at any rate, who live comfortable lives have perhaps been a little inclined to forget that the problem has other aspects, and in particular that the question of working-class housing is still very far from solution.

Two recently-published works, widely different in character and appearance, should be of especial use to the intelligent citizen in reminding him of the seriousness of the situation, and in helping him to clear up his attitude towards it.* The first is Major Harry Barnes' bulky study of the history and present position of the housing question—a book of some 400 pages, packed with relevant information and garnished with numerous appendices and tables of figures. The other is a slim little reprint of an address delivered by Mr E. D. Simon to the Liberal Summer School at Cambridge—a mere pamphlet, but in its modest way no less valuable and suggestive than the larger work.

Both these authors bring to bear a wide practical experience of the matters with which they deal. Major Barnes is an architect, and has been chairman of the Housing Committee of the Independent Liberal Party; Mr Simon has been a protagonist of housing reform in Manchester. Both, again, approach the question from the same intellectual angle—that of latter-day Liberalism; both, that is to say, regard the free play of private enterprise as being normally the most efficient mechanism for the satisfaction of human wants, but neither is prepared to rule out the possibility that in particular cases the operations of private enterprise may need to be regulated, and its deficiencies supplemented by the State. It is all the more significant, not to say disconcerting, that they should arrive at diametrically opposite conclusions. Briefly, while Mr Simon holds that "it is the duty of the State to bring into being the conditions under which private enterprise will get vigorously to work in building houses," Major Barnes concludes that the game is up, and that in this matter "public effort will have to make good the deficiency of private enterprise; not a temporary deficiency, but a continuing and, it may be, an increasing one."

Before discussing this divergence of view, it will be well to dwell a little on the respects in which our dis-

tinguished authors are in accord. In the first place, there is substantial agreement as to the needs of the situation. Something like 100,000 new houses are required every year to cater for the increase in the number of families; the present shortage below an acceptable standard may be put at at least 500,000; in addition, according to Major Barnes, we ought to be replacing old houses at the rate of about 30,000 a year. It may, of course, be argued that in this, as in other matters, we shall ultimately have to cut our coat according to our cloth—that if our rapidly-growing population cannot be housed, population will have to grow less rapidly, and that we shall have to take a leaf out of the book of those countries in which it is a normal thing for "newly-married couples to find a corner in the parental home." But such changes, if they come, come slowly, and we may take it that in the next decade at least 1½ million new houses will have to be provided, in order to justify a claim to have dealt seriously with the problem.

Secondly, there is agreement that we are not at present on the way to realising this programme. We are turning out houses at the rate, not of 150,000, but of 75,000 a year. With our present supplies of skilled labour, it seems impossible that we should attain a greater rate than 100,000. According to Mr Simon, we cannot hope that more than one-half of the labour in the building trade will be available for building working-class houses; Major Barnes would seem to put the proportion at least as low as one-fifth. In any case, this factor of labour is ultimately the limiting factor in the problem; nothing can be done unless the supply of skilled labour in the building trades can be largely augmented.

Thirdly, there is agreement as to the reasons for the failure of private enterprise to cope with the problem. This failure is not the result of any peculiar wickedness or inefficiency on the part of private enterprise, which, as Major Barnes admits, displayed "the utmost human ingenuity to provide a standard of accommodation within the rental range of those by whom it was needed." The cause lies simply in the inability of large sections of the working class to pay a rent at which housing accommodation of the quality which public opinion has come to regard as reasonable and necessary can be remuneratively provided.

It is here that we come to the parting of the ways. Major Barnes sees no prospect whatever of bridging the gulf between economic rent and rent obtainable, or of attracting the private investor and the speculative builder back into the building trade. He calculates that at present costs the economic rent of a four-roomed non-parlour house would amount (including rates) to 16s 3d a week, and that something like 25 per cent. of working-class families would be unable, under present conditions, to pay such a rent. And he argues that, even apart from the shattering effect on confidence of the Rent Restriction Acts, the business of house-owning has become so onerous and invidious that those with money to invest will "prefer to receive its yield through more impersonal channels." "The desire is natural to see a procession of frugal souls putting their savings into well-built houses to become the object of their careful supervision, but if that procession depends on the reversal of 70 years of Parliamentary housing policy, it will be long in coming." He comes reluctantly to the conclusion that "the housing of the working classes has now definitely passed into the same political category as that of their education, and of the provision made for them in old age, sickness, and unemployment," fortifying himself with the unassailable principle that "some demands, if unsatisfied, breed conditions which are communally dangerous, and even if there is no profit in their satisfaction, but rather some expense, it is still prudent on the part of society to make collective provision for that for which no private provision is likely to be made. And he concludes that the State must be prepared immediately to shoulder a large part, and ultimately perhaps the whole, of the cost of working-class housing.

Mr Simon arrives at no such desperate conclusion. He concentrates attention on one element in working-class rentals—the contribution which they make to local rates, which he puts on a rough average at 5s out of 15s per week, or one-third of the whole. He argues that about one-fifth of this contribution represents payment for ser-

* "Housing: the Facts and the Future." By Harry Barnes. Ernest Benn, Limited. "Houses for All." By E. D. Simon. *The Daily News, Limited.*

vices rendered to house property, such as the upkeep and lighting of roads, while four-fifths represents a general tax expended on education, poor relief, public health, and so forth.

This tax upon housing is one of the heaviest in our budget system, the amount raised by house tax being exceeded only by the income-tax and the alcohol duties. The effect of taxes on commodities is to raise their price and make them scarce, and this is precisely what has happened with housing. The financing of housing raises this dilemma. The bulk of the houses in the country are pre-war houses. The new ones cost 70 per cent. more to build. It is not practicable to have two prices of the same commodity in the same market. The ability of the working classes to pay house rent is limited by the general level of wages, which in its turn to a considerable extent is governed by conditions in the world generally, which fixes the price we can get for British products. The rent paid for old houses represents cost plus the house duty. Granted that we cannot secure under present conditions a general rise of wages to cover the increased cost of new houses, how are we to make it possible to build new houses and secure economic rent? Mr Simon's answer is that *all new houses should be relieved from the burden of "personal" rates*. This would mean that in an industrial district, where 15s a week is now being paid for an old house, including 5s for rates, a new house let at 15s would only include 1s for rates and 14s for the house only for the builder, and this difference would go a considerable way towards bridging the gap. (The figure mentioned above is, of course, only used as an illustration, but the relief would be proportional whatever the level of rent might be.) The rest of the difference must be looked for in improvements in methods of house building, which have already been considerable. Assuming this relief is granted, Mr Simon's plan embodies two other elements. The labour difficulty has already been referred to. The difficulty here is that those in the trade are by no means willing to see heavy recruiting for the building trade, and their point of view is not unjustified by the history of the industry, in which unemployment has been chronic, and by the uncertain handling of the housing question by Governments since the war. Nevertheless, the problem will not be solved unless there is an increased supply of labour. It is therefore suggested that the principle of insurance by industries should be called in to aid, and a scheme developed for the building trade which would give special benefits for unemployment and some security that these special benefits would be maintained for a period of, say, five to ten years. The second point is that the Board of Trade must be given the power to intervene where there is reason to suspect that rings are holding up the price of building materials. Everyone will at once exclaim that the remission of rates plan is all very well, but how is the deficiency in revenue to be made good? To this there are several answers, but we have only room here to take two points. The first—which meets the difficulty by a flank attack—is that if we can improve the housing of the people we shall thereby reduce the cost of our Public Health and many other services, and should improve the efficiency of the people. The second point is that the items now charged on local rates should be to a larger extent than at present a charge on the national budget. No other great country attempts to raise so large a proportion of revenue needed for national purposes, such as education, roads, &c., by a tax on houses. Rates are a very bad indication of ability to pay, and on all grounds of equality should be borne to a greater extent on the income-tax and consumption tax, which by historical accident in Great Britain are reserved for the central authority. The claim for rate remission in the interests of housing is, in our opinion, stronger than that of any class of individual taxpayer. As a start, we need a sum in the neighbourhood of 1½ millions next year, 3 millions the following year, up to a total of between 9 and 10 millions a year, to be taken off the 75 millions of local rates and transferred to the Imperial Budget.

This threefold plan offers a practical method of providing private enterprise in the building industry and gradually overtaking the insufficiency of houses without a general rise of rent. It is clearly a plan which should be tried before we resort to the building of houses out of public money, which Major Barnes thinks inevitable.

NEW CAPITAL ISSUES IN 1923.

If the aggregate figure of the year's new borrowings be taken as the index of the activity of London's new capital market, then the past year would appear to have been very slack compared with 1922, for last year's aggregate of £573.7 millions compares with £271.4 millions in the year just closing. But it will be seen from the figures presented below that the whole of this decline is accounted for by the large drop in borrowings by the British Government. The total of new capital applications in London quarter by quarter since the beginning of 1910 are shown in the following table:—

Year.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.	Total for Whole Year.
	£	£	£	£	£
1910.....	99,355,600	88,721,400	28,111,600	51,250,500	267,439,100
1911.....	61,245,000	56,238,800	14,914,500	59,361,200	191,759,400
1912.....	47,966,100	62,377,500	48,687,100	59,819,300	218,850,000
1913.....	50,344,700	70,014,900	29,961,800	46,216,000	196,537,000
1914.....	97,610,200	54,739,100	20,265,200	339,908,100	512,522,600
1915.....	46,313,500	25,693,200	586,772,500	26,462,500	685,241,700
1916.....	156,251,200	131,022,500	111,578,000	186,584,700	585,436,400
1917.....	825,925,200	221,254,300	57,054,400	214,362,100	1,318,596,000
1918.....	475,258,700	220,921,500	329,674,000	367,527,200	1,393,381,400
1919.....	291,901,400	93,879,000	536,502,200	113,776,800	1,036,059,400
1920.....	135,094,500	98,011,700	61,195,600	73,247,800	367,549,600
1921.....	63,382,100	65,281,900	57,890,600	202,423,600	388,978,200
1922.....	286,207,100	162,567,100	61,920,200	62,981,200	573,675,600
1923.....	86,251,500	95,050,100	25,381,000	64,710,600	271,393,200

The second quarter was the busiest, and there was a very marked falling off in activity in the second half of the year, the total for which was only £90 millions as compared with £181 millions raised in the first six months. The same falling off in the second six months occurred in 1922. The categories into which the year's borrowings are divided will be found set out below:—

	Whole Year 1922.	Year 1923.		
		Three Quarters to Sept. 30.	Fourth Quarter.	Total Whole Year 1923.
	£	£	£	£
British Government Loans.....	369,628,100	68,577,000	8,959,300	77,536,300
Colonial Government Loans.....	58,582,300	41,021,600	28,387,700	69,409,300
Foreign Government Loans.....	14,254,100	25,561,900	900,000	26,461,900
British Corporations, &c.....	5,555,300	nil	nil	nil
Colonial Corporations, &c.....	7,023,600	3,552,700	1,188,000	4,740,700
Foreign Corporations, &c.....	6,557,500	nil	nil	nil
British Railways.....	6,557,500	nil	5,849,400	5,849,400
Colonial Railways.....	nil	1,199,700	nil	1,199,700
Foreign Railways.....	14,722,200	5,483,000	nil	5,483,000
Australasian mines.....	16,500	560,900	nil	560,900
South African mines.....	459,200	1,919,300	nil	1,919,300
Other mines.....	1,263,500	778,000	84,900	862,300
Exploration, financial, &c.....	7,681,800	5,173,400	7,016,600	12,190,000
Breweries and distilleries.....	784,000	3,975,000	911,400	4,886,400
Merchants, importers, &c.....	290,000	nil	nil	nil
Manufacturing.....	6,558,800	10,899,000	nil	10,899,000
Stores and trading.....	1,070,500	2,027,000	nil	2,027,000
Estates and land.....	1,699,200	765,800	61,200	817,000
Rubber.....	260,500	2,067,200	8,900	2,074,000
Oil.....	17,165,000	4,381,700	337,600	4,719,300
Iron, coal, steel, and engineering.....	14,046,800	7,897,100	1,519,600	9,416,600
Electric light, power, & telegraph.....	4,851,800	8,020,400	2,433,300	10,454,700
Tramway and omnibus.....	588,300	nil	nil	nil
Motor traction & manufacturing.....	nil	393,500	53,100	446,600
Hotels, theatres, & entertainments.....	2,093,300	728,300	nil	728,300
Patents and proprietary articles.....	1,628,900	74,000	18,000	92,000
Docks, harbours, and shipping.....	15,647,200	137,600	nil	137,600
Banks and insurance.....	2,958,700	650,000	3,450,000	3,980,000
Miscellaneous.....	11,195,300	1,635,100	467,400	2,092,500
	573,675,600	206,682,600	64,710,600	271,393,200

The drop in British Government borrowings is accounted for by the slackening of that process of replacing floating debt by Treasury Bonds, which was one of the chief features of Government finance in 1922. The borrowings of the British Government (apart from those of a temporary nature) were as follows in the past two years:—

1922.	Milln. £.	1923.	Milln. £.
5½% Treasury Bonds.....	115.1	4½% Treasury Bonds.....	24.1
5% Treasury Bonds.....	110.1	4% Treasury Bonds.....	34.6
4½% Treasury Bonds.....	68.9	Savings Certificates (net sales).....	18.8
Savings Certificates (net sales).....	58.4		
3% Local Loans stock.....	17.1		
	369.6		77.5

In the period from January 1 to December 22, 1923, the floating debt was reduced by £81.3 millions, whereas in the corresponding period of 1922 the reduction was about four times as large, namely, £314 millions.

The next item on the above list, the Colonial Government Loans, provides the feature of the year, for the figure under this head rises to over £69 millions. Of

this total, India took £20 millions in one operation, while the amount borrowed at various times by the Commonwealth and State Governments in Australia exceeded £25 millions. Other Governments from within the Empire to enter the market included Nigeria, Newfoundland, Sudan, Jamaica, and the Union of South Africa, while the Irish Free State made her first appearance last month, with a loan the details of which will be fresh in the minds of our readers. Foreign Governments also figure more prominently than in 1922, having taken nearly £26½ millions, as compared with £14½ millions. The foreign Government borrowers included the Dutch East Indies (twice), Roumania, and Austria. The £14-million Austrian Loan floated in June was the London portion of the international loan floated successfully under the League of Nations plan for setting Austria's finances in order, and, in view of the attempts in contemplation to set finances in order in other countries also, was perhaps the most noteworthy borrowing operation of 1923.

The increase in external lendings has certainly been the feature of the year. Of the total of £271 millions raised in the open market in 1923, about £137.5 millions, or rather more than half, was destined for employment abroad. How this compares with previous years is shown by the following table, which gives the destination of new capital over a number of years, and distinguishes Government from private borrowings:—

	DESTINATION OF NEW CAPITAL.				
	Whole Years.				
	1912.	1913.	1920.	1921.	1922.
	£	£	£	£	£
United Kingdom—					
Government.....	nil	nil	37,530,700	202,896,300	369,628,100
Other.....	45,335,300	35,951,200	290,490,700	73,280,200	73,890,200
British Possessions—					
Government.....	45,335,300	35,951,200	328,021,400	276,176,500	443,518,300
Other.....	14,673,100	26,278,700	11,970,000	73,650,000	58,582,300
Foreign Countries—					
Government.....	57,969,300	49,858,500	19,669,800	16,927,800	16,341,900
Other.....	72,642,400	76,137,200	31,639,800	90,577,800	74,924,200
Government.....	9,584,500	26,158,200	nil	5,905,000	14,254,100
Other.....	83,287,800	58,290,400	7,888,400	16,318,900	40,979,000
	92,872,300	84,448,600	7,888,400	22,223,900	55,233,100
Grand total.....	210,850,000	196,537,000	367,549,600	388,978,200	573,675,600

The proportion of the total new capital which is destined for other lands has not yet recovered to the pre-war level, but it is moving fast in that direction. This progress in the reinstatement of London as lender to the world is one of the salient and salutary features of the financial year.

Turning to other items in our classification list, we find only two entries under the heading of British railways, both of them Underground issues made under the guarantee of the British Government in accordance with the terms of the Trade Facilities Act. Oil issues have been much less prolific than in 1922, while electric light and power concerns have borrowed much more. Another big decline comes under the head of docks, harbours and shipping, and while the iron, steel and coal group total is smaller, the general manufacturing group has increased its figure. In the industrial class, the largest individual operation was the Daily Mail Trust issue of £8,000,000 7 per cent. debenture stock at 99. Other large industrial issues included Dorman Long's £3½ million debentures in April, the Union Cold Storage preference issue of £3,300,000 in July, Anglo-Persian Oil's 850,000 ordinary shares at 65s each, John Walker's dual issue in March of £2,000,000 debentures and £1½ million preference shares, and Tokyo Electric's £3 million of 6 per cent. bonds issued in June. After the striking fall during 1922, interest rates were comparatively steady in 1923, and to this aspect of the new capital market we hope to return in a future article.

BANKER AND CUSTOMER.

In the Court of Appeal on December 17th judgment was delivered in an action which raised interesting points in the relations between banker and customer. Mr E. F. Tournier, a commercial traveller and salesman, had failed in an action brought against the National Provincial and Union Bank of England claiming damages (1) for alleged slander; (2) for breach of the confidence existing

between banker and customer; and (3) for £108 10s. for loss of employment and loss of commission; but after hearing the case in the Appeal Court, Lords Justices Bankes, Scrutton and Atkin ordered a new trial. In delivering judgment, Lord Justice Bankes said that in this appeal the plaintiff asked for a new trial on the ground of misdirection by the learned judge. The action was founded on statements alleged to have been made by an acting manager of a branch of the defendant bank. The plaintiff complained that the statements were slanderous, and, further, that they constituted a breach of the duty owed by the bank to him. The plaintiff was a customer of the Finsbury Pavement branch of the defendant bank. In April, 1922, his account was overdrawn to a small amount, and on April 8 the plaintiff signed a document agreeing to pay off the debt by weekly instalments of £1. At the time when this document was signed the plaintiff was about to enter the employment of a firm of Kenyon and Co., and on the document containing the agreement the plaintiff wrote their name and address. The plaintiff did not pay the weekly instalments as agreed. In July the acting manager of the branch, by name Fennell, got into telephonic communication with Kenyon and Co. to ascertain the plaintiff's private address. The inquiry led to further conversation with two directors of the company, one Wells and the other Kenyon. The plaintiff's complaint in the action was that in the course of that conversation on the telephone Fennell had told Kenyon that his (the plaintiff's) account was overdrawn, that various promises made by him to give the matter his attention had not been fulfilled, that cheques which passed through his account were for betting men, and that the bank thought that he was betting heavily. To Wells, Fennell was alleged to have said that he (Fennell) was afraid that the plaintiff was engaged with bookmakers, as the bank had been able to trace a cheque or cheques passing from the plaintiff's account to bookmakers.

His lordship took the view that there was not any material misdirection by the learned judge on this part of the case. With regard to the claim for damages for breach of duty, he said that the duty is a legal one arising out of contract, and that the duty is not absolute but qualified. "It is necessary in a case like the present to direct the jury what are the limits and what are the qualifications of the contractual duty of secrecy implied in the relation of banker and customer. There appears to be no authority on the point. On principle, I think that the qualifications can be classified under four heads:—(a) Where disclosure is under compulsion by law; (b) where there is a duty to the public to disclose; (c) where the interests of the bank require disclosure; (d) where the disclosure is made by the express or implied consent of the customer. The privilege of non-disclosure to which a client or a customer is entitled may vary according to the exact nature of the relationship between the client or the customer and the person on whom the duty rests. It need not be the same in the case of the counsel, the solicitor, the doctor, and the banker, though the underlying principle may be the same. The case of the banker and his customer appears to me to be one in which the confidential relationship between the parties is very marked. The credit of the customer depends very largely upon the strict observance of that confidence. I cannot think that the duty of non-disclosure is confined to information derived from the customer himself or from his account. Mr. Fennell was put upon inquiry by a cheque drawn in the plaintiff's favour on a customer's account. He acquired the information which he is said to have divulged in his character as the plaintiff's banker. It follows from what I have said that in my opinion a direction to the jury in a case such as the present must inform the jury of the nature and limits and qualifications of the duty of the bank as a matter of law, leaving to them only questions for the purpose of ascertaining their view whether the communication complained of was or was not made, and whether it did or did not come within any of the protected occasions to which I have drawn attention."

A legal correspondent points out that a surprising feature of the case is the absence of authoritative exposition of the law on a subject of such universal importance. When one gazes at the hundreds of substantial volumes in

which judicial decisions on every conceivable topic are massed in bewildering array it would seem incredible that any legal matter of interest could have escaped adjudication, were it not that occasions constantly arise in which counsel arguing a case have to confess that they are without direct authority for their arguments, and the judge admits that he has the doubtful privilege of making new law. And so with this question of a bank's duty not to reveal its customers' affairs. Portly books on banking have been published, but this vital branch of the subject is dismissed in two or three pages of hesitating reference.

The decision in *Tournier v. The National Provincial and Union Bank* is, therefore, in a legal view at any rate, a welcome addition to the meagre law on the subject, even though the judgments were so cautious as to resemble more a tentative airing of the topic than a satisfying decision of unsettled points. In a public view, however, the case under discussion is rather a revelation of a disquieting fact—the fact, namely, that one cannot, in regard to one's banker, repose in that security as to absolute privacy which one has in the case of one's lawyer. There is a duty of confidence in the banker, but it is a duty qualified by vague exceptions, which, to whatever extent they go, at any rate reach farther than the lawyer's solitary exception, of permission to reveal a criminal purpose.

We call the exceptions to the rule of confidence "vague"; let us try to see how far they have been defined. And we may begin with the question whether a banker is justified in giving general confidential information to an inquirer as to a customer's financial position, &c. There is, of course, no doubt in the common case of a man giving a "bank reference" to a person with whom he proposes to have business dealings, as then the communication is made on the invitation of the customer himself. But it appears, also, that a banker may disclose such information without this permission. "If a person who is thinking of dealing with another in any matter of business asks a question about his character from some one who has means of knowledge, it is for the interests of society that the question should be answered." Those words of Lord Justice Brett were made with reference to a communication from the Charity Organisation Society to an inquirer, but they have been cited as authority covering a communication from a bank to an inquiry regarding the bank's customer. This does not seem conclusive; it begs the question whether the relation of banker and customer does not create some special duty of non-disclosure. However, the practice of answering questions as to a customer's financial stability exists among banks, and it has not been held to be a wrong practice, but, on the contrary, its legitimacy has been judicially assumed.

Then there is the question whether a banker may disclose particular information regarding a customer's account and affairs. Here the law is confused and unsatisfying. In *Tournier's* case the other day Lord Justice Bankes rightly said there was no authority; but until his judgment it may be added that the position was even worse than that, for it had become a habit to rely upon two cases which seemed to deal with the matter, but did not really do so, and so were misleading authorities. One is the case of *Hardy v. Veasey*, decided in 1868, which has been quoted as authority for the proposition that "upon a reasonable and proper occasion" a banker is justified in disclosing to a third party the state of his customer's account. There a bank manager had made the disclosure to a money-lender, for the purpose of getting help for the customer, and the allegation of the plaintiff customer was that he had not given the manager leave to do what he did. He pleaded that it was a term of the agreement between banker and customer that the bank should not communicate the state of the customer's account to any other person except on a reasonable and proper occasion, and that this was not one. The existence of the exception was assumed, though its assumption was unnecessary to the decision of the case, and, strictly therefore, it was not decided. The other case, *Foster v. Bank of London*, decided in 1862, was even less of an authority, for there the question turned upon the impropriety of a bank giving one customer information regarding another customer's account, in order that the first

customer, who was a creditor of the other, should pay to the credit of the other's account a sum sufficient to cover the amount of a bill and a cheque held by him, which the bank accordingly honoured. In other words, it was a case of a conspiracy between the bank and this creditor customer to give him an advantage over the other creditors of the other customer. In this empty state of the law the Court of Appeal now holds that there is a contractual duty of secrecy implied in the relation of banker and customer, but subject to the four qualifications enunciated by Lord Justice Bankes.

THE TRUST MOVEMENT IN GREAT BRITAIN.—II.

THE Departmental Committee on the Iron and Steel Trades reported that:—

The American and German iron and steel industries are of a relatively recent growth, and have throughout been organised for large scale production, and small installations held and worked by individual concerns are comparatively unknown. The individualism of the British character has often led the iron and steel manufacturer to prefer to retain personal control over a small and relatively inefficient works rather than pool his brains and capital to the greater advantage of the industry. Many associations have been formed among British iron and steel manufacturers, but their aims and interests have been limited to smaller problems of price regulation or relations with labour. No serious effort has been made to form a national selling organisation, or so to distribute production as to reduce the cost of production and distribution to a minimum.

The Committee recommended, therefore, that British iron and steel makers should be urged to form combinations for the purpose of laying down large new units, for the collective purchase of supplies of iron ore, and for joint marketing of their products.

The Committee on the Engineering Trades reported that they had been much impressed by—

The very large number of relatively small works that exist—each with a separate organisation, separate establishment charges, separate buying and selling arrangements, and each producing a multiplicity of articles. A system of exclusiveness and aloofness marked the engineering trade before the war.

After contrasting the conditions prevailing in Germany and the United States, and pointing to the improvement made here during the war (largely under Government influence), in respect of standardisation, specialisation of output, and co-ordination of production, they urged the necessity for some action, either by amalgamation or pooling of resources, which would maintain this improvement.

The Committee on the Electrical Trades were still more definite. After discussing the development of the electrical industry here and abroad, and what they regarded as the discouragement of combination here, they remarked that—

As a result of this policy of isolated effort, numbers of small concerns have arisen, each struggling against the others for bare existence. By association it should be possible to manufacture each class of apparatus in the most suitable factory, the management of which would thus be concentrated on its own speciality instead of being wasted on a variety of products. It is essential that output should thus be consolidated instead of remaining in the hands of a number of small concerns. A sound and permanent industry can be established not only to supply the home market, but to secure a much greater proportion of the overseas trade of the world. This can be done by amalgamation among the companies engaged in the industry, or by the development of the practice of association for common purposes.

The Committee on the Textile Trades had to deal with conditions altogether different from those prevailing in other trades thus reviewed, for in the main sections of the cotton and woollen trades there is production on a huge scale combined with a high degree of specialisation. But even they felt it necessary to sound a note of warning with regard to the lesser textile industries—silk, hosiery, and lace—and the smaller branches of the large industries, as to which they quoted the opinion of witnesses that—

None of these trades can hope to struggle successfully with particular branches of foreign competition while they are organised upon their present basis of small and highly diversified individual production.

And the Departmental Committee on Shipping and Shipbuilding, after pointing out that "the tendency of the world appears to be in the direction of larger economic

organisation, a tendency manifest in shipping as in steel-making," expressed the fear that unless analogous steps were taken by shipbuilders and marine engineers, those industries "may suffer needlessly to the detriment of the nation," and that "individualism by itself may fail to meet the competition of the future in shipbuilding and marine engineering, as it has failed to meet it in other industries."

In view of this consensus of expert opinion, it is not surprising that Lord Balfour of Burleigh's Committee on Commercial and Industrial Policy, which reported in December, 1917, should have adopted the doctrine so propounded. After noting the existence of a widespread belief that a re-examination of British trade organisation had become necessary on account of the increasing intensity of foreign competition, based largely on combination in respect of production and distribution, they declared their general agreement with the view that the individualistic methods hitherto pursued on the whole in this country needed to be supplemented or replaced by co-operation and co-ordination as regards the obtaining of supplies, production and marketing abroad. They recognised that the adoption of this course would lead to combinations to control the domestic market, but they held that such development is not only practically inevitable under modern economic conditions, but is in some cases desirable in itself.

Whilst authoritative bodies were thus giving support to the theory of trade combination, the Government departments were encouraging it in practice. The Committee on Trusts, appointed by the Ministry of Reconstruction in February, 1918, "in view of the probable extension of trade organisations and combinations, to consider and report what action, if any, may be necessary to safeguard the public interest"—terms of reference which are themselves significant—reported (April, 1919) that—

There was considerable evidence before us that the growth and power of these associations has been greatly strengthened during the period of the war, and that this result appears to have come about primarily from the novel circumstances of war—under which the Government, acting through the Ministry of Munitions or other Departments—found it necessary sometimes to consult the most informed opinion in a trade, and sometimes to ration material through an organisation representative of the trade. Unassociated firms which found themselves not consulted by the Government were thus led to join the existing associations, or, in some cases, to form representative groups for the purpose of advising the Government on matters concerning the trade.

There appears to be no doubt that a large number of definite trade associations have been formed during the war which may certainly be expected to control and regulate prices and the conditions of industry in the same manner as the pre-war associations were already doing, and it is also probable that the habit of co-operation and discussion on matters of common concern, which has been the result of the formation of purely advisory groups of manufacturers and distributors for the purposes of the war, will lead to the transformation of at least a part of such advisory groups into definite trade associations as soon as Government control over trade or industry is withdrawn. The advisory committees will disappear, but will reappear in the form of new trade associations.

The movement thus advocated and encouraged was stimulated further by the conditions which prevailed after 1918. In the first place, many industries had expanded enormously during the war—especially the iron and steel and engineering trades and some sections of the chemical trades—and those engaged in them found themselves with productive capacities far in excess of any lasting post-war demands, and therefore faced with the likelihood of fierce domestic competition—as well as increased competition from the United States, France and other countries whose industrial equipment had been similarly enlarged—unless it could be limited or mitigated by agreement among the producers. Secondly, the armament firms, which had vastly increased their capital, plant and organisation (often with Government financial aid) in order to meet the munition requirements of ourselves and our Allies, realised that the demands upon them of this kind must for some years be insignificant, and to keep their works even partially in operation they must turn to other fields of production, and this led them to acquire various undertakings to serve as the bases for their new activities. Thirdly, after the signature of the Treaty of Versailles, and when the dammed-up demand for goods of all kinds gave British industry an unnatural and transient boom, there was much short-sighted optimism as to the

duration of the apparent prosperity. The results were not only further big extensions by many manufacturing concerns, but also an incursion of financial and promoting interests into industries (the cotton-spinning industry, where, happily, they had hitherto played a very small part, being the most striking example), the object being to buy up a number of hitherto independent enterprises and bring them under one financial and commercial control, with the usual statements in the subsequent offers to the public about the resultant economies and enhanced profits. Fourthly, the high prices ruling for a time for all materials undoubtedly drove manufacturers of finished goods to try to secure their own sources of supply, and thereby cut out so far as practicable intermediate profits. And finally the expectation on the one hand that the State, in response to many demands (some of them from unexpected quarters), would concern itself far more actively than it had done for half a century with industry and trade, and on the other hand the fear that its efforts to promote the development of British trade and industry would lead to the imposition of controls, combined with the great variety of new legislation and the problems of taxation to give an impetus to the formation of trade associations of the more general type, organised on a comprehensive basis and with competent staffs, and though not specifically designed for action in respect of production and prices, yet likely to lead to it at no distant date. The activities of these associations, formed primarily to deal with industrial politics, have to a considerable extent been co-ordinated in the largest and most influential of these post-war organisations, the Federation of British Industries.

DANISH AGRICULTURE.

In a paper read before the last meeting of the Royal Statistical Society, Mr Harold Faber presented a careful calculation of the agricultural production of Denmark. He attempted to give the results both for the pre-war period—taking the average of 1909-13—and for the single year 1922, but not much reliance can be placed on the comparison. The recovery of the Sleswig district has extended the agricultural area of Denmark from 7,150,000 acres, as it was before the war, to 7,956,000 acres—an increase of 11 per cent. Apart from this disturbing factor, the year 1922 was still in some degree affected by war conditions. It was suggested, indeed, that the abundant harvest and the very large increase in the number of pigs in 1923, "when pre-war conditions may be said to be established," would have given more favourable results if this year had been taken. A somewhat perfunctory attempt was also made at a comparison of the agricultural results attained in Denmark with those of Germany and of this country. The figures given were not convincing, and, so far as Great Britain is concerned, the omission of sheep—one of the most characteristic and important factors in British farming—in itself vitiated any comparison of the two countries. These international comparisons are in any case of very little value statistically, and of even less value practically. A few figures in a summary table are more misleading than informative, unless the facts which they purport to represent are very closely examined and analysed.

The chief statistical value of a very valuable paper lay in the calculations of the output of Danish agriculture before the war—i.e., in the period 1909-13. As is well known, the system of farming in Denmark is highly specialised. It is directed to the production from the land of the maximum quantity of animal products. The crops grown are all subservient to this object. It is significant that the Danes, who before the war lived under a menace of isolation and invasion infinitely greater than that affecting the British Isles, made no attempt to organise their agriculture for war-time. They accepted the hard facts of their strategic and economic position, and wisely organised their agriculture for peace. They

recognised the obvious truth that their best resource, even for defence, lay in the utmost possible development of the productivity of the soil, and that in this they had a reserve which in time of emergency could be drawn upon. As Mr Faber truly remarked, the agricultural policy adopted "leaves the country in a state of intense cultivation and the soil in a state of high fertility, and offers a considerable security in times of enforced isolation, because of the ease with which the animal production can be curtailed and a large amount of field crops made available for human consumption."

The total production of milk in 1909-13 was calculated as 3,450,000 tons, of which 70 per cent. was used for butter-making. The quantity of butter made was 108,260 tons, of which only 20,000 tons were consumed at home, the balance being exported. Only about 7 per cent. of the milk produced was sold as milk. The contrast with this country is very marked. In Great Britain about 50 per cent. of the total quantity of milk produced is sold as milk. It is hardly necessary to observe that the sale of milk is far more lucrative than the sale of butter, as every dairy farmer knows.

The total egg production of Denmark in 1909-13 was 4,950,700 great hundreds, and of these 70 per cent. were exported.

The Danish production of meat of various kinds in 1909-13 and its destination may be succinctly shown as follows:—

	Home Consumption.	Exported.	Per Cent.
	Tons.	Tons.	Exported.
Beef and veal	55,600	51,930	49
Mutton and lamb	10,200	180	2
Bacon and pork	56,750	112,580	70

Denmark has long been held up as an example for British farmers. Much has been written, and widely circulated, in this country, and many farmers and others interested in agricultural practice and economics have visited Denmark and seen for themselves how the land is farmed and how the business of farming is conducted. Generally, the conclusion drawn is that co-operation is the secret of success, and British farmers are exhorted to imitate. It is true that the adoption of co-operative methods has enabled Danish farmers to organise their export trade very effectively, and to ensure that the profits of the business come to the producers and are not dissipated along a chain of middlemen. But the organisation of the business is not the result of co-operation. An export trade necessarily involves the collection, classification, grading and eventual bulking of supplies. Other countries export agricultural products, and the organisation of the business is done, with equal efficiency, by intermediary dealers. The wisdom of the Danes lies in the fact that they have been shrewd enough to perform these essential operations for themselves and thus escape exploitation for the benefit of others. Their wisdom and shrewdness are the result of an enlightened and far-sighted system of education. The Danish farmer is carefully trained from his youth upwards for his business. The educational system is based on the principle that the training of the mind comes first, and that general breadth of outlook must be cultivated before specialisation begins. The principle was adopted from England; it is the basis on which our public school and university education for generations rested.

The help given by the State to Danish agriculture has been mainly through education. It has assisted and fostered agriculture in various ways, but it has never attempted to bolster it up by artificial props. Danish farmers have looked to their Government for the removal of hindrances to their enterprise, for active assistance in securing fair terms for their business operations, and for such intervention as may be necessary to ensure full and free access to their markets. But they have never asked the Government to do for them what they can do for themselves. In short, the secret of the success—in spite of natural difficulties far greater than any in this country—of Danish agriculture is, at bottom, self-help.

Notes of the Week.

The British Delegates for Paris.—A change has been announced in the personnel of the British representation at the forthcoming conferences of international experts in Paris. Mr Montagu Norman, the Governor of the Bank of England, finds himself unable to undertake the mission. His decision causes regret on personal grounds, and it is to be hoped that the cause for it is not the probability that the work of the committees is to be a long business. However, a strong substitute has been found in the person of Sir Robert Kindersley, who, as a director of the Bank of England, chairman of Lazard Brothers and Governor of the Hudson Bay Company, occupies a position of eminence among our leaders of finance. Sir Robert is perhaps best known to the public for his sterling work in connection with the National Savings movement, and is at present the President of the National Savings Committee. He is not new to international conferences of the highest importance, for he was the British member of the Bankers' Committee which met in Paris last year. Thus, despite the withdrawal of Mr Norman, the British delegation, of which the other two members, it will be remembered, are Mr McKenna and Sir Josiah Stamp, remains strong and thoroughly representative. It appears that the committees are to begin their sessions on January 14th and 21st respectively.

The Railways and Unemployment.—Railway affairs are very much in the public eye this week, for while the railwaymen are balloting on the question whether the award of the National Wages Board is to be accepted, the railway directors are busy elaborating plans for new works, which will involve large expenditures, and will do something towards relieving unemployment in widely distributed areas. The result of the ballot will be known in the first week in January, and it is earnestly to be hoped that the anxiety regarding the decision which has been reflected in the Stock Exchange will prove to be groundless. The men's leaders have pointed the way to acceptance, for the delegate conference of the National Union of Railwaymen voted by nearly a 3 to 1 majority for acquiescence in the new arrangement. Three of the "big four" companies have announced programmes of new works involving expenditure of over £26 millions. Details as regards these proposals are now available, and the projected plans are already maturing into actual contracts. For instance, the London, Midland, and Scottish have published a list of contracts placed with outside firms for 127,000 tons of steel rails, about 4,000 wagons, and 150 locomotive boilers. The London and North-Eastern's programme contemplates the expenditure of £5½ millions on locomotive, carriage and wagon building, and includes 273 locomotives, 12,000 wagons, and 700 new carriages, some of the work being put out to contract. Even more interesting are the details issued by the Great Western. This company has placed orders for 32,000 tons of steel rails, 20,000 tons of rail chairs, 15,000 tons of wheel tires, and 46,000 wheel centres. Also a considerable portion of the orders for wagons and coaches will go to private firms, instead of going, as they would normally, to the company's Swindon works. Large works for which contracts have actually been placed, or which are about to be commenced, include a new long tunnel under the Malvern Hills, the completion of new lines in Glamorgan and near Wolverhampton, new accommodation for milk traffic at Paddington, and new works of various kinds, including large station extensions at Llanelly, Cardiff, Port Talbot, Wolverhampton, Bristol, Stourbridge, Newton Abbot, Newport, Oswestry, Aberystwyth, Barmouth, and other places. Many of these works will obviously absorb a large amount of unskilled as well as skilled labour. There has been in some quarters a public clamour that the "railway millions" should be devoted to the provision of work for the unemployed. From the latest announcements it appears that the companies, both in the magnitude of their plans and in the speed with which they are translating them into action, are making as effective a contribution as lies within their power to make, towards finding work for the unemployed. If certain

proposals made to the Government by the companies are accepted, the scope of their contribution will be still further extended.

Progress in Ireland.—The year closes, writes our Dublin correspondent, with hopefulness in the ascendant. Order has been fully restored, and its maintenance is passing almost entirely into the care of the unarmed Civic Guard, backed by the ordinary criminal law and trial by jury. The large bulk of the martial law prisoners and internees have been released without, so far, any unfortunate consequences. The Irish Free State has provided for its own financial requirements by an internal loan, and the excess subscriptions, with other signs, warrant the belief that the current has set in the direction of home for Irish money invested abroad. If this be so, it will be a long time before Ireland will need to look beyond her own resources for such loans as she may require. The campaign of economy is in full swing. The Army, the teachers, the Civil Service, and the old-age pensioners have all been made to feel the pinch of retrenchment, and there are many who sought popularity by clamouring for economy that now pursue it by loud sympathy for the victims. Nowhere have these things made a deeper impression than in North-East Ulster, where there has never been a real understanding of the essential conservatism of Irish Ireland nor of its financial resources. This impression and the considerations which naturally flow from it are further coloured and strengthened by the Report, just published, of the Fiscal Inquiry Committee, which shows a strong bias against tariff experiments and other interference with the free flow of commerce along its accustomed channels. The five members of the Committee, previously described in these columns, are professional economists hailing originally from Irish Universities, and though the terms of their reference were fairly wide, they were clearly somewhat embarrassed in reporting by a public pronouncement of President Cosgrave that they were to deal with facts and not policy. They have, therefore, restricted themselves to considering their subject matter from a purely economic standpoint—avowedly they eschewed sociological considerations and such matters as food supply and munitionment in possible times of national emergency. They report definitely that "the volume of industry which is anxious to obtain a protective tariff is small compared with that which desires no change in the existing system." By no means the least valuable portion of the Report is a table showing for Ireland, for North-East Ulster, and for Great Britain the wages levels in all the principal trades in July, 1914, and October, 1923, together with figures indicating by reference to cost of living the true wages level of the latter date. The broad result shown is that comparing the true wages level of October, 1923, with the actual wages level of July, 1914, the Free State shows much the highest percentage of increase, and that actual Free State wages at the later date are very substantially higher than in North-East Ulster or Great Britain. Perhaps this is the explanation of the large receipts of the Dublin shopkeepers during the Christmas shopping season—they report that there is quite as much money as usual, but that it is distributed more widely and in smaller amounts. The Oireachtas has rejected the Labour Party's Bill for the nationalisation of the Free State railways. The Government favours unification by voluntary agreement, and if there be no voluntary agreement, it will provide, probably, a compulsory scheme. All the companies but one—the Dublin and South-Eastern Railway Company—are in substantial agreement, and the matter is hanging fire somewhat for the moment. It is more than possible that, having regard to political changes in Great Britain and the inevitable delay of the Boundary Commission, the Free State Government wishes, during the negotiations which are certain to come, to stand free and uncommitted in regard to its railway policy, so that it can ultimately be shaped with due regard to the larger issues and their ultimate adjustment.

The League and Hungary.—The protracted negotiations which have been carried on by the various interested parties in connection with the League of Nations proposals for the restoration of Hungarian finances on lines

which have already proved successful in the case of Austria seem at long last to be nearing a satisfactory conclusion. The Financial Committee of the League has submitted a unanimous report to the Council, and the amended scheme for a Hungarian loan seems to have every chance of being accepted at an early date. Side by side with this the Committee approved of two Protocols, the one embodying certain political guarantees, and the other containing the engagements which Hungary must undertake in respect of control and reform before the main scheme can come into operation. A few relatively small questions have still to be settled between the Little Entente Governments and Hungary, though it is hoped that direct discussions between the parties will have led to a satisfactory solution by January 16th next. In this event it is understood that negotiations for the flotation of an external loan will probably begin in March. The reconstruction scheme itself provides that inflation shall cease immediately, and that an independent Bank of Issue shall be set up. In this manner the stabilisation of the Crown, which is an indispensable condition of a renewal of confidence, should follow as a matter of course. Every effort is to be made to balance the national Budget by June 30, 1926, while the deficit which must be forthcoming in the intervening period is to be met out of the proceeds of the external loan. As in Austria, a Commissioner-General is to be appointed by the League to ensure that the full programme is, in fact, carried out. Unlike the case of Austria, however, the Reparation Liens are not to be suspended completely for the period of the reconstruction experiment, though it is proposed that no payments shall be made on Reparation account until June, 1926, while, for the twenty years thereafter they shall not exceed 10,000,000 gold crowns (approximately £415,000) annually. It is satisfactory that the main outlines of this scheme should have proved acceptable to the present Hungarian Government, though it is worth emphasising that Count Bethlen's position is being very sharply criticised by many influential political leaders in Budapest. Irredentism is strong amongst certain sections of the population, and to these the idea of external control is extremely distasteful. The reactionaries who came into power after the débacle of Bolshevism four years ago are still in effective control of the situation, and Count Bethlen himself exists very largely on sufferance. Of course, the mass of the people are unable to express their views owing to the reactionary electoral law, which makes a farce of the representative principle, while the social structure of the country ensures the predominance of the aristocracy. We have often pointed out that the existence of this state of affairs makes a comparison between Austria and Hungary somewhat dangerous. At the same time, the States of the Little Entente are certain to insist upon external control being made a reality, while it seems highly improbable that financial reconstruction could ever be achieved by any Hungarian Government if left to its own devices. In other words, a tactful Commissioner might do much to save the country from its own extremists. The technical difficulties of reconstruction in a predominantly agricultural country like Hungary are certainly less than those with which Dr Zimmermann has been faced in the adjoining Republic, and there are many reasons for believing that the "League of Awakening Magyars" and similar reactionary and thoroughly irresponsible organisations which have been so much to the fore of recent years are not really representative in any sense of the mass of the Hungarian nation. For these reasons we hope that the League scheme will soon be definitely accepted by the parties concerned and the work of European restoration proceeded with without unnecessary delay.

End-December Options.—A Stock Exchange correspondent writes:—Those people who are in close touch with financial affairs and Stock Exchange prices know that the end-December markets afford no reliable guide to the ordinary course of supply and demand of stocks and shares on behalf of the public. There are numbers of factors which enter into consideration at the end of the year that bulk largely in the position at that time, but which exercise a secondary influence in the ordinary

course of events. Amongst these factors may be mentioned the effect of those options which fall due to be exercised at the end-December account. In the industrial market, the movements during the past few months have been confused and erratic. A good deal of money was paid last September for the call of tobacco shares, Associated Portland Cement, Courtaulds and Kaffirs. In addition, the oil market found heavy buying of calls on Shell Transports, while, to a minor extent, a good deal of business of this sort took place in Royal Dutch. In such cases as Associated Portland Cement, where the price has fallen so heavily of late, the givers of call-money, unless they have sold shares previously against their bargain, were not likely, of course, to call the shares, and part of the reason for flatness in Cements is ascribed to the reported selling of stock by option-dealers who had bought half the shares against their commitments in the way that is regarded as affording conventional protection to those who take the money. In the Kaffir market the position is a little different, because most prices have gone up during the past few months. This will mean that people who have not sold shares and taken them in on the rise will call their purchases, and either pay for them or carry them over as bulls. This might alter the technical position of the market to some extent. Public interest has been too slender to enable any clear idea to be gained of what the open position is on account of the public. The influence of option-dealing, as it makes itself felt at the end of the year, is frequently noticeable, and it causes a certain amount of bewilderment to people who, holding the stocks and shares in the ordinary way, and not speculatively, are unable to account for apparently inexplicable movements which are really brought about through the operation of closing transactions against options. Where a man gave money three months ago for the call on Rand Mines, for instance, and sold the shares a month ago, he had to carry over his sale as a nominal bear for one account. The shares became callable this time, and this automatically closed his short position. If he is still running the shares and does not want to pay for them, he would, of course, call them if the price stands higher than his option obligation, and he would either, as already stated, contango the shares or pay for them. Speculators, it need scarcely be stated, generally elect to adopt the former course, and if this is carried out to any marked extent in the Kaffir market the result will be a moderate bull account that will require fresh public support from outside sources to enable its realisation at satisfactory prices.

Co-operative Prospects.—A correspondent writes:—The prospects of the co-operative revival suggested in the *Economist* of September 29th last are fully borne out by the report of the directors to be presented at the forthcoming meetings in January, over which Mr George Thorpe, of Dewsbury, will preside for almost the last time. He will in June vacate the office owing to the time-limit, which compels the retirement of directors at 70 years of age. While the sales at £15,182,203 for the quarter show a falling off of 2 per cent., it is clear from the increased turnover of several departments that in volume the amount of trade has shown an advance. The supplies from the society's productive works were £5,007,392. Confirmation of the fact that the slump has been arrested comes also in the amount of deposits and withdrawals from the Co-operative Wholesale Society Bank, which totalled £119,918,512, an increase of nearly 4 per cent. This bank now works the accounts of 1,029 co-operative societies, 8,569 trade unions and friendly societies, and 3,310 clubs and similar mutual organisations. The weight of tea, preserves, soap, biscuits, woollen goods, clothing, &c., sent out was greatly in advance of the previous period, and the present turnover is in the same direction. The directors are advising delegates as to developments in connection with overseas trade that are likely to facilitate international business. Hitherto the organisation of the co-operative tea market has been by means of a working partnership between the English and the Scottish Co-operative Wholesale Societies, under which a capital of something like £2,400,000 is employed. From December 24, 1923, this will be controlled by a new

society just registered and formed of the same owners and directorate, but with a separate existence. It will be known as the English and Scottish Co-operative Wholesale Society, Limited, and £1,800,000 of the capital will be supplied by the English and the other by the Scottish wholesale. Its importance in the tea trade may be gauged from the fact that the sales of the department for the quarter under review were £1,377,464, as compared with £1,146,496 in the same period a year ago. The weight of tea sent to the retail societies was 12,180,641 lbs, an increase of 5 per cent. In addition, the new venture will take over the cocoa and chocolate works at Luton, the business of which was £57,863 in the quarter just concluded. Approval will also be asked for the policy of investing in the Rosso-British Grain Export Company, in which the Co-operative Wholesale Society is investing £25,000, and which has shipped a quantity of wheat now being dealt with in the co-operative flour mill at Trafford Park, Manchester. Last September the *Economist* explained the new policy of the directors with regard to the depreciation of property, and this having been approved by resolution will be the subject of a special meeting following the ordinary business in January, at which the rule will be altered to provide for depreciation at the rate of 5 per cent. on the society's shops and fixtures, 2½ per cent. on buildings, and 1½ per cent. on land, these reduced rates of depreciation to come into operation as from June 24th last. Co-operators will soon be wondering whether this change, together with the more stabilised trade outlook, will bring the wholesale nearer the declaration of a small dividend on the purchases made by societies from their works. If such should prove the case, the progress of the retail societies will be greatly quickened.

British War Pensions.—The sixth annual report of the Minister of Pensions, which has recently been published, covers the twelve months which ended on March 31st last. At that date 2,500,000 people were still in receipt of pensions, this total including 320,000 wives and 895,000 children. Large as is this total, it nevertheless represents a decline of 400,000 during the year under review, and is one million less than the highest recorded figure. Compensation in some form has been paid in respect of two out of every five men who enlisted for service, while approximately 42 per cent. of the total pensions awarded were for wounds and injuries. Since May, 1918, there have been five million medical examinations for purposes of assessment of pension, and one and a-half million courses of medical treatment have been provided. This has naturally entailed considerable expense, though, of the £460,000,000 spent by the Ministry up to March 31st last, all but about 5 per cent. went directly to the benefit of the pensioners. The following table gives the number of first awards made in respect of the various classes of beneficiaries:—

First awards in respect of—	Period.			
	Year Ended March 31, 1920.	Year Ended March 31, 1921.	Year Ended March 31, 1922.	Year Ended March 31, 1923.
Soldiers, seamen, &c., disabled	479,584	95,836	21,998	8,450
Do deceased	162,899	22,901	14,925	9,178
Officers, disabled	34,204	7,599	2,038	800
Do deceased	3,225	1,461	784	378
Nurses	1,011	531	192	70
Totals	680,923	128,328	39,937	18,876

The decline is a natural result of the interval of time since the cessation of hostilities, the Great War having officially ended on September 30, 1921. Of course, many of these awards were of a temporary nature, while deaths among the disabled or their dependants have combined with the re-marriage of war widows to reduce the number actually in receipt of pensions. By March 31st last about 34 per cent. of the total awards made to widows had ceased for the last-mentioned reason. By the same date the total number of permanent awards had risen to 316,000. The

general expenditure of the Ministry for the year ended March 31, 1923, is given in the following table:—

Heading of Expenditure.	Approximate Total, Year ended March 31, 1923. £	Comparative Total, Year ended March 31, 1922. £
(i) Salaries, wages and expenses of staff, including fees to medical referees and members of medical boards	3,846,000	4,363,276
(ii) Administrative expenses of local war pensions committees	404,000	1,160,824
(iii) Pensions and gratuities (officers and their dependents)	5,865,000	6,434,445
(iv) Pensions and gratuities (nurses and their dependents)	92,000	103,066
(v) Pensions and gratuities (men and their dependents)	61,839,000	69,501,576
(vi) Treatment and allowances in excess of pension to pensioners undergoing treatment	8,640,000	12,503,319
(vii) Expenses of pensioners attending medical boards or undergoing treatment	474,000	670,896
(viii) Miscellaneous	340,000	822,214
Totals	81,500,000	95,559,616

Administrative expenses show a decline in consequence of a diminution in the amount of work to be done, with a resultant reduction in staff and in medical examinations, while the other decreases are due principally to the reduced number of beneficiaries. In the course of the current year it seems probable that the number of final awards will be greatly increased, and the whole establishment brought on to a more permanent basis. As the years roll by, of course, the burden on the national budget, which is still very great, will become progressively less. Thus the expenditure in this last year is already considerably below the £106,645,516 spent in the year 1920-21, which is the highest amount on record.

Conditions in Egypt.—A Cairo correspondent writes:—The Government have finally issued on the 4th inst. their estimate concerning the present cotton crop. It is expected to reach 5,844,000 cantars, but in financial circles people speak of a slightly over six million cantar crop. Prices were very erratic on some days, fluctuating from \$45 to \$52, and back to \$40, for Lower Egypt quality. March delivery (Lower Egypt quality) is quoted to-day at \$43.55 and February delivery (Upper Egypt quality) at \$40.05. It is believed that about five million cantars are already sold at an average price of \$35. Assuming that the remainder of the crop, or one million cantars, will be sold at \$40, Egypt will receive for her cotton about 43 million pounds, a sum which leads to hope for a coming revival in the import trade. The stock market has followed the activity of the cotton market, and first-class securities improved substantially. Unified is at 73½, National Bank shares at 24½, Agricultural Bank at 7½, Crédit Foncier Egyptien shares at 79½, and these quotations do not seem exaggerated when one takes into account that the mentioned stock yields about 6 per cent. per annum, free of income-tax in Egypt. Trade continues to show signs of improvement. The Government have published the following statistics for the 11 months ending in November:—

	(000's omitted.)	1922. £	1923. £
Imports	38,895	40,897	40,897
Exports	40,428	48,035	48,035
Re-exports	2,538	1,362	1,362

The balance of trade is thus in favour of Egypt for nearly four million Egyptian pounds, taking into account the re-exports. National Bank of Egypt notes in circulation at the end of November amounted to 36 million Egyptian pounds, as against 33 million in November last year, an increase which is due to the high prices attained by cotton. Official index numbers for November show the cost of living as follows:—

	(1914 = 100.)	Nov.	Oct.
1921	200	198	198
1922	174	173	173
1923	160	159	159

The tourist season promises to be a good one. Thousands of tourists are already announced for the months of January, February, and March. Government officials have been requested to come to office in the afternoon during the winter months, which was not the case up to now, and the Government expect by so doing to reduce their number gradually. Elections for the first Egyptian Parliament will take place in January next. Zagloul's party is expected to have the upper hand in the new Parliament, and everybody is anxiously waiting to see the first acts of Egyptian Constitutionalism.

Peruvian Finance and Trade.—In spite of the occasional rumblings of disruptive forces under the surface of Peruvian politics, the prospects in Peru seem generally encouraging, and the country is free from the jealous nationalism which hampers development in some other Spanish-American States. The Report (to June last) of H.B.M. Vice-Consul at Callao notes that the Customs, the Navy, education, and the Reserve Bank are managed by Americans, the police by Spaniards, the army by a French mission, the electric power of Lima and the neighbourhood is controlled by an Italian company, the posts and telegraphs by the English Marconi Company, the Callao docks by a French company, and over 80 per cent. of the railways are run by the Peruvian Corporation of London. The public debt last June totalled £11,401,391, of which £4,371,049 was external debt. There was a budget deficit of £1,358,090—the revenue amounting to less than 84 per cent. of the expenditure—which was nearly covered, provisionally, by the loan raised last December in London; but it is hoped to fill the gap by means of the increased Customs duties, the alcohol monopoly established last April, increased business licence taxes in Lima and Callao, and eventually also by a projected income-tax based on rent. But it is feared that this year the deficit will be greater. The currency is fully secured on gold and securities, and token coins are being substituted for small notes. The premium on sterling exchange rose from 7 per cent. last December to 16½ in January, then dropped to 8½ per cent. in March, and rose to 14 per cent. in August last; it has since fallen to 7 per cent. again. Imports in 1922 amounted in value to £10,592,554, over £6,000,000 less than in 1921; the only noteworthy increases were in machinery and vehicles and in cotton goods. Exports were valued at £18,692,870, an increase of £2,000,000; of this total petroleum, sugar, and cotton each represented nearly one-fourth, and copper bars most of the balance. The production of petroleum is likely to increase this year. Special mention is made of a blend of cottons useful in woollen manufacture, of which nine-tenths went to Liverpool; sugar and wool seem promising, and American rubber plantations are projected in the Amazon region. Balata is being largely obtained there, but by methods which will extinguish the source of supply. The copper output increased by about 9 per cent., and new mines are likely to be worked in the north. The production of silver rose by more than 33 per cent. to 409,635 kilograms, and Peru now stands third among the silver-producing countries of the world. The railways covered by the lapsed Dunsuir concession have been taken up by the State, and a line is ambitiously projected by an American company from Yurimaguas on a tributary of the Amazon, to the Pacific coast near Payta. Shipping facilities are considerable and increasing, and irrigation, sanitation, and road-making are progressing. It is noted that Great Britain is taking a larger share relatively of the import trade, and that British goods are most in favour. But the Peruvian purchaser is apt to consider cheapness rather than quality.

The Honduras Debt Settlement.—Reuter announced on Friday that the Honduras Government had signed the Agreement accepted last March by the bondholders; but the statement, unfortunately, is misleading. We learn, on inquiry at the office of the Council of Foreign Bondholders, that the Agreement was signed last March by the representatives of the bondholders and the Honduras Government. Probably the President may have signed it subsequently, but, to become operative, it must be approved by Congress, which meets on January 1st. The

settlement, like its abortive predecessors, has had to encounter much popular opposition, but it is indispensable to the improvement of the credit of the country, and, coupled with that of the Salvador external debt, should have a salutary reflex action throughout Central America. The total payments will amount to about one-fifth of the outstanding capital, and the interest default for 51 years is entirely ignored. But considering the circumstances of the issue of the loans, and the fact that they have long passed from the possession of their original holders, it is fairly satisfactory. We trust that the Congress will speedily end one of the longest defaults, following perhaps the most discreditable episode in Spanish-American history.

Shipping Developments.—In the *Economist* of October 27th attention was drawn to the formation of an Anglo-Russian shipping company. Russia was represented by the Soviet Government, the Russian Co-operative Union and Arcos, and on the British side Messrs Furness, Withy and Co. were prominent. This 50-50 company has been successful in its operations, and during the last month or two a large number of steamers have been chartered from the Black Sea ports to load grain for the United Kingdom and also Germany. Now the Russian passenger traffic to and from Canada and the United States is to be put on a better footing, and an agreement has been signed between a group of British, Canadian and other steamship companies for the purpose of developing this important trade. The Canadian Pacific Railway, the Canadian Pacific Steamships, Limited, the Cunard Line, and also the Anchor Line are representative of Canadian British shipping interests, and they are very prominent in the new undertaking, which will have on the board three Russian directors, representing the Soviet Government, which will receive a capitation fee for every passenger shipped. Thus both the Russian passenger and cargo trade will be closely identified with the leading British shipping interests, who will provide the necessary shipping, as obviously the resources of the Russian merchant marine will be very limited for years to come. In other directions the outlook in the homeward freight markets is much more cheerful than it was some time back, and shipowners are looking forward to more active markets in the coming year.

The Czechoslovak Sugar Industry.—Czechoslovakia is the chief European country which has exported sugar since the war, and the present scarcity of the commodity in the world market lends added interest to a consideration of production in that country of recent years. The following table gives a brief *résumé* of the situation, and is based on official statistics published in a recent number of the *Gazette de Prague*:—

SUGAR PRODUCTION.						
Year.	Acreage. (In Hectares.)		Beetroot Treated.		Sugar Produced.	
			(In Metric Tons.)			
1912-13	317,717	....	9,381,551	....	1,423,071	
1918-19	200,557	....	4,190,406	....	623,744	
1919-20	182,653	....	3,426,476	....	507,417	
1920-21	192,864	....	4,200,341	....	717,239	
1921-22	191,893	....	3,461,664	....	662,520	
1922-23	184,591	....	4,385,186	....	744,448	

These statistics show clearly how great has been reduction in the cultivated area and in the yield of recent years as compared with the position immediately before the war. It must, however, be borne in mind that the year 1912-13 was well above the pre-war average. The reduction is more marked in Slovakia and in Moravia than in Bohemia proper, while the number of factories has remained much the same throughout the period under review. The relation between internal consumption and the export surplus during the post-war years has been as follows:—

(In Metric Tons).

Year.	Internal Consumption.	Exports.
1918-19	317,817	160,605
1919-20	330,624	340,516
1920-21	318,339	414,377
1921-22	309,376	376,329
1922-23	351,959	389,160

the production returns of the previous year. In the current year the acreage has increased by about 20 per cent., and the harvest has been fairly satisfactory. Provisional estimates of the crop point to a probable sugar production of 950,000 tons, while internal consumption is almost certain to be at least 350,000 tons. Although production is still much below the pre-war level, there should nevertheless be a considerable increase in the surplus available for export. In the year 1922-23, out of a total of 389,160 tons exported, 100,840 tons were consigned to Hamburg, most of this being in transit for this and other countries, while Great Britain took 68,000 tons direct. It thus appears probable that England is Czechoslovakia's best customer for sugar, with Austria next with 89,070 tons; Switzerland third, with 56,560 tons; and Italy next, with 36,240 tons. Last October 78,599 tons were exported (as against 18,549 tons in October, 1922), this going principally to Great Britain, Switzerland, Austria, and Hamburg (in transit). Considerable efforts are being made by the Government still further to increase the area down to sugar beet, though there seems to be no chance of an immediate return to the conditions prevailing in the epoch-making year 1912-13.

China Clay.—A correspondent writes:—English china clay, or colloidal clay, or kaolin, or "White Wealth of the West," as it is variously called, is obtained mainly in Cornwall, near St Austell, and to a less extent—about 10 per cent. of the whole—in Devon. Although widely distributed over the whole world, the best quality is probably found in Cornwall. It occurs in most European countries, in China and Japan, India, Australia, Canada, Federated Malay States, Africa, and the U.S.A. In many of these countries it is at present mainly of geological interest, and has not yet been commercially exploited. The principal countries in which it is of commercial importance are Great Britain, Germany, Czechoslovakia, Portugal, China, Canada, and the U.S.A. New deposits are continually being discovered, among the more recent being those of Canada and Mexico. In view of its many uses in a great variety of industries, particularly in the paper, textile, and pottery industries, it is probable that increasing attention will be given to its production in various parts of the world. Beside the main uses already noted it is also of value in the manufacture of soaps and soap powders, water softeners, sewage purifiers, metal and plate cleaners, stove and boot polishes, toilet powders, cosmetics, and numerous other commercial products. In spite of the almost total loss of two large markets in Russia and Germany, and a falling off in the American demand, the china clay trade has steadily increased this year. There has been of late a considerable amount of undesirable speculation in the trade, and numerous companies have been formed and shares offered to the public. These "companies" have had no solid foundation, no men of practical experience behind them, and very often the properties so highly extolled in the prospectus have been situated in out-of-the-way localities. Such enterprises, of course, are best left well alone. On the other hand, the genuine old-established companies have been strongly urged to give more attention to advertisement and propaganda. They have an excellent product to dispose of, probably the best in the world, and it is considered that much more could be done, in view of its wide range of uses, to extend its sales in the world markets. Facilities for overseas trade have been increased by the recent opening of the new jetty at Fowey—the Cornish port whence most of the export trade is done. Increased port facilities are also contemplated at Falmouth St Just Ocean Wharves. Production and export for 1913, 1914, and the last three years are given in the following table:—

	1913.	1914.	1921.	1922.	1923 (First 6 Months).
Foreign exports..... tons	598,420	595,955	227,530	482,860	257,370
Imperial "..... "	31,270	32,665	14,410	14,740	11,050
Total exports.....	629,690	628,620	241,940	497,600	268,420
Home trade..... "	275,570	266,612	103,310	239,330	163,810
Total trade..... "	905,260	895,232	345,250	736,930	432,230

The value of the total in 1913 was £1,069,510, whilst that of 1922 was £1,903,730, and for the first six months of 1923 it was £1,050,530. Increasing attention is now being given in Cornwall to the important question of china clay research. It was announced at a recent meeting of the St Austell Rotary Club that the South-Western University College at Exeter proposes to undertake this research. There is urgent need for more information on the chemical nature of this mineral, especially with a view to discovering further uses. Its great value in the paper industry, which uses about two-thirds of the total output, was discovered by chemical research, and the Germans used it for the manufacture of ultramarine, thus revolutionising that industry, whilst its use in the manufacture of alum, bleaching powders, and other chemicals has led to an ever-increasing demand. On the engineering side, in the application of mechanical devices in place of hand labour, great advances have been made, e.g., the uses of hydraulic hoses for washing, steam navvies, portable conveyors, rock drills, and the new electric process for producing colloidal clay of a quite exceptional degree of fineness.

Cotton Mill Shares.—Our Manchester correspondent writes:—Although very little is known outside Lancashire of the dealings in cotton mill shares, quite a big business is done from day to day in Manchester and Oldham. The weekly list of the Lancashire Share Brokers' Association gives quotations and other particulars relating to nearly 300 companies. Owing to the trade depression, the market during the past year has been dull and irregular. The following table gives comparative share quotations for 20 leading concerns, and it will be seen that in each case the value was lower at the end of 1923 than at the beginning. The shares of each company in the list are of the nominal value of £1, on which 10s has been paid up:—

	Jan. 3, 1923.		Dec. 27, 1923.		Fall.
	s	d	s	d	
Arkwright, Rochdale.....	7	9	2	7½	5 1½
Boundary, Oldham.....	2	1½	1	3	0 10½
Cairo, Oldham.....	6	6	4	4½	2 1½
Delta, Oldham.....	2	0	1	7½	0 4½
Ena, Atherton.....	2	6	1	6	1 0
Fern, Oldham.....	7	9	5	10½	1 10½
Greenacres, Oldham.....	3	4½	1	10½	1 6
Hartford, Oldham.....	10	3	7	0	3 3
Ivy, Failsworth.....	2	9	2	4½	0 4½
Lees Brook, Oldham.....	3	10½	3	0	0 10½
Malta, Middleton Junction	7	0	6	10½	0 1½
New York, Heywood.....	5	6	3	0	2 6
Oldham Twist, Oldham.....	7	9	4	3	3 6
Parkside, Oldham.....	9	1½	3	4½	5 9
Ram, Oldham.....	2	1½	1	6	0 7½
Stockport, Stockport.....	6	1½	5	0	1 1½
Townley, Middleton.....	6	0	3	6	2 6
United, Oldham.....	5	6	3	3	2 3
Wellfield, Rochdale.....	3	6	0	6	3 0
West End, Oldham.....	5	3	4	0	1 3

During the last few months the directors of several companies have made calls upon the shareholders, and it is largely owing to the fear of more of this sort of thing that prices keep on a very low level. The stocktaking results for the past half-year, which will be announced in a few days, are expected to be rather more encouraging than the figures published at the end of June. There has been a distinct improvement in the trading conditions for spinners producing Egyptian yarns, but firms engaged on American cotton are still doing badly.

Brewery Fusion.—An extraordinary general meeting of Hoare and Company, Limited, has now been called for next Monday in order to propose resolutions to give effect to that company's side of the agreement for the purchase of the Lion Brewery Company's business. Shareholders of the Lion Brewery Company have already agreed to the scheme. It is proposed to sub-divide each of the existing £10 shares of Hoare and Company into 10 £1 shares, and then to increase the capital to £1,252,500 by the creation of 500,000 additional £1 shares. Six of the directors of the Lion Brewery Company will, under the scheme, be appointed directors of Hoare and Company. Lion preference and preferred shareholders are to receive £1 per share in cash for their shares from Hoare and Company, and ordinary shareholders are to receive

£1 2s 4d per share. The increased capital of Hoare and Company is to be issued to provide part of the cash, amounting to nearly £1,000,000, required for the purchase of the Lion Brewery shares. Further cash will be raised for this purpose by the issue of £230,000 6 per cent. first mortgage debenture stock and £47,500 income stock. This appears to be a reasonable fusion of interests which should meet the approval of both sides.

British American Tobacco.—The report of the British American Tobacco Company for the year ended September 30th last shows a further climb in profits. As will be seen from the comparative table below, the dividend is maintained at 25 per cent., free of British income-tax, but that the payment requires considerably more than the 30 per cent. distributed for five consecutive years, when the ordinary capital was much smaller:—

Sept. 30.	1914.	1917.	1918.	1919.	1920.	1921.	1922.	1923.
Profits, &c.	£2,177,022	£3,105,002	£3,140,174	£3,776,508	£4,879,177	£4,323,481	£4,400,784	£4,494,972
Prof. div'nd	188,297	225,000	225,000	225,000	225,000	225,000	225,000	225,000
Ord. div'nd	1,532,308	1,876,236	1,876,236	2,156,774	3,745,492	3,842,493	4,010,709	4,014,821
To reserve..	(24½%) 1,500,000	(30%) 257,228	(30%) nil	(30%) nil	(30%) nil	(24½%) nil	(25%) Dr 122,000	(25%) ..
Balance	Dr 104,583	746,478	1,038,878	1,394,734	908,685	255,788	1,387,075	254,894
Br'ht for'd	1,975,902	1,780,222	1,966,700	3,005,578	727,778	1,634,200	1,889,877	3,276,952
Carr'd for'd	930,319	2,526,700	3,005,578	4,400,312	1,636,463	1,890,188	3,276,952	3,531,846

A year ago £1,222,000 was withdrawn from the general reserve of £1,500,000 set up in 1914 to provide against possible losses arising from the war. The balance in hand of £3,531,846 is a remarkable figure, and it must be assumed that the directors will enlighten shareholders as to their intention at the annual meeting to be held on January 10th. Assets are slightly lower at £32,446,044. The balance-sheet, however, does not tell us the true position of the company. The most important item is "Investments in associated companies," £15,620,375. It would be well to know what is meant by this item. Unless it is possible to know the amount of actual assets represented by this sum, the balance-sheet to those with an inquiring turn of mind presents a blank. Yet the auditors state that the balance-sheet "is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs." It is surely time that either the wording of the certificate was altered or that more informative details were given. In a case like this it is almost a waste of time to speculate as to whether adequate reserves have been accumulated. Stocks at £5,466,394 are £616,881 higher. Cash amounts to £4,247,040. The balance-sheet will be found analysed in our usual column.

The Rand Dividends.—That the distributions of the Witwatersrand gold mining and finance companies for 1923 would compare favourably with those of the preceding year was a foregone conclusion, seeing that the earnings of the first half of 1922 were seriously affected by a disastrous labour conflict. Indeed, having regard to the advance in the gold premium, some weeks ago there was talk of "bumper" distributions in respect of the past six months. In the event these expectations have not been altogether realised. Most of the companies have declared distributions at a larger rate—in several cases a much larger rate—than 12 months ago. For example, the final instalment of 25 per cent. on the part of that big consolidation, the City Deep, makes a total of 45 per cent., or exactly double the amount paid in respect of 1922. Similarly with the Springs Mines; while the Brakpan aggregate is 42½ per cent. in place of 20 per cent. In these two cases, however, no interim payment was made in 1922, and Robinson Deep's disbursement of 6s upon its "A" shares reduces the arrears to 14s. On the other hand, the Witwatersrand Deep dividend for the past six months is less than that of December, 1922, even allowing for the 7½ per cent. "special" dividend then included as the proceeds of a deal in ex-enemy shares. The rate of the Witwatersrand Gold (Knights) has been slightly reduced, although the total for the year exceeds that of 1922. During the past session the Consolidated Langlaagte has been absorbed by the Langlaagte Estate. Some disappointment was nevertheless occasioned by the failure

of the latter company to maintain the percentage declared for the first half of this year. The appended table sets out the June and December declarations of 1923, the December declarations of 1922, and the totals for the two years:—

Company.	Dec., 1922.	Total, 1922.	June, 1923.	Dec., 1923.	Total, 1923.
Aurora West	%	%	%	%	%
Brakpan	20	20	20	22½	42½
City Deep	20	27½	20	25	45
Consolidated Langlaagte	5	5	..	..	..
Consolidated Main Reef	6½	6½	..	6½	6½
Crown Mines	35	40	27½	40	67½
Durban Deep	..	..	..	5	5
Geldenhuis Deep	..	..	..	5	5
Geduld Proprietary	10	16½	11½	16½	27½
Government G.M. Areas	30	50	30	30	60
Langlaagte Estate	7½	7½	10	7½	17½
Meyer and Charlton	50	100	50	50	100
Modderfontein "B"	55	85	50	60	110
Modderfontein Deep	70	120	60	80	140
New Goch	..	..	10	..	10
New Kleinfontein	..	..	..	2½	2½
New Modderfontein	50	70	50	50	100
New Primrose	5	5	..	5	5
New Unified	..	..	..	5	5
Norose Mines	5	7½	3½	5	8½
Robinson Deep "A"	4½	4½	4½	6½	10½
Rose Deep	6½	11½	6½	11½	17½
Spring Mines	15	15	12½	17½	30
Sub Nigel	3½	7½	3½	3½	7½
Van Byn Gold	1½	12½	7½	7½	15
Van Byn Deep	30	40	25	27½	52½
Village Deep	7½	7½	5	5	10
Witwatersrand Deep	20	25	7½	7½	15
Witwatersrand Gold	15	20	15	12½	27½
Anglo-American	7½	7½	..	..	..
Central Mining	3½	7½	6½	5	11½
Johannesburg Consol.	..	7½	12½	..	12½
New Era Consolidated	12½	12½	..	17½	17½
Rand Mines	80	100	60	60	120
Rand Selection Corp'n	22½	22½	..	30	30

* Tax free.

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

An interesting feature is the re-entry to the list of several companies absent for several years—the Durban Deep, Geldenhuis Deep, Kleinfontein, and New Unified, which have disbursed nothing to their shareholders for some little time. This year's declarations on the part of the Aurora West represent maiden distributions upon a reduced capital. As regards the finance undertakings, while there is no actual declaration by the Anglo-American, a dividend of 10 per cent. has been officially foreshadowed. The absence of any increase in the case of the Rand Mines gave the market a nasty jar, a repetition of the 80 per cent. announced in December, 1922, having been confidently looked for. It is understood, however, that the directors have on the present occasion followed the policy of distributing only the moneys received as dividends, retaining for financing purposes profits on realisations.

Mexican Mining Affairs.—The annual statements lately submitted to the shareholders in what is known as the Camp Bird group—writes our mining correspondent—may be described as of a mildly encouraging character, although nothing more. In the case of the Santa Gertrudis, a dividend of £100,000 from the operating company was, except as to a few thousands, absorbed by interest, taxes, and depreciation. The cash position indicated by the balance-sheet is not a particularly robust one. As regards developments, it is only natural that there should be a further shrinkage in the ore reserves in the company's original mine, which is approaching exhaustion. In the El Bordo Group, operated on a profit-sharing arrangement, the results at depth in what appeared to be the most important property failed to maintain their earlier promise. On the other hand, good discoveries have been made in the Dos Carlos, a group of claims adjoining the company's original area, which have been acquired on lease. The Santa Gertrudis holds £60,000 7 per cent. notes, and 247,250 £1 shares in the Mexican Corporation. This undertaking has a large interest in the Fresnillo silver property at Zacatecas, also other holdings. The Fresnillo comprises a low-grade surface mine and a deep-level mine. The latter was worked

by its former owners for the richer ores, and so far as unwatered by the present company has shown better values than the surface mine. At the end of June the ore reserves in both properties were computed at 6,873,000 tons, containing 56,200 ozs gold and 37,739,000 ozs silver. Of late the capacity of the mill has been increased to 3,500 tons per day, and a further expansion is in course of arrangement. As a result of last year's operations, the local company converted a substantial debit balance into a small credit. The English company, now entitled to one-half of the profits—benefited accordingly, but the transactions are not reflected so clearly as they might be in the accounts. The Camp Bird holds some 750,000 shares in the Santa Gertrudis, and 250,000 in the Mexican Corporation. No dividends being paid thereon, the company's profit and loss account shows a small deficit. There would seem little hope of an early resumption of dividends on the preference shares. Yet another annual statement is that of the El Oro Mining and Railway Company. For some time past this enterprise has fared poorly under both headings; indeed, doubts have been entertained as to whether the dividend of 10 per cent., tax free, which had been paid for the previous six years would be forthcoming upon the present occasion. In the event, the company has declared a distribution at one-half that rate. The report shows that the actual net profit would practically have covered the usual dividend—recent preceding distributions, by the way, have been on a conservative basis—but the company is financing a subsidiary undertaking which is opening up the Noria silver mine in the State of Zacatecas. Already substantial sums have been provided for development, and a further £110,000 is expected to be required for equipment. Towards this the El Oro Company has appropriated £30,000 out of the past year's balance. The position with regard to the properties of the two undertakings is that the limits of exploration on the El Oro have now been almost reached, and while the ore reserves have been maintained at nearly a year's supply, there is a distinct falling off in values. In the near future, consequently, the El Oro Company will be dependent upon its interest in the Noria. Developments at the latter are considered to warrant the acquisition of the lease upon the terms agreed. In connection with the declaration of its maiden dividend of 15 per cent., the San Francisco Mines has announced that the net profit for the past financial year amounts to £137,300, of which £19,000 will remain to go forward. Practically all the shares under option have now been called, raising the issued capital to £751,300, and the cash balance to more than a quarter of a million. At the moment the intrinsic position of all these concerns is rather overshadowed by the revolution, and the shareholders are having an anxious time.

Oversea Correspondence.

UNITED STATES—FEDERAL BUDGET—NOVEMBER FOREIGN COMMERCE.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 14. PRESIDENT COOLIDGE's message to Congress this week, transmitting the third federal budget prepared under the new system, contains a summary of estimated receipts and expenditures for the current and the next fiscal year, compared with the actual figures for the fiscal year ended June 30th last. It also presents detailed comparison of appropriations for the present fiscal year ending June 30, 1924, and estimated appropriations for the next fiscal year, which will end June 30, 1925. The following condensed table gives the actual figures for 1923, and the estimates for the 1924 and 1925 fiscal years:—

BUDGET SUMMARY.			
(Exclusive of postal revenues and postal expenditures paid from postal revenues.)			
	Estimated, 1925.	Estimated, 1924.	Actual, 1923.
Total receipts	\$ 3,693,762,078	\$ 3,894,677,712	\$ 4,007,135,480
Total expenditure (including reduction of the public debt required by law to be made from ordinary receipts)	3,294,080,444	3,565,038,088	3,697,476,080
Excess of receipts	399,681,634	329,639,624	309,657,400

In the budget presented a year ago, an excess of expenditures over receipts approximating \$274,000,000 was forecast for the 1923 fiscal year, whereas an excess of receipts totalling \$309,657,460 was actually realised. Therefore, an excess of receipts over expenditures amounting to only \$180,900,000 was estimated for the current fiscal year, but revised estimates now indicate a surplus of more than \$329,000,000. On the same basis, an excess of receipts, in the sum of \$395,681,634, is predicted for the fiscal year ending June 30, 1925. Concerning the postal service, an estimated deficiency of \$24,679,673 is included in the estimated ordinary expenditure for the fiscal year 1924, while it is estimated that postal expenditures for the 1925 fiscal year will exceed postal revenues by more than \$2,000,000. The foregoing table shows a progressive decrease in revenue over the years compared, but a larger reduction in expenditures. Most of the items of expenditure show decreases, but there are increases for the Department of Justice, due to a change in the practice under which estimates are presented, and for prohibition enforcement, owing to the need of a larger field force. A supplementary estimate of appropriations for \$20,000,000 for additional vessels for the coastguard service to deal with liquor smuggling more effectively will shortly be presented, and this, if granted, will be followed by another for about \$6,000,000 for personnel for the same purpose. Such items supply further evidence of the tremendous cost of prohibition enforcement, which must be borne, of course, by the taxpayers. The budget shows that, along with the reduction in governmental expenditures, there has been a gradual lessening of the public debt, the reduction for the last fiscal year amounting to \$613,674,342, and bringing the total down to \$22,349,707,365 on June 30th last. Owing to the favourable condition of the Treasury, President Coolidge strongly recommends a revision of tax laws as suggested by Secretary of the Treasury Mellon, to effect a reduction of income taxes by taxing earned income more lightly than that from business or investments, by reducing the percentages of the normal tax and by lowering the surtaxes, beginning their application at \$10,000 instead of \$6,000. He also urges the repeal of taxes on telegrams, telephones, and leased wires, and of the tax on admissions, and a revision of miscellaneous taxes, which are annoying to taxpayers and difficult to collect. On the other hand, he proposes certain amendments which would cause some increase in total revenue. The changes advised would reduce taxes by more than \$300,000,000 a year, it is estimated, which is considered well within the probable surplus. At the same time, the President emphasises the fact, previously pointed out by Secretary Mellon, that it would not take much to exhaust the margin, and that any programme of new expenditure on a large scale would make tax reduction impossible for many years. He discusses the soldiers' bonus at greater length than he did in his annual message, declaring, among other things, "the Government has no money to distribute to any class of its citizens that it does not take from the pockets of the people, and the payment of a bonus to millions of our former soldiers could only be accomplished at a cost to the whole community, including the veterans themselves, far outweighing the benefits intended to be conferred." That plain statement by the chief executive cannot be misconstrued. It means that any soldier bonus legislation which may be enacted will be vetoed by President Coolidge. And it seems unlikely that enough votes could be mustered in Congress to repass such a measure over his veto.

Preliminary foreign trade returns for November, issued by the Department of Commerce, make an exceptionally interesting exhibit. Exports last month were valued at \$404,000,000, the highest figure since February, 1921. Merchandise imports, valued at \$292,000,000, were slightly less than in October, and about equal to November, 1922. The November surplus of exports over imports amounted to \$112,000,000, a sum greater by \$24,000,000 than in the corresponding month of 1922, and with the exception of last September the largest monthly excess of exports in two years. The export figures would seem to explain the big increase in Great Britain's import trade last month, and to throw consider-

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able light on November's sharp decline in sterling. In its bearing on the foreign exchange situation, mention should be made also of the heavy gold imports into the United States last month, the total reaching \$39,757,000, an amount exceeded in only two months during the past two years. For the eleven months ending with November, this country has received \$290,137,000 in gold and has exported in that period only \$27,931,000. Silver imports last month totalled \$5,269,000, and exports \$8,775,000.

FRANCE—STATE EXPENDITURE—BUDGET—BANK OF FRANCE CONVENTION—PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, December 26.

BOTH the Government and the great Parliamentary Commissions are facing the problem of the nation's finances with energy. The past week has been marked with a large amount of serious work, and it is now clear that, in spite of the temptation afforded by the pending elections, the Poincaré Government is determined not to compromise the country's vital interests in order to secure capital for use in the coming contest. It has also been made clear that the responsible leaders of the country are determined that further rigid economy and increased production shall be made the main factors in bringing about the financial restoration of France, and that the time has come when a firm stand must be taken against everything in the way of further inflation and against further borrowing. How further borrowing is to be avoided in view of the present situation remains to be seen.

The manner in which the Government on Saturday handled the question of the demand made by State employees for an increase of their "extra allowances for the high cost of living" from 720f a year to 1,800f,

which has been the subject of several ugly-looking public manifestations lately, gave ample proof that the national expenditure is now being very seriously controlled. The Finance Commission recommended that temporary increases of the allowances, ranging from 50 per cent. of the present figures downwards, and involving an additional expenditure of 290 millions, should be granted (instead of the 882 millions involved by the demands made), and that a Commission should be appointed to consider, before the end of 1924, a general revision of salaries. On a vote of confidence the Government secured from an unwilling House a vote of 339 against 211 in its favour. The final articles of that part of the Ordinary Budget for 1924 which were last year left for future decision by the Chamber were then adopted by 502 votes against 68.

The Ordinary Budget for 1924, according to the report presented to the Senate to-day by M. Henry Bérenger, now works out as follows:—

	Francs.
Estimated revenue.....	23,950,000,000
" expenditure	23,382,000,000
" surplus	568,000,000

This result, M. Bérenger states, has been arrived at thanks to the increased yield from taxation, which has exceeded the Budget Estimates for 1923, which were drawn up last June (and regarded in some quarters as too optimistic), by 750 millions, in spite of a reduction of about 600 millions in the amount received from the special tax on war profits. This windfall will enable the Treasury to meet the extra expenditure voted on pensions and for increasing the pay of the State employees. The *Rapporteur* claims that the economic situation of the country on the eve of the New Year is very favourable. In French foreign trade, which showed a deficit of 23,000,000,000 in 1920, there is now a balance between imports and exports; while, if the amount spent by tourists in this country be also taken into account, there is undoubtedly a balance in favour of France. These facts, he claims, however much they may be in opposition to the recent renewed fall in the exchange value of the franc, mark the real financial situation of the country.

The convention with the Bank of France, which was approved by the Chamber last week and by the Senate to-day, and in which the amount by which the advances made to the State by the Bank are this year to be reduced ("exceptionally") by 80 millions only (instead of by 2,000 millions, as laid down in the agreement of December, 1920), has been the subject of much criticism. The opinion was expressed in the Senate that the recent fall in the franc (which has again fallen over two full points this week) was due in part to the reduction in the amount paid back to the Bank.

In his latest reply to his Parliamentary critics, last Friday, M. Poincaré again insisted that the material results of the occupation of the Ruhr are proving more and more satisfactory. For 1922, he stated, the Reparation Commission demanded the delivery of 55,000 cubic metres of timber (of which they received only 35,000 cubic metres) and 200,000 telegraph poles (of which only 130,000 were delivered). Since the occupation of the Ruhr began 159,600 cubic metres of timber had been seized, with an approximate value of 27 millions, and 117,000 cubic metres have already been delivered to the *sinistrés*, while the 1914 timber, most of which has already been sold, represents another 80 to 100 millions, to which must be added a further 12 millions for 149,000 cubic metres of timber set aside for the devastated regions. Sulphate of ammonia delivered in 1922 amounted to 27,249 tons, valued at 21,206,140f; the stocks seized since January 1st amounted to 55,000 tons, valued at about 47 millions, of which 43,000 tons had been sold, to a value of 36,000,000f. In 1922, 792,000 kilogrammes of chemical products and dyestuffs, invoiced at 588,000f, were received as Reparation payments in kind; this year 5,500 tons of these products have been seized, of which 2,000 tons had been sold for 13 million francs, 1,500 tons had been attributed to Belgian reparation account, and 2,000 tons to France.

The following list of comparative prices of the principal commodities in France in July, 1914, in 1920 (the year of highest prices), and since will be useful as explaining

many of the present-day industrial and economic factors in this country:—

	July, 1914.	Highest in 1920.	Lowest in 1921-22.	End Sept., 1923.	Dec. 15, 1923.
Foodstuffs—					
Alcohol (Béziers), 100°	40.00	1,175.00	275.00	507.00	695.00
Wheat (Paris), 100 kilos	27.00	100.00	67.50	86.00	97.00
Cocoa (Havre), 50 kilos	120.00	425.00	122.50	177.00	177.00
Coffee (Havre), 50 kilos	56.50	339.75	95.75	225.75	272.00
Flour (Paris), 100 kilos	34.25	128.00	85.87	112.75	121.87
Olive oil (Marseilles), 100 kilos	180.00	1,300.00	360.00	517.50	577.50
Rice (Marseilles), 50 kilos	25.00	325.00	61.50	110.00	122.00
Sugar (Paris), 100 kilos	33.37	380.00	137.00	317.50	282.75
Mutton (Paris), per kilo	2.70	12.80	4.25	9.25	10.00
Beef (Paris), per kilo	1.84	9.40	4.25	7.00	7.75
Wine (Béziers), per hecto	22.00	118.50	35.00	86.50	78.00
Textiles—					
Cotton (Havre), 50 kilos	78.50	970.00	174.00	639.00	830.00
Wool (Havre), 100 kilos	222.50	1,715.00	420.00	1,290.00	1,340.00
Flax (Lille), 100 kilos	110.00	2,600.00	400.00	787.50	950.00
Silk (Lyons), per kilo	56.00	500.00	130.00	345.00	330.00
Metals—					
Aluminium (Paris), 100 kilos	156.00	1,050.00	650.00	770.00	770.00
Copper (Paris), 100 kilos	392.00	757.00	334.00	522.00	516.50
Tin (Paris), 100 kilos	19.00	2,362.00	749.00	1,586.00	2,084.00
Iron and steel (Paris), 100 kilos	19.00	145.00	55.00	82.00	79.00
Cast iron (Longwy), per ton	80.00	650.00	187.50	432.50	405.00
Lead (Paris), 100 kilos	55.00	307.25	110.00	215.50	287.00
Zinc (Paris), 100 kilos	63.75	340.00	132.50	266.50	290.75
Coke (East), per ton	30.00	275.00	65.00	200.00	220.00
Industrial products—					
Rubber (Paris), per kilo	7.85	16.25	4.32	11.25	11.00
Leather, calf (Paris), 50 kilos	130.00	1,175.00	277.75	476.70	531.70
" butlock (Paris), 50 kilos	65.00	390.00	88.20	251.60	321.90
Colza oil (Paris), 100 kilos	72.25	685.00	210.00	320.00	366.00
Linseed oil (Paris), 100 kilos	62.00	625.00	200.00	350.00	370.00
Nitrate of soda, 100 kilos	25.75	150.00	60.00	96.00	102.00
Paper (Paris), 100 kilos	30.00	350.00	105.00	166.00	180.00
Hides (Marseilles), 100 kilos	92.50	925.00	337.00	575.00	625.00
Petroleum (Paris), per hecto	26.50	154.25	87.75	107.00	107.00
Tallow (Paris), 100 kilos	70.00	500.00	140.00	305.00	335.00
Superphosphate (M.), 100 kilos	..	30.00	20.40	22.00	22.00

GERMANY.—FINANCES—NEW TAXES—CURRENCY AND PRICES.—REICHSBANK—TRADE—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, December 22.

THE State financial position came to an acute crisis on the 18th, when the Finance Minister appealed personally to the Control Board of the Rentenbank to grant him a supplementary credit beyond the 1,200 million Rentenmarks provided for in the bank's articles of association. The Minister gave "confidential information" about expected State-financial developments in the next few weeks. This information has not transpired. The Control Board rejected the appeal on the ground that the granting of the credit would shake confidence in the Rentenmark. The 900 million Rentenmarks 6 per cent. interest-bearing credit which the bank was obliged to grant was exhausted earlier than was expected as a result of the continuation of the Ruhr troubles after the abandonment of passive resistance, and as a result of the week-long Cabinet crisis, which delayed intended measures for speedy collection of taxes. The other 300 million Rentenmarks non-interest-bearing credit had, according to law, to be utilised for repayment of the State's paper mark Treasury Bill debt to the Reichsbank, i.e., ultimately for calling in of paper mark notes; but the 200 million Rentenmarks demanded for this purpose by the Republic would have repaid the whole 191 trillion paper marks Treasury Bill debt due on November 15th, when the discounting of Treasury Bills ceased and left 9 million Rentenmarks over. According to the *Frankfurter Zeitung*, 92 trillions of the Treasury Bills were, in fact, redeemed by November 30th. If this report, which cannot be checked in view of the non-appearance of Reichsbank returns, is correct, 109 million Rentenmarks of the maximum 300 million Rentenmarks non-interest credit is unused, but the Rentenbank is not obliged to advance the balance for any purpose not designed in the law. It appears that negotiations on the matter are proceeding. Meantime, the Government is trying to raise money by issuing Rentenmark Treasury Bills, which, as they mean taking Rentenmarks out of circulation, do not involve new inflation. The bills are for 14 days and 3 months' terms, in values of 5,000 and 10,000 Rentenmarks, interest between 8 and 9 per cent. per annum. The bills will be accepted in payment of taxes. It is not certain whether the money market will take up enough of these bills to save the Government, which is without money to pay salaries or to pay for materials. The over-confidence which assumed that a mere 1,200 million Rentenmarks would stop the hole in

the finances until the Budget was balanced is inexplicable.

The decade report of receipts and expenditure for November 10th-20th has not yet appeared, but the Finance Ministry has managed to get out the tax receipts statement for November. The statement shows a considerable improvement, but not enough to alter materially the fact that Germany has no net revenue after cost of collection is deducted. The improvement lies in the fact that taxes yielded 370 times as much as in October, whereas the gold exchange rose only 80-fold. The total tax yield was 33,009,363 billion marks. Once more the customary swamping of all past figures by the last few days' figures is shown by the fact that the whole eight months, April-November, yielded practically the same nominal sum, 33,098,248 billion marks. The Bourse transactions tax (owing to increase of rates) yielded in November 6,450-fold as much as in October. The whole value of the November tax yield at the average exchange of the month was about \$15,000,000.

The second tax decree under the Empowering Law has been issued. About the third, which includes the important Rents Law, and presumably a prohibition against even partial restoration of former gold mortgages, differences within the Cabinet exist, and possibly the decree will not appear this year. The second decree abolishes certain old taxes which have ceased to yield any values worth mentioning, including the property tax (*Besitzsteuer*), the increment of property tax (which was put through by Erzberger as a permanent tax), the emergency levy of 1919, and the income and corporation income taxes for 1920 and 1921, as far as these are unpaid. It regulates the unpaid part of income-tax for 1923, establishes the new income-tax for 1924, reforms the property tax (*Vermögenssteuer*), which replaces the above-mentioned *Besitzsteuer*, amends and puts the succession and capital yield taxes on a gold basis, increases the motor-car tax, and provides for penalties for late payment. Although all taxes are now in gold marks, the penalty is 5 per cent. per fortnight of delay. Other taxes are also dealt with.

It is remarkable that though the Government has reverted to gold-mark taxes, it publishes no estimates of yield. An unofficial newspaper estimate is that all the above-mentioned taxes will yield 600 million gold-marks in the first quarter of 1924. The Cabinet has appointed a Commission to bring about savings. A plan is on foot to reduce the membership of the Reichswirtschaftsrat to half in order to save money. A smaller R.W.R. would probably work more rapidly.

The currency is still a mystery and a puzzle. As exchange stability for the paper-mark is still maintained, necessarily the Rentenmark must be considered as stable at 10/42 of a dollar, that is as a gold-mark, but price stability within the normal fluctuation limit of gold prices has not been attained. After the sharp price fall there has been a new considerable rise, not yet shown in the indexes. Meat in a few days rose nearly 50 per cent., and some articles which have no big open markets rose much more. The prices of unnecessary goods are often incredibly high; for instance, middling good silk costs 80 "marks" a metre (the word "Rentenmark" is no longer used in trade; the "mark" now means 1 Rentenmark, or 1 billion paper-marks, or, in calculations, 1 gold-mark); at 20 marks (about 2s) are just now being sold Christmas trees which before the war cost at most 2 marks, and for empty paper boxes, with printed pictures, for sweets, which Germany up to 1914 flooded the world with at 1d, is demanded 5 marks. While a certain moderation in food prices is enforced by the fact that for such things there are big open markets, the wildest ideas about currency values appear to prevail in narrower special markets like the above; the public, ignorant or careless, pays for a paper box as much as for 2 lbs of butter.

These anomalies will disappear, but it becomes every day more doubtful whether (even apart from the State financial question) a non-convertible paper currency like the Rentenmark can maintain a fictitious exchange so far above its buying power. The public, however, treats the Rentenmark with complete confidence, pointing out, with perfect truth, that now English currency is "below" German; some country banks refuse to give more than 16 Rentenmarks for 20s (the official rate is about 18½ Rentenmarks), and this means that on parity the United

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States dollar is also "below" the German mark, and that the German mark is considerably above a convertible and freely movable gold currency. The Rentenbank has, in fact, again published a communiqué affirming that this is the condition in Zurich Rentenmark dealings. Serious newspapers inform their readers that the Rentenmark circulation may be indefinitely increased without damaging its value, because mortgages providing the necessary security may be imposed on certain kinds of property so far exempt. The comment on all this is that if the Government does not put the finances at once in order and check talk about inflation, and if simultaneously the new price-rise cannot be checked, the Rentenmark's claim to be a gold-mark is bound to be exposed by facts.

The Currency Commissary Herr Schacht has been appointed Reichsbank President. Herr Schacht was originally against the Rentenmark experiment, but he did much to save the new currency. He continues, however, to stand for the immediate founding of a gold-mark credit bank. The Reichsbank has again not published its return. A Berlin newspaper professes to know that between November 15th (date of the last return) and November 30th the bank's holding of commercial bills rose from 39½ to 347 trillions of paper-marks. The Reichsbank is lending Rentenmarks at 10 per cent. for bills and 12 per cent. for advances on "wertbeständig" basis, which means that the borrower guarantees the bank for loss due to possible Rentenmark depreciation. October trade was, in metric tons: imports 2,914,900, against 3,419,800 in September; exports 1,183,300,000, against 1,142,600. Imports of wheat, maize, and oil seeds heavily fell; exports of iron and machinery rose. Coal imports were 1,493,900 tons, against 1,601,900 tons. Values are not given. A slackening in the rate of deterioration in business is officially reported. On November 15th only 6 per cent. of industrial firms and companies reported business "good" as against 47.7 per cent. a year before, while 72 per cent. against 18 per cent. reported "bad," the others being "fair."

The Bourse has suspended work for a week. The chief recent feature is the complete collapse in bond quotations, due to the semi-official statement that State loans would continue to be treated as pure paper-mark securities. Some of these have fallen to a seventh of their highest quotations. A long list of towns have given notice to repay on this basis their pre-war gold-mark debts. This repudiation of debt is identical in substance, though different in form, with that of Soviet-Russia; but, thanks to the form, it has made no great stir. In fact it was inevitable, and it ought to have been foreseen by the foreigners who bought German fixed-interest securities almost up to the last.

ARGENTINA.—BETTER OUTLOOK—BUT SOME REASONS FOR PESSIMISM.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, November 27.

By a Government decree the Minimum Price Law, which for a short time served to check all purchases of cattle by the freezing companies, has been declared in abeyance, and there is every reason to hope that its impracticable provisions will not be revived. It now stands revealed as a political rather than a practical measure, and with this sudden check to normal buying and selling removed, prices for all horned stock are firm and breeders decidedly more optimistic. The general outlook for cereals, and indeed for most Argentine produce, is also better, money is cheap as well as abundant, and on superficial inspection one would be warranted in saying that prospects, taking all in all, are very bright. As will have been gathered from the speeches of the chairmen of the great Anglo-Argentine railway systems, traffics are greater than they have been for several years, with even bigger figures in prospect.

Nothing has occurred to check the progress of the coming harvest, and business as a whole should be well content.

Unfortunately this is not so. Importers are pessimistic, partly owing to the new Customs laws and partly because, good tidings from the rural regions notwithstanding, orders are small and collections slow. The new duties, which are to help home industries not as yet past the embryo stage may benefit the Treasury, but will certainly limit the volume of import business done. Indeed, it may well be that the higher taxes will in some cases lessen the Customs receipts, and the new Minister of Finance, on the law being passed for the second time by the Deputies, made a special appeal for certain increases to be omitted on this account. Exactly how the matter stands is still uncertain in the case of cotton cloth, sugar, and one or two other items, but the general opinion is that the law as passed adds 60 per cent. to the tariff values of 1906, over and above any subsequent additions made thereto, and increases by 25 per cent. the specific duties on *ad valorem* goods. That it will add to the cost of living in general, however much it may benefit local industry, is scarcely denied, since everyone knows by experience that local manufactured goods—e.g., clothing, small wares, small hardware—sell at prices which are only infinitesimally less than those of the foreign article, usually of better finish and intrinsic quality, they seek to replace.

Another cause for pessimism on the part of importers is the state of the exchanges and the general feeling of uncertainty regarding the general financial outlook. This is reflected on business in many ways, nor is the situation improved by the little information obtainable regarding the Government's plans for handling its ever-growing debts. The shipment of some \$5,000,000 U.S. in sovereigns to New York on November 23 per s/s American Legion took some £1,100,000 from the gold held by the Banco de la Nación on behalf of the Conversion Office. This gold will be sold in New York and the proceeds employed in buying exchange on London wherewith to meet the January service of the external debt. Carried out under the sanction of this year's Budget Law, which authorises the Government to extract gold from the Conversion Office for the purpose of avoiding the loss in exchange which purchase of remittances in the open market would imply, it is the second direct diminution of the total amount of gold held in or to the order of that institution, and, with the legation balances, makes a total of some \$9,000,000 gold utilised in exchange transactions during the last three months. Therefore it cannot be wondered at that private individuals are asking why Government should be the only beneficiary through the partial abrogation of the emergency legislation under which the abstraction and shipment of gold from the Conversion Office has been prohibited for the past nine years. It is stated that the Minister of Finance has received advantageous offers of open credits in London to a total of £1,200,000 for six-monthly periods at the rate of the day, to be utilised as and when required by the Argentine Government. Further details are not yet available, but it should be understood that figures such as those named are trifling when compared with the amount of the floating debts, as far from settlement as ever, despite the fact that advantageous renewals of \$25,000,000 six-month treasury bills have been made recently at 3½ per cent. per annum. Even the much-discussed \$60,000,000 U.S. loan, which fell due on October 1, and for which temporary accommodation was accepted in New York until such time as the definitive bonds could be placed in that market, is still reported as liable to rejection if, before the beginning of March, the bankers and the Argentine Government do not agree; while local indebtedness in Argentine paper dollars, save for a few millions repaid out of the improving Customs revenues to holders who cannot, or will not, renew on the Government terms, stands where it did. Nor is the situation improved by the categorical pronouncement of the Argentine equivalent to the Attorney-General in the matter of bills drawn by the State Railways. On that functionary's decision as they stand they are not a Government charge. They have been drawn *ultra vires*, and since the public departments of Argentina have only borrowing powers when the same have been specially conceded by Congress, or special loans authorised, the national Government is not, constitutionally, liable for the department's commitments over and above its ordinary

outlay. Granted that this is in a sense a theoretic view of the matter, and that nobody expects to see the national Government go back on the three hundred odd million dollars of State Railway bills and commitments which are extant, the fact remains that it is no easy matter to discount such paper, and, when taken, as much as 9 per cent. is asked for the accommodation in certain quarters.

Much as one must regret it, there is to-day a manifest intention on the part of the national Government to pass laws having as their end a more intensive control of banking business by the State. Not, be it observed, with a view to material profit accruing to the treasury, but rather owing to a mistaken belief that such control can be made to yield greater benefits to Argentine trade and production as contrasted with foreign interests. That the basic idea is utterly false, and that the whole interests of the foreign banking concerns, foreign only in name and in capital, are completely bound up with their ability to meet Argentine needs and assist in the promotion of Argentine prosperity, need not be laboured here. One can but wait and see what the future will bring, hoping that the sound and eminently Argentine policy which has marked the enterprise of all the leading Anglo-Argentine banking institutions will by its very results, which are patent for all to see, outweigh the plausible but fallacious theories of the newer school of Argentine economists, whose well-meant but dangerous conclusions in favour of the so-called "nationalisation" of every form of industry and capital are quoted as sufficient warranty for deserting the established order of things for what one cannot refrain from terming new and perilous experiments. Cereal prices meanwhile remain firm. Spot wheat is \$13 Arg. paper the 100 kilos. Maize \$10.15. Linseed \$25.50, with \$19.80 for January, all the foregoing being Rosario prices, which are 0.50 cents under Buenos Aires for wheat and maize, and \$1.50 less for linseed. The latter crop is being cut in the northern regions, but wheat is rather behindhand, and there will be little of the new crop available during the first half of December. Wool is very firm, and all lots coming to market are snapped up at once. Rivers wool has touched \$30 Arg. paper, and all grades, provided they are clean and free of seed, burr, &c., are bringing exceptional figures. It is not expected that the clip will be much above 250,000 bales, which is unusually small. Exchange is still weak, 38½ banks' sight drawing on London, and \$141 on New York.

DENMARK.—EXCHANGE REGULATION—COMMODITY PRICES—OVERSEAS TRADE.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, December 15.

As might be expected, the beneficial effects of the exchange equalisation preceded the actual application of the measures decided upon. For a long time sterling was quoted at 24.10, and subsequently the rate settled at 24.50, or Kr 2 below the maximum rate early in November. This favourable development was first and foremost due to the psychological impression made by the stabilisation plans, which quickly resulted in arrangements being made in London for a credit of £2,700,000 and \$10,000,000. The agreements were made with Barclays Bank and Hambros Bank, while the National City Bank of New York took part in them.

According to the agreement the credits were made available from December 15th, leaving an interval during which any intervention in the Copenhagen exchange market would have to take place in a different manner. However, such steps were necessary only at the start, when the Nationalbank effected pressure on the market by means of its reserve holding of foreign exchange. This had been considerably increased during November, and amounted to about Kr 37,000,000, appearing in the balance-sheet of the bank under the heading "Correspondents Abroad."

Subsequently it has been possible to maintain the sterling rate at 24.50, apparently without intervention of importance and independently of the credit arrangements abroad. At the same time the exchange market has become decidedly settled, and this is not due to official restrictions of any description. In all quarters it is desired to avoid such measures, and instead a certain co-operation has been established between the Nationalbank,

the leading private banks, and the more important exchange dealers. Thereby better information as to the demand is made available before the official quotation is fixed. At present the fluctuations before and after the quotation—which takes place on the exchange at 2 p.m.—are far less pronounced than before, as a rule quite insignificant. The dollar rate, which reached its maximum of 601 early in November, has now dropped to 562½. However, sterling is still regarded as being the leading exchange, and the sterling rate is particularly important to Denmark. The exchange conditions are now looked upon with a certain optimism, and it is generally believed that it is the intention to avoid drawing against the facilities abroad if possible. Under the present settled conditions this should not be required.

The wholesale price-index of the *Finanstidende* shows a rise during November from 207 to 210. During the month the items "foodstuffs" and "other goods" showed rises from 200 to 205 and from 211 to 213 respectively. On December 1, 1922, when the total index figure was 182, the corresponding figures were: foodstuffs 181, other goods 183. The *Finanstidende* states that the rise in the level of wholesale prices during November, in spite of the improvement of the krone rate, must presumably have some connection with the fact that the Danish krone is still considerably underrated in proportion to the leading exchanges.

The balance of trade for October shows a deficit similar to those of the previous months, viz., Kr 32,000,000. As compared with September the imports were increased by Kr 9,000,000—from Kr 168,000,000 to Kr 177,000,000—and the exports by Kr 10,000,000, i.e., from Kr 135,000,000 to Kr 146,000,000. For the first 10 months of the year the imports aggregate Kr 1,611,300,000 and the exports Kr 1,294,600,000, of which the re-exports amounted to Kr 64,000,000, making an import surplus for the said part of the year of Kr 316,700,000, or an average monthly import surplus approximately corresponding to that for October.

JUGOSLAVIA.—BANK FAILURES—BUDGET—WAR DEBT—FOREIGN TRADE—NEW SHIPPING SYNDICATE.

(FROM OUR CORRESPONDENT.)

BELGRADE, December 8.

THE shortage of money is still very acute, and has been responsible for the closing down of more businesses and the failure of several banks. The "Balkanska Banka" of Zagreb came first in the early autumn, followed by the "Beogradska Ujedinjena (United) Banka," a fusion of two Belgrade banks, the "Beogradska Komisiona Banka" and the "Bosnian Deposit Bank" of Sarajevo. Their failure is not surprising, considering how rapidly new banks sprang up during the inflation period (Belgrade and Zagreb alone have 14 banks founded since the war); the vast amount of speculation on the fall of the dinar, and the consequent placing of capital in immovable property. The effect of the failure of these banks on economic life has, however, been very small, while the liquidation of the numerous frozen credits may do something to ease the shortage. During November nearly 2,500 bills of exchange were protested in Belgrade alone, a number nearly as large as that for the first six months of the year. The renewed efforts of a number of business men to induce the Government to remedy the shortage by inflation have failed, in face of the firm stand taken by the Minister of Finance and the weight of public opinion.

The Budget is ready and balanced, both receipts and expenditure amounting to 10,344 million dinars. Up to the present, however, it has not been brought before Parliament, owing to the obstruction of opposition members in the Financial Council. Most of the receipts are provided from indirect taxation (Customs, tolls, duties, &c.), 3,000 million dinars; State monopolies, 2,500 million; communications, 2,000 million; and direct taxation, 850 million. Most of the expenditure is claimed by the Ministries of Communication and of War (over 2,000 million each). In addition to the budgetary provision, France is to grant 300 million francs for the equipment of the army. To the Ministry of Finance is allotted 1,500

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million dinars, which includes, besides ordinary expenses, the payment of interest on all internal and pre-war loans.

The question of war loans, for some time in abeyance, has again come to the fore. Discussions were resumed with Great Britain, and the debt provisionally fixed at £23,634,677, while the delegation to the U.S.A. should start in December or January. The matter, however, may be delayed again owing to the stoppage of German Reparations in kind, which has caused great excitement in Government and financial circles here. The Government shares the French opinion that the payment of war debt should depend on Reparation deliveries. The Bulgarian indemnity has been finally fixed at 300 million leva, half to be paid in kind (mostly coal) and half in cash, at the rate of 4.90 leva to the franc.

The first import figures for some time have been published recently:—

(In Millions of Dinars.)

	Import.	Export.	Tons Exported.
1922	6,442 ..	3,691 ..	2,213,881
1923 (January-March)	1,930 ..	1,530 ..	537,478
" (April-June)	..	1,821 ..	738,841

The 1,276,319 tons, worth 3,334 million dinars, exported during the first half-year of 1923 show a large increase as compared with the 912,534 tons, worth 1,960 millions, exported during the first six months of 1922. The statistics, however, fail to give an exact picture of the relation of exports to imports for, owing to faulty administration, a large amount of Reparation deliveries (which are, of course, not paid for) were entered as imports. Experts calculate that the relation of exports to imports during the first half of 1923 is something like 95:100.

Hopes are entertained of a favourable trade balance for the latter half of 1923, which is the export season. Exports should be furthered by the future Commercial Treaty with Austria, which is now being negotiated, since Austria takes more than one-third of Yugoslav trade. Preliminary steps for the negotiation of Commercial Treaties with Hungary and Albania are also being undertaken.

An event of considerable importance is the formation of a new Shipping Syndicate, to comprise the ships belonging to the State and those of the Serbian Shipping Company. The capital will be 150 million dinars, 51 per cent. being subscribed by the State and 49 per cent. by the company and private shareholders. This syndicate, when formed, will be the largest on the Danube.

BULGARIA.—THE NEW PARLIAMENT—WAR CLAIMS—THE CREDIT POSITION—FOREIGN EXCHANGES—TRADE IN 1922.

(FROM OUR CORRESPONDENT.)

SOFIA, December 10.

THE new Chamber of Deputies held its opening meeting on December 9th. The Government, with 200 seats out of a total of 287, appears to have a large majority, but these figures do not prove what its real position will be in Parliament, since this majority has been obtained in consequence of the votes of representatives of at least five political parties composing the so-called "Sgovor," which is a political agglomeration that might well be considered as merely temporary. The problems which will be put before that majority at the very opening of the debates are of such vital importance, and many of them so complicated and difficult to face, that the Government group will need the close and unselfish co-operation of all its supporters. To what extent this will be possible, with the Parliamentary habits of the country what they are, nobody can foretell.

It seems fairly certain that financial questions will occupy a very predominant place in the debates, and

Bulgarian finances certainly do deserve the closest attention. No Budget has been made for the current financial year, and the necessity of a clear and courageous examination of this question is an imperative one. The political unrests of June and September, the subventions given to the State employees, and the payment of reparations have together placed a serious burden on the State. On the other hand, the collection of taxes and duties, which was left in a chaotic state by the Agrarian Government, has been almost continually hampered by the unsettled political situation in the country. The repairs and upkeep costs of railways and roads require immediate and considerable expenditure. The question of the salary of State employees has not yet found its rational solution, although an expenditure of Leva 800 millions has already been made for that purpose since June 9th.

The settlement of the Yugoslavian claims as regards repayment of war requisitions has at last been arranged after hard and difficult negotiations. Bulgaria has undertaken to pay: (1) 150 millions leva in gold bonds in four instalments, i.e., 30 millions leva on May 1, 1924, 40 millions leva on May 1, 1925, 40 millions leva on May 1, 1926, 40 millions leva on May 1, 1927, taking 100 leva as being equal to 4.90 gold francs and 5.18 gold francs equal to 1 dollar. Payment is to be made in Treasury gold bonds guaranteed by the National Bank. (2) 75 millions leva in cereals as follows:—30 millions leva in wheat, 45 millions leva in maize, the delivery of the wheat to be effected before June, 1924, and that of the maize before April, 1925. (3) 75 millions leva in coal to be supplied—20,000 tons between June, 1924, and June, 1925, 30,000 tons between June, 1925, and June, 1926, 55,000 tons between June, 1926, and June, 1927. The repayment of expropriated owners of real estate and of holders of Bulgarian State bonds possessed by Yugoslavians has also been arranged. Negotiations with Roumania on similar matters are now in course, and will quite certainly lead to a definite settlement in the very near future.

The Finance Minister appears to be taking his previous promises quite seriously. The Act which established a *Devisenzentral* has been amended in a very practical and efficient way, which will certainly render export transactions easier, and at the same time prevent the unnecessary inflation of demand for exchange at the Bourse. At the same time a credit of Leva 150 millions has been arranged through the Banque Agricole on behalf of the agricultural co-operative societies, with a view to enabling them to give a larger extension to the corn trade, while the sum of Leva 600 millions has been distributed by the National Bank to industrial, trading, and export enterprises. Facilities have also been arranged for industrial enterprises to pay their Excise and other taxes out of the proceeds of their relatively cheap credits obtained from the National Bank.

The general situation of trade, however, remains uneasy, owing partly to a great scarcity of money and partly to the constant rise of the foreign exchanges during the last two months. Sterling now stands at about 655 leva, and the dollar at 152 leva. Owing to the poor demand for tobacco no foreign sales have been made for the last two or three months, and the foreign bills, which were expected to become available from that source, have not appeared on the exchange market. The payment of recent imports of foreign goods, however, have led to a heavy demand for sterling, francs, and other exchanges, and this situation will probably last for a month or so more. With such abrupt changes as have occurred the cost of living has been increasing roughly in proportion to the general rise in foreign exchange quotations. The only good result of this state of things which is worth mentioning is the revival of the corn trade and the export of cereals and flour to Constantinople. Prices are accordingly firm, and considerable activity is noticeable in that line of business.

The official trade statistics for 1922, which have just been published, are as follows:—

(In Millions of Leva.)

	1921.	1922.
Imports	2,921	4,038
Exports	2,207	4,330

As we had anticipated, these final figures show a favourable balance of trade for the first time for many years.

Letters to the Editor.

ANALYSIS OF BALANCE-SHEETS: IND, COOPE AND ALLSOPP.

TO THE EDITOR OF THE ECONOMIST.

SIR,—On pages 1101 and 1126 in your issue of December 22nd you give these balance-sheets in detail, and the following comparison is interesting because both of the companies have approximately the same capital:—

IND, COOPE.		ALLSOPP.	
ASSETS.		ASSETS.	
Properties	£ 1,780,000	Properties	£ 1,600,000
Trade Investments	536,000	Trade Investments	287,000
Debtors	254,000	Debtors	155,000
Government Investments	320,000	Government Investments	215,000
Cash	166,000	Cash	362,000
LIABILITIES.		LIABILITIES.	
Creditors and beer duty	£ 655,000	Creditors and beer duty	£ 489,000

The above figures show that Ind, Coope have liquid assets of £740,000 to meet liabilities of £655,000, while Allsopps have £732,000 to meet liabilities of £489,000.

Among Ind, Coope's assets, £375,000 figures as goodwill; Allsopp's goodwill figures at £700,000.

At the same time Ind, Coope have written off (p. 1101) £395,000 for "depreciation" since 1914, while Allsopp have written off £590,000; so it would appear to the ordinary lay mind that Ind, Coope's goodwill is more than written off, whereas Allsopp's should stand at £110,000. One can only guess that this "depreciation" is charged in conformity with income-tax requirements instead of being written off goodwill, because it can hardly be contended that the properties owned by both of these companies to-day are less valuable than they were in 1914. Under these circumstances it seems unreasonable to suggest that Allsopp directors have been "somewhat unwise to increase the ordinary distribution without attempting to reduce the goodwill account, which continues to stand at £700,000." Sir Barclay Peat, the chairman of Allsopps, and Messrs Turquand Youngs, the auditors, are generally held to be past masters in conservative finance.

G. S. P.

[G. S. P. is not justified in assuming that the items of £395,000 and £590,000 respectively allotted to "depreciation" since 1914 can be regarded as equivalent to "writing down" goodwill by these amounts. These figures include repairs to and maintenance of premises, depreciation of plant, machinery, casks, &c., and depreciation of leasehold properties—items some of which must have been very heavy in the boom years when prices were high. If G. S. P.'s interpretations were correct, it would not be very flattering to the gentlemen he mentions, for it would mean that they had been parties to a transparent device for evading income-tax.—EDITOR, *Economist*.]

ALCOHOL.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In regard to your editorial comment of the 15th inst., I think you will be the first to admit that "the disadvantages of certain restrictions upon individual liberty" are so wide and go so far beyond mere personal inconvenience as to outweigh any advantages possible. Of this, we have ample practical evidence from those countries which have adopted nominal Prohibition of alcoholic beverages.

That Prohibition—as in the case of every prohibition which is opposed to public common sense—exists on paper alone. Its first result is to place difficulties in the way of the very people who do no harm with such beverages—namely, that vast majority of moderate consumers constituting the normal population of most civilised countries. The last class which Prohibition prevents from satisfying its needs is that happily small and still decreasing minority of excessive consumers—the very class for whose improvement Prohibition is theoretically designed. These people can and do go to any length to satisfy their cravings. If they be wealthy they can do so with liquor of fair quality by paying the price—if they be poor they satisfy their needs with poisonous liquor obtained under obviously undesirable conditions.

The real effect of Prohibition is a purely hypocritical one—it pretends to have disposed of the problem by that

favourite method of the professional social reformer, namely, the passing of a law which enables good people to save their consciences by saying that they have settled the question. I am quite sure that so sound a paper as your own will not be found after careful consideration in the ranks of the supporters of such an unreal "remedy" as Prohibition, either general or local, for a disease which undoubtedly did exist on a serious scale in this country at one time, but which is steadily and rapidly curing itself by reason of improved social conditions and the good sense and sanity of our people.—Yours faithfully,

C. R. VENNER.

Ash Croft, High View, Pinner, Middlesex,
December 18th, 1923.

Books and Publications.

THE CONTROL OF LABOUR IN THE WAR.

THE wars of the past, whilst they may have had profound ultimate effects on economic and social life, did not involve the mobilisation of the whole resources of the belligerent nations as did the Great War. In the world conflict which ended less than five years ago the organisation of the non-combatant population for purposes of production, for example, was, in a sense, as important a factor as the organisation of the armed forces. A war which took for naval and military service about five and a-half million people subjected the economic system to a strain it could not possibly bear. The requirements of this enormous fighting machine, as regards food, clothing, equipment, arms, transport and all the thousand and one things indispensable in modern warfare, had to be met by a reduced working population. Capitalism broke down under the weight of this burden, as might have been anticipated, for no economic system devised to meet the needs of the normal times of peace could be expected to meet the abnormal needs of war. It was temporarily superseded by most rigorous and drastic regulation, administered under a system of collectivist bureaucracy. If it be no argument against capitalism that it failed in war, it is no argument against Socialism that the hastily-devised expedients on centralised collectivist lines did not long survive the Armistice.

But it is clear that the vast economic machine of war-time directed towards a single end holds as many lessons for economists and publicists as the war itself does for students of military operations. The economic system is certainly not static, and as it adapts itself to the complex needs of modern life it may usefully draw upon the experience of the war for light on what might be done and what should be avoided. An indispensable preliminary to reflection on these problems is a study of the facts. These have been admirably presented by Mr Humbert Wolfe in his volume on "Labour Supply and Regulation,"* a noteworthy contribution to the important Economic and Social History of the World War, published by the Carnegie Endowment for International Peace.

Such a series is itself an indication of the importance attaching to the economic and social aspects of the Great War. In a series of this kind no volume is more essential than one devoted to the organisation of the civilian "man-power" of the nation, and no one is more competent to write such a volume than Mr Humbert Wolfe. The book is a sober and cold presentation of the facts. What is the story which is unfolded? In its way it is as remarkable as any story of the war period. The best utilisation of the available civilian workers for the production of munitions, of the necessities of life and of goods for export was not a simple problem. As Mr Wolfe says: "In the normal world a thousand disturbing factors have to be taken into account, of which a few are the unwillingness of the nation to submit to absolute discipline; the unreadiness of the authorities to handle the nation even if it is prepared to exhibit such unexampled docility; the impossibility of estimating, during the astonishments of war, what at any moment will be the degree of importance to be attached to . . . the dominant

* "Labour Supply and Regulation." By Humbert Wolfe. Clarendon Press. 1923. 10s 6d net.

demands upon man-power; and the incredible complexity of modern industry, which will not lend itself to any clean and simple divisions without suffering decay of the whole organism, any more than will any other living body."

The problem of labour supply and regulation requires a central State machine equipped with experience, knowledge and the necessary power. But when the war broke out no such machine existed. The Local Government Board, the Home Office and the Board of Trade all in their different ways were charged with labour policy, and none of them had any real control over or relation with the recruiting departments of the War Office and the Admiralty. Nor was this all. No central department wielded the necessary authority to regulate labour supply and labour conditions. What made the task more difficult was the fact that all the pressing problems of labour supply and regulation had to be tackled at once, and every problem had its implications which were in effect new problems. The question of labour supply was dealt with at first by the Man-Power Board and ultimately by the Ministry of National Service. Labour regulation was a much more complicated business than labour supply. Labour had to be distributed and made as mobile as possible, production had to be made continuous, restrictions on output eliminated, maximum output obtained by the determination of the optimum hours of work and the establishment of proper working conditions, and wages controlled.

The success which was ultimately attained, though by no means unqualified, was a testimony to the strength of the national purpose during the war to the character of the British people and to the British genius for organisation. When the war broke out the rush of recruits to the Colours created serious gaps in the skilled labour supply of the country. When this was realised steps were taken to draw a ring round the necessary civilian labour supply. As more men joined the Colours, efforts were made to tap every possible source of labour supply. Women were attracted into industrial employment, workers were brought from abroad and from the Dominions, men were released from military or naval service, and even enemy prisoners were pressed into service. But this did not make good the wastage created by recruitment. As Mr Wolfe points out: "Those who had gone to the Colours were in many cases the most skilled and the strongest, and no substitution could replace their skill, their experience and their physical strength." The question then presented itself of making intensive use of the available labour. This was solved, in part at least, by the Munitions Code. Even this was insufficient, and after prolonged negotiation "the trade unions agreed to forego their practices which, designed to safeguard the employment of their members, could during wartime be regarded as restricting production." As a result of this agreement and its subsequent statutory enactment, "dilution," i.e., the introduction of semi-skilled and unskilled men and women upon skilled men's work, became possible and was widely carried out. Further, there was the establishment of various mobile corps, such as the War Munitions Volunteers, and the introduction of a measure of "industrial conscription," providing that no man could leave his employment without a certificate of consent from his employer under pain of six weeks' unemployment. Finally, the wages problem had to be settled by new methods owing to changed circumstances.

Many mistakes were made; many new difficulties were created; and oftentimes the new and cumbrous machine creaked and jolted. But on the whole it worked. It worked, however, not because of its perfection but in spite of its imperfections, because there was a conscious national purpose behind the efforts of the people, and the elaborate State mechanism which was devised was brought into being step by step as a means to achieving that purpose. In other words, industry became a public service with a public motive. But what people are prepared to accept in face of the over-riding considerations of national safety and independence, they are not prepared to accept during the humdrum days of peace. And, consequently, there can be no projection into peace times of the complex organisation of war time. Nevertheless, there is food for thought when the country is no longer in the throes of

war in the sense of national unity attained during the war under the inspiration of a national purpose in industry.

Mr Wolfe's book encourages reflection and speculation; but it would need a volume as large as his own to deal at all adequately with the many lessons to be drawn from our industrial experience during the Great War. What is there to be learnt regarding the possibility of a larger measure of unified control, of standardised products, of the extended use of labour-saving contrivances? What did war-time experience teach of methods of wages regulation, of "welfare work," of industrial fatigue, of compulsory arbitration? What light did the war years throw upon the value of the scientist and the economist in industry and of the State as a partner in industrial enterprise? We might continue this catalogue of thought-provoking questions almost indefinitely. But enough has, perhaps, been said to emphasise the need for much more study of war experience than has yet been given to it. After all, the story Mr Wolfe has told is the record of the most impressive experiment in industrial organisation this country has ever witnessed, and as such it ought not to lie forgotten. If we cannot enjoy the fruits of victory, we can at least profit by our own stupendous industrial efforts during the process of achieving military victory.

LONDON'S DIRECTORY.

We always regard the Post Office London Directory* as a reflection of the activities of the Metropolis, and an unique compendium of information.

Within this volume of some 4,000 pages will be found the names and addresses of the inhabitants of London, classified firstly according to streets, and then in alphabetical lists as private residents, and thirdly, those engaged in professions, commerce, or trade. The classified trades section gives an alphabetical list of London's professions and trades. Particulars of the establishments of the various Government Departments, with alphabetical lists of officials; the seating plans of the leading London theatres; and a transport and hotels section of all principal places throughout the country, giving hotels, railway stations, early closing and market days, &c., will be found in this skillfully arranged guide to knowledge of London. We confess that we are impressed beyond measure with the magnitude of the compilers' task in producing this volume. Even those in search of the unusual will find a happy hunting ground in perusing the list of the callings of London's inhabitants, and noticing some of the strange occupations.

BOOKS RECEIVED.

Assemblée Générale de l'Association Internationale pour la Lutte Contre le Chomage, Luxembourg, 1923. (Geneva) S. A. Des Editions "Sonor," 46 Rue du Stand, 46.

The Nineteenth Century and After. January. (London) Constable and Co., 3s.

STOCK EXCHANGE NEWS.

TICKET. **SETTLING DAYS.** **ACCOUNT.**
January 9. January 10.

Although business in the stock markets has naturally been much restricted not only by holiday influences, but also by the uncertainty of the political outlook, the general tone has been surprisingly good, and there has been a tendency towards a general improvement in prices. When the House reopened on Thursday, there was a small investment demand for gilt-edged stocks, which proved sufficient to harden prices in several directions, including those of some of the short-term War bonds. India issues were also firm, but Irish Loans were inclined to be dull. The improvement in the franc had little effect on the prices of French bonds, which were practically unchanged, but Brazilian bonds advanced on a sharp recovery in the milreis, and Mexican bonds were favourably affected by rumours that the revolution had been suppressed. There has also been some speculative interest in Russian descriptions on the view that trade and political conditions are mending. Chinese and Japanese bonds were steady.

* Kelly's Post Office London Directory, 1924. London: Kelly's Directories, Limited. 55s.

BARCLAYS BANK LIMITED.

Head Office: 54, Lombard Street, London.

AUTHORISED CAPITAL £20,000,000
ISSUED CAPITAL £15,592,372
RESERVE FUND £8,250,000
DEPOSITS (30th June, 1923) £295,905,730

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
168, Fenchurch Street, London, E.C.3.

Home Rails started well on Thursday morning, but later in the day there was a reaction owing to nervousness with regard to the wages award, &c., result of the ballot. The prior charges, however, were fairly firm. Metropolitan were supported, and Underground Income Bonds gained a little, but Districts sagged. Argentine rails were all strong, and showed advance, and Brazilians did nearly as well, but French Railway sterling bonds were flat. A rise of a point was recorded by Canadian Pacifics, but Grand Trunk Pacifics were unchanged.

The tone in the Oil market has been fairly good on an advance in the price of crude oil, but Mexican Eagles were an exception. Few changes were marked in rubber shares. The recent good tone in industrials has been maintained, and, in spite of very slack markets, further small advances were recorded, on the ground that signs of trade improvement are becoming more definite day by day. Textile shares were supported, and many iron and steel engineering descriptions closed better, but in spite of considerable activity in tobacco shares there was little change in quotations. Nitrates were inclined to improve, and there were one or two good spots in the hotel and catering departments. Some banking and insurance shares were also good.

The Kaffir market opened firm, but later on relapsed a little on Continental selling. Tin shares were neglected, and Tintos were dull, but Mexicans and Russians were both in quiet demand.

We are officially informed that Mr Edward Walter Shotton was declared a defaulter upon the Stock Exchange on December 27th.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£ 270,647,222	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				
4% Treasury Bonds, by public tender, Dec. 21	£500,000	£ ..	£ ..	£ ..
average price, £94 10s	£ ..	£ 472,500	£ ..	£ ..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED DEC. 22, 1923.

April 1, 1923, to Dec. 22, 1923, £13,300,000	Dr	£250,000	Dr	£250,000
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To Shareholders only—				
Commercial Bank of Australia, 457,364 Ord. 10s. iss. at £1	228,697	£ 457,394	£ 114,348	£ 343,046
Katze Copper Development, 170,644 2s 6d Shares, issued at 3s 6d	21,330	£ 29,862	£ 29,862	£ ..
Rajawalla Produce, 57,912 Ord., 10s. issued at 12s 6d	28,956	£ 36,195	£ 36,195	£ ..
Total to shareholders	£ 523,451	£ 180,405	£ 343,046	£ ..
Total offered for subscription for whole year—				
1923	£ 271,393,173			
1922	£ 573,675,650			
1921	£ 388,978,203			
1920	£ 367,549,656			
1919	£ 1,036,059,951			
1918	£ 1,393,381,441			
1917	£ 1,518,596,010			
1916	£ 585,436,853			

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Price.	Rise or Fall.		Price Last Week.	Price.	Rise or Fall.
War Loans	1925-28 .. 95 3/4	95 3/4	..	Aust. 6% 1931-41 .. 105	105	..	..
6% 1925-28 .. 95 3/4	95 3/4	..	..	Canada 4% 1920-25 .. 100	100	..	..
5% 1920-47 .. 93 1/4	93 1/4	..	..	India 3% Stock .. 65 1/2	65 1/2	..	..
4% 1923-42 .. 100 1/4	100 1/4	..	..	Do 7% 1926-31 .. 114 1/4	114 1/4	..	..
Funding Loan 4% .. 87	87	..	..	Do 5% 1932 .. 100 1/4	100 1/4	..	..
Victory Bonds 4% .. 91 1/4	91 1/4	..	..	Do 4% 1932 .. 86	86	..	..
Conversion Loan 3 1/2% .. 76 1/4	76 1/4	..	..	N.S.W. 4% 1922-32 .. 100	100	..	..
Consols 2 1/2% .. 65 1/4	65 1/4	..	..	Nigeria 5% 1924-34 .. 112	112	..	..
Irish Land Stock 2 1/2% .. 56 1/4	56 1/4	..	..	U. of S.A. 6% 1930-40 .. 104	104	..	..
Local Loans 3% .. 64 1/4	64 1/4	..	..	Victoria 5% 1924-34 .. 101	101	..	..
				W. Aust. 6% 1930-40 .. 103	103	..	..

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Dec. 21, 1923. (c) Week ended Dec. 22, 1923.	Miles Open.	Week Ended Dec. 23, 1923.			Aggregate 51 Weeks 1923.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
		£	£	£	£	£	£
Great Western	3,745	+210,000	366,000	576,000	13119000	17419000	30,538,000
London & North-Eastern ..	6,702	+371,000	831,000	1,204,000	21938000	26282000	58,220,000
Do same period 1922 ..	6,657	+407,000	838,000	1,245,000	24092000	27688000	61,780,000
London, Mid., & Scottish ..	6,963	+506,000	932,000	1,438,000	51216000	44899000	76,115,000
Southern	2,127	+281,600	126,400	408,000	16426000	5,869,700	22,332,300
Metropolitan (c)	79 1/2	35,967	3,897	39,864	1,641,330	189,226	1,830,556
Underground E.R. (c) ..	..	..	..	239,067	..	..	11,617,539
..	..	..	..	5,046	..	..	156,312
..	..	..	..	39,921	..	..	2,027,875
..	..	..	..	6,422	..	..	221,064
Lon. & Sub. Group (c) ..	..	..	..	..	..	..	..
Belfast & Co. Down (b) ..	80	4,107	1,315	5,422	261,768	64,033	328,801
Dublin and S.-East. (b) ..	160	15,363	4,971	20,334	311,991	171,681	483,672
Gt. Northern (Ireland) (b) ..	52	21,050	26,850	47,900	..	..	2,135,900
Midland Gt. West. (b) ..	538	17,592	19,071	26,663	494,078	732,758	1,226,836

† Week ended December 16, 1923, and aggregate figures for 50 weeks.

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1923. + or -	1923. + or -
INDIAN.					
Assam Bengal	35 weeks	Nov. 17	1,072	Rs. 5,08,000 + 18,560	82,97,974 + 2,47,540
Barsi Lk. Ry.	35 weeks	Dec. 21	118	31,900 - 3,400	10,67,900 - 852,000
Bengal & N. Western ..	35 weeks	Nov. 24	2,062	5,28,350 - 89,493	36,23,970 - 755,023
Bombay Nagpur	35 weeks	Nov. 27	2,738	13,32,000 - 1,65,000	4,63,63,432 + 5,34,519
Bombay, Bar., & G.I. ..	35 weeks	Dec. 15	2,994	24,83,000 + 2,46,000	7,72,33,000 - 2,53,000
Burma	35 weeks	Nov. 17	1,342	7,21,204 + 9,105	2,15,27,704 - 2,77,000
Delhi, Umballa, Kalka ..	35 weeks	Dec. 15	239	1,01,000 + 4,292	11,82,715 + 64,986
East Indian	38 weeks	Dec. 22	2,856	33,44,000 + 1,92,000	118,31,600 + 7,56,000
G. Indian Peninsula ..	38 weeks	Dec. 22	3,164	34,25,600 + 35,900	9,48,98,621 - 49,40,701
Madras & S. Mahr.	35 weeks	Nov. 24	3,029	13,20,000 - 3,099	4,76,67,410 - 5,33,584
Rohilk'd & Kumaon ..	7 weeks	Dec. 24	259	50,414 + 244	3,43,145 + 19,431
Do Lucknow-Breilly ..	7 weeks	Dec. 24	314	50,414 + 4,963	3,24,349 + 41,039
South Indian	34 weeks	Dec. 21	1,877	9,87,845 + 52,879	3,32,16,625 + 10,82,014

ARGENTINE (a).

Argentine N.E.	25 weeks	Dec. 22	752	£ 9,600 + 100	280,100 + 29,100
Argentine Trans.	25 weeks	Dec. 22	3,324	3,580 + 515	95,613 + 26,373
S. A. & Pacific	25 weeks	Dec. 22	3,324	162,000 - 6,000	3,461,000 - 3,000
S. A. Gt. Southern ..	25 weeks	Dec. 22	3,948	225,000 + 4,000	4,416,000 + 289,000
B. A. Western	25 weeks	Dec. 22	1,882	105,000 - 8,000	1,428,000 + 220,000
Central Argentine ..	25 weeks	Dec. 22	1,882	87,000 - 15,000	2,105,000 - 86,000
Cordoba Central	25 weeks	Dec. 22	1,882	192,000 + 1,000	6,013,000 + 247,000
Salt River	25 weeks	Dec. 22	1,882	61,000 + 3,700	1,473,000 - 13,600
Salt River	25 weeks	Dec. 22	1,882	23,400 + 3,200	484,200 + 49,400

CANADIAN.

Canadian National ..	49 weeks	Dec. 14	22,680	\$ 4,410,544 + 584,940	24,309,734 + 20,189,437
Canadian Pacific	50 weeks	Dec. 21	13,539	4,305,000 + 735,000	18,976,000 + 8,614,000

BRAZILIAN (b).

Gt. West. of Brazil ..	51 weeks	Dec. 22	1,011	12,700 - 3,200	494,400 - 162,100
Leopoldina	51 weeks	Dec. 22	1,831	27,899 - 2,059	1,344,400 - 180,793
San Paulo	51 weeks	Dec. 23	1,531	37,100 + 2,725	1,513,875 + 69,193

CHILEAN.

Antofagasta	51 weeks	Dec. 23	838	50,765 + 18,625	1,875,450 + 620,485
Nitrates (q-monthly) ..	50 weeks	Dec. 15	356	37,031 + 13,087	733,778 + 279,225

CUBAN.

Havana Central	24 weeks	Dec. 15	1,210	13,050 + 2,390	284,876 + 51,006
United of Havana	25 weeks	Dec. 22	1,210	61,700 + 3,842	1,448,180 + 254,517

URUGUAYAN.

Central Uruguay	25 weeks	Dec. 22	273	31,512 + 1,125	633,043 + 11,736
O. Urug. (East Rkt.) ..	25 weeks	Dec. 22	311	6,575 + 524	121,829 + 1,451
O. Urug. (North Rkt.) ..	25 weeks	Dec. 22	185	3,201 - 233	67,836 + 1,364
O. Urug. (West Rkt.) ..	25 weeks	Dec. 22	211	3,292 + 56	58,490 - 1,715

OTHER OVERSEAS.

Alcoy and Gandia	51 weeks	Dec. 22	33	30,000	1,079,300 + 69,850
Alcoy and Gandia	51 weeks	Dec. 22	10	675	14,212 + 3,431
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919
Calcutta Tramways ..	51 weeks	Dec. 22	15	104	24,933 + 50,919

(a) Converted at par. (b) Converted at the current rate of exchange.

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1923. + or -	1923. + or -
Anglo-Argentine	51 weeks	Dec. 22	329	£89,371 - 3,615	4,321,706 - 41,112
Burnley Corporation ..	1 week	Dec. 22	12	2,933	..
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789
Calcutta Tramways ..	51 weeks	Dec. 22	354	Rs 139,675 + 50,919	75,950 + 275,789

Banks.

COMPANY MEETINGS, &c.

DORMAN, LONG, AND CO., LIMITED.

PROSPECTS IN THE STEEL TRADE.

LONGER HOURS AND GREATER OUTPUT NECESSARY.

AMALGAMATION COMPLETED.

The thirty-fourth ordinary general meeting of the shareholders of Messrs Dorman, Long, and Co., Limited, was held at the registered office, Zetland road, Middlesbrough, on Friday, December 21st, Sir Arthur J. Dorman, K.B.E., in the chair.

The notice convening the meeting and the auditors' report having been read,

The Chairman said: Ladies and Gentlemen, I beg to move that in accordance with the provisions of the articles of association, the minutes of the thirty-third ordinary general meeting, held on December 13, 1922, and the extraordinary general meetings, held on April 17th and May 2nd, 1923, be confirmed.

I assume that, as usual, you will take the directors' report and balance-sheet, which has already been submitted to you, as read.

The balance-sheet for the year ending September 30, 1923, contains for the first time the accounts of the allied companies of Bell Bros., Limited, Sir B. Samuelson and Co., Limited, Carlton Iron Company, Limited, and North Eastern Steel Company, Limited, embodied with the accounts of Dorman, Long, and Co., Limited, these four companies having on May 2nd last entered into voluntary liquidation for the purpose of amalgamation with Dorman, Long, and Co., Limited.

At the meeting of shareholders held on April 17, 1923, when the resolutions leading to the amalgamation were passed, Sir Hugh Bell, in my absence, explained very fully to you the proposals of the board, and I have thought it well to enclose to each shareholder along with the balance-sheet a copy of the statement made by Sir Hugh Bell on that occasion, in order that the whole matter may be brought again to your minds, and to assist you in reading the present balance-sheet. The resolutions passed at that meeting have been acted on, and an issue of £3,500,000 5½ per cent. first mortgage redeemable debenture stock was made on April 18, 1923.

Out of the proceeds of the 5½ per cent. debenture issue the balance of Dorman, Long, and Co.'s 5 per cent. debentures, amounting to £387,400, the balance of Bell Bros. Debentures amounting to £360,686, and the two sets of North-Eastern Steel Company's debentures, amounting to £250,000 and £42,500 respectively, have been repaid. In addition to the foregoing, the debt due to the Treasury amounting to £918,475, and secured on the Redcar Steel-works, has also been repaid. Further, since the date of our last balance-sheet, stocks have increased by nearly £850,000. I refer to this later on in more detail.

THE NEW ISSUE.

In order to absorb the £500,000 cumulative preference shares of Messrs Bell Bros., Limited, an issue of £550,000 6 per cent. cumulative preference shares was, at the same time, made by Dorman, Long, and Co., and Messrs Bell Bros.' preference shareholders were given the opportunity of exchanging their preference shares for a corresponding number plus 10 per cent. of Dorman, Long, and Co.'s preference shares. As a result of this offer, £518,056 preference shares of Dorman, Long, and Co., Limited, were issued; the remainder of Bell Bros.' preference shareholders were paid in cash.

The amalgamation is, therefore, now complete, and the accounts of the four companies have become absorbed into those of Dorman, Long, and Co., Limited, as from May 3, 1923.

I regret that owing to the very heavy additional work entailed by the amalgamation and the bringing in of the accounts of the absorbed companies, we were rather later than usual in presenting this year's balance-sheet. As you will readily understand, the amount of work involved both on the legal and accountancy sides has been very heavy indeed.

For some considerable time past we have been faced with the fact that a complete amalgamation was becoming urgently necessary, if full advantage was to be obtained from the working of the various properties of the allied companies. It was only after very careful consideration of all the facts and weighing the advantages to be obtained against the heavy cost which would be incurred, that your directors finally made up their minds to take the step. The reorganisation is proceeding smoothly, and on right lines. The directors now have better control over the whole undertaking, and closer supervision can be given to it.

CO-ORDINATION OF POLICY.

Much has been done, but a good deal still remains to be done before we shall be satisfied; we are assured, however, that the

interests of the company will ultimately benefit by the step that has been taken, through more complete co-ordination of policy, as well as economy in working. The cost of the amalgamation, including the underwriting of the issue and the premiums payable on redemption of the various sets of mortgages and the preference shares, have been met out of reserves.

With the increase of work consequent upon the amalgamation, I have found it desirable to relinquish the appointment of managing director, while still remaining chairman of the company. The board have accordingly appointed my son, Mr Arthur Dorman, to succeed me as managing director.

If you will now turn to the balance-sheet, you will see, under the heading "Share Capital," the position as it now stands. £1,500,000 8 per cent. preferred ordinary shares and 6,000,000 ordinary shares of £1 each stand as before. In addition, there are the new 550,000 preference shares of £1 each, of which £518,056 only are issued.

The 4 per cent. first mortgage perpetual debenture stock of £400,000 remains as before, the company's holding of this stock being now £70,140. This stock is primarily secured by first mortgage on the Britannia Works.

The next item on the balance-sheet is the £3,500,000 new 5½ per cent. redeemable debenture stock, a large proportion of which has, as I have indicated, been absorbed in repaying the various debentures and Treasury loan.

THE BALANCE-SHEET.

In order to obtain comparative figures between this year's working and last year, it is necessary to include the figures from the balance-sheets of the absorbed companies. I will, therefore, take the totals of the corresponding figures from the latest balance-sheets of those companies, and add them to the figures of Dorman, Long, and Co., Limited, for last year.

Debts due by the company now amount to £1,513,599, as against a total debt of the five companies last year of £1,493,692. In both years an amount is included which is considered to be amply sufficient to meet all claims by the Government against the company in respect of taxation. It was hoped that we should have been able to arrive at a settlement of these claims before the date of the balance-sheet, but, unfortunately, it was not possible to do so.

The reserve account brings in the general reserve account from last year of £459,765, together with the reserve for redemption of the 5 per cent. sinking fund debentures, amounting to £136,225, not now required owing to the debentures having been repaid. It also includes £40,000 placed to reserve last year, bringing the amount up to £635,990. From this sum £68,048, the amount of the net profits made by the absorbed companies from October 1, 1922 (in the case of Messrs Bell Brothers, Limited, from January 1, 1923), to May 2, 1923, the date of the liquidation of these companies and not at that time distributed, is transferred to profit and loss account. Added to the reserve account is the sum of £505,542, being the balance of the reserves of the absorbed companies, including their undistributed profits to May 2, 1923, from which has been deducted £422,840 discount and the expenses of the issue of the £3,500,000 debenture stock and the premiums due on paying off the debentures and preference issues of the absorbed companies. The reserve account, therefore, stands to-day at £650,644.

PROFIT AND LOSS.

The profit and loss accounts show a profit of £207,405 earned by Dorman, Long, and Co., Limited, during the year, which includes the profit of the absorbed companies from May 3, 1923. To this is added the sum of £68,048, which, with the amount brought forward from last year, gives a sum of £476,626 to be dealt with. If you turn to the directors' report, you will see that it is proposed to apply this sum in the following manner:—

£88,189 in payment of interest on debentures. In the case of the 5 per cent. sinking fund debentures, interest is payable only up to August 16th last, the date of the expiration of the company's notice to repay. £5,000 in payment of the dividend on the 6 per cent. cumulative preference shares of Bell Bros., Limited, for two months to June 30, 1923, on which date the exchange to Dorman, Long cumulative preference shares took place. £7,770 in payment of the dividend on the 6 per cent. cumulative preference

shares of Dorman, Long, and Co., Limited, for three months from July 1st to September 30th last. £120,000 in payment of the dividend for the year on the 8 per cent. preferred ordinary shares. £3,000 for directors' fees. £50,000 which it is proposed to transfer to reserve account, leaving a balance of £202,667 to be carried forward to next year's account.

On the assets' side of the balance-sheet under capital expenditure the sum of £3,377,110 represents the amount as at the date of the last balance-sheet of Messrs. Dorman, Long, and Co.'s capital expenditure prior to the absorption of the allied companies. To this sum must be added £5,879,950, being the cost to Dorman, Long, and Co., of the properties of the absorbed companies as at May 3, 1923, and the sum of £204,964 being the net expenditure since that date on the properties of the absorbed companies, and for the whole year in respect of the properties of Dorman, Long, and Co., Limited. The total capital expenditure, therefore, amounts to £9,462,025.

INVESTMENTS.

The investments now stand at £766,186, and chiefly consist of our interest in Horden Collieries, Pearson and Dorman, Long, Braithwaite and Co., Wade and Dorman, Bowesfield Steel Co., Dormanstown Tenants, Limited, and our holding in Dorman, Long 4 per cent. debentures.

The stocks on hand now amount to £2,894,543, as against £2,048,103, the value of the stocks last year, an increase of £846,440. This increase is due partly to exceptionally heavy stocks of pig-iron and steel, some of which have since been realised at prices above the book values, partly to the increased activity of nearly all our departments, and to the stocking of our new constructional works and stockyard at Sydney.

Debts due to the company this year stand at £1,161,811. The total debts due to the five companies last year amounted to £1,100,404.

Cash and bills amount this year to £157,760, as against a total of all the companies of £272,488 last year.

This year short rents under Royalty leases appear for the first time in our balance-sheet, due to the bringing in of the collieries previously owned by the absorbed companies. These amount to £69,182, and are written down to £22,808.

This brings me to the end of my remarks on the balance-sheet. If the results of the year's working are not what we would have liked, they are nevertheless better than we hoped for at the beginning of the year, when few of our departments were working at a profit.

STEELWORKS LOSSES.

With the exception of our steelworks, all our departments have finished the year successfully, and had it not been for the loss incurred in the steelworks, our total profit would have been very much greater than the £275,000 shown in the balance-sheet. During the last few months there has been an improvement in the price of steel, and, if it can be maintained, there is a fair prospect that our steelworks cost will at least be covered by the selling price.

During the year we have carried out further extensions of our coke oven plant, and we have now reached the point where we can claim to be self-supporting in this respect, since in another two months we shall have attained an output of over 18,000 tons per week.

While our policy of increasing the outlets for our finished products remains unaltered, we have no fresh step in this direction to report to you for the year under review, but I may mention that since the accounts for the year were closed we have acquired a controlling interest in the British Structural Steel Company, whose works are situated in Buenos Aires. We look with confidence to this proving a profitable investment.

KENT COAL.

Your interest in Kent to-day consists in a 50 per cent. holding in Pearson and Dorman, Long, Limited. A start has been made by them on their first colliery near Deal. Good progress has been made, and, as a result of a visit paid in November, your board are satisfied that when it is finished the colliery will rank among the most efficiently designed and best equipped collieries in the country. It is hoped to reach coal in about two years' time, and if it comes up in quality and quantity to what we confidently expect, a remarkable addition will have been made to the industrial resources of the country.

Turning now to future prospects, I may remind you that when I addressed you in 1921 I stated that out of 32 blast furnaces controlled by your company only six were in operation, and I gave as the reason for this that it was then impossible for pig-iron to compete in price with scrap owing to the large quantity which had been thrown on the market as a result of the war.

I told you that I was satisfied that in the long run pig-iron must come into its own as the measure of the world's capacity for

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producing steel. To-day we have 13 furnaces in blast, and in the near future we hope to blow in more, so that it is becoming everyday more evident that the supply of war scrap is disappearing, and that it is more and more necessary to revert to the use of pig-iron.

This is all to the good. It means a greater consumption of coal and coke, and, generally, a greater demand for the labour required in the manufacture of pig-iron. This cannot be without its effect on the cost of producing steel, but what applies here applies equally throughout the world, and it is only a matter of time for the effect to become universal. The tide, therefore, is turning in favour of those districts which possess their own resources of coal and iron ore in close proximity to one another. Here in Cleveland we are particularly well situated in this respect, and, as a district, we have the additional advantage that, with our works on the seaboard, we can import foreign ores on favourable terms, for mixture with our own ironstone.

A DIFFICULT TIME.

Given fair conditions, therefore, I am confident that we in Cleveland could hold our own in the world's markets against any competition, but when I look at the prospect as I see it to-day, I cannot but think that this country has a very difficult time before it. Exchanges are still moving to our disadvantage. International relations in Europe are far from having reached a state of stability, and there exists the obvious need for our Continental competitors to exert their utmost effort to rehabilitate their impoverished countries.

I do not intend that this should be a political speech, and I do not think I can be accused of making it one if I say that this country, having voluntarily elected in favour of a policy of Free Trade, has thereby admitted the wisdom of unfettered and unconditional competition in every branch of its industry. This must mean a severe struggle if we are to maintain our position in the world, and it is to me as clear as daylight that it marks the end of Utopian programmes of shorter hours and restricted output. I cannot believe that there are not amongst our Labour leaders men who have already recognised this, and it is to them we look to give their followers the lead they require. They know as well as I do that the existence of the country depends upon the prosperity of its industry.

Before concluding, I wish to pay a tribute to the excellent work performed by our staff during the year. From top to bottom they have rendered us loyal service, and our shareholders may be assured that we have a staff who are interested whole-heartedly in our business.

I now beg to propose—

"That the directors' report, balance-sheet, and accounts of the company for the year ending September 30, 1923, submitted to this meeting, be and the same are hereby approved and adopted."

In seconding the resolution, Sir Hugh Bell referred to the regret felt by the board at Sir Arthur Dorman's ceasing to be managing director, a position which he had held since the company was formed. He desired to mention specially a matter which the chairman had dealt with very summarily for obvious reasons, namely, the appointment by the board of his son, Mr Arthur Dorman, as his successor. This appointment had the entire approval of his colleagues.

The resolution was carried unanimously.

Votes of thanks to the chairman and staff concluded the proceedings.

BRITISH COLUMBIA ELECTRIC RAILWAY COMPANY, LIMITED.

GOOD RESULTS—ENCOURAGING PROSPECTS.

IMPROVED POSITION OF TRADE IN BRITISH COLUMBIA. DEVELOPMENT OF COMPANY'S ELECTRIC ENERGY.

The twenty-seventh ordinary general meeting of the British Columbia Electric Railway Company, Limited, was held on the 28th instant, at the Abercorn Rooms, Liverpool Street Hotel, London, Mr J. Davidson (deputy-chairman) presiding.

The secretary (Mr R. W. Bartlett, A.C.A.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen, as the report and accounts have been in your hands for some time, may we take them as read? ("Agreed.")

In the first place, I have to apologise for the absence of two of our colleagues—Mr G. P. Norton, who has to attend a funeral at Huddersfield, and Mr Horne-Payne, your chairman, who is prevented from attending owing to ill-health. Mr Horne-Payne, however, has sent a speech which, with your permission, I will read to you. It is as follows:—

MR HORNE-PAYNE'S SPEECH.

Ladies and gentlemen, it is very pleasant to be able to present to you to-day such a very satisfactory statement, and to report to you nothing that is not encouraging in the prospects of the company and in the prospects of the Province of British Columbia.

The net revenue of the company available for interest and dividends is £416,472 7s 9d, as compared with £409,233 17s 11d last year.

THE DIVIDENDS.

Interim dividends on the preferred and deferred stock of 3½ per cent., free of tax, were paid to you in June last, as compared with interim dividends for the previous year of 3¼ per cent., and as you will see from the report, we recommend you to declare final dividends of 18s 8d per cent. on the preferred ordinary stock, and £2 11s 11d per cent. on the deferred ordinary stock, both free of income-tax, making with the interim dividends already paid, total dividends for the year of £4 16s 2d per cent., free of tax, on the preferred ordinary stock and £6 9s 5d per cent., free of tax, on the deferred ordinary stock. These are not high dividends, the average return on our investment being 5.260 per cent., which is less than an investor can get from some British Columbia

Government securities, or even from Canadian Government Victory Loans, but there is some compensation in the feeling that there is every reason to believe that they are established on a permanent basis.

The revenue shown in the profit and loss account does not include any profit on exchange derived from the remittance of money from Vancouver to London. The net profit on exchange has been carried direct to reserve fund, because, as I explained last year, it is an exceptional profit. Moreover, it is impossible to forecast how long we may derive any advantage from exchange, and should it become necessary to remit money on capital account from London to Vancouver before the rate becomes normal, the premium on the dollar will be a disadvantage to the company, against which the present profit on exchange forms a useful reserve.

I will not detain you by going into the figures of the various departments of our business, because these are fully set out in the report which is in your hands, and I am sure you would like to hear from my colleagues, Sir Ernest Harvey and Mr Davidson, who, at the request of the board, kindly undertook visits to British Columbia this year.

Before concluding, however, I should like to commend in the warmest possible manner, the invaluable services which have been rendered to the company in the past by our executive in British Columbia, Mr Kidd, Mr Murrin, Mr Goward, Mr Glover, Mr Laursen, Mr Adams, Mr Keiller, and others. Each one of the last nine years covering the war and the perplexing post-war period was difficult and arduous, full of problems and anxieties. Every problem has been met and solved to the equal advantage both of the people of British Columbia and of the company, and I believe that this satisfactory position is due equally to the frank and conciliatory manner which your executive has invariably adopted in their dealings with the authorities, and to the desire of the authorities themselves to find a way out of the embarrassments created by the changes produced by the war—I refer in particular to the matter of the tramway fares, which have been most equitably and satisfactorily settled on a permanent basis since the passing of the British Columbia Electric Railway Passenger Act, and the resultant agreement between your company and the City of Vancouver, which I reported to you last year. All parties concerned are now working together cordially and energetically for the general welfare of the province without loss of strength in disputing and quarrelling. It has given us

the greatest pleasure to invite Mr Kidd to join the board, and in asking you to confirm his election to-day, we are not only asking you to mark your appreciation of his able and faithful services to the company, but we are asking you also to do something which will strengthen the prestige of the company in British Columbia.

In order to come into line with universal practice throughout Canada we have created the offices of "president" and "vice-presidents," and have appointed Mr Kidd, president, Mr Murrin, vice-president, and Mr Goward vice-president in Victoria.

SIR ERNEST HARVEY'S SPEECH.

Sir Ernest Harvey: Ladies and gentlemen, in May and June of this year I had a most delightful visit to British Columbia to see your property. My visit was delightful because I found the company in fine physical condition, well managed, and more popular with its customers than it has ever been.

I had not been to Vancouver and Victoria since 1913. The long years of war prevented travel and the years succeeding the war I had to spend so much time in Russia, Germany, and Austria that it was not until this spring that I was able to get to Canada.

My previous visits were at two years' interval, but I had some compensation for my ten years' absence in that I could note so much development in the cities and in the surrounding country. The increase in our lighting and power load and in our gas output is the most practical evidence to you that this growth and the development is of a solid and permanent character.

From 1913 and throughout the war there was no development in the province, but owing to the flow of men to the war, rather the reverse. It is, therefore, fair to say that the great development I noted after an absence of ten years has all taken place within the last four and a-half years. The solid work throughout the province persuades us that this improvement will continue, and your board consequently devotes the most anxious care to provide well ahead of the demand all the power that the people of the cities and districts of Vancouver and Victoria can possibly require. You will understand, and I think that the people of British Columbia appreciate, that the development of additional power supplies takes time, and that we have therefore always to have our plans and work on supply well ahead of demand.

DEVELOPMENT OF ELECTRIC ENERGY.

For the purpose of meeting the demand which we anticipate for the next fifteen years or more, plans are now being drawn up for increasing our development of electrical energy from the waters of the Stave and Alouette Lakes. Owing to its great importance, I gave this matter my special attention during my visit. You will remember that in 1920 we bought the Western Power Company of Canada, which owned a hydro-electric power plant at Stave Lake. At that time it had a turbine capacity of 39,000-horse power. At the end of 1922 we added another unit to this plant, bringing the capacity up to 52,000-horse power. During the present year we have been at work raising the height of the dams which impound the waters of Stave Lake, in order to increase the quantity of water stored and the average head of water available for power generation purposes. To do this the depth of water in the entire lake will be raised some 50 feet, and some 4,000 acres of additional land will be flooded, and the increase in water will enable changes and additions to be made to the plant which will increase its capacity some 25,000-horse power. In addition, we own, as explained in the report, the water rights of the Alouette Lake, which stands at 140 feet higher elevation than Stave Lake, and at a distance of about half-a-mile.

The intention is to connect the two lakes by a tunnel and use the water of the Alouette Lake, first, in its fall from the mouth of the tunnel into the Stave Lake to generate some 10,000-horse power of electricity, and, second, by increasing the waters of the Stave Lake to increase the hydro-electric capacity of the waters of the Stave, both at the existing installations and at Ruskin, some four miles further down the Stave River, where plans are under way for a further power development with a capacity of 80,000-horse power. The carrying through of these plans as and when required will double the amount of your present power supply, and will supply the future requirements of the district, even upon the most generous estimates of future growth, for a very long time to come, and it is extremely satisfactory to add that the further development required promises to be of the most economical character, giving us our increased supply much more cheaply than it could be obtained from any other source.

In conclusion, I would like to endorse the well-deserved praise of our management, expressed in the speech of your chairman.

I am fortunate to number among my close friends many of those in control of the British Columbia Electric Railway in Vancouver and Victoria.

I am convinced that the prosperity of your property is assured

so long as we continue to give our customers the satisfactory and considerate service which we do now.

I take this opportunity of acknowledging the kindness and courtesy I received from His Honour, the Lieutenant-Governor, from members of the Provincial Government, and from the Municipal Authorities of Vancouver and Victoria.

MR J. DAVIDSON'S SPEECH.

Mr J. Davidson: Ladies and gentlemen, the satisfactory position of your company, its progress and its prospects, have been so fully dealt with in the report, and in the remarks of my colleagues, Mr Horne-Payne and Sir Ernest Harvey, and the importance of the enterprise is so well set out in the illustrated booklet which will reach you in about ten days' time, that there is little left for me to say. With your permission I will, therefore, confine myself to a few remarks about the Province of British Columbia, in which your company operates. I do not need to tell you anything about its natural resources in timber, agriculture (including fruit farming), mines, fisheries, &c., because these are already well known to you. Any country possessed of these natural riches in such superabundance only requires energy and capital to develop them, and the markets to receive the produce, in order to achieve wealth, prosperity, and influence. There is no question that the markets for the produce of British Columbia are increasing. The principal natural resource of the province is lumber. The annual production in 1913 was approximately 30 million dollars. In 1922 it had reached approximately 65 million dollars. The value of agricultural produce, including fruit, in 1913, was approximately 24 million dollars. In 1922 it had reached 55 million dollars. Minerals which in 1914 produced 26 million dollars produced in 1922 35 million dollars. It is somewhat remarkable that there should be such expansion during a period of world-wide depression, and one, if not the main, reason is to be found in the improved water and rail communications which have brought the province into closer touch with the markets of the world. I have no hesitation in saying that the result has been to place every natural industry of the province upon a sounder and more stable basis.

PANAMA CANAL AND NEW MARKETS.

So far as water communications are concerned, the Panama Canal has opened markets for lumber and other produce of British Columbia, in Europe, in Eastern Canada, and in the eastern part of the United States which could never otherwise have been reached. Goods are exchanged between these new markets and British Columbia, and even the Provinces of Alberta and Saskatchewan, through the port of Vancouver. This would be impossible but for the Panama Canal. More and faster vessels also ply between Vancouver and the great commercial trading communities of Japan, China, Australia, New Zealand, and other countries across the Pacific.

IMPROVED RAIL COMMUNICATION.

With regard to rail communication, British Columbia, formerly connected with the Prairie Provinces and Eastern Canada by one railway only, the Canadian Pacific, is now connected also by the Canadian National, some 300 miles further north. Three great American steam railways also converge upon Vancouver, viz., the Great Northern, the Northern Pacific, and the Chicago, Milwaukee, and St Paul Railroads, with which your company are interchanging year by year an increasing amount of freight traffic. This traffic will grow as the port of Vancouver comes increasingly into favour as a port of shipment for trans-Pacific trade.

The full benefit of the increased water and rail communications to which I have referred has not yet been felt, owing to the dislocation of trade and shipping resulting from the war, but these increased connections will be felt more and more as conditions become normal, and if you are satisfied, as I am, that they will prove a great and increasing factor in the prosperity of British Columbia, you will also be satisfied, as I am, that your great enterprise, now involving \$60,000,000 of capital supplied from the savings of yourselves and some 13,000 other British investors, is safely and solidly placed.

The communities you serve will expand, and you will be in a position to aid such expansion and share with them in the resultant prosperity. What I have said before I repeat: one of the

NATIONAL PROVIDENT INSTITUTION for Mutual LIFE Assurance.

At the current Division of Profits,
Bonuses have been allotted to all with Profit Policies
at the high rates paid prior to the War.

A full report will be sent on application to:—

48 Gracechurch Street, London, E.C.3.

THE ANGLO-SOUTH AMERICAN BANK, LIMITED.

Capital and Reserves exceed £13,000,000.

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

NORTHERN DISTRICT OFFICE:
59, Market St., Bradford.

LANCASHIRE BRANCH:
25, Mosley Street, Manchester.

Affiliated Institutions:
THE BRITISH BANK OF SOUTH AMERICA, LTD.
AND
THE COMMERCIAL BANK OF SPANISH AMERICA, LTD.

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

guarantees for the safety of your investment lies in the fact that nothing can be done to damage your credit or your investment which does not damage equally, or more, the credit and prosperity of the cities you serve or the credit of the province itself, because this enterprise is so large, so well known, and its securities held by so many people throughout the length and breadth of Great Britain that its safety and stability have come to be regarded by them as an index to the credit of British Columbia and its industries generally. In other words, the interests of your company and those of the province and cities you serve are identical, and under the wise management of the former and the wise government of the latter, both will share in the assured prosperity of the future.

I now beg to move:—"That the balance-sheet as at June 30, 1923, and revenue account for the year ended on that date, together with the reports of the directors and auditors thereon, be and are hereby received and adopted."

Mr T. Blundell Brown seconded the resolution, which was carried unanimously.

SAMUEL ALLSOPP AND SONS, LIMITED. CHAIRMAN OPTIMISTIC OF THE FUTURE.

The 35th ordinary general meeting of Samuel Allsopp and Sons, Limited, was held, on the 28th instant, at the Cannon street Hotel, London.

Sir William Barclay Peat, C.V.O. (chairman of the company), presided, and in moving the adoption of the report said that the trading profits had increased by £16,000, and they were able to show some improvement in their dividend distribution. He then reviewed the progress of the company since the present board took office ten years ago. It would be remembered, he said, that the company was in receivership, and that the receivers were discharged by a scheme of arrangement, which provided for the appointment of the present directors who represented the various interests in the capital, debentures, and prior lien stock of the company. Their first year of control ended on September 30, 1914, and the profit shown was £13,000. No provision, however, had been made in the profit and loss account, or elsewhere for £54,000 interest upon the debenture stock, nor for sinking fund on the prior lien stock, and, therefore, that profit of £13,000 was not available for the purpose of any distribution or even for the payment of interest on the 4½ per cent. debenture stock. Subsequently, meetings of debenture holders were held, and certificates of right redeemable out of the profits were given in respect of unpaid debenture interest amounting to about £160,000. Ultimately the whole of that sum was liquidated out of subsequent profits. Until 1916, however, they were unable to make the interest on the debenture stock, and it was frequently said that "Allsopps" as a concern could never do more than pay the interest and sinking fund on its prior liens, a condition of things circumstances had shown to be inaccurate, because they had not only paid all the interest charges and all their redemption on the prior lien stock, but had also paid what might be called fair dividends to the preference stockholders and to the ordinary stockholders. The first dividend they paid on the ordinary stock was in 1919. Further, their cash and their reserves had all been created during the 10 years which had elapsed since the present board took office.

Referring to barrellage, the Chairman pointed out that in the first half of last year they had suffered in barrellage somewhat seriously. In the second half of the year the barrellage began to improve, and by the end of the year they were not substantially

different from their total barrellage of the immediately preceding year. Since September 30th of this year their barrellage had been improving until within the last month or six weeks.

Apart from the political situation, there were indications of a steadily improving trade, which would benefit all industries of the kingdom, including brewers. He hoped and believed that the wisdom of their legislators would recognise that, whatever their party differences might be, the one great thing which they had to look after was the welfare and interest of this great manufacturing and financial country.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1923-24. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1923, to Dec. 22, 1923.	Total Receipts into the Exchequer from Apr. 1, 1922, to Dec. 23, 1922.	Week Ended Dec. 22, 1923.	Week Ended Dec. 23, 1922.
Balances in Exchequer on 1st April—					
Bank of England	..	5,442,665	9,963,424	..	..
Bank of Ireland	..	1,375,502	1,210,106	..	..
REVENUE.					
Customs	116,900,000	93,545,000	2,685,000	3,263,000	..
Excise	143,850,000	107,834,000	120,528,000	7,326,000	7,928,000
Motor Vehicle Duties ..	13,250,000	4,470,000	3,599,000	..	..
Stamps	52,000,000	40,470,000	43,291,000	1,470,000	1,730,000
Land Tax, House Duty & Mineral Rights Duty ..	20,000,000	14,140,000	14,252,000	140,000	550,000
Property & Income Tax ..	3,000,000	550,000	640,000	10,000	..
Super-Tax	261,000,000	133,150,000	181,994,000	936,000	1,400,000
Excess Profits Duties, &c. ..	12,000,000	25,620,000	..	470,000	..
Corporation Profits Tax ..	20,000,000	15,550,000	954,000	370,000	530,000
Post Office	52,600,000	37,000,000	38,600,000	850,000	1,200,000
Crown Lands	900,000	780,000	710,000	90,000	80,000
Interest on Sundry Loans	12,500,000	10,272,563	7,926,479	3,815	39,253
Miscellaneous—					
Ordinary Receipts	12,500,000	9,615,176	18,495,439	152,793	40,621
Special Receipts	40,000,000	29,292,361	36,291,818	14,111	1,647,297
Revenue	818,500,000	522,289,100	574,151,735	14,517,719	18,408,171
Total, Inc. Balance ..	..	529,107,267	585,325,266	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Bullion	..	65,000	800,000	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	..	..	..	..
Under the Unemployment Insurance Acts, 1921	..	73,782	169,818	..	..
Under the Housing Act, 1914 ..	..	4,870,000	2,910,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	..	..	..	..
By Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	..	1,553,300	..	..
By Exchequer Bonds under the Cunard Agreement (Money) Act, 1904	..	520,000	..	..	..
(b) Under the Unemployment Insurance Acts, 1921	..	820,000	2,510,000	..	..
(c) For other issues:—					
By Treasury Bills	1,826,668,000	2,159,476,000	44,208,000	55,035,000	..
By National Savings Certificates ..	38,300,000	47,418,000	350,000	750,000	..
By Exchequer and National War Bonds	..	..	..	..	..
By Treasury Bonds—					
5-15 year, 1925-35	..	..	20	..	..
5%, 1927	..	..	..	..	..
4%, 1932	..	..	..	..	..
4%, 1931-33	..	32,185,452	70,907,535	756,000	..
By Other Debt created under the War Loan Acts, 1914 to 1919 ..	..	..	25,259	..	..
(d) Ways and Means Advances ..	727,116,500	723,475,500	114,661,500	117,211,500	..
Anglo-Persian Oil Company—					
Dividends on Shares acquired ..	50,081	243,012	..	..	..
Repayments—					
In respect of Cunard Loan	130,000	130,000	..	..	..
Do Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	208,959	270,252	..	..	..
Do Issues under Section 59 (4) of the Finance Act, 1920 ..	..	6,827,960	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920 ..	..	162,425	..	..	..
Total	..	3,163,497,041	3,668,196,501	174,483,219	191,404,671

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1923-24 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1923, to Dec. 22, 1923.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1922, to Dec. 23, 1922.	Week Ended Dec. 22, 1923.	Week Ended Dec. 23, 1922.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	310,000,000	258,238,476	276,342,070	2,939,021	2,406,537
Sinking Fund	40,000,000	31,150,062	1,645,116	..	..
Road Fund	12,650,000	3,869,044	3,049,999	115,000	..
Payments to Local Taxation Accounts, &c. ..	10,348,000	7,887,205	6,002,990	350,000	200,000
Payments to Northern Ireland Exchequer ..	3,000,000	2,999,087	1,548,995	320,109	69,843
Land Settlement	1,500,000	438,215	820,804	22,750	26,677
Other Consolidated Fund Services	2,972,000	1,872,376	1,777,052	258,019	53,760
Supply Services	440,565,000	364,018,289	289,642,499	8,074,000	10,425,000
Expenditure	821,035,000	580,402,754	579,184,469	13,724,015	11,921,797

Total Issues out of the Exchequer to meet Payments from

	Apr. 1, 1923, to Dec. 22, 1923.	Apr. 1, 1922, to Dec. 23, 1922.	Week Ended Dec. 22, 1923.	Week Ended Dec. 23, 1922.
OTHER ISSUES.				
Temporary Advances—				
Bullion	5,000	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	169,818	..	..
Under the Unemployment Insurance Acts, 1921	820,000	4,320,000	..	190,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1921 and 1922	5,520,000	5,310,000	600,000	650,000
Under the Post Office (London) Railway Act, 1913	10,500	..	..	..
Under the Housing Act, 1914	12,000	27,000	..	..
Under the Anglo-Persian Oil Company (Payment of Calls) Act, 1922 ..	..	950,000	..	..
Under Capital Expenditure (Money) Act, 1904	..	1,553,300	..	..
Under Cunard Agreement (Money) Act, 1904—Exchequer Bonds paid off ..	520,000	..	..	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed ..	4,750,000	2,110,000	..	..
Redemption of Debt—				
Treasury Bills	1,794,085,000	2,307,769,000	44,725,000	54,220,000
Principal of National Savings Certificates ..	25,000,000	19,250,000	600,000	450,000
Principal of Exchequer Bonds paid off ..	..	19,612,208	..	..
Principal of National War Bonds paid off ..	32,222,296	44,484,182	..	..
Other Debt under the War Loan Acts, 1914 to 1919	7,463,440	15,825,526	1,604,854	..
Ways and Means Advances Repaid ..	709,641,500	658,698,500	115,029,500	120,311,500
Anglo-Persian Oil Company—Issued to the National Debt Commissioners ..	50,081	243,012	..	..
Issues to National Debt Commissioners to Reduce Debt—				
Cunard Loan Repayments	130,000	130,000	..	..
Proceeds of National Savings Certificates, issued under the Finance Act, 1920, Section 59 (4) ..	..	5,000,000	..	..
Old Sinking Fund, 1910-11, issued under Section 16 (1) (b) of the Finance Act, 1911	55,214	88,065	..	..
Balances in Exchequer—				
Bank of England	3,160,761,567	3,664,725,020	174,678,515	191,008,151
Bank of Ireland	1,961,435	2,344,722	9,814	383,363
Bank of Ireland	784,039	1,126,759	195,110	13,157
Total	2,735,474	3,471,481	185,296	396,520

NOTE.—Budget Estimate as in H.C. No. 51 of 1923.

Treasury, December 24, 1923.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills dated from Dec. 31-Jan. 5 were opened on Dec. 28, 1923, and the total amount applied for was £73,030,000. For bills at three months, dated Monday to Saturday at £99 3s 11d, about 74 per cent., above in full. The amounts allotted were as follows:—In bills at 3 months, £45,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1923.				
Nov. 16	35,000,000	46,275,000	3 5 9 32	3 5 11 0
Nov. 23	45,000,000	61,235,000	3 5 7 39	94 10 0
Nov. 30	45,000,000	52,835,000	3 5 2 97	94 10 0
Dec. 7	45,000,000	59,635,000	3 4 3 53	94 10 0
Dec. 14	45,000,000	52,925,000	3 3 4 52	94 10 0
Dec. 21	45,000,000	46,220,000	3 6 11 35	94 10 0
Dec. 28	45,000,000	73,030,000	3 4 3	nil

Tenders will be received on Jan. 4, 1924, for Treasury Bonds and Bills to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

CURRENCY NOTES ACCOUNT.—(000's omitted.)

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Bank of England.
1922.								
Mar. 29	300,351	14,255	5,000	38,500	19,450	15.9	261,479	177
June 28	295,374	13,338	6,000	38,500	19,650	16.3	254,312	250
Sept. 27	289,127	12,648	7,000	37,000	21,180	16.6	246,456	169
Dec. 27	301,337	12,879	7,000	37,000	21,150	15.9	258,922	137
1923.								
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,596	140
Dec. 12	282,679	12,075	7,000	27,000	22,450	17.1	244,181	123
Dec. 19	285,817	12,138	7,000	27,000	22,450	16.7	251,367	138
Dec. 26	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £30,000,000, for 1921 at £37,565,200, for 1922 at £39,988,400, and for 1923 at £27,183,800.

NATIONAL DEBT.—(Million £.)

	Aug. 1, 1914,	Mar. 31, 1915	Dec. 31, 1915,	Mar. 31, 1916,	Mar. 31, 1917,	Mar. 31, 1918,	Dec. 31, 1918,	Mar. 31, 1919,	Dec. 22, 1923,
Funded Debt	588	318	315	315	315	315	314	314	314
Term Annuities	30	22	20	19	18	16	15	14	14
3½% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	16	13	13	13	13	13	13	13
4 & 5% War Stock ..	..	2,091	2,047	2,040	1,995	1,953	2,071	2,095	2,095
National War Bonds ..	..	649	1,509	1,476	1,413	1,201	971	953	924
4% Funding Loan ..	..	..	409	409	405	401	401	400	400
4% Victory Bonds ..	..	..	360	357	348	335	325	325	325
3½% Conversion Loan ..	..	..	..	..	..	266	690	684	683
5-15 year Treas. Bonds ..	..	..	..	..	23	24	24	24	24
5% Treasury Bonds ..	..	..	..	..	..	381	166	165	165
Do by tender 5% ..	..	..	..	..	..	8	40	40	40
Do by tender 4½% ..	..	..	..	..	..	..	69	70	70
Do 4%, 1931-33	..	..	..	..	..	..	84	110	110
Treasury Bills	15	961	1,107	1,107	1,121	878	719	616	649
Exchequer Bonds	80	332	323	319	289	185	150	150	150
Natnl. Savings Certs. ..	..	138	267	274	285	342	350	354	367
War Expend. Certs. ..	..	23	..	..	..	..	..	..	..
Other Debt	..	944	1,306	1,181	1,132	1,087	1,071	1,157	1,149
American Loan	..	51	51	51	..	..	..	..	..
Temporary Advances ..	1	204	243	305	154	147	222	194	211
	654	5,872	8,033	7,829	7,574	7,655	7,768	7,743	7,806
	57	49	46	47	49	66	70	70	68
Other Capital Liabilities									
Total Liabilities	711	5,921	8,079	7,876	7,623	7,721	7,835	7,813	7,868

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1923.				
January 1 to November 21 ..	28,787,068	1,383,813	2,524,071	32,694,952
November 22 ..	610,943	27,756	47,765	686,464
December 2 ..	732,948	32,150	56,980	822,078
12 ..	547,946	28,615	53,399	629,960
19 ..	627,934	31,243	57,221	716,406
26 ..	413,926	22,515	35,421	471,669
Total to date 1923 ..	31,720,785	1,525,892	2,774,872	36,021,549
Do 1922 ..	32,418,410	1,560,240	2,780,209	36,758,859
Increase or decrease in 1923 ..	- 697,625	- 34,348	- 5,337	- 737,310
	- 2.1 %	- 2.2 %	- 0.2 %	- 2.0 %
Total for year 1922 ..	32,780,635	1,092,303	2,806,165	37,161,199
Total for year 1921 ..	30,268,214	1,121,720	3,002,179	34,392,113
Increase or decrease in 1922 ..	+ 2,512,421	+ 34,348	+ 196,014	+ 2,742,783
	+ 8.3 %	+ 3.1 %	+ 6.5 %	+ 7.9 %

PROVINCIAL CLEARING RETURNS.

	1922.	1923.	Inc. or Dec.
Aggregate Totals to December 22.			
BIRMINGHAM ..	111,199,500	114,660,800	+ 3,461,300
BRISTOL ..	67,618,000	56,961,000	- 10,657,000
DUBLIN ..	316,286,100	308,698,100	- 7,588,000
HULL ..	54,933,400	54,631,600	- 291,800
LEEDS ..	53,443,100	50,775,200	- 2,667,900
LIVERPOOL ..	39,997,400	37,484,800	- 2,512,600
LIVERPOOL (to December 15) ..	418,263,000	431,568,000	+ 13,305,000
MANCHESTER ..	763,173,000	744,722,000	- 18,451,000
NEWCASTLE-ON-TYNE ..	102,034,000	104,714,900	+ 2,680,900
NOTTINGHAM ..	53,148,700	50,943,700	- 2,205,000
SHEFFIELD ..	47,700,300	56,681,100	+ 8,980,800

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Banks of Canada and Bulgaria appeared in the *Economist* of November 24; Denmark and Portugal in December 8; Japan, Netherlands, Norway, Sweden, Esthonia, Roumania, Russia, and Egypt in December 22.

U.S. FEDERAL RESERVE BANKS.—In \$'s (000's omitted).

	Dec. 21, 1923.	Dec. 14, 1923.	Dec. 7, 1923.	Dec. 22, 1922.
Resources.				
Total gold reserve ..	3,091,140	3,115,640	3,118,140	3,045,910
Legal tender notes and silver reserve ..	72,300	78,010	79,520	110,800
Bills discounted for member banks ..	72,300	761,930	746,260	615,560
Bills bought in open market ..	324,380	339,380	339,370	251,730
Government obligations owned ..	81,260	96,980	91,370	431,240
All other resources ..	72,990	71,350	71,340	64,650
LIABILITIES.				
Government deposits ..	11,330	26,610	30,070	6,790
Other deposits ..	1,871,520	1,946,070	1,906,440	1,875,240
Federal Reserve Notes in actual circulation ..	2,296,440	2,266,830	2,252,600	2,456,710
F.R.B. Notes in actual circulation ..	480	480	490	12,500
All other liabilities ..	25,880	25,750	25,410	28,470
Capital and surplus ..	328,530	318,510	328,480	322,660
Ratio of total resources to gross deposits ..	75.7%	75.3%	76.4%	72.8%
Federal Reserve note liabilities combined ..	75.7%	75.3%	76.4%	72.8%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Dec. 1, 1923.	Nov. 24, 1923.	Nov. 17, 1923.	Nov. 10, 1923.	Dec. 2, 1922.
LIABILITIES.					
Capital ..	1,000	1,000	1,000	1,000	1,000
Reserve ..	40	40	40	40	2
Notes in circulation ..	10,741	10,170	10,172	10,374	9,151
Bankers' deposits ..	4,910	5,004	5,492	5,375	5,309
ASSETS.					
Gold coin and bullion ..	534	534	534	534	383
Gold certificates ..	10,102	10,102	10,102	10,102	10,052
Subsidiary coin ..	125	125	125	125	280
Bills discounted (domestic) ..	2,741	2,524	2,878	2,887	2,091
Do (foreign) ..	845	524	524	524	545
British Govt. Treasury Bills ..	1,630	1,550	1,785	1,900	..
Loans and advances to the Government ..	750	750	800	800	1,300
Investments ..	17	17	17	17	..
Ratio of cash reserves to liabilities to public ..	68.7%	70.7%	68.6%	68 %	73.8%

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).

	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 16, 1923.	Nov. 9, 1923.	Dec. 1, 1922.
ASSETS.					
Govt. securities ..	11,29,39	11,19,96	11,04,93	11,07,30	9,55,58
Other securities ..	1,28,77	1,28,77	1,28,77	1,28,77	1,28,77
Loans ..	19,73,03	18,41,11	16,57,20	16,32,46	16,04,60
Cash credits ..	32,24,41	31,28,51	32,29,66	32,13,33	26,66,44
Inland bills ..	6,74,96	5,81,97	5,38,85	4,28,91	4,41,80
Foreign bills ..	30,68	22,76	21,98	23,21	14,38
Dead stock ..	2,48,12	2,46,05	2,47,14	2,46,82	2,48,74
Surpluses ..	94,00	69,76	69,15	69,15	83,63
Bal. with other banks ..	33,81	48,83	71,19	21,39	5,29
Cash ..	24,58,11	26,18,89	30,68,11	30,87,77	25,67,15
LIABILITIES.					
Subscribed capital ..	11,25,00	11,25,00	11,25,00	11,25,00	11,24,84
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,46
Reserve ..	4,35,00	4,35,00	4,35,00	4,35,00	4,11,89
Public deposits ..	8,47,24	7,11,29	7,05,86	6,22,69	11,86,97
Other deposits ..	79,82,14	81,51,32	82,41,00	81,96,07	61,70,81
Surpluses ..	1,58,40	1,38,19	1,34,43	1,31,12	1,33,96
The above includes—					
Deposits in Lond'n ..	509	594	403	454	172
Advances in Lond'n ..	418	416	430	414	965
Cash, &c., at other Banks in London ..	220	299	109	136	30

IMPERIAL BANK OF GERMANY.—In marks (000,000's omitted).

	Nov. 30, 1923.	Nov. 23, 1923.	Nov. 16, 1923.	Nov. 9, 1923.	Position May 30, 1922.
ASSETS.					
Gold and bullion ..	8,870,780,991.575	5,017,735,990.606	5,033	11,005	943
Treasury notes ..	169,570,000,000.000	..	..	..	..
Bank notes ..	347,301,037,776.315	144,004,004,362.259	..	998,958	61
Discounts and Treasury bills ..	96,874,330,250.089	161,045,433,864.267	..	..	..
LIABILITIES.					
Notes in circulation ..	400,297,640,361.854	233,987,515,083.900	..	754,086	2,014
Deposits ..	323,676,790,866.616	323,667,664,258.265	..	244,969	842

† This total now includes token coin at its face value. ‡ Gold.

BANK OF FRANCE.—In francs (000's omitted).

	Dec. 27, 1923.	Dec. 20, 1923.	Dec. 13, 1923.	Dec. 6, 1923.	Dec. 29, 1922.	Position May 22, 1924.
ASSETS.						
Gold coin and bullion ..	5,540,380	5,540,380	5,540,380	5,540,380	5,534,829	5,730,689
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,864,345	1,864,345
Silver coin and bullion ..	96,522	96,522	96,522	96,522	96,522	96,522
Discounts and advances ..	6,060,626	5,687,539	5,636,033	4,499,193	4,499,193	4,499,193
Advances to the State ..	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000	23,000,000
LIABILITIES.						
Notes in circulation ..	37,905,434	37,629,997	37,647,493	36,359,286	36,359,286	36,359,286
Government deposits ..	20,178	26,312	24,592	20,482	20,482	20,482
Private deposits ..	2,363,491	2,124,576	2,005,611	2,388,985	2,388,985	2,388,985

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).

	Dec. 20, 1923.	Dec. 13, 1923.	Dec. 6, 1923.	Nov. 29, 1923.	Dec. 21, 1922.	Position May 22, 1924.
ASSETS.						
Coin (gold & silver and bullion) ..	360,468	358,245	354,799	353,566	341,651	353,566
Securities ..	1,168,613	1,127,318	1,027,383	1,061,602	595,585	687,600
LIABILITIES.						
Notes in circulation ..	7,261,707	7,274,300	7,275,571	7,277,587	6,841,656	6,841,656
Current accounts ..	438,757	391,329	342,368	364,551	508,929	112,180

SWISS NATIONAL BANK.—In francs (000's omitted).

	Dec. 22, 1923.	Dec. 15, 1923.	Dec. 7, 1923.	Nov. 30, 1923.	Dec. 23, 1922.	Position May 31, 1924.
ASSETS.						
Gold ..	537,202	537,191	537,183	537,183	537,183	537,183
Silver ..	86,075	86,763	87,269	88,098	108,640	108,640
Darlehens-Kassen, Assets & advances ..	17,584	17,617	16,648	16,648	11,712	11,712
LIABILITIES.						
Notes in circulation ..	926,794	884,183	898,812	919,630	938,785	938,785
Deposits ..	61,600	69,316	102,935	88,760	147,676	147,676

BANK OF FINLAND.—In F. marks (000's omitted).

	Dec. 15, 1923.	Dec. 8, 1923.	Nov. 30, 1923.	Dec. 23, 1922.	Position May 31, 1924.
ASSETS.					
Gold ..	42,704	42,704	42,704	43,733	35,381
Balance abroad and foreign bills ..	513,571	537,733	599,871	887,200	80,379
LIABILITIES.					
Notes in circulation ..	571,747	571,747	571,765	609,955	609,955
Deposits ..	790,822	741,123	663,489	530,775	106,151

BANK OF LATVIA.—In lats (gold francs) (000's omitted).

	Dec. 19, 1923.	Dec. 12, 1923.	Nov. 21, 1923.	June 20, 1923.	Nov. 22, 1922.
ASSETS.					
Total cash ..	13,113	15,456	13,750	10,229	12,085
Gold coin & bullion ..	15,762	15,767	15,792	15,794	15,794
Of which held abroad ..	2,506	2,506	2,506	2,506	2,506
Foreign bills ..	50,427	51,195	57,761	51,195	24,466
LIABILITIES.					
Notes in circulation ..	23,000	23,000	23,000	23,000	4,005
Capital paid up ..	10,214	10,214	10,214	10,000	8,000
Government deposits ..	36,954	38,833	40,919	26,372	16,697
Other deposits ..	41,877	42,304	42,005	30,819	17,995

BANK OF LITHUANIA.—In lt. (000's omitted).

	Dec. 15, 1923.	Nov. 30, 1923.	Nov. 15, 1923.	Oct. 31, 1923.	Oct. 15, 1923.	Dec. 15, 1922.
ASSETS.						
Gold ..	16,408	16,394	16,393	16,392	16,391	16,180
Silver ..	253	252	251	249	248	247
Dollars, & sterling, &c. ..	46,154	43,926	43,927	40,371	40,241	2,711
Other foreign currency ..	16,088	15,916	14,614	14,142	13,923	5,073
Discount and credit ..	11,759	12,713	8,698	9,672	9,012	..
LIABILITIES.						
Capital ..	12,000	12,000	12,000	12,000	12,000	10,934
Banknotes in circulation ..	62,166	69,010	60,021	56,292	56,784	24,630
Deposits ..	10,232	12,400	8,371	9,088	5,735	..
Other liabilities ..	6,259	5,781	3,560	3,447	6,313	1,696

POLISH NATIONAL BANK.—In Polish marks (000's omitted).

	Dec. 10, 1923.	Nov. 30, 1923.	Nov. 20, 1923.	Nov. 10, 1923.	Dec. 10, 1922.
ASSETS.					
Gold.....	54,285	54,258	54,219	54,198	54,198
Silver.....	19,592	19,546	19,412	19,250	44,196
Foreign coin.....	(a) 3,015	(a) 2,307	(a) 2,281	(a) 2,804	165,194
Foreign bills.....	(a) 3,769	(a) 36,094	(a) 35,398	(a) 33,773	2,694,686
Advances to the Govt.....	512,350,000,000	428,400,000,000	292,120,000,000	217,300,000,000	546,500,000,000
Private loans & discounts.....	177,716,060,000	124,188,156,999	9,344,879,777	7,708,467,408	159,127,894
LIABILITIES.					
Notes in circulation.....	614,858,128	532,749,679	369,484,274	280,531,421	690,087,269
Deposits.....	194,612,071,131	117,161,907,111	117,853,987,231	9,391,891,877	124,164,269
(a) Gold marks.					

Weather conditions have continued unsettled, with further fall of rain and snow over most parts of the United Kingdom, and particularly in northern localities; consequently field work was more or less suspended for the time being. With a holiday tone in evidence, trading was reduced to a minimum, the attendance of buyers being meagre and price changes unimportant. Wheat—English, quiet, and suitable milling grades quoted at 9s 4d-9s 8d, with inferior at 8s-8s 6d per 112 lbs, free on rail. Imported, about steady. No. 1 Northern Manitoba quoted 47s, No. 2 ditto 46s, No 3 ditto 44s 3d, all ex ship per 496 lbs. Flour: In moderate demand at late rates. London standard straight run quoted a 37s 6d, patents 39s 6d-40s 6d, town households 35s 6d per sack delivered in. All English country straights 30s 6d-31s 6d per sack delivered to London stations. Imported, quiet. Manitoba patents range from 36s-39s as to sample, and Australian 32s 6d-33s 6d per 280 lbs, ex store. Millers' offals tend firmer. Broad bran quoted 7s 6d, ordinary 6s 9d-7s, middlings 8s 6d, fine ditto 9s 9d, bags included, ex mill, lights oats 6s 3d, powdered oat husks 7s 3d, feed oatmeal 9s 3d, ground oats 13s 3d, free on rail, all per cwt. Barley: English, steady, with malting kinds ranging from 10s 14s 6d, feeders 9s 3d-9s 6d per 112 lbs, free on rail. Imported slow. Californian quoted 42s-46s, ex store, Chilean chevalier 50s

53s, ex ship, both per 448 lbs. Persian 28s 3d, Danubian 30s 3d, No. 4 Canadian 30s, all ex ship, per 400 lbs. Maize, firmer. Plate, ex ship, 38s 9d, landed 40s 3d, Gal-Foxanian 38s, Bessarabian 39s, both ex ship, all per 480 lbs. Oats: English quiet at 9s-10s 4d per 112 lbs, free on rail as to sample. Imported, dull, and again easier on lower c.i.f. offers. Plate, ex ship, 21s, landed 22s, No. 2 Canadian Western, ex ship, 24s 6d, landed 25s 6d, No. 3 ditto, ex ship, 23s 6d, landed 24s 6d, No. 2 Canadian feed landed 23s 6d, all per 320 lbs. Oatmeal: Steady, but quiet. London-made flaked, also rolled oats 17s 6d, medium and fine cut 17s, coarse and medium pinhead 17s, ordinary Scottish oatmeal 17s 6d-18s 6d, and American 16s 6d-17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest year 1923-24, 1922-23, 1921-22, and 1920-21:—

	1923-24.	1922-23.	1921-22.	1920-21.
Estimated sales of home-grown wheat—				
1 week to December 22	Cwts. 365,682	Cwts. 539,926	Cwts. 384,597	Cwts. 140,147
15 weeks to December 22	6,334,389	7,722,476	7,136,535	6,186,811
Average price of English wheat per cwt.....	s d 9 9	s d 9 6½	s d 10 6	s d 20 3

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1919 to 1922:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1923.						
Dec. 15	Cwts. 442,203	Cwts. 545,362	Cwts. 66,999	s d 9 10	s d 10 7	s d 9 2
22	365,682	472,247	76,386	9 9	10 7	9 2
1919	381,193	335,139	52,304	16 11	29 7	20 6
1920	145,504	274,121	31,880	20 3	20 4	15 4
1921	384,596	208,736	58,950	10 6	12 5	10 2
1922	539,927	369,157	58,857	9 6	9 3	9 5

IRON, STEEL, AND COAL.

Our Sheffield correspondent writes:—The year has ended with a distinct improvement in the steel trade both as regards work on hand, and prospects for the future. There has been an almost complete recovery from the set-back which occurred in midsummer. A substantial number of unemployed men will be absorbed immediately work is resumed in the New Year. It cannot be said that much of the improvement is due to business in the export market, work for the home railways being responsible for the bulk of it, although it is satisfactory to learn of some revival in shipbuilding. There is a heavy volume of work on hand for rails, tyres, axles, springs, buffers, and castings for locomotives. The heavy foundries, while still only partially occupied, are busier than for two or three years past. Large as are the railway orders, they will not last long, as the capacity of the plants is much greater than before the war, and output quicker. The consumption of acid open hearth steel is now going up after a long spell of depression. Steel makers anticipate a more active competition in semi-finished material from the Continent henceforward, whereby it will be difficult to maintain the higher quotations for British made billets. The quantity of tool steel going out continues small, and such improvement as has been recorded lately is due to increased home consumption. Engineering is a little more active than earlier in the year. There is abundant enquiry for steel strip, users of which have been meeting their requirements since the war ended almost entirely from home sources. A moderate export trade in cold rolled strip is also being maintained. The position of most descriptions of engineers' small tools and hand tools, including files, is much better than it has been, but prices continue unsatisfactory, and the trade is by no means remunerative, owing to the expense of maintaining idle plant. The coal trade is strong in most branches, as collieries are well sold for export, and the pressure for coke almost exceeds the supply. The demand for the latter will soon be increased by the relighting of a number of blast furnaces. Quotations per ton at pits are:—Best South Yorkshire steams, 21s to 22s; Derbyshire ditto, 20s and 21s; best Blyth steam, 23s 6d and 24s. 6d; rough slacks, 11s to 13s; smalls, 5s to 8s; blast furnace coke, 24s.

Our Cardiff correspondent writes:—There has been practically no coal market on the Cardiff Exchange this week. The collieries were idle on Monday, Tuesday, and Wednesday, and official hours on the Exchange on Thursday terminated at noon. The operations that day were not a sufficient test of the level of prices, but with an abundant supply of tonnage in dock, and very little coal available, there is a likelihood of firm conditions next week. The audit of the coalfield for September and October brings down the wages to the minimum of 28 per cent. above the 1915 standard. The reduced rate comes into operation in January, and will remain in force until the end of February. The proceeds were not sufficient to

pay the minimum, and the owners were accordingly called upon to surrender £42,000 of their standard profits. With the tinplate factories closed there was no iron and steel market.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—December 21, 1923.

Description.	Com.	Med.	Good Med.	Med. Fine.	Fine.	Extra Fine.	Same Period 1922.			Same Period 1921.		
							Med.	Good Med.	Fine.	Med.	Good Med.	Fine.
Sea Island	d	d	d	d	d	d	d	d	d	d	d	d
Florida do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Georgia do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
American	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Brasilia	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Perman, Macao, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Parahyba, Rio Grande, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Ceara, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
836 Paulo	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Egyptian	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Upper	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Sakelaris	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Brown	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Peruvian	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Rough	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Moderately Rough	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Smooth	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Tangula	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Mitani	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
West Indian, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
African, East, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Do	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
East Indian	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Surtee	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Broach	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Maoh. Ginned Bhownagar	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Maoh. Ginned Oomra. No. 1	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Maoh. Ginned Oomra. No. 2	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Khandesh	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Comptah	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Bengal	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Machine Ginned Soinde	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Tinnivally	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Madras, Western	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Madras, Northern	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
M.G. Cocoonada, Red	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
China, Smyrna, &c.	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

THE STANDARD BANK OF SOUTH AFRICA, LIMITED.

(with which is incorporated the AFRICAN BANKING CORPORATION, LTD.)

Bankers to the Government of the Union of South Africa in Cape Province; to the Imperial Government in South Africa; and to the Administration of Rhodesia.

AUTHORISED CAPITAL	£10,000,000
SUBSCRIBED CAPITAL	£8,916,660
PAID-UP CAPITAL	£2,229,165
RESERVE FUND	£2,893,335
UNCALLED CAPITAL	£6,687,495
	£11,809,995

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BANKING BUSINESS OF EVERY DESCRIPTION transacted at all Branches and Agencies.
 CURRENT ACCOUNTS opened on the usual terms, and DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.
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 BILLS NEGOTIATED AND COLLECTED.
 DRAFTS issued, MAIL and TELEGRAPHIC REMITTANCES made.
 FOREIGN EXCHANGE business transacted.
 LETTERS OF CREDIT and COMMERCIAL CREDITS established.
 TRAVELLER'S LETTERS OF CREDIT issued available in all parts of PURCHASE AND SALE of Stocks and Shares effected. [the world.]
 STRONG ROOMS provided for the safe custody of Securities and Valuables of Customers.
 ASSAY DEPARTMENT—Gold, etc., and all Mineral Ores assayed and EXECUTOR and TRUSTEE business undertaken.
 INCOME TAX—Claims for recovery of Income Tax undertaken.
 The Officers of the Bank are bound not to disclose the transactions of its customers.

MANCHESTER, December 27.

Owing to the Christmas holidays, very little business has been attempted in the market, the turnover in yarn and cloth being of retail dimensions. There are signs of a further hardening movement in the raw material, and spinners and manufacturers have held for full quotations. Isolated sales have occurred in fancy cloths for India, and white goods have attracted some attention for China. Restricted operations have taken place for the minor outlets East and West. A slow feeling has prevailed in the yarn section. The owners of some mills have extended the usual holidays.

(I.) Comparative Statement of the Cotton Trade.

	Price, Dec. 27, 1923.	Previous Weeks in 1923.				
		Dec. 20.	Dec. 13.	Dec. 6.	Nov. 29.	Nov. 22.
Raw Cotton—Fully Mid. American .. per lb	21-28	20-05	20-83	19-64	21-99	20-72
— Sakellaridis Fully Fair .. per lb	24-30	22-90	24-40	23-65	26-95	25-25
Yarns—32's twist .. per lb	28½	28½	28½	27½	28½	27½
— 40's twist .. per lb	28½	28½	28½	27½	28½	27½
— 60's twist (Egyptian) .. per lb	38	37	38	37	39	37
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	39 9	39 0	40 0	39 0	40 6	39 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	43 3	42 6	43 6	42 6	44 0	42 6
38-in. ditto, 38 yds, 18 by 16, 10 lbs ..	23 0	22 6	23 0	22 6	23 3	22 6
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs ..	21 0	20 6	21 3	20 9	21 6	21 0

(II.) Compared with Previous Years.

	Price, Dec. 27, 1923.	Corresponding dates in				
		1922.	1921.	1920.	1919.	1918.
Raw Cotton—Fully Mid. American .. per lb	21-28	15-34	11-81	10-27	30-75	23-52
— Sakellaridis Fully Fair .. per lb	24-30	17-90	21-50	23-00	54-00	31-40
Yarns—32's twist .. per lb	28½	21½	18½	24½	55½	38½
— 40's twist .. per lb	28½	20½	18½	23½	52½	38½
— 60's twist (Egyptian) .. per lb	38	28	32	35	97	47½
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	39 9	30 6	31 0	45 6	84 0	51 0
32-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	43 3	32 9	31 0	42 0	80 6	50 0
38-in. ditto, 38 yds, 18 by 16, 10 lbs ..	23 0	18 3	18 6	25 0	46 6	28 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs ..	21 0	16 9	18 0	21 0	40 6	25 0

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market to-day has been less active, owing to the break caused by the holidays, and also on account of the preparations for stock-taking. A fair amount of business was done before the mills closed last week, and to-day, although demand is restricted, prices remain very firm for all descriptions of tops. The strength of the raw material position is fully recognised, and as there does not appear to be much prospect of cheaper wool being available, topmakers are more and more inclined to adopt a waiting policy and hold out for prices in keeping with the cost of production. Generally speaking, quotations show little change on the week, but what little movement there is continues to be against the buyer. Crossbreds are firm all round, and in some quarters expectations of a revival in the Continental demand in the near future is having a bullish effect on prices. Values have now touched the highest point of the year, and the outlook is regarded with confidence by most members of the trade, although there is a general desire to see prices stabilised rather than that there should be a further upward movement. Spinners are now fairly well employed, some very good orders having been booked in recent weeks. The demand has also cleared much of the stock lots, and prices have improved to some extent. It is still difficult, however, to sell yarn at anything like replacement costs. There is not much new in the piece goods trade. Home and foreign demand is expanding, especially for crossbred fabrics, and more business is expected in the immediate future. Wholesale fabric buyers are resisting the rise in prices, but the wool market is so firm that producers will be obliged to put up their prices on new business.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The last cable sent over from Melbourne by Dalgety and Co., Limited, was a most significant one, and is well worth more than passing attention. It shows that the first half of the Australian selling season finished with values at the highest point, and the average prices cabled for fleece wools made by certain well-known clips gives every indication of a very red-hot market "down under." Messrs Dalgety say that at their closing sale in Geelong last week they had a magnificent offering of 5,300 bales, which averaged £36 11s per bale, and several fresh Australian records for the season were established, which are as follows:—

Merino fleece	d 45	Merino lambs	d 39½
Merino broken	37½	Comeback lambs	33½
Merino pieces	35½	Crossbred fleece	31½
Merino bellies	30½	Crossbred lambs	26
Fleece averages were as follows:—			
Langi Willi	d 37½	Barwidgee	d 35½
Carngarn	37½	Vite Vite	35½
N.C. (merino)	37	Dowling	34½
Eurambeen	36½		

Anyone familiar with the above marks, and they are among the very "cream" of the West Victorian clips grown, must admit that Australian prices are in the sky. The N.C. mark, it will be remembered, was the famous clip that sold at 9s 1d per lb during the height of the boom in the early days of 1920, and the other merinos are among the best-known clips grown in the world. It must be frankly admitted that the prices cabled are significant, and one must add over 2d to the above prices to bring the wool home, which means that most of the lots are going to cost 40d in the grease when they arrive at their final destination.

VEGETABLE OILS AND OILSEEDS.

Business has recovered very slowly after the holiday. Markets, however, are steady all round. Values of linseed afloat and in near positions are gradually losing the premium over new seed for shipment in the New Year, although spot supplies are very small. Crushers, however, are looking to the new Plate crop to fully satisfy their requirements, the price of January-February shipment now being round £17 5s to Hull. The oil product is in steady demand round £41 for prompt delivery ex Hull mill. A fair trade in cottonseed was done on the eve of the holiday, Black Egyptian now being held for £13 10s, December and January loading. Crude cotton oil has been in good request on Continental account, and is firm at £42 per ton naked ex-Hull mill, while soap makers' grade of refined is quoted at £43. Palm kernel oil is in less demand than recently.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

As no hide auction was held in Bermondsey on Thursday, official prices remain as last quoted, best ox selling around 6½d to 8½d per lb, with a very firm market. Hides are at their worst just now, and tanners usually obtain a reduction; this year, however, this has not materialised, as tanners seem eager buyers, whilst a probable shortage, caused by the slaughter of beasts infected with foot and mouth disease, will be felt later on. Little business has passed during the past week in imported hides; large clearances, however, have been made from origin in S. America to the Continent, sales of about 60,000 frigorifics having been reported. Prices have advanced, and close at \$41½ for Argentine ox, or about 8d c.i.f. The American market is firm, with best Chicago packers still offering at 13½ cents.

Little business has been done in sole leather this week, and most warehouses in Bermondsey have been closed until Thursday morning. As practically all the Midland shoe factories have also been closed, little in the way of orders have naturally come to hand. Upper leathers are still being sampled with freedom, but dressers are rather at a loss to know what is to be the popular leathers for next season. Prices all round are very firm, and much is expected from the refusal of the German Government to pay reparations duty on exported parcels of box and willow calf.

Shoe factories were quite busy up to the close of last week, despatching orders for filling up lines. The bad weather has led to a good clearance of the better types of boots and shoes, and as stocks in manufacturers' hands are not heavy, it seems safe to assume orders will be coming along in fair volume in the New Year.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, December 28.

Markets reopened with a quiet tone, while still under holiday influences, and prices in many instances showed no material alteration.

SUGAR.—The market for refined goods remains steady, with a moderate business, chiefly in British makes, at late rates. Of imported, white Java, spot, 57s 3d; Mauritius, 57s 3d; Czecho granulated, 58s; white Java, May-J

INSURANCE

A Review of Progress and Prospects.

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O. Morgan Owen, General Manager.

JUTE firmer, with fair sales. First grade to Continent, December-January, sold, £27 15s; January-February, sellers, £28; February-March, £29; Lightning grades, December-January, £26 10s; January-February, £26 12s 6d per ton. Hessians and twills firmer.

HEMP—Manila steady. J grade, January-March, sellers, £35; K, £28 5s; L, £27; M, £25 per ton. Receipts for past week totalled 24,000 bales; estimates for next week, 15,000, and following week 16,000 bales. African sisal unaltered.

SHELLAC quiet. T.N., spot, 300s; March, 295s per cwt.

COPRA—Market fully steady. F.M.S. Straits, to Rotterdam, October-December, buyers, £30 5s; November-January, £30; January-March, £29 10s. Ceylon, December-January, quoted £32; Cebu, £29 7s 6d; Dutch East Indies, December-January, £29 17s 6d. To Marseilles, F.M., December-January, £29. Palm kernels, to Liverpool, January-March, quoted £20 12s 6d per ton.

RUBBER easier. Plantation, standard crepe and sheet, spot, sold, 1s 2½d; January, 1s 2½d; January-March, 1s 2½d to 1s 2½d; April-June, 1s 2½d per lb. Wild sorts unaltered. London stock, 59,608 tons, against 71,720 tons at same time last year.

OILSEEDS—Linseed market quiet, and prices easy for new crop La Plata. Indian: Bold Bombay, December, sellers, £23 5s; small Bombay, ditto, £22 15s; Calcutta, afloat, £23 5s; December-January, £22 25 6d. Plate afloat, £21 15s; December-January, £17 10s; January-February, £17 7s 6d to £17 2s 6d; April-May, £17 7s 6d to £17 5s. Rapeseed firmer. Toria, December-January, £19 5s; real bold Ferozepore, ditto, £19 5s; Jamba, £14 12s 6d. Cottonseed quiet. Egyptian black, December, quoted £13 7s 6d. Sakel-laridis, £12 5s. Hull, Bombay, January-February, £10 2s 6d; February-March, £10. Gingly seed quiet. East African November-December, £25. Chinese, December-January, £25 5s. Ground nuts, dull. Coromandel, machine-dried, December-January, £23 17s 6d; Chinese, decorticated, f.a.q., December-January, £23; East African, December-January, £24 7s 6d, sellers. Soya beans firm. Manchurian, December-January, £12 5s. Castor-seed quiet. Bombay, December-January, £24 10s; February-March, £23 per ton.

OILS—Linseed quiet. Spot, net, naked, 43s; December, 42s; January-April, 38s 9d; May-August, 35s 9d. Rape firmer. Crude spot, 44s 6d; refined, 47s. Castor-oil steady. First pressure, spot, quoted 60s; second pressure, 59s; and pharmaceutical, 65s per cwt, Hull, with London 2s cwt extra. Cotton steady. Crude Egyptian, spot, 42s; Bombay, 41s; common edible, 47s; deodorised (in barrels), 49s 6d. China—wood firm. Hankow, spot (barrels), 94s; December-January, 96s 6d. Coconut steady. Ceylon, spot, 47s; November-December, 47s; Cochin, ditto, quoted 60s. Soya firm. Oriental, barrels, December-January, 42s. Cod quiet. English, spot, 36s. Groundnuts firm. English, crushed,

naked, spot, 52s; deodorised, barrels, 60s. Turpentine inactive. American, spot, 72s; January-April, 73s. Rosin quiet. American, grade B, 13s 3d; F, 13s 6d; G, 13s 6d; H to I, 13s 9d; WG, 15s 9d; WW, 16s 3d per cwt. French WW, 16s per cwt. Petroleum steady. American standard, white, spot, 11d; and water white, 1s per gallon.

METALS—The market for tin opened easier, but subsequently was subject to a good deal of irregularity, though rates closed 10s firmer for cash and 5s three months compared with last Friday's final figures. Standard, cash, quoted £235 10s to £235 15s; three months, £236 15s to £237. Settlement price, £235 10s. Sales comprised 550 tons, including cash at £236 15s to £236; early February, £237 5s to £236 5s; mid February, £237 5s to £237; and three months fluctuated from £236 10s to £237 10s and £236 15s. The downward movement was continued on Friday, with sales on a fair scale. Standard, cash, sold at £232 15s, and three months at £235 to £233 to £234 5s, while finally registered at £234. English ingots quoted at £233 to £233 10s. Copper in good demand, and prices fully steady. Standard, cash, quoted £61 10s to £61 12s 6d; three months, £62 7s 6d to £62 10s. Settlement price, £61 10s. Sales, 1,500 tons. Cash at £61 12s 6d to £61 10s, and again at £61 12s 6d; January, £61 10s to £61 12s 6d; end March, £62 7s 6d; three months, £62 10s, £62 7s 6d, £62 10s, and £62 8s 9d. At Friday's market values moved in buyers' favour, while a good business transpired at the lower range. Standard, cash, sold at £61 5s to £60 17s 6d, with three months at £62 5s to £61 15s. Electros, £66 15s to £67 5s; best selected, £65 5s to £66 10s; strong sheets, £95; wire bars, £67 5s per ton. Lead steady, with moderate dealings. Sales, 700 tons, including December at £30 7s 6d; March, £29 12s 6d for soft foreign pig, with English quoted at £32. Spelter steady. 350 tons changed hands. January, sold, £32 17s 6d; February, £33 5s; and March, £33 per ton.

METROPOLITAN CATTLE.—DECEMBER 27.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Herefords	nominal		
Shorthorns	6	8	7 6
Devons	8	0	8 2
Norfolks	8	0	8 2
Scottish	nominal		
Irish	0	0	0 0
Fat Cows	5	0	5 6
Beasts—Heavy Bulls	4	6	5 0
Canadian	nominal		
Sheep—Downs	11	0	11 6
Ewes	7	0	8 0
Crossbred	11	0	11 4
Scottish	12	0	0 0
Lamb—Downs	13	4	0 0

LONDON POTATO MARKETS.—DECEMBER 27.			
	Per Cwt.	s	d
English (new) Arran	6	0	6 6
Chief	6	0	6 6
King Edwards	6	6	7 6
British Queens	6	0	6 6
Majestic	6	0	7 0
Blackland	5	0	6 6

Commercial Times.—Weekly Price Current.

LONDON, FRIDAY.			
0000A—Duty, British grown	£4.40	foreign 24cwt.	£4.52
Trinidad, per cwt.	44	0	52 8
Grenada	42	0	42 0
Ceylon, plantation	75	0	108 8
Guayquil	65	0	75 8
Bahia, finest	41	0	42 8
COFFEES—British grown			
£4.40—foreign fine, cwt.	105	0	105 8
Do good to fine	110	0	120 8
Costa Rica, ord. to mid 89	105	0	105 8
Good to fine	108	0	128 8
Central American, 84	98	0	98 8
Ord. to mid	98	0	98 8
Mid. to fine	98	0	98 8
Columbian, ordinary	66	0	66 8
Do good to low mid	72	0	80 8
Do mid. to fine	80	0	116 8
CHEMICALS			
Acid, citric	1	4	1 5
Mitic	2	4	1 5
Oxalic, net	6	4	7
Tartaric, English	1	1	1 1
Foreign	1	1	1 1
Alum lump	13	0	13 0
Do ground	13	0	13 0
Ammonia, carb., ton	27	15	29 15
Muriatic, White, ton	28	15	31 15
Sulphate, 100 lb.	18	0	18 0
Arsonic, lump, per ton	80	0	85 8
Powder	70	0	75 8
Ashe, pot., per cwt	70	0	80 8
Pearl do	8	0	8 0
Bleaching pwr. n. 100	8	0	8 0
Borax, gran.	24	10	24 10
Do crystals	25	0	25 0
Do powder	26	0	26 0
Green Tartar	86	0	87 0
Calomel	4	18	4 11
Iodine, dry	1	18	1 1
Sulphate of Soda, per ton	13	10	14 10
Potash	8	4	8 4
Chlorate, net	1	0	1 1
Permanganate	1	0	1 1
Do Foreign	10	0	11
Sulphate	15	0	17 6
Sal-Acetic	1	1	1 8
Sal-Ammoniac, pr. cwt	57	0	60 8
Soda Bicarb., per ton	59	0	60 8
Crystals, per ton	59	0	60 8
Alkali	7	10	7 10
Caustic	13	10	13 10
Sugar of lead white, ton	9	0	9 0
Foreign white	6	4	6 8
Sulphate Quinine	2	3	0 0
English Brands	2	3	0 0
Foreign	2	3	0 0
Sulphate Copper, p. 100	26	0	26 0
Sulphate Iron	9	10	9 10
Do Bell	9	10	9 10
Vermillion, Chinese, p. 100	1	4	1 4
English	1	4	1 4
Oil Peppermint, H.G.H. 35	0	23	6
COFFEE—per ton, a.f.f.			
Arabica, Oct./Dec.	nom		
Ceylon	38	0	0
Y.S. Singapore	36	0	0
FM Straits	29	0	0
COCHINEAL per lb	29	0	29 6
DRUGS			
Aloes, fine E.L., p. cwt	108	0	108 8
Cape, good to fine ..	40	8	42 6
Balsam Peru	9	7	0
Capivi	1	4	1 6
Campor	3	7	3 8
Cardamom, Ceylon ..	3	6	6 8
Cantharid's, China pr lb	4	8	4 8
Castor oil, fine, cwt	85	0	85 8
Gum Benjain, gum, cwt	6	0	6 0
Oilbannum, drops ..	69	0	108 8
fair to good	69	0	108 8
Ipecacuanha	7	2	7 2
Salap	9	0	9 0
Musk pod, China, os	90	0	96 8
Oil, Camellia	11	0	11 6
Aniseed	1	9	1 10
Peppermint, gum, cwt	28	0	28 8
Rhubarb, China, fr to lb	3	3	3 8
DYE STUFFS, a.c.			
Galls, China, per cwt	60	0	60 0
Turmeric, Bengal ..	nom		
Madras, finger	59	0	0 0
Cambier, block	54	0	55 0
Onch, ord. to fair ..	40	0	45 0
DYEWOODS			
Brass	18	0	18 0
Fustic, Jamaica	18	0	18 0
Cuba	18	0	18 0
Lima Wood	88	0	88 0
Logwood, Campeachy	10	0	10 0
Honduras	10	0	10 0
Jamaica	18	0	18 0
Red Sanders	12	0	12 0
Sapang Ceylon	16	0	16 0
FLAX—spot, a.f.f.			
Elgin ZK	85	0	85 8
Peru and	85	0	85 8
Slanets U/A Medium	89	0	89 0
FRUIT			
Oranges, Val. selected	10	0	10 0
Do	10	0	10 0
Do Naples, boxes	10	0	10 0
Lemons, Naples, cases	8	0	8 0
Do Sicilian boxes	8	0	8 0
Do	14	0	14 0
Do Malaga cases	0	0	0 0
Grapes, Lisbon, boxes	0	0	0 0
Almeria	8	0	8 0
HIDES—Wet salted			
Australian	6	6	6 7
West Indian	6	6	6 7
Cape	6	6	6 7
Opport	6	6	6 7
Dry & Dressed Cape	4	4	4 10 6
Madagascar	4	4	4 10 6
Central American ..	4	4	4 12 6
Buffalo, Singapore ..	4	4	4 12 6
Penang	4	4	4 12 6
E.L.	8	8	8 9
Market Hides, London	8	8	8 9
Best hyv. or sheller	8	8	8 9
Do light	8	8	8 9
Ind ox. heavy	8	8	8 9
Do light	8	8	8 9
Best cow	8	8	8 9
Ind do	8	8	8 9
Best calf	8	8	8 9
Ind do	8	8	8 9
Best do	8	8	8 9
Ind do	8	8	8 9
PORTLAND CEMENT			
Best English, per ton	58	0	58 6
do, London	58	0	58 6
PROVISIONS			
Butter—per cwt.	nom		
Irish creamery	190	0	206 8
Do factory	180	0	186 0
Argentine	180	0	186 0
Dutch	210	0	210 0
New Zealand	186	0	214 8
Danish	218	0	229 0
Bacon, smd., Irish ..	88	0	100 0
Danish	93	0	98 8
Canadian	93	0	98 8
American	79	0	76 8
Hams—Irian	nom		
Canadian	94	0	96 0
American	76	0	88 8
Lead—Irian blades ..	98	0	98 0
American boxes, 56lb	78	0	79 8
Do	78	0	79 8
Beef—per 8 lbs	7	8	8 0
Beef—Frozen per 8 lb	2	6	4 6
Do	2	6	4 6
Cheese—cwt—Canadian	110	0	110 0
New Zealand	110	0	110 0
Eng. Cheddars	130	0	145 8
Obanish	130	0	145 8
Dutch	76	0	79 8
Eggs, pr 12	30	0	31 0
Irish	30	0	31 0
FLOUR—280 lbs			
Eng. straight ex ml	36	0	36 8
RISE—per cwt, a.f.f.	18	0	18 0
Bangoon No. 2	18	0	18 0
Broken 1a	13	0	13 0
ROBIN—per ton			
American	13	0	16 0
French	14	0	16 0
SAGO—Pearl, per cwt	26	0	29 0
SHELLAC—per cwt	4	0	4 0
First marks 353	396	8	396 8
Second, last marks 388	300	0	340 8
TN Orange	300	0	340 8
Garnet, Lac. A.O. ...	295	0	340 8
Button—Pure	350	0	340 8
Blocky (TN)	295	0	340 8
SILK—per lb			
China—Blue Elephant	24	6	8 8
Cussah	12	6	18 0
Cussah	12	6	18 0
Be-rolled	12	6	18 0
Japan	36	6	38 8
Italian—Raw, fr. Milan	36	6	38 8
SHELLS—M—O—P—per cwt			
Manila, bold	210	0	210 8
Manacass	15	0	15 0
Byrd	9	0	9 0
W. Australian	9	0	9 0
Bombay	6	0	6 0
SUGAR—per cwt duty 2s 8d,			
per cent. p. oxidation, s	d		
B.W.L. muscovado ..	nom		
Crystallised	nom		
Java c.l.f. white, May/June	27	14	0
REFINED—London—			
Yellow Crystals	56	14	8 8
Orubes	63	6	64 6
Crushed	61	0	61 0
Crystals, No. 3	60	74	61 14
Crystals, No. 4	61	3	61 3
Castor	61	3	61 3
TIN—per cwt			
English, Southdown, wald	284		
Lincoln hog	284		
Queensland, sud, sup. embg.	284		
S.W. W. greasy, super	284		
U.S. W. W. greasy, super	284		



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NEW BUSINESS AND EXPENSES.

LIFE assurance, after passing through the most critical years in its long history, has emerged from the fog of war into what looks like the sunshine of prosperity. And this is of special interest to the participating policyholders, those who have paid their with-profit premiums throughout the years when it was not possible for most of the companies to distribute any bonuses, and without whose premiums with their large margin above actual cost many offices must have shown deficits. It is scarcely too much to say that the with-profit system saved the life offices during the war and after-war period of depreciation of funds, and averted what might have been a position of grave financial embarrassment. Since 1919 there has been a most striking change. All the factors which for six years had been highly unfavourable to the earning of profits have now become favourable, and the with-profit policyholders, who have borne the burden of loss, are coming into bonuses once more in the present, and into the prospect of further and even better bonuses in the future.

The war hit the life offices in four distinct ways, all of which require to be understood before one can fully appreciate the nature of the change in the fortunes of the offices and their policyholders. New business, the life blood of life assurance as of other commercial industries, fell off. A large part of the adult population was engaged in the war under conditions which made life assurance too expensive to be practicable. What is more, those who in the ordinary normal course would have been seeking new life policyholders were engaged upon other more urgent national occupations. Expenses in proportion to premiums tended to go up because the salaries of the officials who were above military age had to be increased to meet high living costs, and the salaries of those who went on service continued to be paid in whole or in part. Then a rapidly advancing rate of income-tax cut deeply into the receipts from interest upon which life offices depend not only for profits but for actual solvency. A concession was made by the Exchequer under which expenses of administration were allowed to be deducted from the interest receipts before the tax was charged; nevertheless, there was, until new investments at high rates began to tell, a tendency for the net rate of interest received to fall. A third cause of embarrassment arose out of claims by death from war casualties. Pre-war policies were generally issued on the basis of being “whole world and indisputable,” and no additional premium could be charged for the risks of war. The direct war claims—many of which were paid though not legally recoverable—amounted to very large sums. Last and worst, there was the continual depreciation of invested funds. Gilt-edged securities suffered worst of all, and they were naturally the kind of securities largely held by life assurance companies. The total depreciation on pre-war gilt-edged investments, from first to last, amounted to about one-third of the capital value. The drain was terrifying, especially as actuaries had been brought up to believe that the security offered by life assurance was impregnable to any attacks of fortune.

Thanks to the contributions of with-profit policyholders, the bad years up to 1919 were lived through, but, of course, there were few valuation surpluses which could be divided among participating policyholders. Surpluses, such as they were, had to be jealously conserved until the financial weather changed. Since the turning year of 1919 the change has been rapid and thorough. In 1920, the young men of the country—especially those who had served in the war—woke up to the value of life assurance as a security and an investment. New business of good quality poured into the sound offices, and laid a substantial foundation for future prosperity. The year 1920 was a “record” one in new assurances, a fact most striking seeing that the support of life offices on the part of the public was an act of faith. The offices in 1920 were still suffering severely from depreciation of investments, and almost all valuation statements issued in that year announced the suspension of bonus distributions. There are obvious practical reasons why in 1923 life assurance should be attractive; in 1920 those reasons were much less obvious. Though there has been some decline since then, the figures which

we give show that there has been little falling off in spite of general trade depression. Life assurance, even in the years before bonuses could be paid, had more than regained its pre-war popularity, and the amounts for which assurance was effected advanced in accordance with the decline in the purchasing power of money. In our table we show the new business in policies and amounts for 1914, 1920, and 1922. It will be seen how greatly the amounts insured in these later years exceed the amounts of 1914, and also by how much the average policy value has advanced. This is especially noticeable in the case of offices which cultivate the small policyholder. It is most satisfactory to note the advance in small “ordinary” life assurance of companies which transact what is known as “industrial” business. The small “ordinary” policy at quarterly or monthly premiums gives, of course, far better value for money than small “industrial” policies subject to the expense of weekly premium collections.

The ratio of expenses to premiums is generally higher in 1922 than in 1914, but there has in most cases been a decline from the figures of 1920. We suppose that 1920 was the most expensive year for everything one bought that this country has ever known—at least within the memory of man—and life offices have been able to effect economies since the peak of expenditure was reached. Expense ratios, which include commissions to agents, should always be studied in relation to the new business done. Initial expenses are always high, but the flow of a substantial amount of good new business is worth a reasonable expenditure to obtain. After the first year the annual costs of keeping the business are comparatively small. The importance of these two factors of a large and healthy inflow of new entrants, and a reduction in the expense of conducting the business, can scarcely be overstated. Life assurance, like every other branch of human activity, must be progressive if it is to live and be prosperous. We do not believe in frantic efforts to whip up new assurances regardless of cost. The efforts and the cost of them should be prudently related to one another, and so long as new business remains in as healthy a condition as our figures show it to be—almost up to the peak of 1920 with expenses falling—there is nothing to cause apprehension and much to yield favourable prospects of future prosperity.

There have been striking evidences of improvement in those other factors to which we referred just now—interest yield, and in that drain of depreciation which was so heart-breaking for both life assurance managers and their with-profit policyholders. We will deal with these two factors in their appropriate place.

The tables below give for 42 representative life assurance offices the amount of new business, the premium income, and the proportion of expenses and commission to premiums for the three years 1914, 1920, and 1922. Studied in the light of the foregoing comments they will tell their own story.

Company.	Year.	New Business.		Premium Income.	Expenses % of Premiums.
		Policies.	Amount.		
			£	£	%
Abstainers.....	1914	1,314	286,437	111,507	19.9
	1920	2,093	708,687	165,198	25.8
	1922	1,983	574,323	195,369	23.4
Alliance	1914	1,976	1,440,424	1,173,135	9.9
	1920	4,082	2,613,903	1,168,514	9.9
	1922	2,995	1,826,496	1,185,665	9.9
Atlas	1914	1,217	598,585	212,942	12.6
	1920	2,780	1,972,269	347,831	10.8
	1922	2,022	2,713,243	412,018	12.7
Britannic (Ordinary)....	1914	8,724	403,042	252,012	14.1
	1920	15,087	1,943,222	459,397	16.5
	1922	13,786	1,874,317	552,481	16.7
Caledonian	1914	977	702,980	286,104	13.9
	1920	1,912	1,511,829	429,565	14.3
	1922	1,439	1,043,066	445,012	13.9
Commercial Union	1914	3,944	2,433,948	657,887	12.1
	1920	7,689	4,226,794	941,876	13.9
	1922	5,868	3,235,308	1,046,851	12.4
Clerical, Medical.....	1914-20	1,138	1,093,798	438,066	13.2
	1919-20	2,089	1,650,996	542,650	16.2
	1921-22	1,833	1,313,355	569,571	17.9
Equitable	1914	356	406,054	224,210	7.5
	1920	617	576,056	271,634	8.3
	1922	637	600,385	299,941	6.8
Equity and Law	1914	334	443,052	346,439	10.8
	1920	579	983,118	377,208	16.7
	1922	466	844,877	392,783	14.7
Friends' Provident.....	1914	432	234,772	187,080	11.5
	1920	2,764	1,331,744	325,172	18.3
	1922	2,114	1,235,656	376,282	19.9
General Life.....	1914	1,694	505,755	176,931	20.4
	1920	1,370	503,859	197,984	24.8
	1922	999	491,308	195,188	23.7
Gresham	1914	5,052	1,763,407	1,022,817	22.0
	1920	6,684	4,061,370	1,104,916	31.6
	1922	4,265	2,118,946	812,620	26.9

Company.	Year.	New Business.		Premium Income.	Expenses % of Premiums.
		Policies.	Amount.		
Guardian	1914	803	£ 479,548	£ 275,194	15.6
	1920	2,134	1,509,345	413,097	13.1
	1922	1,442	1,109,064	442,047	13.3
	1914	4,437	2,660,492	1,015,266	11.3
Legal and General	1920	5,252	3,083,942	1,212,516	14.9
	1922	4,590	2,497,344	1,317,950	15.0
	1914	1,219	538,654	287,649	9.9
	1920	3,873	1,852,901	464,522	10.0
Liverpool and London and Globe	1922	2,741	1,374,891	515,319	9.9
	1914-15	5,889	2,755,525	71,445	15.5
	1920-21	10,909	1,014,231	227,828	17.4
	1922-23	13,558	1,130,306	302,113	15.1
London and Manchester, Ordinary	1914	1,625	767,733	359,762	21.3
	1920	2,753	1,408,530	457,706	20.5
	1922	2,913	1,296,850	498,875	21.5
	1914	528	494,238	210,235	11.4
London Assurance	1920	1,643	1,302,997	308,699	21.5
	1922	1,294	1,113,728	349,709	15.8
	1914	474	903,136	448,760	4.3
	1920	1,644	1,454,304	625,183	7.03
London Life	1922	1,470	1,188,812	707,854	6.05
	1914	571	402,645	210,736	16.1
	1920	1,011	635,046	258,856	17.9
	1922	702	546,102	274,033	17.1
National Mutual	1913-14	1,410	589,475	516,341	10.3
	1919-20	2,311	1,283,636	598,861	13.8
	1921-22	1,905	1,072,343	624,429	12.9
	1914	22,663	1,891,318	590,292	14.5
Pearl, Ordinary	1920	47,774	7,292,446	2,082,473	14.1
	1922	36,180	6,569,543	2,461,220	12.1
	1914	1,856	1,266,743	727,097	12.9
	1920	3,622	2,513,378	858,334	17.1
Phoenix	1922	2,686	1,992,396	938,112	14.0
	1914	3,594	423,846	219,650	14.6
	1920	28,214	3,080,551	398,668	21.2
	1922	11,945	1,243,447	542,269	14.4
Prov. Mutual	1914	65,751	6,318,843	5,035,625	8.2
	1920	142,163	23,528,225	8,800,749	12.9
	1922	86,541	14,862,074	9,615,590	13.6
	1914	4,433	2,259,061	1,243,664	13.7
Prudential, Ordinary	1920	10,365	4,810,711	1,449,071	17.5
	1922	6,135	2,832,768	1,556,951	17.1
	1914	1,000	377,507	294,358	10.0
	1920	2,312	1,110,734	365,308	10.3
Northern	1922	1,359	729,810	380,128	10.9
	1914	9,493	4,643,525	1,648,782	13.8
	1920	13,572	8,586,010	2,268,056	17.9
	1922	9,820	7,255,538	2,551,067	16.8
Norwich Union	1914	56,151	3,363,006	1,210,051	10.7
	1920	66,311	7,817,702	2,359,292	13.0
	1922	37,304	4,259,537	2,628,412	14.8
	1914	3,362	1,572,346	847,720	12.6
Royal	1920	8,082	4,778,332	1,192,089	17.0
	1922	5,689	3,518,473	1,318,122	14.8
	1914	1,650	808,572	367,540	14.7
	1920	3,720	2,061,193	527,433	21.1
Royal Exchange	1922	2,461	1,455,069	566,514	17.6
	1914	1,057	768,886	429,639	12.3
	1920	1,809	1,334,777	526,614	14.9
	1922	1,550	1,182,077	575,115	14.3
Scottish Amicable	1914-15	1,291	634,929	426,856	13.2
	1920-21	2,115	1,329,598	560,912	14.6
	1922-23	1,681	1,526,842	578,421	14.1
	1914	1,044	420,300	208,320	13.7
Scottish Life	1920	1,578	1,085,634	337,400	16.6
	1922	1,056	710,143	365,324	15.1
	1914	2,922	1,654,664	746,052	14.1
	1920	3,938	2,930,680	930,960	15.8
Scottish Provident	1922	3,495	2,299,065	988,008	15.7
	1914	1,850	783,794	538,769	14.6
	1920	3,335	1,775,708	645,471	18.1
	1922	2,038	1,072,795	642,440	16.1
Scottish Union	1914	3,512	2,090,861	1,455,462	11.5
	1920	5,603	3,373,789	1,582,659	13.5
	1922	3,341	2,110,253	1,598,339	11.9
	1913-14	3,095	1,713,646	997,992	19.2
Standard	1919-20	3,623	2,510,797	964,591	21.7
	1921-22	3,875	2,023,495	878,713	20.2
	1914	3,677	2,692,862	979,667	14.5
	1920	12,630	5,312,477	1,380,696	19.9
Sun Life	1922	11,764	5,067,338	1,578,467	19.5
	1914	3,223	1,080,551	757,799	10.5
	1920	5,014	2,002,491	936,871	14.0
	1922	3,975	1,826,307	1,005,242	13.7
United Kingdom Prov.	1914	9,281	459,465	226,220	14.9
	1920	9,390	936,310	357,773	17.8
	1922	5,192	514,398	375,463	17.6
	1914	6,033	843,313	269,675	14.6
Wesleyan and Gen., Ord.	1920	2,350	1,587,781	334,994	14.9
	1922	1,696	1,168,826	380,281	15.4

FAVOURABLE MORTALITY.

There can be no doubt that the progress of medical and sanitary science has made, and continues to make, our people more healthy and longer lived. The Registrar-General continually reports lower and yet lower death rates per 1,000 of the general population, and though much of the improvement is due to the saving of infant lives in the first year of existence, the experience of the industrial assurance companies confirms the assumption that the death rate among adults is becoming progressively less. The life offices which issue "ordinary" life assurance are not dealing with the general public, but with healthy men and women, whom they themselves select after medical examination or, at least, after careful inquiry. The selection exercised by the offices applies also to family history, so that we have a special assured public which would normally show a considerably lower death rate than that of the general population of corresponding ages. It is for this reason that the life offices have for many years past used mortality tables prepared from their own past experience. The one in use for a long time, and

still employed for many purposes, was the Hm (healthy males) table, prepared, with other tables, from the Institute of Actuaries' investigation of the experience of twenty life offices for the period ended December 31, 1863. It was based on the observation of 130,000 insured lives, and, though old and in some respects out of date, is still of much importance.

The mortality tables now in general use for valuation and other purposes are based upon the investigation by the Institute of the experience of sixty British offices between the years 1863 and 1893. The best known table is the OM, the healthy males table corresponding with the older and less comprehensive Hm. The lives investigated numbered 735,000, as against 130,000 for the Hm. The British offices' tables came into general use in 1903, and have thus had an uninterrupted reign of twenty years. Although the tables themselves, with the elaborate monetary and logarithmic calculations made from them, remain as the most complete instrument which life offices have ever had at their disposal, they also, like the earlier Institute of Actuaries' investigation, are becoming in some respects unrepresentative of modern life and death. The data upon which the tables were based was taken from the experience of 1863 to 1893, years which now seem to us extremely remote. The mortality of assured lives has beyond doubt much improved since the Victorian generation of 1863 to 1893, and the mortality of annuitants has improved even more than that of assured lives.

So conspicuous indeed has the British offices' annuitants' table ceased to represent the lives of those who nowadays take out annuities, that the Institute of Actuaries has in preparation a new annuitants' table, based on the experience since 1900. This investigation already shows that the mortality of annuitants, especially of females, has since 1900 been extremely light. The death rates for women are from 10 to 15 per cent. less than those shown by the British offices' table. The mortality has been light, and has been getting lighter in each period of seven years under investigation. In the case of annuitants—who, as it were, back themselves to live—an improved mortality operates adversely against the offices which grant annuities, so that we can appreciate their anxiety to get at their disposal newer and more accurate tables.

The conditions in regard to life assurances are somewhat different. While it cannot be doubted that the mortality of assured lives is also lighter than that shown by the British offices' experience, the saving to offices in death claims operates in favour of the with-profit policyholders, and becomes a source whence the divisible surplus and the bonuses are augmented. Non-profit policyholders who do not benefit directly from the source of mortality profit, yet do gain an advantage indirectly from the competition among life offices to quote the lowest possible non-profit rates of premium. There is not the same urgency to revise the life assurance tables as there is to revise those dealing with annuitants. Nevertheless, life assurance being a business with a more scientific basis than any other business, the Bureau of Research which has been established by the Institute of Actuaries, with the hearty concurrence of the life offices, will doubtless result in the course of a few years in a series of tables which will supersede the British offices' experience as completely as that experience has superseded our old friend the Hm. and its companion tables.

Meanwhile, we are told in almost every life assurance company's annual report, and in almost every valuation statement, that the mortality experienced has been much more favourable than that shown by the British offices' tables. In some instances, assisted, of course, by careful selection in the acceptance of lives for assurance, the improvement in mortality has been extraordinary. We have already mentioned that under their "whole world and indisputable" policies the offices paid a great number of war claims. The deaths were due to the war, and were altogether outside the purview of life tables. Yet it has been a common experience that over the whole series of war years, and of the years immediately following the war, the total death claims paid—including those due directly to the war—have in the aggregate been less than those "expected" by the British offices' tables. We must not make hasty assumption from this remarkable experience

and conclude that the British offices' tables are a hopeless "back number," but the fact remains as a fact which no actuary in 1914 would have dared to anticipate.

As a matter of interest we have extracted from the official reports for last year the definite statements made by the companies of the relation between the mortality experience, shown by their actual death claims, and the amounts which they "expected" to pay by the British offices' tables. In every instance the actual claims are much below the expected claims, sometimes far below. The figures are as follow:—

ABSTAINERS AND GENERAL.—For the whole period, 1884 to 1922, the number of deaths expected in the abstainers' division was 3,681. The actual number of deaths, including war casualties, was 1,891, or 51.3 per cent.

It will be noted that these figures relate only to total abstainers from alcohol.

CLERICAL, MEDICAL AND GENERAL.—For the year to June 30, 1922, the death claims were less than 60 per cent. of the amount expected.

FRIENDS' PROVIDENT AND CENTURY.—The actual claims in 1922 were 68 per cent. in amount of those expected.

GRESHAM.—In the case of this office, which does a large European business outside the United Kingdom, the actual claims were 73 per cent. of those expected.

LEGAL AND GENERAL.—The number of death claims in 1922 was 61 per cent. of those expected, and the amount of the claims was 64.6 per cent.

LONDON LIFE.—The claims paid last year were 60.1 per cent. of those expected. This office pays no commission for the introduction of business, and its clientele is a specially good one.

NATIONAL PROVIDENT.—The claims of 1921-22 were 78 per cent. in amount of those expected.

NORWICH UNION.—Claims paid 69 per cent. of those expected.

SCOTTISH AMICABLE.—The claims paid in 1922 were 73 per cent. of the expected claims.

SCOTTISH LIFE.—The mortality of 1922 was 53 per cent. of that expected.

SCOTTISH PROVIDENT.—The claims paid last year were under 72 per cent. of those expected.

SCOTTISH WIDOWS' FUND.—Actual claims last year were 68 per cent. of the expected claims.

UNITED KINGDOM TEMPERANCE PROVIDENT.—In the Temperance Section the actual claims were 56.3 per cent. in number and 66 per cent. in amount of the expected claims. The corresponding figures in the General Section were 68.7 per cent. and 65.9 per cent.

FUNDS AND INTEREST YIELD.

If three years ago, at a time when the continual depreciation of life assurance funds seemed as interminable as the war itself seemed while we were enduring its horrors, if life office managers had been told that in 1923 they would be discussing what to do with their appreciated funds, they would have laughed derisively. They would have said—as we all say to rich men who bewail their troubles over income-tax and super tax: "Give us the funds and we will joyfully bear the burden of handling them." Incredible though it would have seemed early in 1920, men have been discussing quite seriously in the spring of 1923 what to do with the funds which show in their market values a large appreciation over their written down book values. Depreciation had been so long and so remorseless that securities have been written down to the bone or large investment reserve funds set up to cover the deficiency. Then in the course of the last two years has come a rapid improvement in Stock Exchange values, especially in those of securities of highest class held by life offices. In many instances, long-dated securities have been sold at a handsome profit and the profit carried to the credit of the life funds—as it had to be as a matter of book-keeping. In other instances investment reserve funds, or portions of them, have been diverted to the life funds because the depreciation which they were created to counter-balance had disappeared with the improved

values. In yet other cases, though not in many of them, credit has been taken in the life accounts for an unrealised appreciation in market values.

The mere fact that any discussion should have arisen out of the improvement in security values emphasises how great and welcome that appreciation has been. For a time, at any rate, the drain of depreciation is over and life offices can return to bonus distribution to policyholders on the pre-war scale. In the particulars which we give under "Valuation Results" issued this year, it will be seen that office after office, which suspended its bonus distribution at the last investigation, has hastened to make a valuation and to give the long-suffering with-profit policyholder the long-deferred reward for his patience. He it is who has borne the burden. Here and there offices did not wait for their customary date of valuation to come round. They made a special valuation after two years or three years, and gave policyholders a bonus on account. When this course was not taken it was announced that interim or intermediate bonuses, payable as additions to claims, would be forthcoming upon an increased scale.

Though nothing can be worse for a life office and its policyholders than continuous depreciation of the investments in which the funds are placed, and nothing better than appreciation, neither depreciation nor appreciation is an entirely unrelieved curse or blessing.

When depreciation is at its worst and security values at their lowest then the opportunities for profitable investment of new money are at their best. The converse also holds; when appreciation is rapid and security values high then new investments are made less favourably. A life office is not only a large holder of securities; it is also a large investor every year. While with one hand life offices had to write down their funds, with the other they were putting away current revenue surpluses at handsome rates of interest. Now that values are relatively high the yield upon new investments is lower. Funds and interest yields, therefore, pull against one another. If it had not been for the war income-tax which, after allowances for expenses of management, ran up to over five shillings in the pound net, there would, after a long course of depreciation, have been a revenue from interest which would have gone far in compensation for the capital losses. As it is the increased yield upon new investments just about balanced the increase in the income-tax, so that the reduction in the rate of tax for 1922-23 and in 1923-24 has come as a pure benefit to the life offices and to their policyholders. The reduction of one shilling in the rate of tax adds, after allowing for abatement, about four shillings per cent. to the net yield of life office funds, so that the two reductions of one shilling and sixpence mean an addition of about six shillings per cent. to the yield. This improvement, due directly to the reduction in tax, will counteract to some extent for a time the lower rate of interest yielded by new investments.

The discussion upon what to do with appreciated funds—it was too mild in temperature to be called a controversy—began with a speech by Mr Maynard Keynes at the annual meeting of the National Mutual Life Assurance Society which had written up its funds by taking credit both for appreciation and realised profit. The greater part of the addition thus made was, in fact, realised profit. The issue which emerged—it was to some extent academic—was whether an appreciation of market values over book values should remain as a hidden reserve or should be openly revealed in the accounts. The general opinion was rather in favour of a hidden reserve.

The effect of appreciation in diminishing the average net yield of interest on the funds has not yet had time to show itself. In the figures which we give below of the funds and interest yields of forty-two representative companies for 1914, 1920, and 1922, it will be seen that the net interest yield last year was generally above that for 1920, and markedly above that for the year 1914 in which the war broke out. The increase in yield is due to the favourable opportunities for investment which lasted for more than six years, and in respect of 1922, to the reduction in income-tax under the Finance Act of that year. We have not yet seen the full effect of that year's reduction, and the reduction for this year of sixpence has not yet come into life assurance accounts.

FUNDS and INTEREST YIELD.

Company.	Year.	Life Funds.	Net Interest.	Yield %
Abstainers'	1914	804,556	28,215	3 15 1
	1920	1,277,851	55,349	4 12 3
	1922	1,537,877	71,808	4 17 6
Alliance	1914	18,254,118	716,202	4 0 8
	1920	18,177,744	705,966	3 19 8
	1922	18,648,732	724,220	3 18 9
Atlas	1914	2,279,946	90,343	4 0 10
	1920	3,231,389	115,192	4 3 5
	1922	3,606,727	167,672	5 0 5
Britannic, Ordinary	1914	1,595,499	64,938	4 6 2
	1920	2,438,909	108,361	4 15 5
	1922	3,079,286	144,038	4 18 10
Caledonian	1914	3,462,827	143,044	4 6 6
	1920	4,089,502	166,987	4 5 6
	1922	4,398,168	199,538	4 11 9
Commercial Union	1914	6,062,377	245,716	4 6 2
	1920	8,570,993	345,408	4 5 5
	1922	10,211,458	430,297	4 8 1
Clerical, Medical	1913-14	6,001,136	233,057	4 1 4
	1919-20	6,439,750	248,986	3 18 4
	1921-22	7,004,253	302,480	4 7 8
Equitable	1914	5,233,777	207,475	3 18 10
	1920	6,494,538	272,246	3 17 6
	1922	5,381,394	189,367	4 3 10
Equity and Law	1914	4,987,118	164,622	*4 5 4
	1920	4,954,275	146,143	*5 2 7
	1922	5,153,336	170,419	*5 4 11
Friends' Provident	1914	3,454,867	132,610	3 19 2
	1920	3,664,321	141,968	4 2 7
	1922	4,029,259	161,071	4 4 8
General Life	1914	2,176,850	75,477	3 10 11
	1920	2,229,641	81,831	3 15 4
	1922	2,226,250	84,420	4 11 2
Gresham	1914	10,309,966	422,693	4 3 5
	1920	9,842,577	412,018	4 5 3
	1922	6,520,189	279,227	4 7 0
Guardian	1914	3,702,707	146,559	4 0 5
	1920	4,044,664	160,304	4 2 10
	1922	4,547,020	191,026	4 6 4
Legal and General	1914	9,880,736	329,307	*4 10 3
	1920	12,526,553	415,798	*5 2 6
	1922	13,737,424	489,440	*5 9 0
Liverpool and London and Globe	1914	5,263,406	184,491	3 16 0
	1920	5,263,965	208,388	4 3 7
	1922	5,815,178	219,808	3 18 1
London and Manchester, Ord.	1914-15	251,559	8,199	3 14 8
	1920-21	868,312	35,180	4 13 0
	1922-23	1,352,965	63,422	5 3 8
London and Scottish	1914	3,903,688	146,896	3 17 8
	1920	4,336,886	173,745	4 2 9
	1922	4,471,952	184,634	4 2 11
London Assurance	1914	2,775,180	107,481	4 0 3
	1920	2,947,789	124,751	4 5 9
	1922	3,380,986	140,557	4 6 10
London Life	1914	5,437,826	225,694	4 10 10
	1920	6,284,886	244,507	4 0 11
	1922	7,262,732	302,058	4 8 2
National Mutual	1914	3,139,517	126,969	4 13 2
	1920	3,165,048	126,384	4 8 9
	1922	3,798,915	155,082	4 12 0

* Gross yield, excluding funds in reversions.

Company.	Year.	£	£	£	£
Pearl, Ordinary	1914	3,831,907	142,992	3 19 7	
	1920	8,711,352	326,453	4 3 9	
	1922	12,050,337	536,300	4 15 10	
National Provident	1913-14	7,390,678	293,370	4 1 9	
	1919-20	7,573,800	298,247	4 1 3	
	1921-22	7,984,327	352,441	4 11 5	
Phoenix	1914	10,994,189	435,307	4 0 8	
	1920	11,128,284	455,876	4 3 6	
	1922	11,718,965	505,772	4 8 1	
Provident Mutual	1914	2,889,163	115,283	4 6 11	
	1920	3,261,214	133,494	4 7 8	
	1922	3,931,655	163,868	4 3 10	
Prudential, Ordinary	1914	47,024,190	1,900,537	3 19 2	
	1920	58,786,311	2,215,679	4 7 0	
	1922	65,683,181	2,790,435	4 2 1	
North British	1914	17,567,590	696,760	4 3 5	
	1920	18,124,630	751,303	4 10 5	
	1922	20,209,650	884,251	3 14 5	
Northern	1914	5,384,003	196,618	4 14 3	
	1920	4,708,385	226,796	4 7 0	
	1922	5,033,138	214,134	4 2 0	
Norwich Union	1914	12,886,762	498,992	4 12 4	
	1920	17,065,672	706,016	5 1 3	
	1922	19,989,921	951,366	3 16 6	
Refuge, Ordinary	1914	7,790,489	278,810	3 19 2	
	1920	13,568,723	501,392	4 12 5	
	1922	16,631,456	732,105	3 19 6	
Royal	1914	11,445,792	443,326	4 2 8	
	1920	13,348,515	531,426	4 1 1	
	1922	14,743,376	595,916	4 1 8	
Royal Exchange	1914	4,627,427	183,348	4 1 8	
	1920	5,052,187	206,902	4 18 3	
	1922	5,604,763	267,723	3 17 11	
Scottish Amicable	1914	6,492,287	242,763	4 1 8	
	1920	7,104,973	278,062	3 19 0	
	1922	7,661,457	321,954	4 1 9	
Scottish Equitable	1914-15	6,285,115	243,161	4 9 5	
	1920-21	6,476,573	255,011	4 2 6	
	1922-23	6,918,454	296,513	4 12 2	
Scottish Life	1914	2,172,973	85,022	4 7 8	
	1920	3,009,940	126,072	3 17 3	
	1922	3,502,450	151,889	4 1 11	
Scottish Provident	1914	15,363,692	563,172	4 5 0	
	1920	16,681,113	598,010	4 6 8	
	1922	17,553,857	629,937	4 9 7	
Scottish Union	1914	8,335,443	326,753	4 9 7	
	1920	8,474,238	366,620	4 14 5	
	1922	8,932,182	415,165	4 0 4	
Scottish Widows	1914	22,002,251	974,414	4 6 8	
	1920	22,520,643	29,867	4 15 0	
	1922	23,411,075	604,539	4 0 9	
Standard	1913-14	13,602,219	535,717	4 15 0	
	1919-20	13,311,119	622,695	5 0 2	
	1921-22	13,533,104	672,539	4 2 8	
Sun Life	1914	10,912,183	429,359	4 10 10	
	1920	12,720,041	496,235	4 12 6	
	1922	13,737,547	553,949	3 17 2	
United Kingdom Provident	1914	10,337,121	384,395	4 1 11	
	1920	10,187,032	426,462	4 30 6	
	1922	11,332,223	487,769	3 11 10	
Wesleyan, Ordinary	1914	1,248,918	41,794	4 4 5	
	1920	2,050,201	80,300	4 14 3	
	1922	2,510,796	112,291	4 4 7	
Yorkshire	1914	2,595,435	104,465	4 5 5	
	1920	3,352,305	135,760	4 3 8	
	1922	3,885,351	156,742		

VALUATION RESULTS: BONUSES RESUMED.

In the previous articles of this Review we have discussed the effect of the changes which have come upon life offices during recent years, and especially during the past two years. New business has been adequate in quantity and good in quality in spite of the tightness of money due to trade depression. Mortality experience has been extremely favourable. The depreciation of life funds which had made the earning of any surpluses most difficult, and the distribution of bonuses to policyholders in most cases quite impossible, has ceased. The improvement in capital values has permitted profits to be realised by the sale of investments and investment reserve funds to be released. What is more, the yield from interest has for the time being become most favourable, and now considerably exceeds the net yield before the war in spite of the higher rate of income-tax.

The result has been the practicable resumption of bonuses on the pre-war scale. Some offices have anticipated their usual date of valuation in order that with-profit policy holders should not have to wait any longer for the fruits of their investment. We give below details of the valuation announcements of seventeen life offices which have been made this year. They tell the same story—a highly agreeable story—of handsome surpluses and resumed bonus distributions. It may be observed that the surpluses have not been divided up to the hilt. Funds have been retained in hand to provide against any conditions unfavourable to profits and bonuses which may develop. This is in accordance with sound practice. Now that the losses of the war have been provided for and bonuses resumed, it is the desire of all sound and responsible offices to take such steps as will raise barriers against the possibility of any failure to keep their bonuses going in the future.

ATLAS.—A valuation for the three years 1920-22 inclusive was made at 3 per cent. for with-profit and $3\frac{1}{2}$ per cent. for non-profit assurances. The Om. (5) table was used. The surplus shown was £265,841, from which £109,276 was taken to replace depreciation and loss on

securities. The proprietors received as a percentage of premiums £31,896, and £101,455 was distributed to policyholders as a reversionary bonus at 30s per cent. per annum on sums assured and existing bonuses in respect of the three years 1920-22. The surplus shown at the previous valuation, 1915-1919, was carried forward.

BRITANNIC.—The annual valuation by the Om. and Hm. tables (ordinary life) and English Life Table No. 6 (industrial life) was made at 3 per cent. and $3\frac{1}{2}$ per cent. interest. The surplus was £206,891, of which £118,446 was declared as divisible between policyholders in the ordinary branch and shareholders. The dividend and bonus to shareholders took £5,629 from the ordinary branch funds, and £33,369 from the industrial branch. Ordinary branch policies in the immediate participating class received a reversionary bonus of 30s per cent. for 1922 as against 26s per cent. for 1921 and 24s per cent. per annum for 1919 and 1920.

CALEDONIAN.—A valuation in respect of the five years to December 31, 1922, was made by the Om. table for life assurance contracts, with interest at 3 per cent. Real and heritable property was written down by £100,000, and feu duties and ground rents by £24,305. The surplus was £317,983, of which £294,008 represented the surplus for the five years. The policyholders received £238,434, the shareholders £29,401, and £50,148 was carried forward. Whole life and endowment assurances were allotted a reversionary bonus of 33s per cent. per annum on sums assured for the five years to December, 1922, and 10s per cent. per annum for the five years 1913-17. No division was made at the previous valuation as at December 31, 1917.

COMMERCIAL UNION.—A valuation by the Om. table at 3 per cent. interest was made for the five years to December 31, 1922. The market value of the securities as a whole was in excess of the amount at which they were taken in the balance-sheet. The total surplus was £843,810, of which £760,291 was divided: £673,979 to policyholders and £86,312 to shareholders; £83,519 was carried forward. The method of distributing profits

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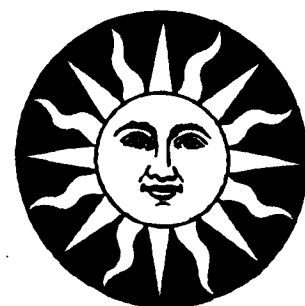
Funds (31st Dec., 1922) £6,828,381

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to policyholders is as a cash percentage of the premiums received in the quinquennial period. The surplus allowed of a cash bonus at the minimum rate of 28 per cent. for the period 1918-1922, and a minimum cash bonus of 13½ per cent. for the period 1913-1917, in which the company was unable, owing to the conditions caused by the war, to make any general distribution of profits. Thus, every with-profit policy in force for the last ten years received as a cash bonus at least 41½ per cent. of the premiums paid in the last five years.

GENERAL LIFE.—For the period 1918-1922 inclusive, a valuation was made by the OM. and HM. tables at 3 per cent. interest. The surplus shown was £127,881, after £7,864 had been written off securities. The investment reserve fund of £264,000 remained undisturbed. A compound reversionary bonus of £1 5s per cent. per annum was allotted to policies in Series II., as compared with no distribution in 1917 and £1 per cent. per annum in 1912.

LONDON LIFE.—As the result of the annual valuation by the OM. (5) table at 3 per cent. interest the rates of reduction of premium were increased by one, so that for the year beginning July 1, 1923, the rates of reduction for fully participating policies range from the equivalent of 129 per cent. in the First Series to 51 per cent. for the Seventeenth Series. The provision for maintaining the rates of reduction has been raised by £171,324 to £2,289,000. In regard to reversionary bonus policies, the bonus for 1923-4 is 35s per cent. of sums assured and existing bonuses, being the same rate as that declared in each year since 1914. The values of the Stock Exchange securities on December 31, 1922, are stated to be £252,140 in excess of the book values. The accounts take credit for an item £180,838, "profit on realisations and revaluation differences."

LONDON AND MANCHESTER.—The annual valuation to March, 1923, was made by the OM. table in the ordinary branch and English Life table No. 6 in the Industrial branch, with interest at 3 per cent. The surplus was £159,248, of which £25,000 was transferred to the staffs'

pension fund, £28,816 from the industrial branch funds to the shareholders, and £52,987 to the policyholders in the ordinary branch. The total amount divided was £106,803. With-profit policies in the ordinary branch received a reversionary bonus of £1 12s per cent. for 1922-23, and an additional bonus making up to a minimum of £1 5s per cent. per annum the bonuses for the nine years ended March 24, 1921.

LONDON AND SCOTTISH.—A valuation for the five years ended 1922 was made by the HM. table with 3½ per cent. interest. The surplus was £272,182, from which £29,440 was taken to place the valuation on the basis of the OM. table. The sum of £189,792 was divided, nine-tenths to policyholders and one-tenth to shareholders. Deferred bonus policies received an addition of 30s per cent. per annum, and ordinary with-profit policyholders a reversionary bonus of 20s per cent. per annum. There was no distribution of surplus at the valuation for 1913-17.

NATIONAL PROVIDENT.—A valuation for the five years ended November 20, 1922, was made by the OM. table for life assurances, with interest at 3 per cent. The securities taken as a whole are stated to show a substantial margin in value over their book values. The surplus was £1,077,159, of which £914,542 was divided. The reversionary bonuses were at the full pre-war rate, and ranged from £2 to £3 per cent. of the sums assured. The accounts show a net profit on the realisation of investments of £11,829. There was no distribution of surplus at the valuation for 1913-17.

NORTH BRITISH AND MERCANTILE.—A valuation in respect of the two years 1921-22 was made by the OM. table at 3 per cent. interest. In view of the recovery in values of securities £590,000 was transferred from the investment reserve fund to the life fund, leaving £500,000. The surplus was £1,447,996. Reversionary bonuses at the rate of £3 10s per cent. per annum on sums assured and previous bonuses were allotted for 1921 and 1922, at a cost of £1,270,891. Shareholders received £143,173. No distribution was made at the valuation for 1916-20.

PEARL.—The annual valuation was made by the HM.

and OM. (5) tables in the Ordinary Branch, and by the English Life tables in the Industrial Branch, with interest at 3 and 3½ per cent. The surplus was £595,619, of which £379,196 was distributed among participating policyholders and shareholders. The profit and loss account for 1922 took £43,749 from the ordinary branch, and £124,376 from the industrial branch. The reversionary bonuses to with-profit policyholders (ordinary branch) was increased to £1 10s per cent. for 1922, as against £1 6s per cent. for 1921, and £1 5s per cent. per annum for 1919 and 1920.

PROVIDENT MUTUAL.—A valuation for the five years ended December 31, 1922, was made by the OM. table for life assurances with interest at 3 per cent. The book values of the securities were below their market values, and the investment reserve fund of £160,000 was kept intact for possible future depreciation. The surplus was £377,712, of which £275,735 was divided among policyholders. The reversionary bonus was at the rate of £1 5s per cent. per annum. At the 1917 valuation no distribution was made.

PRUDENTIAL.—Ordinary Branch.—The annual valuation was made by the HM. table with 3 per cent. interest. The surplus was £2,047,337. A reversionary bonus of £1 12s per cent. for 1922 on sums assured was allotted to participating policyholders in the ordinary branch, as against £1 6s per cent. in 1921, and £1 per cent. in 1920. The sum of £500,000 was added to the investment reserve fund. Profit and loss account took £135,438.

Industrial Branch.—The annual valuation was made by the English Life tables with interest at 3 per cent. The surplus was £1,737,631. A sum of £250,000 was carried to investment reserve fund. Under the profit-sharing scheme industrial branch policyholders received £500,000 in respect of 1922, against £200,000 for 1921. There was a transfer to profit and loss account of £489,562 from the industrial branch funds.

REFUGE.—Ordinary Branch.—The annual valuation was made by the HM. table with 3 per cent. interest. The surplus was £991,519, of which £525,469 was

allotted among policyholders and shareholders. The reversionary bonus for 1922 was at the rate of £1 12s per cent., as against £1 8s per cent. for 1921, and £1 6s for 1920. The shareholders were allotted £44,213 from the ordinary branch funds in respect of 1921.

Industrial Branch.—The annual valuation was made by the English life tables with interest at 3 per cent. The sum of £150,000 was transferred to the special reserve for strengthening the valuation basis, and the surplus was then £168,240. The sum of £14,953 was allocated to shareholders, against £8,287 for 1921.

SCOTTISH EQUITABLE.—A valuation for the five years ended March 1, 1923, was made by the OM. table at 3 per cent. interest. The assets were revalued, and are stated to show a substantial surplus in comparison with the book values. Credit was taken for £62,891, balance of profit on realisation of securities. The surplus was £688,770, of which £584,380 was allocated to provide a reversionary bonus of £1 10s per cent. per annum on sums assured and existing bonuses. No surplus was distributed at the valuation for 1913-18.

SCOTTISH UNION AND NATIONAL.—A valuation was made for the three years to December 31, 1922, by the OM. table for life policies at 3 per cent. interest. Credit was taken for £131,560 on the revaluation of assets. The surplus was £1,142,278, of which £597,307 was allocated to policyholders, and £132,067 transferred to profit and loss account. A reversionary bonus was declared of £1 10s per cent. on the sums assured in respect of each of the five years 1918-22. No distributions of surplus were made at the valuations of 1914 and 1919.

WESLEYAN AND GENERAL.—The annual valuation for 1922 was made by the OM. table in the Ordinary Branch at 3 and 3½ per cent. interest; in the Industrial Branch the English Life table No. 6 was used at 3 per cent. In the Ordinary Branch there was a profit of £62,782 on realisation of investments, and in the Industrial Branch of £58,701. The surplus in the Ordinary Branch was £84,673, and in the Industrial Branch was £8,767. The sum of £48,687 was applied in the Ordinary Branch in

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(For the Year ending December 31st, 1922)

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ASSETS EXCEED
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CLAIMS PAID EXCEED
£37,500,000

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the form of a reversionary bonus at the rate of £1 10s per cent. of sums assured, the bonus not to become effective until a policy had been two years in force. The reversionary bonus for 1921 was £1 4s per cent., and for 1919 and 1920 £1 per cent. per annum.

FIRE INSURANCE.

A YEAR OF SMALLER SURPLUSES.

THE surprising thing about the fire insurance year of 1922 is that the British offices did so comparatively well in so many adverse circumstances. Their operations are world-wide, and they are directly affected by the depression and disturbance which are also world-wide, though in the course of the year there were some hopeful signs of improvement. Business in the United States—a factor of dominating importance—was not good, though it was not quite so bad as the experience of some offices led their managers to suppose. The total fire wastage in the United States, as returned by the National Board of Fire Underwriters, was 521 million dollars, actually more than the wastage of 1906, the year of the San Francisco earthquake and conflagration. But when we compare last year's wastage with such a year of disaster as 1906, we must bear in mind that the premium income upon which the losses of 1922 fell was immensely greater than the premium income of 16 years earlier. The percentage of losses to premiums last year was no more than 58 per cent., whereas in the year of San Francisco it ran well over 100 per cent., and made a dreadful mess of both British and American fire insurance accounts. The total deficiency in America last year of 2.3 per cent. was due as much to the increased scale of expenses (44.1 per cent.) as it was to the somewhat high ratio of fire claims to premiums.

While it would be correct to say that American experience was unfavourable last year, it would also be correct to add that it was not, so far as many British offices were affected, worse—indeed, it was rather better—than the experience of 1921. In the course of both years much reorganisation of business was going on after the war expansion in values and premiums, which culminated in 1920. American fire profits come and go. British managers accept the lean years with the fat years as philosophically as they can, and seek always to sort out the unprofitable lines and to cultivate those classes of risks which show the best results. It is an insurance market which is always expanding in volume. And herein comes the contrast with Europe under the lamentable conditions which have gone from bad to worse since the war officially ended. Russia, Germany, Austria, Hungary, large and populous countries, may almost be disregarded now from the British fire insurance point of view. Turkey, which was systematically developed to the great advantage of foreign and native business houses, has been closed by short-sighted legislation. This has involved the withdrawal of British companies. Elsewhere business has been dull, and the fall generally in values has brought with it reductions in the volume of premiums.

For purposes of comparison we have taken out the premiums, proportion of claims and expenses, and the underwriting surpluses for the three years 1914, 1920, and 1922. The underwriting surpluses or deficits—there are happily not many deficits—have been calculated on the basis of allowing 40 per cent. of the premiums as a reserve for unexpired risks. The most noticeable fact which emerges is the great expansion in the volume of premiums between 1914 and 1920, the year of maximum values. And this expansion took place without the assistance of any general advance in the rate of premiums charged, except for a short time in the United States, when there was an

advance of 10 per cent. Companies like the Alliance and Guardian, who do not transact American fire business, show a ratio of advance almost—in the case of the Guardian quite—as great as that of the offices with big American connections. The year 1920, when premium incomes were at their highest point, was favourable in respect of fire losses, so that surpluses earned then have gone a long way to make up for the less profitable experience of the past two years. In 1921 there was a big drop in premiums corresponding with the fall in values of stocks insured, and this drop released considerable amounts to the higher premium incomes. In 1922 premiums began to recover again, so that in several instances they are not much below the level of 1920. The advance in expenses, especially in America, where commissions are inordinately high, has been a heavy burden to carry. A glance at the table shows how much higher the expenses (including commissions) were in 1922 than in 1914. As a matter of fact, they were even higher in 1921, since when all the offices have made great efforts to cut them down. The cutting-down process is not simple. Salaries are all much higher than before the war, and it has become the general practice to incorporate war bonuses into permanent advances. The reduction in income-tax in this country will bring some relief on the expense side. It is the practice with most British insurance companies, as with banks, to pay the income-tax assessed upon their staff salaries, a concession which in itself has amounted to a handsome advance in pay. One may expect the item of commissions to be cut into by general agreement. It is not so excessive in Great Britain as it is in America, yet it is probably higher than is really necessary for obtaining and retaining fire business.

An expense which tends continually to increase is that of State taxes, the toll levied by most foreign countries and British possessions on the premium income of insurance offices. These State taxes are distinct from income-tax on profits, and are usually levied as a percentage of premiums taken within a State.

UNDERWRITING RESULTS FOR 1914, 1920, AND 1922.

The general results of an underwriting year, or of a series of years, are best seen by examining the figures of companies with the most widespread connections. Examples of these are the Commercial Union, the Liverpool and London and Globe, the London and Lancashire, the North British and Mercantile, the Phoenix (which now includes the Norwich Union), and the Royal. The bigger the office the more it tends over a series of years to approach the average. Skill in management, of course, accounts for much, but no office, however blessed in its general manager, has a monopoly of skill. If we take these major offices, measured in volume of business, the London and Lancashire heads the list for successful underwriting with a surplus of 11 per cent. for 1922 and 17 per

cent. for 1920. The North British has done well with a surplus of 7.5 per cent. in 1922 and 10.7 per cent. in 1920, and the results of the Commercial Union (6.6 per cent. and 7.3 per cent.) and those of the Royal (5.9 per cent. and 7.2 per cent.) must be considered good when we observe the huge volume of premiums upon which these profit percentages come to be calculated. For the first time, we believe, the fire premiums of Commercial Union have surpassed those of the Royal. The Liverpool and London and Globe—the recently acquired partner of the Royal, though distinct accounts are issued—had very fair results in 1920, though there was a sad falling off in 1921 and 1922. Of the offices with the strongest grip on home fire business—the Alliance and the Sun—the Alliance earned 10.3 per cent. of its premiums as profits in 1922 and 8.1 per cent. in 1920. The Sun's underwriting results were 7 per cent. in 1922 and 12.3 per cent. in 1920. Taken as a whole, the surpluses of 1922, though they did not reach the fine figures of the good year of 1920, were still much better than might have been expected and feared at this time last year.

	Premiums.	Claims.	Ex-penses.	Underwriting Surplus or Deficit.
	£	%	%	£
Alliance—				
1914	1,360,874	42.1	38.7	256,358
1920	1,945,110	40.9	45.3	176,101
1922	1,908,611	46.8	43.9	196,754
Atlas—				
1914	1,039,954	55.5	39.4	87,354
1920	2,339,761	41.8	41.9	206,882
1922	2,136,188	50.4	43.4	128,158
Calonian—				
1914	449,704	64.4	37.4	Def. 6,766
1920	920,209	49.9	36.6	38,118
1922	767,951	61.0	38.9	31,988
Commercial Union—				
1914	3,537,279	55.5	34.8	272,180
1920	6,708,182	49.9	38.7	490,350
1922	6,742,172	49.1	40.6	442,856
Guardian—				
1914	595,315	60.9	36.1	25,553
1920	1,139,114	43.2	37.1	176,633
1922	964,199	54.0	42.9	49,090
Liverpool and London and Globe—				
1914	3,098,721	60.9	36.8	83,165
1920	5,022,270	49.1	40.7	326,295
1922	4,230,020	60.0	42.4	Def. 32,821
London and Lancashire—				
1914	1,655,713	54.9	36.2	168,825
1920	3,668,249	40.9	37.8	621,677
1922	2,904,408	51.1	39.3	320,574
London Assurance—				
1914	689,064	53.4	39.8	49,081
1920	1,603,063	46.1	41.3	105,657
1922	1,480,153	51.4	45.3	82,399
North British—				
1914	2,146,289	65.6	40.1	9,830
1920	4,171,720	46.0	38.3	445,720
1922	3,746,553	49.0	41.1	282,471
Norwich Union—				
1914	1,212,612	59.2	35.7	52,087
Phoenix—				
1914	1,428,371	56.0	39.1	69,614
1920	5,171,578	44.6	41.4	328,321
1922	4,747,557	57.3	42.2	18,337
Royal—				
1914	4,124,063	57.0	36.8	252,645
1920	7,074,558	48.2	39.0	509,796
1922	6,427,122	53.2	40.8	382,480
Royal Exchange—				
1914	856,038	58.8	39.2	28,502
1920	1,792,448	46.2	41.6	94,449
1922	1,480,013	46.1	46.6	129,706
Scottish Union—				
1914	764,167	59.0	36.8	28,824
1920	1,313,333	54.0	41.9	43,358
1922	1,091,095	53.9	38.1	85,733

GRESHAM LIFE OFFICE

Extract from the 74th Report of the Directors on the operations of the Society for the twelve months ending 31st December, 1922.

POLICIES ISSUED ... 4,265 for £2,198,396
NEW ANNUAL PREMIUMS (Net) ... £102,318

Founded in the first half of the last century, the GRESHAM has paid to policy holders in Claims & Bonuses £40,000,000.

SPECIAL FEATURES.

1. Double Benefit Policies.
2. Endowment Assurance with guaranteed Premium reductions and Options at maturity.
3. Pension Policies with Optional Pension Age.
4. Immediate Annuities with Return of Purchase Money.
5. Children's Educational Policies.
6. Life Assurance with or without Medical Examination.

GRESHAM LIFE ASSURANCE SOCIETY, Limited,
St. Mildred's House, Poultry, London, E.C.2.

ALEX. LAWSON,
General Manager & Secretary.

75th Year.

THE

CANADA LIFE ASSURANCE COMPANY

A GREAT RECORD FOR 1922:

Business in Force ... £74,174,217 Increase £8,402,277
Total New Business
Paid for in Year £13,267,687 Increase £605,053
Assets ... £17,805,718 Increase £1,347,177
Surplus Earned during Year ... £553,698

THIS IS THE LARGEST SURPLUS IN THE HISTORY OF THE COMPANY.

The rate of interest earned during the year was 6½ per cent.

The Company has not only maintained, but has twice increased the bonuses to Policyholders since 1914, and at 31st December, 1922, carried forward an undivided Surplus of £1,655,789.

The Company's LIFE POLICIES are the most liberal in the Insurance Market. ANNUITIES issued on exceptional favourable terms.

Write for particulars to the Head Office:—

15, KING STREET, CHEAPSIDE,
LONDON, E.C.2.

J. R. WANDLESS, F.I.A. MANAGER.

NORWICH UNION FIRE OFFICE

FOUNDED 1797.

Head Offices: NORWICH and 50, FLEET ST., E.C.4
FIRE · ACCIDENT · MARINE



Sickness. Employer's Liability. Third Party. Fidelity. Burglary. Plate Glass. Property Owners. Hailstorm. Motor. Loss of Profits following Fire. Live Stock. Engine, Boiler, and Electrical Machinery.

BRANCHES AND AGENCIES THROUGHOUT THE WORLD.

LOSSES PAID EXCEED - - - £47,000,000

General Manager: R. Y. SKETCH.

State	Pre-miums. £	Claims %	Ex-penses. %	Underwriting Surplus or Deficit. £	%
1914	234,175	63.3	36.6	Def. 9,550	4.1
1920	518,332	56.5	39.6	17,842	3.4
1922	474,343	48.6	44.5	22,492	4.7
Sum—	1,502,339	56.0	38.1	114,818	7.6
1914	2,370,989	46.3	39.6	290,660	12.3
1922	2,202,438	49.3	43.8	155,071	7.0
Yorkshire—	456,800	54.2	38.0	32,297	7.1
1914	841,958	49.8	40.1	43,730	5.4
1922	834,455	53.6	42.0	41,479	4.9

* For 1920 and 1922 the Phoenix figures include those of the Norwich Union.

UNITED STATES RESULTS FOR 1921 AND 1922.

No survey of fire insurance results can be considered complete unless figures are given for the large United States business of British companies and of their numerous American progeny. These results are not easy to make exhaustive. One needs to keep the list of American subsidiary companies up to date, and to allow for variations in the average rate of exchange. It is this difficulty of exchange which has forced us to confine our figures to the two years 1921 and 1922, during which we could take the pound sterling at par without much strain upon accuracy. In calculating the underwriting surpluses or deficits, we have taken the same reserve for unexpired risks (40 per cent.) as that adopted for the head office accounts in this country. In the United States the whole of the unearned premiums has to be reserved, so that, in practice, little, if any, funds can be withdrawn from America to this country except the receipts from interest upon invested funds. We have already discussed the general situation in American fire business of recent years, and have only to call attention to individual company results. Of the big offices, the North British group comes out best, with surpluses of 3.7 per cent. for 1922 and 5.8

per cent. for 1921. The London and Lancashire group follows with 4.9 per cent. for 1922 and 3.9 per cent. for 1921. We say "follows," because though there is not much difference in the percentages of profit when taken together, the North British secured its surpluses on a much greater premium income. The Royal group (which includes the Liverpool and London and Globe) came out badly with two deficits, while the Commercial Union just got home in 1922 with a bare surplus, and showed a deficit for 1921.

	Pre-miums. £	Claims %	Ex-penses. %	Underwriting Surplus or Deficit. £	%
Atlas—					
1921	810,348	63.0	48.9	Def. 77,071	9.5
1922	866,095	57.6	45.5	Def. 50,144	5.8
Caledonian—					
1921	520,798	58.6	43.5	17,892	3.4
1922	624,179	53.2	39.6	3,705	0.6
Commercial Union Group—					
1921	4,340,605	63.9	45.6	Def. 128,691	3.0
1922	4,644,091	53.5	43.7	7,407	0.2
London Assurance—					
1921	784,024	65.0	47.6	36,688	4.7
1922	710,702	50.2	46.1	55,239	7.7
London and Lancashire Group—					
1921	1,470,640	55.4	49.1	58,006	3.9
1922	1,454,472	49.6	45.9	71,387	4.9
North British Group—					
1921	3,313,699	56.6	46.8	191,451	5.8
1922	3,750,773	49.6	42.1	137,570	3.7
Northern—					
1921	1,150,708	64.4	45.3	Def. 42,754	3.7
1922	1,180,169	57.4	44.6	Def. 35,941	3.0
Phoenix Group—					
1921	2,196,271	59.2	46.6	7,628	0.3
1922	2,165,047	50.6	45.9	87,522	4.0
Royal Group—					
1921	7,437,748	62.1	48.1	Def. 115,609	1.5
1922	7,781,412	55.2	45.2	Def. 171,424	2.2
Royal Exchange—					
1921	518,233	55.6	48.2	Def. 18,668	3.6
1922	552,318	55.7	43.0	Def. 6,114	1.1
Scottish Union—					
1921	759,258	55.8	48.0	48,335	6.4
1922	759,360	51.9	44.9	23,811	3.1
State—					
1921	76,972	46.5	46.2	9,690	12.6
1922	96,751	46.7	64.7	Def. 18,396	19.6
Sun—					
1921	881,689	54.4	49.5	19,883	2.2
1922	942,473	52.1	45.7	Def. 2,535	0.3

INTEREST RECEIPTS AND DIVIDENDS.

Finally, we have to note the interesting fact that, though fire insurance still dominates the accounts of the big composite insurance offices—the accident and miscellaneous branches are not now far behind—and fire results have not in 1921 and 1922 been conspicuously favourable, many companies have recently increased their dividends to shareholders. The explanation is simple. Insurance dividends are paid mainly out of interest receipts from invested funds, and to a small extent directly from underwriting profits. Indirectly, dividends, like everything else, depend upon profitable underwriting. Surpluses go to funds, the funds yield interest, and dividends follow. If there were no surpluses there would be no funds, no interest, and no dividends. During the war years, and during those years immediately following the war, the surpluses of fire, marine, and accident departments were large, and the funds were much increased. Hence higher dividends then and now. The following table which we have prepared for 1922 shows how enormously the funds exceed the paid-up capital upon which dividends are paid, and how large are the contributions of interest to the dividends paid. The reduction in income-tax on profits and the approaching demise of the corporation tax, will permit of larger allocations to reserves in future. The improvement in investment values will relieve profit and loss accounts from the heavy burden of providing for depreciation. In 1920, a good year, practically the whole of the underwriting surpluses had to be set aside either to meet British taxation or to fill up the gap made by depreciation on funds.

Company.	Paid-up Capital (Pref. and Ord.)	Pro-prietors' Funds.	Net Interest Receipts (less Deb. Interest).	Dividends for 1922.
Alliance	£ 1,000,000	£ 5,515,043	£ 288,324	£ 343,013
Atlas	264,000	2,878,378	115,662	143,000
Commercial Union	1,475,000	13,641,516	664,502	663,750
Guardian	1,012,965	2,407,135	141,768	139,415
London	873,275	4,230,525	204,854	189,517
London and Lancashire	717,430	6,074,842	338,195	355,576
Northern	852,500	5,696,245	234,895	261,538
Phoenix	1,005,000	10,678,629	445,095	395,850
Royal	1,399,857	12,120,238	859,083	955,053
Liverp. & Lond. & Globe	531,050	8,017,832	363,372	327,260
Royal Exchange	689,220	3,156,643	118,521	93,044
State	100,000	644,723	29,627	29,500
Sun	480,000	4,542,163	144,578	168,150
Yorkshire	132,410	2,402,075	87,404	91,284

ACCIDENT, &c., INSURANCE.

THE GOVERNMENT'S WORKMEN'S COMPENSATION BILL.

FIFTY years ago accident insurance amounted to so little in underwriting business that it was regarded by the big fire offices as unworthy of their attention. With the coming of workmen's compensation, both in this country and America, the accident companies began to expand, and when motor-car insurance passed from an experimental section to a huge organised business, the accident, motor, and miscellaneous branches grew into a bulk little smaller than fire insurance itself. The result has been that the old accident companies have been acquired by fire offices,

Every Year a Bonus Year.

THE NATIONAL MUTUAL LIFE ASSOCIATION OF AUSTRALASIA Ltd. Established 1869.

Funds £16,500,000. Annual Income £2,700,000.

TRIENNIAL INVESTIGATION 1922.

SURPLUS over - - £1,700,000.

EXCELLENT BONUS RESULTS.

Whole Life Policies.

(Table I).—

Bonuses commence at £1 16 0% for first year and increase with age of Policies to £3 3% per annum.

Endowment Assurances.

(Table IV 60).

Bonuses commence at £1 16 0% for first year and increase to £2 10 0% per annum.

In future Bonuses will be declared Annually.

Exceptionally Low Premiums. Liberal Conditions.

London Office:
5, CHEAPSIDE, E.C.2.
H. W. MEYERS, Manager.

THE

LONDON GENERAL INSURANCE COMPANY, LTD.

ESTABLISHED 1906.

Claims Paid Exceed - - - £1,000,000

LIFE ASSURANCE

IN ALL ITS BRANCHES.

ENDOWMENT ASSURANCES

WITH BONUSES GUARANTEED AT THE RATE OF £2 PER CENTUM PER ANNUM.

MOTOR INSURANCE

SPECIAL RATES QUOTED FOR PRIVATE AND COMMERCIAL VEHICLES. OWNERS OF FLEETS SPECIALLY CATERED FOR.

FIRE INSURANCE (Home and Foreign)

ALL RISKS RATED ON THEIR MERITS

Apply for Prospectuses to any Branch Office.

West End Office - 159, OXFORD STREET, W.1.
Telephone No.: MUSUM 3441.

City Office - 13-14, WALBROOK, E.C.3.
Telephone No.: CITY 7832.

Head Office - CITY HOUSE, CITY ROAD, E.C.1.
Telephone No.: CLERKENWELL 7060 (2 lines).

BRANCH OFFICES AND AGENCIES IN ALL PARTS OF THE WORLD.

Limitation of Interest on Capital

is one of the factors responsible for the

*Generous Cover
and
Low Premiums*

which are prominent features of all policies issued by the

Co-OPERATIVE INSURANCE SOCIETY, LIMITED.

Chief Office:

109, Corporation St., Manchester.

Branch and District Offices
in all the principal towns.

ASSETS EXCEED £2,500,000.

PEARL ASSURANCE COMPANY, LIMITED.

ANNUAL INCOME - - £8,750,000

ACCUMULATED FUNDS - £25,725,000

CLAIMS PAID - - £32,185,000

LIFE. FIRE.

CONSEQUENTIAL LOSS.

BURGLARY.

HOUSEHOLDERS'
COMPREHENSIVE INSURANCE.

PERSONAL ACCIDENT.

PUBLIC LIABILITY.

THIRD PARTY
(Driving Accidents).

EMPLOYERS' LIABILITY.

Chief Office:

252, HIGH HOLBORN, W.C.1.

and now the tendency is for every well-established insurance office to transact every kind of insurance business.

Workmen's compensation insurance has been in a highly artificial state since the war broke out. Premiums based on wages bills expanded with the war rates of wages, but the compensation for accidents, except in so far as the weekly rates for disability were increased from 20s to 35s by the War Additions Acts, remained under the pre-war conditions. Large profits were made, larger than was wholesome for the insurance offices—as they themselves recognised—and a revision of the Act of 1906 by Parliament became urgent. Since 1920 many changes have come about which did not exist when the Holman Gregory Committee reported on the situation in that year. The companies have given a voluntary rebate upon premiums of 10 per cent., and the premiums have dropped heavily with the reductions in wages of the past two years. Last year there was a fall of 30 per cent. in the premiums from British workmen's compensation business, and during the first six months of this year there has been a further decline of about 12 per cent. The total amount of premiums now paid by employers in this country is about five millions a year.

The Government's amending Bill, introduced by the Home Secretary recently, increases the maximum death benefit from £300 to £500, and puts the weekly disability benefit at 30s, against 20s before the war and 35s under the War Additions Acts, which the new Bill proposes to repeal. Several other changes are made in favour of the workmen, and there is an extension of the definition of "workman," so as to include share fishermen, taxi-cab drivers, and employees of sports clubs.

AGREEMENT BETWEEN HOME OFFICE AND ACCIDENT COMPANIES.

The most interesting innovation is not contained in the Bill at all, but is laid down in an agreement dated May 24th last between the Accident Offices Association and the Home Office. It will be remembered that the Holman Gregory Report recommended that workmen's compensation insurance should be compulsory for employers, and that premiums should be adjusted between employers and the insurance companies, so that 70 per cent. of the premiums should go in benefits to workmen. The Bill does not make insurance compulsory, but, by means of the Agreement of May 24th, premiums are to be based upon a 60 per cent. claims ratio for the next three years. After that time they are to be based upon a 62½ per cent. ratio, or such less figure, not below 60 per cent., as may be agreed between the Home Office and the Accident Offices' Association. Of course, the claims ratios are to be determined after taking into account outstanding claims and provision for unexpired risks. Reasonable medical and legal expenses in connection with the assessment of claims are also to be allowed for. This Agreement is so important that we give the operating clauses in full.

(1) The proportion calculated as a percentage (hereinafter referred to as the loss ratio) which the combined total amount paid by all the offices members of the Accident Offices Association in any year on behalf of employers in Great Britain in respect of compensation or damages for injuries to workmen (including reasonable medical and legal expenses in connection therewith) bears to the combined total amount received as premiums by such offices from such employers in that year in that class of business is to be not less than 60 per cent. for each of the calendar years 1924, 1925, and 1926, and for any calendar year thereafter 62½ per cent., or such other proportion, not being less than 60 per cent., as may be agreed between the Secretary of State and the Accident Offices Association.

(2) In reckoning, for the purpose of the preceding paragraph, the total amount paid in any year in respect of compensation or damages and the total amount received as premiums, allowances will be made in respect of liabilities for unexpired risks and claims outstanding from any previous year or carried forward into any future year which are to be calculated in such manner as may be prescribed.

(3) The rates of premium charged for each class of risk will be adjusted from time to time by the Accident Offices Association so that the loss ratio may approximate as nearly as reasonably practicable for that class of risk to the proportion above mentioned, but if on the accounts of any year it is found that the loss ratio over the combined business of the said offices has fallen short of or exceeded the proportion fixed for that year by more than ½ per cent., the said offices are in connection with the premium which next falls to be paid thereafter to be bound to allow a corresponding rebate, or to be entitled to make a corresponding additional charge, as the case may be, to the employers, to be calculated in such manner as may be prescribed.

Provided that the amount so allowed by way of rebate or received by way of additional charge is not to be taken into account in calculating the total amount received as premiums.

(4) The Accident Offices Association will annually furnish to the Secretary of State a certificate from its auditors, in such form and containing such particulars as may be prescribed, for the purpose of enabling him to see that the foregoing arrangements have been carried out, and to make a report to Parliament on their working.

(5) For the purposes of this undertaking, "prescribed" means prescribed by the Secretary of State after consultation with the Accident Offices Association.

LATEST RESULTS OF ACCIDENT, &C., INSURANCE.

It was our original intention to give for accident and miscellaneous insurance tables similar to those which we have employed for fire insurance. But there have been so many purchases and fusions between 1914 and the present year that we have found it impracticable to present figures which would be properly comparable. It will be understood that the premium incomes for 1922 which are given below include all kinds of accident, workmen's compensation, motor-car, and other miscellaneous branches of in-

urance transacted both in this country and abroad, chiefly in the United States. British companies operating what is called "casualty" insurance in the United States work mainly through American subsidiaries, since, under State laws, no company is permitted to transact both fire and casualty insurance. It will be observed that the big companies, such as the Commercial Union, Employers' Liability, Phoenix (London Guarantee and Accident), and Royal have not, relatively to premiums, been so successful as the smaller and more specialised offices like the North British (Railway Passengers), Northern, and Guardian. In arriving at the underwriting surpluses we have allowed for the increase or decrease in the offices' provision against unexpired liabilities.

	Year.	Pre- miums.	Claims.	Ex- penses.	Underwriting Surplus.	
		£	%	%	£	%
Commercial Union (including Ocean Accident)	1922	6,619,965	55.1	40.5	408,785	6.2
Eagle, Star, and British Dominions	1922	2,401,660	52.3	41.1	97,432	4.0
Employers' Liability	1922	4,513,015	64.4	33.2	381,309	9.0
General Accident	1922	3,517,416	56.7	36.1	108,410	3.0
Guardian	1922	475,765	43.8	42.5	88,461	17.3
Liverpool and London and Globe	1922	3,412,632	53.4	39.5	110,984	3.3
Motor Union	1922	1,085,373	52.1	43.0	50,975	4.7
Northern	1922	907,439	48.3	40.9	125,304	13.8
North British (Rly. Passengers)	1922	881,366	45.5	39.9	131,690	14.9
Phoenix (including London Guarantee and Accident)	1922	9,374,329	55.6	40.2	156,506	2.9
Royal	1922	3,428,377	55.3	39.7	179,402	5.3

MARINE INSURANCE.

A PERIOD OF DEPRESSION.

MARINE insurance, as a business, rises and falls with the greater business of shipping upon which it depends, and of which it is an essential accessory. It enjoyed several years of prosperity during and immediately after the war, but when the heavy slump in shipping began, the competition for risks drove down premiums, both for hull and cargo insurance. Marine insurance company accounts

BRITANNIC ASSURANCE CO., LTD.

ESTABLISHED 1866.

ALL CLASSES OF LIFE ASSURANCE BUSINESS TRANSACTED.

THREE EXCELLENT POINTS.

revealed by the Accounts and Prospectuses of the "BRITANNIC":—

1. Steady growth of Premium Income year by year, indicating Public Confidence.
2. Steady growth of Funds year by year, indicating Careful Management and making for great security.
3. At the last Valuation a Reversionary Bonus of 30/- per cent. was declared, indicating a healthy return towards pre-war conditions.

Prospectuses and explanatory Leaflets may be obtained from any of the Company's Representatives, or from

CHIEF OFFICES:

BROAD STREET CORNER,
BIRMINGHAM

London & Manchester Assurance Company, Ltd.

ESTABLISHED 1889.

Allied with National Amalgamated Approved Society for National (Health) Insurance.

CHIEF OFFICE:

50, FINSBURY SQUARE, LONDON, E.C.2.

YEARLY PREMIUM INCOME EXCEEDS

£1,500,000.

FUNDS EXCEED

£4,000,000.

ORDINARY AND INDUSTRIAL BUSINESS TRANSACTED.

LIFE AND ENDOWMENT ASSURANCES AND ANNUITIES.

CLAIMS PAID EXCEED

£7,000,000.

PROMPT SETTLEMENTS.

AMPLE SECURITY FOR POLICYHOLDERS.

UNITED KINGDOM PROVIDENT INSTITUTION

Funds over £11,000,000

Chairman:

The Rt. Hon. WALTER RUNCIMAN.

TRIENNIAL BONUSES

ALL WITH-PROFIT POLICIES

effected during the current year will share in the division of surplus to be made as at

31st DECEMBER NEXT

196, STRAND, LONDON, W.C.2

The WESTERN ALLIANCE RE-INSURANCE Co. Ltd.

FOR RE-INSURANCES

FIRE—MARINE—ACCIDENT

BY
TREATY.

Established 1919.

AUTHORISED CAPITAL - - £1,000,000
SUBSCRIBED CAPITAL - - £600,000
PAID-UP CAPITAL - - - £300,000

Total Funds, Dec. 31st, 1921:

£ 6 8 1, 4 2 1

**37-41, GRACECHURCH STREET,
LONDON, E.C.3.**

Managing Director: J. HERBERT E. LANE.

Secretary: E. E. COLQUHOUN.

Telegrams: "WESTALLER, BILGATE, LONDON."
Telephone: CENTRAL 7732 (4 Lines).

are issued in two ways. Some companies, especially those which for many years specialised in marine insurance only—of which the Sea Insurance Company is the sole survivor—use the Liverpool form of accounts. Under it accounts for an underwriting year are kept open for two years, and then an estimate is made of how much is required to wind up the account. The balance struck, credit or debit, is profit or loss. We give below the results for the four years 1914, 1918, 1920, and 1921, of six companies which present their accounts in this way.

	Account.	Premiums.	Claims & Suspense.	Expenses.	Surplus or Deficit.
		£	£	£	£
British and Foreign	1914	495,343	336,494	52,078	106,771
	1918	1,055,052	817,899	107,801	129,352
	1920	1,237,914	1,067,346	156,866	13,702
	1921	827,477	630,540	141,135	55,801
Indemnity	1914	617,734	490,867	22,187	104,680
	1918	2,724,299	2,305,262	30,089	388,948
	1920	2,297,340	2,464,990	32,350	Def. 200,000
	1921	1,206,315	1,139,754	34,440	32,121
Merchants'	1914	264,483	184,022	17,794	52,667
	1918	525,303	458,212	23,860	43,431
	1920	587,075	545,257	41,818	None
	1921	483,373	353,723	47,800	21,850
Ocean	1914	309,712	232,124	19,994	57,794
	1918	769,855	651,969	28,686	80,200
	1920	780,178	901,793	35,511	Def. 177,126
	1921	358,435	474,490	33,945	Def. 150,000
Sea	1914	468,795	364,156	23,836	80,803
	1918	1,234,060	993,473	40,938	199,649
	1920	954,959	901,260	55,550	Def. 1,672
	1921	501,760	440,504	49,553	11,603
World	1914	244,073	191,222	11,947	40,904
	1918	671,784	424,355	7,828	239,601
	1920	435,475	352,713	6,239	76,523
	1921	254,106	222,410	6,383	25,313

Other marine insurance companies—they are really now branches of composite offices—follow approximately the fire insurance practice of presenting for each calendar year figures of premiums, claims and expenses, paid or outstanding, in the course of that year. Seeing that the claims relate not only to the current year but to previous years, these figures do not enable anyone—except the officials of the individual companies—to know how a par-

ticular underwriting year, as distinct from a calendar year, has worked out. Nevertheless, if one takes a series of years it is quite possible to ascertain the broad results, whether good or bad. What we have therefore done is to take out for six marine branches the details of premiums, claims, and expenses for the four years 1919, 1920, 1921, and 1922, and present the surplus or deficit arrived at over the whole series.

	Year.	Premiums.	Claims.	Expenses.	Surplus or Deficit on 4 Years.
		£	£	£	£
Alliance	1919	1,183,123	713,936	129,163	
	1920	1,352,414	1,172,206	155,621	
	1921	550,819	555,452	123,620	
	1922	509,951	592,796	96,518	
		3,596,307	3,334,390	504,922	Def. 249,006
Commercial Union	1919	855,924	269,331	138,475	
	1920	987,850	561,193	183,115	
	1921	270,646	354,118	124,058	
	1922	388,388	308,514	94,075	
		2,502,808	1,393,156	539,723	569,989
Liverpool and London and Globe	1919	716,968	483,450	43,602	
	1920	812,650	656,394	54,907	
	1921	377,016	530,764	56,589	
	1922	353,688	367,016	60,460	
		2,260,322	2,027,624	215,558	17,140
London Assurance	1919	860,588	690,864	180,180	
	1920	1,219,825	1,016,160	201,500	
	1921	678,232	707,398	149,044	
	1922	869,279	541,173	148,682	
		3,627,924	2,955,595	679,406	Def. 7,077
London and Lancashire	1919	2,201,893	1,616,890	226,134	
	1920	2,669,515	1,839,442	225,495	
	1921	1,383,306	1,914,004	173,180	
	1922	1,144,399	1,041,736	124,123	
		7,399,113	6,412,072	748,932	238,109
Royal Exchange	1919	955,218	529,316	96,989	
	1920	1,070,952	740,206	127,803	
	1921	248,364	649,930	108,343	
	1922	369,068	379,283	88,056	
		2,643,602	2,298,735	421,191	Def. 76,324

The Economist

MONTHLY SUPPLEMENT.

New Series. No. 2.

SATURDAY, JULY 21, 1923.

We resumed last month the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." is 6d. Constable.

STATE OF TRADE AT HOME AND ABROAD.

COMPARED with a month ago, there is little change in the actual state of trade, though the outlook has become more gloomy. This is a disappointing result, for by this time we ought to have been enjoying the full upward swing of trade, of which a beginning was made during the spring. The end of April, however, witnessed a definite check to this movement, and, on the whole, there is reason to be thankful that the setback during June was not more serious.

The situation may be summed up by saying that the volume of trade continues on a large scale, which is very much better than at this time last year, and is near the peak point reached this spring. But, unfortunately, current orders are not being replaced, and the period ahead for which industry has assured orders is rapidly shortening. In some cases the end of the output in hand is alarmingly near. The two features which are, perhaps, of special interest at the moment are Bradford, whose spinning industry has been peculiarly hard hit in the last few weeks by low prices and lack of demand on the Continent, on the one hand, and, on the other, the electrical engineering trade, which is full up of orders, and whose progress shows no signs of a check.

The attempt has been made in some quarters to question the conclusion that in the struggle between the favourable and the unfavourable reactions of the Ruhr upon British trade, the latter are now definitely becoming predominant, and the overseas trade returns are quoted to prove that British production is still on the up-grade. Such arguments, however, overlook the fact that June exports are the result of orders placed some weeks, and, in cases, some months ago. The foreign trade returns, which are a matter of history, are of little importance compared with the state of demand to-day, and of this the only test is our industrial order book.

During June a substantial seasonal improvement in employment was to be expected, but both the trade union and the insurance returns show little change. Thus the numbers on the unemployed register were 1,226,000, against 1,261,000 a month previously. Over the first six months of the year a marked reduction in the number of unemployed has taken place, the present figure being 10 per cent. less than that of January 1, 1923. Retail prices are unchanged, but our index number of wholesale prices is down by 2 per cent., chiefly as a result of the fall in coal and iron.

Looking round various industries, it will be seen that the coal output, which had been steadily falling after the feverish spurt of March last, made a recovery in June, the total for the month being fully 10 per cent. above that of May. The foreign demand is being fairly steadily maintained, although prices have shown a slight tendency to decline. From home quarters is reported weakening consumption.

The seasonal dulness of the iron and steel trades has been accentuated by the situation with regard to the Ruhr, so that production has been described by more than one iron-master as approaching stagnation. For the first time for many months no increase in the number of furnaces in blast took place during June, and though production figures were fairly high (692,000 tons of pig-iron and 767,700 tons of steel), they unfortunately reflect the past rather than the present condition of manufacturers' order books.

As regards the textile trades, there are some faint signs of better things in the cotton trade, though they do not take us very far. Raw cotton prices during the past month have fluctuated rather widely, and changes are now taking place, according to advices relating to the outlook for the new crop in the United States. The growth, however, is doing very well, and there is a tendency for values to ease. Spinners of American yarns remain in a very depressed condition. Although production is being curtailed by 50 per cent., supplies are more than equal to the requirements of users. Spinners of Egyptian yarns continue to do rather better, and the industrial situation in Bolton is more encouraging than for some time back. Buying in piece goods has been very irregular. Restriction of output in weaving towns continues on a large scale, and most firms are extending the usual holidays. The immediate prospects are not very bright, but there is some expectation of increased activity in the autumn. This improvement is urgently needed, as Lancashire is beginning to feel the financial strain of her long-drawn depression very acutely.

When we look overseas, the most favourable sign is that in America the trade boom shows no serious signs of abating, and it looks as though those who have confidently predicted that the favourable situation would be maintained at least until the end of the calendar year are justified. But even in America conditions are described as "quieter," and speculative interests are inclined to be less optimistic. Bond sales were 9 per cent. below May, and 26 per cent. below June a year ago, the corresponding declines in stock sales being 4 per cent. and 32 per cent. respectively. There is a slight slowing down in the lumber industry, and in the New England cotton manufacture, while unfilled orders of the United States Steel Corporation declined 8½ per cent. in June. Commodity prices have been declining for the last four months, but some industries show an actual increase of output. Canadian crop estimates are good, prospects having taken a turn for the better since the seeding period.

A month ago we said that there seemed to be slight signs of more vigour in the internal trade of China. Latest

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BRANCHES AND AGENCIES THROUGHOUT THE WORLD.

APPLICATIONS FOR AGENCIES INVITED.

advice show that this flicker has apparently expired. India shows no movement, and though prices are lower, exports show no tendency to expand. The monsoon has been good, and the omens seem favourable for trade in the autumn, but no concrete improvement can yet be traced. Among overseas markets Australia and New Zealand seem to be definitely on the up-grade again. South America is dull, and though trade to date is very much better than last year, we cannot find that orders are being booked for South American countries at all freely.

We propose to add to our regular indices of the trade situation an index number of freights, the basis of which we explain in a subsequent article. The figures there given indicate that present freights, though above the 1913 level, are not to-day any higher than in 1912. The movement of the index number over the boom period shows very clearly how much greater the swing of the pendulum in shipping freights has been than in the movement of prices in general.

THE GROWTH IN THE WORLD'S POPULATION.

THE continuity of statistics of population which are the foundation on which a large proportion of economic inquiries must be based, has been much broken in the last decade, not only because the war interrupted the previous trend by checking emigration, by introducing unusual social conditions which affected birth and marriage rates, and by causing actual direct or indirect mortality, but also because it altered so many boundaries and made comparison complicated. However, statistics exist which give some idea of the changes that have occurred, and the League of Nations Economic Section has made the task easier by bringing together the latest census returns or estimates, as the case may be, in the current number of its statistical bulletin. The figures in the following table nearly all refer to 1910 or 1911, in the pre-war column, and the post-war figures to 1920 or 1921. When this is not the case, the date is inserted in brackets:—

POPULATION IN THOUSANDS.—I.—EUROPE.

States with unchanged boundaries—

	Pre-War.	Post-War.
United Kingdom ..	45,222	47,262
Albania ..	850 (1913)*	832 (1922)*
Belgium ..	7,416	7,466
Spain ..	19,950	21,338
Norway ..	2,358	2,632
Holland ..	5,858 (1909)	6,977
Portugal ..	5,960	6,041
Sweden ..	5,522	5,988 (1922)*
Switzerland ..	3,765	3,886

States with changed boundaries—

	Pre-War.	Post-War.
France ..	39,192	39,210
Italy ..	34,671	38,835
Denmark ..	2,775	3,240 (1922)*
Germany ..	64,926	59,856 (1919)
Austria ..	28,572	6,423
Hungary ..	20,886	7,951
Russia in Europe ..	143,115 (1913)*	101,734
Serbia ..	4,038 (1914)	12,017
Roumania ..	7,508 (1912)	16,262*
Bulgaria ..	4,401*	4,861
Czecho-Slovakia ..	..	13,611
Poland .. (incd. in Russia)	..	27,179
Lithuania ..	..	2,293 (1922)*
Latvia ..	..	1,851
Estonia ..	..	1,111 (1922)
Turkey ..	1,891	..
Greece ..	4,810	..

No separate post-war figures can be given for Turkey and Greece, as the frontiers are not yet fixed. The increase shown for Bulgaria, which lost territory after the war, is due to the fact that she first gained at the expense of Turkey in the Balkan War.

The first group of countries shows an increase from 97 millions to 102½ millions, but the second group shows a fall from 357 millions to 343 millions—a net loss in Europe of 8 millions. This is about the loss in Russia, which out of its pre-war European population suffered the following among other losses:—15.4 millions to Poland, 3.3 millions to Finland, about 6.2 millions to the Baltic States, and 2.4 millions to Roumania.

It is estimated that the pre-war population of present Russia was 109 millions, which means that there was a decline of nearly eight millions before the famine set in.

* Estimated total.

When both series are brought to a common comparison they work out as follows:—

Average, 1913=100.

	Commodity Prices (Economist).	Freights.
February, 1920 ..	303	591
March, 1920 ..	310	586
December, 1920 ..	221	240
June, 1921 ..	178	165
December, 1921 ..	162	134
June, 1922 ..	163	117
September, 1922 ..	156	110
December, 1922 ..	159	117
June, 1923 ..	160	107

The recovery of shipping, as of industry in general, depends upon restoring the volume of the world's international trade. Until the volume of goods being moved by sea substantially increases, the outlook for the shipping industry is unpleasantly gloomy.

During the war and revolution there was in Russia as elsewhere a slowing down of the natural increase in the population, which would have produced an increase of 12 millions if pre-war conditions had continued; but the head of the Russian statistical department calls attention to the following special losses:—

- Military losses in the Great War, 2½ millions.
- Emigration following the civil war, 2 millions.
- Loss of life in the civil war, 1 million.
- Surplus mortality due to epidemics, 3½ millions.

It may be added that the number of men killed or died of wounds in Europe, excluding Russia, is probably nearly six millions.

The figure for France conceals a fall in her pre-war population of 2,105,000 people, for 1,708,000 have been added from Alsace-Lorraine. Italy's increase includes about two millions of Austria's former population.

Turning to extra-European countries, the figures show the following results:—

NORTH AND CENTRAL AMERICA.

	Pre-War.	Post-War.
Canada ..	7,207	8,967*
U.S.A. ..	97,163*	107,833*
Mexico ..	15,502 (1912)*	14,463*
Central America (inc. Cuba) ..	9,704	10,239

SOUTH AMERICA (excluding Bolivia).

	Pre-War.	Post-War.
Argentina ..	7,885 (1914)	8,699*
Brazil ..	24,618 (1912)*	30,636
Chile ..	3,550 (1913)*	3,819*
Colombia ..	5,103 (1912)	5,847 (1918)
Paraguay ..	900*	1,000 (1918)*
Peru ..	4,500 (1908)*	7,300 (1919)*
Uruguay ..	1,279 (1913)*	1,529*
Venezuela ..	2,744*	2,412*

When we come to Asia the figures become very uncertain, especially for China. The latest (1920) estimate for the country is 430 millions, which is far in excess of the last pre-war census, which showed only 350 millions. But this is clearly a difference in method of estimation, and not an actual increase. More reliance can be placed on the following:—

	Pre-War.	Post-War.
India ..	315,156	318,942
Japan ..	53,633*	57,656 (1922)*
Russia in Asia ..	27,788 (1913)*	26,489
Siam ..	8,449 (1914)*	9,322 (1923)*

Finally, the following only are available in the remaining Continents:—

	Pre-War.	Post-War.
South Africa ..	5,973	6,929
Egypt ..	11,287 (1907)	13,551 (1922)*
Australia ..	4,894 (1913)*	5,635 (1922)*
New Zealand ..	1,085 (1913)*	1,266 (1922)*

The net result is that only the Continent of Europe has been stationary in the decade under consideration; elsewhere the pre-war growth has continued in spite of restricted emigration. It cannot, however, be assumed that the situation in Europe is symptomatic, for apparently the gradual recovery of Central and Eastern Europe in economics and hygiene is being followed by a revival of the increase in population.

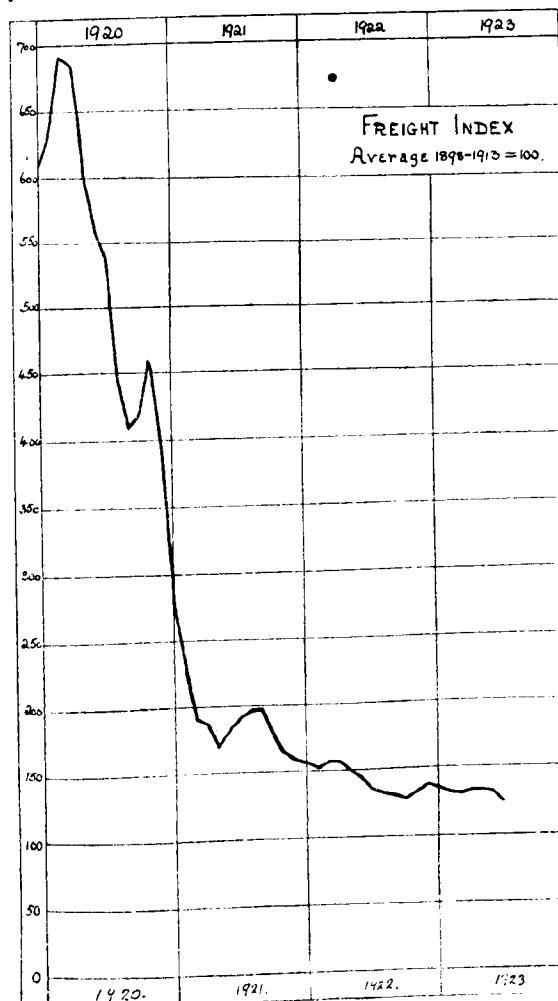
* Estimated total.

AN INDEX OF SHIPPING FREIGHTS.

The following Index of shipping freights is based on 28 representative routes for tramp tonnage, divided into six groups, viz.:—(1) European Waters; (2) North America; (3) South America; (4) India; (5) Far East and Pacific; (6) Australia. The first group—European Waters—comprises three sub-groups:—Home Trade, The Bay, Mediterranean. The routes forming the six groups and three sub-groups are as under:—

- (a) Home Trade: Tyne-Hamburg, Tyne-Havre, Tyne-Antwerp, Tyne-London. (b) The Bay: Tyne-Bordeaux, Bilbao-Middlesbrough. (c) Mediterranean: South Wales-Port Said, Tyne-Barcelona, Tyne-Genoa, South Wales-Venice, Alexandria-United Kingdom, Bepisaf-United Kingdom/Continent, Carthage-United Kingdom/Continent.
- North America: Northern Range-United Kingdom (grain). Gulf ports-United Kingdom/Continent (timber).
- South America: Tyne-Plate, South Wales-Plate, South Wales-Rio Janeiro, San Lorenzo-United Kingdom/Continent, Lower Plate ports-United Kingdom/Continent, Bahia Blanca-United Kingdom/Continent.
- India: South Wales-Bombay, South Wales-Colombo, Bombay-United Kingdom/Continent (d.w.).
- Far East and Pacific: Java-United Kingdom/Continent, Rice Ports-United Kingdom/Continent, Nitrate Ports-United Kingdom/Continent.
- Australia: Australia-United Kingdom (Basis).

The base to which the Index is related is the period 1898-1913. The method of calculation is as follows. The average freight for the month on each route is taken as the mean of the averages for each week, and is expressed as a percentage of the average for the base period. In Groups 3 and 4, and in Sub-group 1 (c), the Group-Index is the mean of the outward and homeward averages, the indices for the other groups being the simple average of the constituent routes. The figure for Group 1 is the mean of the figures for Sub-groups 1 (a), 1 (b), and 1 (c). The final index-figure is the average of the six groups, the arithmetic mean being employed throughout, and all averages being unweighted.



The following table shows the movement of the Index during the base-period 1898-1913:

Year.	Index.	Year.	Index.
1898 ..	121.91	1906 ..	89.37
1899 ..	119.46	1907 ..	90.90
1900 ..	134.67	1908 ..	78.32
1901 ..	103.05	1909 ..	82.02
1902 ..	86.99	1910 ..	84.48
1903 ..	87.26	1911 ..	96.94
1904 ..	88.17	1912 ..	130.95
1905 ..	88.88	1913 ..	116.34

The speculative character of tramp shipping is denoted by a range of fluctuation from "peaks" of over 130 in 1900 and 1912

to a low level of 78 in 1908. It will also be observed that in the case of this class of tonnage the influence of trade cycles is apt to be greatly modified by special factors. Thus, whereas the percentage of trade union unemployment fell from 6 per cent. in 1904 to 3.6 per cent. in 1906-07, freights rose only fractionally, the cause being found in the heavy launchings of tonnage in 1905-06.

The post-war Index is recommenced in January, 1920, and the figures for each month of the last three years are summarised below:—

Month.	1920.	1921.	1922.
January ..	634.55	226.39	153.10
February ..	690.95	191.43	157.95
March ..	684.36	188.67	157.67
April ..	604.27	171.58	150.62
May ..	559.13	184.31	145.57
June ..	538.85	192.82	136.64
July ..	447.25	197.63	133.23
August ..	408.31	198.48	131.65
September ..	419.14	179.72	128.40
October ..	459.31	165.03	133.12
November ..	395.95	158.78	138.95
December ..	280.14	156.67	136.57

It will be noted that the highest point, 691, was reached in February, 1920, i.e., one month earlier than the "peak" of the Economist Commodity Index, while the freight and commodity indices alike touched their lowest level in September, 1922, the fall in freights to 128 having been much more acute.

The table below shows the movements of the Index in detail for the first half of 1923. The mean for 1913, and the highest and lowest figure for 1920 and 1922, are also given. At the foot of the table the Index is expressed as a percentage of the mean for 1913:—

Route Group.	Average 1898-1913	Mean 1913.	Highest 1920.	Lowest 1922.	1923.					
					Jan.	Feb.	Mar.	April.	May.	June.
Home Trade ..	100	108.12	858.11	129.78	122.88	161.02	174.34	135.66	129.18	129.90
(Outwards ..)	100	124.72	1,043.87	143.12	143.87	151.37	179.81	165.86	137.62	128.44
Bay ..	100	108.44	730.64	142.74	140.22	150.68	164.52	154.84	154.84	150.00
(Homewards ..)	100	113.59	880.80	146.56	143.00	155.32	172.16	161.85	146.23	139.22
Medi- (Outwards ..)	100	127.13	1,087.96	150.97	152.00	156.76	187.28	154.91	147.61	138.39
(Homewards ..)	100	99.64	536.85	97.60	107.77	107.77	107.00	106.45	111.04	113.97
Mean ..	100	113.39	813.71	130.09	136.19	132.26	144.14	130.65	129.39	126.15
Average Euro- pean waters ..	100	110.03	850.25	137.09	132.05	149.60	163.55	142.72	134.91	131.77
North America ..	100	113.09	543.48	115.60	126.47	116.85	124.30	133.38	140.05	111.04
South (Outwards ..)	100	130.20	415.60	87.21	96.30	106.54	123.34	108.88	117.10	104.87
(Homewards ..)	100	116.55	1,226.52	119.96	133.50	143.59	171.85	175.01	144.26	144.26
Mean ..	100	123.37	761.35	122.48	124.85	123.93	130.43	137.32	143.05	124.56
India ..	100	108.85	744.81	86.43	127.76	122.75	133.61	150.37	140.29	133.40
(Outwards ..)	100	106.29	744.81	122.61	120.20	117.83	125.40	133.77	126.99	125.50
(Homewards ..)	100	117.38	729.22	111.88	142.14	134.49	125.36	134.06	134.48	133.90
Mean ..	100	112.89	729.97	124.63	150.44	144.21	135.31	124.63	120.18	118.84
Far East & Pacific ..	100	117.38	729.22	111.88	142.14	134.49	125.36	134.06	134.48	133.90
Australia ..	100	117.38	729.22	111.88	142.14	134.49	125.36	134.06	134.48	133.90
Index (average 1898-1913=100) ..	100	116.34	690.95	128.40	132.69	131.15	134.36	134.31	133.27	124.27
Do (1913=100) ..	100	116.34	690.95	128.40	132.69	131.15	134.36	134.31	133.27	124.27

The figures afford the strongest corroboration of the reaction to world trade occasioned by the deterioration which the last six months have witnessed in European conditions. After a gradual improvement from September to November, 1922, when the Index stood at almost 130, a fall to 131 in February was succeeded by a rise to 134 in March, due mainly to the absorption of tonnage by the economically unsound "boom" in transport of coal. This not the economically unsound "boom" in transport of coal. This not the economically unsound "boom" in transport of coal. This not the economically unsound "boom" in transport of coal.

In June, which marked a fall of 5 points in the Economist Commodity Index, the full effects of deepening stagnation in Central Europe were felt by shipping, and the Index slumped to a fresh low record at 124, the lowest point reached since the war.

Comparing June with November, 1922, the point at which reaction (but for the temporary fluctuation upwards in March-May) may be said to have started, the relative positions of each group are as under:—

Group.	Movement since November, 1922.
European waters ..	+ 17
North America ..	+ 13½
South America ..	+ 10
India ..	+ 5½
Far East and Pacific ..	+ 3½
Australia ..	+ 45

Unfortunately, the recent coal boom has had for shipping a converse effect in higher bunker costs. Taking as an example the market quotations for best screened steam coal, f.o.b. Tyne, the course of prices has been:—

	Price per Ton.	Per Cent. of s d June, 1913.
1922, November ..	25 9	172
1923, April ..	35 0	233
" June ..	28 0	187

Pending some recovery of world purchasing power in the direction of such commodities as form bulk cargoes, the position of tramp managements is likely to be difficult and unsatisfactory.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czecho-slovakia.	Denmark.	Finland.	France.	Germany.		Greece.	Hungary.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichs-bank Notes.	Reichs- und Darlehens-kassenscheine.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Kronen.	Francs.	Leva.	Koruna.	Kroner.	Markat.	Francs.	Marks.	Marks.	Drachmæ	Korona.	Gulden.	Gulden
1913.....	29.6		..	1,067	189	..	152	113	5,714	2,593		149	h 245	..	313
1918.....	70.2	323.2	..	3,210	2,299	..	450	1,156	31,055	22,188		10,599	1,274	1,069	69
1920.....	113.3	367.6	30,646	6,260	3,354	11,289	557	1,341	37,902	68,805		12,349	1,508	14,303	1,072
1921.....	107.1	325.6	174,115	6,290	3,615	12,130	471	1,356	36,359	113,639		8,523	2,161	25,175	1,013
1922.....	102.9	295.4	4,060,177	6,701	3,886	10,064	459	1,421	36,359	1,280,095	13,663	3,149	75,887	1,012	32
1922—May.....	103.3	298.3	397,829	6,289	3,759	9,718	439	1,400	35,982	151,949	9,674	1,541	31,933	993	30
June.....	103.4	295.4	549,916	6,228	3,801	9,858	442	1,373	36,039	169,212	10,605	1,708	33,600	1,011	29
July.....	104.6	299.7	786,226	6,403	3,785	9,916	432	1,340	36,399	189,795	12,459	1,812	38,357	988	29
August.....	102.8	293.3	1,353,404	6,528	3,874	10,171	447	1,356	36,385	238,147	13,605	2,040	46,242	960	29
September.....	101.3	289.1	2,277,678	6,518	3,941	10,197	467	1,397	36,603	316,870	14,216	2,252	58,458	1,000	29
October.....	102.0	288.0	2,970,917	6,651	3,964	10,139	478	1,376	36,848	469,457	14,225	2,645	70,005	994	30
November.....	101.7	287.9	3,417,786	6,705	3,955	9,997	459	1,343	36,114	754,086	14,024	2,942	77,016	964	31
December.....	102.9	295.4	4,080,177	6,701	3,886	10,064	459	1,421	36,359	1,280,095	13,663	3,149	75,887	1,012	32
1923—January.....	100.9	280.3	4,110,551	6,917	3,801	9,222	443	1,400	37,084	1,984,496	13,698	3,427	73,717	947	30
February.....	101.5	279.1	4,207,992	6,965	3,800	9,248	448	1,513	37,434	3,512,788	12,837	3,554	75,135	940	29
March.....	102.0	285.6	4,459,117	6,884	3,902	9,157	470	1,555	37,188	5,517,920	12,770	3,711	82,205	965	29
April.....	101.7	285.7	4,577,382	6,847	3,877	9,567	476	1,491	36,902	6,545,984	12,699	3,921	100,101	989	29
May.....	102.1	287.5	4,837,042	6,816	..	9,328	456	1,440	36,741	8,563,749	12,582	4,115	119,285	928	27
June.....	102.6	286.5	5,432,619	6,719	..	9,376	482	1,420	36,689	13,091,739	..	..	138,662	962	27

Period.	Italy.		Norway.	Poland.	Roumania.	Russia.	Sweden.	Switzer- land.	Australia	Canada.	South Africa.	Egypt.	United States.	
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	State Notes.	Total Domini'n & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	Lire.	Lire.	Kroner.	Marki p.	Lei.	Roubles.	Kronor.	Francs.	£	Dollars.	£	£s	Dollars.	Dollars.
1913	2,284	499	108	a	437	1,700	234	314	0	227	2.3	2.2	726	343
1918	b													
1918	11,750		431	..	2,489	57,500	814	976	58.9	5.50	6.3	4.49	3,402	291
1921	19,742	2,268	483	49,362	e 9,485	1,165,300	760	1,024	58.7	5.22	9.1	37.3	4,484	266
1921	19,209	2,267	410	229,538	e 13,722	17,540,600	628	1,009	55.5	4.44	8.8	35.3	3,366	281
1922	18,012	2,267	385	793,437	e 15,126	2,138,711,400	584	976	51.8	4.14	8.3	31.7	3,117	288
1922—May	17,320	2,267	375	276,001	14,129	213,650,300	567	782	53.8	3.62	7.8	30.3	2,962	296
June	17,823	2,267	385	300,101	14,143	320,498,100	585	789	53.6	3.85	7.9	28.3	2,938	294
July	17,997	2,267	382	335,427	14,167	471,784,300	551	769	53.4	3.77	7.8	26.6	2,906	286
August	17,746	2,267	385	385,787	14,157	626,142,700	559	771	53.0	3.73	7.6	25.4	2,933	287
September	17,990	2,267	384	463,706	15,150	913,703,300	605	811	52.0	3.95	8.1	27.6	3,035	283
October	18,213	2,267	383	579,973	15,363	1,217,834,700	569	934	51.8	4.02	7.8	32.8	3,052	279
November	17,965	2,267	372	661,092	15,353	1,584,231,300	575	988	51.8	4.07	7.9	35.0	3,078	277
December	18,012	2,267	385	793,437	15,126	2,138,711,400	584	976	51.8	4.14	8.3	31.7	3,117	288
1923—January	17,446	2,267	350	909,160	15,265	2,629,300,000	520	879	52.5	3.81	7.8	30.8	2,931	280
February	17,153	2,267	354	1,177,301	15,391	3,236,700,000	538	884	52.3	3.90	7.9	30.1	2,982	285
March	17,035	2,267	375	1,841,206	15,470	4,482,900,000	587	920	52.3	3.99	8.5	29.6	2,991	296
April	16,685	2,267	409	2,332,397	15,707	6,076,900,000	557	915	..	3.88	8.1	28.6	2,975	301
May	16,289	2,267	402	2,733,794	15,861	7,049,900,000	539	882	..	..	8.1	..	2,984	307
			415	2,914,707	15,863	..	586	894	..	..	..	..	..	..

RATES OF EXCHANGE ON LONDON.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Am-ster- dam.	Stock- holm.	Christiania.	Copen- hagen.	Berlin.	Vienna.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kroner to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.
Par level	25-22½	25-22½	25-22½	25-22½	25-22½	12-107	18-159	18-159	18-159	20-43	24-02
Highest, 1922	72-20	79-80	114-12½	24-72½	29-62	11-70	17-39	27-31½	22-47½	38-500	425,000
Lowest	47-40	50-57½	80-12½	21-66½	27-54	11-28½	16-36½	23-16	20-18½	715	11,500
Beginning of—											
July, 1914	25-15	25-35½	25-25½	25-19½	26-10	12-11½	18-25	18-25	18-25	20-49½	..
January, 1919	27-97½	27-60	30-51½	22-35½	23-67½	11-15	16-29½	16-85	17-67½	..	..
January, 1920	40-92½	40-42½	50-00	21-16½	19-72½	10-07	17-50	18-60	19-66½	187½	..
January, 1921	61-06½	58-97½	104½	23-55	27-46½	11-36½	17-56	22-42½	22-17½	26½	1,500
January, 1922	52-32½	54-69½	97½	21-70½	28-19½	11-44½	16-97½	26-99½	21-12½	791½	13,000
January, 1923	66-30	72-85	95½	24-72½	29-73½	11-79	17-37½	25-12	23-40	48,500	330,000
February	76-55	87-40	97½	24-85½	29-77½	11-87	17-61	25-17½	24-95	172,500	331,000
March	77-50½	88-39½	97½	25-09	30-15½	11-88½	17-69	25-60½	24-35½	106,000	331,000
April	70-40	81-85	93½	25-42½	30-47½	11-87½	17-56½	25-85½	24-47½	98,000	330,000
May	69-27½	80-12½	94½	25-65½	30-37½	11-82½	17-35½	27-17½	24-72½	155,000	325,000
June	71-55	83-30	99½	25-62½	30-35½	11-80½	17-35½	27-30	24-96½	345,000	325,000
July	78-20	98-55	105½	26-54½	32-02½	11-62½	17-25½	28-28½	26-19½	890,000	320,000

Cost of Living

	New York.	Buenos Ayres.	Rio de Janeiro.	Monte Video.	Valparaiso.	B. mбай.	Hong Kong.	Shanghai.	Yokohama.	Singapore.
	Dollars to £1.	Pence to Dollars.	Pence to Mikreis.	Pence to Dollars.	Pesos to £.	10 to Gold Sovereign.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.
						s d	s d	s d	s d	s d
Par level	4.86½	47.58	16 7½	51	13.33	1 4½	2 ..	3 8½	2 02½	2 4½
Highest, 1922	4.66	46½	7½	45	46.70	1 3½	2 8½	3 3½	2 3½	2 3½
Lowest	4.18½	43	6½	40½	37.80	1 3½	2 3	3 0½	2 1½	2 3½
Beginning of—										
July, 1914	4.87½	47½	16½	51½	89½	11 3½	1 10½	2 6½	2 ..	2 ..
January, 1919	4.76½	51½	13½	61½	101½	11 6½	3 4½	5 2	2 1½	2 4½
January, 1920	3.78½	62½	17½	65½	121½	12 4½	4 10½	7 8½	2 8	2 4½
January, 1921	3.54½	51½	9½	50	89½	1 5½	3 2½	4 1½	2 8½	2 3½
January, 1922	4.20	43½	7½	41	40.20	1 4	2 7½	3 6½	2 3½	2 5½
January, 1923	4.68	44½	5½	44	34.70	1 4½	2 3½	3 0½	2 1	2 4½
February	4.31½	46	6½	42½	38.00	1 4½	2 3½	3 1	2 0½	2 4½
March	4.66½	43½	5½	43½	37.90	1 4½	2 3½	3 1½	2 0½	2 4½
April	4.10½	43	5½	43½	37.90	1 4½	2 4½	3 2½	2 1½	2 4½
May	4.66½	42½	5½	42½	36.50	1 4½	2 4½	3 2½	2 1½	2 4½
June	4.52½	41½	5½	41½	34.80	1 4½	2 3½	3 2½	2 1½	2 4½
July	4.56½	41½	5½	42½	34.90	1 4½	2 3	3 0½	2 1½	2 4½

† Sterling to Rupee.
§ Pence to Peso.

c The first of the following month.

† Sterling to Rupee. § Pence to Peso.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bul- garia.	Den- mark.	Es- thonia.	France.	Fin- land.	Germany.	Greece.	Italy.	Nether- lands.	Poland.	Spain.	Swed'n.	Switz'r- land.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drach- me.	Lire.	Gulden.	Marki p.	Pese- tas.	Kronor.	Francs.	£s.	Dollars
1913.....	54,931	386,333	15,775	64,785	..	701,778	41,033	897,475	<i>e</i> 14,828	303,802	326,500	..	108,838	70,505	159,985	2,274	147,21
1918.....	107,100		46,960	75,851	..	1,858,416	58,913	..	159,133,551	50,666	..	..	49,145	102,776	29,122	4,148	245,15
1920.....	142,861	930,460	184,486	245,277	116,265	4,158,748	299,680	8,256,417	177,519	2,235,451	277,692	..	118,445	281,135	353,568	8,214	425,19
1921.....	81,548	837,620	243,424	128,734	373,551	1,183,992	294,766	9,815,963	143,800	1,388,885	186,695	..	238,083	105,520	191,357	4,109	213,07
1922.....	75,012	756,426	..	120,022	465,785	1,1,991,772	326,829 <i>d</i>	516,700	225,565	1,310,563	168,966	..	252,768	97,027	159,939	3,408	253,81
1922 - May	79,850	704,026	362,770	154,119	472,960	1,810,125	453,630	565,200	186,893	1,244,860	194,080	53,860,000	285,341	97,077	136,045	3,336	245,07
June	75,578	704,026	410,830	135,039	655,379	1,851,184	423,182	564,600	214,458	1,663,286	150,900	41,142,000	285,341	93,082	136,045	2,979	256,75
July	73,467	767,648	389,918	112,558	522,761	1,995,746	316,805	684,800	215,572	1,134,422	163,859	50,591,000	285,341	83,098	167,584	3,410	213,94
Aug.	75,157	767,648	386,007	128,409	637,992	1,959,729	395,592	545,100	196,416	1,051,512	178,808	87,543,000	281,862	105,443	167,584	3,007	277,74
Sept.	70,562	767,648	..	127,936	700,291	1,893,121	358,190	421,800	181,256	1,231,432	164,617	..	211,747	108,897	167,584	3,439	276,21
Oct.	76,737	885,421	..	140,872	523,575	2,108,872	362,321	531,700	387,326	1,399,283	186,643	..	279,242	118,115	186,070	3,757	345,04
Nov.	86,452	885,421	..	122,692	525,626	2,348,245	383,567	536,200	286,118	1,248,035	172,295	..	279,242	111,496	186,070	4,279	348,04
Dec.	86,433	885,421	..	135,947	497,245	2,923,236	420,486	589,800	372,914	1,915,936	183,768	..	293,893	110,506	186,070	4,316	338,35
1923 - Jan.	79,302	928,722	..	136,195	509,838	2,144,294	304,808	536,800	380,610	1,059,750	173,046	483,602,000	277,688	87,827	177,070	3,636	319,04
Feb.	74,032	801,421	..	150,300	428,020	2,343,014	260,455	445,200	354,354	1,571,841	162,189	655,625,000	257,529	87,836	177,070	3,137	303,43
Mar.	80,937	988,035	..	141,150	675,200	2,486,736	309,612	<i>c</i> 503,100	632,997	1,494,748	165,441	812,247,000	267,120	108,770	177,070	3,369	339,07
April	73,989	973,335	..	160,980	..	2,560,198	362,912	..	580,020	1,400,552	169,714	..	..	114,579	..	3,475	364,23
May	77,706	896,988	..	127,010	..	2,596,881	458,100	..	376,520	1,586,615	160,130	..	..	110,616	..	..	370,00
June	78,353		..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	4,917	209,303	256,917	..	88,136	68,112	114,700	2,639	204.00
1918.	4,785	..	..	59,207	..	393,561	15,797	..	24,338	278,723	..	..	83,303	112,536	163,598	3,781	503.96
1920.	111,297	724,847	136,917	132,589	102,365	2,241,249	241,342	5,785,083	55,742	881,177	141,775	..	84,180	191,133	273,092	7,119	673.37
1921.	58,617	594,987	184,776	114,118	190,553	1,647,709	278,152	8,299,713	70,185	689,724	114,146	..	91,304	138,345	178,345	3,014	364.91
1922.	60,041	504,965	..	96,087	..	1,720,166	369,447	330,833	132,379	..	101,769	..	120,765	96,757	146,798	4,907	313.76
1922—May	58,045	470,510	364,007	102,888	348,468	1,461,443	330,447	416,200	82,893	592,550	108,424	22,692,000	127,223	89,725	151,731	2,226	301.98
June	52,146	470,540	323,386	119,890	221,666	1,161,443	530,840	350,800	860,771	100,681	20,860,000	127,223	104,226	151,731	3,389	327.19	
July	60,419	520,135	303,913	96,489	765,358	1,449,048	635,300	257,800	90,950	700,481	104,575	40,457,000	127,223	102,684	146,051	2,965	296.65
Aug.	60,613	520,135	346,721	..	..	1,676,314	596,078	24,800	703,187	139,443	87,983,000	121,166	132,543	147,066	2,488	296.27	
Sept.	62,511	520,135	..	114,061	427,921	1,741,062	509,052	290,900	243,450	..	115,612	..	126,658	122,633	146,066	2,077	296.27
October	60,399	597,714	..	105,054	383,293	1,937,467	476,589	291,400	242,319	888,962	112,003	..	126,658	122,633	146,066	2,077	296.27
Nov.	66,491	587,714	..	113,809	454,951	1,706,499	387,635	255,200	182,113	1,049,375	104,350	..	126,658	122,633	146,066	2,077	296.27
Dec.	58,883	587,714	..	103,495	641,827	2,778,947	270,674	423,000	202,821	1,009,965	100,225	..	170,993	119,578	147,843	6,288	339.38
1923—Jan.	66,939	486,360	..	102,886	384,117	1,695,898	197,656	311,400	193,102	788,841	91,488	349,456,000	129,017	64,928	146,775	6,765	330.85
Feb.	57,510	587,338	..	112,634	399,117	2,328,858	197,656	360,600	129,282	750,427	94,602	911,626,000	141,701	49,387	146,775	5,152	302.10
Mar.	61,289	587,338	..	112,634	459,100	2,527,977	152,977	435,800	125,972	886,620	106,977	118,348,000	132,089	60,914	146,775	5,218	333.31
April	62,871	697,521	..	108,991	..	2,507,895	190,401	..	125,972	886,620	106,977	118,348,000	132,089	60,914	146,775	5,218	333.31
May	61,555	577,542	..	147,243	..	2,675,045	245,400	..	125,972	886,620	106,977	118,348,000	132,089	60,914	146,775	5,218	333.31
June	62,884	..	..	..	..	..	..	..	353,685	781,977	104,129	..	..	104,867	..	..	319.00

^c Owing to Ruhr occupation figure incomplete. ^d Since January, 1922, gold marks valuation. ^e Until February, 1923, Julian Calendar. ^h Period September 22—October 21. ⁱ Old Greece only. ^j Valued at 1921 official rates. ^l Since January, 1922, the value of imports is based on declarations of importers, instead of official valuations previously used. ⁿ Period September 1-21. ^r The method of valuation changes every month. ^t From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. ^v 15 days.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czecho-slovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
1913.....	6,355	152,809	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	h 6,068	..	..	5,041	..	987	661	489
1918.....	7,696	137,704	75,583	1,966	3,768	135,721	82,450	..	..	2,446	..	28	..	404	..	233	295	145
1920.....	13,169	259,256	111,410	5,062	7,995	191,179	174,213	995	326	4,245	1,570	..	45	1,151	294	703	468	215
1921.....	8,064	230,707	66,616	3,461	4,458	154,764	140,410	1,459	333	3,339	2,194	77	194	1,435	401	682	357	215
1922.....	9,850	197,475	63,528	2,816	4,015	154,764	139,912	q 1,760	265	4,281	3,623	87	279	1,623	..	..	441	375
1922—May ..	8,944	195,340	66,121	2,395	3,316	158,028	126,920	q 1,642	276	4,396	3,810	95	277	1,689	449	336	361	312
June ..	9,830	159,070	61,669	2,251	3,713	156,301	129,562	q 1,642	237	4,307	4,029	91	277	1,437	280	318	361	311
July ..	9,436	179,854	60,757	2,094	5,337	139,417	108,828	q 1,995	299	4,223	4,798	106	324	1,549	336	193	526	222
August ..	10,857	211,181	67,365	3,265	4,134	136,754	146,603	q 1,935	208	4,512	4,676	55	324	1,848	151	469	526	263
Sept. ..	10,004	172,486	60,518	3,481	4,324	132,000	133,261	q 1,995	202	4,138	4,289	56	324	1,706	..	412	525	267
October ..	10,727	227,245	66,875	3,265	102,97	225,819	197,983	q 1,983	206	4,543	4,551	81	330	1,882	..	529	529	300
Nov. ..	12,372	194,732	76,194	2,921	4,141	112,374	169,507	q 1,981	176	4,577	4,551	116	330	1,786	..	484	529	310
Dec. ..	10,175	176,775	70,205	3,439	4,112	140,056	207,719	q 1,983	310	4,930	4,326	88	330	1,612	..	393	529	275
1923—Jan. ..	11,331	199,452	68,086	4,037	4,199	146,574	181,415	q 2,183	161	4,111	4,730	80	340	1,576	220	563	543	295
Feb. ..	11,786	183,476	65,308	2,994	3,618	154,452	141,224	q 1,798	204	3,884	3,165	56	340	1,468	260	439	542	202
Mar. ..	10,077	171,075	61,873	3,642	4,554	195,609	..	q 1,705	207	4,087	5,220	125	340	1,289	300	194	542	343
April ..	10,134	198,237	68,181	3,461	4,342	198,563	..	q 2,603	298	4,175	6,396	114	..	1,437	..	..	..	..
May ..	11,482	177,247	84,865	..	4,473	203,234	..	q 1,898	248	4,502	..	107	..	1,379	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	6,070	201,118	36,333	1,751	2,294	52,393	81,814	1,740	..	1,840	..	..	..	3,753	..	1,604	71	115
1918.....	8,488	..	102,059	2,510	2,594	160,218	94,758	..	..	310	..	13	..	166	..	549	70	148
1920.....	10,072	231,811	106,055	3,718	3,852	146,034	146,034	875	512	1,039	1,651	..	44	351	52	911	76	170
1921.....	10,064	179,804	66,892	3,578	2,256	102,371	142,477	1,430	575	1,336	1,714	..	27	70	476	169	76	160
1922.....	10,053	232,029	73,697	3,425	2,492	133,773	194,340	q1,336	788	1,885	1,796	..	26	87	576	..	62	177
1922—May.....	10,946	260,591	69,146	4,471	1,708	149,723	141,128	q1,456	920	1,538	2,090	24	100	446	230	189	65	166
June.....	9,880	184,413	71,761	4,707	1,638	144,082	149,155	q1,456	935	1,799	1,880	24	100	596	251	676	65	167
July.....	7,582	232,167	70,430	3,558	1,806	140,884	153,538	q1,477	1,050	1,936	1,656	23	82	552	340	1,033	70	180
Augst.....	5,806	238,066	73,586	1,921	1,774	144,205	181,725	q1,477	793	1,788	1,407	20	82	565	616	70	193	70
Sept.....	6,738	205,382	71,593	2,350	1,979	146,849	201,927	q1,477	705	2,616	1,587	33	82	614	1,154	70	179	70
October.....	9,394	207,204	102,675	2,834	1,455	158,180	298,802	q1,364	575	2,034	1,539	28	70	754	..	583	64	216
Nov.....	11,734	270,673	130,797	2,129	3,410	135,972	237,493	q1,364	708	2,034	1,551	34	70	734	..	617	64	180
Dec.....	12,759	264,488	110,871	3,485	3,801	154,343	249,890	q1,364	897	1,429	1,756	29	70	703	..	702	64	198
1923—Jan.....	9,769	281,534	64,659	3,204	3,752	92,357	248,337	1,546	711	1,896	1,309	19	60	639	1,368	608	55	180
Feb.....	12,813	306,838	57,656	5,650	2,464	121,066	256,384	1,240	898	2,490	1,096	19	60	590	1,469	770	55	182
March.....	12,997	311,971	77,336	6,849	2,759	117,353	..	1,308	1,023	1,822	1,338	15	60	732	2,151	209	55	200
April.....	8,769	293,995	53,642	5,208	2,084	150,017	..	1,546	857	1,513	1,029	19	60	642	..	..	..	..
May.....	7,067	284,418	74,815	..	1,999	114,611	..	1,166	1,155	1,880	..	13	..	..	..	..	..	..

a General trade. b Including Luxembourg. c 15 days. d Since May, 1922, the figures refer to the "Union Economique Belgo-Luxembourgeoise."

CAPITAL ISSUES. (000,000's omitted.)[illegible]

a Including Government Loans. *f* Joint Stock Companies only.

BANK RATES.

[illegible]

* Changed to 4% July 5, 1923.

U.K. IMPORTS.

	(In Million £.)	Food.	Raw Materials.	Manu- factures
Monthly average, 1913	242	23.5	161	
" 1918	469	38.2	233	
" 1919	59.9	50.6	246	
" 1920	63.9	59.2	37.8	
" 1921	47.2	23.3	20.4	
" 1922	39.3	24.8	19.1	
June, 1922	39.9	25.2	18.9	
July, "	38.8	24.4	18.6	
August, "	37.8	24.1	20.3	
September, "	35.6	21.8	19.2	
October, "	38.6	26.4	19.7	
November, "	45.5	30.2	19.6	
December, "	42.3	32.5	19.8	
January, 1923	47.4	30.3	21.7	
February, "	37.1	26.7	19.5	
March, "	40.7	27.7	21.2	
April, "	41.8	22.9	21.4	
May, "	43.6	23.7	21.6	
June, "	44.1	23.7	21.2	

U.K. EXPORTS.

	(In Million £.)	Food.	Raw Materials.	Manufactures.
Monthly average, 1913		27	5.8	34.3
" 1918		10	5.1	32.7
" 1919		2.8	9.3	53.4
" 1920		4.2	12.1	93.3
" 1921		3.1	5.3	49.1
" 1922		3.0	8.5	47.3
June, 1922		3.0	7.7	40.6
July, "		2.8	8.0	48.4
August, "		3.1	8.9	47.1
September, "		3.2	10.1	48.4
October, "		3.1	9.2	47.0
November, "		3.4	10.1	52.0
December, "		2.8	9.5	44.9
January, 1923		3.4	9.4	53.1
February, "		2.9	9.5	44.3
March, "		2.6	11.6	45.9
April, "		3.2	11.7	46.9
May, "		3.8	14.0	52.8
June, "		3.9	11.5	46.5

LONDON BANKERS' CLEARING RETURNS.

		(000's omitted.)		
	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1913	14,191,775	855,648	1,389,481	16,436,904
1919	23,214,685	1,813,929	3,386,768	28,415,382
1920	32,852,333	2,093,750	4,072,220	39,018,303
1921	30,268,214	1,660,166	3,002,179	34,930,559
1922	32,780,635	1,574,661	2,806,285	37,161,581
1923 (to July 1st)		1,574,661	1,579,257	20,774,838

"Bankers' Magazine" Index Number of Market

Value of Securities.* (Dec., 1921 = 100.)

1922.	Fixed Interest.	Variable Dividend.	Total.
January	102.5	101.3	102.1
February	107.3	102.8	105.8
March	108.0	105.9	107.3
April	112.9	114.1	113.3
May	112.7	114.9	113.4
June	112.0	114.4	112.8
July	113.2	116.7	114.4
August	113.1	118.2	114.7
September	111.2	119.7	114.0
October	112.1	121.0	115.1
November	111.0	119.5	114.1
December	111.0	117.6	113.2
1923.			
January	112.4	113.0	114.2
February	112.9	120.2	115.3
March	113.8	121.8	116.4
April	116.4	124.4	119.0
May	115.5	123.2	118.0
June	115.8	122.7	118.0

* 365 securities, nominal value £6,683·4 millions.

UNEMPLOYMENT.

Percentage of persons unemployed in trade unions or in official unemployment insurance schemes (Belgium and U.K.).

End of Month.	United Kingdom.	Belgium.	Denmark.	Germany.	Nether-lands.	Norway.	Sweden.	Australia.	Canada.
1920—March	36	..	6.7	1.9	8.7.7	2.0	4.5	5.6	3.1
June	2.6	..	2.1	3.9	5.9	0.8	3.4	6.2	2.1
September	3.8	5.8	2.7	4.1	1.8	2.9	6.2	3.3	..
December	5.8	1.7	15.1	4.1	13.4	6.8	15.8	7.8	15.1
1921—March	11.3	0.4	23.6	3.7	15.9	16.5	24.5	11.4	16.5
June	1.78	9.9	16.8	3.0	8.1	20.6	27.7	12.5	13.2
September	12.2	9.6	16.6	1.4	6.8	17.3	27.3	11.4	8.5
December	15.2	6.6	25.2	1.6	16.6	23.4	33.2	9.5	15.1
1922—March	14.4	5.2	27.9	1.1	14.1	25.5	30.6	9.2	9.6
June	12.7	2.6	13.2	0.6	9.1	15.6	21.5	9.6	5.3
September	12.0	1.4	10.6	0.8	9.1	11.0	15.3	9.6	2.8
November	12.4	1.4	15.2	2.0	8.1	11.0	11.8	17.1	6.2
December	12.2	1.7	20.3	2.8	17.0	15.1	21.7	8.6	7.8
1923—January	12.7	..	21.5	4.4	17.8	17.1	21.4	..	6.4
February	11.8	1.2	23.2	5.5	15.4	15.5	20.8	..	7.8
March	11.2	0.8	16.0	5.6	14.2	14.3	19.9	5.6	6.8
April	10.9	..	11.5	7.0	11.6	..	15.6	7.0	..
May	10.7	..	9.1	..	..	..	..	..	..

Number of Workers Covered by Returns.

	11.8	0.7	0.3	5.9	0.3	0.1	0.1	0.4	0.2
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g Calculated from weekly average. *i* Excluding Irish Free States.
k Provisional figures.

IMPORTS.

	Wheat.	Raw Cotton.	Sheep & Lambs' Wool.	Cotton Piece Goods.	Iron and Steel.	Coal.
	Million Cwts.	Million Centals.	Million Centals.	Million Sq. Yds.	Million Tons.	Million Tons.
Monthly average, 1913	8.8	1.8	0.67	*589	0.41	6.1
" 1918	4.8	1.2	0.34	308	0.13	2.6
" 1919	5.9	1.6	0.87	294	0.19	2.9
" 1920	9.1	1.6	0.73	359	0.27	2.1
" 1921	6.7	1.0	0.63	242	0.14	2.0
" 1922	8.0	1.2	0.92	349	0.28	5.3
" 1922	7.8	1.2	1.4	341	0.27	5.1
May,	8.2	1.3	0.97	312	0.24	4.8
June,	7.1	1.1	0.79	444	0.25	5.1
July,	10.5	0.8	1.1	378	0.27	6.1
August,	7.6	0.6	0.52	596	0.28	7.1
September,	6.1	0.3	0.60	354	0.35	6.2
October,	8.2	1.8	0.60	399	0.37	6.6
November,	9.1	2.1	0.70	361	0.34	6.0
December,	9.7	1.3	0.98	400	0.35	5.6
January, 1923	6.0	1.3	0.84	343	0.32	5.9
February,	8.3	1.2	0.78	337	0.37	6.8
March,	6.7	0.6	0.93	316	0.39	6.8
April,	5.9	0.5	0.90	410	0.42	7.7
May,	9.8	0.4	0.79	301	0.37	6.6
June,						

* Yards.

RAILWAY STATISTICS.—GREAT BRITAIN. Freight Train Traffic.

1922.	Mer- chandise.	Coal, &c.	Other Minerals.	Total.	Comparison with 1921.
	Tons.	Tons.	Tons.	Tons.	Tons.
January	4,584,277	15,954,343	3,164,652	23,703,272	— 1,705,409
February	4,595,603	16,410,697	3,541,766	24,548,066	+ 1,805,461
March	5,375,117	18,409,525	4,410,666	28,195,308	+ 5,149,524
April	4,429,245	15,443,906	3,776,341	23,649,492	+ 14,568,265
May	5,061,372	17,572,047	4,680,553	27,303,972	+ 20,061,470
June	4,397,015	14,658,012	4,265,818	23,320,845	+ 15,761,280
July	4,531,688	16,934,588	4,107,588	25,773,864	+ 6,573,618
August	4,893,958	18,731,181	4,449,450	28,074,592	+ 5,100,031
September	5,058,066	19,844,821	4,573,509	28,476,396	+ 5,176,498
October	5,408,738	19,355,984	4,785,251	29,643,033	+ 5,864,957
November	5,437,339	20,121,280	4,833,033	30,451,652	+ 5,690,606
December	4,943,453	19,389,940	4,666,172	28,939,565	+ 4,815,166
	58,705,931	211,766,327	51,607,799	322,080,057	+ 89,261,415

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The Economist

MONTHLY SUPPLEMENT.

New Series. No. 3.

SATURDAY, AUGUST 25, 1923.

We resumed in June the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." is 6d. Constable.

THE STATE OF TRADE.

At this time last year trade was rapidly on the mend. The unemployed were being steadily absorbed during the summer months, and orders were being booked which produced an expansion of trade throughout the autumn and winter months. This year the normal seasonal improvement in employment in the summer months has not occurred, the gross figures of numbers on the unemployed register under the insurance scheme having remained practically constant for the last four months, while in most trades the forward booking of orders has been curtailed, leaving the factories with work on hand for only a short time ahead. There is much controversy taking place as to the effect of the Ruhr occupation on British trade, and on this Mr Selfridge has some interesting things to say in the following article. Our own view can be expressed quite shortly, namely, that its direct and indirect effects have definitely checked a steady improvement in world trade, for which the stage was set, and that we are, instead, experiencing a very slight drift backwards. At the same time, it is possible to overstress the pessimistic features in the situation. Although business circles are not in enterprising mood, our trade reports show that, in spite of actual or expected competition from abroad, orders are either coming in or are confidently expected when the holiday season is over. Hence there is no need to assume—as Sir Allan Smith assumes in his recent letter to the Prime Minister—that things are in his recent letter to the Prime Minister—that things are going to be worse again this winter. If the Ruhr difficulty should happily be settled, there is general agreement that business would take a definite turn for the better, and even if the present discussions drag on inconclusively, we may be lucky enough to escape with nothing worse than stationary conditions until next spring. This is not a cheerful prospect, and the task of dealing with unemployment will once again be a very severe one, but it is something gained if we do not slip back to the conditions of 1921.

The state of affairs may be illustrated by the position in a few leading industries. In cotton, the spinning section was running at about 65 per cent. of capacity at the end of July as compared with 60 per cent. in March and April last, the American being appreciably worse off than the Egyptian yarn. In the weaving section, employment again fell off, but a more hopeful tone is now felt about the Indian market, though the China market is still very bad. Throughout Lancashire, the long-drawn-out depression is causing anxiety as to the financial position of many firms.

In the wool trade short time is the general rule, many Bradford mills working only three days a week. Orders for winter and spring goods are below the normal, and the home trade is being affected by competing imports from France, Belgium, and Germany.

In the iron and steel trades a small decline in output is

recorded in July; foreign competition—particularly from Belgium—is being experienced, though not on so large a scale as in the spring of 1921, and the general tone is one of uncertainty. The trade has a special trouble of its own in the large stocks of semi-finished products which are said to be stocked in the Ruhr works. No authentic information is forthcoming as to the extent of these stocks; but, though obviously much exaggerated, they loom very large at the moment in market psychology, and are depressing prices. The engineering trade reports are by no means all gloomy, but speak of orders coming along, although in face of keen competition. Even in ship-building there is no serious decline in tonnage under construction, and the yards would show increased employment if the boilermakers' strike were ended. Our index number of freights, however, printed in the *Economist* of August 18, shows that freights, at 3 per cent. above the pre-war figure, are the lowest since the war broke out.

The coal trade output is down, but not more than is to be expected in the summer—the drop being chiefly in centres mainly producing household coal. Industrial demand is not bad, and export centres are busy, though f.o.b. prices have had to be reduced from the fancy levels current a few weeks ago.

The net effect of these various considerations is that, in spite of the unfavourable factors, there is a slightly hardening tendency in certain commodity markets, an important exception being the price of wheat, which is being talked down to very low figures. This sentiment is not at the moment doing more than check the downward movement of the last two months, but there is undoubtedly a fairly firm undertone. Similarly, in the industrial section of the Stock Exchange the recent downward movement of shares has been stopped, and some quotations are even slightly higher.

Outside Europe the symptoms are by no means altogether discouraging. In the United States there was a definite lull in July, but opinions differ as to whether it was or was not more than seasonal. The latest advices, however, report the same signs of a slight hardening tendency, both in the industrial security markets and in the produce markets, and though steel production has fallen below the high level reached in the spring, and cotton production in New England is being curtailed, reports from other industries show that production is well maintained, that there has been no decline in wages or employment, that, on the whole, there is no evidence of stock accumulating, and there is no reason to fear that an unhealthy speculative situation may be revealed, except possibly in building construction. As to the conditions in the Dominions, very satisfactory rains in the summer have created great confidence in crop prospects and fodder supplies for stock. Building is active, and the demand for British goods from Australia is fairly strong. Canadian reports are also favourable, but South Africa

seems to be making a more modest recovery than Canada and Australia. In India the monsoon broke late, and crop prospects are not so brilliant as were expected, but they remain good, and with signs of increased production for export. India should be a fairly good buyer in the coming year. In South America, Argentine prospects are fairly good, but the reports from Chili and Brazil are only moderate. In the Far East the outlook in China remains depressed, and the manufacturing industries of Japan have fallen since the spring, though the silk crop will be substantially bigger than last year. The adverse trade balance of Japan is causing some anxiety. As regards Europe the situation in Germany is dealt with in a subsequent article. Such figures as are avail-

able are chiefly remarkable for the evidence they give that until the last utter collapse of the mark in June, output was maintained and exports continued in spite of an extremely low standard of real wages and of the state of the exchanges. The shutting off of the Ruhr, however, makes it very difficult to say with certainty whether, and if so to what extent, there was a fall in the import and export trade of unoccupied Germany. Belgium is recovering slightly from the depression which followed the occupation of the Ruhr, while Czecho-Slovakia is profiting by some of the orders transferred from Germany and from a large sugar output. Holland, however, is experiencing a bad depression owing to the check to Rhineland production and trade.

A LONDON MERCHANT'S VIEWS ON THE TRADE OUTLOOK.

The following is the substance of a recent interview with Mr Gordon Selfridge:—

"When we give our thoughts to the prospects of trade in this country during the next six months, we must not fail to keep in the forefront of our minds the fact, from which there is no escape, that such trade is entirely dependent upon the measure of our exports. All talk of living by making for ourselves, at least for a period, sounds to me as altogether outside of the problem. The supply of the needs of the 47 millions of people within this island (even if we could readily devise means for giving practical effect to the idea) is a small item compared with the supply of the needs of the hundreds of millions in India and the Far East; if we were compelled to seek the purchasers of our goods in this country alone, a vast proportion of our manufacturing plant would soon be standing idle. Conversation with leading industrialists will speedily drive out of our heads any notion other than that our minds must be persistently directed to ways of enlarging and maintaining the sale of our manufactured goods abroad, these, in the instance of many works, constituting well over 75 per cent. of their output.

"Contrary to the public impression, by the way, practically no German goods are at present coming into the country, for they are too dear. Austrian makers are eager we should buy; but the Germans say, 'Take it or leave it at the price.' This is bound to be the German attitude.

"There reach me reports of orders for industrial goods for export from North Country areas which offer a faint hope of betterment. But when I note the reports from the Britains-over-seas, get a glimpse of the situation in South America, and reflect upon the difficulties which amount almost to a slump in the United States, I am in no way confident that the former customers of this country will show any eagerness to buy again in a notable degree before the end of the year at any rate.

"There is no need to worry, at any rate, over the prospect of France as an industrial rival, despite the current talk to this effect. The French have at Lille, Roubaix, Rouen, and elsewhere factories turning out very fine goods. Owing to the recent introduction of a new machine, too, they can sell certain goods substantially cheaper than Bradford manufacturers can afford. But they are individual in temper, and, apart from occasional experiments, the fruit of patriotic emotion, they do not readily give themselves to mass production.

"When, however, we turn to Germany, I frankly confess that, while I am without a distinct vision of the situation, I entertain a most lively apprehension of the future. For if the Germans do in the end what I fear they may do, the other industrial nations, including the United States, will undergo the worst experience they have yet encountered in their history.

"But let me first clear up a couple of minor issues. There is little foundation for the argument that the French occupation of the Ruhr stops trade upon our part. The truth, in my view, is that the Germans cannot afford to buy just now. I am inclined to believe, following the impression taken by certain German citizens of the United States, friends of mine, who have visited Germany, that the industrial kings like Stinnes have planted many millions of gold in 'ice-cold safes' in this country, the United States and South America. Apart from these people, however, I am inclined to decide that the Germans in Germany are suffering a decided ordeal just now.

"The factor which plays the largest part in involving the future in mystery is the psychology of the German. They admit, I believe, that they are without a profitable psychology in important arenas of mind. Before the war some of their philosophers used to say that when the chance came they meant to import Englishmen to manage their politics, and they admit that their psychology during the war was all wrong. At times I decide, too, that in relation to this Reparation crisis their mentality is unequal to the heavy demand made upon it.

"But if a Cromwell should jump into the saddle, then a long farewell to an easy day for dull brains and lethargic bodies in England and America!

"It is not in industrial production they are to be feared so much as in trade—in short, in merchandising—the world over. I am stating a truth, probably new and startling to many people, but a truth capable of the most convincing demonstration, that turning out goods by machinery (once invention has provided the way) is a thousand times easier and in corresponding degree less costly than selling the same goods: the foundations of all advertising rest upon this fact. This, as it happens, is the art, craft, or industry in which Germany is strongest among the nations. If they had kept to it, instead of having the war, they would have been by this time, it may be, the commercial masters of the world. Shortly, merchandising is their *métier*, and, if they should resolve to do the past history and character of a great nation justice before the world, the other trading nations will have all kinds of reasons, first, for recalling, and then for remembering the fact.

"We in this country cannot afford to treat this prospect lightly. It means that the heads of our varied businesses must divest themselves of their innate conservatism more rapidly than they have done at any time, even in recent years. For momentary example: 10 per cent. of metal must not be wasted upon structural stanchions and beams when the building experience of the United States shows that they can be made 10 per cent. lighter with equal safety. But this side note opens up a series of counsels upon which I cannot afford to expand at this moment. I will only add this: It is imperative that we should get quickly rid of 'grandfather's ways,' and that, if this is impossible to us personally, we must hasten to hand over our enterprises to our sons. Never in the history of trade was the demand upon us for wisdom greater and stronger."

THE SITUATION IN GERMANY.

By PROFESSOR MORITZ J. BONN.

THE economic situation in Germany is mainly influenced by the invasion of the Ruhr. A very considerable area, containing the greatest part of the mineral wealth of the country, is cut off. Its people cannot export their surplus produce, nor can they import the raw material needed. What cannot be consumed locally must be stored. Transportation is out of joint and unemployment is spreading in the occupied districts. If the Central Government did not pay unemployment benefit, organise credit facilities, and award compensation for damage done, the social structure in the occupied territories could scarcely be kept up. The cost of financing the needs of the stricken country must be borne, of course, by the Government and the people of non-occupied Germany.

For a long time the economic situation in non-occupied Germany has been less affected by the stoppage of imports from the Ruhr than might have been expected. Production has been carried on, as great quantities of coal and coke have been imported from England. On the other hand, there has been a great decrease in the import of iron ores, only about 9 per cent. of the monthly average for 1922 being imported in May, and less than 20 per cent. in June. Business, as is quite natural, is contracting. The total monthly average of exports (weight; values are not much good) was 1.8 million tons for 1922; for the period February-May of the present year it fell to 1 million tons, while in June it was scarcely 0.9 million tons. The average weight of imports has risen meanwhile from 3.8 million tons to 4.69 millions, and in June it had reached 4.8 million tons.

Unemployment, of course, is spreading. The percentage of totally unemployed amongst the membership of trade unions had been 0.6 per cent. in July, 1922, and it had risen to 6.2 per cent. in May, 1923. Though it fell to 4.1 per cent. in June the financial stringency must affect this improvement, whilst the percentage of short time workers has been, at the dates mentioned, 0.6 per cent., 21.7 per cent., and 15.3 per cent.

The strain of this development is clearly visible in the financial situation. Within little more than six months the floating debt has increased about 40 times. This catastrophic development is due directly and indirectly to the occupation of the Ruhr. The deadlock on the railways has greatly increased the railway deficit. The spread of unemployment and the necessity of credits has swelled expenditure. But the chief consequences are indirect. The dollar (which to-day is the economic barometer of Germany) was fairly steady between October, 1922, and January 10, 1923. Within 21 days after the invasion it had risen from about 10,000 to 49,000 paper marks. Nevertheless, it was possible to bring the dollar down to 20,000 and to keep it there for three months. But it was not possible to bring down prices, though the rate of increase was slowed down. The index of the cost of living (1913 = 100), which had jumped from 68,500 in December, 1922, to 112,000 in January, 1923, was 264,300 in February, 285,400 in March, and 381,600 in May. It was possible to stem the rise of wages and salaries to a certain degree. The index for the salaries of Civil Servants rose between January and April from 67,800 to 84,700. But when the control of the mark broke down about the middle of April, wages and prices could not be kept back any longer. The cost of living index rose to 927,200 in the third week of June, and to 2,887,200 in the third week of July. This led to the long-postponed increase in the wages of the Civil Service, which immediately affected expenditure and increased the necessity of borrowing. From May 31st to June 30th 13 billions new Treasury bills were issued, nine of them between June 20th and June 30th, when the newly-raised salaries for the Civil Service for the next quarter fell due. On June 30th the

floating debt amounted to 23.5 billion Treasury bills; within five weeks it trebled to 69.6 billions, most of them being in the hands of the Bank.

The circulation of notes has increased correspondingly. Within a single week (July 31st) it has risen by 13.1 billions to 43.6 billions. It is now 33 times the amount outstanding on January 1st. The Bank held 54 billions Treasury bills on July 31st, or 50 times the amount it held six months ago; it had discounted 18 billions trade bills, or 41 times the amount it had lent to private people at the beginning of the year. The Bank's liabilities on outstanding notes and deposits had risen since January 1st from 1.8 billion to 72 billions, whilst its gold holdings at home had fallen from 955 millions to 506 millions. At the rate of the dollar exchange ruling on December 30th the gold in the hands of the Bank almost covered its total liabilities; there was quite a considerable margin as far as the note issue was concerned. On June 30th the total liabilities were considerably ahead of the gold in hand.

The vehement fall of the mark early in August reversed this situation again. At a rate of 4 million marks to the dollar, 500 million gold marks equal 500 billions paper marks. But the same forces which have been driving up the dollar are driving up prices, a fact which makes new issues of notes imperative, whilst the Bank is losing part of its gold.

A few days ago a catastrophe seemed to be imminent. Prices were rising fabulously, wages were following; coal and iron, the two chief basic commodities, were rising above the level of the world market; a price of 23 millions paper mark the ton of coal corresponds to about 28s. Wages were following rapidly. The top wages of the printers have just been settled at 36.6 million paper marks a week, equalling 9 dollars, or a dollar and a-half a working day. But wages could not be paid at the end of last week, for quite apart from the temporary difficulties brought about by a printers' strike, there was not enough circulating medium in the country to satisfy the needs of exchange at the existing level of prices. Strikes were rife and even a general strike seemed imminent. Concessions had to be made which satisfy labour provided the printing press works day and night.

At the same time the first signs were discernible of a repudiation of the mark as a medium of exchange. The markets were deserted as farmers refused to sell. It became apparent that a new circulating medium not subject to violent fluctuations must be introduced quickly, and that an heroic effort must be made to stop future inflation. Taxes were immediately voted which are supposed to bring in hundreds of billions of paper marks within a short time, whilst a big gold loan is being issued, the smaller denominations of which may provisionally take the place of a gold currency.

And there is a well grounded hope that a sound gold covered emergency currency may be created, which will be protected against the inroads of predatory State finance. For some time the printing of notes must go on, for at a rate of 18 million marks to the pound sterling the value of 100 billion paper marks is but equal to 100 million gold marks. If production and distribution had not been greatly reduced, and if in many cases exchange were not carried out by means of foreign currencies, the "money famine" might have brought economic life to a standstill. As it is, it is seriously menaced. There is no hope if the Reichsbank in granting new credits does not base them on a gold standard. If it does, the new financial legislation, the accession of a new Government, and the beginning of the marketing of the new harvest may restore confidence.

If these measures succeed for the time being, economic dissolution can be prevented. Germany will return to a kind of gold-standard currency, sacrificing the so-called advantages of inflation, and revert to methods of hard work and sound finance. If they fail there will be chaos

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.										LIGNITE.					
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.	Canada.
1913	24,342	1,904	1,189	3,404	15,842	156	1,135	665	1,776	41,087	1,918	7,269	1,918	7,269	399	236
1918	19,286	1,158	928	2,188	13,376	283	1,135	747	2,336	51,273	1,999	8,389	1,999	8,389	399	236
1920	19,402	1,866	928	2,890	10,950	328	534	1,257	2,437	48,811	1,999	8,389	1,999	8,389	399	236
1921	18,222	1,816	971	3,213	11,351	327	631	888	2,622	1,918	2,065	10,251	2,065	10,251	471	231
1922	21,235	1,767	826	3,596	10,861	381	1,850	735	2,417	34,821	2,177	1,579	2,177	1,579	468	...
1922-June	20,699	1,675	740	3,415	9,038	359	753	715	2,096	20,315	237	1,559	20,487	1,559	436	65
July	18,916	1,669	778	3,513	9,589	387	1,230	684	1,961	15,530	227	1,590	11,411	1,590	398	65
August	19,371	1,695	911	3,582	10,206	343	1,123	563	793	13,841	227	1,590	11,411	1,590	398	130
September	20,098	1,721	729	3,705	10,157	398	1,007	1,040	772	1,833	217	1,467	11,823	1,467	472	385
October	21,562	1,819	666	3,836	10,753	480	1,095	1,129	773	2,099	276	1,449	12,089	1,449	529	505
November	27,228	1,805	891	3,753	10,456	406	2,843	1,144	776	2,189	241	1,103	11,896	1,103	545	442
December	20,598	1,818	848	3,799	9,684	390	2,760	1,152	742	2,388	218	1,567	11,897	1,567	518	473
1923-January	21,564	1,994	912	4,199	9,732	437	3,243	1,236	819	2,189	232	1,585	9,104	1,585	564	354
February	22,608	1,604	880	2,609	1,554	398	2,894	1,106	761	2,084	211	1,474	8,289	1,474	553	357
March	22,024	1,924	786	3,051	...	458	3,370	1,094	842	2,376	214	1,366	...	...	401	160
April	21,609	1,822	1,198	3,063	...	450	2,969	1,032	889	2,438	153	1,366	...	...	...	85
May	20,797	1,813	1,068	3,576	...	414	2,683	1,074	971	...	212	1,289	...	...	...	...
June	22,476	1,970	1,077	3,461	...	428	...	...	940	...	49,128	...	1,278	...	...	...
July	20,381	...	...	...	...	...	...	...	...	...	48,879	...	1,278	...	...	...

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Five weeks. e Strike period. f From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat. g From June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Provisional figure. k Excluding Ruhr production.

PIG IRON.

Period. Monthly Average.	COAL.										LIGNITE.					
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.	Canada.
1913	869	207	434	1,388	212	61	85	2,601	4,649	205	396	1,412	101	62	88	2,564
1918	768	...	...	883	106	64	90	1,260	4,812	1	151	1,176	73	53	142	3,645
1920	680	93	276	463	58	38	82	3,083	4,768	104	246	643	50	41	94	3,461
1921	222	73	280	635	81	26	51	1,401	4,314	66	255	750	63	19	57	1,638
1922	415	134	427	730	140	22	32	2,276	4,494	130	373	...	116	29	41	2,818
1922-June	375	115	416	...	144	21	29	2,399	4,077	113	358	...	124	27	33	1,185
July	406	127	428	...	150	20	32	2,444	4,811	115	369	...	128	30	64	3,004
August	418	154	447	...	149	22	28	1,845	537	151	397	...	131	31	60	2,674
September	437	163	462	...	152	22	25	2,065	566	171	407	...	135	34	36	2,867
October	489	175	503	...	165	23	37	2,680	574	182	430	...	139	35	54	3,469
November	502	172	514	...	164	27	35	2,895	610	177	410	...	132	38	52	3,489
December	542	180	513	...	159	28	36	3,136	555	169	415	...	134	32	47	3,357
1923-January	577	166	486	...	142	22	41	3,281	644	179	408	...	123	17	49	3,597
February	552	151	306	...	88	6	45	3,012	718	157	290	...	74	2	47	3,526
March	644	170	316	...	95	10	66	3,580	815	184	316	...	79	3	91	4,108
April	663	172	350	...	96	10	84	3,624	761	170	355	...	79	4	94	4,011
May	726	166	393	...	86	12	103	3,930	834	172	388	...	73	5	106	4,253
June	704	172	445	...	90	...	101	3,727	780	189	427	...	74	...	98	3,809
July	666	...	...	...	...	...	...	3,684	635	...	...	...	...	...	98	3,516

a Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918; for 1918-1921 figures not official. b In gross and castings. c Monthly figures, based on the returns of 30 establishments, whose production in 1921 amounted to 87.50 per cent. of the total production. d Decrease due to labour disputes. e Corrected figures from January, 1923, based on returns from works responsible for 96% of total production.

WHOLESALE PRICES. (1913 = 100.)

Monthly Average.	COAL.										LIGNITE.					
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.	Canada.
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1918	224.9	...	...	339.2	...	...	...	...	...	...	...	...	...	...	...	...
1920	307.3	281.2	...	341	509.4	...	2,130	284.8	624.4	...	...	...	...	...	...	...
1921	197.2	181.0	366	1,675	178	345.0	4,217	177.7	577.5	269	57,046	190	222	191.2	174.9	181.6
1922	158.8	159.5	367	1,299	181	326.6	49,559	155.4	562.3	220	157,575	176	173	167.5	161.6	165.5
1922-June	159.9	163.0	356	1,464	180	325.0	9,102	158.9	537.4	230	87,694	178	174	163.9	163.1	165.3
July	160.3	163.2	360	1,386	180	325.1	13,978	158.0	557.5	232	101,587	175	173	161.7	164.4	166.3
August	156.3	158.1	360	1,155	178	331.2	29,116	151.8	571.3	237	135,786	175	173	163.7	162.7	178
September	154.3	156.6	364	1,059	176	329.3	43,223	148.2	581.7	225	152,365	174	170	164.5	165.3	176
October	152.2	158.2	368	1,017	180	337.4	94,492	150.9	600.8	221	201,396	172	169	170.6	166.5	177
November	157.6	159.0	408	999	182	352.1	167,412	153.6	596.2	221	215,641	174	163	171.9	169.9	178
December	152.8	158.3	407	1,003	181	361.9	205,417	150.9	579.6	220	246,353	172	163	174.7	168.4	176
1923-January	157.1	160.6	434	1,019	192	386.9	715,881	151.8	575.3	220	246,690	170	165	175.3	170.5	179
February	153.3	163.5	474	1,028	199	421.8	677,000	150.9	582.1	224	839,100	170	163	175.3	170.5	179
March	160.3	163.1	482	1,031	200	424.0	642,700	151.8	586.9	229	988,500	171	168	185.9	169.0	186.8
April	161.4	164.9	480	1,029	204	414.7	823,700	151.8	588.4	231	1,058,920	174	168	185.9	170.7	181
May	159.8	163.8	474	1,000	202	406.5	1,498,000	145.5	580.1	233	1,125,350	171	166	181.0	178.3	177
June	159.4	160.0	484	967	207	408.4	2,604,800	...	568.3	230	1,881,410	170	164	180.0	...	166.7
July	156.6	155.2	...	...	207	...	...	...	...	235	...	...	...	...	...	...

a From 1920 revised index. b End of the month. c End of the year. d Beginning of the following month. e Revised index number, based on 48 articles instead of 61.

Wholesale Prices—Continued.

COAL.					INDEX NUMBERS OF RETAIL PRICES.					COST OF LIVING.						
Monthly Average	South Africa.	China.	Japan.	United States, Bureau of Labor.	No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.
						630	Vienna.	59	4	Paris.	71	Berlin.	Rome.	Madrid.	60	52
1913	100	100	100	100		July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913, Jan., April, June, 1914.	Aug., 1913, July, 1914.	Jan., June, 1914.	1914.	1913.	1913.
1918	153.1	..	196.9	194	Base.											
1920	223.3	140.0	259.6	226												
1921	160.4	144.6	200.5	147	1918-July..	210	..	453	617	..	935	1125	197	154	146	174
1922	128.4	145.4	196.0	149	1920-July..	256	..	453	1647	341	..	1125	313	191	190	217
					1921-July..	222	53,300	379	1765	507	1124	1125	387	181	155	100
					1922-July..	181	264,511	386	..	502	5392	6122	429	179	147	167
1922-June	144.0	197.4	150		a											
July	126.5	143.9	201.2	155	1922-June..	181	187,134	366	2415	302	4147	4149	425	183	146	167
August	..	142.0	195.4	155	July	181	261,511	366	2469	..	5392	6122	429	179	147	..
September	..	138.8	193.0	153	Aug.	179	593,222	366	2515	..	7765	10271	431	178	147	..
October	129.0	142.5	190.6	154	Sept.	178	1,130,563	371	2612	289	13319	16368	437	179	147	166
November	..	143.3	188.1	156	Oct.	180	1,036,308	376	2541	..	22058	26069	444	178	147	..
December	..	148.5	182.9	156	Nov.	180	970,083	384	2252	..	44610	56494	439	178	148	169
					Dec.	178	937,528	384	2617	300	68506	76325	438	177	149	..
1923-January	130.7	152.7	184.3	166	1923-Jan.	177	945,397	383	2642	..	112027	128952	412	180	150	..
February	..	161.5	192.1	157	Feb.	176	960,083	397	2749	..	264300	281300	413	181	151	..
March	..	158.7	196.9	159	Mar.	174	1,015,132	408	2812	324	285400	269900	440	178	150	169
April	126.2	157.7	196.2	159	April..	170	1,089,660	409	2741	..	295400	..	441	180	151	..
May	..	158.4	199.2	156	May	169	1,144,000	413	..	..	381600	..	449	178	147	..
June	..	155.2	197.5	153	June	169	1,151,300	419	..	331	765000	..	..	170	146	..
July	..	..	192.0	151	July	171	1,090,300	429	..	331	..	..	..	..	..	..

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Swed'n.	Switz'rland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Mark.	Mark.	Drachm.	Lire.	Gulden.	Marki p.	Pesetas.	Kronor.	Francs.	£s.	Dollars.
1913.....	54,931	386,333	15,775	64,785	..	701,778	41,033	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,274	147,229
1918.....	107,100	..	46,960	75,851	..	1,858,416	38,943	61,159	1,336,561	50,666	..	..	49,145	102,776	200,122	4,148	246,961
1920.....	142,861	930,460	184,486	245,277	116,265	4,158,748	299,680	8,256,417	177,519	2,335,135	277,702	..	118,435	281,125	353,568	8,214	425,125
1921.....	81,548	837,620	243,424	128,734	373,551	1,838,992	294,766	9,815,963	143,800	1,438,885	186,695	..	238,083	105,520	191,367	4,109	213,070
1922.....	75,012	756,426	..	120,022	465,785	1,991,717	326,829	516,700	225,565	1,310,563	168,966	..	252,768	97,027	159,539	3,408	253,617
1922—June.....	75,578	704,026	410,830	135,039	655,379	1,851,184	423,182	564,620	214,458	1,663,286	150,900	41,142,000	285,341	93,082	136,045	3,479	256,795
July.....	73,467	707,648	389,518	112,588	532,761	1,995,746	316,805	684,800	215,572	1,334,422	163,859	50,591,000	285,341	83,898	167,584	2,910	211,948
Aug.....	75,157	707,648	386,007	128,409	637,962	1,959,729	395,590	590,200	196,418	1,051,512	178,900	87,543,000	281,862	105,443	167,584	3,007	277,621
Sept.....	70,562	707,648	414,800	127,936	700,391	1,893,121	358,190	421,800	181,266	1,231,432	164,617	..	211,747	108,897	167,584	3,439	276,314
Oct.....	76,737	885,421	367,736	140,878	523,575	2,108,872	362,321	531,700	387,326	1,399,283	186,643	..	279,242	118,115	186,070	3,757	345,483
Nov.....	86,452	885,421	..	122,692	525,626	2,348,245	389,567	536,200	286,118	1,248,035	172,296	..	279,242	111,496	186,070	4,779	345,483
Dec.....	86,433	885,421	..	135,947	497,245	2,923,286	420,486	589,800	372,914	1,915,936	183,763	..	279,242	111,496	186,070	4,779	345,483
1922—Jan.....	89,902	928,722	..	136,195	509,838	2,144,294	304,808	563,800	380,610	1,059,750	173,046	483,602,000	277,688	87,827	177,070	3,636	319,000
Feb.....	74,032	801,421	..	150,300	428,020	2,343,014	260,455	446,300	354,364	1,571,841	162,189	655,625,000	281,364	87,836	177,070	3,137	303,416
Mar.....	80,937	988,035	..	141,150	675,240	2,486,736	362,912	503,100	352,997	1,495,748	169,714	812,247,000	266,047	108,770	177,070	3,969	308,070
April.....	73,989	973,335	..	160,980	727,746	2,560,198	362,912	639,100	580,020	1,400,552	169,714	812,247,000	266,047	108,770	177,070	3,969	308,070
May.....	77,706	896,988	..	147,243	..	2,596,881	458,088	..	376,520	1,586,615	160,130	..	..	114,579	168,432	3,571	373,753
June.....	78,353	1,195,202	..	134,903	..	2,558,336	418,829	..	358,597	..	159,533	..	..	110,616	168,432	..	303,507
July.....	66,018	..	..	..	..	2,615,646	..	..	..	..	..	..	..	111,090	168,432	..	310,000

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	88,136	68,112	114,700	2,639	204,086
1918.....	41,785	..	..	59,207	..	393,561	15,797	..	94,738	278,726	31,750	..	83,303	112,536	165,598	3,781	296,681
1920.....	111,297	724,847	136,917	132,589	101,365	2,241,249	241,342	5,785,083	56,342	981,177	141,775	..	84,180	191,133	273,092	7,119	673,373
1921.....	58,617	594,987	184,776	114,318	190,553	1,647,709	278,152	8,299,713	70,185	689,724	114,146	..	130,548	91,440	178,345	3,014	364,811
1922.....	60,041	504,965	..	96,087	..	1,720,166	369,447	330,333	132,379	..	101,769	..	120,765	96,757	146,798	4,007	313,768
1922—June.....	52,146	470,540	323,386	119,890	221,666	1,561,443	830,840	427,900	90,060	860,771	100,681	20,860,000	127,223	104,726	151,731	3,389	327,188
July.....	60,419	580,135	303,913	96,489	765,358	1,443,042	619,918	336,300	95,195	700,481	104,573	40,457,000	127,223	102,684	147,066	2,501	296,681
Aug.....	62,511	590,135	346,721	84,012	423,406	1,676,314	598,078	390,300	81,713	703,187	99,443	87,983,000	121,166	132,548	147,066	2,488	296,378
Sept.....	60,032	590,135	310,322	114,061	827,921	1,741,062	599,052	390,300	243,450	746,651	115,612	..	121,166	132,548	147,066	2,488	296,378
October.....	60,399	597,714	492,275	105,064	383,283	1,937,467	476,589	390,400	242,310	746,651	115,612	..	121,166	132,548	147,066	2,488	296,378
Nov.....	66,491	587,714	..	113,809	454,951	1,706,499	387,635	256,200	182,113	1,049,375	104,350	..	130,930	127,920	147,843	7,435	370,644
Dec.....	58,883	587,714	..	105,045	641,827	2,778,947	270,674	423,000	202,821	1,009,965	100,225	..	170,993	119,578	147,843	8,288	338,388
1923—Jan.....	66,939	486,360	..	102,886	384,117	1,695,898	197,656	311,400	193,102	788,841	91,488	549,456,000	129,017	64,928	146,775	6,765	330,894
Feb.....	57,510	587,338	..	112,634	389,117	2,328,858	149,300	360,600	129,282	750,427	94,602	911,626,000	141,701	49,387	146,775	5,152	302,106
Mar.....	60,921	715,439	..	128,090	459,635	2,474,378	152,977	435,800	125,976	886,690	106,977	1,183,486,000	132,086	60,914	146,775	5,218	333,353
April.....	62,871	697,521	..	108,991	423,178	2,507,895	190,401	417,900	142,163	732,491	97,005	937,695,000	..	61,618	121,798	3,446	318,357
May.....	71,555	597,542	..	127,010	..	2,675,045	245,400	..	353,685	781,977	104,129	..	..	101,867	121,798	2,915	309,689
June.....	62,884	755,616	..	130,377	..	2,479,391	257,300	..	83,544	..	97,860	..	..	112,340	121,798	..	320,094
July.....	59,504	..	..	..	..	2,423,781	..	..	..	..	..	..	..	..	..	..	284,000

o Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Period September 22—October 21. g Old Greece only. h Valued at 1921 official rates. i Since January, 1922, the value of imports is based on declarations of imports, instead of official evaluations previously used. j Period September 1-21. k The method of valuation changes every month. l From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. m 15 days.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	U.S.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£s.	Rupees.	Dollars.	£s.	£s.	Yen.	Milreis.	U.S.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
1913.....	6,385	152,809	54,917	1,785	3,365	60,474	81,958	2,721	...	3,645	4,068	...	...	5,041	...	987	661	489
1918.....	7,696	137,704	75,843	1,062	3,768	135,721	175,797	...	...	2,446	...	...	...	4,404	...	233	295	146
1920.....	13,169	265,526	111,410	5,063	7,995	191,179	174,219	...	...	4,404	...	...	...	1,151	...	294	468	271
1921.....	8,064	230,707	66,616	3,461	4,458	132,477	140,830	1,459	333	3,339	2,194	...	...	1,435	...	401	682	215
1922.....	9,850	197,475	63,528	2,816	4,015	154,764	138,913	1,760	365	4,281	3,823	...	...	1,683	...	...	441	272
1922—June.....	9,830	159,070	61,669	2,251	3,713	156,301	129,562	1,642	367	4,307	4,029	97	277	1,437	280	348	351	311
July.....	9,436	179,854	60,757	2,094	5,337	139,417	108,828	1,995	299	4,223	4,798	106	394	1,549	336	193	526	222
Aug.....	10,857	211,181	67,355	3,205	4,134	136,764	146,603	1,995	308	4,512	4,676	55	394	1,848	151	469	526	283
Sept.....	10,004	172,486	60,318	3,481	4,394	132,000	133,261	1,995	202	4,138	4,289	56	394	1,706	...	412	526	267
Oct.....	10,727	227,245	66,878	3,322	4,365	102,927	225,819	1,983	206	4,543	5,552	81	329	1,882	...	529	529	300
Nov.....	12,372	194,732	76,194	2,921	4,141	112,374	169,507	1,983	176	4,577	4,551	114	329	1,786	...	484	529	318
Dec.....	10,175	176,773	70,905	3,439	4,113	140,066	307,719	1,983	310	4,930	4,346	...	329	1,612	...	393	529	279
1922—Jan.....	11,331	204,985	68,086	4,037	4,199	146,574	181,415	2,183	161	4,111	4,730	80	366	1,576	220	563	542	295
Feb.....	11,786	200,509	65,308	2,994	3,618	154,452	141,224	1,798	204	3,884	3,166	56	339	1,468	260	439	542	302
Mar.....	10,077	179,178	61,973	3,642	4,578	195,609	232,032	1,705	207	4,087	5,220	125	316	1,289	300	194	542	343
Apr.....	10,134	204,381	68,181	3,461	4,460	189,563	...	2,603	298	4,175	6,396	114	233	1,437	...	...	501	...
May.....	11,148	192,423	82,365	...	4,473	201,413	...	1,898	248	4,502	4,013	107	341	1,378	...	...	501	...
June.....	...	167,793	84,633	...	4,224	206,000	...	2,262	...	4,932	4,806	...	...	1,597	...	...	501	...
July.....	...	...	...	...	4,936	...	...	...	...	...	...	...	...	...	...	...	...	...

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

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The Economist

MONTHLY SUPPLEMENT.

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SATURDAY, SEPTEMBER 22, 1923.

No. 4.

We resumed in June the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

No picture of British trade can be anything but depressing so long as we have to cope with so large a volume of unemployment as exists in the country to-day. Nor can we hope to see any appreciable lightening of the burden this winter. The situation in the Ruhr does not seem to be moving rapidly to an early solution; and even if a settlement were reached in the next few weeks, it may be assumed that a state of hesitation would continue in commercial circles until prices and markets had had time to adjust themselves to the new circumstances. Such influences, for example, as the release of stocks of goods accumulated in the Ruhr might conceivably have a prolonged effect. Hence, on the most favourable assumptions, a reparations settlement could hardly produce better employment here much before Christmas.

At the same time, there is prevalent a widespread belief that all the conditions for a return to prosperity are present, and if only the clouds could be dispelled in Europe there would be a rapid improvement in trade. Indeed, if the outlook may be said to have changed at all in the last two months, it is in the direction of increased confidence that, even under existing circumstances, we may hope to hold and consolidate during the winter the ground gained during the first half of the year. Definite evidence of pronounced improvement is not very easy to find, and the slightly more optimistic outlook may perhaps be based on nothing more than the feeling that depression cannot last for ever. But that more optimism exists may be seen, on the one hand, in the slight but definite hardening in industrial securities, and, on the other, in the tone of the comments received from many industrial centres. Even the disaster in Japan, which over the next two years or so will undoubtedly diminish Japan's normal trading activities, involves immediate purchases for reconstruction, the anticipation of which has revived interest in the iron and steel markets. Orders in some branches of the engineering trade are being booked a little more freely, the cotton trade is in a more hopeful frame of mind, coal output is up again after a drop in August, goods traffic receipts are moving slightly upward, and even shipbuilders have some work ready to put in hand if the disastrous boiler-makers' strike could be ended. Too much stress should not be laid on such movements, some of which are mainly seasonal; and there are factors to be set on the other side, such as the increased unemployment in the West Riding. But on balance there is no reason to fear that we shall slip back to the low level of a year ago.

Overseas, the conditions outside Europe are on the whole trending upwards. American production is not quite up to the level of the early summer, but winter orders are on a large scale, and there are at present no conditions which seem likely to bring the prosperity to a sudden end. Harvest conditions in Canada and Australia are very good, and in South America the chief

countries are better off than a year ago. In India the monsoon has been good, and Lancashire reports that Indian buying of cotton goods is a little freer. In this, as in other markets, stocks are low, and an increase in demand at once reflects itself in increased orders to manufacturers. In China trade is at a low ebb, but, nevertheless, there is trade.

In Europe Sweden is doing better, and the improvement will be very much more pronounced when she has recovered from effects of the prolonged dispute in her metallurgical trades; Belgium, Italy and the Near East are countries which appear to be on the mend, but Holland and Norway are still in the doldrums; while the deterioration of Germany in the last three months has been accompanied by a fall in her imports and exports and a great increase in unemployment.

The following notes on conditions in various trades and countries, while by no means exhaustive, call attention to a number of the more important tendencies.

HOME INDUSTRIES.

Iron and Steel.—The holiday season is now closing, and the autumn demand usually develops at the end of September. The general tone seems more hopeful, though based rather on increased inquiries than actual business placed. Following on the Japanese disaster, some orders for British steel are already placed, but the U.S.A. is expected to obtain a good share of such business.

The hematite position has improved slightly, but pig-iron markets generally have been quiet, especially on the export side. Semi-finished steel is meeting Continental competition, both from Belgium and Alsace, but British prices are low enough to obtain business. Inquiries for finished steel have recently shown a marked increase, but prices offered are low, an impression prevailing that many impending orders are being temporarily held off for lower prices. Continental competition here again is noticeable, but is not so severe as in semi-finished products. Continental manufacturers are apparently uneasy as to the future, and will not book far forward.

Coal.—A correspondent writes:—"After several weeks of comparative dullness there are indications of an early all-round improvement in the coal industry. Output, which fell to a low level during July, is now steadily increasing, and it is expected that this tendency will be maintained."

The position of the export side of the trade is better, particularly in Scotland. The Græco-Italian situation has resulted in a restriction of business in South Wales and the North-Eastern ports, but this has been more than balanced by an increase of orders from other sources. There has been little change in prices for prompt shipments, and quotations for future deliveries indicate that collieries have no intention of reducing their figures."

Shipbuilding.—Clyde conditions are a little better. The Mersey and Tyne are quiet, with uncertain outlook.

Engineering.—A certain amount of civil engineering work is being placed just now. Foreign inquiries, while not large, are not absent. Lancashire carriage and wagon builders and railway engineers are doing well.

Electrical.—The position on the whole is satisfactory. The Hardware trade is quiet. Improvement is shown in the

export demand from Eastern countries, but elsewhere conditions are none too good.

Cotton.—The event of importance in the cotton trade since a month ago," writes our Manchester correspondent, "has been the rise in raw material prices, there being an advance of about 2d a lb in American qualities and over 1d per lb in Egyptian descriptions. The hardening movement in values has stimulated demand in yarn and cloth, and although relatively poor prices have had to be accepted, there has been an increased turnover, a feature of the business done being the activity in piece goods for India. It is feared that dear prices will prevent a big trade, but owing to stocks of manufactured articles throughout the world being comparatively low, the buying which has now started is expected to be maintained. The prospects, therefore, are rather brighter, and there is every probability of less unemployment amongst Lancashire's operatives before the end of the year."

Wool.—Among the "bull points" may be noted:—(1) Mohair spinning trade has contracts extending to next year. (2) Employment is fair in the medium and coarse crossbred

tops, yarns, and cheap clothing sections. (3) Export trade in finished goods is satisfactory. (4) Summer season's trade was better than was expected. Orders for winter goods and underwear are reported to be satisfactory. (5) Price level of raw material appears likely to be stable for a good time ahead.

The "bear points," on the other hand, are:—(1) Export trade, though fair at the moment, represents completion of orders which have not been fully replaced. The absence of normal trade with Germany is being heavily felt. (2) The position is unsatisfactory in the fine combing and spinning sections; the demand for dress goods has been less than anticipated. (3) The much-talked-of French and Belgian exchange-subsidised competition. Manufacturers grumble less at the actual quantities imported (twice as much French tissues were imported in July, 1913, as July, 1923) than the price, which, they declare, is upsetting the market and causing merchants to hold off. (4) The Japanese earthquake. July exports to Japan were a "record."

(Continued on page 8.)

SHIPPING, FREIGHTS AND TONNAGE.

It is superfluous to argue the importance of the shipping trade to a country whose ships not only carry the goods which are vital to its existence, but do half the ocean transport of the world. Other industries may have their importance, but none can be so truly described as "vital" to Great Britain. But shipping cannot flourish when world trade is sick, and we are accustomed to look to the freight market for a reflection of the economic situation at home and abroad. There are, however, special circumstances at the moment which make shipping less responsive than usual to trade movements. In the following notes Sir Alan Anderson, vice-president of the Chamber of Shipping, directs attention to these abnormal circumstances, and to the conditions which must be fulfilled before shipping can recover from its present troubles:—

"When the world's trade is in rough balance with the world's tonnage, the freight market is a sensitive barometer of trade: freights begin to rise almost as soon as the manufacturer notices an improved demand, and a fall in freights is one of the first signs of a coming depression. If the barometer of the freight market was working to-day there would be no reason for any feeling except gloom: freights in 1923 have been as bad as in 1922 and 1921: they cannot go lower, as a reduction would force more owners to lay up. But neither can they rise, because owners and their bankers all over the world are waiting to send their ships to sea at the first good chance, and then down go freights again. The barometer of the freight market can no longer be trusted—it has set fast, and stuck at stormy.

"In one particular the state of shipping is even worse than it seems. Blocks of tonnage are still owned and operated by nations who cannot be trusted to follow the laws of shipping economics, either in their expenses or in the freights they accept or in the losses they bear before they decide to lay up or to scrap their ships.

"Before shipping can improve tonnage must decrease or the world's trade must increase. If the fortunes of shipping concerned only those with money invested in ships, it would not be appropriate in the preface to a general review of trade progress to do more than note those facts and to pass on. But while shipping follows the fortunes of the world's trade, the prosperity of Great Britain seems to me—perhaps a biased observer—to depend in large measure on shipping, shipbuilding, and the allied trades. Every rise in freights brings activity and employment to the great centres of shipbuilding and engineering, and past them right through the United Kingdom; so the rise in freights which heralds an improvement in the trade of the world is itself a powerful lever to raise the prosperity of this country. Nor does the benefit of a normal freight market end when prosperity has returned: the shipowner invests his surplus in new ships, and the orders placed towards the end of the good time carry employment forward through 18 months or two years of depression. This lag between the time of good business when orders are placed and the date of delivery of the ships acts like a flywheel, and helps the machine of employment to keep its momentum through

a spell of bad trade. In the belief, therefore, that the prospects of ships have a direct bearing on the prosperity of everyone in the United Kingdom, I have gathered a few figures from the statistics of Lloyd's Registry and from the Report of the London and Cambridge Economic Service.

"The supply of effective tonnage available for ordinary transport is to-day about 29 per cent. more than in 1914, and 6 per cent. more than in 1921.

"It has risen from 41,000,000 gross tons in 1914, to 49,700,000 gross tons in 1921, and to 52,700,000 gross tons in 1923; of this tonnage there was laid up about 10,800,000 in July, 1922, and over 9,000,000 to-day. The wooden ships of U.S.A. are excluded from these figures.

"The tonnage laid up in British ports had decreased by about one-third by July, 1923.

"Of the world's steam and motor ships there were broken up and condemned 315,110 gross tons in 1922, and in the first quarter of 1923 this process continued at twice the speed of 1922. There were lost by perils of the sea 428,756 gross tons in 1922, making a total deduction of 733,866 tons. There were launched in 1922 2,407,000 gross tons. In the first two quarters of 1923 launches (excluding Germany and Dantzig) were at the rate of two million gross tons per annum. With the three-quarters of a million gross tons of shipping broken up or lost during the year 1922 we may compare the tonnage commenced; this amounted to over 800,000 gross tons, and as much again for the first two quarters of 1923. Thus, whatever his faults may be, the shipowner is evidently not a pessimist. Although the world is heavily overstocked with ships, it is still building more than it loses and breaks up. However, 7,400,000 gross tons, or, say, 12 per cent., of the whole are 25 years old, while of the U.S. Shipping Board fleet of 10,000,000 tons dead weight Mr Lasker has suggested that 6,250,000 tons dead weight, or, say, 4,000,000 tons gross, should be scrapped forthwith. It is, therefore, possible that in the near future the dead load of superfluous tonnage may be cut down by some big slices with benefit to the whole world, and not least to the unfortunate owners of ships which have become useless.

"We are twelve months nearer to good trade than we were twelve months ago, but there is no sign in the freight market that we are near the end of our troubles. Neither in shipping nor in our general business can we hope to prosper until Europe settles down and begins to trade. Such disturbances as the Ruhr may bring us a little spurt of trade—but at an extravagant cost. Wherever in the Ruhr, or in the U.S.A., or in Italy or elsewhere the national spirit sets itself to prevent international trade we all suffer together. In the last year two milestones of progress have been the funding of our debt in U.S.A. and the financial rescue of Austria. If these achievements could be repeated elsewhere—and most of all if the goodwill that made them possible became general—our present distress that seems so solid and permanent might fade like mist. But there is nothing in the shipping situation to show that good trade is at hand."

THE DUTCH ECONOMIC SITUATION.

By JOHN C. VAN DER VEER, London Editor, Amsterdam "Telegraaf."

Luctor et Emergo is the device of a watery province in the south of the Netherlands. "To struggle and emerge" must needs be at the present time the watchword of all her people. They are passing through as hard a time as ever befell them. Trade is slack and unemployment rampant; industry is depressed and bankruptcies increasing; money is scarce and taxation high; and instead of Dutch capital flowing abroad, as it used to do before the war, foreign capital is entering the Netherlands. Money was still plentiful, however, during the first two years after the Armistice. About three years ago the writer was asked for advice by one of the largest English municipalities in the Midlands regarding the offer of a large loan from the Netherlands, but, unfortunately, from a quarter which he could not recommend. Yet part of the last large loan for the Dutch East Indies had to be placed at London and New York.

The Government at The Hague is placed in a quandary: it finds the advice of the late Dutch political economist, Dr Pierson, that "budgets must balance" easier to give than to follow. Its ordinary budget expenditure rose from 200 million guilders in 1913 to 640 million in 1922, and, naturally, many Dutchmen cry out against the Government's proposal to spend many millions on extension and improvement of the Navy for the protection of the Dutch colonies, which likewise are experiencing hard times after the war boom. It was stated in the Amsterdam *Telegraaf* of July 9, 1921, that the Dutch East Indies made up to 1920 a "war profit" of about 2 milliard guilders. Exports rose in 1919 to 2,167,000,000 guilders, against imports in the same year of 793,000,000 guilders. But the fall of prices of Dutch Indian produce, such as sugar, coffee, tea, rubber, and copra, has wiped out all the profit formerly made. Dutch East India, too, cannot make her budget balance. Her floating debt increased from 200 million guilders in 1916 to 1,300 million guilders. The Motherland must needs come to her assistance. "Retrenchment" has become the Dutchmen's cry. The Government is economising, even in small matters. It was not long ago stated in the Dutch Press that all Government stores had been urged to reduce the number of cats kept! A still greater measure of economy is considered necessary by sound Dutch financiers. The former Minister of Finance, Mr de Geer, was of this opinion, but could not carry out his wishes. He, therefore, resigned recently. On all hands it is admitted that the situation in the Netherlands is worse than the present generation has ever known. But it has at least one bright spot, namely, the remarkably strong position of the Netherlands Bank, which the following table illustrates:—

COMPARATIVE ACCOUNTS OF THE NETHERLANDS BANK.
(In Thousand Guilders.)

	Aug. 1, 1914.	Dec. 28, 1918.	Dec. 27, 1919.	Sept. 10, 1923.
Gold	161,951	689,441	637,323	581,789
Silver	2,986	8,544	6,103	10,387
Bills and advances	298,937	393,065	479,572	364,065
Notes in circulation ..	430,271	1,070,997	1,034,472	964,812
Deposits	17,245	88,478	102,343	31,719

The amount of gold and silver held by the bank was on September 10th as much as 258 per cent. larger than at the commencement of the war, while the notes in circulation increased by 124 per cent. It should be remembered that the Netherlands need considerable more banknotes than Great Britain, as the cheque system is not generally used. In the Lowlands one pays one's tailor with notes, of which a Dutchman of substance always carried an ample supply in his portfolio.

The above table explains sufficiently the present strong exchange value of the guilder, which was originally a gold coin (hence its name), but is now struck of silver. The maintenance of the position of the Dutch standard coin is the policy of the Netherlands Bank. The decrease in bills and advances and in deposits since December, 1919, tells another tale, and reflects to some extent the

present position of Dutch trade and industry, which is made more obvious by the following table:—

DUTCH FOREIGN TRADE (excluding Gold and Silver Coin and Bullion)

Year.	Imports. Guildders.	Exports. Guildders.	Excess of Imports over Exports.
1913	3,613,000,000	3,113,000,000	500,000,000
1920	3,335,000,000	1,701,000,000	1,634,000,000
1921	2,240,000,000	1,379,000,000	861,000,000
1922	2,027,000,000	1,221,000,000	808,000,000
1923 (six months) ..	990,000,000	592,000,000	398,000,000

The unfavourable trade balance, which has become much worse since the war, was formerly discounted by "invisible" trade, such as interest received from Dutch investments abroad and shipping freights. But the large amounts of Dutch money invested in Russia and Central Europe have disappeared, and Dutch shipping feels the pinch of the general stagnation, many ships built or bought during and immediately after the war having been sold.

The following figures for the year 1922 show (in guilders) the distribution of Dutch trade with Germany, Great Britain, the United States, Belgium, France, and Dutch East India, which amounts to about three-quarters of the whole:—

	Imports from.	Exports to.
Germany	608,433,000	167,774,000
Great Britain	323,667,000	302,968,000
United States	270,794,000	62,094,000
Belgium	187,991,000	174,062,000
Dutch E. India	102,372,000	127,381,000
France	57,290,000	114,525,000
Total	1,550,547,000	948,804,000

The unfavourable balance of these six countries amounted to 601,743,000 guilders. It was largest in relation to Germany, while the last two countries showed a balance favourable to the Netherlands.

During the first six months of this year the Dutch trade with those six countries was as follows (in guilders):—

	Imports from.	Exports to.
Germany	241,033,000	75,415,000
Great Britain	154,115,000	155,840,000
United States	136,578,000	31,428,000
Belgium	102,322,000	68,709,000
Dutch East India	52,579,000	52,641,000
France	33,368,000	64,308,000
Total	729,995,000	448,341,000

These figures give an unfavourable Dutch balance of 281,654,000 guilders.

German competition is most keenly felt in the Lowlands, particularly in the engineering and printing trades, which, with the shipbuilding, housebuilding, cigarmaking, and the diamond industry, have the largest number of workers unemployed. To face this competition, Dutch employers have demanded an extension of hours of labour, which were in most industries legally reduced to eight hours per day and 45 hours per week in 1919, largely under a threat of revolution made by the Dutch workers after the Armistice and a repercussion of the German revolution. But the 45 hours week has generally been replaced by one of 48 hours, with the tacit approval of Dutch organised labour. Wages which during and immediately after the war were considerably increased have since decreased. But the situation still causes great anxiety. The Dutch coal industry alone is flourishing, its steadily increasing production making the Dutch nation more and more independent of foreign coal supplies. The draining of the Zuyder Zee, which is proceeding slowly, would provide still more work, were it not for lack of capital. That great undertaking is another bright spot on the Dutch horizon, and will ultimately reclaim a large region, which was inhabited in the 13th century, but was subsequently flooded, with much loss of life. Having won back their country from the sea, and maintained it by a wonderful system of dykes, one may fairly expect the Dutch also to conquer their present economic depression.

PRODUCTION. (Thousands of Metric Tons.)

COAL.											LIGNITE.					
Period. Monthly Average.	United Kingdom.	Belgium.	Czecho- slovakia.	France.	Germany.	Nether- lands.	Poland.	Canada.	South Africa.	Japan.	United States.	Austria.	Czecho- slovakia.	Germany.	Hun- gary.	Canada.
1913	24,342	1,904	1,189	a	15,404	156	1,135	665	1,776	43,087	..	1,918	7,269	..	..	..
1914	19,286	1,158	..	1,183	13,376	283	1,133	747	2,336	51,272	..	..	8,389	..	..	..
1915	19,400	1,286	928	c	2,890	10,960	328	534	1,257	48,811	199	1,641	9,303	399	231	231
1911	13,822	1,816	971	c	3,213	11,351	327	631	888	32,282	206	1,792	10,251	471	..	..
1912	21,235	1,767	826	c	3,596	10,861	381	11,850	845	34,821	247	1,579	11,434	468	..	..
1912—July	18,916	1,669	778	3,513	9,589	387	12,930	684	823	15,530	227	1,590	11,411	398	65	65
August	19,371	1,695	911	3,682	10,206	353	3,123	563	793	19,942	283	1,681	12,147	342	385	180
September	26,096	1,721	729	3,705	10,157	398	3,007	1,040	772	18,833	277	1,467	11,823	472	505	505
October	21,552	1,819	666	3,836	10,753	420	3,095	1,129	773	20,095	276	1,469	12,089	529	605	605
November	27,228	1,805	891	3,753	10,456	405	2,843	1,145	776	21,189	241	1,103	11,896	585	442	442
December	20,598	1,818	848	3,799	9,684	390	2,760	1,152	742	22,388	218	1,567	11,877	518	478	478
1913—January	21,564	1,994	912	4,199	9,684	o 1,732	3,243	1,236	819	21,895	232	1,585	11,896	584	357	357
February	22,608	1,604	880	b 2,699	9,684	o 1,554	2,894	1,106	761	20,084	211	1,474	11,896	553	279	279
March	25,024	1,594	785	3,051	..	..	3,370	1,094	842	22,376	214	1,733	..	531	160	160
April	21,603	1,822	1,198	3,063	..	..	2,959	1,032	889	22,284	153	1,366	..	469	85	85
May	20,797	1,813	1,068	3,507	..	..	2,683	1,074	971	22,358	212	1,289	..	469	..	..
June	22,476	1,970	1,077	4,352	..	..	3,107	..	940	1,888	220	1,278	..	518	..	..
July	20,381	1,857	1,156	..	..	..	p 2,111	..	916	..	..	1,393	..	..	..	..
August	19,414	..	..	..	..	..	..	..	..	48,485	..	..	..	..	..	..

August 1944

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Five weeks. e Strike period. f From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinate. g From June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Provisional figure. k Excluding Ruhr production. l Upper Silesia only.

PIG IRON.

Period. Monthly Average.	United King- dom.	Bel- gium.	France.	Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.	United King- dom.	Bel- gium.	France.	Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.
1913	869	207	434	c 1,588	212	61	85	2,601	d 649	206	396	e 1,412	d 101	d 62	d 88	2,564
1918	768	109	883	106	64	90	3,260	d 812	1	151	1,176	73	53	142	3,645	
1920	680	93	276	461	58	38	82	3,083	d 768	104	246	643	50	41	94	3,461
1921	222	73	280	625	81	26	51	1,401	d 314	66	255	750	63	19	57	1,638
1922	415	154	427	750	140	22	32	2,276	d 494	150	373	762	116	29	41	2,818
1922-July	406	127	428	..	150	20	32	2,444	d 481	115	369	..	128	30	64	3,004
August	418	154	447	..	149	22	28	1,845	537	151	397	..	151	31	60	2,674
September	437	163	462	..	152	22	25	2,065	565	171	407	..	135	34	36	2,867
October	489	175	503	..	165	23	37	2,680	574	182	430	..	139	35	52	3,469
November	502	172	514	..	154	27	35	2,895	610	177	410	..	132	38	52	3,489
December	542	160	513	..	159	28	36	3,136	855	169	415	..	134	32	47	3,357
1923-January	577	165	486	..	142	22	41	3,281	648	173	400	..	123	17	49	3,197
February	552	151	306	..	88	15	6,012	718	157	295	..	74	4	2	47	3,525
March	644	170	316	..	95	10	66	3,580	815	184	316	..	79	4	91	4,108
April	663	172	350	..	96	10	84	3,600	761	170	305	..	79	4	94	4,011
May	726	166	393	..	86	12	103	3,930	834	172	388	..	73	5	106	4,263
June	704	172	447	..	90	10	101	3,727	780	189	427	..	74	4	98	3,809
July	666	187	436	..	123	10	83	3,737	634	182	400	..	96	4	75	3,516
August	609	..	..	..	..	..	..	3,449	592	..	..	..	..	..	..	3,679

* Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918; for 1918-1921 figures not official. ^d Ingots and castings. ^f Monthly figures, based on the returns of 30 establishments, whose production in 1921 amounted to 87.50 per cent. of the total production. ^e Decrease due to labour disputes. ^g Corrected figures from January, 1923, based on returns from works responsible for 95% of total production.

WHOLESALE PRICES.—(1913 = 100.)

Monthly Average.	U.K.		Bel- gium.	Czecho- slovakia.	Denmark.	France.	Germany. ("Frank- furter Zeitung")	Hol- land.	Italy (Bach).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzer- land.	Australia.	British India.	Canada.
	Bo'rd of Trade.	Econo- mistic.																
1913	100	100	..	..	100	100	..	100	100	100	..	100	100	100	..	100	100	100
1918	..	224.9	..	..	232	339.2	..	330.2	409.1	345	..	..	207	221	..	177.8	181	205
1920	307.3	283.2	..	..	341	509.4	2.130	284.8	624.4	377	..	..	202	221	359	..	201	246
1921	197.2	181.0	366	1,675	178	345.0	4.217	177.7	575	269	57,046	..	190	222	191.2	174.9	171	181
1922	158.2	159.5	367	1,299	181	326.6	49,559	155.4	562.3	220	137,575	1,579,000,000	176	173	167.5	161.6	180	166
1922 - July	160.3	163.2	360	1,386	180	325.1	13,978	158.0	557.5	232	101,587	473,000,000	175	173	164.7	164.4	181	166
August	156.3	158.1	360	1,155	178	331.2	29,116	151.8	571.3	227	136,786	485,000,000	175	173	165.7	163.7	178	163
September	154.3	155.6	364	1,059	176	329.3	43,723	148.2	581.7	225	152,365	618,000,000	172	170	164.5	163.5	176	163
October	155.2	158.2	385	1,017	180	337.4	94,492	150.9	600.8	221	201,326	957,000,000	172	169	170.6	166.5	177	162
November	157.6	159.0	408	999	182	352.1	167,412	153.6	596.2	211	275,647	1,227,000,000	174	163	171.9	167.9	178	163
December	155.8	158.3	407	1,003	181	361.9	205,417	150.9	579.6	220	346,353	1,579,000,000	172	163	174.7	168.4	176	164
1923 - January	157.1	160.6	404	1,019	181	366.9	715,821	151.8	575.2	220	548,690	2,042,000,000	170	165	175.3	170.5	179	164
February	153.3	163.5	474	1,028	199	421.8	677,000	150.9	581.1	224	879,100	2,617,000,000	170	165	180.1	169.0	180	165
March	160.3	163.1	482	1,031	200	424.0	642,700	151.8	586.9	229	988,500	3,179,000,000	171	168	185.9	170.7	181	166
April	161.4	164.9	480	1,029	204	414.7	823,700	151.8	588.4	231	1,058,920	4,464,000,300	174	168	186.5	174.1	178	167
May	159.8	163.8	474	1,000	202	406.5	1,498,000	145.5	580.1	233	1,125,350	6,290,000,000	171	166	181.0	178.3	177	166
June	159.4	160.0	484	967	207	408.4	3,989,800	145.5	568.9	230	1,881,410	9,769,000,000	170	164	179.8	187.0	175	166
July	156.6	155.2	501	958	207	408.2	28,624,800	..	566.4	235	3,069,970	15,264,000,000	..	162	175.0	..	170	166
August	154.6	155.4	..	..	202	412.3	306,335,800	..	714.9	231	..	21,463,000,000	..	..	..	..	..	..

a From 1920 revised index. b End of the month. c End of the year. d Beginning of the following month. e Revised index number, based on 48 articles instead of 55.

Wholesale Prices—Continued.

Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.	No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.
						630	Vienna.	59	4	Paris.	71	Berlin.	Rome.	Madrid.	60	1913.	1914.
1913	100	100	100	100	Base.	July, 1914	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan.- June, 1914.	1914.	1913.	1914.
1918	153.1	..	195.9	194		July, 1914	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan.- June, 1914.	1914.	1913.	1914.
1920	223.3	140.0	259.6	226	1918 - July	210	..	..	617	..	..	..	197	154	146	171
1921	160.4	144.6	200.5	147	1920 - July	255	..	453	1647	341	935	1125	313	191	190	170
1922	128.4	145.4	196.0	149	1921 - July	222	53,300	379	1765	307	1124	1128	387	181	155	161
1923	126.5	143.9	201.2	155	1922 - July	181	264,511	366	..	302	5392	6122	429	179	147	160
August	..	142.0	195.4	155	1922 - July	181	261,511	366	2469	..	5392	6122	429	179	147	161
September	..	138.8	193.0	153	Aug.	179	593,222	366	2515	..	7765	10271	431	178	147	161
October	129.0	142.5	190.6	154	Sept.	178	1,130,563	371	2515	289	13319	16368	437	179	147	161
November	..	143.3	188.1	156	Oct.	180	1,035,308	376	2543	..	22066	26069	444	178	147	161
December	..	148.5	183.9	156	Nov.	180	970,083	384	2257	..	44610	56494	439	178	148	161
1923 - January	130.7	152.7	184.3	156	Dec.	178	937,528	384	2617	300	68506	76925	438	177	149	161
February	..	161.5	192.1	157	1923 - Jan.	177	945,397	383	2612	..	112077	128952	412	180	150	161
March	..	158.7	195.9	159	Feb.	176	960,083	397	2749	..	264300	281300	413	181	151	161
April	126.2	157.7	196.2	159	Mar.	174	1,015,132	408	2812	324	285400	260900	440	178	150	161
May	..	158.4	199.2	156	April	170	1,089,560	409	2741	..	279460	..	441	180	148	161
June	..	155.2	197.5	153	May	169	1,144,000	413	..	..	331600	..	449	178	146	161
July	124.0	155.4	192.0	151	June	169	1,153,300	419	..	331	782000	..	..	170	146	161
					July	171	1,090,380	429	..	321	3765100	..	..	..	..	161
					Aug.	173	1,049,600	..	..	..	5009500	..	..	..	..	161

a The first of the following month.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czechoslovakia.	Denmark.	Finland.	France.	Germany.		Greece.	Hungary.	Netherlands.	
	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichsbank Notes.	Reichs- und Darlehens-kassenscheine.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Kronen.	Francs.	Leva.	Koruna.	Kroner.	Markat.	Francs.	Marks.	Marks.	Drachmæ	Korona.	Gulden.	Gulden.
1913.....	29-6	323-2	...	1,067	189	...	152	113	5,714	2,593	149	<i>h</i> 245	...	313	...
1918.....	70-2	367-6	30,646	2,299	3,354	11,289	557	1,156	31,055	22,188	10,599	1,274	...	1,069	69
1920.....	113-3	325-6	174,115	6,250	3,354	12,130	471	1,341	37,902	68,805	12,349	1,508	14,309	1,072	51
1921.....	107-1	295-4	4,080,177	6,290	3,886	10,064	459	1,421	36,359	113,639	8,523	2,161	25,175	1,013	33
1922.....	102-9	295-4	4,080,177	6,701	3,886	10,064	459	1,421	36,359	1,280,095	13,663	3,149	75,887	1,012	32
1922—July.....	104-6	299-7	786,226	6,403	3,785	9,916	432	1,340	36,399	189,795	12,459	1,842	38,357	988	29
August.....	102-8	293-3	1,353,404	6,528	3,874	10,171	424	1,356	36,385	238,147	13,605	2,040	46,242	960	29
September.....	101-3	289-1	2,277,678	6,518	3,941	10,197	467	1,397	36,603	316,870	14,216	2,337	58,458	1,000	29
October.....	102-0	288-0	2,970,917	6,561	3,964	10,139	478	1,376	36,848	489,457	14,225	2,645	70,005	994	30
November.....	101-7	287-9	3,417,786	6,705	3,955	9,997	459	1,343	36,114	754,086	14,024	2,942	77,016	994	31
December.....	102-9	295-4	4,080,177	6,701	3,886	10,064	459	1,421	36,359	1,280,095	13,663	3,149	75,887	1,012	32
1923—January.....	100-9	280-3	4,110,551	6,917	3,801	9,222	443	1,400	37,084	1,984,496	13,608	3,427	73,717	947	30
February.....	101-5	279-1	4,207,992	6,965	3,800	8,948	448	1,513	37,434	3,512,788	12,837	3,554	75,135	940	29
March.....	102-0	285-6	4,459,117	6,884	3,902	9,157	470	1,555	37,188	5,517,920	12,770	3,711	82,205	965	29
April.....	101-7	285-7	4,577,382	6,847	3,877	9,557	476	1,491	36,902	6,545,984	12,699	3,966	100,101	989	29
May.....	102-1	287-5	4,837,042	6,816	3,924	9,328	456	1,440	36,741	8,563,749	12,582	4,296	119,285	928	27
June.....	102-7	286-5	5,432,619	6,719	3,811	9,376	482	1,436	36,689	17,291,061	12,444	4,432	154,996	962	27
July.....	104-2	291-7	5,684,134	7,017	3,714	9,448	447	1,389	37,339	43,594,738	12,096	...	226,285	947	28
August.....	102-2	285-1	5,894,786	7,194	3,714	9,218	449	1,348	37,364	273,904,407	...	...	399,487	967	29

Period.	Italy.		Norway.	Poland.	Roumania.	Russia.	Sweden.	Switzer- land.	Australia.	Canada.	South Africa.	Egypt	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	State Notes.	Total Dominion & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Libre.	Libre.	Kroner.	Marki p.	Lei.	Roubles.	Kronor.	Francs.	£	Dollars.	£	£s.	Dollars.	Dollars.	Yen.
1913.....	2,284	499	108	..	437	1,700	234	314	10.0	227	2.3	2.2	726	343	424
1918.....	11,750	2,124	431	..	2,489	57,500	814	976	58.7	530	6.3	44.5	3,402	291	1,144
1920.....	19,732	2,268	485	49,362	9,485	1,165,300	760	1,024	58.9	522	9.1	37.3	4,264	266	1,439
1921.....	19,209	2,267	440	229,538	13,722	17,540,600	628	1,009	55.5	444	8.8	35.3	3,256	281	1,547
1922.....	18,012	2,267	385	793,437	15,126	2,138,711,400	584	976	51.8	414	8.3	31.7	3,117	288	1,591
1922—July	17,997	2,267	382	335,427	14,267	474,794,300	551	769	53.4	377	7.8	26.6	2,906	286	1,206
August	17,746	2,267	385	385,787	14,570	696,142,700	579	771	53.0	373	7.6	25.4	2,933	287	1,274
September	17,990	2,267	384	463,706	15,157	913,703,300	605	811	52.0	395	8.1	27.6	3,035	283	1,377
October.....	18,213	2,267	383	579,973	15,363	1,217,831,700	569	934	51.8	402	7.8	32.8	3,052	279	1,205
November.....	17,965	2,267	372	661,092	15,353	1,584,231,300	575	988	51.8	407	7.9	33.0	3,078	277	1,226
December.....	18,012	2,267	385	793,437	15,126	2,138,711,400	584	976	51.8	414	8.3	31.7	3,117	288	1,591
1923—January.....	17,446	2,267	350	909,160	15,265	2,623,300,000	520	879	52.5	381	7.8	30.8	2,931	280	1,245
February.....	17,153	2,267	354	1,177,301	15,391	3,236,701,000	538	884	52.3	390	7.9	30.1	2,982	285	1,174
March	17,035	2,267	375	1,841,206	15,470	4,482,900,000	587	920	52.3	399	8.5	29.6	2,991	296	1,239
April	16,685	2,242	409	2,332,337	15,707	6,076,900,000	557	915	52.3	388	8.1	28.6	2,975	301	1,211
May	16,289	2,428	402	2,733,794	15,861	7,049,900,000	539	882	52.1	388	8.1	27.3	2,984	307	1,209
June	16,289	2,428	415	3,566,649	16,330	9,032,400,000	586	894	52.1	..	8.8	25.8	2,965	304	1,207
July	17,238	2,428	405	4,478,709	16,538	11,678,090,000	514	880	..	..	8.2	..	2,966	301	1,260
August	12,379	..	402	5,390,194	..	18,600,000,000	561	886	..	..	..	..	..	..	1,121

Notes.—National currency of Japan is Yen.
Three banks of issue: Banks of Italy, Naples, and Sicily.

^a Including German, Russian, and Austro-Hungarian notes, converted into national currency. ^b Three banks of issue: Banks of Italy, Naples, and Sicily. ^c Including Austro-Hungarian and other notes, converted after the War into national currency. ^d Gross issue, without deduction of notes held by Banking Department. ^e Excluding notes held on redemption account in the National Currency Notes. ^f Includes notes called in, but not cancelled. ^g Since June, 1922, circulation in Luxembourg is included. ^h Until February, 1923, Julian Calendar. ⁱ Including notes of the Bank of Crete, amalgamated with the National Bank of Greece in 1919, and those of the Ionian Bank, amalgamated in April, 1920. ^k Circulation in Union only.

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Amster- dam.	Stock- holm.	Christiania.	Copen- hagen.	Berlin.	Vienna.	New York.	Buenos Ayres.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pescetas to £1.	Florins to £1.	Kroner to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence to Dollars.
Par level	25.22½	25.22½	25.22½	25.22½	25.22½	12.107	18.159	18.159	18.159	20.43	24.02	4.86½	47.58
Highest, 1922	72.20	79.80	114.12½	24.72	29.62	11.70	17.39	27.31½	22.47½	38.50	425.00	4.66	46½
Lowest "	47.40	50.57½	80.12½	21.66½	27.54	11.28½	16.36½	23.15	20.18½	715	11.500	4.18½	43
Beginning of -													
July, 1914	25.15	25.35½	25.25½	25.19½	26.10	12.11½	18.30	18.25	18.30	20.49½	24.55	4.87½	47½
January, 1919	27.97½	27.60	30.31½	22.95½	23.67½	11.15	16.29½	18.85	17.67½	187½	..	4.76½	51½
January, 1920	40.92½	40.42½	50.00	21.16½	19.72½	10.07	17.50	18.60	19.66½	..	..	3.78½	62½
January, 1921	61.06½	58.07½	104½	23.55	27.46½	11.36½	17.55	22.42½	19.67½	867	1.500	3.54½	51½
January, 1922	52.32½	54.65½	97½	23.55	27.46½	11.36½	16.97½	26.99½	21.12½	791½	13.000	4.43½	43½
January, 1923	66.30	72.85	93½	24.72½	30.73½	11.79	17.37½	25.12½	23.40	48.50	330.000	4.68	44
March "	77.50½	93½	97½	25.09	30.15½	11.88½	17.69	25.60½	24.35½	106.000	330.000	4.708	43½
April "	70.40	83.39½	93½	25.42½	30.47½	11.87½	17.56½	25.85½	24.47½	98.000	330.000	4.66½	43
May "	69.27½	81.85	93½	25.65½	30.37½	11.82½	17.35½	27.17½	24.72½	165.000	325.000	4.638	42½
June "	71.55	83.30	99½	25.65½	30.37½	11.80½	17.35½	27.30	24.99½	345.000	325.000	4.62½	42½
July "	78.20	98.55	106½	25.62½	30.35½	11.80½	17.25½	28.28½	25.19½	890.000	330.000	4.56½	41½
August "	79.25	99.20	106½	25.54½	32.02½	11.62½	17.43½	28.37½	25.17½	5,250.000	325.000	4.57	40½
September	80.47½	98.40	106½	25.56½	32.42½	11.56	17.07	27.92½	24.77½	47,500.000	322.500	4.54½	38½

August Quotations.

	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Hama.	Pore.	Place.	Method of Quoting.	August 1922.			
	Pence to Mithra.	Pence to Dollars.	Pence to £.	10 to Gold Sovereign.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.			Highest.	Lowest.	Mean.	Mode.*
				s d	s d	s d	s d	s d						
Par level	16	51	1333						New York.					
Highest, 1922	7½	45	4670	1 4½	2 8½	3 8½	2 0½	2 4½	Aug. 1923.	Dollars	457½	454½	4561	4564 - 457½
Lowest "	6½	40½	3080	1 3½	2 3	3 0½	2 1½	2 3½	Aug. 1922.	to £.	449	443½	4464	4478 - 449½
									July, 1923.		460½	455½	4579	4591 - 460½
Beginning of—									Paris.					
January, 1914	16½	51½	1393	11 3½	1 10½	2 6½	2 04	2 4½	Aug. 1923.	Francs	8360	7960	80812	8335-77½
July, 1919	13½	61½	1101½	11 6½	3 4½	5 2	2 14	2 4½	Aug. 1922.	to £.	5957	5375	56169	5590-56½
January, 1920	17½	65½	1124½	12 4½	4 10½	7 8½	2 8	2 3½	July, 1923.		7922½	7652½	77751	7770-77½
January, 1921	9½	50	191½	1 5½	3 2½	3 6½	2 3½	2 3½	Amsterdam.					
January, 1922	7½	44	4020	1 4	2 7½	3 0½	2 1	2 4½	Aug. 1923.	Florins	1163½	1154½	11588	11564 - 11588
January, 1923	5½	41	3470	1 4½	2 3½	3 1½	2 04½	2 4½	Aug. 1922.	to £.	1153	1142½	11485	11494-50½
March "	5½	43½	3790	1 4½	2 4½	3 2½	2 1	2 4½	July, 1923.		1173½	1159½	11681	1170-71½
April "	5½	43½	3790	1 4½	2 4½	3 2½	2 14½	2 4½	Berlin.					
May "	5½	42½	3650	1 4½	2 4½	3 2½	2 14½	2 4½	Aug. 1923.	Marks	55,000,000	5,500,000	19,974,038	14,000,000
June "	5½	41½	3480	1 4½	2 3½	3 0½	2 14½	2 4½	Aug. 1922.	to £.	11,000	2,690	5,065	3,300-350
July "	5½	42½	3490	1 4½	2 4½	3 0½	2 14½	2 4½	July, 1923.		5,250,000	780,000	1,851,068	1,050,000
August "	5½	40½	3700	1 4½	2 3½	3 0½	2 14½	2 4½						1,150,000
September "	5½	38	3660	1 4½	2 3½	3 0½	2 14½	2 4½						

* Most frequently quoted.

* Most frequently quoted.

† Sterling to Rupee.

§ Pence to Peso.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bul- garia.	Den- mark.	Es- thonia.	France.	Fin- land.	Germany.	Greece.	Italy.	Nether- lands.	Poland.	Spain.	Swed'n.	Switzer- land.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Esti- Mark.	Francs.	Mark.	Drach- me.	Lire.	Gulden.	Marki p.	Peseta.	Kroner.	Kroner.	Francs.	£s.	Dollars.
1913.....	54,931	386,333	15,775	64,785	..	701,778	41,033	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,274	147,224
1918.....	107,100	446,960	75,851	116,265	..	1,858,416	38,943	..	61,159	1,336,551	50,666	..	49,145	102,776	200,122	4,148	245,961
1920.....	142,861	930,460	184,486	245,277	116,265	4,158,748	299,680	8,256,417	177,519	2,335,135	277,702	..	118,435	281,125	353,568	8,214	425,152
1921.....	81,548	837,620	243,424	128,734	373,551	1,838,992	294,766	9,815,963	143,800	1,438,885	186,695	..	238,083	105,520	191,357	4,109	213,072
1922.....	75,012	756,426	..	120,022	465,785	1,991,717	326,829	516,700	225,565	1,310,563	168,966	..	252,768	97,027	159,539	3,408	253,817
1922—July ..	73,467	767,648	389,918	112,588	532,761	1,995,746	316,805	684,800	215,572	1,134,422	163,859	50,591,000	285,341	83,098	167,584	2,910	213,948
Aug.	75,157	767,648	386,007	128,409	537,926	1,959,729	395,590	545,100	196,416	1,051,512	178,808	87,543,000	281,862	105,443	167,584	3,007	277,747
Sept.	70,582	767,648	414,800	127,936	700,291	1,893,121	358,190	421,800	181,256	1,231,432	164,617	..	211,747	108,897	167,584	3,439	276,214
Oct.	76,737	885,421	367,736	140,872	523,575	2,108,372	322,321	531,700	387,326	1,399,283	186,643	..	279,242	118,115	186,070	3,757	345,083
Nov.	86,452	885,421	280,170	122,692	528,626	2,348,245	389,567	536,200	285,118	1,948,035	172,295	..	279,242	118,115	186,070	4,279	286,423
Dec.	86,453	885,421	..	135,947	497,245	2,923,296	420,486	589,800	372,914	1,915,936	163,762	..	279,242	118,115	186,070	4,318	288,399
1923—Jan.	89,902	928,722	..	136,195	509,838	2,144,294	304,808	563,800	380,610	1,059,750	173,046	483,602,000	277,688	87,827	177,070	3,636	319,000
Feb.	74,032	801,421	..	150,300	428,020	2,343,014	260,455	446,200	354,354	1,571,841	162,189	655,625,000	281,364	87,836	177,070	3,137	303,416
Mar.	80,937	988,035	..	141,150	675,240	2,486,730	309,612	503,100	352,997	1,495,748	165,441	812,247,000	266,047	108,770	177,070	3,969	398,075
April	73,989	973,335	..	160,980	727,746	2,560,198	352,912	639,100	580,020	1,400,532	169,714	848,470,000	..	114,579	168,432	3,611	364,230
May	77,706	986,988	..	147,243	1,087,117	2,596,881	458,088	..	376,520	1,586,615	160,130	962,682,000	..	110,616	168,432	3,571	373,253
June	78,353	1,195,202	..	134,903	..	2,558,338	418,829	..	358,597	..	159,533	..	..	111,085	168,432	3,403	312,239
July	68,018	1,023,184	..	..	..	2,615,648	389,000	..	341,492	..	161,464	..	..	103,194	..	2,928	284,000
Aug.	82,614	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bul- garia.	Den- mark.	Es- thonia.	France.	Fin- land.	Germany.	Greece.	Italy.	Nether- lands.	Poland.	Spain.	Swed'n.	Switzer- land.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Esti- Mark.	Francs.	Mark.	Drach- me.	Lire.	Gulden.	Marki p.	Peseta.	Kroner.	Kroner.	Francs.	£s.	Dollars.
1913.....	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	88,136	68,112	114,700	2,639	204,025
1918.....	41,785	179,517	59,207	59,207	..	395,561	15,797	24,738	24,738	278,726	31,750	..	83,303	112,536	163,598	3,781	503,990
1920.....	111,297	724,847	136,917	132,589	104,365	2,241,249	241,342	5,785,083	55,342	861,177	141,775	..	84,180	191,133	273,092	7,119	673,373
1921.....	58,617	594,987	184,776	110,553	114,512	1,647,709	278,152	8,299,713	70,185	689,724	114,146	..	130,548	91,440	178,345	3,014	364,911
1922.....	60,041	504,965	..	96,087	1,120,166	369,447	330,833	132,739	..	..	101,769	..	120,765	96,757	146,798	4,007	313,766
1922—July ..	60,419	520,135	303,913	96,489	765,358	1,443,042	619,918	336,300	95,195	700,481	104,573	40,457,000	127,223	102,684	147,066	2,501	296,651
Aug.	60,032	520,135	346,721	84,012	423,406	1,167,514	596,078	254,800	81,713	703,187	99,443	87,983,000	121,166	132,548	147,066	2,488	296,272
Sept.	62,511	520,135	310,322	114,061	427,921	1,741,062	509,052	290,900	243,450	746,651	115,612	..	126,868	122,633	147,066	2,077	307,458
Oct.	60,399	597,714	492,275	105,064	383,293	1,937,467	476,589	291,400	242,319	888,962	112,003	..	152,700	122,165	147,843	4,523	366,177
Nov.	66,491	587,714	452,701	113,809	454,951	1,706,499	387,635	255,200	184,113	1,049,375	104,350	..	130,930	127,920	147,843	7,435	374,544
Dec.	58,883	587,714	..	103,045	641,827	2,778,947	270,674	423,000	202,821	1,009,965	100,225	..	170,993	119,578	147,843	8,288	339,352
1923—Jan.	66,939	486,360	..	102,886	384,117	1,695,898	197,656	311,400	193,102	788,841	91,488	349,456,000	129,017	64,928	146,775	6,765	330,894
Feb.	57,510	587,338	..	112,634	389,117	2,248,858	179,300	360,600	129,282	750,427	94,602	911,626,000	141,701	49,387	146,775	5,152	302,106
Mar.	60,921	713,499	..	128,090	459,635	2,474,738	152,977	435,800	125,976	886,630	106,977	1,183,486,000	132,086	60,914	146,775	5,218	333,332
April	62,871	697,521	..	108,991	423,178	2,507,896	190,401	417,900	142,163	732,491	97,006	937,695,000	..	60,914	121,798	3,446	318,357
May	62,884	755,616	..	127,010	540,946	2,675,045	254,400	..	353,685	781,977	104,129	894,889,000	..	104,867	121,798	2,915	309,669
June	59,504	732,152	..	130,377	..	2,479,391	527,300	..	83,544	..	97,860	..	..	112,340	121,798	2,333	320,257
July	60,103	..	..	..	..	2,423,781	653,700	..	72,998	..	95,694	..	..	..	..	2,207	296,551
Aug.	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

c Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Period September 22–October 21. g Old Greece only. h Valued at 1921 official rates. i Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. j Period September 1–21. k Since January, 1922, the value of exports is based on declarations of exporters, instead of official evaluations previously used. l From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. m 15 days.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	Value.	Quantity (Metric Tons).
Monthly Average.	£s.	£s.
1913.....	6,355	152,809
1918.....	13,704	75,583
1920.....	13,169	259,256
1921.....	8,064	230,707
1922.....	9,850	197,475
1922—July ..	9,436	179,854
Aug.	10,857	211,181
Sept.	10,004	172,486
Oct.	10,727	227,245
Nov.	12,372	194,732
Dec.	10,175	176,775
1923—Jan.	11,331	204,985
Feb.	11,786	200,509
Mar.	10,077	179,178
April	10,134	204,381
May	11,148	192,423
June	10,297	167,793
July	..	150,940
Aug.	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	Value.	Quantity (Metric Tons).
Monthly Average.	£s.	£s.
1913.....	6,070	201,118
1918.....	8,488	203,534
1920.....	10,772	231,811
1921.....	10,064	179,804
1922.....	10,053	232,029
1922—July ..	7,582	232,167
Aug.	5,806	238,066
Sept.	6,738	205,382
Oct.	9,994	207,206
Nov.	11,734	270,673
Dec.	12,759	264,488
1923—Jan.	9,769	281,534
Feb.	12,813	306,838
Mar.	12,997	313,221
April	8,769	294,835
May	6,499	285,239
June	6,166	286,936
July	..	248,383
Aug.	..	..

a General trade. b Including Luxembourg. c 15 days. d Since May, 1922, the figures refer to the "Union Economique Belgo-Luxembourgeoise."

CAPITAL ISSUES.—(000,000's omitted.)

Period.	United Kingdom.	Austria.	Czechoslovakia.	Denmark.	France.	Germany.	Italy.	Netherlands.	Poland.	Romania.	Sweden.	Switzerland.	British India.	Japan.	United States.
Monthly Average.	£	Kronen.	Koruna.	Kroner.	Francs.	Mark.	Lire.	Gulden.	Marki p.	Leva.	Kronor.	Francs.	Ruppes.	Yen.	Dollars.
	<i>a</i>	<i>f k</i>	<i>f k</i>	<i>f k</i>	<i>d n</i>	<i>f l</i>	<i>f</i>	<i>c k</i>	<i>i k</i>	<i>f k</i>	<i>h k</i>	<i>l m</i>	<i>i</i>	<i>l m</i>	<i>l m</i>
1913.....	16.3	..	..	1.1	103	23	13	..	20	18	44	56	38	137	107
1918.....	116.1	39	..	21.9	105	138	251	33	..	27	102	77	18	176	112
1920.....	30.6	..	..	3.4	1,015	1,078	423	94	150	120	46	78	122	268	259
1921.....	32.4	717	164	1.4	1,100	2,353	288	42	1,139	244	27	70	63	285	220
1922.....	47.8	4,227	98	2.0	1,214	7,059	232	33	2,190	245	27	67	37	145	285
1922.															
Jan.-Mar... 1922.	95.4	3,391	91	0.0	2,066	5,228	241	48	556	190	17	110	78	185	232
April-June.. 1922.	54.2	2,494	130	3.8	683	5,799	296	15	3,501	228	42	71	25	129	392
July-Sept... 1922.	17.5	4,496	115	0.0	1,424	4,661	230	63	1,276	230	23	76	20	121	244
Oct.-Dec... 1922.	20.7	6,527	98	4.0	684	12,551	370	6	3,427	333	27	10	25	143	274
1923.															
Jan.-Mar... 1923.	28.7	10,380	25	0.3	1,441	45,268	274	34	2,669	385	13	54	21	..	395
April-June.. 1923.	31.7	15,730	43	2.4	1,164	92,954	473	34	6,547	423	26	64	20	..	316
July..... 1923.	16.0	..	..	..	221	..	231	..	9,975	494	17	231	16	..	237
August..... 1923.	1.5	..	..	..	..	..	..	..	..	..	..	..	..	..	..

THE STATE OF TRADE.

(Continued from page 2.)

The hosiery position is improving, especially as regards the export (colonial) trade. Drapery is slack, pending winter seasonal demand.

Linen.—The crop in Northern Ireland is satisfactory. Supplies from Courtrai are also expected to be good. A moderate amount of business has taken place. It is hoped that United States prosperity will be reflected in substantial orders for Belfast houses.

Leather, Boot and Shoe.—Numerous inquiries have been received after a quiet August. The export trade is good, and is increasing. This winter is apparently looked forward to with a certain amount of hope.

Shipping.—August freights were down to 1913 level. About 14 per cent. drop has taken place since June.

Freight markets have shown signs of increased activity, however, in the last few days, although the high price of bunker coal is a discouraging factor. Bright spots in the picture are the Eastern trade and River Plate trade, and fair shipments from the St. Lawrence are expected.

Building Trades.—The position is improving. It is believed that large schemes are on hand in certain municipalities. The shortage of bricks continues, but is now less acute. Employment, on the whole, is better.

AUSTRALIA.

Climatic conditions—

Average rainfall for 84 years, Jan.-end of August..	15.21
Total rainfall Jan. 1, 1923 to Aug. 8, 1923.....	17.21
Total rainfall same period 1922	14.68

Generally, seasonal conditions are eminently favourable to prosperity, and the agricultural and pastoral outlook is bright. Shearing is progressing satisfactorily, but a smaller clip than last season is possible.

CANADA.

There are two distinct aspects to the Canadian situation. Crops are extremely good. The latest wheat estimate promises a record crop (470 million bushels—September 11th), in spite of rust and saw-fly. Harvesting conditions are still being favourably carried on. The wheat area sown has increased significantly since the war.

WHEAT EXPORTS—YEARS ENDING MARCH 31.

To—	—Million Bushels.—			—Value £ Millions.*—		
	1921.	1922.	1923.	1921.	1922.	1923.
U. Kingdom	29.3	92.5	166.9	14.7	24.0	38.4
U.S.A.....	42.3	16.6	16.2	18.3	4.7	3.8
Others	57.3	27.4	32.0	29.2	7.3	8.2
	129.2	136.5	215.1	62.2	36.0	50.4

* Converted at \$5 to £1.

Important features are the fall in prices, and the increase in direct exports to the United Kingdom.

On the other hand, the financial situation is not altogether satisfactory. Various bank failures and forced amalgamations have occurred recently. The farmer seems, however, to be less in debt to the banks than last year, and though he may not obtain a high price for produce, his position should be considerably improved this autumn as compared with 1922.

INDIA.

The monsoon, on the whole, has been satisfactory. There were anxious times, states the *Times* of India, at the beginning, when the monsoon, after a good start, suddenly failed, but with July came a heavy and general fall, and the sustained rains of subsequent weeks penetrated into all districts. Some districts received rain too late and others too heavily, but, generally, rainfall was adequate and widely spread. Crop prospects in last week of August were regarded as fair on the whole.

UNITED STATES OF AMERICA.

U.S.A. is perhaps the only country in the world which can be described as "prosperous" at the moment. It is recognised, however, that there has been a moderate curtailment of production during recent months. Almost every industry is now working below the spring "peak," the proportion varying from the automobile industry, which is very little below the best, to cotton, which is 26 per cent. below.

August steel production at 136,276 tons per day, against 140,570 per day in July, was the lowest since December, 1922. Cotton spinning was being carried on at 87.5 per cent. of full capacity according to the Department of Commerce figure for July. The U.S. Steel Corporation's unfilled orders at end of August were 5,414,663 tons, a drop of 475,498 tons compared with July, and of nearly 2,000,000 tons compared with the "peak" in March last.

The consensus of opinion seems to be that, though the recent decrease is something more than seasonal, production is still above normal, and the decline represents the "skimming-off" of the slight marginal speculative activity of the early part of the year. The position is sound, with bank credits not unduly extended and interest rates moderate, while the "fall" seasonal activity is expected to quicken the pace.

SOUTH AMERICA.

Argentina.—Customs receipts for the first seven months of 1923 were \$42,000,000 paper more than those for the same period last year. It is believed, however, that prospects of increased customs duties and other taxation have led to over-importation of manufactured goods of all kinds, especially cotton textiles and yarns, and trade may therefore be quiet in the autumn. Germany and Belgium are sending large quantities of ironmongery and small hardware, states the London and River Plate Bank.

The weather has been very favourable, and agriculture is well forward. It is believed that insect and other pests will be less active in the coming season.

Brazil.—The balance of trade has been favourable, and the statistical position of coffee suggests that this feature may continue, though the market has been unsettled owing to uncertainty as to how far Federal Government will step in to support coffee prices should they fall unduly. For first time in 13 years the official returns of railway revenue for the early part of this year show a surplus over expenses.

EUROPE.

Finland.—Trade in forest resources has begun with the summer thawing of the rivers. July exports were greatest in any month since the war, and conditions are regarded as good. Industrial expansion, however, is hampered by lack of capital.

Sweden.—Recent and prolonged industrial conflicts have caused serious deterioration of the general position. At the present time there is much improvement. Sweden's staple export products—wood, wood pulp, and paper—are in fair demand, production in many branches of industry is increasing, and unemployment falling off. The building trade is active, but has been hampered by the bricklayers' strike in Stockholm.

Holland's position is reviewed in a leading article in this Supplement. The Ruhr occupation has been a great blow to Dutch trade.

Hungary.—The unfavourable trade balance continues. The harvest this year, however, is considerably better than last, and the output of Hungary's industries has increased of recent months.

Germany.—The mark's utter collapse, combined with Germany's enforced reliance on imported basic materials, has resulted in a very serious industrial position. Inland prices are now above world parity, and Germany's export capacity has dwindled.

Exports—May, 1923.....	620 million gold marks.
June "	380 " " "
July "	105 " " "

Leipzig Fair was a failure this year. Lower costs of production are necessary, but a reduced output is likely to accompany the process of adjustment.

France.—The harvests of France and her colonies are coming up to expectations, and the hope that no foreign wheat imports would be necessary this year is in course of realisation.

IRON AND STEEL PRODUCTION.

	Furnaces at		Production (Thousand Tons).	
	Work at	End of Month.	Pig-iron.	Steel.
July, 1922	94	428.2	..	368.7
December, 1922.....	116	513.6	..	410.5
January, 1923	90	486.2	..	407.7
February, 1923*	77	305.6	..	289.8
June, 1923	106	447.0	..	427.4
July, 1923	107	436.4	..	399.5

* Month of lowest production.

Belgium.—The Banque General Belge reports that the coal trade is extremely busy, with low stocks and rising prices. Iron and steel are firm, with orders of fair dimensions. An agreement has been come to between masters and men in the metal trades regarding wage increases. Makers of rolling-stock and constructional materials have obtained certain foreign contracts recently.

JAPAN.

Earthquake damage has affected Japan's capital city, a main port, and her financial centre. Cotton districts have suffered but slightly, but the silk industry to a greater extent. Valuable stocks of silk are believed to have been destroyed in Yokohama. Japan's trade balance had been consistently adverse since the beginning of 1923. It is in the last months of the year that the balance usually rights itself, so that the possible effect of the disaster will be a continuance of the import balance during the remaining months of the year. Cotton may benefit from the lifting of the Chinese boycott, now virtually non-existent.

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No. 5.

We resumed in June the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. The table of crop yields on page 8 has been supplied by the International Institute of Agriculture, Rome. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." is 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD

A MONTH ago we expressed the view that in spite of Continental entanglements British trade was holding its ground against unfavourable factors. The reports since received fully confirm this view. Though the situation in Germany is worse than ever, it seems that business circles in this country have completely discounted the worst that can happen in Europe, except, of course, a serious outbreak of war. The unemployment figures, it is true, since the end of September have shown a small though definite increase, but employment at the end of September was slightly better than at the end of August, and the larger numbers of unemployed that have since been registered are, if anything, less than the increase that is normally to be expected at this time of year as a result of the autumnal shrinkage of employment in the building trade. Other industries a month ago were holding their own. In the last six weeks there has been reported a definite improvement in a number of cases, and practically no instance where trade is worse than in the middle of September. This attitude of qualified optimism is supported by the usual indices of trade conditions. The trade returns remain good, being better in September than in August. Railway traffic returns, though representing money value only, and not quantities, show a tendency to increase. The *Labour Gazette* reports that for the third month in succession the changes in wages which occurred during September were, on balance, in an upward direction, increases in the building and mining industries more than balancing a small but widespread reduction in the transport industries. Prices of industrial securities are, on the average, appreciably firmer than three months ago—a result which is not surprising considering that our analysis of industrial profits, published in the *Economist* last week, showed that the net profit of over 200 companies whose reports were issued in July, August, and September amounted to 17.3 millions, compared with 10.5 millions in the corresponding reports published twelve months ago.

The evidence of general statistics is confirmed by reports relating to various industries and markets. In the coal industry production continues at a level a little higher than before the war. Iron and steel production sagged in July and August, but in September steel output, which can be increased much more promptly than pig-iron production, showed a sharp recovery. We understand that in October a number of blast furnaces have been blown in, so that the October output of pig-iron will probably follow suit. The financial situation of certain branches of the Lancashire cotton industry, after two years of depression, is well-nigh desperate, but even the cotton trade reports are slightly better, though nothing like a real revival can be anticipated until a marked change comes over the markets of China, India, and Turkey. In the West Riding, the

fright which was loudly expressed of the effect of French competition has died down almost as rapidly as it arose. The chemical trade is well employed. In the boot and shoe industry, though short time continues, demand is better and stocks are falling. The lace trade, which has been extremely hardly hit, is showing some signs of life. Certain branches of the engineering industry are doing very well, in particular motor and motor-cycle construction, electrical engineering and textile machinery. Even some branches of general engineering are beginning to look up, but locomotive building, marine engineering, and many other branches remain lifeless. Indeed, anything connected with shipbuilding is in an extremely bad way, and will remain so until the moulders' strike is settled and there is an expansion of the world's volume of trade. At the moment, however, there is some encouragement even here in the fact that our freight index number for September shows a small advance.

Overseas, there are no marked changes compared with a month ago. The handling of very large crops in Canada and Australia is keeping people busy, particularly those engaged in transport. In the United States an immense volume of business is being done, though its amount is stationary rather than increasing. The situation is not so brisk as in the spring, but the volume of freight being offered to the railways remains very high. One result of this is that after four years the Baltimore and Ohio Railroad is resuming its ordinary dividend. In Europe the statistics in the following pages show a tendency to recovery in Sweden, Belgium, Italy, Switzerland, and Austria. Holland is still one of the chief sufferers from the Ruhr chaos, while France, on the whole, is best described as steady, her industry having practically recovered the set-back which followed the initiation of the Ruhr policy. Germany is, of course, rapidly going down hill, the effects being most evident in those industries which are dependent on the investment of new capital—as, for example, the metal trades and building.

INDUSTRIAL REPORTS.

Coal.—A correspondent writes:—"There has been the usual seasonal increase of prices. The steel industry's demand for coal is good, but other large sections are still in the grip of the trade paralysis, and there is no improvement of business with them. The upward tendency in the North-East Coast exporting districts continues, with the result that collieries are now fully booked for October."

"The Welsh steam coal trade is recovering slowly from the depression caused by the serious delay in the arrival of chartered vessels occasioned by the prolonged stormy weather, but is still far from satisfactory."

Iron and Steel.—Although six more furnaces went out (Continued on page 8.)

A DECADE OF IMPERIAL PROGRESS.

In the tables which follow, an attempt is made to give a statistical picture of the economic situation in the chief British self-governing Dominions during the decade roughly bounded by the last two censal years—1911 and 1921. In many cases averages are given based on (1) "Pre-war," (2) "War," and (3) "Post-war" years.

Our first table shows the area and the respective population totals for the last three censal years:—

	Area, Sq. Miles.	Population.		
		1901.	1911.	1921.
Canada	3,729,665	5,371,315	7,206,643	8,788,483
South Africa	473,089	*15,175,824	*5,973,394	*6,928,580
India†	1,802,629	294,317,082	315,156,396	318,942,480
Australia	2,974,581	3,824,913	4,573,868	5,510,229
New Zealand	103,284	772,719	1,008,468	1,218,913

* Census of 1904. † European population, 1904: 1,116,806; 1911: 1,276,242; 1921, 1,519,488. ‡ Including native states.

Some idea of the density of population and the relative importance of "urban" and "rural" areas may be obtained from the next table.

	Population per Square Mile.			Percentage of Urban to Total Population.
	1901.	1911.	1921.	
Canada	1.4	1.9	2.4	49.5
South Africa	*10.9	12.6	14.6	25.0
India	212.1	223.1	226.0	...
Australia	1.3	1.6	1.9	†62.0
New Zealand	7.5	9.8	11.8	48.77

* In 1904. † "Metropolitan" and "Provincial" areas. ‡ Estimated at about 30 per cent.

Vital statistics during pre-war, war, and post-war periods may be summarised thus (in yearly averages):—

	Births.			Deaths.		
	1912-13.	1914-18.	1919-21.	1912-13.	1914-18.	1919-21.
Canada	97,800	108,130	†167,859	...	...	†72,720
South Africa	9,339,257	9,027,063	112,581	6,023	80,116	80,819
India	134,401	131,997	7,601,413	6,968,004	8,787,650	7,761,243
Australia	27,721	17,759	131,631	51,383	51,395	58,431
New Zealand	...	...	27,657	9,666	11,521	11,199

	Excess of Births.			Total Increase Due to Excess of Births, 1912-21.
	1912-13.	1914-18.	1919-21.	
Canada	...	...	195,139	132
South Africa	37,568	6.3	28,014	4.7
India	2,371,253	7.6	239,413	0.8
Australia	72,418	15.8	80,602	17.6
New Zealand	18,055	17.9	16,238	16.3

* Returns for the Dominion of Canada not collected before 1920. † Includes Aden and Perim. ‡ 1920 and 1921 average.

Immigration figures are not calculated in the same manner in every case, and the following averages are not comparable as between one country and another. They suffice to show, however, the effect of the war in checking overseas settlement:—

	Number of New Immigrants (Annual Average).			Total Immigrants.
	1912-13.	1914-18.	1919-21.	1912-21.
Canada§	393,655	81,095	118,604	1,548,598
South Africa	*1,542	*15,649	*9,799	...
India†	5,233	5,462	α3,561	...
Australia	c27,492	c14,227	c15,789	224,381
New Zealand	11,573	8,175	8,505	89,538

* Arrivals and departures by sea only. † Arrivals and departures by sea and railway. ‡ Net coolie immigration. § Gross immigration. α 1920 only. b Net excess of arrivals over departures. c Based on average for 5-year periods 1911-15, 1916-20, and on figures for 1921 respectively.

The next table shows the intensity of railroad development:—

	Dat	Total Mileage.	Miles per 1,000 Population.
Canada	Dec. 31, 1921	*39,771	4.5
South Africa	Mar. 31, 1921	9,559	1.4
India	Mar. 31, 1922	37,266	0.1
Australia	June 30, 1922	24,491	4.4
New Zealand	Mar. 31, 1922	3,156	2.6

* Single track mileage.

The foreign commerce of the Dominions is shown in the two succeeding tables, in yearly averages, for the three periods under which earlier returns have been grouped:—

	Average Imports.			Average Exports.		
	1912-13.	1914-18.	1919-21.	1912-13.	1914-18.	1919-21.
Canada	\$ 645,200	\$ 719,770	\$ 1,024,164	\$ 393,671	\$ 1,011,775	\$ 1,056,299
South Africa	35,339	38,706	70,139	64,772	60,530	93,218
India	114,751	98,537	179,982	161,850	143,998	185,235
Australia	78,954	71,226	121,637	78,834	78,374	138,649
New Zealand	21,632	23,015	45,070	21,878	30,280	46,413

* Fiscal year ending March 31st of following calendar year in each case.

† Including Government stores, but excluding specie. ‡ Includes value of gold premium, averaging \$7,884,000 during these three years. § Private merchandise.

|| Including re-exports of imported foreign merchandise, value, 1921-22, \$9,376,000.

¶ January, 1914 to June, 1918. * Average three years to June 30, 1921.

Data published by the International Institute of Agriculture, Rome, has been used to illustrate the fluctuations in the yield obtained in the Dominions of a few of the world's most important crops. Yearly averages are given, in thousands of quintals (1,000 quintals = 1,968 cwts). The approximate estimated total world production is also shown, so that the relative importance of the Dominions' contribution may be roughly assessed:—

	Wheat.			Barley.		
	1909-13.	1914-18.	1919-21.	1909-13.	1914-18.	1919-21.
Canada	53,648	67,519	68,703	9,857	11,554	13,020
South Africa	1,709	1,884	1,990	277	318	228
India	95,756	96,069	82,429	(31,678)	31,678	28,758
Australia	24,630	29,761	30,573	6.8	815	972
New Zealand	1,885	1,753	1,556	275	157	272
Estimated world total ..	...	...	1,200,000 to 1,300,000	...	...	400,000 to 450,000

	Oats.			Potatoes.		
	1909-13.	1914-18.	1919-21.	1909-13.	1914-18.	1919-21.
Canada	54,238	62,230	69,467	21,194	21,422	33,972
South Africa	1,902	†1,293	1,133	836	†988	851
India	2,579	2,022	2,279	3,363	3,363	2,989
Australia	2,544	1,284	*1,078	1,593	1,222	†1,379
Estimated world total ..	...	...	600,000 to 650,000	...	...	1,300,000 to 1,500,000

	Rice.			Tea (1,000 kilogrammes).		
	1909-13.	1914-18.	1919-21.	1909-13.	1914-18.	1919-21.
South Africa	...	...	...	787	769	544
India	448,068	486,331	483,533	†126,564	163,979	†163,805
Estimated world total ..	...	...	Over 2,000,000	...	...	700,000 to 800,000

	Ginned Cotton.			Jute.		
	1909-13.	1914-18.	1919-21.	1909-13.	1914-18.	1919-21.
South Africa	(0.2)	2	14	15,281	15,212	11,232
India	7,770	7,785	8,393	...	...	...
Australia	(0.2)	(0.07)	(0.07)	...	...	...
Estimated world total ..	...	...	(40,000 to 45,000)	(15,317)	(15,255)	(11,300)

* Average over two years. † Average over four years. ‡ Datum for single year.

The numbers of the principal species of live stock in the Dominions, in 1911 and 1921, were as follows (in thousand head):—

	Horses.		Cattle.		Sheep.		Pigs.	
	1911.	1921.	1911.	1921.	1911.	1921.	1911.	1921.
Canada	2,596	2,814	6,533	10,206	2,175	3,676	3,620	3,905
South Africa	719	α 690	5,797	6,852	30,657	26,289	1,082	560
India	1,712	1,976	114,885	143,519	31,710	31,706	...	...
Australia	2,278	2,421	11,829	12,711	93,004	75,554	1,111	696
New Zealand	404	337	2,020	3,139	23,946	23,285	349	350

α Exclusive of number in towns, or native reserves, or on land in native occupation. * Including native states.

Data on the subject of coal, iron and steel production will be found on page 4. Dominion production of other important metals, in 1911 and 1921, is indicated in the annexed table (which is based on material provided by the International Statistical Institute, the Hague):—

	Gold (1,000 ozs Fine).		Silver (1,000 ozs Fine).		Platinum (ozs).		Tin Ore (Tons).	
	1911.	1921.	1911.	1921.	1911.	1921.	1911.	1921.
Canada	473	926	32,559	13,988	118	269	α 3,534	α 1,425
South Africa	8,251	8,129	897	830	...	...	...	...
India	584	*428	104	†2,906	58	...	97	†1,345
Australia	2,484	758	2,514	1,194	654	†796	†8,453	†5,789
New Zealand	455	†213	1,111	†369	...	...	...	...

In 1922. † In 1920. ‡ In 1913. § In 1919. α Ton of 907 kilogrammes. β Tin, and tin ore.

AMERICAN IRON AND STEEL INDUSTRY.

By H. COLE ESTEP, European Manager of the *Iron Trade Review*.

THERE is a tradition in the American iron and steel industry that if the production of pig-iron decreases for three consecutive months, a general depression, but not necessarily a severe one, extending over several months or a year may be expected. It will soon be determined whether this tradition has any basis for existence, for the output of pig-iron in the United States, according to statistics compiled by the *Iron Trade Review*, declined steadily from an average of 124,790 tons a day in May to 104,120 tons a day in September.

There are other indications that a period of relatively quiet trade may be expected. After rising to \$69.28 a ton in September, 1920, the official average price of 14 leading American iron and steel products dropped to \$32.86 in February, 1922. It then gradually increased to \$47.70 in May this year, since when it has steadily declined. On October 3rd it stood at \$44.23 a ton. The best obtainable opinion in America is that the iron and steel business of the United States will be good next year, but that production probably will not be pushed to the high levels it reached last spring. Prices may decline somewhat further, but since there are no abnormal accumulations of steel such as brought about the drastic reaction in 1921, fairly steady market conditions are anticipated.

The new business booked by the United States Steel Corporation in September and October was considerably heavier than in August. Early in October several of the leading American railroads decided, in view of somewhat more favourable conditions, to re-enter the equipment market. The Union Pacific announced a programme involving the construction of 18,000 freight cars, while the Pennsylvania railroad prepared to purchase 15,000 cars. It is expected that a total of 75,000 freight cars will be ordered before the end of the year. This item alone calls for about 750,000 tons of iron and steel. The Ford Motor Co. ordered two steamships early in October, which will require 10,000 tons of steel, together with 15,000 tons of structural steel for shop construction purposes. Rail orders placed with American mills during the first week in October totalled over 85,000 tons. These details are mentioned to show that confidence is being maintained, and that important American enterprises are going ahead with large development programmes.

In other words, there is a revival of confidence in the American iron and steel industry at present, just as there is here. In fact, the fluctuations in production, exports, prices, and trade sentiment in the British and American iron and steel trades have been virtually parallel for the past two years. This is interesting when it is remembered that the American industry is dependent almost entirely on internal conditions, whereas the British iron and steel business is governed largely by the external situation.

In point of production the present year in the United States will undoubtedly equal that of 1916, the most active of the war years, when 39,019,123 tons of pig-iron were made. Up to October 1st the output of pig-iron this year was 31,085,575 tons. When the remaining three months come to be added the total for the year will be around 39,000,000 tons. The production of ingots to September 1st was 30,000,000 tons. For the year it will be about 43,000,000 tons, or about the same as in 1918, and a little less than in 1917, the maximum year, when 43,619,200 tons were turned out.

Both pig-iron and steel are being made in the United States at practically the rate which was only obtained six years ago under the whiplash of war demands. The rate of pig-iron production at present is 30 per cent. in excess of the best pre-war record, while that of steel is 43 per cent. ahead of the *ante bellum* era. In this respect also conditions in America and Great Britain are somewhat similar, since in this country this year the production of steel will be about 9 per cent. more than in 1913, although the pig-iron output is still below the pre-war level.

The ups and downs of America's export trade this year have been similar to those experienced by British iron

masters. Starting the year with a moderate volume of foreign trade, American exports increased 45 per cent. between January and May, owing to the diversion last spring of orders which ordinarily would have gone to Germany. Since that time the generally unfavourable economic reactions of the Ruhr situation have served to curtail the foreign trade of all the leading iron and steel producing countries.

But the relatively small part which foreign trade plays in American iron and steel affairs is clearly illustrated by the subjoined table covering the first eight months of this year and monthly averages for previous years. This table, which gives the monthly exports and imports of American iron and steel products in gross tons, and the imports of pig-iron and ferromanganese from Great Britain this year, is as follows:—

	Total Exports.		Total Imports.		Imported from Great Britain.	
	Tons.	Tons.	Tons.	Tons.	Pig-iron.	Ferromanganese.
Monthly average, 1921	181,000	7,000	...	...	...	...
Monthly average, 1922	161,500	46,600	...	...	...	...
1923—January	135,046	119,955	75,000	4,000	...	...
February	136,853	67,682	30,000	7,000	...	...
March	168,176	104,684	60,000	8,000	...	...
April	183,905	76,365	21,474	6,049	...	...
May	195,535	75,840	25,116	8,651	...	...
June	176,403	67,968	18,150	11,745	...	...
July	171,142	53,451	11,944	11,245	...	...
August	144,419	45,112	6,136	6,835	...	...

As the foregoing table indicates, America's total foreign trade in iron and steel products in August aggregated only 189,531 tons, whereas that of Great Britain was 439,000 tons. British foreign trade in iron and steel, that is, exports plus imports, is equal to about three-quarters of her production, but the corresponding ratio for the United States is only one-twentieth.

The figures showing the exports of pig-iron and of ferromanganese each month this year from Great Britain to the United States are given in the foregoing table for the purpose of calling attention to the considerable trade in ferrous products which goes on constantly between the two countries. In fact, in the iron and steel department, the United States is a much larger customer of Great Britain than Britain is of America.

Attention is called to the shipment of some 248,000 tons of British pig-iron and 63,000 tons of ferromanganese to the United States during the first eight months of this year, in the face of the Fordney Tariff, which is assumed in some quarters to militate against the sale of British products in America. The tariff on ferromanganese is about 30 per cent. *ad valorem*, while that on pig-iron is 3s a ton. The reason for this business is that British costs of production, although high, are lower on commodities of this sort than obtain in the United States, due chiefly to the lower wages and lower cost of iron ore in this country.

Under approximately normal conditions the cost of producing iron and steel does not vary greatly at the present time from one country to another, although the United States, with its high wages, is in a somewhat less favourable position than some of its older competitors. But the great bulk of the American market is protected from foreign competition not by the Fordney Tariff, but by the cost of hauling foreign material from the coast to the principal points of consumption, which are now in the interior of the country. The geographical centre of iron and steel consumption in the United States lies near Cleveland, which is 600 miles inland. It is moving steadily towards the Mississippi valley. This middle western territory is an empire in itself, and although influenced by European conditions, it is not seriously affected by them. For this reason the American iron and steel industry is not greatly disturbed by the situation in Europe, nor is it likely to be so in the near future.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.											LIGNITE.				
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.
1913	24,342	1,904	1,189	5,404	15,842	156	...	1,135	665	1,311	1,776	43,087	...	1,918	7,269	...
1918	19,286	1,558	...	2,188	13,768	283	...	1,131	747	1,680	2,356	51,272	...	1,641	9,303	399
1920	19,402	1,866	928	2,890	10,950	328	534	1,257	867	1,446	2,437	48,811	199	1,641	9,303	399
1921	13,822	1,816	971	3,213	11,351	327	631	1,888	862	1,554	2,882	38,282	206	1,792	10,251	471
1922	21,235	1,767	826	3,596	10,861	381	1,850	845	735	1,539	2,054	34,821	247	1,579	11,434	468
1922—August	19,371	1,695	911	3,682	10,206	333	3,123	563	793	...	1,942	42,965	283	1,681	12,147	342
September	26,098	1,721	729	3,705	10,157	398	3,007	1,040	772	...	1,833	40,351	277	1,467	11,823	472
October	21,552	1,819	666	3,836	10,753	420	3,095	1,129	773	...	2,099	48,733	276	1,449	12,089	529
November	27,228	1,805	891	3,753	10,456	405	2,843	1,144	776	1,264	2,189	48,705	241	1,103	11,896	585
December	20,598	1,818	848	3,799	9,664	390	2,760	1,152	742	1,481	2,388	49,786	218	1,567	11,897	518
1923—January	21,564	1,994	912	4,199	10,732	457	3,243	1,236	819	1,562	2,189	53,426	232	1,585	11,904	553
February	22,608	1,604	880	4,199	10,732	457	3,243	1,236	819	1,562	2,189	53,426	232	1,585	11,904	553
March	22,024	1,924	786	3,051	10,554	438	3,370	1,094	822	1,965	2,376	50,968	214	1,474	11,897	533
April	21,609	1,822	1,198	3,063	...	450	2,959	1,032	889	1,578	2,176	50,968	214	1,474	11,897	533
May	20,797	1,813	1,668	3,507	...	414	2,683	1,074	971	1,524	2,358	49,786	212	1,389	...	469
June	28,476	1,970	1,077	4,352	...	428	3,107	1,089	940	1,449	1,888	49,268	220	1,278	...	518
July	20,381	1,857	1,156	4,312	...	454	3,227	1,197	916	1,237	...	48,485	211	1,393	...	...
August	24,786	1,927	731	4,517	...	467	2,129	...	986	1,197	...	52,765	...	943	...	...
September	21,990	...	...	...	...	...	...	...	...	...	...	47,779	...	...	...	...

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Five weeks. e Strike period. f From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat: from June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Provisional figure. k Excluding Ruhr production. l Upper Silesia only.

PIG IRON.

Period. Monthly Average.	STEEL.											PIG IRON.				
	United Kingdom.	Belgium.	France.	Germany.	Luxemburg.	Sweden.	Canada.	United States.	United Kingdom.	Belgium.	France.	Germany.	Luxemburg.	Sweden.	Canada.	United States.
1913	869	207	434	1,388	212	61	85	2,601	4,649	205	396	1,412	101	62	88	2,564
1918	768	109	276	883	106	64	90	3,260	4,812	1	151	1,176	73	51	142	3,645
1920	680	93	276	463	58	38	82	3,083	4,768	104	246	643	50	41	94	3,461
1921	222	73	280	625	81	26	51	1,401	4,314	66	255	750	63	19	57	1,638
1922	415	134	427	730	140	22	32	2,276	4,494	130	373	762	116	29	41	2,818
1922—August	418	154	447	...	149	22	28	1,845	537	151	397	...	131	31	60	2,674
September	437	163	462	...	152	22	25	2,065	565	171	407	...	135	34	36	2,867
October	489	175	503	...	165	23	37	2,680	574	182	430	...	139	35	54	3,469
November	502	172	514	...	154	27	35	2,895	610	177	410	...	132	38	52	3,489
December	542	160	513	...	159	28	36	3,136	655	169	415	...	134	32	47	3,357
1923—January	577	165	486	...	142	22	41	3,012	644	179	408	...	123	17	49	3,527
February	552	151	306	...	88	6	45	3,012	718	157	290	...	74	2	47	3,525
March	644	170	316	...	95	10	66	3,580	815	184	316	...	79	4	94	4,108
April	663	172	350	...	96	10	84	3,604	761	170	355	...	79	4	94	4,101
May	726	166	393	...	86	12	103	3,930	834	172	388	...	73	5	106	4,263
June	704	172	447	...	90	10	101	3,727	780	189	427	...	74	4	98	3,809
July	666	187	436	...	123	10	83	3,737	634	182	400	...	96	4	75	3,572
August	609	199	486	...	135	30	94	3,490	592	213	452	...	110	...	107	3,738
September	568	...	...	...	...	...	...	3,176	706	...	...	...	...	...	...	3,313

c Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918; for 1918-1921 figures not official. d Ingots and castings. e Monthly figures, based on the returns of 30 establishments, whose production in 1921 amounted to 87.50 per cent. of the total production. f Decrease due to labour disputes. g Corrected figures from January, 1923, based on returns from works responsible for 95% of total production.

WHOLESALE PRICES.—(1913=100.)

Monthly Average.	WHOLESALE PRICES.—(1913=100.)											WHOLESALE PRICES.—(1913=100.)				
	U.K.	Belgium.	Czechoslovakia.	Denmark.	France.	Germany.	Holland.	Italy.	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	Canada.
1913	100	100	...	100	100	...	100	100	100	...	100	100	100	100	100	100
1918	224.9	...	...	232	339.2	...	390.2	100	345	...	...	207	...	177.8	180	207.8
1920	307.3	283.2	...	341	509.4	...	2,130	284.8	629.1	377	...	221	359	227.9	204	241.3
1921	197.2	181.0	366	1,675	178	345.0	4,217	177.7	577.5	269	57,046	190	222	191.2	174.9	181
1922	158.8	159.5	367	1,299	181	326.6	49,559	155.4	577.5	220	137,575	176	173	167.5	161.6	160.4
1922—August	156.3	158.1	360	1,155	178	331.2	29,116	151.8	571.3	227	135,786	175	173	165.7	162.7	150.1
September	154.3	156.6	364	1,059	176	329.3	43,223	148.2	581.7	225	152,365	174	170	164.5	163.3	146.2
October	155.2	158.2	385	1,017	180	337.4	94,492	150.9	600.8	221	201,326	172	169	170.6	166.5	146.0
November	157.6	159.0	408	999	182	352.1	167,412	155.6	596.2	221	275,647	174	163	171.9	169.9	149.5
December	155.8	158.3	407	1,003	181	361.9	205,411	150.9	579.6	220	346,353	172	163	174.7	168.4	150.9
1923—January	157.1	160.6	434	1,019	192	386.9	715,881	151.8	575.3	220	548,690	170	163	175.3	170.5	150.9
February	153.3	163.5	474	1,028	199	421.8	677,000	150.9	582.1	224	899,100	170	165	181.0	169.0	152.9
March	160.3	163.1	482	1,031	200	424.0	642,700	151.8	586.9	229	988,500	171	168	185.9	170.7	151.4
April	161.4	164.9	480	1,029	204	414.7	823,700	151.8	588.4	231	1,058,920	174	168	186.5	174.1	151.4
May	159.8	163.8	474	1,000	202	406.5	1,498,000	149.5	568.9	230	1,123,350	171	166	181.0	178.3	151.4
June	159.4	160.0	484	967	207	408.4	3,989,800	145.5	568.9	230	1,123,350	171	166	181.0	178.3	151.4
July	156.6	155.2	504	958	207	408.2	28,624,800	142.9	566.4	235	3,169,970	170	162	175.3	178.3	153.6
August	154.6	155.4	529	957	202	412.3	306,353,800	139.3	567.4	231	5,294,680	171	162	173.4	188.6	153.3
September	157.9	159.7	...	205	422.8	...	18,295,350,000	...	...	234	...	171	162	173.4	...	...

a From 1920 revised index. b End of the month. c End of the year. d Beginning of the following month. e Revised index number, based on 48 articles instead of 53.

Wholesale Prices—Continued.

Monthly Average.	South Africa.	China.	Japan.	United States, of Labour.	Index Numbers of Retail Prices.						Cost of Living.					
					No. of Towns and Localities.	U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.
						630	Vienna.	59				71	Berlin.	Rome.	Madrid.	60	32
1913	100	100	100	100												
1918	153.1	..	195.9	194	Base.	July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913, Jan., April, June, 1914.	Aug., 1913, July, 1914.	Jan., June, 1914.	1914.	1913.	1913.
1920	223.3	140.0	259.6	226												
1921	160.4	144.6	200.5	147	1918-July	210	..		617	..	..	..	197	154	146	174
1922	128.4	145.4	196.0	149	1920-July	265		453	1647	341	935	1125	313	191	190	213
					1921-July	222	53,300	379	1765	307	1124	1125	387	181	155	180
					1922-July	181	264,511	366	..	302	5392	6122	429	179	147	167
1922-August	..	142.0	195.4	155	a											
September	..	138.8	193.0	153	1922-Aug.	179	593,222	366	2515	..	7765	10271	431	178	147	168
October	129.0	142.5	190.6	154	Sept.	178	1,130,553	371	2515	289	13319	16368	437	179	147	168
November	..	143.3	188.1	156	Oct.	180	1,036,308	376	2543	..	22066	26069	444	178	147	..
December	..	148.5	182.9	156	Nov.	180	970,683	384	2257	..	44610	56494	439	178	148	168
					Dec.	178	937,528	384	2617	300	68506	76925	438	177	149	168
1923-January	130.7	152.7	184.3	156	1923-Jan.	177	945,397	383	2642	..	112027	129050	412	180	150	..
February	..	161.5	192.1	157	Feb.	176	950,083	397	2749	..	..	..	..	..	..	..
March	..	158.7	195.9	159	Mar.	174	1,015,132	408	2812	324	264300	281380	413	181	151	165
April	126.2	157.7	196.2	159	April	170	1,089,660	409	2741	..	285400	260840	440	178	150	165
May	..	158.4	199.2	156	May	169	1,144,000	413	2599	..	295400	259630	441	180	148	..
June	..	155.2	197.5	153	June	169	1,151,300	419	2531	..	381600	423340	449	178	146	170
July	..	155.4	192.5	151	July	171	1,090,380	429	..	331	765000	877020	..	170	145	..
August	..	153.1	..	150	Aug.	173	1,049,600	439	..	..	3765100	3382570	..	172	145	..
September	..	..	..	154	Sept.	175	1,084,100	453	..	..	58604500	5901700	..	178	148	..
											1500000000	149321150				

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	U.S.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drachme.	Lire.	Gulden.	Marki p.	Pesos.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	386,333	15,775	64,785	..	701,778	41,033	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,274	147,224
1918.....	107,100	46,960	75,851	245,277	116,265	4,158,748	299,680	8,256,417	177,519	2,315,135	277,702	..	49,345	102,776	200,122	4,148	245,361
1920.....	142,861	930,460	184,486	245,277	116,265	4,158,748	299,680	8,256,417	177,519	2,315,135	277,702	..	49,345	102,776	200,122	4,148	245,361
1921.....	81,548	837,620	243,424	128,734	373,551	1,838,992	294,766	9,815,963	143,800	1,438,885	186,695	..	238,083	105,520	191,457	4,109	213,072
1922.....	75,012	756,426	..	120,022	465,785	1,991,717	326,829	516,700	225,565	1,310,563	168,966	..	252,768	97,027	159,539	3,408	253,817
1923—Aug.	75,157	767,648	386,007	128,409	637,926	1,959,729	395,590	545,100	196,416	1,051,512	178,808	87,543,000	281,862	105,443	167,584	3,007	277,747
Sept.	70,562	767,648	414,800	127,936	700,291	1,835,121	358,190	421,800	181,256	1,231,432	164,617	..	211,747	108,897	167,584	3,439	276,214
Oct.	76,737	885,421	367,736	140,872	523,575	2,108,872	362,321	531,701	387,326	1,399,283	186,643	..	279,242	118,115	186,070	3,757	345,083
Nov.	86,452	885,421	280,170	122,692	525,626	2,348,245	399,557	536,200	286,118	1,248,035	172,295	..	279,242	111,496	186,070	4,279	286,453
Dec.	86,452	885,421	355,408	135,917	497,245	2,923,296	420,186	589,807	370,610	1,051,936	153,762	..	293,893	110,565	188,070	4,316	288,599
1923—Jan.	89,902	928,722	..	136,195	509,838	2,144,294	304,808	563,800	370,610	1,051,936	153,762	..	293,893	110,565	188,070	4,316	288,599
Feb.	74,032	801,421	..	150,300	428,020	2,343,014	260,455	446,200	354,354	1,051,936	153,762	..	293,893	110,565	188,070	4,316	288,599
Mar.	80,937	988,035	..	141,150	675,240	2,486,736	309,612	530,100	630,997	1,495,748	165,441	..	293,893	110,565	188,070	4,316	288,599
April	73,989	973,335	..	160,980	727,746	2,560,198	362,912	639,100	580,020	1,388,927	169,714	..	293,893	110,565	188,070	4,316	288,599
May	77,706	896,988	..	147,243	1,087,117	2,596,881	458,088	..	376,520	1,587,350	160,130	..	293,893	110,565	188,070	4,316	288,599
June	78,353	1,195,202	..	147,243	1,087,117	2,596,881	458,088	..	376,520	1,587,350	160,130	..	293,893	110,565	188,070	4,316	288,599
July	78,353	1,195,202	..	147,243	1,087,117	2,596,881	458,088	..	376,520	1,587,350	160,130	..	293,893	110,565	188,070	4,316	288,599
Aug.	78,353	1,195,202	..	147,243	1,087,117	2,596,881	458,088	..	376,520	1,587,350	160,130	..	293,893	110,565	188,070	4,316	288,599
Sept.	75,156	1,107,143	..	172,000	..	2,633,617	367,435	..	269,030	1,471,412	166,000	..	..	..	..	..	275,382

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	U.S.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drachme.	Lire.	Gulden.	Marki p.	Pesos.	Kronor.	Francs.	£.	Dollars.
1913.....	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	256,917	..	88,136	68,112	114,700	2,639	204,025
1918.....	111,297	724,847	136,917	132,589	102,365	2,241,872	294,766	5,785,093	55,342	281,775	141,775	..	83,303	112,536	163,593	7,181	503,990
1920.....	111,297	724,847	136,917	132,589	102,365	2,241,872	294,766	5,785,093	55,342	281,775	141,775	..	83,303	112,536	163,593	7,181	503,990
1921.....	60,041	504,965	..	96,087	190,553	1,647,709	114,318	8,259,113	70,185	689,724	114,146	..	130,548	91,440	178,345	3,014	364,911
1922.....	60,041	504,965	..	96,087	190,553	1,647,709	114,318	8,259,113	70,185	689,724	114,146	..	130,548	91,440	178,345	3,014	364,911
1923—Aug.	60,032	520,135	346,721	84,012	423,406	1,676,314	596,078	254,800	81,713	703,187	99,443	87,983,000	121,166	132,548	147,066	2,488	296,272
Sept.	62,511	520,135	510,322	114,061	427,921	1,741,062	509,052	290,900	243,450	746,651	115,612	..	126,868	122,633	147,066	2,077	307,458
Oct.	60,399	577,714	492,275	105,054	383,293	1,937,467	476,589	291,400	242,319	888,962	112,003	..	152,700	122,165	147,066	4,523	366,177
Nov.	66,491	587,714	452,701	113,809	454,951	1,706,499	387,635	255,200	184,113	1,049,375	104,350	..	130,330	127,920	147,066	7,435	364,544
Dec.	58,883	587,714	302,442	103,045	641,827	2,778,947	270,674	423,000	202,821	1,009,965	100,225	..	170,993	119,578	147,066	8,288	339,252
1923—Jan.	66,939	486,360	..	102,886	384,117	1,695,898	197,656	311,400	193,102	788,841	91,488	349,456,000	129,017	64,928	146,775	6,765	330,894
Feb.	57,510	487,338	..	112,634	389,117	1,695,898	197,656	311,400	193,102	788,841	91,488	349,456,000	129,017	64,928	146,775	6,765	330,894
Mar.	60,921	713,439	..	128,090	459,635	2,474,378	152,977	435,800	125,976	886,690	106,977	1,183,486,000	130,086	60,914	146,775	5,218	333,332
April	62,871	697,521	..	108,991	423,178	2,507,895	190,401	417,900	142,163	730,818	97,005	937,695,000	118,590	61,618	121,798	3,446	318,357
May	71,555	577,542	..	127,010	540,946	2,675,045	245,400	..	353,685	784,614	104,129	894,889,000	139,125	104,867	121,798	2,915	309,669
June	62,884	755,616	..	130,377	491,883	2,479,391	527,300	..	83,544	943,130	97,860	1,572,370,000	..	112,337	121,798	2,333	320,257
July	59,504	732,152	..	120,981	447,756	2,423,781	653,700	..	72,938	796,255	98,663	..	..	105,431	..	2,018	296,551
Aug.	60,103	727,426	..	140,000	..	2,542,820	563,740	..	121,747	835,739	107,933	..	..	111,710	..	2,780	311,352
Sept.	63,536	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

c Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Period September 22—October 21. g Old Greece only. h Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. i Period September 1—21. j The method of valuation changes every month. k From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. l 15 days.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	U.S.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drachme.	Lire.	Gulden.	Marki p.	Pesos.	Kronor.	Francs.	£.	Dollars.
1913.....	6,355	152,809	54,917	1,785	3,355	60,474	83,958	2,721	..	3,685	h 6,068	..	5,041	..	987	661	489
1918.....	13,169	252,256	111,410	5,062	7,995	191,179	174,719	995	326	2,446	..	..	404	..	233	295	145
1920.....	8,064	230,707	66,616	4,458	132,477	82,450	1,459	333	333	2,194	..	..	1,151	294	703	468	271
1922.....	9,850	197,475	63,528	2,816	4,015	154,764	139,942	1,760	265	4,281	3,823	..	77	194	1,435	404	275
1923—Aug.	10,857	211,181	67,355	3,205	4,134	136,754	146,603	1,995	208	4,512	4,676	55	324	1,848	151	469	526
Sept.	10,004	172,486	60,318	3,481	4,134	132,000	132,166	1,995	202	4,134	4,289	56	324	1,706	..	412	526
Oct.	10,727	227,245	66,875	3,322	4,265	102,927	202,069	1,983	206	4,543	5,554	84	329	1,882	..	484	529
Nov.	12,372	194,732	76,194	2,921	4,141	112,374	169,458	1,983	176	4,577	4,551	114	329	1,786	..	484	529
Dec.	10,175	176,775	70,205	3,439	4,112	140,056	186,489	1,983	310	4,930	4,326	88	329	1,612	..	393	529
1923—Jan.	11,331	204,985	68,086	4,037	4,199	146,574	183,255	2,183	161	4,111	4,730	80	366	1,576	220	563	542
Feb.	11,786	200,509	65,308	2,994	3,618	154,452	141,982	2,183	178	4,111	4,730	80	366	1,576	220	563	542
Mar.	10,777	179,178	91,873	3,642	4,578	195,609	221,892	1,705	207	4,087	5,220	125	316	1,289	300	194	542
April	10,134	204,381	68,181	3,461	4,460	185,789	176,681	2,603	298	4,402	4,013	107	316	1,437	285	191	501
May	11,148	192,423	82,465	3,353	4,470	199,59	184,713	1,898	248	4,507	4,013	107	316	1,437	285	191	501
June	10,297	173,145	84,633	4,970	4,221	208,654	168,644	2,262	300	4,932	4,807	88	366	1,576	220	563	542
July	11,636	150,940	77,074	3,640	4,878	159,139	..	2,197	341	4,864	4,160	97	211	1,633	290	..	..
Aug.	..	169,600	78,826	..	4,943	..	..	2,197	417	4,803	..	..	..	1,708	..	..	..
Sept.	..	..	..	..	4,436	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Netherlands.	Poland.	Spain.	Sweden.	Switzerland.	U.S.	United States.
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YIELD OF FOOD CROPS IN THE NORTHERN HEMISPHERE.

The figures which follow are supplied by the Imperial Institute of Agriculture, Rome, and show, in thousands of metric tons, the latest estimates of this year's food crops in all countries north of the Equator for which returns are available. The percentage columns are calculated on the basis of the original data, of which only a summary is given here.

Countries.	Wheat.			Rye.			Barley.			Oats.		
	1922.	1923.	Per-centage, 1922=100	1922.	1923.	Per-centage, 1922=100	1922.	1923.	Per-centage, 1922=100	1922.	1923.	Per-centage, 1922=100
England and Wales.....	1,668.6	1,547.8	92.8	..	..	..	919.5	972.2	105.7	1,314.6	1,343.8	102.2
Scotland.....	68.6	..	..	..	..	..	133.5	..	..	681.0	..	..
Ireland.....	38.6	..	..	..	..	..	156.1	..	..	894.0	..	..
Belgium.....	288.9	342.6	118.6	467.0	496.3	106.3	74.9	91.9	122.8	519.4	527.7	101.6
Bulgaria.....	1,026.1	1,055.5	102.9	189.3	215.4	113.8	260.0	267.4	102.8	132.7	145.9	109.9
Czechoslovakia.....	915.0	994.4	108.7	1,297.9	1,316.1	101.4	1,009.2	1,201.3	119.0	1,038.6	1,252.2	120.6
Estonia.....	20.7	..	..	147.3	174.3	118.4	145.2	94.7	65.2	146.0	130.2	89.2
Finland.....	8.1	14.0	173.5	197.5	269.0	136.2	99.2	107.3	108.1	409.3	414.1	101.2
France.....	6,622.0	7,905.5	119.4	975.7	937.7	96.1	890.7	1,023.2	114.9	4,184.2	5,479.0	130.9
Germany.....	1,957.7	2,819.7	144.0	5,233.9	7,174.7	137.1	1,607.6	2,380.2	148.1	4,015.5	5,975.5	148.8
Greece.....	260.0	363.5	139.8	(1) 60.0	(1) 67.6	112.7	..	154.6	..	..	86.6	..
Hungary.....	1,489.5	1,807.6	121.4	638.8	806.8	126.3	482.7	526.8	109.1	327.4	367.9	112.4
Italy.....	4,399.2	5,420.0	123.2	141.3	170.0	120.3	179.7	220.0	122.4	442.2	530.0	119.9
Latvia.....	26.1	30.0	115.0	173.9	300.0	172.5	147.4	..	..	263.7	..	..
Lithuania.....	89.1	80.7	90.6	615.9	611.6	99.3	233.5	183.7	78.7	420.1	388.1	92.4
Luxembourg.....	4.7	14.2	301.9	6.4	10.4	163.6	3.8	2.8	72.7	22.2	31.2	140.8
Norway.....	17.5	15.5	88.4	21.9	21.3	97.5	97.6	83.8	85.8	194.2	160.1	82.4
Netherlands.....	165.0	181.7	110.1	428.9	391.0	91.2	69.6	63.6	91.4	288.8	347.5	120.3
Poland.....	1,155.3	1,452.8	125.7	5,013.5	6,542.8	130.5	1,296.7	1,784.6	137.6	2,505.6	3,772.6	150.6
Portugal.....	266.2	352.8	132.5	134.5	136.4	101.5	68.4	..	..	183.9	..	..
Rumania.....	2,504.0	3,154.3	126.0	233.8	262.2	112.1	2,041.8	1,493.9	73.2	1,336.4	863.0	64.6
Serb-Croat-Slov. State.....	1,210.3	1,684.5	139.2	114.9	150.2	130.7	241.0	311.9	129.4	254.8	280.9	105.9
Spain.....	3,414.7	4,147.3	121.5	666.8	727.5	109.1	1,688.1	2,291.5	135.7	453.1	524.1	115.7
Sweden.....	255.3	268.4	105.1	576.0	561.4	97.5	301.1	265.9	88.3	1,146.0	989.9	86.4
Switzerland.....	(2) 97.2	(2) 148.4	152.7	43.0	41.8	97.2	10.5	12.4	118.1	35.8	44.4	124.0
Canada.....	10,880.6	12,800.4	117.6	822.3	715.3	87.0	1,564.6	1,742.8	111.4	7,575.9	8,252.7	108.9
United States.....	23,302.6	21,483.9	92.2	2,425.7	1,645.3	67.8	4,052.0	4,332.6	106.9	17,642.9	19,043.7	107.9
India.....	9,987.7	10,049.7	100.6	..	..	..	3,178.2	..	..	..	..	..
Great Lebanon.....	21.3	37.6	176.7	..	..	..	15.9	26.0	163.5	0.7	0.9	128.6
Japan.....	751.6	720.8	95.9	..	..	..	1,897.2	1,771.6	93.4	195.0	..	..
Korea.....	270.0	250.5	92.8	..	..	..	716.1	668.9	93.4	74.5	..	..
Algeria.....	496.2	1,044.6	210.5	..	..	..	431.2	1,008.4	233.9	80.8	190.0	235.0
Egypt.....	997.4	1,096.9	110.0	..	..	..	246.2	247.7	100.6	..	..	..
French Morocco.....	350.9	640.9	182.6	..	..	..	592.9	712.7	120.2	2.6	16.7	640.3
Tunis.....	100.0	256.0	256.0	..	..	..	40.0	250.0	625.0	11.5	48.0	417.4
Totals (3).....	74,998.8	82,182.5	109.6	20,626.2	23,745.1	115.1	21,208.5	24,139.8	113.8	44,501.3	51,120.1	114.9

(1) Including meslin. (2) Including meslin and spelt. (3) Exclusive of those countries whence returns for one of the two years are unavailable.

(Continued from page 1.)

of blast during September (bringing the total in blast to 190, as compared with 223 at the end of May), and the production of pig-iron fell from 599,800 tons in August to 558,600 in September, there has since been a slight recovery (a broadening of the market), and an increased volume of business has been done. Prices have been cut drastically, but are becoming more stable. The orders which are being placed do not extend far into the future, but the feeling of the market is more optimistic. The hematite position is decidedly better. The output of steel in September rose considerably, being 695,100 tons in comparison with 567,500 tons in August. Steelworks are fairly steadily employed at present. Tin-plate and galvanised sheet markets are booking substantial orders.

Cotton.—"Throughout the month," states our Manchester correspondent, "it has been exceedingly difficult for spinners and manufacturers to improve their position, but compared with a little time ago stocks of yarn and cloth in first hands are of smaller dimensions. In the cloth section there has been encouraging activity in fine goods and fancies of various kinds, and for several outlets more business has been done. Trade advices from China have been poor, and buying has been confined to bleached descriptions and fine cloths. Rather more activity has shown itself for several minor outlets, such as Java, Egypt, Turkey, and South America. Operations in home trade goods have been very irregular. In the mills spinning American yarns curtailment of production to the extent of 50 per cent. continues, and home users have purchased quietly from day to day. A very fair business has been done in Egyptian yarns."

Wool.—Perhaps the main source of the West Riding's troubles is the slackness of demand on the merino side, owing to high prices. Trade in crossbreds is much better, and the trend at present is towards increased inquiries for the cheaper and coarser grades. No very serious losses, fortunately, seem to have been caused by the Japanese earthquake (July and August shipments of woollen and

worsted tissues to Japan had been exceptionally heavy); while many cancellations of contracts in that country have since been withdrawn. The disaster, however, is bound to depress Eastern markets for some time.

More orders are coming through for hosiery, and though fine cloth markets continue dull, the carpet and blanket trades are examples of more prosperous conditions.

Miscellaneous Textiles.—The flax crop is not unfavourable, and business in linens is fair, though prices are being cut in some cases, orders being mainly for early delivery. Jute has been firm, taking its tune from Calcutta reports, and Dundee mills are buying raw material in somewhat generous quantities. The lace trade is showing rather more signs of life than has been the case for some weeks past.

Boot and Shoe.—The Leather Fair elicited a good deal of interest, and seems to have been satisfactory from an exhibitor's point of view. Short time continues in the trade, but demand is better and stocks are being reduced.

Chemical Trade.—Conditions have been more stable, with increased home inquiries, and a steady export trade in the heavy chemical section.

Building.—Conditions in the building trade vary very much from district to district. In some areas the *Labour Gazette* reports that in September there was a shortage of certain classes of skilled labour, and on the whole there has been a slight improvement, the trade returns showing the percentage of unemployment as nearly ½ per cent. better than a month ago and 2.2 per cent. better than twelve months ago.

Miscellaneous.—The furnishing trades and the paper trade seem to be a little worse. In pottery there is an improvement in the situation.

General.—With the exception of the boiler-makers' strike, British industry is singularly free from important trade disputes. Wages are in process of adjustment, those which were too high being reduced, while a number of trades show an increase. The net result of the changes during the month was an increase of about £10,000 a week in the wages bill of the million people whose wages were affected.

The Economist

MONTHLY SUPPLEMENT.

New Series.

SATURDAY, NOVEMBER 24, 1923.

No. 6.

We resumed in June the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THE signs of a slight increase in production which we have seen in the last two months are confirmed by the further expansion in the iron and steel industry, a brighter outlook in engineering, and a rise of 8 per cent. in shipping freights. Even reports from the cotton industry show that more business is being done, chiefly owing to a rather better demand from India. Raw cotton prices, however, have risen again and are causing anxiety. It is perhaps a little more difficult than usual to read the signs of the times owing to the disturbing effect of the General Election, the price of industrial securities is unusually an important index of current orders and production, but at the present time they are unreliable for this purpose, having been influenced by the consideration that if a General Tariff on manufactures is imposed it will certainly affect future profits, though so long as the proposed tariff remains vague it is impossible to say in what direction for any group of trades. Nevertheless, though investors may hold their hand there is no reason to fear that the election is influencing the underlying trend either of production or of wholesale trade, its direct effect on the whole being confined to retail business.

The employment figures confirm the tendency to improvement, for they have remained practically stationary for the last two months when a seasonal decline would in the ordinary way be expected to occur at this time of year. The foreign trade figures for October also show an improvement in both imports and exports, though there are some trades which have not quite maintained their September figures. The wage changes of the month have been very small, such changes as have taken place showing a very slight net increase, and the cost of living is also stationary.

But though the excitement caused by the Election has not affected industry, it has had considerable reaction in the world of finance. Gathering gloom in Germany, the recent talk of inflation in Great Britain, and the fear—though a very remote one—that a Capital Levy might be attempted here has caused the transfer of a certain amount of capital from Europe to the United States, and coming on top of very heavy autumn payments to America in connection with the usual movement of stocks, has caused a very sharp slump in the dollar exchange, though in the last few days the quotation is slightly recovering. These depressing features have also produced a set-back in the price of Gilt Edged securities.

As regards the situation abroad, reports from America indicate a slight weakening in the wave of prosperity. The staple products of South America and Canada are being marketed in satisfactory quantities; Australia is doing well, and there is a slight improvement in both India and South Africa.

With one or two exceptions, however, Europe remains

in deep depression. The situation in Germany is bringing production to a standstill; it is reported that 4½ million people are unemployed, and where work is going on output is low from the general unsettlement in the country. Trade in France is uneven. Her textile trades, like those of Great Britain, are slackening, but her metallurgical industries are recovering, as she is able to obtain increased supplies of fuel. Belgium, which had a small burst of activity in the late summer, is not doing so well, and in Scandinavia generally the approaching winter season is causing the usual slackening of trade. Italy shows the most definite improvement, but she has still considerable headway to make after two years of very poor trade.

The following notes on conditions in various trades and countries, while by no means exhaustive, call attention to some of the more important tendencies:—

HOME INDUSTRIES.

Iron and Steel.—The progress reported last month has continued. Prices have moved, and are still moving, upwards—a significant feature of the times being the revival of the Steel Bar Association, which is enrolling many small bar-rolling firms in an effort to stabilise prices at a remunerative level. Foreign competition has abated somewhat, Belgian and Luxembourg manufacturers having heavy order-books and being somewhat nervous regarding fuel supplies and the possibility of labour disputes. Cleveland reports a steadily increasing demand for pig-iron, and on the Tees blast-furnaces are being blown in. Scotland has been held back by the boiler-makers' strike. Birmingham is more cheerful, and South Wales tinplate firms are well booked with orders, about 150,000 boxes being received weekly at Swansea Harbour from local works, against about 95,000 at this time last year. Sheffield hardware and cutlery firms have received important foreign orders, though the home market shows less recovery than was anticipated.

Coal.—The October output, at 5,600,000 tons per week, was the highest since June, and the figure for the year 1923 will, it is estimated, fall little short of the "record" of 1913. Retail demand has greatly improved with the cold weather of recent weeks. On the whole, tendencies in the export trade are slightly firmer, France, Belgium, and Italy still being buyers, though few new orders are coming from Germany. There is a shortage of tonnage in South Wales, and, to a less extent, at Newcastle. Internal demand, from industry, gasworks, &c., is satisfactory, but Lancashire complains of an inadequate supply of wagons.

Engineering.—At least two Clyde shipyards, closed for nearly two years, are reopening, and with the settlement of the boiler-makers' dispute this most depressed section of the engineering trades is ready to begin work on orders in hand. The marine engine trade will also benefit. The locomotive section is still depressed, though one large Scottish firm has lately received important Colonial orders. Oversea demands are increasing, also, in the machine-tool trades. The electrical manufacturing industry is actively employed in many instances, night shifts being worked by one Midland firm. Activity in motor construction continues, but it is doubtful whether the

(Continued on page 8.)

THE POPULATION OF FRANCE.

THE various means adopted in France by official as well as by unofficial organisations to encourage larger families, have advertised the fact that France's population is stationary. The contrast of this stationary population with the growing numbers of Germany is perhaps the most important underlying factor of the European political situation. Hence the recently published population figures of the war period have more than an academic interest.

The population of France as quoted in many recent comparative tables, such as those used by the League of Nations, shows a slight increase as compared with the years before the war. This is, however, due to the re-annexation of Alsace-Lorraine. In pre-war France the population has fallen very considerably, but the movement cannot be accurately traced owing to the long occupation of the northern districts. For this reason statistics are only complete for the 77 unoccupied departments, and it is for this area that a fairly accurate study can be made.* The actual census returns show the following changes between 1911 and 1921:—

	Total Population.	French.	Foreign.
March 5, 1911	33,080,000	32,292,000	788,000
March 6, 1921	31,720,000	30,659,000	1,061,000
Difference	-1,360,000	-1,633,000	+273,000

These figures, however, conceal some very important changes which, briefly summarised, are:—(1) The excess of deaths among the civil population over births amounted in the decade to 1,160,000. In the war period—July, 1914, to the end of 1919—the excess of deaths was 1,271,000, but this is reduced for the decade by an excess of births amounting to 10,000 for the years before the war, and to 106,000 in 1920. (2) The number of soldiers drawn from these departments who were killed, or died of wounds or disease amounts to about 1,100,000. (The total losses of France are estimated at 1,400,000, but a certain number of these were colonial troops or men belonging to other departments of France.) (3) The difference between these two sources of loss, which together amount to 2,260,000, and the reduction as revealed by the census return, namely, 1,360,000, is explained by the fact that foreigners increased by nearly 300,000, the balance of some 600,000 being Frenchmen who had emigrated into the 77 departments from the devastated areas, from Alsace-Lorraine, from the French colonies, or from foreign countries. The compilers of this report have made an attempt to analyse these movements year by year, and the summary table given is useful as showing the marked movements at various periods of the war:—

POPULATION (in thousands) ESTIMATED AT THE END OF EACH HALF-YEAR FOR THE 77 DEPARTMENTS.

Year.	Marriages per 10,000.	Births (excluding Still-births) per 10,000.	Infant Mortality per 10,000 Births.	Deaths (ex- cluding Military Losses) per 10,000 of Civil Population.
1911	155	..	1,538	..
1912	155	..	1,050	..
1913	149	182	1,121	177
1914	102	179	1,084	207
1915	45	116	1,091	210
1916	66	95	1,130	198
1917	97	105	1,121	202
1918	109	122	1,314	24
1919	280	126	1,551	193

The striking feature of the first column of this table is the heavy mortality among the civil population in the last half of 1918. This is the effect of the influenza epidemic of the autumn and winter of 1918, the total number of deaths having increased from 582,000 in 1917 to 722,000 in 1918, and 420,000 of the latter being registered in the last half of the year. The second column reflects the period of France's maximum military effort, the most outstanding feature being the low number in the last half of 1917, when the long drawn-out Passchendaele offensive of the British army was keeping the enemy occupied.

The only information given about the remaining 10 departments of France is that the total population fell from 6,523,000 to 5,780,000, a loss of three-quarters of a million between the censuses of 1911 and 1921. The last figure, however, includes some 900,000 refugees, who returned to their homes after the war, and 240,000 demobilised soldiers whose homes were in these departments. During the period of occupation, therefore, these areas must have been reduced in civil population to not much more than 4½ millions. The net losses of 2 millions in the whole of continental France has been counterbalanced by the 2½ million inhabitants of Alsace and Lorraine. Figures published by the International Statistical Institute, The Hague, show for the whole of France an excess of births over deaths of 117,000 in 1921, and 70,600 in 1922. In the first quarter of 1923 there was an excess of births amounting to 6,000 in 90 departments.

The last figure in the preceding table shows an improvement in the excess of births over deaths. This, however, is due to the very low mortality in France. For many decades before the war the French population has been maintained in spite of the low birth rate by the length of life of her people. The following figures show that these conditions are more than maintained in post-war France:—

Year.	Marriages per 10,000.	Births (excluding Still-births) per 10,000.	Infant Mortality per 10,000 Births.	Deaths (ex- cluding Military Losses) per 10,000 of Civil Population.
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It will be noticed that during the war the birth rate, though it fell very much, did not fall so much as the marriage rate. The latter had a very marked recovery in 1919, and it may be expected to reflect itself in a rapid rise of the birth rate at all events for a year or two. The figures of infant mortality are not as satisfactory as they might be, but it must be remembered in regard to the last few years quoted here that war conditions were still prevailing. There remain two considerations which affect the prospects of French population. One is the increasing average age, which means that the number of women of child-bearing age is proportionately smaller than in other countries. The second is the low number of children per family. The rising age of the population is illustrated in this return by the average age at death, which was 46 in 1901, and had risen to 48 in 1911 and 50 in 1913. In 1919 it had risen to 52. This is altogether a favourable sign in so far as it reflects improved conditions of life and better sanitation and hygiene; but in so far as it means that the child population is much smaller in proportion to the adult population than it used to be, it is a matter for concern. As regards the second, the number of children born per year per 10,000 women between the ages of 15 and 49 fell from 103 in the decade 1866-75 to 76 in the eight years before the war and to 47 during the war.

* Statistique du Mouvement de la Population. Nouvelle Série—Tome 3. Années 1914 à 1919. (Paris) Imprimerie Nationale. 1922.

OUR IMPORTS OF MANUFACTURED GOODS

IN the Supplement which we published last week we indicated that the figures included by the Board of Trade under the heading of Articles Wholly or Mainly Manufactured contain many items which are really the raw material of finishing industries. In a number of these cases there are obvious difficulties in the way of our doing the primary processes, such as smelting ore or taking off the most volatile products of crude petroleum, in this country. In cases such as this it is clear that our interest is to import the semi-product in as large quantities and as cheaply as possible. The figures of the Board of Trade show that in any case imported manufactures are comparatively small

in proportion either to our imports of raw material and food, or to our own exports of manufactures. An analysis of the Board of Trade figures reduces to a very much smaller item still the total of what may be called finished manufactures. The process of dissection is, however, difficult; we therefore give in the following table a fairly complete statement of the items that may be distinguished in the Board of Trade figures, and leave each reader to decide for himself what items may be called raw materials and what items are finished manufactures, that might be kept out if Mr Baldwin's scheme were put into operation.

BRITISH IMPORTS. Wholly or Mainly Manufactured. Ten months' Totals. (Thousands.)

	Quantities.			Value.		
	1913.	1922.	1923.	1913.	1922.	1923.
A. Coal and manufactured fuel.....tons	16	5	3	26	23	15
B. Chinaware or porcelain, earthenware, pottery, &c.....	807	484	526	1,118	1,553	1,577
C. Glassware, scientific, illuminating &c. cwts	1,396	694	709	1,047	1,258	1,289
D. Bottles and jars.....	1,605	1,003	857	673	822	644
E. Iron and steel.....tons	174	131	98	814	751	715
F. Pig-iron.....	420	125	356	2,17	939	2,502
G. Steel blooms, billets, slabs, &c.....	157	37	119	1,127	573	1,043
H. Iron bars, rods, angles, &c.....	212	52	119	1,222	384	421
I. Steel sheet bars and tinplate bars.....	79	41	44	537	342	743
J. Wire rods.....	136	29	69	883	27	31
K. Other steel.....	18	29	51	575	274	442
L. Forging in the rough (steel).....	94	18	12	503	14	134
M. Steel girders, beams, joists, and pillars.....	139	30	71	1,042	307	631
N. Hoops and strips.....	54	34	34	6	5	714
O. Plates and d. sheets.....	46	30	30	468	592	564
P. Tubes, pipes, and fittings.....	42	35	43	422	650	780
Q. Wire.....	11	8	5	442	330	234
R. Wire nails.....	11	8	5	442	330	234
S. Hollow-ware: wrought enamelled.....	11	8	5	442	330	234
T. Non-ferrous metals, and manufactures thereof.....	89	44	80	6,235	3,028	5,718
U. Copper bars, blocks, slabs, ingots, and cakes.....	2	8	14	150	637	1,099
V. Plates, sheets, strips, &c.....	168	156	161	3,034	3,787	4,273
W. Lead—Pig and sheet.....	3,289	1,071	2,223	328	156	292
X. Mercury.....	39	22	10	7,979	3,481	2,038
Y. Tin—Blocks, ingots, bars, and slabs.....	122	64	108	2,952	1,725	3,525
Z. Zinc Crude.....	15	10	12	442	462	146
AA. Manufactures.....	8	..	..	952	131	146
BB. Metals (not elsewhere specified).....	8	..	..	952	131	146
CC. Cutlery and Hardware.....	163	76	118	582	475	746
DD. Hardware, other than hollow ware, cwts.	..	..	..	411	7-6	811
EE. Implements and tools.....	..	..	..	342	358	455
FF. Scientific instruments and appliances.....	..	..	..	1,956	833	910
GG. Parts of.....	..	..	..	824	865	..
HH. Cinematograph films.....	..	..	..	2,498	2,015	2,250
II. Total scientific instruments, &c.....	..	..	..	391	518	582
JJ. Clocks and parts thereof.....	..	..	..	339	246	241
KK. Watches Complete.....	237	203	233	339	246	241
LL. With gold cases.....	539	235	36	241	101	108
MM. With silver cases.....	2,943	1,620	2,251	453	236	299
NN. With other metal cases.....	..	..	..	1,430	891	975
OO. Watches and parts thereof—Total.....	..	..	..	1,278	1,171	1,897
PP. Electrical goods and parts thereof.....	21	3	4	727	234	319
QQ. Machinery and parts thereof.....tons	9	4	3	1,123	1,028	855
RR. Agricultural.....	3	3	3	301	360	407
SS. Electrical machinery.....	4	2	2	295	483	512
TT. Machine tools.....	1	1	1	425	500	524
UU. Textile machinery.....	43	20	26	2,663	3,184	4,304
VV. Typewriters.....	88	38	46	6,086	6,723	7,748
WW. Other machinery and parts.....	..	..	..	2,953	3,121	3,812
XX. Total machinery.....	..	..	..	2,953	3,121	3,812
YY. Total of manufactures of wood and timber.....	9,513	3,011	6,172	457	392	545
ZZ. Cotton yarns and manufactures.....lbs	21,185	6,084	5,244	582	546	441
AAA. Cotton goods, printed.....yards	73,438	10,815	17,614	1,871	1,014	1,468
BBB. Dyed in the piece.....	..	..	..	1,909	817	1,256
CCC. Lace and plain net.....	..	..	..	1,040	1,040	1,296
DDD. Smallwares.....lbs	28,270	13,187	15,303	3,023	2,837	2,939
EEE. Woollen and worsted yarns.....	..	..	..	5,575	4,245	5,967
FFF. Woollen and worsted manufactures.....	..	..	..	..	..	..

There are some countries in which returns such as these are officially divided into "manufactured" and "partly manufactured" goods. But our Board of Trade hesitates to make the attempt, and we will not rush in where angels fear to tread. But there are a few comments which may help the reader in using these returns in connection with the Fiscal controversy. In the first place these are gross imports. If we deduct the re-exports so as to see how much remains for consumption in our home market, the total is reduced in 1923 from £887,500,000 to £789,500,000. Moreover, the figures include freight. Something must be deducted on this account when comparing the figures with our exports.

Almost every item affords an illustration of the difficulty of deciding what is a raw material, or is replaceable by a home product. For example, pig-iron includes a certain amount of special pig-iron from Sweden which cannot be made here. But it also from time to time includes a certain amount of pig-iron which competes with the home product by reason of its cheapness. But this and other items in the iron and steel schedule are the raw material of important industries, and their importation at low prices has

often enabled the finishing trades to compete and hold their own in the world market in times of stress.

There are many items which, like Swedish pig-iron, we shall not exclude. Some of them we cannot produce here because we lack the natural resources; others—such as French dress material, certain scientific instruments, &c.—because we lack the artistry or specialised skill.

Even as regards the remainder, the figures over represent the value of work that might be done at home; for in cases such as that of paper, the raw material would have to be imported. It is only that part of the above figures that represents the cost of manufacture that could possibly be done at home.

These considerations show how difficult it is to estimate how much of our imported manufactures may be considered as competing with particular British industries. Their relation to employment as a whole is simple to estimate; for a comparison over a series of years shows that imports of what the Board of Trade calls manufactures are highest when unemployment is lowest, and lowest when unemployment is at its maximum.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.										LIGNITE.				
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.
1913	24,342	1,904	1,189	3,404	15,842	156	1,135	665	1,311	1,776	43,087	1,918	7,269	8,389	399
1918	19,286	1,158	1,189	2,188	13,376	283	1,133	747	1,680	2,336	51,272	1,918	7,269	8,389	399
1920	19,402	1,866	928	2,890	10,950	328	534	1,257	867	1,446	2,437	1,918	7,269	8,389	399
1921	13,822	1,816	971	2,313	11,351	327	631	888	1,554	2,185	38,282	1,918	7,269	8,389	399
1922	21,235	1,767	826	3,596	10,861	381	1,850	845	1,539	2,054	34,821	1,918	7,269	8,389	399
1922-September	26,098	1,721	729	3,705	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
October	21,552	1,819	666	3,836	10,753	420	3,095	1,129	773	2,099	48,733	2,277	11,823	11,823	529
November	27,228	1,805	891	3,753	10,456	405	2,843	1,144	776	1,264	48,705	2,277	11,823	11,823	585
December	20,598	1,818	848	3,799	9,694	390	2,760	1,152	742	1,481	49,786	2,277	11,823	11,823	528
1923-January	21,564	1,924	912	4,199	9,694	437	3,243	1,236	819	1,562	53,426	2,277	11,823	11,823	585
February	22,604	1,604	880	3,596	10,861	381	1,850	845	1,539	2,054	34,821	1,918	7,269	8,389	399
March	22,024	1,924	786	3,051	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
April	21,609	1,822	1,198	3,063	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
May	20,797	1,813	1,068	3,507	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
June	20,476	1,970	1,077	4,352	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
July	20,387	1,857	1,156	4,312	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
August	24,786	1,927	731	4,517	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
September	21,987	1,893	757	3,321	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472
October	22,867	1,893	757	3,321	10,157	398	3,007	1,040	772	1,833	40,351	2,277	11,823	11,823	472

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Five weeks. e Strike period. f From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinate. g From June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Excluding Ruhr production. k Decrease due to coal strike. l Excluding Saar.

PIG IRON.

Period. Monthly Average.	PIG IRON.										STEEL.				
	United Kingdom.	Belgium.	France.	Germany.	Luxembourg.	Sweden.	Canada.	United States.	United Kingdom.	Belgium.	France.	Germany.	Luxembourg.	Sweden.	Canada.
1913	869	207	434	1,388	212	61	85	2,601	1,649	205	396	1,412	101	62	88
1918	768	109	109	883	106	64	90	3,260	1,812	151	151	1,376	73	53	142
1920	680	93	276	463	58	38	82	3,083	1,768	104	246	643	50	41	94
1921	222	73	280	625	81	26	51	1,401	1,314	66	255	750	63	19	57
1922	415	134	427	730	140	22	32	2,276	1,494	130	373	762	116	29	41
1922-September	437	163	462	1,152	152	22	25	2,065	1,565	171	407	1,353	34	36	2,867
October	489	175	503	1,152	165	23	27	2,680	1,574	182	430	1,353	35	34	3,469
November	502	172	514	1,152	159	27	35	2,895	1,610	177	410	1,353	38	52	3,489
December	542	160	513	1,152	159	28	36	3,136	1,555	169	415	1,353	32	47	3,357
1923-January	517	165	488	1,152	142	22	41	3,281	1,578	179	408	1,353	32	47	3,357
February	552	151	306	1,152	95	10	66	3,580	1,578	179	408	1,353	32	47	3,357
March	644	170	316	1,152	95	10	66	3,580	1,578	179	408	1,353	32	47	3,357
April	663	172	350	1,152	95	10	66	3,580	1,578	179	408	1,353	32	47	3,357
May	726	166	393	1,152	95	10	66	3,580	1,578	179	408	1,353	32	47	3,357
June	704	172	447	1,152	95	10	66	3,580	1,578	179	408	1,353	32	47	3,357
July	666	187	436	1,152	123	10	83	3,737	1,578	179	408	1,353	32	47	3,357
August	609	199	486	1,152	135	30	94	3,505	1,578	179	408	1,353	32	47	3,357
September	568	194	482	1,152	127	30	76	3,176	1,578	179	408	1,353	32	47	3,357
October	602	194	482	1,152	127	30	76	3,176	1,578	179	408	1,353	32	47	3,357

c Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918; for 1918-1921 figures not official. d Ingots and castings. e Monthly figures, based on the returns of 30 establishments, whose production in 1921 amounted to 87.50 per cent. of the total production. f Decrease due to labour disputes. g Corrected figures from January, 1923, based on returns from works responsible for 95% of total production.

WHOLESALE PRICES.—(1913=100.)

Monthly Average.	U.K.		Belgium.	Czechoslovakia.	Denmark.	France.	Germany. ("Frankfurter Zeitung")	Holland.	Italy. (Bach).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Austria.	British India.	Canada.
	Bo'd of Trade.	Economist.																
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1918	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9	224.9
1920	307.3	283.2	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3	307.3
1921	197.2	181.0	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2	197.2
1922	158.8	159.5	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8	158.8
1922-September	154.3	155.6	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3	154.3
October	155.2	158.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2	155.2
November	157.6	159.0	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6	157.6
December	155.8	158.3	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8	155.8
1923-January	157.1	160.6	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1	157.1
February	153.3	163.5	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3	153.3
March	160.3	163.1	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3
April	161.4	164.9	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4	161.4
May	159.8	163.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8	159.8
June	159.4	160.0	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4	159.4
July	156.7	155.3	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7	156.7
August	154.6	155.5	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6	154.6
September	158.0	159.6	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0	158.0
October	158.4	160.0	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4	158.4

a From 1920 revised index. b End of the month. c End of the year. d Beginning of the following month. e Revised index number, based on 48 articles instead of 53. f 000's omitted.

Wholesale Prices—Continued.

					Index Numbers of Retail Prices.							Cost of Living.				
Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.		U.K.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	United States.
					No. of Towns and Localities.	630	Vienna.	59	4	Paris.	71	Berlin.	Rome.	Madrid.	60	32
1913	100	100	100	100												
1918	153.1	..	195.9	194	Base.	July, 1914.	July, 1914.	April, 1914.	1901-1910.	1914.	Oct., 1913, Jan., April, June, 1914.	Aug., 1913, July, 1914.	Jan.-June, 1914.	1914.	1913.	1913.
1920	223.3	152.0	259.6	226												
1921	160.4	150.2	200.5	147	1918-July ..	210	..	..	617	..	..	..	197	154	146	174
1922	128.4	145.6	196.0	149	1920-July ..	255	..	453	1647	341	935	1125	313	191	190	217
					1921-July ..	222	53,300	379	1765	307	1124	1125	387	184	155	180
					1922-July ..	181	264,511	366	..	302	5392	6122	429	179	147	167
						a										
1922-September ..	129.0	142.5	190.6	154	1922-Sept.-	178	1,130,553	371	2515	289	13319	16368	437	179	147	166
October	143.3	148.1	196.6	156	Oct. ..	180	1,036,308	376	2543	..	28066	28069	444	178	147	..
November	148.5	182.9	156	156	Nov. ..	180	970,083	384	2257	..	44610	56494	439	178	148	..
December	130.7	152.7	184.3	156	Dec. ..	178	937,528	384	2617	300	68506	76925	438	177	149	169
1923-January	161.5	192.1	187	157	1923-Jan. ..	177	945,397	383	2642	..	112027	129050	432	180	150	..
February	158.7	195.9	159	159	Feb. ..	176	960,083	397	2749	..	264300	261380	413	181	151	..
March	157.7	196.2	159	159	Mar. ..	174	1,015,132	408	2812	324	285400	260840	440	178	150	169
April	158.4	199.2	156	156	April ..	170	1,089,260	409	2741	..	295400	259630	441	180	148	..
May	155.2	197.6	153	153	May ..	169	1,144,000	413	2599	..	381600	423340	449	178	146	..
June	155.4	192.5	151	151	June ..	169	1,151,300	419	2531	331	765000	877020	452	170	146	170
July	153.1	..	150	150	July ..	171	1,090,380	429	..	..	3765100	3382570	..	172	146	..
August	156.8	..	154	154	Aug. ..	173	1,049,600	439	..	..	58604500	5901700	..	178	148	..
September	..	..	..	..	Sept. ..	175	1,084,100	453	..	..	1500000000	148372150	..	178	148	..
October	..	..	..	..	Oct. ..	175	1,102,700	..	..	331	..	650,117,673	..	178	..	172

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bul- garia.	Den- mark.	Es- thonia.	France.	Fin- land.	Germany.	Greece.	Italy.	Nether- lands.	Poland.	Spain.	Swed'n.	Switz- erland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drach- ma.	Lire.	Gulden.	Marki p.	Pesa- tas.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	386,333	15,775	64,785	..	701,778	41,033	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,274	147.22
1918.....	107,100	885,421	36,716	140,872	525,575	1,858,416	38,943	..	61,159	1,356,551	50,666	..	49,145	102,716	200,122	4,148	245.56
1920.....	142,861	930,460	184,486	245,277	116,265	4,158,748	299,680	8,256,417	177,519	2,235,115	277,702	..	118,435	281,125	353,568	8,214	425.15
1921.....	81,548	837,620	243,424	128,734	373,551	1,838,992	294,766	9,815,963	143,800	1,438,885	186,695	..	238,083	105,520	191,357	4,109	213.7
1922.....	75,012	756,426	..	120,022	465,785	1,991,717	326,829	516,700	225,565	1,310,563	168,966	..	252,768	97,027	159,539	3,408	257.07
1922-Sept.	70,562	767,648	414,800	127,936	700,291	1,893,121	358,190	421,800	181,246	1,231,412	164,617	..	211,747	108,897	167,584	3,439	276.24
Oct.	76,737	885,421	367,156	140,872	525,575	1,858,416	38,943	..	61,159	1,356,551	50,666	..	279,242	118,115	186,070	3,757	240.57
Nov.	86,452	885,421	367,156	140,872	525,575	1,858,416	38,943	..	61,159	1,356,551	50,666	..	279,242	118,115	186,070	3,757	240.57
Dec.	86,452	885,421	367,156	140,872	525,575	1,858,416	38,943	..	61,159	1,356,551	50,666	..	279,242	118,115	186,070	3,757	240.57
1922-Jan.	89,902	928,722	..	136,195	509,838	2,144,294	304,801	563,800	354,354	1,571,841	162,189	..	293,893	110,516	186,070	4,219	286.36
Feb.	74,032	801,421	..	150,300	428,020	2,343,014	260,455	446,200	354,354	1,571,841	162,189	..	293,893	110,516	186,070	4,219	286.36
Mar.	80,937	988,035	..	141,150	675,240	2,486,736	309,612	503,100	354,354	1,571,841	162,189	..	293,893	110,516	186,070	4,219	286.36
Apr.	73,989	973,335	..	160,980	727,746	2,560,198	362,912	639,100	354,354	1,571,841	162,189	..	293,893	110,516	186,070	4,219	286.36
May	77,706	896,988	..	147,243	1,087,117	2,596,881	458,068	..	580,020	1,388,927	169,714	..	293,893	110,516	186,070	4,219	286.36
June	78,353	1,195,202	..	134,903	862,274	2,558,336	418,829	..	580,020	1,388,927	169,714	..	293,893	110,516	186,070	4,219	286.36
July	86,018	1,023,184	..	160,813	726,661	2,615,438	418,829	..	580,020	1,388,927	169,714	..	293,893	110,516	186,070	4,219	286.36
Aug.	82,614	1,107,143	..	165,385	958,403	2,633,617	367,435	..	580,020	1,388,927	169,714	..	293,893	110,516	186,070	4,219	286.36
Sept.	75,156	1,096,255	..	160,874	..	2,613,376	409,255	..	580,020	1,388,927	169,714	..	293,893	110,516	186,070	4,219	286.36
Oct.	88,768	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	88,136	68,112	114,700	2,639	204.02
1918.....	41,785	885,421	36,716	140,872	525,575	1,858,416	38,943	..	61,159	1,356,551	50,666	..	49,145	102,716	200,122	4,148	245.56
1920.....	111,297	724,847	136,917	132,589	102,365	2,241,219	241,342	5,785,043	25,742	278,726	31,750	..	83,303	112,536	163,594	3,781	503.99
1921.....	56,617	594,987	184,776	114,318	190,553	1,647,709	278,152	8,299,713	15,742	981,177	141,775	..	84,180	191,133	273,092	7,119	673.37
1922.....	60,041	504,965	..	96,087	..	1,720,166	369,447	330,833	134,379	..	101,769	..	130,548	91,440	178,345	4,004	364.91
1922-Sept.	62,511	520,135	510,322	114,061	427,921	1,741,062	509,052	290,900	243,450	746,651	115,612	..	126,858	122,633	147,066	2,077	307.56
Oct.	60,399	597,714	492,275	105,054	383,293	1,937,467	476,589	291,400	242,319	888,962	112,03	..	152,700	122,665	147,843	4,233	366.16
Nov.	66,491	587,714	452,701	113,809	454,951	1,706,499	387,635	255,200	18,113	1,049,375	104,350	..	130,932	127,940	147,843	7,435	374.54
Dec.	58,883	587,714	302,442	103,045	641,827	2,778,947	270,674	423,000	202,821	1,009,965	100,225	..	170,993	119,578	147,843	8,288	339.22
1922-Jan.	66,939	486,360	..	102,886	384,117	1,695,898	197,655	311,400	193,102	788,841	91,488	..	129,017	64,928	146,775	6,765	330.77
Feb.	57,510	587,338	..	123,634	389,117	2,328,858	149,300	360,600	129,282	750,427	94,602	..	129,017	64,928	146,775	6,765	330.77
Mar.	60,921	713,439	..	128,090	459,635	2,474,378	152,777	435,800	125,976	886,690	106,377	..	132,086	60,914	146,775	5,218	333.45
April	62,871	697,521	..	108,991	423,178	2,507,895	190,401	417,900	142,163	730,818	97,005	..	118,600	61,618	121,798	3,446	318.65
May	71,555	577,542	..	127,010	540,946	2,675,045	245,400	..	353,686	784,614	97,869	..	139,125	104,867	121,798	2,915	309.3
June	62,884	755,616	..	130,377	491,883	2,479,391	527,300	..	353,686	784,614	97,869	..	139,125	104,867	121,798	2,915	309.3
July	59,504	732,152	..	120,981	447,756	2,423,781	653,700	..	72,958	796,255	107,933	..	111,710	154,352	2,018	296.56	
Aug.	60,103	727,426	..	133,359	627,292	2,542,820	561,100	..	121,747	835,739	107,933	..	111,710	154,352	2,018	296.56	
Sept.	63,836	820,206	..	127,465	2,434,645	..	476,300	..	325,938	..	127,771	..	..	111,023	154,352	2,070	374.11
Oct.	71,323	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

c Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Period September 22—October 21. g Old Greece only. h Valued at 1921 official rates. i Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. j Period September 1-21. k The method of valuation changes every month. l From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. m 15 days.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bul- garia.	Den- mark.	Es- thonia.	France.	Fin- land.	Germany.	Greece.	Italy.	Nether- lands.	Poland.	Spain.	Swed'n.	Switz- erland.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Markat.	Mark.	Drach- ma.	Lire.	Gulden.	Marki p.	Pesa- tas.	Kronor.	Francs.	£.	Dollars.
1913.....	6,355	152,809	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	6,068	..	5,041	..	987	661	489
1918.....	7,696	137,704	75,583	1,966	3,768	135,721	124,590	995	326	2,446	1,570	..	4,151	294	703	468	145
1920.....	13,169	259,256	111,410	5,062	7,995	191,173	174,219	1,459	313	3,339	2,194	..	1,435	404	682	387	215
1921.....	8,064	230,707	66,616	3,461	4,458	132,477	140,820	1,459	313	3,339	2,194	..	1,435	404	682	387	215
1922.....	9,850	197,475	63,528	2,816	4,015	154,764	139,912	1,760	265	4,281	3,823	..	1,623	..	..	441	272
1922-Sept.	10,004	172,486	60,318	3,481	4,324	132,000	132,166	1,995	202	4,138	4,289	..	1,706	..	412	526	267
Oct.	10,727	166,875	60,318	3,322	4,265	102,927	102,927	1,983	206	4,543	5,552	..	1,822	..	162	529	300
Nov.	12,372	194,732	76,194	2,921	4,141	112,374	169,458	1,983	176	4,577	4,551	..	1,786	..	484	529	318
Dec.	10,175	176,775	70,205	3,439	4,112	140,056	186,489	1,983	310	4,930	4,326	..	1,612	..	393	529	272
1922-Jan.	11,331	204,985	68,086	4,037	4,199	146,574	183,255	2,183	161	4,111	4,730	..	1,576	220	563	542	295
Feb.	11,786	200,509	65,308	2,994	3,618	141,382	178,908	2,183	204	3,884	3,166	..	1,582	260	439	542	203
Mar.	10,077	179,178	91,873	3,642	4,578	195,609	221,895	1,705	207	4,087	5,220	..	1,289	300	194	542	243
Apr.	10,134	204,381	68,181	3,461	4,460	185,789	176,681	2,603	298	4,175	6,396	..	1,175	233	143	501	234
May	11,148	192,423	82,665	3,353	4,470	199,590	184,713	1,898	248	4,502	4,013	..	1,378	253	218	501	251
June	10,297	173,145	84,633	3,420	4,221	208,654	168,644	2,262	300	4,932	4,807	..	1,378	253	218	501	251
July	11,636	158,466	77,074	3,578	4,878	158,139	181,455	2,197	341	4,864	4,160	..	1,597	290	173	501	251
Aug.	11,459	166,075	78,896	5,186	..	..	..	2,179	417	4,803	4,120	..	1,833	471	157	591	251
Sept.	..	179,000	71,361	..	4,436	..	..	3,364	457	5,063	..	..	1,776	..	..	591	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1917	6,070	208,118	36,333	1,781	2,294	52,393	81,814	..	1,840	..	..	..	..	..	..	..	..
1918	8,428	203,534	102,000	2,310	2,594	160,218	94,758	..	310	13	..	3,751	..	1,604	71	115	148
1919	10,072	231,811	106,055	3,718	3,852	158,864	146,034	1,779	575	..	166	..	..	549	70	148	148
1920	10,072	231,811	106,055	3,718	3,852	158,864	146,034	1,779	575	..	166	..	..	549	70	148	148
1921	10,064	179,804	66,892	3,578	2,256	102,371	142,447	1,430	512	..	351	44	..	911	78	160	175
1922	10,053	232,029	73,697	3,425	2,492	133,773	194,370	q1,336	788	27	70	476	62	767	46	185	185
1922—Sept.	6,738	205,382	71,593	2,350	1,979	146,849	201,927	q1,477	705	26	87	576	..	..	62	177	177
October	9,594	207,206	102,675	1,455	2,834	158,180	298,802	q1,364	575	33	82	614	..	583	70	173	173
Nov.	11,734	270,673	130,797	2,329	3,410	135,972	237,493	q1,364	708	28	68	754	..	64	64	216	216
Dec.	12,759	264,488	110,871	3,485	3,801	154,343	249,890	q1,364	897	29	68	703	..	617	64	180	180
1923—Jan.	9,769	281,534	64,659	3,204	3,752	92,357	248,337	1,346	711	19	55	639	1,368	608	55	180	180
Feb.	12,813	306,838	57,656	5,850	2,464	121,066	250,714	1,240	898	11	51	590	1,469	770	55	182	182
March.	12,997	313,221	77,336	5,649	2,783	117,353	282,975	1,308	1,023	15	73	732	2,151	209	55	200	200
April	8,769	294,835	53,642	5,208	2,429	146,203	219,792	1,546	857	15	73	732	2,151	209	55	200	200
May	6,499	285,239	74,815	5,580	2,925	108,587	223,481	1,166	1,155	19	89	642	1,335	236	50	183	183
June	6,166	287,885	93,751	4,980	1,641	109,605	177,180	1,367	1,094	33	75	609	1,464	237	50	177	177
July	4,846	249,189	82,998	2,504	a 1,700	116,202	..	1,502	1,116	16	64	608	1,667	143	50	174	174
Aug.	4,531	226,112	80,021	2,504	a 3,697	..	..	1,512	1,020	17	86	734	1,627	106	63	158	158
Sept.	..	226,900	67,543	..	1,586	..	..	1,520	605	24	105	703	..	..	63	..	..

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 1.

Olympia exhibition yielded all the orders which some people expected. The general position in the engineering trades is that of a slowly broadening market, though recovery has still far to go.

Cotton.—Our correspondent writes :—“ The event of importance since a month ago has been the rise in values, there being an advance of about 3d a lb in the price of American and Egyptian cotton. Spinners and manufacturers have had to put up their quotations, and the hardening movement has stimulated demand. An improved turnover has taken place in piece goods for several outlets abroad, and manufacturers, agents, and merchants have sold stocks on a much freer scale. Shippers to India have given encouraging support, especially in light fabrics. Inquiry for China has broadened, and although many bids have been too low, more trade has been done. Useful support has been given by buyers for several minor outlets East and West, and increased activity has shown itself in home trade goods.. In certain weaving districts there has been a tendency to run more machinery, and sellers as a body are in a better position as a result of the reduction in stocks. Business has been on a much freer scale in American and Egyptian yarns at hardening rates, and spinners are more favourably situated than a month ago.”

Wool.—The tendency noted last month towards a broadening of the market in the cheaper grades has become more marked, and is evidenced by the demand for crossbreeds at the wool sales. Corresponding orders for the coarse qualities of tops were received at Bradford, emanating from the Continent, Japan (in replacement of stocks destroyed), the British Dominions, the United States, and also, it may be noted, from the home hosiery market. The merino section was weaker.

Hosiery and Lace have had a burst of activity during the last fortnight, the colder weather having led to placing of winter orders long withheld.

Chemicals.—Business is limited, but better than a few months ago. Buying is still from hand to mouth in the case of many heavy chemicals. The virtual elimination of Germany has led to a marked revival in the market for fine chemicals of British production.

Leather, Boot, and Shoe.—Home trade, especially in high-grade goods, shows a certain amount of improvement, but is retarded by lack of normal demand from depressed areas in the North Country. Exports are better.

EXPORTS of BOOTS and SHOES, JANUARY to OCTOBER.			
	1921.	1922.	1923.
Thousand pairs	259	393	634
Value, thousand £	1,893	2,254	3,446

Pottery.—At present one of the most encouraging features in the industrial picture. Many firms are on full time, orders for Christmas have been unexpectedly large, and export trade is reviving, especially in the general earthenware section.

Building Trades.—Despite many reductions, the high costs of building still seem to be keeping many orders off the market.

Shipping.—The improvement in industry as a whole has been reflected in shipping freights, the *Economist's* Index, which in August was 100.2 per cent. of 1913, rising in October to 107.9 per cent., the highest level since May. Far Eastern rates are firm, but the glut of shipping on the River Plate continues, better conditions being indicated, however, with the turn of the year.

U.S.A.

The general volume of trade is fairly well maintained, without undue optimism as to the future. Steel production increased to some extent in November, but in most branches of trade "hand-to-mouth" buying is the rule. The high price of cotton has discouraged the reviving cotton industry, and short time is again being worked in certain New England mills. Building exhibits a seasonal decline. While prices remain steady at about 60 per cent. above pre-war, industrial wages are as much as 100 per cent. above 1913, and despite excellent crops this season the farmer is as deeply dissatisfied with his lot as ever. The gulf between the price of wheat on the one hand, and that of, say, cotton and manufactured goods on the other, is, perhaps, the fundamentally weak point in the situation.

SOUTH AMERICA.

Argentine crops are reported in excellent condition, but trade as a whole is none too brisk. Sales of nitrate, Chile's staple commodity, continue to expand, and the same remark applies to Brazilian coffee. Both coffee and cotton are selling at prices considerably above those of six months ago—that of the latter having increased by nearly 33 per cent.

THE BRITISH EMPIRE.

Australia and New Zealand maintain a satisfactory export balance, imports of motor-vehicles being a prominent feature.

India is still toying with Protection, though subsidies rather than import duties seem to be favoured in the case of her manufacturing industries. The demand for cotton goods, after being steady for several weeks, has expanded in the last few days; the tea crop is doing well, and export figures are encouraging:—

SIX MONTHS, APRIL, SEPTEMBER.				
(Crores of Rupees.)				
	1921.	1922.	1923.	
Total imports	124	111	....	110
Total exports	112	142	....	164

Canada has successfully harvested a bumper wheat crop, foreign trade continuing to show a marked expansion. Mining and lumber industries are active, and Japanese Government orders have increased the demands made on British Columbia's fish-canning works. Eastern manufacturers report a fair, though somewhat unstable, demand; while the confidence generated by the crop situation has led to improvement in most branches of retail dealing. Conditions in South Africa show a marked change for the better. After four months of decline, gold production in October rose to a figure which is the highest since 1916, while production costs have been steadily reduced. The wool season has opened under favourable conditions.

EUROPE.

The Ruhr situation continues to dominate European trade tendencies. In the Ruhr itself conditions are desperate, while in unoccupied Germany new orders are difficult to obtain, and consumption is rapidly declining. Raw materials have risen above the world price, working costs are rising, though wages are lower in Germany than outside, and as regards industrial workers are below the subsistence minimum.

French foreign trade is fairly well maintained, but is disturbed by the instability of the exchange situation. Prices are on the up-grade. The September coal output was the highest since the war, and the same applies to iron and steel, blast-furnaces being relighted at the rate of about one or two per month. In silk and wool markets the volume of business is only moderate, and shows no signs of expansion. Cotton prices are higher, but demand has not increased.

In Belgium the coal trade is less active, but iron and steel are, on the whole, firmer. The prosperity of the glass industry continues, and the building trades are well occupied.

In the Scandinavian countries business has, on the whole, declined since August, and the approaching ice-closure of Baltic ports will accentuate the movement. The autumn demand from overseas for Swedish wood-pulp has apparently been less than was expected. The Norwegian cod fishery has had a prosperous summer, and Finland has benefited by the improved conditions in Russia consequent upon good harvests.

Business in Central European countries has, on the one hand, been helped by good harvests this summer, and, on the other, has been depressed by the demoralisation in Germany. In Czecho-Slovakia matters have been complicated by rather bitter labour troubles in the mining industry. The signing of peace has not brought any material change for the better at Constantinople as yet, Turkey's troubles being too deep-seated to be remedied in a few months. Italy reports increased employment all round and a growing confidence in the future, but Spain shows little increase of activity, despite more settled political conditions, and trade remains quiet to dull.

JAPAN.

The Ruhr created in Japan an "intermediate boom," which from June onwards had been declining, when the earthquake took place. Prices thereafter rose rapidly, but were checked by official measures when the increase had reached only 2½ per cent. The Bank of Japan has largely increased its advances, but a currency shortage is still being experienced. Cotton stocks were low before the disaster, a 30 per cent. curtailment of production having been in force for some months. Insistent demands since the earthquake have more than absorbed available stocks, and prices have increased from 15 to 20 per cent. In Kobe, outside the devastated area, the unemployed in October numbered 13 per 1,000 workers.

The Case for FREE TRADE.

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The Economist

MONTHLY SUPPLEMENT.

New Series.

SATURDAY, DECEMBER 22, 1923.

No. 7.

We resumed in June the publication of a Monthly Statistical Supplement, which has been a feature of the "Economist" for many decades, but was suspended during the war. In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. It is becoming a common practice to reduce these figures to three or four indices, and by their study to endeavour to forecast forthcoming economic changes. This science is, however, yet in its infancy, and it may be doubted whether an attempt to apply scientific rules will obtain a better forecast than the best opinion of the business world when furnished with the requisite information. We, therefore, propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics." 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THE slow but steady increase in the volume of trade which we have recorded in the last three months has continued up to date, in spite of the General Election and political alarms which have had no appreciable effect on commercial conditions. Indeed, the indices of trade are more definitely favourable than at any time since the boom of 1920. If we start first with the intangible factor of psychology, we find that in the last two or three weeks the speeches of the chairmen of the various industrial companies who ventured to look ahead are tinged with a note of quiet optimism. The chairman of Bolckow Vaughan, though presenting a by no means cheerful balance-sheet, observed that "during the last three months a decided improvement has taken place in trade. There has been more demand, and prices have been substantially raised without interfering with the flow of orders." The chairman of John I. Thornycroft even reported that in the shipbuilding industry the company's works were more fully employed, and in the manufacture of heavy lorries, though meeting American competition in neutral markets, were able to retain their share of the trade. The chairman of the Orient Steamship Company qualified his report of a very difficult year by the comforting thought that the British Exhibition will bring a great increase in the passenger trade in 1924.

The more hopeful impressions, of samples, are confirmed by figures. The Ministry of Labour's unemployment returns show a small but continuous fall. The Trade Union percentages, which mainly refer to the metallurgical group of trades, record a more substantial drop than the unemployment insurance figures. The latter, however, show that between November 19th and December 10th the numbers on the register fell by 54,000. The improvement is most marked in the coal industry, in many branches of the iron and steel industry—notably in the tin-plate and steel-plate section—and in certain branches of engineering. In shipbuilding things are definitely better, but as the boiler-makers' dispute had reduced the industry practically to a standstill, employment in these trades is still far below normal. In the cotton trade the tendency to improvement recorded a month ago has been checked by violent movement of the price of raw material, which has introduced an element of uncertainty and caused buyers to hold back. In the Yorkshire textile trade the demand for the cheaper grades of woollens and worsteds is better, though complaint is being made that there is very little profit in the business that is being done. Those industries which cater for the needs of the textile trade generally—for example, certain branches of the chemical industry—report that there is quite definitely an improvement in the amount of buying from Lancashire and Yorkshire. There is also a slight improvement in the shipping position. Our freight index number has risen, and it is reported that quite appreciable quantities of tonnage are being used upon

the Pacific Ocean for carrying reconstruction material, including large quantities of timber, from the American Continent to Japan.

The trade returns for November do not reflect any substantial improvement, though they are better than a year ago, but they record the significant fact of a very large import of raw material. The tendency to expansion of trade has not yet begun appreciably to affect wages or prices. Our index number, it is true, rose substantially during November, but chiefly owing to a rise in cotton, and in that case the movement was due to the fear of a shortage, and has not since been fully maintained. The cost-of-living figure is slightly rising, but not more than to the usual seasonal extent.

So far as foreign countries are concerned, there is a tendency to speak of a halt in the upward movement in the United States, but reports on this point are by no means unanimous. The situation appears to be that, in spite of the large volume of production in the past twelve months, there has been no accumulation of stocks in the United States. The volume of demand remains high, and is likely to continue in the present state well into the next year. A time will come when America will turn her attention to export, but for the moment her internal demand is an ample one, and, in any case, her costs are too high to make her competition serious in most of the world's markets. In South America there are several signs of improvement. In the matter of nitrate sales, crops in the Argentine, and even to a small extent in the Brazilian coffee trade, things are on the up-grade. Reports from India are more optimistic than for some time past, and even in Chinese trade there are a number of articles in which greater activity is being shown. There is no sign of a set-back in any of the British Dominions, which for several months past have been improving markets for British trade. When we come to European trade, there are one or two evidences of actual improvement. In Germany itself the check to the catastrophic depreciation of the currency—though it will only be temporary unless German finances are quickly taken in hand—has made it more practicable to do business during the last six or eight weeks. The condition of French industries is irregular, a recovery in the iron and steel trades being offset by uncertainty in textiles. The re-starting of the Ruhr industries had made Holland a little more hopeful, and in most other countries, though not in all, there are signs of a quiet improvement. So far as European trade is concerned, however, the real reason for a more optimistic outlook is the hope that the change in French policy and the setting up of the new Reparations Committee may lead to a settlement, or, at all events, to conditions under which more normal trade may become possible.

The following notes on conditions in various trades and countries call attention to some of the most striking tendencies :— (Continued on page 2.)

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 1.

HOME INDUSTRIES.

Iron and Steel.—That the increase in activity, noted a month ago, has fully maintained itself is the more gratifying in that conditions at this time of year—with the Christmas holiday season and the closing of many firms' books in prospect—are not normally conducive to expansion in production. This year the occurrence of a General Election might also have been counted a disturbing factor, but there is very little evidence in the trade reports of any marked upset from this cause. During November 10 additional furnaces came into blast, the daily output of pig-iron rising by $\frac{3}{4}$ per cent. That of steel rose to a still higher degree. Pig-iron prices at the moment are fairly steady, but the temporary equilibrium between supply and demand would be upset if foreign demand became more prominent in the New Year. Steel prices have advanced,

partly owing to shipbuilding contracts which are being taken in hand now that the protracted boilermakers' dispute has been settled, partly owing to substantial orders received and expected as a result of home and foreign railway requirements. Certain large steelworks have orders sufficient to ensure full-time working for the next three months. The tinplate trade is still very busily employed, with overseas demand as brisk as ever, Germany being a fair buyer at the present time. Scotland has benefited by the resumption of work in the shipyards; Sheffield has had a recrudescence of orders in connection with Christmas cutlery sales; Birmingham hardware firms have received a similar seasonal benefit. The turn of the year is generally regarded with chastened, but not altogether ill-founded confidence.

(Continued on page 8.)

ARGENTINA'S TRADE BALANCE.

THE annual analysis of Argentina's balance of payments compiled by Señor Carlos A. Tornquist, postponed owing to the delay in the production of the Republic's official foreign trade returns, has now been published in the "Review of the River Plate" for the two years from October 1, 1920, to September 30, 1922. The following is the result arrived at:—

BALANCE OF PAYMENTS.

ASSETS.		
Items.	\$ Gold.	
Exportation.....	1,389,460,000	
Issues by already established companies.....	17,500,000	
New capital.....	38,000,000	
Convention with France and England—Amortisation ..	83,680,000	
Convention with France and England—Interest	5,610,000	
Correspondents abroad	1,470,000	
Interest on foreign bonds.....	5,000,000	
Sale of Argentine bonds.....	22,050,000	
Expenditure of foreign travellers in Argentina	9,500,000	
Decrease in gold stock	18,700,000	
Loan in United States	66,000,000	
Credits obtained by the State Railways	22,200,000	
Exportation of foreign bonds	6,500,000	
Sale of ships	4,300,000	
Total	1,689,970,000	
In round figures.....	1,690,000,000	
LIABILITIES.		
Items.	\$ Gold.	
Importation	1,504,760,000	
Service of the Public Debt	87,100,000	
" " Cédulas Hipotecarias	13,950,000	
Railway companies' dividends and interest	100,300,000	
Earnings of other capital.....	66,400,000	
Remittance and savings of foreign residents in Argentina.....	68,000,000	
Expenditure by Argentine travellers abroad	43,000,000	
Argentine bonds repatriated	63,130,000	
Foreign mortgage capital repaid.....	2,000,000	
Other capital repaid or remitted.....	3,400,000	
Interest paid to England	3,940,000	
Aid to Austria.....	2,250,000	
Municipal short term loan	1,650,000	
Total	1,959,880,000	
In round figures.....	1,960,000,000	
Assets	1,690,000,000	
Adverse balance	270,000,000	

ECONOMIC RESULT OF THE BALANCE OF PAYMENTS.

	\$ Gold.
Adverse difference of the balance of payments	270,000,000
United States loan	66,000,000
Convention with France and England—Amortisation ..	83,680,000
Credits obtained by the State railways.....	22,200,000
Decrease in the stock of gold	18,700,000
Total.....	460,580,000

Against this there appear the following items in favour of the country:—

	\$ Gold.
Argentine bonds repatriated—On balance	41,080,000
Capital repaid	5,400,000
Reproductive imports (construction materials, railway materials, &c.).....	40,000,000
Total	86,480,000

Thus, there has been a decrease in the national patri-

	\$ Gold.
mony of—	460,580,000
Less	86,480,000
An actual decrease of	374,100,000
In round figures.....	374,000,000

Señor Tornquist claims that an adverse balance of payments is not in itself necessarily unfavourable to the economy of the country, but goes on to say that "the result this time, however, is particularly unfortunate for the Republic, because the 'liabilities' side of the present balance represents only to a small extent a permanent economic asset to the country, which means that during the two years the country was unable to create surpluses wherewith to acquire Argentine securities or to pay off debts abroad, so that the debit of the balance of payments is for the first time likewise, in great measure, an economic debit for the country. Furthermore, on the 'assets' side of the balance, there figure items which constitute financial obligations, or which signify the liquidation of credits accorded to foreign countries in previous years. I refer more particularly to the loan of fifty million dollars contracted in the United States, which is set down at 66 million gold 'pesos' in the balance, and to the sum paid off by the Allies against the outstanding balance of their loan of 200 million gold 'pesos,' accorded by the Banco de la Nación at the end of the war—this figuring at 83,680,000 gold 'pesos.'

"If I confine myself to the adverse result shown by the present balance of payments, to explain which we require a real and effective offset, I have to suppose that a considerable proportion of the merchandise imported into the country came in without its cost being paid at the time of arrival, or in cash. I believe, moreover, that a certain amount of money yielded by the sale of securities for foreign account, as well as other foreign credits, remained provisionally in the country, either deposited in banks or invested in 'cedulas,' awaiting the appreciation of our gold 'peso'—in order thus to avoid the loss which would have been occasioned by transferring the funds in the depreciated state of exchange of our monetary unit. Furthermore, this same depreciation of our gold 'peso' is an infallible sign of the passive state of our economic relations with foreign countries. We have an additional proof of this, to a certain extent, in the volume of our foreign trade. Whereas for the economic year of 1920-21 the balance of trade showed a deficit of nearly 123 million gold 'pesos,' for the year 1921-22 there was even a small balance in favour—of something over seven million gold 'pesos.' Thus, the 'passive' state of our economic situation in relation to foreign countries and the depreciation of our gold 'peso' actually operated towards a state of equilibrium. It can be said, indeed, that this adverse economic situation of the country undoubtedly contributed to bring about a decrease in the value of the imports, which dropped from 837 millions in 1920-21, to 668 millions in 1921-22.

"I hope that the result, so very unfavourable for the country, to which the present study has conducted me, and which places the economic deficit in the period of two years at 374 million gold 'pesos,' will attract the attention of our public men, and will convince them that we cannot longer maintain this passive attitude, which disorganises the national economy and renders any foresighted action impossible."

THE ECONOMIC POSITION OF GERMANY.

By DR MORITZ ELSAS.

Now that Germany is definitely beaten in the Ruhr struggle, the time for a really wise solution of the Reparations problem seems at last to have arrived. With this end in view, it is essential to find the solution to two main questions. Firstly, what can Germany pay? and, secondly, can Germany make any payment at all in the near future? The following considerations may assist the reader in forming an opinion on these two points.

NATIONAL WEALTH OF GERMANY.

In 1913, according to Helfferich's calculations, the national wealth of Germany stood at 310 milliards of gold marks. The area of the Reich, which was 54,875 square kilometres in 1914, is now only 47,270 square kilometres. It thus appears that Germany has lost 13 per cent. of her territory in consequence of the Treaty of Versailles. The last census, which was taken in 1919, showed a total population of 59,852,000 as against 64,926,000 in 1910. This represents a loss of about 10 per cent. in total population. If we assume that the national wealth has been reduced in proportion to the reduction of population, consequent on territorial concessions made by Germany, we must subtract 10 per cent., that is to say, 31 milliards of gold marks from Helfferich's total. In addition the value of Germany's possessions abroad, lost as a consequence of the Peace Treaty, can be estimated at about 20 milliards of gold marks. At the same time an allowance must be made for the great reduction in the value of house property in Germany, which has resulted from the "socialisation" of dwelling-houses and other buildings. This amounts to at least three-quarters of the total. The value of immovable property before the war was estimated at about 75 milliard gold marks. From this we must deduct at least 10 per cent. for the ceded territories, leaving 67½ milliards. From this latter, again, a 75 per cent. deduction on account of the fall in value of this class of wealth gives us a further reduction of 50½ milliard gold marks to be made from our pre-war estimate. On this basis, therefore, the total German national wealth cannot possibly be greater than 208½ milliards of gold marks.

These calculations have, however, left several important factors out of account. For example, not only has the rent control policy almost completely put a stop to fresh building activities, but it has also made repairs to existing houses almost impossible, as it does not now pay landlords to make any expenditure whatsoever on capital account. Further, we have taken no account of German capital which has been exported abroad, and which is hardly likely to be available for use within the country in the near future. Similarly, the establishment of the perty in the Ruhr, and especially the establishment of the French "Régie" on the railways in that district, has been left entirely out of account. In consequence of all this we cannot possibly reckon the national wealth of Germany at more than two-thirds of the pre-war level. In any case, the figure of 208½ milliard gold marks represents the absolute maximum, and even this figure is almost certainly much too high.

GERMAN NATIONAL INCOME.

The pre-war (private) national income was estimated at between 40 and 41 milliards of gold marks. After allowance is made for territorial losses the equivalent figure would be from 36 to 37 milliard gold marks. Revenue from public receipts was calculated at about 2½ milliards. By the middle of 1921 the German national income was at the most 10½ milliards, and by the end of October, 1921, the total income could only have been about 13.9 milliard gold marks.* This fall in total income was a result in part of the unfavourable balance of trade, but, above all, of the enormously diminished income of workers, employees, officials, and the professional classes.

No figures take any account whatsoever of the loss which results from the export of German capital abroad, and as the Ruhr occupation has almost completely destroyed the very basis of German economic life, the national income can certainly not be placed higher than in

* See Elsas: Indexziffern, Jahrgang 3. Heft 2.

1921, when it stood, taking it through and through, at some 16½ milliard gold marks.

BALANCE OF TRADE.

As no value figures of imports and of exports are available for the past year a comparison is only possible on the basis of "weight" figures:—

	Imports.	Exports.
Monthly Average of.	Million Tons.	Million Tons.
1913.....	6,784,792	6,849,567
1922.....	3,830,000	1,800,000

It will be seen, then, that imports have fallen to something over a half, and exports to just about a quarter of the pre-war level.

BUDGET.

The expenditure of the Reich for general administrative purposes, as also that for communications (railways, &c.), remains exceedingly high. Between November 1st and 10th it stood at 57.9 trillion marks, while the total from April 1st to November 10th was 64.9 trillion marks. Revenue receipts, on the other hand, were only 1.6 trillion marks in the ten days November 1st to 10th, or, in other words, 2.8 per cent. of the expenditure during the same period. From April 1st to November 10th of this year revenue, at 1.7 trillion marks, was only 2.6 per cent. of expenditure.

TAXATION.

The yield from taxes is still relatively very small, despite the fact that taxes are now levied in stable values (i.e., in gold marks). This has already borne very heavily indeed on commerce and industry, and has led to the closing of factories and the wholesale dismissal of employees. Direct taxes are levied up to a maximum of two-thirds of gross income, and even the working classes, who are not assessed in other industrial countries, pay from 7 to 9 per cent. of their income. In consequence it does not seem possible to do much by increasing indirect taxes, with the possible exception of duties on some luxury articles like tobacco and alcoholic liquors.

SITUATION OF GERMAN INDUSTRY.

The internal purchasing power of the mark has not merely adjusted itself to the external level, but since the end of November actually stands about 30 per cent. lower. In consequence it is no longer possible to produce cheaply. This state of affairs is due in part to coal prices, which are well above the world market level (about the middle of October they stood at double the pre-war figure), and in part to railway freights which are also far and away above pre-war levels.

The position is made much worse owing to the general situation of the labour market, for unemployment is increasing by leaps and bounds. Between August 1st and November 1st the number of unemployed rose seven-fold, while the number of men working short time increased nine-fold. On November 15th the total of workers in the former category was 1,249,855, and in the latter 1,772,108.

CONCLUSION.

It is clear from what has already been said that the whole economic life of Germany is passing through an exceptionally severe crisis, and commerce and the export trades are alike suffering severely from its consequences.

The question as to what Germany can pay in the form of reparations thus appears, for the moment, to be a credit question. In other words, what credit can Germany obtain in order to make payments in the immediate future? Out of this arises the further question as to the extent to which other countries stand to gain by forcing on Germany an excessive burden, and in this connection it is worth noting that the uncertainty of this burden is probably even more important than its actual magnitude in overthrowing the economic and financial balance of the country. Germany can only fulfil the obligations imposed upon her by reducing still further the standard of living of her working classes. For no single one of the countries having economic relations with her—not excepting either France or Belgium—can this be an advantage, while for many it can only represent a very serious loss.

PRODUCTION. (Thousands of Metric Tons.)

Period. Monthly Average.	COAL.										LIGNITE.									
	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.				
1913	24,342	1,904	1,189	3,404	15,842	156	...	1,135	665	1,311	1,776	43,087	...	1,918	7,269	...				
1918	19,286	1,158	...	2,188	13,576	283	...	1,133	747	1,680	2,336	51,272	...	1,641	8,389	...				
1920	19,402	1,866	928	2,890	10,950	328	534	1,257	867	1,446	2,437	48,811	199	1,792	9,303	399				
1921	13,822	1,816	971	3,213	11,351	327	631	888	662	1,554	2,185	38,282	206	1,792	10,251	471				
1922	21,235	1,767	826	3,596	10,861	381	1,850	845	735	1,539	2,054	34,821	247	1,579	11,434	468				
1922—October	21,552	1,819	666	3,836	10,753	420	3,095	1,129	773	...	2,099	48,733	276	1,449	12,089	529				
November	27,228	1,805	891	3,753	10,456	405	2,843	1,144	776	1,264	2,189	48,705	241	1,103	11,896	585				
December	20,598	1,818	848	3,799	9,684	390	2,760	1,152	742	1,481	2,388	49,786	218	1,567	11,897	548				
1923—January	21,564	1,994	912	4,199	10,732	437	3,243	1,236	819	1,562	2,189	53,426	232	1,585	11,904	584				
February	22,608	1,604	880	3,609	10,554	398	2,894	1,106	761	1,992	2,084	45,298	211	1,474	11,829	553				
March	28,024	1,924	786	3,051	...	458	3,370	1,094	842	1,965	2,376	50,368	214	1,733	...	401				
April	21,609	1,822	1,198	3,063	...	450	2,959	1,032	889	1,578	2,284	45,928	153	1,366	...	469				
May	20,797	1,813	1,068	3,507	...	414	2,683	1,074	971	1,524	2,358	49,576	212	1,278	...	518				
June	28,476	1,970	1,077	4,352	...	428	3,107	1,089	940	1,449	1,888	49,868	220	1,393	...	412				
July	20,387	1,857	1,156	4,312	...	454	3,225	766	916	1,237	...	48,485	211	1,585	...	440				
August	24,786	1,927	731	4,517	...	460	3,255	1,225	986	1,099	...	52,365	231	943	...	521				
September	21,987	1,893	757	4,410	...	437	3,042	...	889	1,691	...	44,445	233	62	...	...				
October	22,872	2,088	999	3,690	...	504	1,990	...	46,432	...	...	46,432	...	1,405	...	...				
November	22,827	...	...	...	...	...	...	...	48,350	...	...	48,350	...	...	...	...				

a Including lignite. b Including the production of Alsace-Lorraine, amounting to 264,000 tons per month during year 1920. c Including the production of Lorraine and Saar. d Five weeks. e Strike period. f From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat; from June, 1922, excluding Upper Silesia. g Since July, 1922, including Upper Silesia. h Excluding Ruhr production. i Decrease due to coal strike. j Excluding Saar. k Upper Silesia only.

PIG IRON.

Period. Monthly Average.	COAL.										LIGNITE.									
	United Kingdom.	Belgium.	France.	Germany.	Luxemburg.	Sweden.	Canada.	United States.	United Kingdom.	Belgium.	France.	Germany.	Luxemburg.	Sweden.	Canada.	United States.				
1913	869	207	434	1,388	212	61	85	2,601	d 649	205	396	1,412	d 101	d 62	d 88	2,564				
1918	768	...	109	883	106	64	90	3,260	d 812	1	151	1,176	73	53	142	3,645				
1920	680	93	276	463	58	38	82	3,083	d 768	104	246	643	50	41	57	1,628				
1921	222	73	280	625	81	26	51	1,401	d 314	66	255	750	63	19	41	2,818				
1922	415	134	427	730	140	22	32	2,276	d 494	130	373	762	116	29	41	3,469				
1922—October	489	175	503	...	165	23	37	2,680	d 574	182	430	...	139	35	54	3,489				
November	502	172	514	...	154	27	35	2,895	d 610	177	410	...	132	38	52	3,357				
December	542	160	513	...	159	28	36	3,136	d 555	169	415	...	134	32	47	3,357				
1923—January	577	165	486	...	142	22	41	3,281	d 644	179	408	...	123	17	49	3,525				
February	552	151	306	...	98	6	45	3,042	d 718	157	290	...	74	2	47	4,108				
March	644	170	316	...	85	10	66	3,580	d 815	184	316	...	79	3	91	4,011				
April	663	172	350	...	96	10	84	3,604	d 761	170	355	...	79	4	94	4,263				
May	726	166	393	...	86	12	103	3,930	d 834	172	388	...	73	5	106	3,809				
June	704	172	447	...	123	10	101	3,727	d 780	189	427	...	74	4	75	3,570				
July	666	187	436	...	103	10	83	3,737	d 634	182	400	...	96	4	98	3,605				
August	609	199	486	...	135	30	94	3,505	d 592	113	452	...	106	58	67	3,369				
September	568	194	482	...	127	30	76	3,206	d 194	106	58	...	106	58	67	3,369				
October	602	196	514	...	134	41	...	3,206	d 713	216	...	...	126	57	...	3,314				
November	607	...	...	...	...	...	...	2,894	d 763	...	...	...	...	...	...	3,314				

c Excluding Luxembourg, including Alsace-Lorraine, from 1913 to October, 1918. d For 1918-1921 figures not official. e Ingots and castings. f Monthly figures, based on the returns of 30 establishments, whose production in 1921 amounted to 37.50 per cent of the total production. g Decrease due to labour disputes. h Corrected figures from January, 1923, based on returns from works responsible for 95% of total production.

WHOLESALE PRICES.

Monthly Average.	U.K.		Belgium.	Czechoslovakia.	Denmark.	France.	Germany. ("Frankfurter Zeitung")	Holland.	Italy (Bacchi)	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
	Board of Trade.	Economist.																
1913	100	100	<i>h</i> 100	<i>h</i> 100	<i>d</i> 100	100	<i>h</i> 100	<i>e</i> 100	100	<i>c</i> 100	<i>h</i> 100	<i>b</i> 100	100	100	<i>h</i> 100	100	<i>h</i> 100	100
1918	224.9	224.9	..	..	232	339.2	..	390.2	409.1	345	..	..	207	..	..	177.8	180	207.8
1920	307.3	283.2	..	..	341	509.4	..	2,130	284.8	<i>a</i> 624.4	377	..	221	359	..	227.9	204	241.3
1921	197.2	181.0	366	1,675	178	345.0	4,217	177.7	577.5	269	57,046	..	190	222	191.2	174.9	181	170.4
1922	158.8	159.5	367	1,299	181	326.6	49,559	155.4	562.3	220	137,575	<i>f</i> 1,579,000	176	173	167.5	161.6	180	150.4
				<i>b</i>	<i>d</i>				<i>b</i>			<i>f</i>	<i>a</i>				<i>a</i>	
1922 October	155.2	158.2	385	1,017	180	337.4	94,492	150.9	600.8	221	201,326	967,000	172	169	170.6	166.5	177	146.0
November	157.6	159.0	408	999	182	352.1	167,412	155.6	596.2	221	275,647	1,227,000	174	163	171.9	169.9	178	149.5
December	155.8	158.3	407	1,003	181	351.9	205,417	150.9	579.5	220	346,353	1,579,000	172	163	174.7	168.4	176	150.9
1923 January	157.1	160.6	434	1,019	192	386.9	175,881	151.8	575.3	220	548,690	2,042,000	170	163	175.3	170.5	179	150.9
February	153.3	163.5	474	1,028	189	421.8	677,000	150.9	582.1	224	859,100	2,617,000	170	165	181.0	169.0	180	152.9
March	160.3	163.1	482	1,031	200	424.0	642,700	151.8	586.9	229	988,500	3,179,000	171	168	185.9	170.7	181	155.4
April	161.4	164.9	480	1,029	204	414.7	823,700	151.8	588.4	231	1,058,920	4,464,000	174	168	186.5	174.1	177	156.3
May	159.8	163.8	474	1,000	202	406.5	1,498,000	145.5	580.1	233	1,125,350	6,290,000	171	166	181.0	178.3	177	155.0
June	159.4	160.0	484	967	207	408.4	3,989,800	145.5	568.9	230	1,881,410	9,769,000	170	164	179.8	187.0	175	155.1
July	156.7	155.3	504	958	207	406.7	28,524,800	142.9	566.4	235	3,069,970	15,224,000	170	162	175.3	188.6	170	153.3
August	154.6	155.5	529	957	202	413.1	30,535,800	139.3	566.7	231	5,294,680	27,525,000	171	162	173.4	183.8	171	154.5
September	158.0	159.6	514	973	205	423.6	18,295,500	142.9	567.2	234	7,302,200	54,301,000	174	162	181.1	179.9	174	154.5
October	158.4	160.4	515	964	207	420.5	7,430,150,000	146.4	563.4	237	27,380,680	63,148,000	171	170	181.6	..	174	154.5
November	161.1	168.7	..	..	210	..	689,420,000,000	..	571.4	242	..	..	171	..	..	..	..	153.3

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Belgium.	Bul- garia.	Den- mark.	Es- thonia.	France.	Fin- land.	Germany.	Greece.	Italy.	Nether- lands.	Poland.	Spain.	Swed'n.	Switz'r- land.	Egypt.	United States.
Monthly Average.	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Markat.	Mark.	Drach- me.	Lire.	Gulden.	Marki p.	Peso- tas.	Kroner.	Francs.	£r.	Dollars.
1913.....	1,493,1	386,333	15,775	64,785	..	701,778	41,033	897,475	14,828	303,802	326,500	..	108,838	70,505	159,985	2,274	147,224
1918.....	107,100		46,960	75,851		1,858,416	38,943		61,159	1,336,551	50,666	..	49,145	102,776	200,122	4,148	245,261
1920.....	142,861	930,460	184,486	245,277	116,265	1,458,748	299,680	8,256,417	177,519	2,235,135	277,702	..	118,435	281,125	353,568	8,214	425,152
1921.....	81,548	837,620	243,424	128,734	373,551	1,838,992	294,766	9,815,963	143,800	1,438,885	186,695	..	238,083	105,520	191,357	4,109	213,072
1922.....	75,012	756,426		120,022	465,785	1,991,717	326,829	516,700	225,565	1,310,563	168,966	..	252,768	97,027	159,539	3,408	257,076
1922—Oct.....	76,737	885,421	367,736	140,872	523,575	2,108,872	362,321	531,700	387,326	1,399,283	186,643	..	279,242	118,115	186,070	3,757	340,571
Nov.....	86,452	885,421	280,170	122,692	525,626	2,348,245	389,587	536,200	286,118	1,248,035	172,295	..	279,242	111,496	186,070	4,279	286,353
Dec.....	86,433	885,421	280,170	122,692	525,626	2,348,245	389,587	536,200	286,118	1,248,035	172,295	..	279,242	111,496	186,070	4,279	286,353
1923—Jan.....	89,902	928,722	322,510	136,195	509,838	2,144,294	304,800	563,800	372,914	1,915,936	163,762	..	293,893	110,506	186,070	4,316	288,712
Feb.....	74,032	801,421		150,300	428,020	2,343,014	309,612	503,100	380,610	1,059,750	173,046	483,602,000	276,475	87,827	177,070	3,636	324,605
Mar.....	80,937	988,035		141,150	675,240	2,486,736	309,612	503,100	354,354	1,571,841	162,189	655,625,000	282,246	87,836	177,070	3,337	298,516
Apr.....	73,989	973,335		160,980	727,746	2,560,198	362,912	539,100	632,997	1,495,748	165,441	812,247,000	259,208	108,770	177,070	3,969	390,291
May.....	77,706	896,988		177,243	1,087,117	2,596,881	458,088	580,020	580,020	1,388,927	169,714	848,470,000	246,701	114,579	168,432	3,611	357,291
June.....	78,353	1,195,202		134,903	862,274	2,558,336	418,829	..	358,597	1,587,350	160,130	962,682,000	252,873	110,616	168,432	3,571	355,586
July.....	68,018	1,023,184		160,813	726,661	2,615,648	389,000	..	358,597	1,587,350	159,533	1,529,165,000	214,384	111,085	168,432	3,403	312,442
Aug.....	82,614	1,107,143		165,385	958,403	2,633,617	367,435	..	341,492	1,292,733	157,464	2,374,027,000	148,438	103,194	171,843	3,928	280,845
Sept.....	75,156	1,098,255		160,874	842,044	2,613,376	409,255	..	269,030	1,187,111	150,975	78,300	210,538	112,937	171,843	3,270	275,438
Oct.....	88,768	1,106,099		168,749		3,068,974	467,140	..	386,664	1,135,773	166,474	78,880	..	126,876	171,843	3,270	247,124
Nov.....	91,414							..	598,005	1,300,383	192,923	..	..	140,005		4,661	303,000

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	43,771	302,833	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	256,917	..	88,136	68,112	114,700	2,639	204,025
1918.....	41,785	..	..	59,207	..	393,561	15,797	..	24,738	278,726	31,750	..	83,303	112,536	163,598	3,781	503,990
1920.....	111,297	724,847	136,917	132,589	102,365	2,241,249	241,342	5,785,083	55,341	981,177	141,775	..	130,548	191,133	273,092	7,119	673,373
1921.....	56,617	594,987	184,776	114,318	190,553	1,647,709	278,152	8,299,713	70,185	689,724	114,146	..	120,765	96,757	146,798	4,007	313,758
1922.....	60,411	504,965	..	96,087	..	1,720,166	369,447	..	330,833	132,379	..	..	170,993	119,578	146,798	4,007	313,758
1922—Oct.....	60,399	557,714	492,275	105,064	383,293	1,937,467	476,589	291,400	242,319	888,962	112,003	..	152,700	122,165	147,843	4,523	366,186
Nov.....	66,491	587,714	452,701	113,809	494,951	1,706,499	387,635	255,200	182,113	1,049,375	104,350	..	130,930	127,920	147,843	7,435	374,548
Dec.....	58,863	587,714	402,442	103,045	641,827	1,778,947	270,674	423,000	202,821	1,009,965	100,225	..	170,993	119,578	147,843	8,288	339,251
1923—Jan.....	66,399	486,360	244,283	102,886	384,117	1,695,898	197,656	311,400	193,102	788,841	91,488	..	129,017	64,928	146,775	6,765	330,777
Feb.....	57,510	587,338	..	112,634	389,117	1,695,898	197,656	311,400	193,102	788,841	91,488	..	129,017	64,928	146,775	6,765	330,777
Mar.....	60,921	713,439	..	128,090	459,635	2,474,378	152,977	435,800	129,282	750,427	94,602	..	141,701	49,387	146,775	5,152	302,010
April.....	62,871	697,521	..	108,991	423,178	2,507,895	190,401	417,900	142,163	730,818	97,006	..	132,086	60,914	146,775	5,218	333,490
May.....	71,555	577,542	..	127,010	540,946	2,675,045	245,400	..	118,600	61,618	121,798	..	118,600	61,618	121,798	3,446	318,553
June.....	62,884	575,616	..	130,377	491,883	2,479,391	527,300	..	139,125	104,867	121,798	..	139,125	104,867	121,798	3,333	312,223
July.....	59,504	732,152	..	120,981	447,756	2,423,781	653,700	..	157,270,000	93,185	105,431	..	115,316	111,710	154,352	1,747	304,932
Aug.....	60,103	727,426	..	133,359	627,292	2,542,820	561,100	..	121,747	79,847	96,694	..	115,316	111,710	154,352	1,747	304,932
Sept.....	63,836	820,206	..	127,465	2,434,645	..	476,300	..	325,938	806,957	127,771	..	111,023	154,352	2,047	374,191	
Oct.....	71,323	881,270	..	137,179	2,813,539	..	475,000	..	339,854	1,068,653	125,848	..	117,570	..	..	6,066	402,000
Nov.....	65,768	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

a Since August, 1923, value of 1 lot = 1 gold franc. c Owing to Ruhr occupation figure incomplete. d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. h Period September 22–October 21. i Old Greece only. j Valued at 1921 official rates. l Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. m Period September 1–21. n The method of valuation changes every month. o From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State. p 15 days.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.									Quantity (Metric Tons).									
Period.	Aus- tralia.	British India.	Canada.	New Zealand	South Africa.	Japan.	Brazil.											
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis	Bel- gium.	Czecho- slovakia.	France.	Ger- many.	Greece.	Hun- gary.	Nether- lands.	Poland.	Spain.	Swit- zerland.	Brazil.
1913.....	6,355	152,809	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	4,608	..	..	5,041	..	987	661	489
1918.....	7,696	137,704	75,583	1,966	3,768	135,721	82,450	..	..	2,446	..	28	..	1,104	..	233	295	145
1920.....	13,169	259,256	111,410	5,062	7,995	191,779	174,219	995	326	4,245	1,570	..	45	1,151	..	703	468	215
1921.....	8,064	230,707	66,616	3,461	4,458	132,477	140,820	1,459	333	3,339	2,194	77	194	1,435	294	357	215	272
1922.....	9,850	197,475	63,528	2,816	4,015	154,764	139,912	1,760	265	4,281	3,823	87	279	1,623	401	682	357	215
1922—October	10,727	227,245	66,875	3,322	4,265	102,927	202,069	1,983	206	4,543	5,552	81	329	1,882	..	162	589	300
Nov.....	12,372	194,732	76,194	2,921	4,141	112,374	169,458	1,983	176	4,577	4,551	114	329	1,786	..	484	529	312
Dec.....	10,175	176,775	70,205	3,439	4,112	140,056	186,489	1,983	310	4,930	4,326	88	329	1,612	..	393	529	272
1923—Jan.....	11,331	204,985	68,086	4,037	4,199	146,574	183,255	1,813	161	4,111	4,730	80	366	1,576	220	563	542	295
Feb.....	11,786	200,509	65,308	2,994	3,618	154,452	141,982	1,798	204	3,884	3,166	126	339	1,468	260	439	542	202
Mar.....	10,077	179,178	91,873	3,642	4,578	195,609	221,895	1,705	207	4,087	5,220	114	356	1,289	300	194	542	343
April.....	10,134	204,381	68,181	3,461	4,460	185,789	176,671	2,603	298	4,175	6,396	125	341	1,437	285	191	501	244
May.....	11,148	192,425	82,265	3,353	4,470	199,559	184,910	1,898	248	4,502	4,013	107	341	1,378	253	218	501	263
June.....	10,297	173,145	84,633	3,420	4,221	208,654	157,698	2,262	300	4,932	4,807	88	353	1,597	290	173	501	287
July.....	11,636	158,466	77,074	3,578	4,878	158,139	183,633	2,197	341	4,864	4,160	97	211	1,633	471	157	591	365
Aug.....	11,459	166,075	78,826	3,521	5,186	..	166,857	2,179	417	4,803	4,120	94	230	1,708	239	185	591	294
Sept.....	8,869	182,690	71,351	..	4,471	..	..	3,264	457	5,063	3,420	106	390	1,776	204	..	591	..
Oct.....	12,719	206,000	76,341	..	5,342	142,000	..	2,231	622	4,360	..	133	..	1,918	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	6,070	201,118	36,333	1,751	2,294	52,393	81,814	1,740	..	1,840	4,613	..	13	..	3,753	..	1,604	71	115
1914.....	8,488	102,054	20,554	2,310	2,554	160,218	94,758	..	..	310	..	..	..	..	166	..	549	70	148
1920.....	10,072	231,811	106,055	3,718	3,852	158,824	146,034	879	575	1,039	1,651	..	44	351	52	911	76	175	
1921.....	10,064	179,804	66,892	3,578	2,256	102,371	142,477	1,450	812	1,336	1,714	27	70	476	169	767	46	160	
1922.....	10,053	232,029	73,697	3,425	2,492	133,773	194,340	q 1,336	788	1,885	1,736	26	87	576	..	62	177	176	
1922—October	9,994	207,206	102,675	1,455	2,834	158,180	298,802	q 1,364	575	2,034	1,539	28	68	754	..	64	196	180	
Nov.....	11,734	270,673	130,797	2,329	3,410	156,972	237,493	q 1,364	708	2,034	1,551	34	68	734	..	64	196	180	
Dec.....	12,759	264,488	110,871	3,485	3,801	154,343	249,890	q 1,364	897	2,429	1,756	29	69	703	..	702	64	180	
1923—Jan.....	9,769	281,534	64,659	3,204	3,752	92,357	248,337	1,946	711	1,896	1,309	19	55	639	1,368	608	55	180	
Feb.....	12,813	306,838	57,656	5,850	2,464	121,066	250,714	1,240	898	2,490	1,096	11	51	590	1,469	770	55	180	
March.....	12,997	313,221	77,336	5,649	2,783	117,353	283,116	1,308	1,023	1,822	938	15	73	732	2,151	209	55	180	
April.....	8,769	294,835	53,642	5,208	2,429	146,207	219,796	1,546	857	1,853	1,029	19	89	642	1,336	236	50	177	
May.....	6,499	285,239	74,815	5,580	2,954	110,583	223,481	1,166	1,155	1,880	930	33	75	609	1,434	237	50	177	
June.....	6,166	287,885	93,751	4,980	1,641	109,605	194,059	1,367	1,094	1,793	890	16	64	608	1,667	143	50	177	
July.....	4,646	249,189	82,998	2,504	a 1,705	116,802	179,270	1,502	1,116	1,921	1,053	17	65	608	1,667	143	50	177	
Aug.....	4,631	226,112	80,205	1,710	a 2,607	..	287,495	1,512	1,020	1,645	1,075	24	105	703	1,600	139	63	185	
Sept.....	5,136	224,725	67,543	..	2,420	..	..	1,520	605	2,681	1,143	46	117	760	1,384	..	63	..	
Oct.....	10,921	255,500	70,124	..	2,686	136,000	..	1,481	564	2,170	..	44	..	849	..	..	..	..	

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 2.

Coal.—A correspondent writes:—In the coal industry both output and employment remain good. For the week ending December 1st 5,719,200 tons were raised, while for the three preceding weeks the figures were 5,726,300, 5,574,100, and 5,571,900 tons. Only on six occasions during the present year has the weekly output figure stood at less than 5 million tons, and at least four of these weeks have included public holidays. Employment has reached the peak figure of 1,181,400 wage-earners, which is a record for the industry. House coal has advanced in price from 1s to 2s per ton, owing to the recent spell of cold weather and the neglect on the part of the public to take advantage of the low prices ruling in the summer. Best qualities are in very active request, and it is anticipated that, should there be a severe winter, a shortage of such coal will ensue, and that prices will be further increased. Fog on land and rough weather at sea have been responsible for wagon shortage, and the consequent congestion of traffic between pit and ports. Another contributory factor to the shortage is the demand for extra facilities for dealing with the Christmas goods trade. The demand for manufacturing fuels is increasing slightly, especially in the heavy trades, although there is a disinclination to arrange contracts over long periods. Blast-furnace coke is not quite so strong as it has been recently, but the outlook is regarded as being brighter than for some time. Export business has been retarded by bad weather and a scarcity of vessels at many ports.

Engineering.—Among favourable aspects of the present situation may be cited: revived activity in ship-repairing on the Clyde, following the restoration of normal labour conditions; the extraordinary demand for wireless apparatus, from which the electrical industry is deriving much profit; and the reported placing of certain Japanese orders with Lancashire engineering concerns—though there is no indication that substantial amounts are involved as yet. On the other hand, progress is slow in many other sections, in many of which—the boiler trade, for instance—there is a good deal of leeway to be made up.

Cotton.—The prospects in the Lancashire cotton industry, states our Manchester correspondent, have been very adversely affected by the important developments in raw material prices during the past month. At the beginning of December there was a slump in values, and, as is usual in a falling market, buyers of yarn and cloth withdrew all offers. Since then violent fluctuations have occurred in futures, and it has been quite impossible to restore confidence. Everybody is now waiting for steadier conditions. The turnover in cloth has been distinctly smaller than in November, and there is a tendency for manufacturers to lose ground again. Spinners of American yarns have abandoned organised short time, which was in operation to the extent of 50 per cent. from March to the end of November. The Oldham Master Cotton Spinners' Association, however, has decided to recommend the members to close their mills for a full week at Christmas. Business in both American and Egyptian yarns at the moment is very slow, and numerous spinners are producing more than they are selling. The less favourable outlook is very largely due to events in the raw cotton markets of the world, and the feature of recent trading in futures has been extensive gambling by people outside the trade.

Wool.—Crossbred wool and tops continue to occupy the centre of the picture. Prices remained very firm in November, and large quantities of wool were disposed of in the markets. Yarn-makers evinced reluctance to advance quotations correspondingly, but, with the depletion of stocks based on cheaper raw material, prices for yarns advanced, though not to the same extent as those for wool. According to the *Journal of the Bradford Chamber of Commerce*, "the trade is passing through a period of lean margins." The export trade remains very satisfactory, Chinese demand being fully maintained, in spite of disorganised political conditions. The drapery and clothing trades are experiencing seasonal activity, which seems to be on a somewhat larger scale than last year's.

Hosiery and Lace.—Conditions are uneven, and, in spite of Christmas demands, the volume of production is not apparently as large as might have been expected some months ago. The busiest sections are those producing "fancy" goods.

Linen.—The outlook is brighter, with inquiries on a larger scale, though a good many works are still employed considerably below capacity. Belgian competitors seem to have their hands full at the moment, and Belfast houses are ready to benefit. Irish flax is in keen demand.

Chemicals.—As regards heavy chemicals, any movement there may be is towards slightly improved conditions. With the temporary elimination of Continental fine chemical supplies, the home industry has been markedly active, with prices firm.

Leather, Boot and Shoe.—The boot trade has been the gainer by the advent of wintry weather, and the loser, to some little extent, by the occurrence of the General Election, which upset retail trade in some areas. Export trade continues to expand.

Pottery.—The recent wave of activity appears now to have subsided, and quieter conditions are forecasted for some weeks ahead.

UNITED STATES OF AMERICA.

Conditions on the whole are much firmer than the somewhat irregular opening of the autumn "cycle" seemed to indicate. Towards rapid expansion there is no tendency whatever, nor are orders being placed far ahead. On the other hand, the volume of "short" orders is certainly not unsatisfactory, and the majority of plants are fairly busy, with no necessity for accumulating large stocks. Although iron production in November fell below 100,000 tons a day for the first time this year—a decline of 23 per cent. from the "peak" in May—prices are now steadier, and there is general expectation of a substantial recovery in demand early next year. Railroad buying continues to develop along favourable lines. Cotton production has increased, though it is still much below capacity. Satisfaction is expressed with the improvement on the agricultural side during the last three months, the average price of all crops having steadily risen. According to the Federal Reserve Board, basic production increased by 3 per cent. in October, wholesale trade by 7 per cent., retail by 6 per cent., and mail order business by no less than 47 per cent.—a reflection of greater farm prosperity. Steady conditions seem likely to continue well into the spring.

SOUTH AMERICA.

Argentine crops are in good condition, and cutting has commenced in the North. Chilean nitrate sales have lately been larger than in previous periods of the current year. The recovery in nitrate markets during 1923 is demonstrated by an increase of nearly 100 per cent. in Chilean Customs revenue in the first ten months of 1923, as compared with 1922. Brazilian trade on the whole continues slightly better, as evidenced by a small improvement in the exchange. Peruvian conditions are steady, but a fresh outbreak of revolutionary conditions in Mexico renders the immediate outlook uncertain.

THE BRITISH EMPIRE.

Canadian trade is more or less marking time. The excellent harvests of this year may certainly be expected to bring about increased demand from the prairie provinces before next summer, but as yet such demand is little in evidence. Prospects in the lumbering industry are good. Mining production has been considerably greater in 1923 than 1922, but that of manufactured goods slightly less. Reports from India—which has lately been importing gold very freely—are decidedly more hopeful, and the reviving confidence of importers is believed to be based on substantial demand in the interior of the country. Cotton prices have advanced, tea is firm, and though the jute cultivator has not obtained a very high price for his product this year, the jute industry is in a prosperous condition. As usual, climatic conditions in Australia show many contrasts. Western Australia and Tasmania have had good seasons, floods have occurred in parts of the country, while in pastoral areas of New South Wales and Queensland complaints have been heard this spring of inadequate rainfall. The general position is, however, much better than last year, and the maintenance of high wool prices is giving rise to much optimism. South African gold production in October was the largest for over ten years, and fell off to a small extent only in November. 1924 seems likely to open with brighter prospects for South Africa than did 1923.

EUROPE.

The German situation is slightly, but not materially, better. Comparative stability in prices has for a time been obtained, but production costs remain high. In occupied Germany profitable operation of the various plants is hampered by the heavy taxation charges contained in the French agreements, unsatisfactory communications, lack of raw and semi-finished materials in some cases, and the need for putting machinery and equipment into good order after lying idle for some time. French iron and steel production is forging ahead. The silk market is stagnant, and cotton unstable. As regards wool, Roubaix is active, but elsewhere a certain tendency to curtail production is noticeable. Belgian trade is quieter, the possible return of the Ruhr to the ranks of producer causing some amount of apprehension. Italian conditions remain fairly satisfactory. In Spain an attempt is being made to influence the Directory in the direction of increased protectionist duties, and a "nationalist" industrial policy generally. Swedish iron production has lately been steadily rising. Norwegian production is affected by uncertain labour conditions and high labour costs. Danish constructional industries are well employed. Unemployment in Austria has diminished during the last few months, and trade is brisker, though some industries are hampered owing to insufficient raw material supplies.

CHINA.

Chinese trade shows remarkable vitality in the face of distressing political conditions. The demand for Bradford goods has lately been considerable, and cotton piece goods have also been actively dealt in. Declared exports from Shanghai to the United States in the first nine months of this year exceeded those of the same period in 1922 by more than 20 per cent.

THE CASE FOR FREE TRADE

Supplement to the ECONOMIST.

SATURDAY, NOVEMBER 17, 1923.

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It is so long since the public gave serious thought to our fiscal policy that no apology is needed for restating the case for Free-trade in its simplest terms, and illustrating the underlying principles of foreign trade by the facts of recent experience. The arguments for Free-trade as contrasted with the policy of Trade Restriction are partly economic and partly political, and may be summarised under these heads:—

SUMMARY OF THE CASE.

ECONOMIC.

Foreign trade is the exchange of goods (or services) which a nation is better fitted to produce for those which it cannot produce so efficiently. It is, in effect, the result of international division of labour, analogous to division of labour between individuals. It leads to a greatly increased production, and is a benefit to both parties.

This exchange cannot be one-sided—that is to say, exports cannot continue without corresponding imports except as a loan, in which case the imports will come later, when the interest has to be paid.

Great Britain lives by exchange to a greater extent than any other great country. Normally, 30 per cent. in value of the goods and services produced in Great Britain are exported in exchange for imports. Indeed, the physical resources of these islands could not maintain a population of 47 millions in any other way.

Exports include not only merchandise, but also the work of the British mercantile marine, while the commercial activities of London are also among the most important of our exports, by means of which we buy our necessary imports. The prosperity of these activities depends now, as it has always depended, upon the maintenance of free markets.

To restrict imports means curtailing the ability of our customers overseas to purchase our goods and services. It would compel capital, enterprise, and labour now engaged in export business to try to find occupation in supplying the home market. Particular trades might benefit, but the total production of the country would be diminished, employment as a whole reduced, and the standard of living lowered.

The policy of Trade Restriction is therefore a policy of impoverishment. Under Free-trade, in spite of all the difficulties of the times, the standard of living in Great Britain is the highest in Europe.

These arguments are not rendered invalid by the disturbances resulting from the war. Events show:—

(1) That we have more than maintained our normal share of the world's overseas commerce by the comparative lowness of our cost of living (which has enabled us to reduce the real costs of production).

(2) That though the depreciation of currencies may exercise a disturbing effect on prices, and moment-

arily stimulate a country's exports, internal prices soon rise and the advantage in selling abroad disappears.

The tragedy of unemployment, however, remains, in consequence of the reduced volume of world trade and the small volume of commerce sailing the seas. This particularly affects shipping and shipbuilding. The greater part of unemployment is in export trades or those dependent upon shipping.

This, so far from being cured, would be aggravated by a restriction of imports. It is obviously impossible to transfer Labour and Capital from these trades to others without a great loss of efficiency, fixed capital, acquired skill, &c. We cannot mend the troubles of Lancashire by fostering the home output of lace, silks, cinema films, or even fine chemicals.

POLITICAL.

Imperial Preference is not of practical importance as a remedy for unemployment. The duties at present proposed by the Government are on unimportant commodities, and it is therefore idle to imagine that the scheme can cause a great expansion of Dominion markets for the benefit of Great Britain.

This Supplement can be obtained in pamphlet form from "The Economist" office, 3 Arundel Street, Strand. Price 3d.

Terms for Quantities by Arrangement.
(Ready Wednesday, November 21st.)

It is equally idle to suppose that the Dominions are prepared to see an enormous increase in their purchases of British manufactures. On the contrary, their tariffs are designed to create their own home industries. British goods have a preference in the colonies, it is true, but this means that while British goods pay, say, a 20 per cent. duty, others pay a 30 per cent. duty. The recent changes of colonial tariffs, even after allowing for the preferences granted, have meant a rising duty on British goods. In view of the determination of the Dominions to establish their own industries, the idea of "Free Trade Within the Empire" is outside the sphere of practical politics.

Recent statistics show that, in spite of these preferences, our exports to the Dominions remain the same proportion of our total export trade as in the decade before the war. On the other hand, the Dominions have been supplying us with an increasing proportion of our total imports.

The argument that while it is a good thing to have Free-trade, we can only attain it by putting on a tariff to use as a weapon to push down other people's tariffs is belied by history. The raising of tariffs provokes yet another layer of bricks on the tariff walls of neighbouring countries, and frequently leads to tariff wars. The history

of the last 30 or 40 years shows that we have been at least as successful as Protectionist countries in securing favourable terms for the entry of our goods.

A more hopeful method of lowering tariff walls is to use our diplomatic and financial position to encourage greater freedom of commerce in Europe, and to continue to serve as the chief inspiration of those sections of opinion abroad which are constantly striving, sometimes successfully, sometimes unsuccessfully, to modify the restrictive policies of their respective countries.

Indeed, it is only possible to develop a policy of political co-operation between nations if there is some degree of economic co-operation. Free Trade in economic affairs is the counterpart of the work of the League of Nations in political matters. They stand as a joint policy against the alternatives of Protection, competition in armaments, and aggressive nationalism.

These points are expanded and illustrated in the following pages.

THE BANKERS' MANIFESTO.

ONE of the best short summaries of the general case for Free Trade is to be found in the appeal of the great bankers of the City of London, issued in May, 1921. It reads as follows:—

"A hundred years ago, in a time of depression following a great war, the merchants of London presented to Parliament a memorable petition against the 'anti-commercial principles' of the restrictive system then in force. To-day, moved by the same anxieties, weighed down by far heavier taxation, and face to face with proposals intended to renew the restrictive methods of the past, we submit that it is essential to the revival of confidence that no legislative or administrative measures should be taken which would diminish the total output of British industry or check the free exchange of British goods.

"The burden of taxation can only be lightened if the necessity for public economy is resolutely faced. The present rate of national expenditure threatens to cripple the country's resources and to impair its credit abroad. In our judgment, it is more than the commercial community can bear, more than the capacity of the nation can afford, more than, were proper economies effected, the nation need be asked to sustain.

"The system of Government regulating trade by licences, controls, and departmental orders has, admittedly, however well intended, had in many cases unfortunate results. Political interference with the natural course of commerce without regard to economic laws invariably does mischief. British trade needs nothing so much for its recovery as freedom to deal with its own difficulties, to study and provide for its own interests, and to work out its own salvation.

"It is as true as it was a hundred years ago that foreign commerce conduces to the wealth and prosperity of a country by enabling it to import the commodities which other countries are best able to supply, and to export in payment those articles which from its own situation it is best adapted to produce: that freedom from restraint is calculated to give the utmost extension to foreign trade and the best direction to capital and industry: and that the maxim of buying in the cheapest market and selling in the dearest, which regulates every merchant in his individual dealings, is the best rule for the trade of the whole nation.

"The policy of trying to exclude the productions of other countries, with the well-meant design of encouraging our own, cannot increase the volume of commerce or the total volume of employment here. But it may well compel the consumers, who form the bulk of our population, to submit to privations in the quality or quantity of the goods they buy. The importation of foreign goods does not diminish the activities of our people, because such goods can only be paid for by the

produce of British capital and labour. The advocates of a restrictive system are too apt to lose sight of the elementary fact that nations, or rather individual members of nations, buy foreign goods because they need them, not to benefit others, but to benefit themselves, and pay for them by producing goods which the foreigner in his turn requires. We cannot limit imports into this country without limiting our export trade, and striking a grave blow at the world-wide commerce on which this island kingdom principally depends.

"Trade is exchange. No nation which lives by trading with others can prosper unless other nations prosper too. We hold to-day great stocks of goods. We are ready to manufacture more. There is a large and insistent demand for them abroad. But owing to the paralysis of Continental commerce—due in part to the restrictive barriers which the new States have set up between themselves—the would-be buyers of our goods have not the means to pay for what they want. We have to build up the market that we need by encouraging Continental nations to export to us. For it is only by exports that they can re-establish their credit and provide funds for the payment of their debts. In such a situation we believe that all expedients to control and hamper imports into this country, whether by licences, tariffs, or any other means, can only retard improvement in the Continental exchanges and prevent the natural recovery of trade. Legislation of this nature, while it may increase the profits of a few selected industries, cannot fail to check our output as a whole, and to increase the costs of production to a level which may make it increasingly difficult for British traders to compete successfully with others in the markets of the world.

"With party or political considerations we, as bankers, are not concerned. But in the interests of British industry and commerce, now menaced by anxieties which it would be a profound mistake to underrate, we desire to enter a respectful protest against every restrictive regulation of trade which tends to diminish the resources of the State.

C. S. ADDIS.

AVEBURY.

HENRY BELL.

R. H. BRAND.

E. C. BROWN.

CHALMERS.

L. E. CHALMERS.

L. CURRIE.

F. C. GOODENOUGH.

H. C. HAMBRO.

R. M. HOLLAND-MARTIN.

INCHCAPE.

F. HUTH JACKSON.

"London, May 12th, 1921."

R. M. KINDERSLEY.

H. S. KING.

WALTER LEAF.

JAMES LEIGH-WOOD.

F. C. LE MARCHANT.

R. McKENNA.

ALGERNON H. MILLS.

EDWARD PAUL.

J. BEAUMONT PEASE.

FELIX SCHUSTER.

J. HOPE SIMPSON.

J. H. TRITTON.

R. V. VASSAR-SMITH.

The signatories make an imposing array of the most weighty names in the City. In view of the fact that some among the leaders of the present tariff campaign pronounced tariffs to be "madness" only last year, but have changed their minds in the last twelve months, we have taken steps to ascertain whether the signatories of this Free Trade Appeal still adhere to the opinions therein expressed. Two of them have died since 1921 and some are temporarily absent from London, and the very short time available since immediate dissolution was announced has made it impossible for us to get in touch with all the remainder. But the Right Hon. R. McKenna answers our inquiry by saying:—"I do not withdraw. The Free Trade case as stated there has not changed." Lord Inchcape, Mr Henry Bell, and the Hon. R. H. Brand reaffirm their signatures to-day; Sir Charles Addis also reaffirms, and adds "more now than in 1921." Mr Beaumont Pease adheres to the general principle of the Manifesto. We have no doubt that these reaffirmations are representative of the general attitude not only of the signatories, but of the great majority of the commercial community of the City of London. This bankers' appeal was three months later specifically endorsed in a manifesto signed by a lengthy and comprehensive list of business men and business firms, including names representative of the great staple industries—cotton, wool, and other textiles, coal, iron, and steel, machinery and engineering, shipbuilding, chemicals, building, railways, shipping, and import and export trade.

HOW IMPORTS PAY FOR EXPORTS.

THIS manifesto is based on the axiom that every export must be paid for by an import, unless it takes the form of a loan, and even that must lead to compensating imports later on. But this balance is struck not merely by goods, but by all services which we do for customers overseas, including the use of our capital. This fact is illustrated for our own country in the following statement of the real trade balance of the United Kingdom for last year. The figures in it are those compiled by the Board of Trade. A similar computation made by the *Economist* last February showed results slightly less favourable to this country, but in presenting our case throughout this supplement we have decided to rely entirely upon official figures:—

The NATIONAL TRADE BALANCE-SHEET, 1922.

	Imports. Million £.	Exports. Million £.
Bullion	44	58
Merchandise	1,008	824
Interest on investments	25	200
Shipping Payments	30	140
Commissions †	..	30
Balance of miscellaneous services ..	..	10
Available for investment abroad ..	155	..
	1,262	1,262

* Interest payments on debt to U.S.A.

† Earned abroad by bankers, brokers, insurance companies, &c.

Some of these items may be puzzling to the layman. In the third line, "interest on investments," the £25 millions entered on the import side represent interest payments on the British debt to the United States, while the £200 millions entered under exports is the official estimate of the income derived from British investments in overseas countries. The item shipping payments also calls for explanation. The gross earnings of British shipping for 1922 is officially estimated at £140 millions. But certain deductions and additions have to be made to that figure. The cost of bunkers and stores purchased abroad, and other disbursements at foreign ports, have to be deducted, while similar payments in our home ports on account of foreign shipping have to be added, before the amount entering into the international balance of trade can be determined. On this account a sum of £30 millions is placed in the import column, as against the gross shipping earnings of £140 millions. The entry "commissions" denotes the earnings of bankers, brokers, insurance companies, &c., in transactions abroad. The final result of the balance-sheet is that our year's trade left us with £155 millions available for investment abroad, as compared with an official estimate of £138 millions in 1907, £153 millions in 1910, and £181 millions in 1913. The improvement in the volume of trade and the greater activity of shipping, to which reference is made elsewhere, lead to the expectation that the balance figure for 1923 will be higher.

RAW PRODUCE FOR MANUFACTURES.

THE greater part of our imports of merchandise consists of food and raw material; and even the goods classed by the Board of Trade as manufactures contain many that are the raw material of other industries. Indeed, in the figures for 1923, though it appears that the imports retained at home amounted to £191 millions in the first 10 months, there are included nearly £14 millions of copper, pig-lead, tin in blocks, and zinc (which are manufactured in the sense of having been smelted from their respective ores), £3½ millions for undressed hides, and £26 millions for petrol, lubricating oil, turpentine, &c. A close dissection of the returns would show that these instances could be multiplied. But, taking only the goods that we have specifically mentioned, and transferring these to the class of raw materials, we get the following statement of the classification of net imports and exports in the first ten months of this year:—

TRADE STATISTICS for 1923 to DATE.

	Net Imports.	Exports.
Food	397.8	35.2
Coal	..	84.5
Other raw material	239	25.7
Manufactures	148.7	482.6

This table, which shows the same sort of proportions as the figures for any other period that might be taken, brings out clearly that while there is a certain interchange

of manufactures, our essential food and raw material imports are mainly paid for by exports of coal and British manufactures, the balance being covered by the earnings of our commerce and mercantile marine.

IMPORTANCE OF BRITAIN'S EXPORTS.

THIS dependence on exports and on shipping for essential food and materials, is the outstanding fact of British economic life. Its extent is without parallel among the great nations of the world—indeed, as unique as is the density of our population per square mile of territory. Its significance, however, is not apparent from the figures given, and we have therefore invited Dr Bowley to make an examination of the relation between British exports and the total national income. It is, of course, obvious that most people are engaged in what may broadly be described as "home occupations." But Dr Bowley's estimate given in the pages of this week's *Economist* indicates that in 1913 "£600 millions income (30 per cent. of the aggregate of home-produced income) depended directly or indirectly on foreign trade." To-day the estimate is lower, the proportion being not much more than 25 per cent.

Looking at the question from another angle, the same investigator concludes that in 1913 rather more than half the expenditure of the average working-class family on food was spent on imported food—though, as part of the cost consisted of handling and transport on this side, the proportion of expenditure which went to imported food "at port of arrival" was 36 per cent. of the total. The figure for the present year is down to about 30 per cent.

Even these percentages, however, do not tell the whole story. With so large a proportion of the national income earned by foreign trade, a check to these activities reacts throughout the whole economic system, for the loss of income—which means loss of consuming power—by this great section of the community spreads its influence like the ripples in a pond throughout the home industries of the country. Unfortunately, a stimulus—artificial or otherwise—to these home trades cannot set the export industries going again. This can only be done by a recovery of exports, which, in turn, can only be achieved (a) by the revival of buying power on the part of our customers abroad, and (b) economical production on our part, which will enable us to secure an adequate proportion of the available trade.

The folly of supposing that any such substantial transfer could take place is evident, not merely from general figures, but from consideration of any of these main trades which constitute our main resources of purchasing power abroad. Thus in the case of cotton it was estimated that before the war 80 per cent. of the cloth produced by Lancashire was exported and 20 per cent. consumed at home. Production is now somewhere about 65 per cent. of machine capacity, and with home consumption not much changed as compared with ten years ago, the proportion sold in this country may have risen to 30 per cent. of the present restricted output, which still leaves 70 per cent. of present production for export.

Again, in the case of iron and steel, about one-half the production of the country is directly exported. About one-half the remainder is used in machinery, ships, and various other articles which are themselves exported. Thus some 75 per cent. of the output goes abroad, directly or indirectly.

Or again, if we take the coal trade, which has to supply all our varied domestic needs for warmth, light, and power out of a production which is at present at the rate of 276,000,000 tons a year, 100,000,000 tons is exported (including coal used in ships' bunkers); but a further 40,000,000 tons of the amount consumed at home is used by the iron and steel industry, which, as we have seen, exported 75 per cent. of its produce. A large proportion of the remainder is for other industries engaged in export, while actual domestic consumption accounts for about 40,000,000 tons. It is perfectly evident that the minor industries which might be fostered by a tariff could not possibly provide for the coal trade an alternative market to the main coal-using industries dependent upon export.

Finally there remains the case of shipping, which, as we

have shown, contributed last year £110,000,000 net to the national income. It is clear that if every country in the world were to follow the principle of making itself self-supporting by a policy of trade restriction our shipping would disappear. British ship-owners have always recognised that their welfare depends upon the exchange of goods between nations being as large as possible. In a recent memorial by the Chamber of Shipping in connection with the Colonial Conference, it was pointed out that even though a preference be given, the fact that the colonies retain tariffs against us reduces our commerce with them, and if we impose duties for whatever purpose it also will limit the amount of goods to be carried at sea. Moreover, to the ship-owning community the carriage of coal is of the utmost importance, but this is not to any considerable extent sold to the dominions. "So long as the tariff policy of the Dominions is based on the protection of their home industries, neither our purchasing power nor the total volume of our inward cargoes could be increased by the preference we gave; whilst, on the other hand, the difficulty of selling our coal, which forms 80 per cent. of our outward cargoes, would be increased to the extent to which we ceased to accept in exchange food and raw materials from the countries which were ready and willing to buy our coal."

IMPORTS AND UNEMPLOYMENT.

THE Prime Minister, however, ignoring the teaching of economic science, the opinion of the leaders of the business world, and the evidence of facts that imports are the means by which our customers pay for our exports, believes that unemployment can be cured by restricting imports. It is, therefore, relevant to analyse our imports, and to see what connection they have with unemployment. In order to avoid the appearance of arguing from ancient history, we have taken the latest available figures—those for the first ten months of 1923, and set them class by class with their corresponding exports, those classes in which we import more than we export being printed in italics:—

IMPORTS AND EXPORTS OF ARTICLES "MAINLY OR WHOLLY MANUFACTURED," January to October, 1923.

	Imports (Less Re-exports). Mln. £.	Exports. Mln. £.
Coke.....	8.3	8.3
Glass.....	6.2	10.1
Iron and steel.....	11.3	62.3
<i>Non-ferrous metals.....</i>	<i>18.1</i>	<i>12.2</i>
Cutlery.....	4.7	6.1
Electrical goods.....	1.8	6.9
Machinery.....	6.8	37.4
Wood and timber.....	3.5	1.5
Cotton goods.....	5.6	148.9
Woollen goods.....	8.5	53.1
<i>Silk goods.....</i>	<i>15.8</i>	<i>1.7</i>
Other textiles.....	9.8	19.8
Apparel.....	13.3	22.1
Chemicals.....	10.1	21.4
<i>Oils, fats, &c.....</i>	<i>27.0</i>	<i>5.7</i>
<i>Leather and manufactures.....</i>	<i>8.7</i>	<i>4.7</i>
<i>Paper, &c.....</i>	<i>10.7</i>	<i>7.1</i>
Vehicles.....	5.6	24.0
Rubber manufactures.....	3.9	4.4
Miscellaneous.....	19.4	25.2
Total.....	191.1	482.6

There are 14 groups in which exports exceed imports, the exports amounting to £450 millions, against imports of £107 millions. The classes are coke, earthenware, glass, &c., iron and steel and manufactures, cutlery, electrical goods, machinery, cotton and woollen goods, other textiles, apparel, chemicals, vehicles, rubber manufactures, and miscellaneous manufactures. To this list we must add coal and shipping as industries mainly or entirely dependent upon export. In the six groups in which imports predominate, the figures are, exports £32.8 millions, and imports £83.8 millions. But as already pointed out, the latter figures include £13.8 millions in respect of non-ferrous metals in a non-fabricated condition, and £27 millions in respect of oils, &c., which we cannot produce at home. The seven groups are non-ferrous metals, wood and timber, silk goods, oils, fats, &c. Leather and manufactures thereof, and paper and cardboard. These figures

may be compared with the numbers returned as unemployed. The Ministry of Labour's schedule is not entirely comparable with that of the trade figures, but we have arranged the figures in a number of groups. The first roughly corresponds with the trades which are primarily export trades; the second is a group of purely home industries; a third corresponds with trades in which there is a preponderance of imports, while the fourth are difficult to classify.

NUMBERS UNEMPLOYED at the END of SEPTEMBER, 1923.	
Trades in which there is a Preponderance of Exports.	Home Industries.
Shipbuilding and ship repairing.....	Building.....
Coal mining.....	Public works, &c.....
Iron and steel.....	Hotel, &c., services.....
Engineering.....	Commercial, &c.....
Electrical trades.....	Rail and road transport.....
Cutlery.....	Canals, docks, and storage.....
Cotton.....	Printing and publishing.....
Woollen.....	Bread and biscuit making.....
Other textiles.....	Distribution trades.....
Chemicals.....	Government.....
Rubber.....	Gas, water, &c.....
Earthenware, glass, &c.....	Professional and entertainment.....
Shipping service.....	
698,337	395,018

Trades in which there is a Preponderance of Imports.	
Non-ferrous metals.....	35,311
Woodworking.....	20,951
Silk goods.....	3,586
Oils, grease, &c.....	6,571
Leather goods.....	7,938
Paper, &c.....	9,405
	83,762

Total unemployed..... 1,344,667

Thus, other trades account for a balance of 167,550 unemployed, including motor vehicle and aircraft construction, 23,662, tailoring, dressmaking, &c., 57,574, tobacco and cigarette manufacture, 3,074, food and drink industries, 25,486.

The classification we have made is admittedly a rough one. But unemployment in the trades in the first group is overwhelmingly due to the lack of foreign markets, and not to foreign competition, and there is no prospect of improving employment by enlarging the demand at home. Professor Bowley, in the *Economist* of November 17th, asserts that "nearly half the existing unemployment may be attributed directly to failure of exports." On the other hand, the existence of bad trade in these branches means reduced demand in what may properly be called internal occupations, which are equally not subject to the influence of foreign competition. The general conclusion is plain. A reduction in unemployment can only be achieved by an expansion in the export trades. Our exports can only be expanded by encouraging our customers to send us goods in payment for them. At present the volume of imports is much below the pre-war level, and the imposition of tariffs can obviously only work in the direction of checking the inflow of goods, thereby definitely killing all hope of improving the volume of our export trade, from which, as we have shown, the employment position so largely depends. **Our trouble is that we have not enough imports.**

No Free-trader will deny that Protection may benefit a particular trade. But this benefit is obtained only so long as the Protection is not applied all round, and is only secured at the expense of the nation as a whole. **The controversy between the two fiscal systems is in short between those who see no farther than the immediate interest of the particular section they are considering, and those who are primarily concerned with the general well-being.** The case is well illustrated by the example of the British motoring industry to-day. Many seem to think that this is an example of successful Protection. The simple fact is that motoring would be substantially cheaper if the duty on cars were removed, and though British makers would have very severe competition to meet the great strides that have been made since the war in applying large scale methods to the motor industry by certain leading firms should enable them to hold their own. But this is only a part of the argument. The popularisation of the motor car in recent years has not made nearly such strides in Great Britain as in some other

countries, notably in the United States and Canada, where motoring has been cheapened not by Protection, but by efficient mass production and by cheap petrol. With a car costing £60, and petrol at sevenpence a gallon, outside of large American factories you will see vast parks, not of bicycles, but of workers' cars. As motoring is cheapened in Great Britain, a similar development will occur, and even if no cars were originally built here, the volume of employment in looking after and repairing the cars and in developing our roads would be immense.

No manufacturer enjoys competition, but in economics, as in nature, efficiency and strength follow from competition and the struggle for existence. Under the stress of competition, those who make goods for sale have to use their best wits and energy to turn them out good and cheap. Restrict competition, and we invite them to be less keen and efficient. The proof of the pudding is already to be tasted in the eating. Dyes are protected by the wisdom of our rulers, and ladies complain that the dye of their gloves comes off on to their hands. The writer of these lines owns a hat with a band that was black when he bought it, but after a week or two's wear was decorated with a wavy edging of dirty white. The shopkeeper who sold it, when this unconvenanted benefit was pointed out to him, expressed regret politely, and explained that it was due to the use of British dye. No one believes that our dye makers could not, if they liked, produce a dye that would stand weather; but being comfortably esconced behind a wall of Protection they naturally, human nature being what it is, sell us stuff that we would not have been seen out in when we enjoyed the blessings of Free Trade. Perhaps Mr Baldwin hopes to cure unemployment by making us buy a new hat every week, but this expensive system seems likely to check our demand for other kinds of goods. Under Protection we are treated to bad and slovenly workmanship, offered at most unattractive prices, and we can take it or leave it. In Free Trade days the best goods of all countries came to the English market, and British producers sold the best that they could produce.

THE CANDLE-MAKERS' PETITION.

BASTIAT'S parody of the Protective fallacy may be *vieux jeu*, but so is Protection; and if our rulers propose to feed us on mildewed straw, as Mr Lloyd George pleasantly put it, we have the right to answer them with logic that is as old as their effort, and likely to be much more effective. Bastiat, then, in his *Sophismes Economiques*, translated and published under the title "Fallacies of Protection" (Cassell and Co.), gives a petition to the Chamber of Deputies, alleged to have been presented by the Manufacturers of Candles, Wax Lights, Lamps, Candlesticks, Snuffers, and of the Producers of Oil, Tallow, Resin, Alcohol, and generally of Everything connected with Lighting. This petition complains of the intolerable competition of a foreign rival who "absolutely inundates our national market" with light at a fabulously reduced price. This rival is the sun, and the petitioners pray for the exclusion of sunshine by the shutting up of all openings, holes, clefts, or fissures by which it enters houses. The petitioners show that if this is done all forms of French production will be encouraged. More tallow consumed will mean more oxen and sheep, and there will be multiplication of meadows, meat, wool, hides, and above all, manure—the basis and foundation of agricultural wealth. Navigation is to hum; thousands of vessels will proceed to the whale fishery, and France will rejoice in a navy capable of maintaining her honour. "Only have the goodness to reflect, gentlemen, and you will be convinced that there is, perhaps, no Frenchman, from the wealthy coalmaster to the humblest vendor of lucifer matches, whose lot will not be ameliorated by the success of this our petition." This parody is nearly 80 years old, but it is an amazingly close echo of Protectionist bleatings of to-day.

DEPRECIATED CURRENCIES AND FOREIGN COMPETITION.

THE reader may perhaps find it difficult to accept our demonstration that unemployment is primarily due to depression in our export industries and to the reaction which this depression has upon home trade, rather than to a flood of imports, for, in view of the depreciation of all European currencies, it is commonly assumed that a depreciated currency gives a great advantage to exporters. This is only partially true. When the currency is depreciating, prices inside the country rise less rapidly than the fall in the value of money, and wages move upwards still more slowly. The producer who sells in foreign currency gets a much larger margin of profit than usual, and can afford to under-sell other producers. The chief of these advantages is, of course, the low real wages of his workpeople. But as soon as the prices of raw materials, wages, and costs generally rise sufficiently to counter-balance the depreciation of money his advantage goes, and far from being in a favourable position, he is faced with a series of handicaps owing to the internal disorganisation and the lowered efficiency of labour while real wages were low, and the general insecurity of credit. Hence, although many have foretold that the depreciation of German currency would lead to a flooding of the world's market, and particularly of the great open market of Britain, this has not yet come. For what published figures are worth, they show that the highest monthly average attained in any year since the Armistice was 1,796,000 tons, as compared with 6,143,000 tons before the war. Since, however, some Reparations coal appears to be left out of the post-Armistice figure, it is safer to leave coal out altogether, when we find that the comparison is between 1,259,000 tons in 1922 and 2,455,000 tons in 1913. On the other hand, surprising though it may seem, Europe has of necessity been compelled to buy largely from Great Britain. In order to bring the figures right up to date, we have taken only the first nine months of each calendar year. On this basis, the figures are as follows:—

	Imports from Europe. Mln. £.	Exports to Europe. Mln. £.
Jan. to Sept.		
1914.....	209.8	122.1
1921.....	236.8	166.9
1922.....	218.2	197.2
1923.....	256.5	199.2

Thus while imports from Europe are up 22½ per cent., exports are up by about 63 per cent. Facts are even more striking if we take corresponding figures for France and Germany:—

	France.		Germany.	
	Imports From. Mln. £.	Exports To. Mln. £.	Imports From. Mln. £.	Exports To. Mln. £.
Jan. to Sept.				
1914.....	33.0	20.3	47.2	24.5
1921.....	44.7	35.6	15.6	12.3
1922.....	38.7	42.3	18.7	24.4
1923.....	47.7	43.5	25.5	33.0

In the case of France, our exports have more than doubled, but imports are only up 50 per cent. In the case of Germany the normal adverse balance of pre-war days has been converted into a large balance on the other side. These exports have been paid for partly by those people who were foolish enough to throw their money away by investing in marks, partly by those wiser people who made their investments in Germany in real estate, and partly by the disposal of the remains of German capital abroad.

It would, of course, be foolish to pretend that foreign competition has not been a disturbing element in the recent trade situation. The import of foreign goods has been fitful and often at prices which have caused a sudden break in confidence here, and because of the hesitating and uncertain outlook in the commercial world it has played a part quite disproportionate to its volume. The most striking illustration of the nervousness in trade circles is that of the woollen trade, but the figures of which are so remarkable that they are worth repeating:—

TRADE in WORSTED and WOOLLEN TISSUES (in Million Sq. Yds.).

	Imports Retained at Home.	Exports.
Full year— 1913	76	220
Full years— Average of 1920, 1921, and 1922 ..	9.9	189
1923—First quarter	4.5	54
Second quarter	4.3	48
Third quarter	6.3	57
Nine months' total	15.1	159

The trouble with the wool trade is not that French goods are being sold in great volume instead of British goods in this country, for the above figures show that imports of foreign woollen goods are now only a fraction of the pre-war volume. The difficulty is that home demand is small and the market in certain particular lines easily upset by a few imports.

In this connection it is an interesting fact that though several complaints of alleged dumping have been made, only one has reached the stage of an inquiry under the Safeguarding of Industries Act, and in this case no Order was made. As for the provision of the Act to meet cases of competition from countries with depreciated currencies, in connection with which two Orders have been made, the fact is that when the depreciation is in an acute phase a duty not of 30 per cent., but of 300 per cent. is needed, while perhaps a week later the passing advantage will have disappeared. Australia, with a truer realisation of the constantly changing character of depreciation, invented a sliding scale, under which the rate of duty varies according to the percentage by which the mark or franc, or whatever the currency may be, is below par. The futility of the whole proceeding is, however, illustrated by the fact that the schedule of the Australian Act only runs in the case of Germany from the normal 20 marks to the £ to 240 marks to the £, after which the duty is a flat rate. The rate to-day is—within a mark or two—20,000,000,000,000 to the £. If it were true that the depreciation of the mark were a bonus on exports to the whole extent of the depreciation, the scheme might have something to be said for it, though it would be as useful as building a garden fence to keep out a tidal wave. But this and all such schemes are based on a false assumption, and ignore the fact that the bonus on export only exists when the depreciation is actually occurring, and even then is subject to counteracting disadvantages. Moreover, when depreciation proceeds so far that confidence in the national currency itself is lost, home prices tend to rise even above the world level, as has frequently been the case in Germany recently. In any case, after the experience of the last few years, the transitory nature of the advantages of a falling currency is fully realised, and is generally discounted in advance.

THE DIFFICULTY OF DIVERTING TRADE.

WHILE the statistics show that currency depreciation abroad has had a much smaller effect on trade than has often been expected, the figures have in them a lesson which is no less significant, namely, that the cataclysm of the war which is said by protagonists of the trade restriction policy to have created an entirely new world situation, has left the distribution of British foreign commerce practically unchanged.

The issue of the *Board of Trade Journal* of November 8th shows the distribution of our overseas trade by groups of countries in the form of percentages of imports and British exports from various sources for the year 1913 and for the twelve months ended September 30, 1923:—

	Imports.		British Exports.	
	Year 1913.	Oct., 1922, to Sept., 1923.	Year 1913.	Oct., 1922, to Sept., 1923.
Europe	40.4	33.2	34.4	54.2
United States	18.4	19.6	5.6	8.0
South and Central America	10.0	10.8	10.6	8.8
British India	6.3	6.0	13.4	12.2
Self-governing Dominions	13.3	16.3	17.5	18.0
Other British countries (except Hong Kong)	5.3	5.3	5.4	5.7
Other countries	6.3	8.8	13.1	13.1

The decline of European productive power is illustrated by the reduced percentages of our imports from the Continent, but is primarily to be accounted for by the fact that Russia has dropped out of the running. The gap has been filled by the United States, the British Dominions, and some other foreign countries. But apart from this substitution the changes in proportion are astonishingly small.

The lesson of these facts is clear. The commerce of the world has become so complex and interwoven that any interruption or break in the circle on one point reacts right round the globe. This interdependence was well illustrated last January by Mr McKenna in his address to the City and Midland Bank shareholders, in which he analysed for the year 1913 the trade of England, India, and Germany. In that year, he pointed out, the United Kingdom sold to India goods of the value of £70 millions, and we received from her goods valued at £36 millions—leaving an export excess of £34 millions. In the same year our exports to Germany were valued at £41 millions, and our imports from that country at £76 millions—leaving an import excess of £35 millions. "If for the purpose of foreign trade we were to take India and Germany together as one group, then in dealing with this group our imports and exports in 1913 almost balanced. It was only an accident that there was this close approximation, but we were certain to find some approach towards equality. Looking at the figures of trade between India and Germany in that year, we see that India's exports to Germany were £27 millions and her imports from that country only £7 millions. India had an excess of exports to Germany of £20 millions, and the surplus she thus obtained provided her with the means of paying for British goods." An examination of the whole of our external trade would reveal a similar interdependence of nations.

The moral is clear. The causes affecting our foreign trade are too deep-seated to permit of any hasty diversion of their normal channels. It is as futile to suppose that export industries which have lost their market in this or that country can simply send their goods elsewhere, as it is to hope that we can find an outlet for their produce at home. Unless we are to have a radical alteration of our whole economic system, involving years of dislocation and alteration of our productive processes, the cure for our present difficulty is to be found in the steady increase in the total of the world's commerce, and by the encouragement here of economic and cheap production, which will enable us to retain, and even to enlarge, our proportion of the total.

BRITAIN GAINING GROUND.

FORTUNATELY there is evidence that this is happening. A month ago Mr McKenna made the following statement in a speech at Belfast:—"I have had prepared a statement of the export trade of the United Kingdom for the ten years from 1903 to 1912, and a statement of the total export trade during the same period of 39 countries, including Dominions and all the principal countries of the world in which regular statistics of trade are published. We may fairly speak of the exports of these 39 countries as world exports.

"During these ten years the British proportion of the world's export trade remained fairly constant. The lowest percentage was 13.8, the highest 15.5. In the first year, 1903, the total of world exports was valued at £2,110 millions, and the share of the United Kingdom was 13.8 per cent. In the last year of the period world exports had risen to £3,521 millions, and the share of the United Kingdom was 13.8 per cent. Thus, while world exports increased £1,400 millions in value, the United Kingdom year by year received its due share of the increase, and, as the prosperity of the world grew, the prosperity of the United Kingdom grew with it. We had our rivals and competitors during the whole of this period, but we never failed to get our full proportion of the world's trade.

"Here I have given you an account of the growth of our trade during the last pre-war years. Now I ask you to look at the post-war figures of our exports, and again to compare them with world exports. In 1920 our exports were 18.1 per cent. of the total; in 1921, owing to the

protracted coal strike, they fell to 16.2 per cent.; but in 1922 they rose again to 17.3 per cent. I do not give you the actual figures, but only the percentage relation of one set to the other, because the immense rise in prices in 1920 and the subsequent fall vitiate for comparative purposes all figures of foreign trade measured in values. Here we see that our proportion of the export trade of the world had risen from 13.8 per cent. in 1912 to 17.3 per cent. in 1922. The havoc in several of the manufacturing countries of Europe and the crippling of some of our rivals were accompanied by an increase in our proportion of the world's exports from 13.8 to 17.3 per cent."

These figures are encouraging. Even though the trade of the world is handicapped by the chaos in Central Europe, by the disappearance of Russia, and by the political break-up of China, the volume of the world's trade is slowly rising, and all indices of trade condition show improvement in Great Britain. The case of the trade restrictionists must make its appeal by taking a pessimistic view of the future of British trade. But the following series of representative figures show that in the last three years considerable progress has been made:—

IMPROVED TRADE INDICATIONS, 1921-23.

	Period Covered.	Unit.	1921.	1922.	1923.
Production—	Monthly Average	Thou. Metric Tons.	13,822	21,235	23,359
Coal	"	"	222	415	634
Pig-iron	"	"	314	494	720
Steel ingots and castings	"	"	"	"	"
Imports of Raw Materials—	10 Months' Total.	Thousand Centals.	8,113	10,436	8,799
Raw cotton	"	"	6,098	9,751	6,451
Sheep & lambs' wool	"	Thousand cwt.	68,759	78,994	83,249
Imports of wheat	"	Thousand tons	16,757	51,673	66,906
Coal	"	"	81	466	631
Pig-iron	"	"	"	"	"
Total iron & steel manufactures thereof	"	Million lbs.	1,302	2,688	3,570
Cotton yarns	"	Million sq. yards	2,209	3,422	3,469
" piece goods	"	"	63	99	124
Woollen tissues	"	"	"	"	"
Vol. of Overseas Trade (% of 1913)	July-September	"	78.6	86.9	92.1
Imports	"	"	46.4	69.9	80.7
Exports	"	"	"	"	"
Shipping Movements—	Total 10 months	Thousand tons	30,920	35,837	42,089
Entrd. U.K. ports with cargoes	"	"	28,447	48,873	59,123
Cleared ditto	"	"	"	"	"
Industrial Profits—	Reports published July-September.	Thousand £.	"	10,469	17,317
203 companies (with paid-up capital nearly £200,000,000, of which—	"	"	"	315	1,015
14 iron and steel companies	"	"	"	1,090	2,886
11 textile	"	"	"	666	820
6 shipping	"	"	"	"	"
Security Values—	Bankers' Magazine Index No.	Per cent. of value at December, 1921	100	113.2	115.5
Quotations for 365 representative securities	"	"	"	100	111.0
87 fixed interest securities	"	"	"	100	111.0
278 variable dividend securities (industries, railways, &c.)	"	"	"	100	117.0
Unemployment—	Percentage of persons unemployed under State insurance scheme	Per cent. of total workers	16.2	12.2	11.4
Cost of Living—	Retail prices, &c., in 630 localities	July, 1914 = 100	222	181	175
Ministry of Labour's Index Number	"	"	"	"	"
Railroad Transport—	Great Britain, first six months each year	Millions of net ton-miles	"	8,701	9,061
Total merchandise & mineral traffic	"	"	"	"	"

* Includes also due proportion of claimants to benefit in respect of short time.

These figures refer to calendar years. A similar trend is shown if we take the statistics of the last few months.

BRITISH EXPORTS.

	July.	August.	Sept.	October.
Coal	6,767,255	6,580,410	6,316,396	7,432,868
Iron and steel manufactures	307,670	323,877	333,985	388,599
Cotton yarns	9,514,400	12,802,800	11,987,100	14,733,500
Cotton piece goods	316,083,600	329,945,600	344,318,800	371,289,700
Woollen tissues	14,625,200	14,014,100	13,688,700	12,119,900
Worsted tissues	5,611,400	5,002,300	4,302,700	4,256,700

In the case of woollen and worsted tissues alone do the figures show a declining tendency, the reasons for which are referred to elsewhere in this Supplement.

The official figures of shipping engaged in the overseas trade show an expanding tendency, as will be seen below:—

	July.	August.	September.	October.
Entered	4,627,724	4,529,402	4,366,689	4,798,412
Cleared	5,539,837	6,047,339	6,079,990	6,534,479

Even unemployment has shown less increase than was predicted for the autumn. The percentage of unemployed among all workers coming under the Unemployment Insurance Act was 11.4 at September 24th, as compared with 11.1 at the end of June, the trade union percentage having in the same period risen rather less—namely, from 11.1 to 11.3. The latest tendency is not in the direction of further decline.

Coal output is maintained at a high level, well up to that of the pre-war period, while steel production (ingots and castings) rose from 639,500 tons in August to 702,100 tons in October. This latter figure, though still below the highest output since the war, compares with a pre-war monthly average of only 639,000 tons.

Lancashire spinning spindles, which for several months have been working at 65 per cent. of capacity, have during the last few days increased their production to 70 per cent. of the maximum.

THE MORAL.

THE conclusion from the facts is simple, and has never been better expressed than by Mr Austen Chamberlain in a speech made last year, in which, after expressing his satisfaction that in cases where duties were levied by this country we gave a preference to the colonies, he added the following words:—

"But I say to you, also, that it would seem to me perfect madness to think that in a world so altered from that in which we were acting in before the war—in a world where what you want is not to defend yourself against competition, but to find anyone who is in a position to purchase your goods, and to place orders with you—and with a country that has smarted, and very naturally smarted, under the evil effects of those Government controls and interferences in industry unavoidable in war, but proved a great source of difficulty to us both in their existence, and in the necessity to get rid of them since the war concluded—in such a world and in such a country to go out with the old programme of Tariff Reform at this time seems to me perfect madness."

THE INTEREST OF THE CITY.

A GLANCE at the Stock Exchange Official List, crammed with securities of all climes and countries, should be a sufficient argument to convince any open-minded person who doubts as to whether Free-trade is good for the City, and his conviction would be still more emphatically confirmed if he could turn over the contents of the portfolios of the discount houses. The City maintains its great population with a standard of prosperity that is the envy of humbler centres, because its bankers, financiers, accepting houses, discount houses, produce merchants, and all the subsidiary industries that live on them have assisted in the financing of world development, world production, and world trade. British capital has been poured out all over the globe, increasing its productive power, and British credit supplies all the world, through our acceptance and discount machinery, with unrivalled facilities for financing the period between production in one part of the earth with consumption in another. Any restriction on the free passage of goods between one country and another, and especially across the borders of Great Britain, the great *entrepôt* of international trade, tends at the same time to restrict the profits of the City, which earns so much of its livelihood from the free movement of goods and of capital and of credit. The City's inhabitants, being an eminently patriotic and free-handed community, would, no doubt, be ready enough to run some risk of lessened profit if they were convinced that trade restriction could really

be a cure for unemployment. On that score they will be very fully satisfied, by other pages of this *Economist*, that trade barriers as a cure for unemployment are as useful as a blocked road for the furtherance of locomotion. This doubt once settled, and the interests of the City left free to exercise their full influence, their weight will be wholly on the side of Free-trade. London's business has been built on international trade and the international connections, in finance and credit, that trade has brought with it. **To lend money to all the world and then try to restrict our imports is to invite all our debtors to repudiate their obligations, by making it difficult and expensive for them to pay their debts by the only means by which international debts can finally be paid, namely, by the delivery of goods and services.** For the present it is understood that we only propose to tax manufactured articles, and so all those to whom we have lent money to produce food and materials will not, at first sight, be directly affected. But the manufacturers, shut out of our market, will, if the proposed tariff be at all effective, be less eager buyers of food and material, and examples have lately been plentiful that show how trade dislocation, wherever it may be, has an effect that spreads in widening circles and makes itself felt in most unlikely places. British investors and financiers having given hostages to fortune by lending money all over the world would indeed be blind to their interests if they favoured any policy that restricted the paying and purchasing power of the customers whose solvency affects their own prosperity so closely. In fact, the interests of the City are so international, that this country has been accused of following a bankers' and financiers' policy in allowing borrowers to come here for money and leaving them free to spend it wherever they like. It is true that is a bankers' policy, because our international banking has often got financial business in competition with foreign centres owing to the absence of restrictions on the spending of the money lent. But bankers are not so shortsighted as to favour a policy which would be bad for British trade and their home customers, and in practical fact we cannot lend money abroad without stimulating our exports. There is no need to restrict borrowers in this respect, because when they borrow in London they, or somebody else to whom they hand the credit on, can only take the proceeds in British goods and services. As the City editor of the *Times* aptly observed in discussing this question lately, we lend British legal tender, and it can only, ultimately, be spent in Great Britain. **By restricting the movement of British capital we increase unemployment by restricting British trade. By restricting foreign trade we do likewise, and tariff tinkering can only have the effect of leaving the City with fewer loans to float, fewer securities to deal in, and fewer bills to accept and discount.**

THE CASE OF AGRICULTURE.

THE case of agriculture is the simplest example of the advantage to this country of international exchange, for by selling manufactures or by performing services we can get food much cheaper—that is to say, by a less expenditure of labour and capital, than if we tried to grow it all ourselves. Every commodity could, of course, be produced in Great Britain with a sufficient expenditure of human effort, but we could only make ourselves self-supporting at a ridiculously high cost of labour. In practice the Protectionist argument is that we should grow a little more food at home. This result may be achieved either by tariffs or by subsidies. The tariff method would impose a tax upon four-fifths of our wheat supplies for the benefit of the remaining fifth. Such a tax would certainly bring revenue to the Exchequer, but to put a duty upon the most necessary means of livelihood would be the negation of the first principle of taxation, namely, that taxes should be imposed in proportion to the taxpayer's ability to pay. The Government has, however, fought shy of a tax on food for self-evident reasons. But it could not leave the matter there. For to impose a tariff which would raise the price of manufactures, and leave agriculture alone, would emphasise in too blatant a manner the weakness of all tariffs, mainly that they benefit one section at the expense of another.

Agriculturists do best when prices of food and raw materials are high, and prices of all other commodities and particularly of manufacturers, are low. At the moment all over the world the opposite of this is the case, agricultural products being cheap, and other goods proportionately dearer. The conflict of interest between agriculturists and manufacturers has reached its climax in the United States. A recent writer in the *Round Table* describes the revolt of the middle-west owing to "the greatly reduced purchasing power of the farmers, who comprise about one-third of our population caused by a decline of prices of farm products to below the pre-war level, while prices of most other things remain from 50 to 100 per cent. above pre-war level." And again, "those who now persuasively plead with him that his state cannot be improved by Act of Congress, told him in 1921 that it could, when the Tariff Act was passed. Effective duties were imposed to protect the manufacturer, and these duties raised the price of the commodities which the farmer had to buy. Ineffective duties were imposed on inconsiderable agricultural imports which, he was assured, would keep the price of his grain at a level with the increased cost of his requirements. In spite of these duties, the bottom has fallen out of the wheat market. And when the representatives of the farmers' interests demand in radical and rebellious language that their grievance must be seriously attended to they mean that they have been fooled for the last time."

Agriculturalists might therefore be expected to resist to the utmost Mr Baldwin's tariff proposals, unless they could get some counteracting benefit. And here we may observe that the agricultural claim is not merely that it may be enabled to keep its end up as against the industrial population, but should itself be given special privileges for two reasons, both of which seem to us unsound. They are that we need to expand our home-grown food supply because of possible dangers in war-time, and the other is that the agricultural population contributes most to the nation's physique.

The war-time argument assumes that this country can be isolated more completely than in the late war. But by what possible enemy? Moreover, modern war is a very complex affair. If Great Britain were cut off from overseas supplies, what of our essential imports of iron ore, copper, nitrates for explosives, &c.? The late war confirmed in a most striking way the lesson of previous wars; namely, that it is imperative to our existence that our ships should keep the seas, and if we cannot do this we cannot hold out. We should be surprised to learn that the views held before 1914 by the Royal Commission on Supplies in Time of War and the Committee of Imperial Defence have been modified by subsequent events.

As to the argument from physique, the unsatisfactory physical conditions of our urban population are not a necessary consequence of industrial employment, but due to the bad conditions of our towns and factories. There is no reason why the industrial worker in properly planned factories, with a garden attached to his house, should not be physically as fit as the agricultural labourer. His mental equipment is likely to be greatly superior.

But if the price of manufactures is to be raised by a general tariff, the agriculturalist will undoubtedly have a grievance, which the Government proposes to solace by a subsidy, the funds for which are to be raised by the revenue from the general tariff. But the object of the tariff is to keep out imports, for unless it does this, it will not increase employment in this country, even in the protected trades; if it succeeds in keeping out imports, it will not yield revenue. In practice, unless the tariff is made very high, it will probably fail of its object, and the goods will be imported in spite of the tariff, for our manufactured imports are mostly goods for which there is a special market. In any case, the public will pay the subsidy. **For if the tariff proves to be revenue-producing, the public will pay in increased prices. If not, the taxpayer must find the subsidy from an increase in existing taxation. If we insist on producing the necessities of life at home at greater cost than if we bought them abroad, there is no device which can prevent the added cost being a burden on the resources of the community.**